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1933

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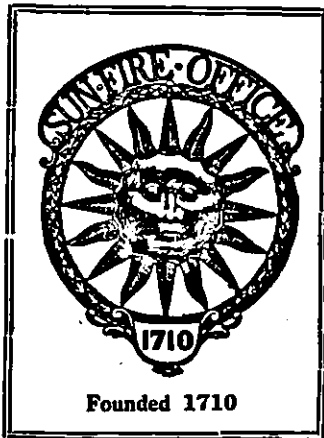
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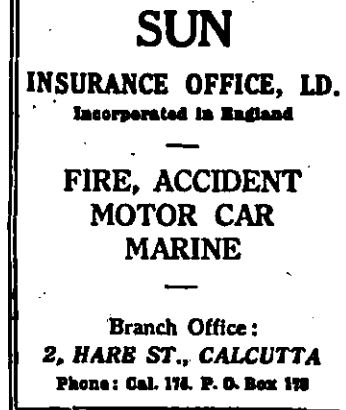
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Indian Finance Year-Book, 1933

P. R. SRINIVAS, *Editor.*
C. S. RANGASWAMI, *Managing
Editor.*



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August Annual Supplement of "INDIAN FINANCE" 1933

IN GRATITUDE : AND IN EXTENUATION

Strangely enough, we have to open the prefatory note with the same remark as last year, that this *Year-Book* sees the light of day five weeks later than the original time-table. Last year, we asked, and received ungrudgingly, our readers' pardon, on the ground of the time and trouble involved in the initial spadework of so stupendous a publication. This year the change to the ordinary book form and the coincidence of a heady expansion in the weekly issues of *Indian Finance* with this publication have made the delay inevitable. In defence, we can say no more than that we have not spared either time, effort or other resources in the service of the cause of financial and economic knowledge in India. The plan of the *Year-Book* is in the main unchanged. But we can claim that in every section the information has been amplified in detail and improved in the manner of presentation. The trade section, for instance, contains over forty pages of statistical tables as against only eight in the first edition.

We may add that we are now more keenly alive to the scope for improvement in the statistical sections of the *Year-Book* than during the last one year. As such statistics are not readily available, we have initiated the enquiries necessary to collect and compile them in time for the next issue of the *Year-Book*.

It is a common saying, perhaps less common than it deserves to be, that there is more likelihood of a benefactor repeating his kindness than of a beneficiary returning it. It has been given to us to realise the former truth. We turned for help to the same sources as were in no small measure responsible for the first issue of the *Year-Book*; and we have not turned in vain. A note at the end of the preface is poor acknowledgement, and no return, of such kindness. But we have no doubt, that to them the satisfaction of seeing an increasingly useful publication like the present is ample compensation for their pains.

P. R. SRINIVAS,
Editor.

C. S. RANGASWAMI,
Managing Editor.

CONTENTS

	PAGE	PAGE
In Gratitude and in Extenuation	3	
Index to Advertisers	5	
BUDGET SECTION	6-40	
Still in the Slough	6	
<i>Statistical Tables :—</i>		
Receipts and Disbursements of Central Government in India and England	9-12	
Consolidated Provincial Budget	13-14	
Madras Budget	15-16	
Bombay Budget	17-18	
Bengal Budget	19-20	
United Provinces Budget	21-22	
Punjab Budget	23-24	
Burma Budget	25-26	
Shan States Federation Budget	27-28	
Bihar and Orissa Budget	29-30	
Central Provinces Budget	31-32	
Assam Budget	33-34	
Coorg Budget	35-36	
N. W. F. Province Budget	37	
Revenue and Expenditure of Central Government	37	
Review of Railway Results	38	
Capital Expenditure on Rlys.	38	
Comparison of Allotments to Railway Lines	39	
Capital Exp. on State-owned Rlys.	40	
CURRENCY AND MONETARY SECTION	41-79	
INDIAN FINANCE IN 1932-33	41-47	
<i>Statistical Tables :—</i>		
Balance of Trade in India	48	
Monthly Exports and Imports of Gold	49	
Monthly Exports and Imports of Silver	50	
Annual Exports and Imports of Silver and Gold from 1900-1933	51	
Cross rate and Price of Gold	52	
Monthly Sales of Sterling	52	
Price of Silver Bombay, London and New York	53-54	
Monthly T. T. Rates (Calcutta-London)	55	
Monthly Purchases of Sterling	55	
Ways and Means Statement of Govt. of India	56	
Monthly Sales and discharges of T. Bills	57	
Composition of Gold Standard Reserve	58	
Balance of Govt. of India	58	
Amount and Distribution of Try. Balances and Reserves of Govt. of India	58	
Monthly Expansion and Contraction of Currency	59-60	
Composition of P. C. R.	61-70	
Impl. Bk. Statistics	71	
Rates of Discount of Central Banks of Certain Countries	72	
Gold and Foreign Asset Reserves of Certain Principal Countries	73	
Market Rates of Discount of Certain Principal Countries	74-75	
Prices of Representative Securities	76	
Interest Bearing obligations of Govt. of India	77	
Imperial Bank of India Official rates of interest	78	
Indian Money Rates	79	
TRADE SECTION	80-128	
FOREIGN TRADE	80-84	
<i>Statistical Tables :—</i>		
India's Foreign Trade	85-86	
Foreign Trade on the basis of declared values in 1913-14	87	
Volume of Principal Exports	88-89	
Value of Principal Exports	90-91	
Exports of Jute	92	
Exports of jute Mfrs.	93-94	
Exports of Cotton	95	
Exports of Tea	96	
Exports of Oil Seeds	97-98	
Exports of Rice	99	
Exports of Wheat	100	
Exports of Hides and Skins	101-102	
" " Manganese Ore	103	
" " Shellac	103	
" " Pig Lead	104	
" " Wolfram Ore	104	
" " Coal	104	
" " Pig Iron	104	
" " Wool, Woolen Mfrs.	105	
Volume of Principal Imports	106-107	
Value of Principal Imports	108-109	
Imports of Cotton Mfc.	110-111	
" " Sugar	112	
" " Machinery and Millwork	112	
" " Iron and Steel Mfc.	113	
" " Electrical Instruments	114	
" " Kerosene Oil	114	
" " Cement	114	
" " Motor Vehicles	115	
" " Rubber Mfc.	116	
" " Metals and Metal Mfc.	117	
" " Salt	117	
" " Boots and Shoes	118	
" " Cotton Raw	118	
" " Silk Raw & Manufactures	119	
" " Wool & Woollens	120	
" " Artificial Silk Manufactures	121	
" " Tea	121	
" " Food, Drink & Tobacco	122-123	
Trade with Principal Countries	124-126	
Index Numbers of Wholesale Prices	127	
Cost of Living Index Numbers	128	
BANKING SECTION	129-152	
THE INDIAN BANKING PROBLEM —By Sir K. M. Macdonald	129-131	
BANKING IN INDIA 1932-33	133-135	
<i>Reviews of Balance Sheets :—</i>		
Bankers to the Government—...		
Imperial Bank of India	137	
Indian Joint Stock Banks	137-141	

	PAGE
Indian Co-operative Banks ...	141-143
British Banks ...	145-148
Foreign Banks ...	148-152
INSURANCE SECTION ...	153-194
LIFE INSURANCE ...	153-155
New Business Figures of Indian Companies ...	155
FIRE AND MARINE INSURANCE ...	157-158
<i>Reviews of Balance Sheets:—</i>	
Indian Companies ...	159-172
British Companies ...	173-197
Foreign Companies ...	193-194
PUBLIC UTILITY SECTION:	195-205
LIGHT RAILWAYS—By Mr. D. Y. Anderson, M.A. ...	195-200
HYDRO-ELECTRIC DEVELOPMENT IN INDIA ...	201-205
INDUSTRIAL SECTION ...	207-280
IRON & STEEL INDUSTRY IN INDIA ...	207-210
INDIAN JUTE MILL INDUSTRY ...	211-216
COTTON TEXTILE INDUSTRY ...	217-227
Cotton Statistical Tables ...	224-227
INDIAN TEA INDUSTRY ...	228-237
INDIAN COAL INDUSTRY ...	238-245
INDIAN SALT INDUSTRY ...	246-248
PAPER INDUSTRY ...	249-250
CEMENT INDUSTRY ...	251-256
Cement Tables ...	251-256
SUGAR INDUSTRY ...	257-266
Sugar Tables ...	265-266
INDIAN TARIFF BOARD ...	267-269
Tabular Statement of Tariff Board Working ...	271-273
HIDES & SKINS ...	279-280
TRANSPORT SECTION ...	281-312
RAILWAY & RAILWAY FINANCE ...	281-296
Railway Stores Purchase ...	297

	PAGE
ROAD versus RAIL ...	299-303
INLAND WATERWAYS—By Mr. G. L. Mehta ...	304-306
SHIPPING ...	307-312
AGRICULTURAL SECTION	313-348
INDIA'S STAPLE PRODUCTS—By Mr. M. Vaidyanathan, M.A. ...	313-319

Agricultural Tables:—

Table I General Summary of Agricultural Statistics in British India ...	321
Table II Areas of Principal crops in India ...	322
Table XIII World Cattle Census ...	322
Table III Acreages of Main Crops ...	323-328
Table IV Acreages under New & Improved Crops ...	327-328
Table V Irrigated Areas ...	329
Table VI Estimated Yields of the Main Crops ...	330-333
Table VII Average and Standard Yields per Acre ...	334-336
Table VIII Statistics of Production, Exports & Imports ...	337-339
Table IX Prices of Main Commodities ...	340-342
Table X Cotton Acreage, Production, and Classification ...	343-344
Table XI Exports, Imports etc. of Cotton ...	345-347
Table XII International Statistics	348
CO-OPERATIVE SECTION ...	349-356
CO-OPERATION IN INDIA ...	349-353
Graph Showing Progress of Co-operative Movement ...	352
Tables Showing Progress of Co-operative Movement ...	354-356

INDEX TO ADVERTISERS

	PAGE No.
1. Allahabad Bank Ltd. ...	132
2. Allianz Und Stuttgarter Life Insurance Bank ...	312
3. American Express Co. ...	57
4. American Express Co. ...	172
5. Art Press ...	192
6. Asian Assurance Co. ...	350
7. Asiatic Government Security Life Assurance Co. ...	158
8. Bank of India, Ltd. ...	162
9. Bank of Mysore, Ltd. ...	87
10. Bihar and Orissa Provincial Co-operative Bank ...	136
11. Birla Brothers ...	105
12. Bombay Millowner's Association ...	206
13. Bombay Provincial Co-operative Bank ...	136
14. Bombay Sale Deposit Co. ...	142
15. Burn & Co.—Stoneware Pipes ...	270
Burn & Co.—Sugar Mill Machinery ...	8
16. Central Bank of India, Ltd. ...	134
17. Chartered Bank of India, Australia and China ...	ii
18. East India Jute Association, Ltd. ...	293
19. East India Jute Association, Ltd. ...	320

	PAGE No.
20. Empire of India Life Assurance Co. ...	154
21. Govt. of India—Post Office Cash Certificates ...	FRONT COVER.
22. Imperial Bank of India ...	130
23. Indian Iron & Steel Co. (Burn & Co.) ...	206
24. Indian Patent Stone Co. (Bird & Co.) ...	270
25. Lakshmi Insurance Co. ...	156
26. Lloyds Bank, Ltd. ...	iv
27. Madras Provincial Co-operative Bank Ltd. ...	142
28. Martin & Co.—Timber Department ...	252
29. National Bank of India ...	144
30. National City Bank of New York ...	353
31. New India Assurance Co. ...	...
32. Oriental Govt. Society Life Assurance Co., Ltd. ...	306
33. Publicity Society of India ...	iii
34. Sun Insurance Office ...	1
35. Tata Iron & Steel Co. ...	319
36. Titaghur Paper Mills ...	250
37. United India Life Assurance Co. ...	160
38. Yokohama Specie Bank ...	123
39. Zenith Life Insurance Co. ...	154

STILL IN THE SLOUGH ?

In the bird's-eye view of Indian economy in 1932-33, the little patches of green in Government finance on which we have dwelt in the weekly issues of *Indian-Finance* are well nigh invisible. Not only does the gulf between possibility and achievement yawn as wide as ever, but even the more immediate problems of the economic depression are not any nearer solution. Prices continued to decline to the end of the year,—except for a small improvement in the third quarter—till the figure of 83, the lowest for years, was reached in March last. Industries were exposed to the fierce competition of foreign countries, especially Japan, which threw all her resources into the expansion of her export markets; and relief in the shape of emergency import duties was available only to the cotton mill industry. Jute passed through another doleful year; and the condition of the producers of the raw material was far worse than that of the trade or the industry. The basic problems of the national economy still remain unattended and middle class unemployment has increased to yet higher levels.

In such a condition, it is some solace that the budgetary position of the Government is better in the sense that its difficulties could easily have been more. The experiences of Government finance in recent times have come to be viewed almost solely in relation to the Emergency Budget of September, 1931. The assumption and attitude implied in that are quite clear. Given the extraordinary conditions of the present depression which no one nation can control, the test of sound finance should be to ascertain how far the plans set out at a time, when the difficulties were fully realised and recognised, have been carried out, in what respects they have gone wrong and in what respects they have been more than fulfilled. It will be remembered that as the position stood in September, 1931-32, the two years ending March, 1933, threatened to leave a deficit of Rs. 39 crores. And with the usual combination of retrenchment and additional taxation it was expected to reduce this deficit to one of Rs. 4.94 crores. As the period left in 1931-32 was very short, a deficit of 10.17 crores was con-

sidered inevitable; and the best that could be done was to budget for a surplus of 5.23 crores for 1932-33 which would in part offset the deficit of the earlier year.

In March 1932, however, the estimates of September had to be revised in the light of the experience of the six months. And it was feared that the deficit of 10.17 crores might rise to 13.66 crores and the surplus of 5.23 crores shrink to 2.15 crores, so that the combined result of the two years would be a minus balance of Rs. 11.51 crores. The satisfactory nature of the story, which Sir George refers to at the outset of his speech, consists in the actual deficit of 1931-32 coming down to 11.75 crores and the surplus of 1932-33 improving in the revised estimates to 2.17 crores. Thus the combined result of the last two years has passed through various vicissitudes, for the deficit stood at 39 crores in the days before the emergency budget. In the frantic calculations of September, 1931, it came down to 4.94 crores, shot up again to 11.51 crores in March, 1932 and now shows promise of settling at 9.58 crores.

In customs receipts the revised estimates show no marked variation from the budget estimate and the estimate for 1933-34 is about a crore less at 51.24 crores. Income tax shows a fall in the revised estimates for the coming year of 53 lakhs. Salt shows a fall of $1\frac{1}{4}$ crores in 1933-34 as compared with the revised estimates, as the increased receipts of last year are due to the abolition of the salt credit system. In opium, the revised figures stand at 8.56 lakhs against the budget estimate of 61 lakhs and rises to 62.69 lakhs in 1933-34. The net results of the factors affecting interest payments is that interest charges show a net reduction of 204 lakhs as compared with the actuals for 1931-32 and 51 lakhs as compared with the revised estimates for 1932-33. But the finance heads taken as a whole show no change between the revised estimates for last year and the budget estimates for 1933-34. There is a net deterioration of Rs. 15 lakhs.

The budget estimate of civil expenditure for 1932-33 *i.e.*, excluding military expenditure and expenditure on commercial departments was 20,65 lakhs. The

revised estimate is now placed at 20,89 lakhs. The estimates for 1933-34 are 20,53 lakhs; an apparent increase of 24 lakhs in the former case and a decrease of 28 lakhs in the latter.

As for military expenditure, the budgetary allotment after deducting the saving on salaries was 46.74 lakhs. For 1933-34 the estimate including the expenditure on increased salaries is 46,20 lakhs with a resultant saving of 54 lakhs. The net result of the changes is that as against an improvement of 163 lakhs in certain heads over revised estimates there is a deterioration of 338 lakhs under others, and the surplus of 217 lakhs shown in the revised estimate is reduced in the coming year to 42 lakhs.

It will be seen that though the revised estimates of surplus show an improvement of 2 lakhs on the budget estimate, 1933-34 will see a fall down to 42 lakhs. If one were to bear in mind that some of the basic assumptions of this budget are highly questionable and that a budgetted surplus of only 42 lakhs provides an unsafe margin of error and an unreliable buffer for the stocks of these unsettled times, the alacrity with which the cut in salaries has been restored, though in part, would be seen to be unseemly, unjust and positively dangerous.

This takes us to the one question which is of more enduring national interest, the fate of the economy campaign, which was begun with such a flourish of trumpets in September, 1931. The explanation of the apparent increase of 24 lakhs in the revised estimates of civil expenditure over the budget estimate was the beginning of the claims which Sir George made in this regard in his budget speech. Special items account for 68½ lakhs and an examination of their character will show that they do not constitute real new expenditure. Some are merely payments in discharge of obligations amounting to 40½ lakhs. 17 lakhs represent non-recurring items; and 11 lakhs are unforeseen expenditure. Sir George reminded the country that in his budget speech in March, 1932, he stated that against a total retrenchment of 499 lakhs recommended by the four civil committees the Government had achieved economies of 433 lakhs. And now the actual retrenchment is 45 lakhs more and represents 96 per cent. of the amount recommended by the Retrenchment Committee. As regards military expenditure, the net budgetary allotment was 46.74 crores. And in 1933-34 after pro-

viding 52½ lakhs for restoration of the salary cut the allotment is 46.20 crores thus pointing to a retrenchment of 106½ lakhs. This compares with 55.10 crores (including the Territorial Force Grant) in 1929-30.

Sir George referred in his budget speech to one piece of apparently ungenerous, but common, criticism that the large saving effected in public expenditure only indicate how extravagant was the original position. After five years of Finance membership in India Sir George should certainly recognise that in achieving all this he was helped in so small degree by the large margin which the Government have always maintained between necessary expenditure and actual expenditure. In the case of the Army, that margin still continues to persist; and every year the army grant has been emphasised as the absolute limit to which retrenchment can possibly go. And even in civil expenditure though, no doubt, the Finance Member cannot set himself a more rigorous standard than the saving of the total amounts indicated by the Retrenchment Committees, he must recognise that there is an objective standard of public expenditure for the country to which the Government must endeavour ceaselessly to conform. And what little claim Government could conceivably make in regard to economy has been falsified by the restoration of half the salary cut which was effected with such indecent haste.

The Railway Budget is in such a position that compared to it the Central Budget may be said to be positively prosperous.

The actuals for 1931-32, do not differ materially from the revised estimates made in March, 1932, but whatever difference there was, was fortunately on the right side. The loss in the working of commercial lines turned out to be Rs. 7½ crores, or a quarter of a crore less than anticipated, and that on the strategic lines just under Rs. 2 crores. The total loss of Rs. 9½ crores was met to the extent of just under Rs. 5 crores by the withdrawal of the uninvested balance of the reserve fund and the remainder of Rs. 4½ crores, was taken as a temporary loan from the Depreciation Fund. The budget for 1932-33 was not framed on any optimistic basis. It anticipated a total deficit of Rs. 7½ crores of which Rs. 5½ crores was on commercial lines, the loss on the strategic lines being more or less a constant figure affecting other calculations but little. The present

anticipations are that the original estimates would be worse by Rs. 1½ crores. The principal variations of an adverse character are a fall of Rs. 2½ crores in the traffic revenue and a miscalculation, to the extent of Rs. ¼ crore, of the savings from the emergency reductions. The former figure may be reduced to Rs. 1½ crores if allowance is made for the difference of classification of credits from materials returned from works not charged to revenue. The only change of a welcome character is the fall in interest charges of about three quarter of a crore. The total loss on all lines including Rs. 2 crores on account of strategic lines, is now expected to be Rs. 9½ crores, a figure only slightly above the loss of last year. This sum is to be withdrawn from the Depreciation Fund.

For the year 1933-34 the total traffic receipts are put at Rs. 88½ crores and the total working expenses including depreciation a little over Rs. 63 crores, thus leaving net traffic receipts of Rs. 25½ crores.

The position as it obtains now may,

therefore, be briefly summed up. The deficits of the four years beginning with 1930-31 amount to the formidable total of Rs. 31 crores covered by the appropriation of Rs. 4½ crores of the uninvested portion of the Reserve Fund and inroads into the Depreciation Fund which will stand at Rs. 13½ crores at the end of the coming financial year.

The Commerce Member has attempted to rescue the country from the depressing reaction which these figures must at first produce and to show that more careful and detailed appreciation of the figures would reveal a financial position "of considerable strength and undeniable soundness." He pleaded that while remembering the lean years and heavy deficits, we must also bear in mind that in the first six years of this decade the Railways earned a total surplus of Rs. 52 crores and that the net result of these ten years after separation of railway finances from general finances will thus be a total surplus of Rs. 21 crores. We submit, a comparative statement like that will bring in consolation and not confidence.

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Statement of the Receipts and Disbursements of the Central Government, in India and in England
(In Thousands of Rupees)

	Accounts, 1921-22		Accounts, 1922-23		Accounts, 1923-24		Accounts, 1924-25		Accounts, 1925-26		Accounts, 1926-27	
	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges
Principal Heads of Revenue—												
Customs	88,75,11	...	40,64,08	...	88,98,28	...	44,98,19	...	46,96,18	...	46,56,84	...
Taxes on Income	18,51,62	...	17,54,85	...	17,60,88	...	15,41,10	...	15,27,21	...	15,08,21	...
Salt	4,77,89	...	5,81,10	...	8,65,89	...	6,18,84	...	5,07,91	...	5,49,85	...
Opium	1,27,20	...	1,92,82	...	1,66,02	...	1,44,19	...	2,08,52	...	3,82,69	...
Other Heads	1,17,97	...	1,65,10	...	2,18,47	...	1,68,19	...	1,52,08	...	1,60,98	...
TOTAL	59,49,79	...	67,07,40	...	69,04,04	...	69,65,51	...	70,86,85	...	72,08,57	...
Forest and other Capital outlay charged to Revenue ... ..	...	...	...	...	...	...	...	17,82	...	7,18	...	7,88
Irrigation ... ..	...	8,54	...	2,85	...	5,88	...	11,44	...	8,12	...	5,25
Railways ... ..	...	9,09,00	1,21,99	...	6,44,21	...	6,78,42	...	5,49,04	...	6,01,13	...
Posts and Telegraphs ... ..	...	1,09,48	45,81	...	70,75	...	80,87	...	1,88,25	...	...	5,18
Debt Services ... ..	...	14,88,69	...	15,00,19	...	14,16,85	...	15,27,28	...	14,12,29	...	12,65,90
Civil Administration ... ..	...	8,68,51	...	9,49,97	...	8,65,46	...	9,88,61	...	9,86,51	...	10,27,89
Currency and Mint	8,29,94	...	2,58,98	...	2,18,67	...	3,27,92	...	3,98,78	...	3,89,14	...
Civil Works ... ..	...	1,42,87	...	1,20,48	...	1,88,26	...	1,54,52	...	1,47,87	...	1,78,95
Miscellaneous	1,59,65	...	...	4,58,09	...	8,51,72	...	8,89,42	...	8,71,42	...	8,86,15
Military Services ... ..	...	69,81,04	...	65,26,80	...	56,22,76	...	55,68,40	...	55,99,96	...	55,96,96
Provincial contributions and Miscellaneous adjustments between Central and Provincial Governments	12,98,78	...	9,22,49	...	8,88,56	...	8,74,47	...	6,08,41	...	5,18,28	...
Extraordinary Items ... ..	...	...	...	...	...	81,80	2,58,51	...	87,80	...	...	2,89,11
GRAND TOTAL	77,88,11	1,05,08,18	80,56,57	95,58,88	87,16,28	84,77,28	91,80,20	86,11,94	88,64,18	85,82,95	86,57,07	86,57,07

Statement of the Receipts and Disbursements of the Central Government, in India and in England—(Contd.)
(In Thousands of Rupees)

Principal Heads of Revenue—	Accounts, 1927-28		Accounts, 1928-29		Accounts, 1929-30		Accounts, 1930-31		Accounts, 1931-32		Revised, 1932-33		Budget, 1933-34	
	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges
Customs ...	47,86,60	...	48,84,42	...	50,80,15	...	45,87,87	...	45,58,17	...	51,84,79	...	50,27,00	...
Taxes on Income ...	14,40,88	...	16,01,89	...	15,98,76	...	15,25,61	...	16,74,89	...	16,92,28	...	17,21,17	...
Salt ...	5,86,67	...	6,86,67	...	5,49,50	...	5,56,80	...	7,42,24	...	9,25,54	...	7,59,80	...
Opium ...	3,07,52	...	2,71,64	...	2,55,28	...	1,78,91	...	1,27,64	...	8,56	...	62,69	...
Other Heads ...	1,75,00	...	1,62,48	...	1,62,25	...	1,89,08	...	1,61,45	...	1,82,17	...	1,28,98	...
TOTAL ...	71,96,62	...	75,06,59	...	75,95,94	...	69,87,72	...	72,59,89	...	78,98,29	...	76,99,64	...
Forest and other Capital outlay charged to Revenue...	...	12,58	...	8,62	...	5,18	...	4,02	...	66	...	2,88	...	2,84
Irrigation ...	...	8,88	...	12,85	...	20,02	...	30,78	...	8,72	...	8,66	...	4,88
Railways ...	6,27,88	...	5,28,19	...	6,11,86	...	5,78,57	...	...	...	...	...	...	...
Posts and Telegraphs...	...	47,28	...	74,22	...	81,18	...	1,55,87	...	41,71	...	54,61	...	60,81
Debt Services ...	...	11,99,28	...	12,82,41	...	12,18,07	...	14,08,71	...	17,81,44	...	16,81,80	...	15,85,36
Civil Administration...	...	10,22,09	...	10,42,58	...	11,49,82	...	12,86,98	...	11,28,11	...	8,77,80	...	8,76,60
Currency and Mint ...	1,89,79	...	2,16,71	...	1,99,48	...	27,84	...	1,02,52	...	1,71,71	...	1,10,49	...
Civil Works ...	...	1,42,41	...	1,42,24	...	2,85,62	...	2,85,47	...	1,96,26	...	1,62,84	...	1,72,87
Miscellaneous ...	...	3,22,85	...	3,16,45	...	3,50,02	...	3,34,43	...	2,77,24	...	3,81,28	...	3,54,42
Military Services ...	...	54,79,45	...	55,10,00	...	55,10,00	...	54,80,00	...	51,76,00	...	46,74,00	...	46,20,00
Provincial contributions and Miscellaneous adjustments between Central and Provincial Governments ...	2,60	...	2,92	...	8	...	...	...	...	...	...	96,85	...	1,00,00
Extraordinary Items	2,17,88	...	1,08,42	...	1,88,88	...	88,58	...	18,50	...	...	18,88	...	8,74
GRAND TOTAL ...	82,84,22	82,84,22	88,52,88	88,84,87	85,96,19	85,69,86	76,72,21	88,80,68	73,80,41	85,55,14	80,85,00	78,48,20	78,10,13	77,85,52

Abstract Statement of the Receipts and Disbursements of the Central Government, in India and in England
(In Thousands of Rupees)

	Accounts, 1921-22		Accounts, 1922-23		Accounts, 1923-24		Accounts, 1924-25		Accounts, 1925-26		Accounts, 1926-27	
	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges
Surplus or Deficit	...	27,65,02	...	15,01,76	2,89,00	...	5,68,25	...	3,81,18	...	...	...
Capital Accounts—												
Capital outlay on Security Press	...	...	...	...	...	...	...	...	16,40	...	...	16,50
Railway Capital not Charged to Revenue	68,88	22,96,89	28,27	18,48,42	...	21,82,98	...	18,95,24	...	22,72,70	...	29,85,98
Payment for discharge of Railway Debentures	...	7,85	...	68,84	...	...	...	...	...	...	...	...
Construction of Irrigation Works	...	1,18	...	2,25	...	18	...	96	...	-97	...	-70
Capital outlay on Posts and Telegraphs	...	81,62	...	65,62	...	75,21	...	1,17,56	...	2,28,54	...	32,59
Capital outlay on Vizagapatam Port	...	...	...	...	...	...	...	...	...	64,77	...	81,86
Capital outlay on Lighthouses and Light Ships	...	...	...	...	...	...	...	...	...	...	...	...
Currency Capital outlay	...	...	...	...	...	...	...	...	...	...	...	8,68
Initial Expenditure on New Capital at Delhi	...	1,85,27	...	1,84,80	...	1,54,74	...	1,42,19	...	99,06	...	61,68
Payment of commuted value of Pensions	...	...	...	...	...	...	...	...	...	...	...	28,85
Capital outlay on Bombay Land Scheme	...	...	...	...	...	...	...	...	...	...	...	...
Payments to Retrenched Personnel	...	...	...	...	...	...	...	...	...	...	...	...
Debt Deposits Advances and Remittances—												
Permanent Debt	42,26,70	...	66,22,99	...	87,18,70	...	11,74,77	...	...	4,08,85	...	3,81,66
Floating Debt	6,92,60	...	...	40,61,80	...	19,46,70	...	2,11,80	...	25	...	3,15,68
Unfunded Debt	4,62,47	...	2,96,51	...	9,80,07	...	8,96,12	...	18,45,51	...	12,72,14	...
Deposits and Advances	18,71,20	...	17,82,59	...	7,19,17	...	2,82,84	...	15,54,74	...	28,78,25	...
Loans and Advances by Central Government	...	1,47	20,42	...	...	3,25	...	1,22,69	...	8,92,45	...	5,88,77
Loans between Central and Provincial Governments	...	8,88,28	...	9,59,58	...	10,12,12	...	8,86,61	...	...	...	...
Remittances	3,24,86	...	87,92	...	70,67	...	1,18,86	...	...	85,91	...	1,21,83
Balances of Provincial Governments	...	3,53,01	6,33	...	8,67,86	...	2,64,95	...	3,20,25	...	...	4,85,26
Opening Balance	21,04,33	...	34,65,67	...	35,78,00	...	41,52,05	...	45,25,29	...	40,19,51	...
Closing Balance	...	34,65,67	...	35,78,00	...	41,52,05	...	45,25,29	...	40,19,51	...	31,11,10
	97,45,76	87,45,76	1,22,80,52	1,22,69,52	95,97,80	95,97,80	74,02,84	74,02,84	80,76,97	80,76,97	81,18,45	81,18,45

Abstract Statement of the Receipts and Disbursements of the Central Government, in India and in England—(Contd.)
(In Thousands of Rupees)

	Accounts, 1927-28		Accounts, 1928-29		Accounts, 1929-30		Accounts, 1930-31		Accounts, 1931-32		Revised Estimate 1932-33		Budget Estimate 1933-34	
	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipt	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges	Net Receipts	Net Charges
Surplus or Deficit	...	...	...	81,54	26,88	...	...	11,58,45	...	11,74,78	2,16,80	...	24,61	...
Capital Accounts—														
Capital outlay on Security Press	...	9,77	...	4,76	...	28	...	4,02	...	3,82	...	4	...	1,11
Railway Capital not charged to Revenue	...	88,14,99	65	29,85,07	2,44	80,18,84	...	18,20,87	...	6,75,68	...	81,28	...	8,80,00
Payment for discharge of Railway Debentures	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Construction of Irrigation Works	...	7	...	86	...	2,99	...	27	...	9	...	...	...	...
Capital outlay on Posts and Telegraphs	...	46,88	...	58,88	...	88,07	...	8,68	...	87,92	...	19,66	...	15,80
Capital outlay on Visagapatnam Port	...	29,05	...	29,28	...	85,75	...	88,78	...	80,48	...	54,00	...	49,80
Capital outlay on Lighthouses and Light Ships	...	...	...	...	...	18	...	18	...	...	...	...	...	...
Currency Capital outlay	...	19,95	...	8,87	...	69	...	1,85	...	6	...	1	...	78
Initial Expenditure on New Capital at Delhi	...	46,88	...	86,65	...	72,72	...	48,27	...	14,61	...	...	...	...
Payment of commuted value of Pensions	...	44,28	...	86,09	...	88,09	...	42,66	...	42,82	...	65,76	...	60,65
Capital outlay on Bombay Land Scheme	...	20,74	...	...	...	...	...	2,10,87	...	...	...	...	...	...
Payments to Retrenched Personnel	...	...	...	...	...	...	...	...	...	1,45	...	12,41	...	1,27
Debt Deposits Advances and Remittances—														
Permanent Debt	4,88,88	...	28,01,91	...	20,89,57	...	46,97,54	...	47,89	24,48,08	...	...	...	17,09,55
Floating Debt	...	1,94,60	8,82,25	...	80,10,65	...	6,59,88	40,08,76	...	48,41,75	...	...	...	8,00,00
Unfunded Debt	11,86,68	...	8,40,95	...	18,04,22	...	5,78,41	10,19,08	...	18,02,89	...	...	18,86,48	...
Deposits and Advances	12,99,97	...	8,17,99	...	...	2,81,68	...	9,56,15	...	4,85,61	8,25,84	...	...	8,28,44
Loans and Advances by Central Government	...	7,77,48	...	12,72,24	...	7,20,11	...	10,97,02	...	12,68,48	...	8,91,47	...	8,71,72
Loans between Central and Provincial Governments	...	...	...	...	...	...	...	...	...	1,22,07	...	8,58	1,21	...
Remittances	19,22	...	75,66	...	...	51,12	6,15	...	...	1,59,68	2,51,00	...	...	46,00
Balances of Provincial Governments	...	4,78	...	56,84	...	8,70,76	...	7,07,68	...	...	...	...	29,58,18	...
Opening Balance	82,18,88	...	16,70,97	...	16,19,83	...	84,27,91	...	24,68,67	...	88,84,48	...	...	...
Closing Balance	...	16,70,97	...	16,19,83	...	84,27,91	...	24,68,67	...	88,84,48	...	29,58,18	...	17,68,46
	61,58,58	61,58,58	60,69,79	60,69,79	80,08,54	80,08,54	87,10,01	87,10,01	74,90,51	74,90,51	84,28,04	84,28,04	51,48,82	51,48,82

Total Revenue and Expenditure charged to Revenue of the various Provincial Governments since 1921-22
(In Thousands of Rupees)

GOVERNMENT OF	Accounts, 1921-22		Accounts, 1922-23		Accounts, 1923-24		Accounts, 1924-25		Accounts, 1925-26		Accounts, 1926-27	
	Total Revenue	Total Expenditure	Total Revenue	Total Expenditure	Total Revenue	Total Expenditure	Total Revenue	Total Expenditure	Total Revenue	Total Expenditure	Total Revenue	Total Expenditure
1. Madras	11,74,89	12,78,61	12,57,75	12,60,77	12,99,88	12,68,07	12,79,08	13,08,50	14,71,85	13,72,99	15,18,50	14,17,02
2. Bombay	18,10,78	15,01,98	14,17,20	13,53,17	14,52,82	14,28,45	14,89,18	14,72,57	15,24,18	16,15,52	14,53,07	16,28,67
3. Bengal	8,82,44	10,47,91	9,84,96	9,59,21	10,13,16	9,77,95	10,84,24	9,76,02	10,70,17	10,80,68	10,50,86	10,79,95
4. United Provinces ...	10,01,55	11,49,43	10,06,05	10,70,98	10,31,14	10,47,50	9,99,53	10,42,49	10,86,68	11,17,43	11,83,71	11,33,80
5. Punjab	7,09,69	8,31,12	8,27,90	8,35,44	9,15,88	8,04,01	9,77,72	7,94,73	11,52,00	9,94,33	10,85,71	11,46,70
6. { Burma	9,17,71	9,03,68	8,67,94	10,24,23	8,58,19	8,35,08	9,35,76	9,86,74	10,18,52	10,79,53	10,06,04	11,41,75
{ Shan States Federa- tion ... ..	...	...	18,18	11,23	58,23	39,44	45,82	44,92	50,02	50,49	48,21	47,89
7. Bihar and Orissa ...	4,42,62	4,57,96	4,94,11	4,63,24	5,28,29	4,34,34	5,36,53	5,18,12	5,78,94	5,54,93	5,73,97	6,05,00
8. Central Provinces and Berar	4,71,33	4,95,40	5,15,34	4,89,37	5,17,12	4,94,42	5,25,34	4,83,23	5,35,14	5,32,62	5,07,02	5,74,33
9. Assam	1,31,53	2,05,23	1,34,43	2,05,47	2,10,33	1,90,02	2,30,49	2,00,29	2,50,05	2,28,21	2,43,49	2,43,21
10. Coorg ... ..	...	...	...	...	...	...	15,04	13,06	18,85	12,80	13,03	12,86
TOTAL	70,43,04	79,16,26	75,73,86	77,23,33	73,35,09	76,09,23	81,23,13	73,40,70	87,51,20	85,89,53	86,43,16	90,17,23
Net	-8,73,22		-1,40,53		+2,75,51		+2,37,43		+1,61,67		-3,74,07	

Total Revenue and Expenditure charged to Revenue of the various Provincial Governments since 1921-22—contd.

(In Thousands of Rupees)

GOVERNMENT OF	Accounts, 1927-28		Accounts, 1928-29		Accounts, 1929-30		Accounts, 1930-31		Accounts, 1931-32		Revised estimate 1932-33		Budget estimate 1933-34	
	Total Revenue	Total Expenditure	Total Revenue	Total Expenditure	Total Revenue	Total Expenditure	Total Revenue	Total Expenditure	Total Revenue	Total Expenditure	Total Revenue	Total Expenditure	Total Revenue	Total Expenditure
1. Madras ...	16,99,86	14,98,18	17,53,11	16,18,97	18,08,87	16,84,78	16,83,93	17,89,69	16,29,88	16,24,47	16,45,01	15,82,24	17,26,71	16,88,22
2. Bombay ...	15,84,43	15,66,26	15,31,74	15,55,60	15,91,53	15,80,80	18,80,86	15,61,91	14,82,04	15,29,83	14,75,22	15,02,85	14,90,14	15,18,87
3. Bengal ...	10,81,29	10,85,57	10,98,67	10,90,47	11,35,87	11,83,64	9,86,27	11,40,79	9,01,07	11,00,52	9,42,73	10,82,21	9,27,78	11,82,24
4. United Pro- vinces ...	12,86,88	11,74,82	11,45,15	12,28,49	12,98,61	12,88,20	11,96,78	12,87,77	11,31,66	11,83,69	11,25,86	11,44,93	11,50,63	11,46,60
5. Punjab ...	12,06,87	11,86,58	11,15,69	11,61,20	11,27,19	11,82,25	10,56,15	10,98,74	9,96,50	10,35,04	10,49,32	10,18,97	10,84,75	10,25,28
6. { Burma ...	10,72,09	11,96,70	10,54,55	11,82,97	10,81,83	10,98,97	7,22,84	10,77,88	9,60,07	8,84,46	8,45,52	9,22,94	9,26,18	8,99,95
{ Shan States Federation	58,59	56,41	57,62	60,81	54,58	51,67	47,84	53,84	34,23	48,18	55,75	34,79	29,04	31,86
7. Bihar and Orissa ...	5,73,42	5,87,11	5,78,22	5,85,27	5,94,54	6,09,42	5,27,59	6,06,13	5,19,47	5,42,58	5,08,79	5,02,49	5,08,50	5,21,16
8. Central Pro- vinces and Berar ...	5,99,77	5,87,67	5,85,88	5,55,01	5,28,24	5,42,47	4,70,06	5,14,23	4,19,95	4,57,65	4,58,12	4,54,16	4,68,67	4,65,79
9. North-West Frontier Province (a)	...	...	...	...	...	...	...	...	...	...	1,61,60	1,64,27	1,65,25	1,69,14
10. Assam ...	2,69,86	2,51,52	2,78,70	2,75,17	2,71,95	2,97,72	2,44,48	2,78,93	2,40,05	2,47,73	2,18,19	2,39,16	2,07,35	2,41,88
11. Coorg ...	18,99	12,71	14,42	12,92	15,72	15,85	11,83	15,47	13,41	13,98	12,13	13,13	12,34	13,74
TOTAL ...	98,29,54	91,50,48	91,48,75	92,91,83	94,57,98	93,80,27	83,06,08	94,24,83	83,13,83	86,70,53	84,68,24	86,53,71	86,92,79	83,53,73
NET ...	+1,79,11	-1,42,68	+77,66	-11,16,80	-3,52,20	-1,90,47	-1,60,94							

(a) Became a Governor's Province from the 16th April, 1932.

Accounts of the Revenue of the Government of Madras since 1921-22
(In Thousands of Rupees)

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Taxes on Income ...	89,89	...	10,82	1,57	4,27	4,64	5,94	5,48	7,27	6,75	...	...	...
Land Revenue ...	6,07,48	6,09,21	5,86,78	6,15,06	6,89,79	6,22,00	6,23,77	5,24,89	5,21,06	4,88,62	5,32,73	7,57,69	7,68,05
Excise ...	4,88,17	4,90,14	5,18,87	4,90,14	4,94,85	5,10,53	5,84,87	5,58,76	5,92,23	5,24,28	4,25,80	4,27,24	4,48,86
Stamps ...	1,89,85	2,19,84	2,84,05	2,41,56	2,45,08	2,52,30	2,50,11	2,51,17	2,50,92	2,84,71	2,84,93	2,40,49	2,37,42
Forest ...	48,57	52,78	54,16	55,74	51,81	56,24	53,44	61,55	68,56	52,69	45,82	49,55	45,80
Registration ...	82,56	85,98	86,86	87,90	88,61	40,53	89,06	84,12	85,53	81,80	80,78	84,12	84,18
Scheduled Taxes ...	...	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL	14,06,52	14,07,90	14,41,54	14,41,92	14,78,91	14,86,24	15,06,69	14,85,97	14,70,65	13,88,85	12,69,51	15,09,09	15,84,26
Railways ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Irrigation ...	91,76	94,70	1,02,84	88,74	96,85	91,27	86,62	1,88,41	1,88,65	1,86,01	1,91,62	-85,26	7,98
Interest Receipts ...	6,20	9,53	11,18	12,80	16,21	20,86	25,17	34,27	40,88	42,52	80,76	29,64	82,57
Civil Administration ...	54,87	71,40	68,75	61,51	60,61	60,25	68,78	68,62	74,94	72,17	98,02	1,03,68	1,04,20
Civil Works ...	6,53	7,56	6,62	5,92	9,67	8,87	9,25	18,06	11,52	24,89	22,46	21,61	82,12
Miscellaneous... Contribution to the Central Government by Provincial Government	10,96	11,53	18,27	15,54	18,09	16,69	18,85	17,69	22,18	19,95	17,43	16,23	15,62
Miscellaneous adjustments between Central and Provincial Governments (net)	-8,88,81	-8,48,00	-8,48,00	-8,48,00	-2,21,93	-1,65,19	...	...	...	...	...	...	...
Extraordinary Receipts ...	...	...	...	...	17,90	...	...	...	...	...	...	...	...
Transfers from Revenue Reserve Fund ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Total Revenue in India ...	11,74,89	12,57,75	12,99,88	12,79,08	14,71,84	15,18,49	16,99,85	17,53,02	18,08,77	16,83,89	16,29,85	16,44,99	17,26,70
Revenue in England with Exchange...	...	...	...	...	1	1	1	9	10	4	8	2	1
TOTAL REVENUE ...	11,74,89	12,57,75	12,99,88	12,79,08	14,71,85	15,18,50	16,99,86	17,53,11	18,08,87	16,83,93	16,29,88	16,45,01	17,26,71

Expenditure—Government of Madras.

(In Thousands of Rupees)

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Income-Tax ...	1,10	...	...	...	...	...	...	...	...	...	...	...	...
Land Revenue ...	1,28,58	1,38,16	40,89	87,22	88,15	88,96	89,16	30,78	28,89	28,45	25,51	19,75	19,28
Excise ...	80,70	29,02	27,98	26,62	47,12	42,69	42,96	48,67	45,19	46,88	86,87	83,25	84,49
Stamps ...	5,90	6,01	5,27	5,82	5,62	5,78	6,25	6,71	7,87	5,96	6,06	6,74	6,68
Forests ...	51,23	47,69	46,06	89,22	42,38	44,52	42,51	41,89	48,51	42,50	88,86	84,91	86,80
Registration ...	22,61	21,98	22,64	23,84	24,75	25,58	26,84	27,04	29,08	29,51	28,17	27,08	29,02
Scheduled Taxes ...	...	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL ...	2,89,82	2,83,81	1,42,29	1,82,22	1,58,02	1,57,58	1,57,02	1,50,04	1,54,14	1,52,80	1,84,67	1,21,68	1,26,22
Forest and other Capital outlay charged to Revn. ...	...	...	...	2,91	4,16	5,48	5,88	4,77	4,81	4,27	2,98	9,18	2,72
Railways ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Irrigation ...	78,59	78,58	78,88	80,80	88,34	98,90	97,84	1,05,82	1,23,71	1,27,47	1,82,18	46,87	69,89
Debt Services ...	-2,71	8,16	6,60	23,11	40,24	45,18	53,68	58,06	89,88	21,80	17,45	96,65	99,02
Civil Administration ...	7,82,42	7,84,52	8,16,19	8,44,62	8,61,81	8,85,85	9,24,80	10,08,48	10,45,41	11,06,95	10,16,16	9,87,46	10,48,61
Civil Works ...	1,19,70	1,01,51	99,04	77,19	95,54	1,10,86	1,40,27	1,58,78	1,82,04	2,04,92	1,89,49	1,65,76	2,10,67
Miscellaneous ...	87,17	78,87	85,67	81,00	81,98	78,89	78,15	83,07	86,98	95,48	88,88	1,12,73	95,02
Extraordinary Items ...	...	...	...	22,92	...	...	...	...	...	...	...	...	...
Total Expenditure in India ...	12,58,99	12,29,45	12,28,17	12,68,97	13,30,04	13,71,69	14,56,64	15,68,77	16,85,87	17,48,14	15,81,70	15,42,20	16,46,65
Expenditure in England with Exchange ...	19,82	81,82	84,90	89,58	42,95	45,88	41,49	45,20	48,91	46,55	42,77	40,04	41,57
TOTAL EXPENDITURE ...	12,78,81	12,60,77	12,68,07	13,08,50	13,72,99	14,17,02	14,98,13	16,18,97	16,84,78	17,89,69	16,24,47	15,82,24	16,88,22

Revenue—Government of Bombay
(In Thousands of Rupees)

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Taxes on Income	...	1,14,58	8,00	...	...	...	...	...	...	...	...	...	...
Lalt	17	16
Sand Revenue	...	5,47,44	5,58,69	5,08,89	5,16,58	5,41,11	4,66,94	5,28,19	4,84,68	4,79,68	4,74,45	5,01,84	4,88,82
Excise	...	3,42,69	4,22,79	4,84,59	4,42,98	4,15,88	4,09,89	3,96,21	3,92,26	4,07,89	3,04,85	3,26,55	3,41,00
Stamps	...	1,64,86	1,76,82	1,79,89	1,78,06	1,76,85	1,67,58	1,75,40	1,68,89	1,77,15	1,58,06	1,50,28	1,56,00
Forest	...	74,94	70,87	71,50	78,08	75,28	76,56	72,94	73,48	79,75	52,24	56,74	57,67
Registration	...	18,27	18,03	12,87	12,49	12,78	12,04	11,82	11,75	12,88	10,69	11,86	12,00
Scheduled Taxes	2,66	9,40	9,04	15,80	19,55	21,20	21,52	20,21	16,89	19,19	18,16
TOTAL	...	12,87,28	12,47,16	12,17,14	12,82,18	12,86,15	11,82,06	12,00,76	11,52,08	11,76,87	10,16,88	10,65,63	10,78,70
Railways
Irrigation	...	33,70	53,27	54,02	53,28	42,11	49,24	42,94	65,72	46,80	55,12	53,40	45,18
Interest Receipts	...	66,14	80,07	1,02,92	1,32,67	1,65,80	1,68,18	1,58,27	1,51,52	1,45,86	1,47,28	1,44,87	1,45,60
Civil Administration	...	35,91	52,80	56,86	58,87	57,77	59,10	56,04	76,91	82,51	89,77	95,49	97,87
Civil Works	...	20,89	16,86	17,89	15,42	16,18	16,89	34,70	33,71	52,93	53,06	72,53	65,25
Miscellaneous	...	24,81	23,95	32,85	27,74	30,67	34,54	33,82	33,87	32,93	33,92	35,43	31,77
Contribution to the Central Government by Provincial Governments	...	-1,55,86	-56,00	-56,00	-56,00	-34,00	-28,00	...	...	...	...	...	...
Miscellaneous adjust- ments between Central and Provincial Govern- ments (net)	...	26,87	-89	27,64	40,53	9,55	4,08	4	-4,00	-4	...	...	...
Extraordinary Receipts...	2,58	7,91	1,96	8,56	7,06	9,60	16,72	24,46
Transfer from Revenue Reserve Fund
Total Revenue in India	...	13,10,73	14,17,22	14,52,82	14,99,18	15,24,18	14,58,07	15,34,43	15,21,72	15,91,42	13,80,54	14,81,95	14,90,15
Revenue in England with Exchange	-2	...	...	...	...	...	2	11	82	9	1
TOTAL REVENUE	...	13,10,73	14,17,20	14,52,82	14,99,18	15,24,18	14,58,07	15,34,43	15,21,74	15,91,53	13,80,86	14,80,24	14,90,14

Expenditure—Government of Bombay.

(In Thousands of Rupees)

18

Indian Finance Year-Book: 1935

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Income-Tax ...	1,66	...	...	...	...	...	...	...	...	...	...	...	...
Land Revenue ...	1,64,20	1,66,81	1,82,18	61,99	68,98	65,51	66,48	64,77	66,06	64,98	69,86	66,18	68,85
Excise ...	28,65	32,51	35,26	40,15	54,08	63,93	47,94	46,82	44,25	41,68	39,61	47,42	49,22
Stamps ...	8,52	8,59	8,88	48	1,26	1,75	1,32	2,67	2,65	2,42	2,34	2,40	2,49
Forest ...	49,78	39,47	48,88	42,69	40,54	40,94	40,58	41,25	43,27	40,65	40,06	37,81	37,12
Registration ...	6,67	7,40	6,68	6,75	6,68	6,64	6,53	6,55	6,64	6,38	6,29	6,10	6,28
Scheduled Taxes ...	...	...	18	18	18	19	20	20	21	21	31	28	28
TOTAL ...	2,54,43	2,49,78	2,70,98	1,52,19	1,66,62	1,78,95	1,68,05	1,61,76	1,63,10	1,56,27	1,58,47	1,60,14	1,58,74
Forest and other Capital outlay Charged to Revenue ...	...	...	...	...	2,08	2,22	2,48	2,83	2,22	1,76	58	1,18	1,24
Railways ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Irrigation ...	1,23,92	72,51	1,00,04	91,85	94,05	95,60	1,05,20	99,05	1,12,24	99,78	86,04	1,01,85	1,10,00
Debt Services ...	84,78	1,09,15	1,55,07	2,01,91	2,76,99	2,49,31	2,25,88	2,18,31	2,18,73	1,89,28	2,30,51	2,30,87	2,25,21
Civil Administration ...	6,96,80	6,40,89	6,40,65	7,62,81	7,87,55	7,85,75	7,85,77	8,05,22	8,26,10	8,83,65	8,05,81	7,54,83	7,66,18
Civil Works ...	1,86,85	1,01,77	96,81	90,77	90,28	1,20,84	1,47,85	1,45,96	1,40,26	1,54,41	1,18,62	1,02,11	1,02,78
Miscellaneous ...	1,86,96	1,50,11	1,27,08	1,40,88	1,56,21	1,46,89	96,58	80,60	82,68	87,42	98,76	1,07,18	1,09,08
Extraordinary Items ...	...	...	...	...	...	...	...	...	...	...	2	3,84	2,50
Total Expenditure in India	14,83,74	16,23,71	18,90,58	14,89,41	15,73,78	15,79,96	15,25,76	15,18,28	15,40,28	15,22,52	14,88,31	14,61,45	14,75,68
Expenditure in England with Exchange ...	18,19	29,46	32,87	33,16	41,79	43,71	37,50	42,37	40,52	39,89	41,08	40,90	42,69
TOTAL EXPENDITURE ...	15,01,93	16,53,17	14,23,45	14,72,57	16,15,52	16,23,67	15,63,26	15,60,60	15,80,80	15,61,91	15,29,39	15,02,35	15,18,37

Revenue—Government of Bengal
(In Thousands of Rupees)

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Taxes on Income ...	98,00	...	...	...	...	...	...	...	...	...	...	...	...
Salt ...	...	...	...	...	...	...	...	...	...	...	5,87	5,50	5,50
Land Revenue ...	8,01,89	8,12,62	8,18,02	8,10,74	8,00,57	8,11,18	8,15,12	8,26,76	8,24,74	8,08,98	8,06,22	8,10,88	8,12,38
Excise ...	1,88,01	2,01,10	2,09,85	2,15,07	2,28,08	2,25,17	2,24,81	2,24,91	2,26,25	1,80,16	1,56,00	1,89,00	1,89,00
Stamps ...	2,78,84	3,02,24	3,16,75	3,86,68	3,57,98	3,81,60	3,46,81	3,54,88	3,91,97	3,12,95	2,71,09	3,11,00	3,00,00
Forest ...	18,99	28,11	22,61	24,75	28,57	31,24	33,49	31,18	30,52	28,12	16,94	15,50	15,50
Registration ...	25,48	24,67	24,49	25,85	38,92	38,50	40,17	39,94	31,69	28,72	19,88	18,50	19,00
Scheduled Taxes ...	...	25,12	23,78	21,52	19,81	16,91	19,47	16,99	16,29	18,00	18,04	11,80	11,00
Total ...	8,96,21	8,88,86	9,10,45	9,84,61	9,78,88	9,54,60	9,79,37	9,94,66	10,21,46	8,61,88	7,87,99	8,11,63	8,02,88
Railways ...	1,68	...	98	98	81	1,24	2,45	1,02	1,19	92	76	70	80
Irrigation... ..	-20	29	3,44	3,40	41	45	-4,62	-1,19	-2,65	-2,09	-58	-2,65	-7
Interest Receipts ...	4,21	2,77	3,12	3,48	3,19	4,11	6,29	6,24	6,18	4,67	4,80	4,72	4,81
Civil Administration ...	64,46	57,84	66,86	61,94	62,45	64,03	68,86	77,85	82,41	71,58	75,24	86,71	89,10
Civil Works ...	5,75	7,74	5,85	6,57	5,82	6,03	6,61	5,54	5,25	10,86	17,85	16,11	14,88
Miscellaneous ...	15,71	27,91	22,48	21,41	28,62	20,20	18,84	12,90	17,04	16,48	15,81	21,01	16,28
Contribution to the Central Government by Provincial Govts. ...	-1,55,05	...	...	...	...	...	...	...	...	...	...	...	...
Miscellaneous adjust- ments between Central and Provincial Govts. ...	-88	-48	8	2,08	...	...	1,59	...	...	...	...	2,14	...
Extraordinary Receipts ...	...	...	...	...	...	...	2,41	49	5,06	2,17	58	2,28	1,09
Transfer from Revenue Reserve Fund ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Total Revenue in India	8,82,44	9,84,98	10,18,16	10,84,37	10,70,18	10,50,66	10,81,30	10,97,01	11,85,89	9,65,92	9,01,00	9,42,70	9,27,72
Revenue in England with Exchange ...	...	-2	...	-18	-1	-80	-1	1,66	-2	85	6	8	1
TOTAL REVENUE ...	8,82,44	9,84,96	10,18,16	10,84,24	10,70,17	10,50,86	10,81,29	10,98,67	11,85,87	9,66,27	9,01,06	9,42,78	9,27,78

Expenditure—Government of Bengal
(In Thousands of Rupees)

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Income-Tax ...	94	...	...	...	...	...	...	...	...	...	...	...	...
Land Revenue ...	85,82	28,88	28,05	30,82	35,59	33,48	33,45	46,78	45,09	45,86	41,24	38,41	40,78
Excise ...	15,82	15,87	13,17	12,88	26,04	24,98	23,87	22,98	22,26	21,80	19,55	17,11	17,77
Stamps ...	7,67	8,57	10,80	9,47	8,68	8,43	8,98	9,00	6,23	5,23	4,10	4,76	4,82
Forest ...	12,83	12,81	12,43	14,02	12,34	13,90	14,40	15,73	15,47	15,17	14,96	14,65	15,84
Registration ...	15,64	17,57	17,79	18,08	18,73	18,76	20,71	20,25	22,13	19,95	16,94	17,64	18,82
Scheduled Taxes ...	...	20	16	15	15	15	15	15	15	16	15	15	5
TOTAL ...	83,27	82,90	81,90	85,42	1,01,53	1,04,65	1,06,51	1,14,84	1,11,83	1,07,67	98,94	92,72	97,53
Forest and other Capital outlay charged to Revenue ...	...	...	...	...	43	3,23	2,62	1,04	1,17	73	1,64	62	43
Railways ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Irrigation ...	62,40	7,93	54,54	35,30	30,39	35,12	35,17	36,92	34,13	30,73	29,02	29,65	33,43
Debt Services ...	-8,36	-7,92	-6,32	-8,33	-8,43	-7,44	-7,17	-7,92	-1,68	23	1,10	13,40	21,43
Civil Administration ...	6,66,10	6,82,96	6,55,37	6,69,13	6,80,43	7,07,21	7,09,72	7,29,36	7,54,92	7,73,99	7,50,13	7,32,66	7,60,75
Civil Works ...	1,41,53	1,00,93	92,31	95,30	1,10,12	1,11,37	1,01,06	97,32	94,54	1,01,49	83,43	73,59	81,35
Miscellaneous ...	73,20	66,36	71,93	63,00	79,10	75,49	97,74	30,57	97,53	34,29	39,26	95,36	95,97
Extraordinary Items ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Total Expenditure in India ...	10,23,14	9,33,76	9,50,73	9,45,27	9,94,02	10,29,63	10,45,65	10,32,63	10,91,94	10,99,13	10,53,57	10,43,00	10,91,04
Expenditure in England with Exchange ...	13,77	25,45	27,17	30,75	36,61	41,32	39,92	37,34	41,70	41,61	41,95	39,21	41,20
TOTAL EXPENDITURE ...	10,47,91	9,59,21	9,77,95	9,76,02	10,30,63	10,70,95	10,85,57	10,90,47	11,33,64	11,40,79	11,00,52	10,82,21	11,32,24

Revenue—Government of the United Provinces

(In Thousands of Rupees)

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Taxes on Income ...	24,78	88	...	...	8	...	...	...	71	1,40	...	...	...
Salt ...	...	...	...	...	...	...	...	...	...	...	9	9	8
Land Revenue ...	6,80,91	6,79,58	6,92,22	6,71,08	6,90,25	6,87,97	6,92,56	6,04,88	6,85,88	6,47,99	6,12,41	5,70,22	5,88,08
Excise ...	1,48,92	1,41,20	1,80,90	1,80,50	1,82,72	1,81,00	1,40,97	1,80,86	1,80,85	1,12,22	1,08,28	1,18,75	1,80,26
Stamps ...	1,51,28	1,60,70	1,75,41	1,74,40	1,76,46	1,69,29	1,71,87	1,72,70	1,80,65	1,69,67	1,65,96	1,80,00	1,81,00
Forest ...	86,47	88,78	78,56	69,22	64,26	58,29	66,08	61,80	61,80	49,76	45,32	45,32	45,55
Registration ...	12,78	12,60	12,88	12,49	18,70	18,81	12,92	18,54	18,77	11,98	11,89	12,68	12,87
Scheduled Taxes ...	...	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL ...	11,05,04	10,78,09	10,84,42	10,57,69	10,77,42	10,59,86	10,88,90	9,88,28	10,72,61	9,98,02	9,48,40	9,27,51	9,52,84
Railways ...	88	88	2,09	2,14	2,07	84	2,28	1,87	1,85	1,45	86	90	90
Irrigation ...	92,89	85,78	99,06	66,27	85,82	99,85	97,88	84,99	1,27,86	1,09,71	97,61	1,20,98	1,18,45
Interest Receipts ...	14,98	22,48	18,55	18,19	12,90	9,28	11,76	10,29	16,92	15,26	18,88	12,80	18,82
Civil Administration ...	80,95	85,78	89,15	41,16	41,96	44,85	47,70	46,65	48,47	49,77	46,46	44,69	44,18
Civil Works ...	5,00	5,80	5,07	6,48	4,08	8,92	8,84	8,45	8,28	6,78	5,69	3,77	5,22
Miscellaneous ...	18,97	19,96	23,68	46,41	46,88	41,11	88,06	14,25	27,85	20,28	18,96	15,21	15,82
Contribution to the Central Government by Provincial Governments	-2,61,58	-2,40,00	-2,40,00	-2,40,00	-1,88,88	-1,50,85	...	...	...	...	...	...	...
Miscellaneous adjust- ments between Central & Provincial Governments	-48	-1,99	18	1,25	45	-15	67	...	...	...	...	...	...
Extraordinary Receipts Transfers from Revenue Reserve Fund	...	...	...	...	13	80,55	86	...	...	...	...	...	...
Total Revenue in India	10,01,55	10,06,07	10,81,15	9,99,59	10,86,68	11,88,71	12,86,40	11,44,78	12,98,84	11,96,27	11,21,81	11,25,86	11,50,68
Revenue in England with Exchange	...	-2	-1	-6	...	...	-2	87	27	46	85	...	...
TOTAL REVENUE ...	10,01,55	10,06,05	10,81,14	9,99,58	10,86,68	11,88,71	12,86,88	11,45,15	12,98,61	11,96,78	11,21,66	11,25,86	11,50,68

Expenditure—Government of the United Provinces

(In Thousands of Rupees)

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Income-Tax ...	1,21	...	...	...	...	...	...	...	...	...	...	...	...
Salt ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Land Revenue ...	77,62	77,86	80,88	79,46	81,73	85,94	86,62	90,61	92,62	95,52	88,16	74,15	74,77
Excise ...	6,59	6,51	6,68	6,14	15,09	12,79	13,18	13,41	13,26	12,81	11,30	11,38	11,81
Stamps ...	3,46	3,26	4,94	4,09	3,42	3,43	3,31	3,75	3,41	3,24	3,18	3,14	3,81
Forests ...	71,59	61,22	48,19	36,53	36,64	31,68	32,26	31,42	32,53	32,02	27,11	26,64	27,46
Registration ...	4,69	4,63	4,54	4,57	4,75	4,64	4,74	4,90	4,97	4,96	4,68	4,82	4,64
Scheduled Taxes ...	...	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL ...	1,65,16	1,58,48	1,40,18	1,30,79	1,41,68	1,33,43	1,40,06	1,44,09	1,46,79	1,48,55	1,34,83	1,19,63	1,21,99
Forest and other Capital outlay charged to Revenue ...	...	...	...	...	35	1,33	1,73	1,01	1,34	74	17	7	15
Railways ...	15	26	22	17	16	17	13	13	13	13	8	8	9
Irrigation ...	52,20	52,60	53,62	64,07	74,03	73,63	86,03	1,05,07	94,12	1,02,80	1,05,47	1,07,97	1,09,85
Debt Services...	42,03	32,96	29,59	29,79	33,09	41,06	53,59	62,23	66,75	39,86	77,31	33,33	52,70
Civil Administration ...	6,60,93	6,24,96	6,17,06	6,35,33	6,98,63	6,95,09	7,14,99	7,23,30	7,44,56	7,41,69	6,92,30	6,64,42	6,33,20
Civil Works...	1,01,75	77,39	73,55	80,26	69,62	67,90	65,74	70,32	50,02	65,64	37,94	45,01	47,42
Miscellaneous ...	9,00	1,07,13	1,03,13	71,60	69,12	70,33	67,17	82,95	33,41	92,37	91,56	34,25	33,35
Extraordinary Items ...	...	...	...	...	...	...	...	...	...	...	...	23	37
Total Expenditure in India ...	11,30,62	10,43,92	10,22,35	10,12,51	10,31,63	10,93,04	11,35,49	11,39,15	11,92,12	12,41,73	11,39,71	11,04,99	11,04,12
Expenditure in England with Exchange ...	13,80	22,06	25,15	29,33	35,30	40,76	39,33	39,34	41,03	45,99	43,93	39,94	42,43
TOTAL EXPENDITURE ...	11,44,42	10,70,98	10,47,50	10,42,49	11,17,43	11,33,80	11,74,82	12,23,49	12,33,20	12,87,77	11,83,69	11,44,93	11,46,50

Revenue—Government of the Punjab

(In Thousands of Rupees.)

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Taxes on Income ...	14,11	5,69	4,24	1,90	8,82	4,02	4,83	4,02	8,60	2,00	...	2,16	...
Land Revenue ...	2,45,56	3,23,14	3,64,40	3,58,68	3,07,18	3,21,26	3,00,15	2,77,93	2,57,76	2,69,43	2,22,46	4,29,46	2,78,79
Excise ...	1,15,96	1,02,84	1,04,18	1,18,96	1,23,12	1,24,31	1,17,78	1,21,86	1,15,07	1,11,52	94,50	94,80	98,87
Stamp ...	81,86	88,63	93,90	1,16,61	1,14,85	1,18,27	1,17,94	1,21,08	1,15,03	1,10,02	1,10,50	1,14,87	1,15,97
Forest ...	49,91	34,44	33,86	37,27	41,12	39,08	31,94	35,28	31,58	23,85	22,44	20,09	17,70
Registration ...	6,85	6,81	7,16	8,33	9,44	9,11	9,08	9,21	9,33	8,33	8,15	8,75	8,43
Scheduled Taxes ...	...	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL ...	5,18,78	5,61,57	6,19,74	6,37,25	5,98,93	6,11,05	5,81,67	5,68,83	5,32,42	5,25,20	4,53,05	6,69,68	5,19,26
Railways ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Irrigation ...	3,32,79	3,68,79	3,92,12	4,30,13	4,57,08	3,30,08	4,08,83	3,74,89	3,94,45	3,61,59	3,30,33	2,23,92	4,22,20
Interest Receipts ...	4,40	6,63	5,04	5,91	11,76	8,79	10,89	8,59	9,70	10,02	9,53	9,77	9,40
Civil Administration ...	31,54	37,46	41,50	40,74	40,99	45,50	52,75	57,49	60,23	54,93	65,59	62,35	62,94
Civil Works ...	4,07	3,80	4,64	5,32	5,30	4,89	3,60	6,35	7,01	9,74	17,92	20,82	18,91
Miscellaneous ...	35,19	30,15	27,30	33,30	2,22,96	26,72	28,36	27,54	35,70	33,03	26,78	22,06	21,30
Contribution to the Central Government by Provincial Governments ...	-1,38,32	-1,75,00	-1,75,00	-1,75,00	-1,18,34	-35,73	...	...	...	...	...	...	...
Miscellaneous adjustments between Central and Provincial Governments ...	-13,26	-51	1	13	44	...	23	...	...	...	...	...	...
Extraordinary Receipts ...	...	...	...	...	1,27,84	34,69	1,16,05	72,24	73,27	46,46	33,09	40,11	30,74
Transfers from Revenue Reserve Fund ...	...	...	...	...	...	10,00	...	...	15,00	9,36	...	...	...
Total Revenue in India ...	7,09,69	8,27,91	9,15,85	9,77,33	11,52,00	10,35,99	12,06,43	11,15,43	11,27,73	10,55,33	9,94,79	10,49,16	10,34,75
Revenue in England with Exchange ...	...	-1	-2	-11	...	-23	-6	26	-59	32	1,71	16	...
TOTAL REVENUE ...	7,09,69	8,27,90	9,15,83	9,77,22	11,52,00	10,35,76	12,06,37	11,15,69	11,27,14	10,56,15	9,96,50	10,49,32	10,34,75

Expenditure—Government of the Punjab
(In Thousands of Rupees)

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Income-Tax ...	80	...	...	...	...	...	...	...	...	...	...	...	...
Land Revenue ...	48,44	45,51	41,52	41,75	43,60	42,99	41,59	40,95	40,87	39,63	37,23	35,72	35,83
Excise ...	8,72	8,71	8,98	4,56	17,82	15,22	15,49	11,71	13,78	12,74	11,57	9,49	9,80
Stamps ...	2,79	2,47	1,99	2,50	2,75	2,40	2,82	2,43	3,43	1,87	1,86	2,05	2,01
Forest ...	43,76	43,93	23,95	25,03	24,95	26,80	25,52	24,93	24,73	23,33	20,99	13,43	13,63
Registration ...	1,11	1,21	1,07	93	1,00	99	1,03	1,04	99	96	87	78	75
Scheduled Taxes ...	...	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL ...	1,00,12	1,01,33	77,51	75,69	90,12	88,40	85,95	81,06	83,73	78,53	72,52	66,52	67,07
Forest and other Capital outlay charged to Revenue ...	...	...	...	1	1,93	4,22	4,02	4,71	4,95	...	...	...	...
Railways ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Irrigation ...	91,20	87,11	99,85	1,04,99	1,91,79	2,56,63	2,37,34	1,50,62	1,81,43	1,37,53	1,47,09	1,41,60	1,43,14
Debt Services ...	-4,23	2,59	6,30	95	-4,13	-10,70	-22,39	-22,05	-16,27	-11,86	-3,84	7,33	6,59
Civil Administration ...	4,48,61	4,75,27	4,64,63	4,71,23	5,18,37	5,44,69	5,69,67	6,17,05	6,50,91	6,39,57	5,85,03	5,53,43	5,72,17
Civil Works ...	1,22,03	1,05,13	83,17	63,73	1,07,53	1,49,25	2,05,99	2,45,00	1,83,11	1,44,73	1,24,85	1,24,22	1,22,43
Miscellaneous ...	1,05,67	93,29	50,81	43,24	54,76	56,79	57,16	46,62	54,95	70,70	77,25	30,34	30,03
Extraordinary Items ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Transfer to Revenue Reserve Fund ...	...	...	...	...	...	20,00	15,00	...	...	...	...	...	...
Total Expenditure in India ...	8,62,35	8,65,22	7,81,37	7,84,39	9,60,42	11,09,23	11,53,24	11,23,01	10,92,39	10,59,25	9,93,45	9,73,09	9,91,43
Expenditure in England with Exchange ...	13,77	20,22	22,14	29,34	33,96	37,42	34,29	33,19	39,36	39,49	39,59	35,33	33,30
TOTAL EXPENDITURE ...	8,81,12	8,85,44	8,04,01	7,94,73	9,94,38	11,46,70	11,87,53	11,56,20	11,31,75	10,98,74	10,33,04	10,08,42	10,24,73

Revenue—Government of Burma
(In Thousands of Rupees)

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Taxes on Income ...	83,52	...	88	5,90	8,02	14,81	14,93	12,90	11,40	10,86	8,58	...	...
Salt ...	...	...	...	...	...	...	...	...	...	...	4,89	4,48	5,06
Land Revenue ...	5,80,59	4,96,15	4,71,54	5,71,38	5,84,48	5,22,93	5,85,62	5,40,88	5,27,78	2,82,77	5,75,85	4,49,48	5,37,50
Excise ...	97,95	1,11,62	1,19,86	1,16,09	1,28,68	1,82,89	1,28,68	1,88,87	1,26,94	1,07,48	80,29	88,00	88,85
Stamps ...	49,48	50,56	57,89	62,45	66,50	65,84	70,05	70,65	69,84	59,48	59,11	55,00	59,06
Forest ...	2,21,17	1,82,88	1,77,58	1,81,85	2,09,62	2,17,36	2,07,88	1,60,75	1,87,82	1,44,07	1,06,41	84,10	88,82
Registration ...	4,97	5,05	5,50	5,80	6,87	6,89	7,02	6,48	6,40	6,42	7,01	5,00	5,58
Scheduled Taxes ...	...	...	...	...	...	...	...	4,57	4,15	8,06	10,95	11,58	18,48
TOTAL ...	9,87,68	9,46,21	8,82,25	9,48,47	9,48,66	9,59,72	9,59,18	9,28,40	9,88,78	6,18,64	8,48,09	6,92,49	7,93,75
Railways ...	...	80	86	-21	10	-2	-1	...	...	...	...	...	...
Irrigation ...	8,90	42,08	85,94	89,09	48,58	28,87	81,68	88,41	14,88	19,85	27,80	54,69	87,88
Interest Receipts ...	4,57	6,40	8,40	12,61	18,28	11,68	11,24	11,82	10,90	9,46	9,54	10,27	8,27
Civil Administration ...	22,17	25,46	26,77	84,28	84,58	86,67	44,48	49,48	54,59	52,44	49,65	47,16	47,96
Civil Works ...	6,85	7,59	10,38	18,10	9,28	18,12	21,52	24,41	8,85	16,02	15,01	12,07	11,84
Miscellaneous ...	80,82	5,94	7,68	7,81	5,49	10,02	5,28	7,06	5,20	9,81	9,49	28,49	21,98
Contribution to the Central Government by Provincial Governments	-93,67	-64,00	-64,00	-64,00	-44,85	-50,23	...	...	...	...	...	...	...
Miscellaneous adjustments between Central and Provincial Government	5,89	-2,04	-18	16	-1,89	...	-58	...	...	...	...	...	...
Extraordinary Receipts ...	...	...	...	...	8,78	8,20	-61	44	2,62	1,17	24	21	...
Transfers from Revenue Reserve Fund	...	...	...	...	...	...	...	...	...	...	...	...	...
Total Revenue in India ...	9,17,71	8,67,94	8,58,19	9,85,76	10,18,94	10,06,08	10,72,08	10,54,52	10,80,77	7,21,89	9,59,82	8,45,87	9,26,18
Revenue in England with Exchange ...	...	...	...	...	-12	1	1	8	6	45	25	15	...
TOTAL REVENUE ...	9,17,71	8,67,94	8,58,19	9,85,76	10,18,82	10,06,04	10,72,09	10,54,55	10,80,83	7,22,34	9,60,07	8,45,52	9,26,18

Expenditure—Government of Burma

(In Thousands of Rupees)

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Income-Tax ...	44	...	...	...	...	...	...	...	...	...	...	...	...
Land Revenue ...	53,76	50,60	50,85	56,99	67,91	67,61	65,83	64,12	61,78	53,88	60,40	57,81	58,06
Excise ...	14,74	19,70	17,45	17,82	30,69	22,18	22,18	22,98	22,59	24,20	21,14	19,01	18,61
Stamps ...	1,88	1,45	1,84	1,43	1,89	1,50	1,73	1,76	1,59	1,89	1,29	1,24	1,39
Forest ...	90,83	93,87	99,73	92,96	77,05	79,08	75,01	60,13	65,04	64,03	-18,89	63,23	67,22
Registration ...	1,89	1,42	1,47	1,53	1,53	1,63	1,81	1,87	1,83	1,87	1,80	1,60	1,64
Scheduled Taxes ...	...	...	...	...	...	...	...	...	4	8	2	1	2
TOTAL ...	1,62,54	1,71,54	1,70,83	1,70,73	1,78,62	1,72,05	1,66,11	1,50,86	1,52,92	1,44,35	65,76	1,42,90	1,46,84
Forest and other capital outlay charged to revenue ...	...	...	...	...	8,08	8,41	9,06	14,35	7,69	6,40	-17,15	36	54
Railways ...	37,49	64,62	-1,08,46	-46	15	-4,70	...	...	...	...	...	...	...
Irrigation ...	23,72	67,58	51,88	52,29	67,72	57,80	60,22	43,14	36,04	36,77	...	29,14	32,39
Debt Services ...	-14,23	-16,88	-18,09	-13,54	-14,08	-25,11	-25,43	-20,73	-21,64	-16,09	5,53	3,74	11,49
Civil Administration ...	4,26,24	5,59,58	4,80,99	4,84,64	4,97,95	5,52,44	5,77,10	5,37,40	5,71,52	5,51,88	5,78,74	5,30,56	5,33,84
Civil Works ...	1,62,29	1,90,94	2,01,12	1,82,46	2,33,01	2,17,60	2,51,21	2,50,21	2,11,64	2,10,73	1,11,40	92,55	92,35
Miscellaneous ...	43,73	47,08	63,89	67,74	59,01	75,27	89,55	62,31	78,75	82,42	35,04	71,65	82,50
Extraordinary Items ...	...	...	...	...	...	31,61	11,63	1,52	23	...	2	2	...
Total Expenditure in India ...	8,40,73	9,84,46	8,46,96	9,43,86	10,30,41	10,35,37	11,39,39	10,39,06	10,37,20	10,17,01	8,29,39	8,70,92	8,99,95
Expenditure in England with Exchange ...	62,90	39,31	38,12	42,36	49,12	56,33	57,31	63,91	61,77	60,37	55,07	52,02	...
TOTAL EXPENDITURE ...	9,03,63	10,24,28	8,85,08	9,86,74	10,79,53	11,41,75	11,96,70	10,52,97	10,98,97	10,77,38	8,84,46	9,22,94	8,99,95

Revenue—Shan States Federation
(In Thousands of Rupees)

	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	
										Revised Budget			
Taxes on Income	
Land Revenue	8	2,53	5,51	4,18	2,47	6,96	4,79	5,24	4,24	2,48	2,72	2,84
Excise	8	2	24	1,06	1,27	1,85	94	68	71	68
Stamps	88	28	19	25	19	19
Forest	6,61	16,63	14,93	18,85	18,58	16,20	20,26	15,84	12,61	7,52	5,54	5,10
Registration	1	1	1	1	1	1	1	1	1
Scheduled Taxes	60
TOTAL ...		6,64	18,96	20,82	18,06	21,80	24,23	26,66	22,67	17,99	10,94	9,17	8,92
Railways
Irrigation
Interest Receipts	1	1	1	...	1	1	...
Civil Administration	19	93	43	92	72	75	89	80	56	86	1,44	78
Civil Works	8	83	1,00	1,39	45	23	46	51	87	74	8,57	1,21
Miscellaneous	11,27	87,96	28,57	39,75	25,74	28,31	28,52	80,59	28,92	21,72	21,54	18,13
Contribution to the Central Government by Provincial Governments
Miscellaneous adjustment between Central and Provincial Governments	1,08	...	...	...	...	...
Extraordinary Receipts
Transfer from Revenue Reserve Fund
Total Revenue in India ...		18,13	58,23	45,82	50,02	48,21	53,58	57,62	54,58	47,84	34,27	35,73	29,04
Revenue in England with Exchange	2	...
TOTAL REVENUE ...		18,13	58,23	45,82	50,02	48,21	53,58	57,62	54,58	47,84	34,27	35,75	29,04

Indian Finance Year-Book: 1935

Expenditure—Shan States Federation

(In Thousands of Rupees)

	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34	
Land Revenue	26	26	25	26	48	57	61	29	1	1	
Excise	...	9	1	1	2	1,00	81	87	88	10	27	84	
Stamps	1	...	...	...	1	1	
Forest	...	1,86	8,28	8,86	8,99	4,43	4,29	4,47	4,97	4,52	4,04	8,62	8,55
Registration	1	1	1	1	1	1	1	1	1	
TOTAL	...	1,45	8,29	4,18	4,27	4,71	5,56	5,78	6,42	6,02	4,44	8,92	8,92
Forest and other Capital outlay Charged to Revenue	40	88	60	4	8	1	
Railway	
Irrigation	4	4	8	2	2	5	5	2	1	1	
Debt Services	1	19	71	79	78	76	
Civil Administration	...	8,82	18,08	18,84	14,40	18,87	18,99	15,85	16,27	16,29	15,61	14,19	15,18
Civil Works	...	5,26	20,29	26,86	28,66	26,81	82,80	84,27	24,47	26,67	28,97	18,89	10,08
Miscellaneous	...	72	2,79	8,05	2,74	2,52	8,16	8,29	8,62	2,82	2,51	1,69	1,50
Extraordinary Items	
Total Expenditure in India	...	11,25	89,44	44,92	50,15	47,48	55,01	59,60	50,75	58,16	47,88	84,02	81,86
Expenditure in England with Exchange	84	46	1,40	71	92	68	75	77	...	
TOTAL EXPENDITURE...	...	11,25	89,44	44,92	50,49	47,89	56,41	60,81	51,67	58,84	48,18	84,79	81,86

Revenue—Bihar and Orissa

(In Thousands of Rupees)

													Revised	Budget
		1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34
Taxes on Income	...	10,55	2,87	2,55	2,54	2,41	3,24	3,20	4,74	4,49	3,14	2,18	2,67	3,17
Salt	...	...	...	...	...	...	...	...	...	...	...	2,84	3,50	3,00
Land Revenue	...	1,64,02	1,65,40	1,65,62	1,67,58	1,67,08	1,69,21	1,68,66	1,73,98	1,77,88	1,80,04	1,76,09	1,78,45	1,79,82
Excise	...	1,28,64	1,58,97	1,88,28	1,75,99	1,96,68	1,97,85	1,96,40	1,89,27	1,90,82	1,42,00	1,22,07	1,20,61	1,27,01
Stamps	...	87,89	95,12	96,88	1,00,43	1,07,52	1,07,12	1,09,75	1,10,86	1,11,84	1,07,80	1,05,78	1,06,50	1,07,50
Forest	...	9,00	8,82	10,29	10,71	10,29	8,45	9,89	10,97	9,89	8,11	6,28	6,41	6,89
Registration	...	8,78	12,66	18,65	18,74	15,01	15,42	16,74	17,08	17,08	14,54	18,80	12,70	18,50
Scheduled Taxes	...	...	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL	...	4,08,83	4,83,84	4,71,72	4,70,99	4,98,89	5,00,79	5,04,14	5,06,85	5,10,95	4,55,72	4,28,44	4,80,84	4,40,89
Railways	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Irrigation	...	17,78	16,75	18,16	18,25	22,54	24,27	22,44	20,92	17,91	17,68	21,42	20,98	20,16
Interest Receipts	...	3,04	3,80	4,82	5,04	7,52	9,88	7,29	7,72	7,56	5,92	5,82	5,35	4,92
Civil Administration	...	14,51	20,81	21,20	26,98	29,20	25,51	24,20	29,10	31,42	28,76	28,26	29,08	27,77
Civil Works	...	6,68	5,84	5,82	8,86	6,66	6,50	8,21	6,46	6,46	6,86	8,78	10,79	8,66
Miscellaneous	...	7,46	9,22	7,25	6,28	18,88	7,22	5,65	7,38	20,25	10,85	27,08	6,80	6,85
Contribution to the Central Government by Provincial Governments...	...	-9,97	...	...	..	...	...	...	...	...	...	...	...	...
Miscellaneous adjustment between Central and Provincial Governments	...	-21	-15	-16	64	80	87	51	...	...	..	...	...	...
Extraordinary Receipts	...	...	...	...	...	...	...	...	...	...	1,58	...	...	...
Transfer from Revenue Reserve Fund	...	...	...	...	...	..	...	...	...	...	...	...	...	...
Total Revenue in India	...	4,42,62	4,94,11	5,28,81	5,86,54	5,78,94	5,78,99	5,72,44	5,77,88	5,94,55	5,27,87	5,19,25	5,08,79	5,08,75
Revenue in England with Exchange...	..	..	..	-2	-1	...	-2	-2	84	-1	22	22	...	...
TOTAL REVENUE		4,42,62	4,94,11	5,28,29	5,86,58	5,78,94	5,78,97	5,72,42	5,78,22	5,94,54	5,27,59	5,19,47	5,08,79	5,08,75

Expenditure—Bihar and Orissa

(In Thousands of Rupees)

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Income Tax	26	...	...	...	...	...	...	...	...	...	...	...	...
Land Revenue	14,60	15,76	18,57	21,14	21,21	21,89	23,84	27,50	25,72	24,68	21,80	18,06	17,89
Excise	9,86	8,98	9,86	9,90	22,75	19,89	19,16	18,08	18,88	16,14	15,41	14,58	15,06
Stamps	2,69	2,61	3,27	2,88	2,97	3,06	3,18	3,39	2,58	2,89	2,17	2,07	2,18
Forests	9,95	7,06	7,45	7,79	6,58	8,41	6,68	7,19	7,62	7,84	7,01	6,39	6,85
Registration	5,49	5,87	5,50	5,45	5,88	6,06	6,24	6,28	6,49	6,41	6,18	5,79	6,30
Scheduled Taxes	...	...	..	...	...	...	...	...	...	...	...	...	...
TOTAL	42,85	39,78	44,15	47,14	59,84	58,88	58,55	62,84	60,69	58,91	52,57	47,79	48,28
Forest and other Capital outlay charged to Revenue	...	...	...	...	99	1,81	1,29	1,32	1,49	1,51	62	17	18
Railways	...	...	...	...	...	...	...	...	...	...	...	...	...
Irrigation	24,45	28,57	24,01	25,18	25,48	27,64	27,41	25,78	28,49	25,47	25,94	22,58	22,75
Debt Services	2,52	2,28	3,36	3,55	3,42	2,48	1,98	1,23	1,62	1,99	1,95	2,23	2,15
Civil Administration	2,77,87	2,37,29	2,99,59	3,15,30	3,31,72	3,62,40	3,58,35	3,62,66	3,78,34	3,30,88	3,45,50	3,29,91	3,54,12
Civil Works	59,92	56,09	64,29	66,85	72,98	83,18	84,82	76,42	85,68	90,25	56,07	43,83	88,05
Miscellaneous	37,22	41,06	36,46	37,61	39,91	40,43	37,79	32,47	34,12	32,79	36,42	34,04	34,98
Extraordinary Items	...	...	...	...	...	...	...	...	...	...	1	15	5
Total Expenditure in India	4,44,28	4,50,92	4,71,86	4,95,68	5,38,79	5,81,22	5,64,54	5,62,25	5,85,99	5,81,80	5,19,08	4,80,30	5,00,56
Expenditure in England with Exchange	13,78	13,82	12,48	17,49	21,14	23,78	22,57	23,02	22,43	24,33	23,46	22,19	21,44
TOTAL EXPENDITURE	4,57,96	4,68,24	4,84,34	5,13,12	5,54,93	6,05,00	5,87,11	5,85,27	6,08,42	6,06,13	5,42,54	5,02,49	5,22,00

Revenue—Government of the Central Provinces
(In Thousands of Rupees)

	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Taxes on Income ...	1,49	8,42	2,80	1,86	2,18	1,72	2,28	2,74	2,65	8	...	...
Salt Land Revenue ...	2,55,45	2,88,44	2,25,72	2,21,88	2,82,88	2,45,26	2,19,81	2,04,99	2,18,59	2,10,68	2,58,09	2,58,76
Excise Stamps ...	1,25,75	1,80,78	1,50,44	1,56,57	1,85,45	1,20,67	1,22,76	1,24,45	86,27	65,56	55,50	57,50
Forest Registration ...	47,07	51,05	52,88	49,88	58,21	50,78	54,46	59,97	51,12	44,47	42,50	45,65
Scheduled Taxes ...	6,88	6,62	6,79	6,66	6,48	6,57	7,80	7,00	5,85	4,79	5,10	5,20
TOTAL ...	4,94,84	4,97,54	5,05,92	5,06,90	4,91,65	4,90,20	4,75,78	4,67,88	4,23,17	3,81,09	4,11,49	4,18,67
Railways ...	...	...	...	...	...	...	...	...	...	...	...	...
Irrigation ...	1,86	1,68	91	92	1,92	1,23	-18	-26	8,20	-1,86	-1,24	1,18
Interest Receipts ...	8,19	5,14	8,80	2,72	2,49	8,77	8,82	2,86	4,18	8,22	4,67	5,25
Civil Administration ...	17,51	18,99	21,02	20,85	20,15	21,58	22,81	22,65	22,18	24,04	21,88	22,04
Civil Works ...	4,06	4,62	4,47	4,76	5,10	5,26	4,90	5,04	5,10	5,99	9,95	10,16
Miscellaneous ...	11,40	11,00	11,97	9,55	7,67	17,20	28,58	30,22	12,08	6,44	6,09	6,22
Contribution to the Central Government by Provincial Government ...	-22,00	-22,00	-22,00	-18,00	-22,00	...	...	...	...	...	...	...
Miscellaneous adjustments between Central and Provincial Governments	-52	+20	-25	1,99	-41	27	...	...	...	...	...	...
Extraordinary Receipts ...	...	...	...	45	45	26	18	84	18	25	6	15
Transfers from Revenue Reserve Fund ...	...	...	...	...	...	...	...	...	...	...	...	...
Total Revenue in India ...	5,15,84	5,17,12	5,25,84	5,35,14	5,07,02	5,89,77	5,85,84	5,23,18	4,69,99	4,19,67	4,52,85	4,68,67
Revenue in England with exchange ...	...	...	...	...	...	...	4	6	7	23	27	...
TOTAL REVENUE ...	5,15,84	5,17,12	5,25,84	5,35,14	5,07,02	5,89,77	5,85,88	5,23,24	4,70,06	4,19,95	4,58,12	4,68,67

Expenditure—Government of the Central Provinces

(In Thousands of Rupees)

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Income-Tax ...	51	...	...	...	...	...	...	...	...	...	...	...	...
Land Revenue ...	37,76	44,74	46,29	28,80	25,00	26,64	23,74	29,22	28,91	28,67	22,87	19,28	18,98
Excise ...	7,84	7,20	9,51	7,44	21,02	17,85	14,75	12,98	11,48	11,70	9,30	8,21	10,81
Stamps ...	1,53	1,64	2,46	2,58	2,18	1,89	1,86	1,79	1,69	2,49	1,16	1,88	1,82
Forest ...	27,81	30,12	30,26	31,42	33,25	36,14	36,56	38,22	38,64	38,81	34,19	32,80	34,42
Registration ...	2,54	2,65	2,47	2,35	2,16	2,17	2,21	2,20	2,22	2,16	1,95	1,78	1,86
Scheduled Taxes ...	...	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL ...	77,49	86,85	90,99	67,54	83,56	84,69	84,12	84,86	82,89	83,88	68,97	62,90	66,84
Forest and other Capital outlay charged to Revenue ...	...	...	...	...	2,42	2,52	2,00	2,21	1,12	1,29	84	87	...
Railways ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Irrigation ...	39,64	32,72	28,01	25,60	20,60	28,00	27,48	29,82	29,59	30,61	31,80	32,33	32,77
Debt Services ...	3,95	4,20	3,43	2,41	1,55	28	4,43	3,86	-1,26	30	2,91	16,42	4,88
Civil Administration ...	2,34,95	2,35,30	2,24,68	2,42,42	2,51,18	2,66,11	2,62,18	2,79,92	2,70,51	2,71,01	2,48,35	2,32,51	2,48,60
Civil Works ...	65,76	62,76	63,19	63,85	75,80	1,02,12	1,09,98	98,57	81,68	69,92	51,87	52,20	54,88
Miscellaneous ...	64,51	58,29	74,83	72,14	73,54	71,88	29,06	39,80	56,40	37,88	34,69	33,90	44,06
Extraordinary Items ...	...	...	...	...	23	9	...	...	...	...	...	...	...
Total Expenditure in India	4,86,82	4,79,62	4,85,23	4,73,96	5,14,88	5,55,09	5,19,20	5,36,04	5,20,98	4,94,84	4,37,93	4,35,63	4,46,98
Expenditure in England with Exchange ...	9,08	9,95	9,19	14,30	17,74	19,29	18,47	18,97	21,54	19,89	19,72	18,48	18,31
TOTAL EXPENDITURE ...	4,95,40	4,89,57	4,94,42	4,88,26	5,32,62	5,74,38	5,37,67	5,55,01	5,42,47	5,14,28	4,57,65	4,54,16	4,65,79

Revenue—Government of Assam

(In Thousands of Rupees)

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Taxes on Income ...	...	...	...	...	...	...	...	...	...	...	2,42	2,00	1,75
Salt ...	8,29	1,15	4,16	5,54	5,29	4,92	5,62	6,68	5,53	4,84	64	64	...
Land Revenue ...	96,17	92,02	1,08,29	1,05,14	1,07,11	1,06,72	1,12,79	1,17,18	1,20,74	1,15,26	1,20,88	1,14,00	1,18,00
Excise ...	59,58	54,18	60,50	65,96	73,82	71,98	70,94	66,89	66,28	58,87	52,84	41,00	37,49
Stamps ...	15,23	18,08	19,84	20,85	22,22	23,56	23,50	22,01	19,98	19,49	19,16	18,10	18,20
Forest ...	18,22	17,14	19,74	24,79	30,89	31,67	36,14	37,63	35,20	22,68	19,27	17,15	14,24
Registrations ...	1,25	1,83	1,78	1,87	2,18	2,28	2,80	2,82	2,09	1,97	1,92	1,87	1,67
Scheduled Taxes ...	...	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL ...	1,88,74	1,88,85	2,09,81	2,28,95	2,40,96	2,41,08	2,51,29	2,52,16	2,49,77	2,22,06	2,16,58	1,94,56	1,86,85
Railways ...	-84	-14	-12	17	29	17	12	...	...	...	...	...	...
Irrigation ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Interest Receipt ...	45	98	87	61	80	1,02	1,59	1,87	2,74	95	1,10	1,20	1,09
Civil Administration ...	6,48	9,23	8,52	9,66	9,18	8,53	9,06	12,09	12,70	13,10	12,80	11,70	11,24
Civil works ...	5,17	4,52	4,82	5,59	4,51	4,80	4,21	4,68	4,43	5,90	7,92	9,89	7,21
Miscellaneous ...	1,42	99	2,84	4,99	3,85	3,84	2,95	3,12	2,25	2,41	1,62	1,84	1,46
Contribution to the Central Government by Provincial Governments ...	-18,27	-15,00	-15,00	-15,00	-9,00	-15,00	...	...	...	...	...	...	...
Miscellaneous adjustments between Central and Provincial ...	-12	...	+4	52	1	5	14	...	...	...	...	...	...
Extraordinary Receipts ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Transfers from Revenue Reserve Fund ...	...	...	...	...	...	...	...	...	...	...	...	...	...
Total Revenue in India ...	1,81,58	1,84,43	2,10,88	2,30,49	2,50,05	2,43,49	2,69,36	2,73,62	2,71,94	2,44,42	2,40,02	2,18,19	2,07,85
Revenue in England with exchange ...	...	...	...	...	...	...	...	8	1	1	3	...	...
TOTAL REVENUE ...	1,81,58	1,84,43	2,10,88	2,30,49	2,50,05	2,43,49	2,69,36	2,73,70	2,71,95	2,44,43	2,40,03	2,18,19	2,07,85

Expenditure—Government of Assam

(In Thousands of Rupees)

84

Indian Finance Year-Book: 1935

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Income-Tax	2	...	...	...	...	...	...	...	...	...	...	...	...
Land Revenue	18,81	14,72	15,72	16,29	17,29	18,09	19,10	19,07	20,55	21,88	20,61	18,78	17,05
Excise	2,82	2,27	1,87	1,75	13,88	10,99	7,98	9,60	9,15	8,48	6,00	6,12	5,48
Stamps	60	71	93	92	90	92	97	94	64	59	46	44	48
Forests	9,88	11,18	11,89	13,19	14,64	13,27	12,92	19,58	20,48	19,50	15,46	14,52	12,56
Registration	1,18	1,17	1,81	1,82	1,88	1,41	1,52	1,57	1,74	1,70	1,01	1,50	1,50
Scheduled Tax ... ..	...	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL	27,26	30,00	31,22	33,47	48,04	44,68	42,49	50,71	5,251	52,15	44,14	41,81	37,92
Forest and other capital outlay charged to Revenue ... ..	...	...	...	...	89	1,08	1,15	1,70	177	1,66	66	49	47
Railways	1,38	87	48	1,15	1,09	85	58	58	59	60	50	51	51
Irrigation	61	58	68	74	78	64	98	1,18	90	71	68	55	65
Debt Services	-48	-50	-66	-65	-68	-67	-75	-86	-102	-65	2,42	4,69	6,82
Civil Administration	1,12,76	1,18,88	97,68	1,02,12	1,11,58	1,18,19	1,24,61	1,29,88	1,36,58	1,39,59	1,31,07	1,22,14	1,25,57
Civil Works	42,28	40,85	37,18	37,40	39,58	49,48	58,05	67,64	77,17	57,57	41,18	41,21	39,69
Miscellaneous	16,06	15,87	14,88	19,08	17,19	18,59	14,78	14,85	18,52	16,54	16,62	17,75	20,81
Extraordinary Items ... ..	...	...	...	...	84	...	...	...	...	...	...	6	47
Total Expenditure in India	1,99,87	2,00,95	1,82,68	1,98,26	2,18,76	2,32,24	2,41,84	2,65,68	2,37,02	2,68,17	2,37,22	2,28,71	2,31,91
Expenditure in England with Exchange	5,36	4,52	7,89	708	9,45	10,97	9,68	9,54	10,70	10,76	10,51	10,47	9,97
TOTAL EXPENDITURE	2,05,23	2,05,47	1,90,57	2,00,29	2,28,21	2,43,21	2,51,52	2,75,17	2,97,72	2,78,93	2,47,73	2,39,18	2,41,88

Revenue—Government of Coorg

(In Thousands of Rupees)

	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Taxes on Income	...	...	...	...	...	...	...	...	...	...
Land Revenue	8,56	8,76	8,75	8,73	8,68	8,87	8,45	4,05	8,79	8,79
Excise	8,48	8,40	8,30	8,67	8,77	8,88	8,89	2,60	2,80	2,71
Stamps	87	84	92	96	1,00	1,08	98	87	90	87
Forest	6,68	5,89	4,58	4,98	5,28	5,72	8,09	4,86	8,88	4,22
Registration	7	7	7	8	7	9	5	4	9	7
Scheduled Taxes	...	...	..	...	...	...	...	...	...	...
TOTAL	14,66	13,46	12,62	13,89	13,78	14,64	10,96	12,42	10,96	11,66
Railways	...	...	...	...	...	...	...	...	...	...
Irrigation	...	...	...	...	...	...	...	...	...	...
Interest Receipts	...	...	...	...	...	...	...	...	...	...
Civil Administration	82	88	84	41	47	57	67	66	91	90
Civil Works	16	14	15	15	12	86	28	81	24	26
Miscellaneous	2	4	10	4	5	8	2	2	2	2
Contribution to Central Government	-12	-12	-12	...	...	...	...	...	...	...
Total Revenue in India	15,04	13,85	13,08	13,99	14,42	15,65	11,88	13,41	12,13	12,84
Revenue in England with Exchange	...	...	...	...	...	7	...	...	...	...
TOTAL REVENUE	15,04	13,85	13,08	13,99	14,42	15,72	11,88	13,41	12,13	12,84

Expenditure—Government of Coorg.

(In Thousands of Rupees)

	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	Revised 1932-33	Budget 1933-34
Income-Tax ... ..	...	...	...	...	...	...	...	...	...	...
Land Revenue	72	77	78	78	80	88	94	82	77	77
Excise	6	6	10	7	9	11	12	11	10	10
Stamps	2	2	2	8	4	2	2	1	1	2
Forests	8,18	2,30	2,65	2,84	2,57	2,21	2,41	2,81	2,19	2,16
Registration	1	2	2	2	2	2	2	2	2	2
Scheduled Taxes ... ..	...	...	...	...	...	...	...	...	...	...
TOTAL	8,99	8,67	8,57	8,24	8,52	8,10	8,51	8,27	8,09	8,07
Forest and other Capital outlay charged to Revenue	88	28	19	16	13	90	56	17	4	...
Railways ... ..	...	...	...	...	...	...	...	...	...	...
Irrigation	7	14	9	10	8	11	8	8	6	8
Debt Services	-1	-8	-4	-5	-5	-8	-14	-16	-15	-15
Civil Administration	4,81	5,12	5,17	5,26	5,27	5,85	6,28	5,69	5,82	5,91
Civil Works	2,48	2,46	2,48	2,89	2,49	3,97	3,85	2,94	3,18	3,51
Miscellaneous	92	88	86	1,06	70	1,02	1,02	1,81	1,01	1,27
Extraordinary items ... ..	...	...	...	...	...	...	...	...	8	5
Total Expenditure in India	12,64	12,47	12,82	12,16	12,14	14,96	15,11	13,80	12,58	13,74
Expenditure in England with exchange	42	33	54	55	78	89	86	63	65	...
TOTAL EXPENDITURE	13,06	12,80	13,36	12,71	12,92	15,85	15,97	14,43	13,23	13,74

Revenue—North-West Frontier Province.				Expenditure—Government of North-West Frontier Province			
(In Thousands of Rupees.)				Revised Budget			
Revised Budget				1932-33. 1933-34.			
1932-33. 1933-34.							
Taxes on Income ...	...	...	...	Income-Tax ...	...	...	...
Land Revenue ...	19,47	19,90	...	Land Revenue ...	8,12	8,88	...
Excise ...	9,54	8,50	...	Excise ...	77	89	...
Stamp ...	9,08	9,84	...	Stamps ...	17	18	...
Forest ...	6,89	4,28	...	Forests ...	5,73	4,15	...
Registration ...	66	70	...	Registration ...	11	12	...
Scheduled Taxes ...	...	...	...	Scheduled Taxes ...	...	...	...
Total ...	45,64	42,72	...	Total ...	9,95	8,67	...
Railways ...	...	...	...	Forest and other capital outlay charged to Revenue ...	5	2	...
Irrigation ...	8,65	9,18	...	Railways ...	...	...	...
Interest Receipts ...	88	89	...	Irrigation ...	14,01	18,88	...
Civil Administration ...	5,58	5,73	...	Debt Services ...	1,72	1,55	...
Civil Works ...	2,24	3,79	...	Civil Administration ...	89,76	97,77	...
Miscellaneous ...	3,27	2,99	...	Civil Works ...	81,50	82,71	...
Contribution to the Central Governments by Provincial Governments ...	...	...	...	Miscellaneous ...	9,98	10,49	...
Miscellaneous Adjustments between Central and Provincial Governments ...	98,92	1,00,00	...	Extraordinary Items ...	...	...	...
Extraordinary Receipts ...	...	...	...	Total Expenditure in India	1,55,77	1,65,09	...
Transfers from Reserve Fund ...	...	...	...	Expenditure in England with Exchange ...	8,28	4,05	...
Total Revenue in India ...	1,60,18	1,65,25	...	Total Expenditure ...	1,59,20	1,69,14	...
Revenue in England with Exchange ...	...	...	...				...
Total Revenue ...	1,60,18	1,65,25	...				...

Revenue and Expenditure of the Central Government.

The following statement gives the revenue and expenditure of the Central Government since 1921-22. The sterling amounts are converted into rupees at the average of the daily rates for telegraphic transfers in Calcutta on London in each year. The rate of conversion has been assumed to be 1s. 6 $\frac{1}{2}$ d. in 1932-33 and as usual 1s. 6d. in 1933-34.

Year	(1) Revenue excluding transfer from Revenue Reserve Fund	(2) Expenditure excluding transfer to Revenue Reserve Fund and provision for Reduction or Avoidance of Debt	(3) Balance of (1) and (2)	(4) Provision for Reduction or Avoidance of Debt and Transfers to or from Revenue Reserve Fund	Final Surplus (+) Deficit (-)
1921-22 ...	1,15,21	1,88,40	-28,19	4,46	-27,65
1922-23 ...	1,21,41	1,81,88	-10,47	4,55	-15,02
1923-24 ...	1,83,17	1,27,16	+6,01	3,62	+2,89
1924-25 ...	1,88,04	1,28,58	+9,46	3,78	+5,68
1925-26 ...	1,83,83	1,25,05	+8,28	4,97	+8,81
1926-27 ...	1,81,70	1,23,77	+7,98	(a) 7,98	...
1927-28 ...	1,25,04	1,22,22	+2,82	(b) 2,82	...
1928-29 ...	1,28,24	1,23,88	+4,86	(c) 4,68	-82
1929-30 ...	1,82,69	1,26,68	+6,01	5,74	+27
1930-31 ...	1,24,60	1,30,04	-5,44	6,14	-11,58
1931-32 ...	1,20,62	1,25,48	-4,86	6,89	-11,75
1932-33 (Revised) ...	1,27,13	1,18,12	+9,01	6,84	+2,17
1933-34 (Budget) ...	1,24,52	1,17,22	+7,30	6,88	+42

Railway Budget

Review of Results from 1924-25 to 1933-34

ALL LINES.

(FIGURES IN LAKHS OF RS.)

	Mileage open	Gross traffic receipts	Ordinary working expenses	Appropriation to Depreciation Fund	Net traffic receipts	Net miscellaneous charges (including surplus profits payable to Companies) after deducting miscellaneous receipts	Net revenue	Interest charges	Surplus	Paid as contribution to general revenues	Transferred to Railway Reserve	Borrowed from Depreciation Fund
*1924-25	27,824	1,00,13	81,65	10,38	28,13	1,07	27,06	28,9	18,16	6,78	6,88	
1925-26	27,420	96,94	82,99	10,67	25,28	1,1	24,09	24,81	9,28	5,49	3,79	
1926-27	28,004	96,42	82,89	10,89	21,64	1,27	23,37	25,97	7,50	6,01	1,49	
1927-28	28,426	1,03,43	88,06	11,38	23,99	87	26,12	27,27	10,85	6,28	4,57	
1928-29	29,451	1,03,72	84,21	12,00	27,51	37	27,14	29,83	7,61	5,23	2,58	
1929-30	31,216	1,02,70	85,59	12,59	24,52	2	24,50	20,46	4,04	6,12	-2,06	
1930-31	31,488	95,10	84,89	13,07	27,64	11	27,53	22,72	-5,19	5,74	-10,93	
1931-32	31,709	86,63	49,51	13,46	23,86	-1	23,87	23,07	-0,20	...	-4,95	
1932-33 (Revised estimate)	31,819	86,50	49,10	13,75	23,65	5	23,60	22,94	-0,84	...	...
1933-34 (Budget estimate)	31,624	88,25	49,35	13,75	25,15	-1	25,16	22,93	-7,77	...	...	-777

* In 1924-25 Railway Revenues were separated from other Revenues.

Capital Expenditure.

The total expenditure charged to capital and to the depreciation fund on State-owned Railways in the three years 1931-32 to 1933-34 is set out below:—

	Accounts, 1931-32	1932-33		Budget, 1933-34
		Budget	Revised	
England—				
Sterling payments £	1,965,998	1,125,000	825,000	975,000
Converted into rupees at ls. 6d. to the rupee ... Rs.	2,62,13,241	1,50,00,000	1,10,00,000	1,30,00,000
Exchange ... Rs.	2,14,608	...	-88,000	...
Total England ... Rs.	2,64,27,844	1,50,00,000	1,09,62,000	1,30,00,000
India—				
Payments in India ... Rs.	12,81,20,660	8,25,00,000	5,90,88,000	7,95,00,000
Total England and India Rs.	14,95,48,504	9,75,00,000	7,00,00,000	9,25,00,000

The distribution of the above between capital and depreciation fund is as follows:—

Capital ...	6,69,00,251	-4,15,00,000	1,40,00,000	3,80,00,000
Depreciation Fund	8,26,48,253	5,60,00,000	5,60,00,000	5,95,00,000

2. The statement below gives a comparison of the allotments made for open lines and lines under construction during the same period (*viz.*, 1981-82 to 1983-84) under commercial and strategic lines separately:—

(Figures in thousands of rupees.)

		Accounts, 1981-82	Revised Estimates, 1982-83	Budget Estimates, 1983-84
Commercial				
Open line (including rolling stock)	{ Capital	8,98,02	81,00	2,99,00
	{ Dep. Fund	7,98,06	5,40,00	5,81,20
<hr/>				
Total open lines (Commercial)	{ Capital	8,98,02	81,00	2,99,00
	{ Dep. Fund	7,98,06	5,40,00	5,81,20
<hr/>				
Lines under construction	{ Capital	2,79,20	65,00	82,00
	{ Dep. Fund	...	...	...
<hr/>				
Total Commercial	{ Capital	6,72,22	1,46,00	8,81,00
	{ Dep. Fund	7,98,06	5,40,00	5,81,20
<hr/>				
Total		14,70,28	6,86,00	9,12,20
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Strategic.				
Open line (including rolling stock)	{ Capital	-8,88	-6,15	-1,00
	{ Dep. Fund	28,42	20,00	13,80
<hr/>				
Lines under construction—Capital		61	15	...
<hr/>				
Total Strategic	{ Capital	-8,22	-6,00	-1,00
	{ Dep. Fund	28,42	20,00	13,80
<hr/>				
Total Commercial and Strategic Lines	{ Capital	6,69,00	1,40,00	8,80,00
	{ Dep. Fund	8,26,48	5,60,00	5,95,00
<hr/>				
Total		14,95,48	7,00,00	9,25,00

Capital Expenditure on State-owned Railways

RAILWAYS	Accounts, 1981-82	To end of 1981-82	Revised Estimate, 1982-83	Budget Estimate 1983-84	To end of 1983-84
OPEN LINES					
State Railways managed by State—					
Aden (Commercial)	-4,52	...	...	...	...
Burma	23,52	82,66,76	8,00	19,78	82,89,54
Eastern Bengal	15,07	48,99,54	20,50	18,92	49,33,96
East Indian	87,80	1,88,51,69	68,00	77,27	1,89,91,96
Great Indian Peninsula	56,68	1,17,17,74	-42,00	5,79	1,16,81,53
North Western	27,29	1,06,84,87	-67,00	26,90	1,05,94,27
Strategic Lines	-8,88	80,69,91	-6,05	-1,00	80,62,86
Miscellaneous	1,25	2,44,80	...	...	2,44,80
Abandoned projects ... ..	...	82,26	...	...	82,26
State Railway Collieries	25	1,00,17	25	...	1,00,42
Total State Railways managed by State	1,58,46	4,78,16,74	-28,30	1,47,66	4,79,86,10
State Railways managed by Companies or Indian States—					
Assam Bengal	26,21	21,08,04	5,50	9,98	21,23,47
Bengal Nagpur	85,97	71,98,61	16,00	24,46	72,89,07
Bengal and North-Western (Tirhut)	12,68	9,68,44	2,50	5,66	9,76,60
Bezwada Extension	4	17,70	25	6	18,01
Bombay, Baroda and Central India	41,51	78,26,99	29,00	48,66	78,99,65
Dronachellam Kurnool Railway Extension	-4,97	11,80	50	71	18,01
Jodhpur	56	84,82	1,50	1,28	87,10
Madras and Southern Mahratta	67,64	50,74,19	20,00	82,74	51,26,98
Rohilkund and Kumaon (Lucknow Bareilly)	1,29	2,45,84	75	-41	2,45,68
South Indian	57,29	86,71,72	81,75	82,00	87,85,47
Total State Railways managed by Companies or Indian States	2,88,22	2,67,07,15	1,07,75	1,50,09	2,69,64,99
Total Open Lines	8,91,68	7,45,28,89	79,45	2,97,75	7,49,01,09

CURRENCY AND MONETARY SECTION :

INDIAN FINANCE IN 1932-33.

1932-33 may be said to have opened, so far as Great Britain and India at least are concerned, with the confidence that thanks largely to the abandonment of the gold standard, the intractable problems of national budget and finance had been brought under control. Foreign trade continued to languish to the end of the year; and in internal trade and industry only the sheltered trades showed marked improvement. But it was widely felt that the nightmare of financial chaos or ruin was past and that the nation could afford to await the turn of the tide. But the year closed with the rude reminder to the off-gold countries that there can be no monopoly of the sweets of currency depreciation and that there can be recovery without a true international understanding. Thus the close of the year has to be viewed mainly as the eve of the world economic conference; and the anxieties and uncertainties connected with it should not blind us to the encouraging developments that characterised far the greater part of the year under review.

If the year 1930 saw the spread of the depression to all parts of the world and 1931 was the year of financial breakdown, 1932 was the period of arrested decline in international finance. By April 1932, Great Britain and India had begun to feel that the abandonment of the gold standard, far from proving a calamity it was feared to be, was actually a blessing in disguise. The recovery which the devaluation made possible was well on its way before the last financial year began. The lower trend of international money rates may be said to have begun with the reduction of the Bank of England rate from 6 to 5 per cent. on February 18, 1932. This was followed a week later by the reduction in the Imperial Bank rate from 7 per cent. to 6 per cent. and by the change from $3\frac{1}{2}$ per cent. to 3 per cent. in the rediscount rate of the Federal Reserve Bank of New York. While the next reduction in the New York rate was as late

as June 23, the Bank of England rate was eased off from 5 to 4 per cent. in less than a month on March 10. Not only was the reduction of 1 per cent. at one stroke an uncommon occurrence but it was followed the next week by another cut of $\frac{1}{2}$ per cent. in the official minimum.

While credits were thus made cheap, there was no substantial inflation during the first few months following the devaluation of September, 1931. On March 3, 250 million dollars was returned out of the 400 million granted by New York and Paris; and there was greater freedom thereafter to follow an independent exchange, currency and credit policy. With the Budget came the proposals for the establishment of an Exchange Equalisation Fund. And these resources were utilised not for forcing up the external value of sterling but to keep it down at the desired levels. The attitude towards the bugbear of exchange having been thus clarified, it was possible for Great Britain to embark on a policy of cheap and abundant credit. It was at first believed that such a credit policy would result in larger advances by banks, a greater utilisation of credit and eventually a rise in the general price-level. But the increase of credit was actually attended by a fall in bankers' advances and the double increase in the surplus funds began to flow into Government securities. Giltedge prices were steadily and rapidly on the mend; and with the first signs of this development, the British Government made up their mind to encourage and strengthen the movement with a view to create conditions in which the service of the public debt could be considerably reduced and substantial savings secured for the Treasury.

It is well to mark the steps which led on to the crowning achievement of the conversion of war debts. On March 16, the terms for the redemption of £116 million of $4\frac{1}{2}$ per cent. Treasury Bonds were announced. Then came the an-

nouncement of the British budget surplus of £364,000, a substantial achievement considering the findings of the May Committee. On April 29, tenders for 3 per cent. Treasury Bonds were invited. At the end of June, with the reduction of the bank rate to the record low level of 2 per cent. came the announcement of the terms of conversion of £2,087 million of 5 per cent. war loan into 3½ per cent. stock. And it was at this time that the Chancellor of the Exchequer resorted to the expedient of suspending all new issues which has continued in some form or other ever since. The pace of conversion was sought to be forced by the offer of a bonus of 1 per cent. to those converting on or before July 31, 1933. On August 15, the Treasury were in a position to announce that £1,850 million had been converted into the 3½ per cent. stocks. The final figures showed 92 per cent. to have been converted. On October 10, £150 million of 2 per cent. Treasury Bonds were issued subscribable both in cash and in conversion of £140 million of 4½ per cent. Treasury Bonds 1932-34. And this was an immediate success and on November 1, a 3 per cent. conversion loan 1948-53 at 97½ was issued and this was over-subscribed one and a half times.

The success of the Government on the financial side led them to tackle the economic problems. The Import Duties had given Britain the double advantage of checking the imports from foreign countries and holding a threat to the Empire nations which was made to work with marked effect on them at the Ottawa Conference. But the Government felt that the measures restricting the import trade were only part of the programme of financial reconstruction and that what the national economy required was the security and, where possible, the expansion of foreign markets. This was attempted at Ottawa; and from the standpoint of the believers in such schemes the Ottawa pact must be considered a success. To the main framework of Empire trade have come to be added a number of trade agreements with numerous countries; but chronologically they are outside the year under review.

It is on this background of a generally cheerful picture of British finance and economy that we must set the less determinate developments of the rest of the world. While, as has been pointed out already, India has followed England closely in most respects, the rest of the

world has not an equally heartening tale to narrate. France and the U.S.A., for example, are still in the stage of huge budgetary deficits. France has been lacking even the will to balance the budget as the inordinately protracted passage of the Budget Bill for 1933 through the Chamber and the Senate clearly show. To the extent that France had no such threatening financial problems as Britain had, her experiences during 1932-33 have not been very exciting. But she took advantage of the favourable atmosphere created by the outstanding success of the British conversion to reduce 85 milliards of her public debt to a 4½ per cent. basis in September. Germany passed through a period of stalemate of parties in the Reichstag and stagnation in business. The standstill agreements were renewed on a more favourable basis from February 28, 1933 on which they were due to expire to February 28, 1934.

For the United States of America, the period was one of trouble and travail ending with the imposition of the embargo on exports of gold and silver. The first rumblings of the coming storm were heard as early as the middle of May when gold was withdrawn in large quantities from America and fears were felt for the first time for the safety of the gold standard in the land of the almighty dollar. But the trouble passed; and even the bank rate was reduced from 3 to 2½ per cent. in New York on June 23. In October the trouble again raised its head and there was a large scale selling of American securities in Europe. But on this occasion also the panic was short-lived. And the year 1932 closed with a distinctly optimistic tone. But the banking system in America had been gravely shaken by the disastrous fall in prices; and though at an earlier time it was felt the Reconstruction Finance Corporation was doing adequate repair work, the absence of branch banking and the consequent weakness of the system as such had their natural effects on the popular mind. The publication of the figures of advances made by the Corporation is on a par with the publication in the case of Great Britain of the report of the MacMillan Committee with all its disquieting disclosures. People naturally argued that if large sums had to be advanced even to tolerably sound banks, the position must be very rotten, indeed. The State of Michigan led the way in the end of February towards the banking

crisis. An eight day banking holiday was declared, and thereafter withdrawals were restricted. The crisis spread to the other states till it came to a head on the very date of Mr. Roosevelt's advent at the White House. But as the two earlier crises of May and October had led to the withdrawal of all foreign funds in America, the crisis was at this time purely an internal crisis of confidence in American banks. Mr. Roosevelt acted with vigour and determination. He declared a ten day bank holiday, prepared a special currency issue to be available for sound banks on their re-opening, imposed penalties on hoarding and thus made it possible to resume normal working at the allotted time. The year thus closed with America sticking to the gold standard. But the devaluation of the dollar had ceased to be regarded as either a remote or a real possibility.

The question of America's abandonment of the gold standard brought home more forcibly than ever the need for international agreement on all outstanding quasi-political, economic and financial questions. The need was the greatest in regard to war debt payments. For it was the necessary complement of the settlement of the question of reparations which was concluded with great difficulty in July, 1932. The European powers took many months to gather together to settle a question over which the definite declaration of Dr. Bruening allowed little delay. In January, 1932, the French Government contrived to have the question postponed on the pretext of a ministerial crisis which ended in the resignation of M. Laval. It was only in the middle of February, 1932 that agreement was first reached between Great Britain and France regarding the holding of the Reparations Conference in June. The tortuous course of the negotiations at Lausanne with a hopeless crisis threatened on June 27, the subsequent efforts of Mr. Ramsay MacDonald to retrieve the negotiations and the final settlement on July 8 on the basis of a payment of £150 million, all need no more than a mere reference.

And from then, the European Governments have been naturally anxious to have the question of war debts settled, so that the payments of the allied Powers to America could be brought into relation with their claims on Germany on account of reparations. But definite action was not taken till November 10, on which date the British Government addressed

its note on war debts to the American Government. The next day the French note was also received at Washington. Though both the countries asked for a suspension of the December 15 payment of war debts, pending a final settlement of the question, there was a marked difference in the tone adopted by the British and the French Governments. Britain contended that the object of the moratorium was "to relieve the pressure of difficulties resulting from the fall in prices and the lack of confidence in economic and political stability and to assist in re-establishing confidence. And the note proceeded to point out that "to-day many thoughtful men throughout the world agree that, if the depression is to be overcome, further remedial measures must be sought. France made pointed reference to "her voluntary consent to the heaviest sacrifices at Lausanne and affirmed that the financial difficulties hindering the resumption of normal international relations persist." But while the French note clearly proposed "a fresh examination of the debts question" and asked "for a suspension of payments only in view of the time which must be taken," the British Government limited the immediate objective of the Note to the December 15, payments. On November 23, Mr. Hoover replied contending that no case had been made out establishing the inability of the debtor to pay. The second British note met this objection of Mr. Hoover's, only to the extent that it proved the dangers to the pound from large-scale transfer of funds to America. But when Mr. Hoover offered to take payment in foreign currencies to be transferred later with the least disturbance to the exchanges, it lost its point; and the third British note was a feeble attempt to have the payment treated as a capital payment, thereby implying that there was no resumption of regular payments under the debts settlements. Mr. Stimson, the Secretary of State, declined to accept any payment except in accordance with the debts settlement and threw upon Great Britain the responsibility of choosing between a regular payment and default. As is well known now, Britain paid the December instalment and France defaulted. Italy, Czechoslovakia, Finland, Latvia also paid; and those who defaulted besides France were Belgium, Poland, Estonia and Hungary.

The last quarter of the year showed no advance towards the settlement of the

question of war debts and was characterised by only the talks between Mr. Roosevelt and the representatives of European nations. In these talks, the preparations for the World Economic Conference, which was abruptly abandoned by the Preparatory Committee towards the end of October, progressed further and the way was paved for the meeting of the World Economic Conference in June, 1933.

The end of 1932 was marked not only by the crisis which arose over the debts payment but also by the abandonment of the gold standard by South Africa. Barring the devaluation of the dollar, which falls outside the scope of this review, the action of South Africa on December 29 is the most significant development, in as much as South Africa is the largest producer of gold in the world and had at the time no depressing problems in regard to her balance of trade or payments. The year-end, therefore, found that only France, Holland and a few small nations were left on the gold standard, the rest being either off gold or having reduced the gold standard to a mere fiction, by reason of the excessive controls that were maintained over the export of the metal and over the exchanges.

In India, as in Great Britain, the benefits of a balanced budget and a lower exchange had resolved many of the present problems of the Government. The advantages flowing from the lower exchange are woven more deeply in the fabric of Indian Finance during the last one and half years and will, therefore, be examined at length later. As regards the balancing of the budget, it will be remembered that the Emergency Budget introduced in September, 1931 was framed in such a way that the year 1931-32 would close with a deficit of Rs. 13.66 crores and 1932-33 with a surplus of Rs. 2.15 crores. The Accounts for 1931-32 show a realised deficit of Rs. 11.75 crores and the revised estimates for 1932-33 indicate a surplus of Rs. 2.17 crores. The budget for 1933-34, announced at the end of the year under review, is expected to close with a surplus of Rs. 25 lakhs. No relief in taxation has been possible as the revival in trade, which alone can help to swell revenue, had hardly begun at the end of the year. The Government, however, reduced the 10 per cent. cut in the salaries of Government employees to 5 per cent.; but at the same time, the

exemption from income tax surcharge enjoyed by these employees was withdrawn. The only new measure of taxation was the imposition of specific duties on imported canvas uppers for boots and shoes and on artificial silk mixtures.

Foreign Trade: Foreign trade continued to show a marked shrinkage during the year. Exports of merchandise decreased to Rs. 132.43 crores from Rs. 155.89 crores. Re-exports of foreign merchandise declined from Rs. 4.66 crores in 1931-32 to Rs. 3.22 crores in the year under review. Imports, however, increased from Rs. 125.72 crores to Rs. 132.27 crores, with the result that the balance of trade in merchandise fell to Rs. 3.88 crores from Rs. 34.83 crores in 1931-32, Rs. 62.05 crores in 1930-31 and the annual average of Rs. 83.13 crores in the decade ending 1929-30. The balance of payments during the year would have been as a result endangered, but for the export of Rs. 65.52 crores of gold as against Rs. 57.98 crores in the previous year. Exports of silver decreased from Rs. 2,59 lakhs to Rs. 73 lakhs. The balance of transactions in Treasury private, thus, came to the very substantial total of Rs. 64.92 crores as against Rs. 55.65 crores in the previous year. The total visible balance of trade has, thus, improved to Rs. 68.30 crores, as against the balance of trade in merchandise of Rs. 3.38 crores. The remittance of sterling by Government came to only Rs. 48.18 crores against 53.04 crores in the previous year. The balance of remittance of funds is Rs. 48.63 crores against India and the total visible balance of accounts may thus be put at Rs. 19.67 crores.

It will be obvious from the above that, but for the continued export of gold from India to foreign countries, the balance of payments would have been adverse to India; and that as a result the Government would have found it extremely difficult to discharge even their normal obligations in regard to exchange and in regard to expenditure to be made by the Secretary of State in their behalf. In this year of record drops in the foreign trade of the country, gold exports have come to possess a new significance in the national economy. In his speech on the budget for 1933-34, Sir George Schuster devoted much time to the exposition of the Government's standpoint in refusing to interfere with the free flow of gold abroad. He contended that absolute

denial of facilities to individuals for sales of gold is neither feasible nor just; that if exports are to be prohibited, the Government would have to step in as the sole buyer; and that if Government had bought all the gold that was offered, they would have had to devote the gold to the same purposes which unrestricted private exports have, after all, met and that the difference would have consisted only in the imposition of a number of needless restriction on private business activity, some of which at least should have been very harmful to trade and commerce, and that gold exports have enabled India to pay for the imports and maintain her standard of living.

One may question the wisdom of a country paying for its imports out of its hoarded gold. But it is certainly gratifying that the problem of making remittances to the Secretary of State and meeting the foreign obligations of the country was rendered easy of solution by the export of gold abroad. The net export of gold during the year was 8,354,000 oz. valued at Rs. 65.52 crores. The total amount of silver sold by the Government of India from the commencement of the operations from 1921 up to March 31, 1933, amounted to 151,158,412 fine ounces. Transactions in silver in 1932-33 showed a net export of 2.01 crores. These and, predominantly the exports of gold, have been responsible for the steadiness of the rupee rate at a high level and for the availability on favourable terms of the amount of sterling required by the Government. In the beginning months of the year, exchange was quiet and from the middle of April, 1932, the rupee rate began to sag. Not only were export bills scarce, but gold exports began to fall off as a result of rise in sterling as against the dollar. In the beginning of the year up to August 8, no purchases of sterling were found to be possible. Sterling tenders were resumed on the latter date, as by that time not only had gold exports revived, but there was a transfer of funds from India sterling securities to India rupee securities owing to the higher level of prices of sterling securities. On August 10, the amount of £500,000 called for was secured in full at 1s. 6 3/32d. and till the end of the month the Government were able to purchase £500,000 weekly by tender and £1,965,000 in the shape of intermediates. The amount on offer was raised to £1 million on September 8, and the intermediates during the month were

sold at the rate of 1s. 6 5/32d. The buying rate remained unchanged up to the middle of March but purchases were on a small scale. The disturbances caused by the American developments during that month caused a precipitate fall in the rupee rate from 1s. 6 3/32d. to 1s. 5 7/8d. But with an understanding of their full implications, the rupee rate again revived and exchange rose to 1s. 6 3/32d., the last auction of the year being done at 1s. 6 1/16d. The result of such purchases of sterling was seen in the markedly easy position of the Treasury balances in London. In addition to the remittance through the market, the Government issued in April, 1932, a 5 per cent. 1942-47 stock at 95 per cent. for a total amount of £10 million. At the same time, the balance of 6 per cent. bonds 1932 amounting to £4,700,600 were repaid on June 15, 1932. £4.3 million of 6 per cent. 1933-35 were also purchased and cancelled during the year. The year opened with a balance of £15,916,161, and thanks to the transactions mentioned above, there was a decrease of 6 million and the closing balance came down to £9,917,874. The comfortable position of the sterling balances may be seen from the fact that the average for the year was £12.2 million as against £7.9 million in the year 1931-32, the minimum being £6.7 million in July and the maximum £19.2 million in November.

As the remittances to the Home Treasury were far in excess of the current requirements, the surplus balance was invested in sterling securities and transferred to the Gold Standard Reserve in England against a corresponding transfer of gold from the G. S. R. to the P. C. R. in India. But care was taken that there was no resultant inflow of currency, such additions of gold being offset immediately by a corresponding cancellation of rupee securities. From the table showing the expansion and contraction of currency, it will be seen that 20.73 crores of gold were added to the P. C. R. against a reduction of 19.82 crores of Government of India securities and 0.51 crores in advances to the Imperial Bank. In the result, there was a contraction of currency of 8.60 crores.

It is natural that the changes referred to in the foregoing paragraphs should also be reflected in the Gold Standard Reserve. The reserves had no addition during the year from the profit on coinage and the receipts from investments during

the year amounting to £429,000 were appropriated to the revenue. As regards the composition of the Reserve, sterling securities of the value of £13.75 million were taken from the Home Treasury balance and 1.77 million out of sale proceeds of silver realised in England. This resulted in an addition of £15,527,000 under securities in the London branch of the Reserve. It will be seen from this that in spite of the gold exports from the country and the large scale purchases of sterling which they rendered possible, there was an increase of only Rs. 2 lakhs to the total stock of gold of the value of 44.36 crores, of which 25.99 crores were in the P. C. R. and the balance in the G. S. R.

The comfortable position of the Home Treasury balance has helped the credit of the Government of India to improve along with the credit of the British Government. The mainspring of the advance of gilt-edge securities during the year is to be found in the big inflationary movement initiated by the authorities in Great Britain with a view to revival of prices. As has been explained at length in an earlier part of this article, the additions to currency combined with the funds released by the fall in Bankers' advances helped to create a "boom" in gilt-edge. In this boom, the Government of India sterling securities freely participated as the political fears of the previous years had now subsided and the cash and budgetary position of the Government of India was demonstrably sound and comfortable. The rupee securities in the earlier part of the financial year, no doubt, lagged behind the Government of India sterling securities in the London market. But there was a corresponding upward movement. The monetary authorities in India at first did little to help the recovery of gilt-edge to levels more in consonance with the improvement in the financial position of the Government, and the slump in trade and other avenues of investment. The year opened with the bank rate at 6 per cent. and it remained at that level until the 28th April when it was reduced to 5 per cent. The next change in the bank rate was not effected till the first week of July when the hands of the authorities were so to say forced by the rapid return of funds, low commodity prices and unprecedented slackness in trade. The Government of India were slow to realise that what the British Government did by way of helping the

boom in gilt-edge and securing large savings to the Treasury through favourable conversions on a large scale they could also achieve in India with a more or less similar policy. The spectacle of the British Government converting 2,000 million pounds of War Loan from a 5 per cent. to a 3½ per cent. basis and making it the starting point of a progressive reduction in the borrowing rate captured the imagination of the Indian public as of the public in other countries, and the demand was made alround that similar economies should be possible in the finances of the Government of India also. The Government had no clear ideas at the beginning either of the possibilities or of the plans that might be tried.

But eventually, 1932-33 has proved to be a record in regard to new borrowing as the Government took the unprecedented step of floating successfully four rupee loans. The first loan, which might be considered as the usual New Loan of the year, was issued on the 6th June, 1932. It was a 5½ per cent. 1938-40 loan without limit of amount and subscriptions were payable in cash in 6 per cent. 1932 bonds and in Treasury Bills. The total amount subscribed was Rs. 19.14 crores, of which Rs. 13.70 crores were in cash, Rs. 3.63 crores by tender of 1932 bonds and Rs. 1.81 crores by tender of Treasury Bills. The rise in gilt-edge prices during the four months following—3½ per cent. Paper was quoting Rs. 69 at the end of September as against Rs. 63 in the first quarter of the financial year—encouraged the Government to tackle the capital market for the second time and with the offer of a lower rate of interest. A 5 per cent. 1940-43 loan was issued at 98 per cent. on August 17, 1932. Subscriptions were invited in cash, in 5 per cent. Bonds 1933 and 6 per cent. 1933-36 bonds. The amount of Rs. 25 crores offered was over-subscribed on the date of opening; and Rs. 25.18 crores was accepted, of which Rs. 4.81 crores was against tender of cash, Rs. 4.54 crores of cash have been refunded on partial allotment. The course of gilt-edge during the remaining months of 1932 was even more favourable to the plans of the Government, which during this time may be said to have been slowly formulated, and clarified. By the end of the year, 3½ per cent. paper came to be quoted at Rs. 74 and conditions in the money market were exceptionally easy for the time of the year. Accordingly, the 4 per cent 1943 bonds were issued on

January 18, 1933 at a price of Rs. 98 per cent. Subscriptions to the loan were invited only in the form of cash or of Treasury Bills, and the amount was restricted to Rs. 15 crores. The loan was oversubscribed within 2 hours of the opening of the lists to the extent of 24.77 crores, of which 9.80 crores was by tender of cash and 14.97 crores by tender of Treasury Bills. The cash applications were rejected *in toto* and the nominal value of Treasury Bills accepted was 14.67 crores. The loan amount on offer and the circumstances in which it was issued made it clear to the market by then that the Government intended the loan to be only a sort of feeler and that it really heralded the coming of a large-scale conversion loan. Market psychology was, therefore, adequately prepared in advance.

It would, perhaps, be helpful to the understanding of the loan policy of the year to refer here to the policy of the Government in regard to their short-term borrowing. From what has been said so far, it should be obvious that the year was throughout characterised by exceptionally easy conditions of money and a progressive decrease in the yield on Treasury Bills. The average yield on three months sold during March, 1932 was 5.44 per cent. In April it fell to 5.13 per cent. and thereafter there was such a steady and rapid decline that at the end of the year, the yield on three months Bills came to the very low level of 1.36 per cent. The improvement in the Treasury Bills position was not confined to the yield, but also to the total amount outstanding. At the beginning of the financial year, there was 47.53 crores of Treasury Bills outstanding as also 9½ crores of ways and means advances from the Imperial Bank. In April, the total amount rose to 53

crores and at the end of the year, the total fell to as low as Rs. 26 crores. But what is important from the standpoint of big conversion loan is that a large volume of maturities was concentrated during the time when probably the Government had decided in advance to issue their conversion loan. It is remarkable that the months of November, December and January were altogether free from any obligations for the Government in regard to their short-term debt. With giltedge prices on so high a level, with the money market flooded with payments on account of Treasury Bills Maturities and with sentiment buoyant and bullish around, the success of the conversion loan seemed assured. The last loan of the year was a 4 per cent. 1960-70 conversion loan: It was opened on the first February, 1933 and closed on the 28th February. This loan is repayable at par not later than the 15th September, 1970 and not earlier than the 15th September, 1966, the interest being liable to income tax. Holders of the 5 per cent. War Loan, 1929-47, the 5 per cent. Bonds 1933, and the 6 per cent. Bonds 1933-36, were given the option of converting their holdings into this loan, on the following terms. For every Rs. 100 (nominal value) of any of the above loans tendered for conversion, the applicant received Rs. 100 (nominal value) of the 4 per cent. Loan, 1960-70, and, in addition, a cash bonus of Rs. 7-8 in the case of the 5 per cent. Loan, 1929-47, and of Rs. 9-8 in the case of the other two loans. The total amount converted was Rs. 33,85 lakhs, of which Rs. 15,50 lakhs were by tender of the 5 per cent. War Loan, 1929-47, Rs. 7,12 lakhs by tender of the 5 per cent. Bonds, 1933, and Rs. 11,23 lakhs by tender of the 6 per cent. Bonds, 1933-36.

Balance of Trade in India from 1922-23 to 1932-33.
(In Lakhs of Rs.)

	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Exports of Indian Merchandise (private)	+ 2,99,16	+ 3,48,84	+ 3,84,66	+ 3,74,84	+ 3,01,44	+ 3,19,15	+ 3,30,18	+ 3,10,80	+ 2,20,49	+ 1,55,89	+ 1,32,43
Re-exports of foreign	+ 15,16	+ 18,07	+ 18,51	+ 10,49	+ 8,01	+ 9,54	+ 7,98	+ 7,13	+ 5,15	+ 4,66	+ 3,22
Imports of foreign	- 2,24,81	- 2,17,03	- 2,43,16	- 2,24,20	- 2,29,88	- 2,46,71	- 2,51,49	+ 2,88,95	- 1,68,61	- 1,25,69	- 1,83,27
Balance of trade in Merchandise	+ 90,01	+ 1,44,88	+ 1,55,01	+ 1,61,13	+ 79,47	+ 81,98	+ 86,47	+ 78,98	+ 62,03	+ 34,86	+ 3,88
Gold (private)	- 41,18	- 29,19	- 78,93	- 84,85	- 19,40	- 18,10	- 21,20	- 14,22	- 12,75	+ 57,97	+ 65,52
Silver (")	- 18,17	- 18,83	- 20,00	- 17,15	- 19,79	- 18,85	- 18,04	- 11,89	- 11,65	- 2,59	- 78
Currency Notes (private)	- 91	- 1,08	- 28	+ 12	- 14	- 24	- 12	- 9	- 8	+ 26	+ 18
Balance of transactions in Treasury (private)	- 60,26	- 48,65	- 94,27	- 51,88	- 89,88	- 82,19	- 84,86	- 26,20	- 24,48	+ 55,64	+ 64,92
Total Visible Balance of Trade	+ 29,75	+ 96,28	+ 60,74	+ 1,09,25	+ 40,14	+ 49,79	+ 52,11	+ 52,78	+ 37,60	+ 90,50	+ 68,80
Council Bills, purchases of sterling and other Government remittances to the United Kingdom	- 7,00	- 38,89	- 56,85	- 61,24	- 2,82	- 37,77	- 41,02	- 20,89	- 7,28	- 58,04	- 48,18
Sterling transfers on London sold in India ... ..	...	...	...	...	+ 1,98	...	...	...	+ 7,75	+ 18,98	...
Transfers of Government Securities	+ 2,62	- 85	- 88	- 1,27	+ 8	+ 28	- 1	- 29	- 8	+ 6	- 18
Interest drafts on India in respect of Government of India Securities	- 35	- 44	- 41	- 36	- 34	- 35	- 36	- 38	- 38	- 32	- 32
Balance of remittance of funds	- 4,79	- 34,18	- 57,14	- 62,87	- 1,20	- 37,84	- 41,89	- 21,01	+ 8	- 34,32	- 48,63
Total Visible Balance of Accounts	+ 24,96	+ 62,05	+ 3,60	+ 46,88	+ 38,94	+ 11,95	+ 10,72	+ 31,77	+ 37,68	+ 56,18	+ 19,67

NOTE—(1) Imports of merchandise are exclusive of railway materials imported direct by State Railways working under Company management, as the charges of these are not paid for in the ordinary way.

(2) In the balances, + means net Export and - net Import.

(3) All transactions which do not enter into the balance of trade are excluded.

Monthly Exports and Imports into India of Gold from 1927-28 to 1932-33.

(In thousands of Rupees)

	1927-28		1928-29		1929-30		1930-31		1931-32		1932-33	
	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
April ...	1,87,41	16	2,80,00	82	1,88,25	48	1,68,40	29	16,45	...	11,50	4,28,78
May ...	1,86,01	16	2,40,67	...	1,68,77	...	1,76,78	...	19,06	...	7,18	8,80,42
June ...	1,98,08	24	1,78,28	...	99,26	4	2,52,16	1	16,04	64,08	8,68	4,87,02
July ...	1,65,14	24	59,26	16	1,15,66	...	93,25	...	20,67	42,67	10,69	6,17,04
August ...	79,54	8	88,25	9	77,81	85	8,68,82	8	21,57	28,95	12,95	4,51,58
September ...	92,84	26	46,88	17	94,17	...	97,74	...	81,00	29,29	9,86	6,56,50
October ...	75,01	42	1,28,08	18	87,39	1	26,48	...	49,27	9,05,44	10,98	5,87,39
November ...	1,22,77	83	1,78,52	4	1,22,44	...	86,24	...	27,02	8,57,45	14,27	6,71,75
December ...	1,09,18	41	2,78,48	15	1,27,91	5	23,22	4,54	27,94	17,76,58	16,09	10,18,26
January ...	2,88,70	9	1,81,48	8	1,47,21	10	24,58	82,87	20,11	9,27,88	12,74	4,71,22
February ...	1,98,85	25	2,18,90	...	1,05,81	...	24,11	...	18,92	7,57,12	7,25	4,95,89
March ...	2,65,91	80	3,68,30	88	94,48	...	87,98	12,10	14,90	6,88,87	10,22	4,98,29
TOTAL ...	18,18,44	8,44	21,21,90	2,02	14,23,11	1,08	18,24,66	49,34	79,95	60,77,28	1,81,81	66,84,09

NOTE—Value is at the market rate at the time of Import or Export and the metal is of unknown fineness.

Monthly Exports from and Imports into India of Silver from 1927-28 to 1932-33.

(In Thousands of Rupees)

	1927-28		1928-29		1929-30		1930-31		1931-32		1932-33	
	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
April ...	2,68,74	4,58	1,40,79	8,20	87,80	79,77	1,44,67	21,77	46,20	28	9,68	5,46
May ...	1,96,83	17,73	1,17,80	56,88	1,15,17	26,51	1,54,84	7,40	50,80	27	19,95	3,26
June ...	1,72,99	12,87	1,53,91	1,98,98	1,26,51	49,84	1,29,18	1,02	54,06	28,40	26,58	25,99
July ...	78,01	17,82	8,89,29	75,82	94,18	25,80	94,44	1,12	86,85	78,68	42,26	9,14
August ...	91,08	23,49	1,41,60	37,84	1,08,77	24,70	1,44,78	80,84	28,68	84,47	14,85	71,96
September ...	57,68	24,58	90,92	68,27	76,01	85,14	65,28	49,08	54,00	84,41	10,06	28,75
October ...	1,11,88	4,28	1,08,50	27,42	88,74	22,82	11,75	55,99	47,05	12,95	3,07	80,79
November ...	95,80	88,65	96,54	32,88	1,03,80	41,26	48,81	19,01	80,49	9,04	8,54	68,40
December ...	1,87,98	42,81	57,75	82,82	68,85	78,81	85,57	51,42	67,86	48,47	4,77	19,02
January ...	1,28,76	2,60	1,14,54	12,15	1,07,88	38,82	1,05,58	19,78	16,50	77,89	9,59	67,87
February ...	1,99,15	1,08	1,24,75	1,12	2,45,10	25,47	8,51,81	16,24	6,51	64,77	7,08	26,84
March ...	1,14,52	18,59	56,29	31,28	1,80,15	41,85	74,00	15,57	4,19	10,68	8,02	6,78
TOTAL ...	16,47,88	2,83,69	15,92,18	6,15,11	18,41,91	4,79,79	18,46,81	3,88,69	4,42,64	4,84,81	1,62,95	3,64,26

Note—Value is at the market rate at the time of Export or Import and the metal is of unknown fineness.

Total Imports and Exports of Silver and Gold for each of the years 1900-01 to 1932-33.

(Value in Thousands of Rupees)

	GOLD		SILVER	
	Imports	Exports	Imports	Exports
	Rs.	Rs.	Rs.	Rs.
1900-01	11,89,80	11,05,59	12,67,87	8,17,15
1901-02	8,80,75	6,86,99	12,29,88	5,10,10
1902-03	18,19,24	4,48,78	12,18,65	5,22,98
1903-04	20,14,79	10,21,62	18,87,82	4,82,77
1904-05	21,81,20	12,10,61	17,69,62	4,82,27
1905-06	14,75,90	14,29,10	16,90,20	1,17,90
1906-07	18,58,84	8,67,78	26,04,64	2,04,09
1907-08	20,75,26	8,88,49	21,58,19	2,06,86
1908-09	8,40,42	4,04,88	14,84,00	2,27,15
1909-10	25,08,10	8,85,17	12,49,25	8,04,75
1910-11	27,89,25	8,91,89	11,84,84	8,21,81
1911-12	41,49,86	8,78,88	11,97,72	6,64,01
1912-13	41,29,08	7,28,96	20,54,10	8,84,22
1913-14	28,22,64	4,90,26	15,21,82	2,18,03
1914-15	10,70,88	8,05,64	11,10,45	2,28,80
1915-16	5,28,17	6,89,03	6,66,46	1,88,50
1916-17	18,88,79	10,25	25,11,48	6,81,47
1917-18	29,09,49	8,91,68	22,66,04	8,62,76
1918-19	2,27,63	7,84,00	69,08,92	1,17,02
1919-20	48,25,16	12,92,18	29,98,78	75,84
1920-21	28,57,88	21,46,56	11,11,82	4,70,57
1921-22	18,82,04	16,48,49	17,47,86	2,88,24
1922-23	41,82,89	18,81	20,94,89	2,58,86
1923-24	20,25,81	6,68	22,10,27	8,40,47
1924-25	74,28,98	86,82	24,28,07	4,20,67
1925-26	85,22,99	87,54	19,89,70	2,77,29
1926-27	19,50,12	10,07	21,76,84	1,89,54
1927-28	18,18,84	8,44	16,47,87	2,68,69
1928-29	21,21,90	2,08	15,92,18	6,15,11
1929-30	14,28,11	1,08	18,41,91	4,79,79
1930-31	18,24,66	49,84	18,46,68	8,88,70
1931-32	2,79,95	60,77,23	4,42,64	4,84,81
1932-33	1,81,81	66,84,09	1,62,95	8,64,26

London-New York Cross Rate, Price of Gold in London and in Bombay.

		LONDON-NEW YORK CROSS RATE DOLLARS TO POUND STERLING		PRICE OF GOLD IN LONDON			PRICE OF COUNTRY BAR GOLD AT BOMBAY								
		Mint par	4'86½	Highest		Lowest	Highest		Lowest						
		Highest in 1932-33	8'80½												
		Lowest in	8'15½												
		Highest	Lowest												
				£.	s.	d.	£.	s.	d.	Rs.	A. P.	Rs.	A. P.		
April	1932 ...	8'80½	8'68½	5	18	5	5	8	4	28	5	0	26	11	0
May	" ...	8'69%	8'65%	5	18	7	5	12	5	28	4	0	27	13	0
June	" ...	8'69½	8'59%	5	14	8	5	12	2	28	6	6	27	14	6
July	" ...	8'38½	8'50½	5	17	8	5	15	0	28	14	0	28	7	6
August	" ...	8'51%	8'45%	5	19	8	5	17	0	29	6	0	28	18	0
September	" ...	8'49%	8'45%	5	19	5	5	17	11	29	5	0	29	0	0
October	" ...	8'45%	8'28%	6	5	8	5	19	2	30	15	6	29	4	0
November	" ...	8'32½%	8'15%	6	9	8½	6	8	2½	31	15	6	30	6	0
December	" ...	8'33½%	8'18½	6	10	8	6	8	4½	31	9	6	30	8	8
January 1933	" ...	8'39%	8'38½%	6	8	9	6	1	1½	30	6	9	29	13	0
February	" ...	8'44%	8'38½%	6	8	8½	5	19	10	30	0	6	29	6	6
March	" ...	8'46%	8'40	6	1	11½	5	18	11	29	15	6	29	6	6

Monthly Sales of Sterling.

(In Thousands of £)

	1930-31	1931-32	1932-33
April ...	...	...	228
May ...	...	...	...
June ...	...	3,001	...
July ...	2	140	...
August	82	4,817	3,165
September	...	6,590	5,379
October	...	...	4,846
November	908	...	3,275
December	1,832	...	7,686
January	2,237	...	3,754
February	1,165	...	1,855
March	8	...	1,050
TOTAL	5,784	14,048	35,738

Price of Silver—Bombay (Per 100 tolas country bar), London (per Standard ounce) and New York (per fine ounce) for 1927-28 to 1932-33

Month	1927-28						1928-29						1929-30					
	BOMBAY		LONDON		NEW YORK		BOMBAY		LONDON		NEW YORK		BOMBAY		LONDON		NEW YORK	
	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest
	Rs. A.	Rs. A.	d.	d.	Cents	Cents	Rs. A.	Rs. A.	d.	d.	Cents	Cents	Rs. A.	Rs. A.	d.	d.	Cents	Cents
April ...	60 2	58 1	26 $\frac{3}{4}$	25 $\frac{1}{2}$	57 $\frac{1}{2}$	55 $\frac{1}{2}$	60 5	58 18	26 $\frac{15}{16}$	26 $\frac{1}{4}$	58 $\frac{1}{2}$	57	58 18	56 12	25 $\frac{15}{16}$	25 $\frac{3}{16}$	56 $\frac{1}{2}$	54 $\frac{1}{2}$
May ...	59 11	57 15	26 $\frac{9}{16}$	25 $\frac{3}{4}$	57 $\frac{1}{2}$	55 $\frac{1}{2}$	65 7	60 2	26 $\frac{3}{4}$	26 $\frac{3}{4}$	68 $\frac{1}{2}$	58 $\frac{1}{4}$	57 6	56 2	25 $\frac{1}{2}$	24 $\frac{9}{16}$	55	53 $\frac{1}{2}$
June ...	59 8	58 4	26 $\frac{1}{16}$	25 $\frac{15}{16}$	57 $\frac{1}{4}$	56 $\frac{1}{2}$	62 15	60 12	26 $\frac{1}{16}$	27 $\frac{1}{16}$	61 $\frac{1}{4}$	59 $\frac{1}{2}$	55 12	54 11	24 $\frac{1}{4}$	24	53	51 $\frac{1}{2}$
July ...	60 2	58 4	26 $\frac{1}{4}$	25 $\frac{13}{16}$	56 $\frac{1}{4}$	56	62 8	61 2	27 $\frac{1}{4}$	27 $\frac{1}{16}$	59 $\frac{1}{2}$	58 $\frac{1}{2}$	56 6	54 8	24 $\frac{13}{16}$	23 $\frac{15}{16}$	53 $\frac{1}{2}$	51 $\frac{1}{2}$
August ...	58 11	55 12	26 $\frac{1}{16}$	24 $\frac{15}{16}$	56 $\frac{1}{2}$	54 $\frac{1}{2}$	61 11	60 8	27 $\frac{9}{16}$	26 $\frac{1}{16}$	59 $\frac{1}{4}$	59 $\frac{1}{2}$	55 5	54 12	24 $\frac{1}{16}$	24 $\frac{1}{16}$	52 $\frac{1}{2}$	52 $\frac{1}{4}$
September	57 12	56 4	25 $\frac{1}{2}$	25	56 $\frac{1}{2}$	54 $\frac{1}{2}$	59-15	58 6	26 $\frac{11}{16}$	26 $\frac{1}{16}$	57 $\frac{1}{2}$	56 $\frac{1}{2}$	54 14	52 12	24 $\frac{3}{16}$	23 $\frac{3}{16}$	52 $\frac{1}{4}$	50 $\frac{1}{2}$
October ...	58 2	57 4	26 $\frac{1}{16}$	25 $\frac{1}{2}$	56 $\frac{1}{4}$	55 $\frac{1}{2}$	60 2	59 2	26 $\frac{15}{16}$	26 $\frac{5}{16}$	58 $\frac{1}{4}$	57 $\frac{1}{2}$	52 11	51 11	23 $\frac{1}{4}$	22 $\frac{15}{16}$	50 $\frac{1}{4}$	49 $\frac{1}{2}$
November	60 2	58 7	26 $\frac{15}{16}$	26 $\frac{1}{16}$	58 $\frac{1}{4}$	56 $\frac{1}{2}$	59 14	59 4	26 $\frac{13}{16}$	26 $\frac{9}{16}$	58 $\frac{1}{4}$	57 $\frac{1}{2}$	51 14	51 2	22 $\frac{15}{16}$	22 $\frac{1}{4}$	50	49 $\frac{1}{4}$
December	59 14	58 11	27	26 $\frac{1}{2}$	58 $\frac{1}{2}$	57 $\frac{1}{4}$	59 6	58 10	26 $\frac{9}{16}$	26 $\frac{5}{16}$	57 $\frac{1}{2}$	56 $\frac{1}{2}$	51 4	48 4	22 $\frac{1}{16}$	21 $\frac{1}{4}$	49 $\frac{1}{2}$	46 $\frac{1}{4}$
January ...	59 4	58 0	26 $\frac{11}{16}$	26 $\frac{1}{16}$	57 $\frac{1}{2}$	56 $\frac{1}{4}$	59 2	58 8	26 $\frac{1}{16}$	26	57 $\frac{1}{2}$	56 $\frac{1}{2}$	50 4	46 8	21 $\frac{1}{2}$	20	46 $\frac{1}{2}$	43 $\frac{1}{4}$
February	59 6	58 2	26 $\frac{1}{2}$	26 $\frac{1}{16}$	57 $\frac{1}{2}$	56 $\frac{1}{4}$	58 18	57 12	26 $\frac{5}{16}$	25 $\frac{5}{16}$	56 $\frac{1}{4}$	55 $\frac{1}{2}$	49 6	46 7	20 $\frac{1}{16}$	19 $\frac{1}{16}$	44	42 $\frac{1}{4}$
March ...	59 9	58 10	26 $\frac{1}{4}$	26 $\frac{1}{16}$	57 $\frac{1}{4}$	57	59 0	58 0	26 $\frac{1}{16}$	25 $\frac{1}{4}$	56 $\frac{1}{2}$	56 $\frac{1}{2}$	55 0	51 12	20	18 $\frac{5}{16}$	48 $\frac{1}{2}$	39 $\frac{1}{2}$

**Price of Silver—Bombay (Per 100 tolas country bar), London (per Standard ounce) and New York (per fine ounce)
for 1927-28 to 1932-33—Contd.**

Month	1930-31						1931-32						1932-33					
	BOMBAY		LONDON		NEW YORK		BOMBAY		LONDON		NEW YORK		BOMBAY		LONDON		NEW YORK	
	Highest Rs. A.	Lowest Rs. A.	Highest s.	Lowest d.	Highest Cents	Lowest Cents	Highest Rs. A.	Lowest Rs. A.	Highest s.	Lowest d.	Highest Cents	Lowest Cents	Highest Rs. A.	Lowest Rs. A.	Highest s.	Lowest d.	Highest Cents	Lowest Cents
April ...	56 14	52 15	19 ¹³ / ₁₆	19 ⁹ / ₁₆	42 ³ / ₄	41 ¹ / ₂	48 14	41 11	18 ¹ / ₂	12 ³ / ₄	29 ¹ / ₄	27 ¹ / ₄	55 12	52 8	17 ¹ / ₂	15 ³ / ₄	29 ³ / ₄	27 ³ / ₄
May ...	55 18	49 7	19 ⁹ / ₁₆	17 ⁷ / ₁₆	42 ¹ / ₂	37 ¹ / ₄	48 10	41 15	18 ³ / ₄	12 ³ / ₄	28 ³ / ₄	26	56 6	54 6	17 ³ / ₄	16 ¹ / ₁₆	28 ³ / ₄	27
June ...	49 8	44 4	16 ³ / ₁₆	15 ⁵ / ₁₆	37 ¹ / ₄	33 ¹ / ₄	44 12	41 6	18 ¹ / ₂	12 ³ / ₄	29 ¹ / ₂	26 ¹ / ₄	56 11	54 8	17	16 ³ / ₁₆	21 ¹ / ₁₆	26 ³ / ₄
July ...	46 14	45 5	16 ³ / ₁₆	15 ⁵ / ₁₆	35 ³ / ₄	33 ¹ / ₂	44 10	42 14	18 ³ / ₄	12 ⁵ / ₁₆	29 ³ / ₄	27 ³ / ₄	55 2	54 8	17 ¹ / ₄	16 ⁹ / ₁₆	27	26 ¹ / ₁₆
August ...	47 9	45 14	16 ³ / ₁₆	15 ³ / ₁₆	33 ¹ / ₄	34 ¹ / ₄	44 9	42 11	18 ³ / ₄	12 ⁹ / ₁₆	28 ¹ / ₄	27 ¹ / ₄	57 7	54 18	18 ¹ / ₁₆	17 ⁹ / ₁₆	30	26 ³ / ₄
September ...	47 14	46 4	17	16 ⁷ / ₁₆	37	35 ¹ / ₂	57 8	42 18	16 ³ / ₄	12 ³ / ₄	31	27 ¹ / ₂	57 4	55 1	18 ¹ / ₁₆	17 ⁹ / ₁₆	28 ³ / ₄	27 ³ / ₄
October ...	47 5	48 10	16 ¹ / ₁₆	16 ³ / ₁₆	36 ³ / ₄	35 ¹ / ₂	57 8	52 12	18 ³ / ₁₆	15 ¹ / ₁₆	30 ³ / ₄	27 ¹ / ₂	56 10	55 12	18 ³ / ₁₆	17 ¹ / ₁₆	27 ¹ / ₂	26 ³ / ₄
November ...	47 8	46 6	16 ¹ / ₁₆	16 ⁵ / ₁₆	36 ¹ / ₂	35 ³ / ₄	65 14	57 8	21 ⁹ / ₁₆	18	37 ¹ / ₄	29 ³ / ₄	56 10	53 15	18 ³ / ₁₆	17 ¹ / ₁₆	27 ³ / ₄	25 ³ / ₄
December ...	46 5	48 0	16 ³ / ₁₆	14 ¹ / ₂	35 ³ / ₄	11 ¹ / ₄	68 8	60 6	20 ¹ / ₁₆	19 ³ / ₁₆	31 ³ / ₄	28 ³ / ₄	52 9	49 5	17 ³ / ₄	16 ³ / ₁₆	25 ¹ / ₂	24 ¹ / ₄
January ...	48 7	40 12	14 ⁷ / ₁₆	16 ³ / ₁₆	31 ¹ / ₄	28 ¹ / ₂	62 4	60 4	20 ³ / ₁₆	18 ¹ / ₁₆	30 ³ / ₄	29 ¹ / ₄	51 6	49 4	17 ³ / ₄	15 ⁵ / ₁₆	26 ¹ / ₄	24 ³ / ₄
February ...	48 4	38 10	18 ¹ / ₄	12 ³ / ₁₆	28 ³ / ₄	25 ¹ / ₄	60 4	60 4	20	19 ¹ / ₄	31	29 ¹ / ₂	53 4	49 7	17 ⁹ / ₁₆	16 ⁹ / ₁₆	27 ¹ / ₄	25 ¹ / ₂
March ...	45 5	41 5	14 ¹ / ₂	12 ³ / ₁₆	31 ³ / ₄	27	56 14	54 4	19 ³ / ₄	17 ¹ / ₂	31	29	58 4	58 7	18 ³ / ₁₆	17	30	26 ¹ / ₂

Monthly rates for Telegraphic Transfers (Calcutta—London) from 1927-28 to 1932-33.

(Pence per Rupee)

	1927-28		1928-29		1929-30		1930-31		1931-32		1932-33	
	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest
April ...	17 $\frac{7}{8}$	17 $\frac{13}{16}$	17 $\frac{21}{32}$	17 $\frac{21}{32}$	17 $\frac{21}{32}$	17 $\frac{20}{32}$	17 $\frac{13}{16}$	17 $\frac{13}{16}$	17 $\frac{13}{16}$	17 $\frac{25}{32}$	18 $\frac{1}{32}$	17 $\frac{20}{32}$
May ...	17 $\frac{15}{16}$	17 $\frac{13}{16}$	17 $\frac{21}{32}$	17 $\frac{21}{32}$	17 $\frac{29}{32}$	17 $\frac{29}{32}$	17 $\frac{13}{16}$	17 $\frac{29}{32}$	17 $\frac{27}{32}$	17 $\frac{29}{32}$	17 $\frac{16}{10}$	17 $\frac{7}{8}$
June ...	17 $\frac{20}{32}$	17 $\frac{21}{32}$	17 $\frac{21}{32}$	17 $\frac{27}{32}$	17 $\frac{7}{8}$	17 $\frac{13}{16}$	17 $\frac{13}{16}$	17 $\frac{20}{32}$	17 $\frac{28}{32}$	17 $\frac{3}{4}$	17 $\frac{15}{16}$	17 $\frac{7}{8}$
July ...	17 $\frac{21}{32}$	17 $\frac{13}{16}$	17 $\frac{7}{8}$	17 $\frac{27}{32}$	17 $\frac{13}{16}$	17 $\frac{25}{32}$	17 $\frac{13}{16}$	17 $\frac{3}{4}$	17 $\frac{13}{16}$	17 $\frac{3}{4}$	18 $\frac{1}{16}$	18
August ...	17 $\frac{7}{8}$	17 $\frac{13}{16}$	17 $\frac{21}{32}$	17 $\frac{7}{8}$	17 $\frac{27}{32}$	17 $\frac{3}{4}$	17 $\frac{29}{32}$	17 $\frac{3}{4}$	17 $\frac{3}{4}$	17 $\frac{3}{4}$	18 $\frac{3}{32}$	18 $\frac{1}{10}$
September ...	17 $\frac{15}{16}$	17 $\frac{7}{8}$	18	17 $\frac{15}{16}$	17 $\frac{27}{32}$	17 $\frac{15}{16}$	17 $\frac{20}{32}$	17 $\frac{3}{4}$	17 $\frac{3}{4}$	17 $\frac{3}{4}$	18 $\frac{5}{32}$	18 $\frac{3}{32}$
October ...	17 $\frac{15}{16}$	17 $\frac{20}{32}$	18 $\frac{1}{16}$	18	17 $\frac{29}{32}$	17 $\frac{15}{16}$	17 $\frac{13}{16}$	17 $\frac{29}{32}$	18 $\frac{1}{32}$	17 $\frac{3}{4}$	18 $\frac{3}{32}$	18 $\frac{7}{8}$
November ...	18	17 $\frac{15}{16}$	18 $\frac{1}{10}$	18 $\frac{1}{32}$	17 $\frac{7}{8}$	17 $\frac{13}{16}$	17 $\frac{29}{32}$	18 $\frac{3}{32}$	18 $\frac{3}{32}$	18 $\frac{3}{32}$	18 $\frac{3}{32}$	18 $\frac{3}{8}$
December ...	18 $\frac{3}{32}$	18	18 $\frac{1}{32}$	18 $\frac{1}{32}$	17 $\frac{29}{32}$	17 $\frac{7}{8}$	17 $\frac{3}{4}$	17 $\frac{3}{4}$	18 $\frac{1}{8}$	18 $\frac{3}{32}$	18 $\frac{3}{32}$	18 $\frac{3}{32}$
January ...	18 $\frac{3}{32}$	18 $\frac{1}{32}$	18 $\frac{1}{32}$	18	17 $\frac{21}{16}$	17 $\frac{7}{8}$	17 $\frac{3}{4}$	17 $\frac{3}{4}$	18 $\frac{1}{8}$	18 $\frac{1}{16}$	18 $\frac{3}{32}$	18 $\frac{3}{8}$
February ...	18 $\frac{1}{32}$	17 $\frac{15}{16}$	18	17 $\frac{15}{16}$	17 $\frac{7}{8}$	17 $\frac{21}{32}$	17 $\frac{3}{4}$	17 $\frac{3}{4}$	18 $\frac{1}{8}$	18 $\frac{3}{32}$	18 $\frac{1}{8}$	18 $\frac{3}{32}$
March ...	17	17 $\frac{15}{16}$	17 $\frac{21}{32}$	17 $\frac{21}{32}$	17 $\frac{27}{32}$	17 $\frac{15}{16}$	17 $\frac{7}{8}$	17 $\frac{3}{4}$	18 $\frac{1}{8}$	18 $\frac{3}{32}$	18 $\frac{3}{32}$	17 $\frac{7}{8}$

Monthly Purchase of Sterling from 1927-28 to 1932-33

	1927-28		1928-29		1929-30		1930-31		1931-32		1932-33	
	Amount Thousand £	Average rate per rupee d.	Amount Thousand £	Average rate per rupee d.	Amount Thousand £	Average rate per rupee d.	Amount Thousand £	Average rate per rupee d.	Amount Thousand £	Average rate per rupee d.	Amount Thousand £	Average rate per rupee d.
April ...	...	...	3,670	18	280	18	2,680	17'84	...	...	223	18.12
May ...	1,875	17'05	4,405	18	...	...	2,040	17'84	...	...	...	...
June ...	2,765	17'91	700	18	30	17'88	...	...	...	...	...	...
July ...	1,128	17'88	...	...	...	...	...	...	...	...	...	...
August ...	1,177	17'88	...	...	1,985	17'88	...	...	...	...	3,165	18'10
September ...	3,925	17'95	1,195	18	1,045	17'88	...	...	...	...	5,879	18'15
October ...	985	17'97	4,535	18'05	2,180	17'88	25	17'81	219	18'10	4,846	18'16
November ...	4,120	17'93	3,060	18'06	1,255	17'89	650	17'81	5,508	18'18	3,275	18'17
December ...	7,468	18'08	3,438	18 06	7,725	17'98	...	...	18,854	18'12	7,686	18'17
January ...	2,852	18'09	1,978	18'06	190	17.95	...	...	7,188	18'11	3,754	18'16
February ...	185	18 08	3,865	18'01	525	17'91	...	...	7,126	18'18	1,855	18'16
March ...	3,395	18	3,919	18	...	...	...	...	6,209	18'18	1,050	18'10
TOTAL ...	28,825	...	30,810	...	15,215	..	5,395	...	40,049	...	35,788	...

**Summary of Ways and Means transactions of the
Government of India in India**

(In Crores of Rupees)

	1928-29	1929-30	1930-31	1931-32	1932-33
Disbursements					
Army, Marine and M. E. S. issues	88.85	88.10	87.95	86.11	88.14
Drawings by Iraq Government ...	.97	.78	.85	.86	.20
Capital outlay on Delhi, Security Printing, etc. ...	.72	1.05	3.02	.59	.41
Remittances from India to London					
(i) By purchase of Sterling ...	87.52	20.89	7.26	58.43	47.90
(ii) By withdrawal from the P. C. R. in London against opposite payment in India ...	...	15.77	2.84	...	...
(iii) By withdrawal from the G. S. R. in London against opposite payment in India ...	...	...	9.29	30.73	...
(iv) By Sterling taken over in London ...	...	...	...	...	.85
Cancellation of Indian Treasury Bills in the P. C. R. ...	...	11.75	23.62	...	20.65
Net discharges of Treasury Bills (Public) ...	3.59	...	...	7.84	21.44
Sinking Fund purchases...	...	.88	1.97	3.41	.52
Silver withdrawn from the P. C. R. against contraction ...	...	2.94	...	...	...
Posts and Telegraphs issue (excluding receipts from Cash Certificates) ...	.21	.42	5.96	2.12	...
Other items ...	1.09	3.55	...	...	...
Reduction in the balances of Provincial Governments ...	2.59	6.05	7.55	1.18	...
Repayment of Ways and Means Advances from the Imperial Bank ...	...	...	...	...	9.50
Increase in Treasury balance (including investments) ...	...	16.50	...	.82	2.70
TOTAL ...	85.54	117.68	104.81	136.54	137.41
Receipts					
Excess of civil revenue over civil expenditure ...	44.51	43.67	32.71	34.20	45.44
Excess of railway receipts over issues ...	21.60	21.00	20.02	22.19	28.96
Cash Certificates (net receipts) ...	1.60	2.70	8.44	6.16	11.05
Permanent Debt incurred ...	16.58	18.22	12.18	5.96	22.82
Ways and Means Advances from the Imperial Bank of India ...	...	...	...	9.50	...
Sale of Sterling ...	...	...	7.75	18.98	...
Sale of Treasury Bills to the public (net) ...	...	32.04	19.84	...	...
Issue of Treasury Bills to the P.C.R. Other items ...	1.00	...	...	...	...
Posts and Telegraphs receipts (net) ...	...	...	1.08	...	8.06
Decrease in Treasury balances (including investments) ...	.30	...	...	...	1.85
Net addition to balances of Provincial Governments ...	...	...	8.29	5.05	...
Withdrawal from G. S. R. in India against opposite Pay- ment in England ...	...	...	...	...	6.58
Expansion against Indian Treasury Bills issued to P. C. R. ...	...	...	...	34.50	...
TOTAL ...	85.54	117.68	104.81	136.54	137.4

Monthly Sales and Discharges of Treasury Bills, 1928-29 to 1932-33.

(In Lakhs of Rupees)

Month	1928-29		1929-30		1930-31		1931-32		1932-33	
	Sales	Discharges	Sales	Discharges	Sales	Discharges	Sales	Discharges	Sales	Discharges
April ...	5,02	48	5,72	8,56	7,77	4,60	26,54	22,86	21,73	15,95
May ...	8,47	72	4,24	48	12,90	4,95	24,26	9,55	18,97	15,84
June ...	8,88	90	...	88	14,23	10,02	18,75	17,07	6,00	12,74
July ...	...	4,09	...	1,06	10,28	11,96	19,69	11,89	16,71	22,19
August ...	...	5,81	9,83	2,02	12,92	15,84	16,79	15,79	5,77	15,97
September	2,99	7,10	10,43	...	20,60	18,80	9,76	19,24	10,82	6,86
October ...	6,00	89	1,05	...	18,27	9,74	19,14	81,27	8,82	8,82
November	1,02	2	5,12	11,25	9,71	9,48	17,51	17,76	7,27	1
December ...	...	...	5,26	8,16	10,10	15,51	8,25	10,17	4,50	1
January ...	...	2,48	5,77	5,47	12,80	10,18	13,25	20,91	10,12	20,54
February...	...	59	5,82	10,18	8,20	12,72	16,83	20,98	8,42	10,21
March ...	...	2,95	11,99	6,84	21,26	16,42	10,95	11,65	7,45	10,87

THE AMERICAN EXPRESS Co. Inc.

INTERNATIONAL BANKERS

WITH WORLDWIDE REPRESENTATION

CURRENT ACCOUNTS—FIXED DEPOSITS—SAVINGS ACCOUNTS

ALL CLASSES OF FOREIGN BANKING UNDERTAKEN

AFFILIATED WITH

THE CHASE NATIONAL BANK OF NEW YORK

CAPITAL ... \$ 148,000,000.00 SURPLUS \$ 124,000,000.00

UNDIVIDED PROFITS \$ 19,075,093.30 RESOURCES \$ 1,988,669,180.01

CALCUTTA

14, GOVERNMENT PLACE E.

BOMBAY

143, ESPLANADE ROAD

COLOMBO

CHURCH STREET

T. A. HINES, Manager.

**Composition of the Gold Standard Reserve on the 31st March of each
of the years 1927-28 to 1932-33**
(Figures in £.)

31st March	1928-29	1929-30	1930-31	1931-32	1932-33
Cash at the Bank of England ...	8,042	8,748	1,035	29	897
British Treasury Bills and other British and Dominion Government Securities } ...	87,844,624	87,843,918	81,599,881	10,694,637	26,220,769
Gold { In England ...	2,152,884	2,152,884	2,152,884	2,152,884	2,152,884
{ In India ...	...	...	6,247,200	27,158,000	11,626,000
TOTAL ...	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000

**Balance of the Government of India with the Treasuries and the Imperial
Bank of India**
(In Lakhs of Rupees)

At the end of	1928-29		1929-30		1930-31		1931-32		1932-33	
	Treasu- ries	Im- perial Bank	Treasu- ries	Im- perial Bank	Treasu- ries	Im- perial Bank	Treasu- ries	Im- perial Bank	Treasu- ries	Im- perial Bank
April ...	2,18	7,14	2,56	9,27	2,61	17,51	2,64	12,15	2,12	7,15
May ...	2,15	6,68	2,46	8,48	2,48	15,15	2,28	17,31	2,08	7,44
June ...	2,20	7,90	3,19	20,62	2,17	18,72	2,22	15,78	2,07	18,94
July ...	2,29	6,20	2,28	18,80	2,10	22,69	2,26	21,18	2,08	19,46
August ...	2,11	16,92	3,08	14,05	2,88	16,48	2,41	19,45	1,94	18,94
September ...	2,37	5,76	2,78	20,65	1,96	12,48	2,27	8,86	2,06	18,83
October ...	2,41	6,82	2,19	18,17	2,08	15,19	2,17	8,44	1,81	8,26
November ...	2,64	7,69	2,42	18,67	2,07	8,70	2,25	7,29	2,05	5,95
December ...	2,49	7,78	2,21	7,45	2,07	7,19	2,04	8,06	1,94	6,84
January ...	2,48	8,06	2,45	17,26	2,38	8,17	2,07	6,85	2,19	8,58
February ...	3,05	10,29	2,89	17,95	2,81	7,51	2,26	7,78	2,40	7,08
March ...	3,59	5,61	3,64	22,12	3,80	16,49	4,55	3,18	3,71	11,02

**Amounts and Distribution of Treasury Balances and Reserves of the
Government of India, 1927-28 to 1932-33**
(In Lakhs of Rupees)

	1928-29		1929-30		1930-31		1931-32		1932-33	
	Opening Balance	Closing Balance	Opening Balance	Closing Balance	Opening Balance	Closing Balance	Opening Balance	Closing Balance	Opening Balance	Closing Balance
Treasury Balance ..	16,71	16,19	16,19	34,27	34,27	24,69	24,69	33,84	33,84	27,91
Paper Currency Reserve:—										
Silver ...	1,06,88	99,89	99,89	1,10,96	1,10,96	1,24,80	1,24,80	1,11,19	1,11,19	1,11,8
Gold ...	29,76	32,22	32,22	32,27	32,27	25,85	25,85	5,26	5,29	25,9
Securities	37,96	48,28	48,28	33,85	33,85	10,19	10,19	37,94	37,94	39,0
Gold Standard Reserve:—										
Gold ...	2,87	2,87	2,87	2,87	2,87	11,20	11,20	39,07	39,07	18,3
Securities	50,46	50,46	50,46	50,46	50,46	42,18	42,18	14,26	14,26	34,6

Monthly Expansions (+) and Contractions (-) of Currency 1927-28 to 1932-33.

(In Lakhs of Rupees)

Month	1927-28				1928-29					1929-30					
	Sterling Securities	Securities of the Government of India	Advances to the Imperial Bank	TOTAL	Sterling Securities	Securities of the Government of India	Advances to the Imperial Bank	Gold	TOTAL	Sterling Securities	Securities of the Government of India	Advances to the Imperial Bank	Gold	Silver (against un-current coin)	TOTAL
April	5.88	-8.00	-2.00	-10.88	...	...	+50	...	+50	2.00	...	-2.00	...	-68	-4.68
May	...	-2.00	...	-2.00	...	...	+1.50	...	+1.50	...	...	...	...	-81	-81
June	-2.10	...	...	-2.10	...	...	-9.00	...	-9.00	...	...	...	...	...	...
July	...	...	...	...	...	...	...	...	...	-8.00	...	...	...	-11	-8.11
August	...	...	...	...	...	...	...	...	...	...	-4.01	...	...	-55	-4.56
September	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
October	...	...	...	...	...	...	...	...	...	...	-2.85	...	...	-41	-3.26
November	...	...	...	...	...	...	...	+84	+84	-2.67	...	...	...	-88	-8.55
December	+2.00	...	+4.00	+6.00	+1.00	+95	+7.00	+1.00	+9.95	...	...	...	...	...	...
January	+1.00	+1.00	+4.00	+6.00	...	...	...	+1.11	+1.11	...	...	...	+5	...	+5
February	-67	...	...	-67	+2.50	...	-50	...	2.00	...	...	...	...	...	...
March	...	...	-1.00	-1.00	...	...	-4.50	...	-4.50	-8.10	-4.89	...	...	...	-7.99
TOTAL	-5.10	-4.00	+5.00	-4.10	+3.50	+95	-5.00	+2.45	+1.90	-15.77	-11.75	-2.00	+5	-2.94	-82.41

Monthly Expansions (+) and Contractions (—) of Currency 1927-28 to 1932-33—Contd.

(In Lakhs of Rupees)

Month	1930-31					1931-32					1932-33				
	Sterling Securities	Securities of the Government of India	Advances to the Imperial Bank	Gold	TOTAL	Government of India Securities	Advances to the Imperial Bank	Government of India Rupee Securities	Gold	TOTAL	Advances to the Imperial Bank	Government of India Rupee Securities	Gold	TOTAL	
April ...	...	-2,96	...	...	-2,96	-3,00	...	...	+1,70	-1,80	-9,51	+10	+27	-9,15
May ...	...	-6,08	...	...	-6,08	-6	...	...	-7,84	-7,40	...	-5,02	+5,18	+16
June ...	...	-5,92	...	...	-5,92	-2,98	...	...	-8,07	-6,00	...	+6	+7	...
July ...	...	...	...	...	...	-59	...	...	-58	-1,17	...	-8	+8	...
August ...	-11	-5,00	...	...	-5,11	-58	...	...	-4,19	-4,72	...	-25	+25	...
September ...	...	...	...	...	...	-62	+2,50	...	-8,16	-6,28	...	-81	+28	-8
October ...	...	-8,96	...	...	-8,96	+14,89	-2,50	...	+9	+11,98	...	-18	+19	+1
November ...	-1,00	-5,04	...	...	-6,04	+4,64	...	...	+19	+4,88	...	-28	+22	-1
December ...	-1,45	...	...	-58	-1,98	+19,57	+2,50	...	+8	+22,15	...	-6,92	+6,98	+1
January ...	-89	...	+1,00	-5,58	-4,92	+1,21	+1,00	+2,50	+26	+4,97	...	-6,77	+6,84	+7	
February ...	-17	...	-1,00	-2,44	-3,61	-9	-50	+4,50	+9	+4,00	...	-7	+16	+9	
March ...	-19	...	...	-2,08	+1,89	-84	+75	-1,24	+84	-49	...	+15	+81	+16
TOTAL ...	-8,81	-28,91	...	-6,42	-38,64	+81,65	+3,75	+5,76	-20,65	+20,57	-9,51	-19,82	+20,78	-8,60	

**Composition of Paper Currency Reserve
(In Lakhs of Rs.)**

Last day of Month	Gross Note Circulation	GOLD			SILVER		SECURITIES		Internal Bills of Exchange	Percentage of Gold to Note Circulation
		In India	Out of India	Total	Coin	Bullion	Total	Rupee Securities		
1914										
March ...	66,12	22,44	9,15	81,59	20,59	...	20,58	10,00	4,00	47'8
April ...	65,46	20,84	9,15	29,49	21,97	...	21,97	10,00	4,00	45'1
May ...	66,77	16,91	9,15	28,06	24,71	...	24,71	10,00	4,00	42'0
June ...	70,26	18,00	9,15	27,15	29,11	...	29,11	10,00	4,00	86'6
July ...	75,45	18,86	9,15	27,51	88,94	...	88,94	10,00	4,00	86'5
August ...	65,79	6,16	7,65	18,81	87,98	...	87,98	10,00	4,00	21'0
September ...	60,52	8,92	7,65	11,57	84,95	...	84,95	10,00	4,00	19'1
October ...	60,78	6,84	7,65	18,99	82,79	...	82,79	10,00	4,00	23'0
November ...	61,19	8,86	7,65	16,51	80,68	...	80,68	10,00	4,00	27'0
December ...	60,88	9,81	7,65	16,96	29,87	...	29,87	10,00	4,00	27'9
1915										
January ...	60,26	8,81	7,65	15,96	80,80	...	80,80	10,00	4,00	26'5
February ...	59,55	6,71	7,65	14,86	81,19	...	81,19	10,00	4,00	24'1
March ...	61,68	7,64	7,65	15,29	82,84	...	82,84	10,00	4,00	24'8
April ...	60,24	7,69	7,65	15,84	80,90	...	80,90	10,00	4,00	25'5
May ...	61,99	7,75	7,66	15,40	82,59	...	82,59	10,00	4,00	24'8
June ...	66,48	7,77	7,65	15,42	87,06	...	87,06	10,00	4,00	29'2
July ...	68,06	7,82	6,15	18,97	40,09	...	40,09	10,00	4,00	20'5
August ...	66,41	6,84	6,15	12,49	89,92	...	89,92	10,00	4,00	18'8
September ...	63,81	5,91	6,15	12,06	87,75	...	87,75	10,00	4,00	18'9
October ...	63,59	7,05	6,15	18,20	86,89	...	86,89	10,00	4,00	20'8
November ...	62,06	8,81	6,15	14,46	88,60	...	88,60	10,00	4,00	28'8
December ...	62,84	12,75	6,15	18,90	29,44	...	29,44	10,00	4,00	80'8

Composition of Paper Currency Reserve—Contd.
(In Lakhs of Rs.)

Last day of Month	Gross Note Circulation	GOLD			SILVER		SECURITIES		Internal Bills of Exchange	Percentage of Gold to Note Circulation
		In India	Out of India	Total	Coin	Bullion	Total	Rupes Securities			Sterling Securities
1916										
January	62,42	12,74	8,18	20,92	26,02	...	26,02	10,00	5,48	83.5
February	64,01	12,66	8,98	21,64	24,00	...	24,00	10,00	6,50	83.6
March	67,78	12,24	11,92	24,16	28,06	51	28,57	10,00	10,00	85.8
April	65,47	12,25	11,92	24,17	18,55	1,47	20,02	10,00	11,28	86.9
May	66,81	12,12	11,92	24,04	17,68	1,65	19,21	10,00	18,06	86.8
June	71,89	12,51	11,92	24,43	22,48	1,47	23,95	10,00	18,06	84.2
July	75,48	12,29	11,92	24,21	26,88	1,88	28,21	10,00	18,06	82.1
August	74,01	11,66	11,92	23,58	26,81	56	27,87	10,00	18,06	81.9
September	71,55	10,99	11,92	22,91	24,24	1,84	25,58	10,00	18,06	82.0
October	78,82	12,56	11,92	24,48	28,97	1,67	25,04	10,00	18,06	83.4
November	76,50	12,88	11,92	24,80	18,07	1,89	19,96	10,00	22,24	81.8
December	82,17	11,92	11,92	23,84	14,89	2,96	17,87	10,00	30,96	29.0
1917										
January	84,86	12,57	10,42	22,99	15,04	2,44	17,48	10,00	33,88	27.8
February	86,76	12,17	8,92	21,09	15,82	2,52	18,84	10,00	37,82	24.8
March	86,87	12,00	6,67	18,67	17,08	2,18	19,21	10,00	38,49	21.6
April	82,72	11,89	5,17	16,56	18,87	1,70	15,87	10,00	40,78	20.0
May	88,81	9,94	5,17	15,11	14,68	85	15,58	10,00	47,67	17.1
June	98,29	7,07	4,80	11,87	19,61	68	20,24	10,00	51,17	12.7
July	99,81	7,08	4,42	11,45	25,90	48	26,88	10,00	51,48	11.5
August	1,05,15	12,12	2,55	14,67	28,55	48	29,00	10,00	51,48	14.0
September	1,08,48	15,86	1,52	17,38	28,88	69	29,57	10,00	51,48	16.0
October	1,14,77	21,91	1,92	23,83	28,88	58	29,46	10,00	51,48	20.8
November	1,12,98	24,65	2,80	26,95	24,01	49	24,50	10,00	51,48	28.9
December	1,08,81	26,78	1,04	27,77	18,27	79	19,06	10,00	51,48	24.7

Composition of Paper Currency Reserve—(Contd.)
(In Lakhs of Rs.)

Last day of Month	Gross Circulation Note	GOLD			SILVER		SECURITIES		Internal Bills of Exchange	Percentage of Gold to Note Circulation	
		In India	Out of India	Total	Coin	Bullion	Total	Rupee Securities			Sterling Securities
1918											
January ...	1,04,82	27,19	1,04	28,23	14,92	19	15,11	10,00	51,48	...	26'9
February ...	1,08,46	28,80	67	28,97	12,56	45	18,01	10,00	51,48	...	28'0
March ...	99,79	26,85	67	27,52	10,40	89	10,79	10,00	51,48	...	27'6
April ...	1,05,96	22,64	45	23,09	7,26	6,46	18,72	10,00	59,19	...	21'8
May ...	1,11,58	19,12	45	19,57	5,14	10,42	15,56	10,00	64,16	...	17'5
June ...	1,14,79	21,04	45	21,49	5,66	9,29	14,95	10,00	68,40	...	18'7
July ...	1,21,41	20,21	12	20,33	8,02	10,40	18,42	10,00	72,65	...	16'7
August ...	1,81,41	20,88	12	20,45	11,18	18,78	24,96	10,00	76,00	...	15'8
September ...	1,84,88	20,88	12	20,50	12,38	15,50	27,88	10,00	76,00	...	15'8
October ...	1,86,48	20,41	12	20,58	10,49	19,42	29,91	10,00	75,99	...	15'0
November ...	1,40,76	20,43	12	20,57	8,48	25,71	34,19	10,00	76,00	...	14'6
December ...	1,47,09	19,68	12	19,80	10,56	21,57	32,18	12,66	82,50	...	18'8
1919											
January ...	1,49,74	18,91	12	19,08	11,58	20,54	32,12	16,08	82,50	...	18'4
February ...	1,51,48	18,14	12	18,26	18,50	21,15	34,65	16,08	82,50	...	12'1
March ...	1,58,46	17,87	12	17,49	16,66	20,78	37,89	16,08	82,50	...	11'4
April ...	1,58,72	14,55	8,00	17,55	18,01	19,58	37,59	16,08	82,50	...	11'4
May ...	1,55,18	16,11	1,50	17,61	19,61	19,88	38,99	16,08	82,50	...	11'4
June ...	1,62,76	17,69	...	17,69	23,55	22,94	46,49	16,08	82,50	...	10'9
July ...	1,67,11	19,18	...	19,18	28,49	20,91	49,40	16,08	82,50	...	11'4
August ...	1,68,92	19,26	9	19,35	31,48	19,51	50,99	16,08	82,50	...	11'4
September ...	1,71,86	18,45	2,92	21,37	34,35	16,62	50,97	17,08	82,50	...	12'4
October ...	1,75,29	19,25	5,59	24,84	35,59	15,88	50,92	17,08	82,50	...	14'2
November ...	1,79,67	23,54	9,16	32,70	32,84	14,60	47,44	17,08	82,50	...	18'2
December ...	1,82,91	29,61	10,10	39,71	29,64	14,08	48,67	17,08	82,50	...	21'7

Composition of Paper Currency Reserve—Contd.
(In Lakhs of Rs.)

Last day of Month	Gross Note Circulation	GOLD			SILVER			SECURITIES			Internal Bills of Exchange	Percentage of Gold to Note Circulation
		In India	Out of India	Total	Coin	Bullion	Total	Rupee Securities	Sterling Securities			
1920												
January ...	1,85,15	85,10	11,62	46,72	28,88	11,95	40,83	15,60	82,50	...	25.2	
February ...	1,88,08	41,80	4,65	45,95	29,85	9,14	88,99	15,60	82,50	...	25.1	
March ...	1,74,52	44,88	8,45	47,81	88,22	6,68	89,85	19,59	67,27	...	27.4	
April ...	1,70,74	45,88	95	46,88	88,81	5,56	89,87	28,77	61,27	...	27.1	
May ...	1,66,92	42,86	74	43,60	87,10	4,27	41,87	81,18	50,77	...	26.1	
June ...	1,64,84	48,48	2,49	45,97	41,94	8,61	45,55	85,55	87,27	...	28.0	
July ...	1,68,87	44,62	...	44,62	46,75	8,61	50,86	40,62	28,27	...	27.2	
August ...	1,88,27	89,12	...	89,12	51,62	8,67	55,29	47,88	21,58	...	24.0	
September ...	1,67,68	86,15	...	86,15	54,84	8,72	58,06	47,14	16,28	...	22.9	
October ...	1,59,56	28,75	...	28,75	55,60	8,81	59,41	68,07	8,85	...	14.9	
November ...	1,60,21	28,86	...	28,86	56,05	8,88	59,98	68,07	8,85	...	14.9	
December ...	1,61,40	28,89	...	28,89	57,18	8,96	61,09	68,07	8,85	...	14.8	
1921												
January ...	1,68,41	24,00	...	24,00	58,95	4,04	62,99	32,07	8,85	...	14.7	
February ...	1,64,69	24,06	...	24,06	60,08	4,09	64,12	68,07	8,85	...	14.6	
March ...	1,66,16	24,17	...	24,17	61,42	4,14	65,56	68,07	8,85	...	14.5	
April ...	1,67,82	24,26	...	24,26	62,45	4,20	66,65	68,06	8,85	...	14.5	
May ...	1,67,81	24,80	...	24,80	62,97	4,20	67,17	67,99	8,85	...	14.5	
June ...	1,71,76	24,85	...	24,85	68,87	4,20	71,07	67,99	8,85	...	14.2	
July ...	1,75,56	24,85	...	24,85	70,60	4,21	74,81	68,05	8,85	...	18.9	
August ...	1,76,02	24,85	...	24,85	72,19	4,21	76,40	68,92	8,85	...	18.8	
September ...	1,78,87	24,84	...	24,84	74,55	4,21	78,76	66,92	8,85	...	18.6	
October ...	1,79,72	24,84	...	24,84	75,76	4,21	79,97	67,06	8,85	...	18.5	
November ...	1,78,48	24,88	...	24,88	74,20	4,21	78,41	64,40	6,84	...	14.0	
December ...	1,72,58	24,82	...	24,82	69,76	4,21	78,97	68,40	5,88	...	14.1	

Composition of Paper Currency Reserve.—(Contd.)
(In Lakhs of Rupees)

Last day of Month	Gross Note Circulation	GOLD			SILVER			SECURITIES		Internal Bills of Exchange	Percentage of Gold to Note Circulation
		In India	Out of India	Total	Coin	Bullion	Total	Rupee Securities	Sterling Securities		
1922											
January ...	1,74,40	24,82	...	24,82	70,28	4,55	74,83	69,89	5,85	...	18.9
February ...	1,78,87	24,82	...	24,82	71,72	4,55	76,27	67,48	5,85	...	14.0
March ...	1,74,76	24,82	...	24,82	72,96	4,56	77,52	65,08	5,85	2,00	18.9
April ...	1,71,76	24,82	...	24,82	71,95	4,56	76,51	65,09	5,85	...	14.2
May ...	1,72,89	24,82	...	24,82	72,50	4,56	77,06	65,17	5,85	...	14.1
June ...	1,76,01	24,82	...	24,82	76,17	4,56	80,73	65,12	5,85	...	18.8
July ...	1,80,41	24,82	...	24,82	80,58	4,56	85,09	65,15	5,85	...	18.5
August ...	1,82,26	24,82	...	24,82	88,76	4,56	88,82	68,78	5,85	...	18.8
September ...	1,80,76	24,82	...	24,82	85,11	4,56	89,67	60,92	5,85	...	18.5
October ...	1,79,68	24,82	...	24,82	86,54	4,56	91,10	58,87	5,85	...	18.5
November ...	1,77,80	24,82	...	24,82	85,16	4,56	89,72	57,42	5,85	...	18.7
December ...	1,74,18	24,82	...	24,82	82,08	4,56	86,59	57,42	5,85	...	14.0
1923											
January ...	1,72,65	24,82	...	24,82	80,49	4,56	85,05	57,48	5,85	...	14.1
February ...	1,78,89	24,82	...	24,82	81,78	4,56	86,29	57,48	5,85	...	14.0
March ...	1,74,70	24,82	...	24,82	82,50	4,56	87,06	57,48	5,85	...	18.9
April ...	1,78,87	24,82	...	24,82	79,09	4,56	88,65	57,55	5,85	2,00	14.0
May ...	1,71,28	24,82	...	24,82	79,01	4,56	88,57	57,50	5,85	...	14.2
June ...	1,78,61	24,82	...	24,82	81,89	4,56	85,95	57,50	5,85	...	14.0
July ...	1,75,72	24,82	...	24,82	85,48	4,56	90,04	57,51	5,85	...	18.8
August ...	1,76,80	24,82	...	24,82	89,91	4,56	94,47	57,51	...	...	18.8
September ...	1,79,29	24,82	...	24,82	92,66	4,88	97,49	57,48	...	...	18.6
October ...	1,80,82	24,82	...	24,82	98,48	5,54	99,02	57,48	...	...	18.4
November ...	1,78,80	22,82	...	22,82	89,88	5,62	95,50	57,48	8,00	...	12.5
December ...	1,88,41	22,82	...	22,82	80,97	5,64	86,61	57,48	9,00	8,00	12.2

Composition of Paper Currency Reserve.—Contd.

(In Lakhs of Rupees)

Last day of Month	Gross Note Circulation	GOLD			SILVER			SECURITIES		Internal Bills of Exchange	Percentage of Gold to Note Circulation	
		In India	Out of India	Total	Coin	Bullion	Total	Rupee Securities	Sterling Securities			
1924												
January	1,84,02	22,82	...	22,82	76,49	5,69	82,18	57,52	14,00	8,00	12.1
February	1,86,19	22,82	...	22,82	74,64	5,70	80,84	57,58	14,00	12,00	12.0
March	1,85,85	22,82	...	22,82	74,18	5,82	80,00	57,58	14,00	12,00	12.0
April	1,81,88	22,82	...	22,82	71,50	5,99	77,49	57,58	14,00	10,00	12.8
May	1,74,51	22,82	...	22,82	70,56	6,10	76,66	57,58	14,00	4,00	12.8
June	1,72,49	22,82	...	22,82	72,47	6,18	78,65	57,58	14,00	...	12.9
July	1,76,24	22,82	...	22,82	76,28	6,84	82,57	57,85	14,00	...	12.7
August	1,75,18	22,82	...	22,82	78,06	6,42	84,48	57,84	14,00	...	12.5
September	1,79,26	22,82	...	22,82	79,15	6,48	85,68	57,81	14,00	...	12.4
October	1,80,98	22,82	...	22,82	80,07	6,47	86,54	57,18	15,00	...	12.8
November	1,80,06	22,82	...	22,82	78,18	6,49	84,62	57,13	16,00	...	12.4
December	1,79,21	22,82	...	22,82	74,21	6,56	80,77	57,18	17,00	2,00	12.4
1925												
January	1,81,12	22,82	...	22,82	71,11	6,56	77,67	57,18	20,00	4,00	12.8
February	1,86,72	22,82	...	22,82	69,51	6,77	76,28	57,18	20,00	8,00	12.2
March	1,84,19	22,82	...	22,82	70,02	6,78	76,76	57,18	20,00	8,00	12.1
April	1,79,61	22,82	...	22,82	67,40	6,77	74,17	57,18	20,00	6,00	12.4
May	1,78,28	22,82	...	22,82	66,95	6,80	78,75	57,16	20,00	...	12.9
June	1,78,25	22,82	...	22,82	71,86	6,89	78,75	57,18	20,00	...	12.5
July	1,84,80	22,82	...	22,82	77,85	6,95	84,80	57,18	20,00	...	12.1
August	1,88,21	22,82	...	22,82	81,79	6,99	88,78	57,12	20,00	...	11.9
September	1,89,51	22,82	...	22,82	88,04	7,05	90,09	57,11	20,00	...	11.8
October	1,91,77	22,82	...	22,82	88,21	7,18	90,84	57,11	22,00	...	11.6
November	1,89,68	22,82	...	22,82	80,02	7,28	87,25	57,11	28,00	...	11.8
December	1,91,76	22,82	...	22,82	76,06	7,27	88,88	57,11	29,00	...	11.8

Composition of Paper Currency Reserve.—(Contd.)
(In Lakhs of Rupees)

Last day of Month	Gross Note Circulation	GOLD			SILVER		SECURITIES			Internal Bills of Exchange	Percentage of Gold to Note Circulation
		In India	Out of India	Total	Coin	Bullion	Total	Rupee Securities	Sterling Securities		
1926											
January	1,91,18	22,82	...	22,82	75,88	7,87	82,75	57,11	29,00	...	11'67
February	1,91,76	22,82	...	22,82	75,91	7,42	83,33	57,11	29,00	...	11'68
March	1,99,84	22,82	...	22,82	77,25	7,66	84,91	57,11	29,00	...	11'54
April	1,85,18	22,82	...	22,82	77,04	7,66	84,70	57,11	21,00	...	12'05
May	1,87,08	22,82	...	22,82	78,85	7,75	86,60	57,16	21,00	...	12'00
June	1,91,44	22,82	...	22,82	88,05	7,87	90,92	57,20	21,00	...	11'65
July	1,97,48	22,82	...	22,82	88,91	7,94	96,85	57,81	21,00	...	11'80
August	2,00,58	22,82	...	22,82	91,96	7,67	99,83	57,88	21,00	...	11'18
September	1,96,45	22,82	...	22,82	94,86	7,87	1,02,78	57,40	14,00	...	11'86
October	1,98,79	22,82	...	22,82	96,88	8,04	1,04,87	52,60	14,00	...	11'50
November	1,89,15	22,82	...	22,82	97,52	8,04	1,05,56	51,27	10,00	...	11'80
December	1,81,18	22,82	...	22,82	95,82	8,20	1,03,52	49,77	5,57	...	12'80
1927											
January	1,80,47	22,82	...	22,82	94,47	8,84	1,02,81	49,77	5,57	...	12'87
February	1,82,74	22,82	...	22,82	94,64	8,44	1,08,08	49,77	5,57	2,00	12'85
March	1,84,18	22,82	...	22,82	95,94	8,58	1,04,47	49,77	5,57	2,00	12'25
April	1,78,71	29,76	...	29,76	95,58	8,86	1,08,89	37,46	2,10	...	17'18
May	1,71,44	29,76	...	29,76	95,20	8,92	1,04,12	35,46	2,10	...	17'86
June	1,72,57	29,76	...	29,76	98,86	8,99	1,07,85	35,46	...	...	17'24
July	1,77,68	29,76	...	29,76	1,08,86	8,06	1,12,42	35,45	...	...	16'75
August	1,80,48	29,76	...	29,76	1,06,00	8,90	1,14,90	35,68	19	...	16'49
September	1,81,82	29,76	...	29,76	1,07,84	7,85	1,14,69	36,35	1,02	...	16'87
October	1,88,88	29,76	...	29,76	1,08,27	7,81	1,15,58	36,75	1,29	...	16'25
November	1,81,55	29,76	...	22,76	1,06,88	7,17	1,18,50	36,89	1,40	...	16'40
December	1,82,64	29,76	...	22,76	1,01,11	7,42	1,08,53	36,92	3,48	4,00	16'66

Composition of Paper Currency Reserve.—Contd.
(In Lakhs of Rupees.)

Last day of Month	Gross Note Circulation	GOLD			SILVER			SECURITIES			Internal Bills of Exchange	Percentage of Gold to Note Circulation
		In India	Out of India	Total	Coin	Bullion	Total	Rupee Securities	Sterling Securities			
1928												
January ...	1,86,02	29,76	...	29,76	98,46	7,47	1,05,98	87,89	4,44	8,00	16.70	
February ...	1,85,78	29,76	...	29,76	98,79	7,57	1,06,86	87,89	8,77	8,00	16.72	
March ...	1,84,87	29,76	...	29,76	98,72	7,66	1,06,88	87,96	8,77	7,00	16.78	
April ...	1,82,78	29,76	...	29,76	96,11	6,66	1,02,77	88,98	8,77	7,50	17.00	
May ...	1,88,01	29,76	...	29,76	94,58	6,80	1,00,88	88,60	8,77	9,00	17.10	
June ...	1,77,16	29,70	...	29,76	97,45	8,59	1,01,04	41,84	4,52	...	16.80	
July ...	1,80,79	29,76	...	29,76	1,00,79	2,84	1,08,18	42,78	5,17	...	16.46	
August ...	1,82,90	29,76	...	29,76	1,02,51	2,71	1,05,22	42,60	5,82	...	16.27	
September ...	1,84,60	29,76	...	29,76	1,04,02	2,87	1,06,89	42,84	5,61	...	16.72	
October ...	1,84,66	29,76	...	29,76	1,08,81	8,02	1,06,88	42,88	5,74	...	16.11	
November ...	1,88,15	80,09	...	80,09	1,01,18	8,78	1,04,89	42,88	5,84	...	16.48	
December ...	1,89,00	81,10	...	81,10	96,16	4,62	1,00,78	48,27	6,85	7,00	17.09	
1929												
January ...	1,89,74	82,21	...	82,21	94,67	4,88	99,55	48,27	7,71	7,00	17.62	
February ...	1,92,47	82,21	...	82,21	94,85	5,11	99,96	48,27	10,58	6,50	17.82	
March ...	1,88,08	82,22	...	82,22	94,94	4,95	99,89	48,28	10,69	2,00	17.82	
April ...	1,88,66	82,22	...	82,22	94,90	4,48	99,88	48,28	8,88	...	17.82	
May ...	1,84,16	82,22	...	82,22	95,40	4,17	99,57	48,28	9,14	...	17.50	
June ...	1,87,71	82,22	...	82,22	97,77	4,88	1,02,65	48,22	9,62	...	17.11	
July ...	1,85,72	82,22	...	82,22	1,08,82	4,62	1,08,44	48,19	1,87	...	17.85	
August ...	1,85,20	82,22	...	82,22	1,07,28	4,58	1,11,81	89,18	2,04	...	17.40	
September ...	1,86,80	82,22	...	82,22	1,08,05	4,95	1,18,00	89,17	2,41	...	17.25	
October ...	1,84,88	82,22	...	82,22	1,08,98	4,65	1,18,58	86,82	2,71	...	16.99	
November ...	1,80,77	82,22	...	82,22	1,07,19	8,97	1,11,16	86,82	1,07	...	17.82	
December ...	1,79,41	82,22	...	82,22	1,08,77	4,28	1,08,05	87,88	1,81	...	17.98	

Composition of Paper Currency Reserve.—(Contd.)

(In Lakhs of Rupees)

Last day of Month	Gross Note Circulation	GOLD			Coin	SILVER		SECURITIES		Internal Bills of Exchange	Percentage of Gold to Note Circulation
		In India	Out of India	Total		Bullion	Total	Rupee Securities	Sterling Securities		
1930											
January ...	1,80,21	82,27	.....	82,27	1,04,29	2,88	1,06,62	88,85	2,47	.....	17'91
February ...	1,81,60	82,27	.....	82,27	1,05,69	1,82	1,07,51	89,88	2,94	.....	17'77
March ...	1,77,28	82,27	.....	82,27	1,08,11	2,85	1,10,96	88,85	15	.....	18'20
April ...	1,78,90	82,27	.....	82,27	1,07,22	8,88	1,10,60	80,78	80	.....	18'55
May ...	1,67,78	82,28	.....	82,28	1,07,04	8,48	1,10,52	24,86	62	.....	19'24
June ...	1,68,78	82,28	.....	82,28	1,08,91	8,48	1,12,89	18,88	78	.....	19'10
July ...	1,68,26	82,28	.....	82,28	1,18,87	8,49	1,16,86	18,89	78	.....	19'18
August ...	1,68,87	82,28	.....	82,28	1,15,48	5,25	1,20,68	14,68	1,28	.....	19'11
September ...	1,71,47	82,28	.....	82,28	1,15,92	5,88	1,21,75	15,59	1,85	.....	18'82
October ...	1,70,14	82,28	.....	82,28	1,17,47	5,68	1,28,10	12,78	2,08	.....	18'97
November ...	1,64,84	82,28	.....	82,28	1,16,90	5,76	1,22,66	8,67	1,28	.....	19'58
December ...	1,61,84	81,74	.....	81,74	1,14,60	5,89	1,19,99	9,61	.....	.....	19'67
1931											
January ...	1,58,20	26,21	...	26,21	1,15,82	5,80	1,21,12	9,87	.....	1,00	16'67
February ...	1,56,58	28,77	.....	28,77	1,16,09	6,58	1,22,67	10,09	.....	.....	15'18
March ...	1,60,84	25,85	.....	25,85	1,17,88	6,94	1,24,80	10,19	.....	.....	16'00
April ...	1,60,14	27,54	.....	27,54	1,18,20	7,20	1,25,40	7,20	.....	.....	17'20
May ...	1,54,79	20,21	...	20,21	1,19,61	7,88	1,27,44	7,14	.....	.....	18'05
June ...	1,52,54	17,14	.....	17,14	1,22,44	7,59	1,80,08	5,87	.....	.....	11'28
July ...	1,55,65	16,56	.....	16,56	1,25,66	6,90	1,82,56	6,58	.....	.....	10'64
August ...	1,58,58	12,87	.....	12,87	1,26,94	5,11	1,82,05	9,16	.....	.....	14'68
September ...	1,48,74	4,21	.....	4,21	1,26,81	5,78	1,82,54	9,40	.....	2,50	2'88
October ...	1,59,75	4,80	.....	4,80	1,24,65	6,92	1,81,57	28,88	.....	.....	2'77
November ...	1,62,85	4,48	.....	4,48	1,21,61	7,44	1,29,05	28,52	.....	.....	2'76
December ...	1,79,80	4,57	.....	4,57	1,15,04	7,94	1,22,98	49,25	.....	2,50	2'58

Composition of the Paper Currency Reserve.—(Contd.)
(In Lakhs of Rupees)

Statistical Year-Book: 1933

Last day of Month	Gross Note Circulation	GOLD			SILVER		SECURITIES		Internal Bills of Exchange	Percentage of Gold to Note Circulation	
		In India	Out of India	Total	Coin	Bullion	Total	Rupee Securities			Sterling Securities
1932											
January ...	1,79,16	4,88	...	4,88	1,08,88	6,95	1,15,83	55,00	...	8,50	2'74
February ...	1,79,54	4,92	...	4,92	1,04,11	8,09	1,12,20	59,42	...	8,00	2'78
March ...	1,78,14	5,26	...	5,26	1,01,96	9,22	1,11,18	57,94	...	8,75	3'01
April ...	1,68,81	5,58	...	5,58	1,00,81	9,69	1,10,50	52,28	...	...	3'27
May ...	1,68,47	10,71	...	10,71	99,88	10,67	1,10,50	47,26	...	...	6'85
June ...	1,70,85	10,78	...	10,78	1,01,80	10,58	1,11,88	48,19	...	...	6'82
July ...	1,74,28	10,86	...	10,86	1,08,64	10,75	1,14,89	48,98	...	...	6'26
August ...	1,75,58	11,11	...	11,11	1,04,04	10,98	1,15,02	49,45	...	...	6'82
September ...	1,75,77	11,84	...	11,84	1,08,01	12,28	1,15,29	49,14	...	...	6'48
October ...	1,75,85	11,58	...	11,58	1,02,06	12,86	1,14,92	49,40	...	...	6'54
November ...	1,75,68	11,75	...	11,75	1,00,49	12,48	1,12,97	50,91	...	...	6'72
December ...	1,74,80	18,68	...	18,68	97,88	12,88	1,10,66	45,46	...	...	10'70
1933											
January ...	1,74,88	25,52	...	25,52	96,26	18,28	1,09,54	89,27	...	...	14'64
February ...	1,75,25	25,68	...	25,68	96,08	14,84	1,10,87	89,20	...	...	14'65
March ...	1,76,90	25,99	...	25,99	96,84	15,52	1,11,86	89,05	...	...	14'70

Imperial Bank Statistics in the last week of each of the months of 1932-33.

(In Lakhs of Rupees)

	April	May	June	July	August	September	October	November	December	January	February	March
Liabilities—												
Public Deposits	8,20	7,70	16,84	20,08	15,25	14,08	8,15	7,54	8,82	8,66	8,78	11,88
Other Deposits	60,17	60,56	60,88	62,59	64,51	65,42	66,14	67,65	68,87	71,55	70,98	71,70
Loans from Government of India under Section 20 of the Paper Currency Act against inland bills	50	...	...	...	...	...	...	...	2,50	...	...	...
Assets—												
Government Securities * ...	22,81	22,65	27,22	25,54	25,42	27,61	27,46	28,50	28,84	31,18	35,27	37,08
Ways and Means advances to the Government of India ...	1,50	1,00	...	...	...	...	...	2,00	...	9,00	...	...
Loans	9,26	8,25	8,19	7,61	7,50	7,47	6,50	6,80	10,42	6,58	6,29	8,29
Cash Credits	24,16	24,69	26,15	23,88	22,08	19,94	18,65	17,28	26,52	18,03	18,86	19,55
Inland bills discounted and pur- chased	6,12	8,91	2,49	2,25	2,00	1,94	1,66	1,98	4,79	2,22	2,96	8,55
Foreign bills discounted and purchased	27	21	18	24	7	19	20	80	20	19	29	27
Cash	10,75	18,58	19,26	29,67	28,95	28,97	27,01	25,81	11,05	20,17	28,85	26,44
Percentage of Cash to liabilities	15.24	19.89	24.88	35.45	35.81	35.84	35.64	38.64	14.26	24.84	28.92	31.42
Bank rate	5%	5%	5%	4%	4%	4%	4%	4%	8%	4%	8½%	8½%

Rates of Discount of Central Banks of certain countries 1930-31 and 1932-33

(Rates per cent.)

End of	1930-31										1931-32										1932-33																			
	UNITED STATES					UNITED STATES					UNITED STATES					UNITED STATES																								
April	United Kingdom					Germany					France					British India					Japan					Switzerland					Italy					Russia U. S. S. R.				
	F. R. B. rate for 60-90 days Paper					F. R. B. average rate					F. R. B. rate for 60-90 days Paper					F. R. B. average rate					E. R. B. rate for 60-90 days Paper					F. R. B. average rate					E. R. B. rate for 60-90 days Paper					F. R. B. average rate				
...	8 1/2	8 1/2	4 08	5	2 5	6	5 48	8	6	8	8	2	8 08	5	2	7	5 11	2	5 1/2	8	8	8	8 48	5	2 5	5 84	2	6	8											
May	...	8	8	8 98	4 5	2 5	6	5 48	8	5 1/2	8	2 1/2	1 1/2	2 81	5	2	6	5 11	2	5 1/2	8	2 5	8 45	5	2 5	5 84	2	5 84	2	5	8									
June	...	8	2 1/2	8 81	4	2 5	6	5 48	8	5 1/2	8	2 1/2	1 1/2	2 81	7	2	6	5 11	2	5 1/2	8	2 2 5	8 45	5	2 5	5 84	2	5 84	2	5	8									
July	...	8	2 1/2	8 59	4	2 5	5	5 48	2 5	5 1/2	8	(a) 4 1/2	1 1/2	2 81	10	2	6	5 11	2	5 1/2	8	2 2 5	8 36	5	2 5	4	5 11	2	5	8										
August	...	8	2 1/2	8 50	4	2 5	5	5 48	2 5	5 1/2	8	4 1/2	1 1/2	2 81 (d)	10	2	7	5 11	2	5 1/2	8	2 2 5	8 86	5	2 5	4	4 88	2	5	8										
September	...	8	2 1/2	8 40	4	2 5	5	5 48	2 5	5 1/2	8	6	1 1/2	2 81	8	2	8	5 11	2	7	8	2 2 5	8 85	4	4 5	4	4 88	2	5	8										
October	...	8	2 1/2	8 38	5	2 5	5	5 1/2	2 5	5 1/2	8	6	(c) 8 1/2	8 34	8	2 1/2	8	5 84	2	7	8	2 2 5	8 96	4	2 5	4	4 88	2	5	8										
November	...	8	2 1/2	8 38	5	2 5	6	5 11	2 5	5 1/2	8	6	8 1/2	8 38	8	2 1/2	8	5 84	2	7	8	2 2 5	8 86	4	2 5	4	4 88	2	5	8										
December	...	8	2	8 37	5	2 5	6	5 11	2 5	5 1/2	8	6	8 1/2	8 38	7	2 1/2	8	5 84	2	7	8	2 2 5	8 86	4	2 5	4	4 88	2	5	8										
January	...	8	2	8 18	5	2	7	5 11	2	5 1/2	8	6	8 1/2	8 32	7	2 1/2	7	6 37	2	7	8	2 2 5	8 38	4	2 5	4	4 88	2	4	8										
February	...	8	2	8 08	5	2	7	5 11	2	5 1/2	8	5	8	8 34	7	2 1/2	6	6 37	2	7	8	2 2 5	8 38	4	2 5	4	4 88	2	4	8										
March	...	8	2	8 08	5	2	7	5 11	2	5 1/2	8	5	8	8 45	4	2 1/2	6	5 84	2	6	8	2	8	8 40	4	2 5	4	4 88	2	4	8									

(a) 8 1/2% from 28th to 29th July
(b) 4% from 9th to 16th March

(c) 2 1/2% from 8th to 14th October
(d) 8% from 4th to 6th May

Gold and foreign assets reserves of certain principal countries during 1932-33

(Figures in millions of units)

END OF	UNITED STATES		Gold coin in circulation	Total gold stock	UNITED KINGDOM		GERMANY		FRANCE			CANADA		SWITZERLAND		BRITISH INDIA (Government)		
	Federal Reserve Banks and Government				Bank of England	Reichs Bank		Foreign Assets		Chartered Banks		Government		Gold		Foreign Assets		
	Gold against certificates	Other Gold Reserves				Gold	Gold	Foreign Assets	Funds available at sight	Negotiable securities	Gold	Gold	Foreign Assets	Gold	Foreign Assets	At Home	Abroad	
																		Dollars	£'s	Reichsmark	Francs	Dollars	Francs	Rupees
April 1932	758	3,198	411	4,867	121.5	859	181	77,862	4,692	7,108	66	67	17	2,489	111	415	29	826
May "	785	2,982	485	4,152	125.8	868	129	79,470	4,474	4,527	67	67	11	2,555	78	415	29	849
June "	716	2,750	458	3,919	137.8	882	180	82,100	4,290	2,048	67	66	2	2,607	56	415	29	828
July "	694	2,329	454	3,977	138.6	766	128	82,168	3,884	2,097	68	66	5	2,687	56	415	29	286
August "	669	2,970	449	4,088	139.8	768	157	82,239	3,808	2,082	69	67	18	2,644	50	415	29	809
September "	644	3,104	445	4,193	140.4	796	183	82,681	2,895	2,082	70	67	11	2,638	60	415	29	874
October "	624	3,194	445	4,264	140.4	817	128	82,909	2,981	2,002	78	66	3	2,838	47	415	29	886
November "	685	3,251	454	4,340	140.4	827	110	83,342	2,968	1,885	75	87	22	2,558	78	415	29	462
December "	601	3,487	470	4,508	120.6	806	114	83,017	2,988	1,545	78	64	(-4)	2,471	87	415	29	589
January, 1933	591	3,482	479	4,558	124.4	822	101	82,167	2,940	1,494	78	65	(-15)	2,471	88	415	29	495
February "	650	3,158	571	4,379	143.0	769	152	81,017	2,601	1,800	78	71	(-9)	2,529	88	415	29	492
March "	396	3,519	367	4,279	172.7	789	97	80,409	2,406	1,971	72	64	(-5)	2,536	7	415	29	481

Market Rates of Discount of certain Principal Countries 1930-31 to 1932-33
(Monthly average is the average of daily quotations)

	United Kingdom (London) Bankers' Drafts, 90 days			France (Paris), Market Discount, Commercial Paper, 45-90 days			Germany (Berlin) Private Discount, 56-90 days' bills			Japan (Tokyo), Commercial Paper, 60 days	
	Max.	Min.	Monthly average	Max.	Min.	Monthly average	Max.	Min.	Monthly average	Max.	Min.
April 1930	2'50	2'88	2'50	2'68	2'50	2'52	4'75	4'25	4'46	...	...
May "	2'81	2'06	2'18	2'50	2'08	2'41	4'12	3'75	3'89	...	...
June "	2'50	2'09	2'81	2'12	1'88	2'06	3'75	3'50	3'58	...	...
July "	2'50	2'19	2'88	2'50	1'94	2'11	3'50	3'88	3'40	...	...
August "	2'81	2'03	2'22	2'12	2	2'05	3'88	3'18	3'24	...	...
September "	2'18	2	2'06	2	1'94	2	3'88	3'18	3'30	...	...
October "	2'16	2'06	2'09	2	2	2	5	3'88	4'66	...	...
November "	2'81	2'06	2'19	2	2	2	4'88	4'75	4'81	...	...
December "	2'50	2'18	2'81	2'12	2	2'00	4'88	4'75	4'88	...	...
January 1931	2'50	2'18	2'25	2'06	1'75	1'84	4'88	4'75	4'29	...	...
February "	2'69	2'38	2'56	1'88	1'62	1'69	4'88	4'88	4'88	...	...
March "	2'69	2'56	2'59	1'62	1'50	1'61	4'88	4'75	4'76	5'11	4'75
April "	2'68	2'56	2'58	1'50	1'44	1'45	4'75	4'68	4'65	5'11	4'88
May "	2'56	2	2'25	1'41	1'06	1'25	4'75	4'68	4'65	5'11	4'88
June "	2'17	2'01	2'09	1'09	1'06	1'06	7	4'75	6'09	5'11	4'88
July "	4'84	1'81	2'59	1'68	1'06	1'81	7(a)	7(a)	7(a)	4'75	4'02
August "	4'84	4'06	4'28	1'68	1'25	1'44	(a)	(a)	(a)	4'75	4'02
September "	5'81	4'16	4'75	1'50	1'88	1'44	8'25	7'00	7'94	4'75	4'02
October "	5'75	5'44	5'69	2	1'50	1'88	8	8	8	4'98	4'75
November "	5'88	5'68	5'75	1'88	1'88	1'88	8	8	8	5'84	4'75
December "	5'91	5'68	5'88	1'88	1'88	1'88	8	7	7'82	6'21	5'11
January 1932	5'81	4'75	5'56	1'88	1'75	1'87	6'94	6'94	6'94	6'21	5'11
February "	5'19	3'50	4'66	1'88	1'81	1'81	6'81	6'56	6'67	5'84	5'11
March "	6'50	2'12	2'60	1'88	1'88	1'78	6'56	5'75	6'09	5'84	5'11
April "	2'44	1'91	2'19	1'88	1'88	1'87	5'88	4'88	5'18	5'84	5'11
May "	2'08	1'06	1'44	1'88	1'18	1'12	4'88	4'75	4'87	5'84	5'11
June "	1'09	1	1'06	1'18	1'06	1'12	4'75	4'75	4'75	5'84	5'11
July "	1'09	72	91	1	88	1	4'75	4'50	4'58	5'48	5'11
August "	88	69	75	1	94	1'06	4'50	4'50	4'50	5'48	4'98
September "	75	59	66	1	88	1'06	4'50	3'88	4'25	5'48	4'98
October "	91	75	85	1	1	1'06	3'88	3'88	3'88	5'11	4'75
November "	1'22	72	89	1'18	1	1'18	3'88	3'88	3'88	5'11	4'56
December "	1'23	84	1'09	1'18	1	1'06	3'88	3'88	3'88	5'11	4'56
January 1933	97	88	88	1'50	1'08	1'84	3'88	3'88	3'88	4'98	4'88
February "	91	84	84	2'19	1'75	2'04	3'88	3'88	3'88	4'95	4'88
March "	75	68	68	2'38	1'88	2'18	3'88	3'88	3'88	4'75	4'88

Market Rates of Discount of certain Principal Countries 1930-31 to 1932-33—(Contd.)
(Monthly average is the average of daily quotations).

	Switzerland (Zurich), Market Discount 8 months' bills			United States (New York) Commercial Paper 4-6 months			Bankers' Acceptances 90 days.			India Bazaar Bill Rate Calcutta-Bombay	
	Max.	Min.	Monthly average	Max.	Min.	Monthly average	Max.	Min.	Monthly average	Beginning of month	
April 1930	2'68	2'58	2'61	4	8'75	8'88	8	2'88	2'91	11	7 ¹ / ₁₆
May	2'68	2'25	2'44	4	8'50	8'79	2'68	2'88	2'48	10-11	7 ¹ / ₁₆
June	2'25	2	2'06	8'75	8'25	8'55	2'88	1'88	2'09	10	8 ¹ / ₁₆
July	2	1'81	1'92	8'50	8	8'19	1'88	1'88	1'88	8-9	8 ¹ / ₁₆
August	1'81	1'69	1'75	8	8	8	1'88	1'88	1'88	7-8	8 ¹ / ₁₆
September	1'69	1'88	1'50	8	8	8	1'88	1'88	1'88	7-8	8 ¹ / ₁₆
October	1'88	1'25	1'29	8	8	8	1'88	1'88	1'88	7-8	6 ³ / ₈
November	1'25	1'12	1'16	8	2'75	2'88	1'88	1'88	1'88	7-8	6 ³ / ₈
December	1'50	1'06	1'18	8	2'75	2'88	1'88	1'88	1'88	7-8	6 ³ / ₈
January 1931	1'50	1	1'16	2'75	2'75	2'85	1'75	1'88	1'54	7-8	6 ³ / ₈
February	1	1	1	2'50	2'50	2'68	1'50	1'88	1'89	7-8	6 ³ / ₈
March	1'08	0'94	0'99	2'50	2'50	2'52	1'50	1'50	1'50	9-10	7 ¹ / ₁₆
April	1'12	1	1'06	2'50	2'25	2'88	1'05	1'50	1'44	9-10	7 ¹ / ₁₆
May	1'12	1'12	1'18	2'25	2	2'20	1'18	0'88	1'02	8-9	6 ³ / ₄
June	1'12	1'12	1'18	2	2	2	0'88	0'88	0'88	7-8	6
July	2	1'12	1'55	2	2	2	0'88	0'88	0'88	7-8	8 ³ / ₈
August	2	1'88	1'88	2	2	2	0'88	0'88	0'88	7-8	8 ³ / ₈
September	1'88	1'75	1'80	2	2	2'02	1'25	0'88	0'88	7-8	8 ³ / ₄
October	1'94	1'88	1'90	4'25	2	8'50	8'75	1'25	2'48	7-8	8 ³ / ₄
November	1'94	1'75	1'77	4'25	8'75	4'08	8'25	2'88	2'99	7-8	4 ¹ / ₈
December	1'75	1'75	1'75	4	8'75	8'88	8	8	8	7-8	5 ¹ / ₄
January 1932	1'75	1'58	1'68	4	8'75	8'88	8	2'75	2'86	7-8	6
February	1'58	1'50	1'52	4	8'75	8'84	2'88	2'75	2'75	7-8	6
March	1'50	1'50	1'50	8'75	8'50	8'88	2'68	2'88	2'50	7-8	6
April	1'50	1'50	1'50	8'75	8'25	8'78	2'18	'88	1'45	7-8	6
May	1'50	1'50	1'50	8'50	2'75	8'27	1'18	'88	'88	7-8	5 ¹ / ₄
June	1'50	1'50	1'50	8'0	2'50	2'94	'88	'88	'88	7-8	4 ¹ / ₈
July	1'50	1'50	1'50	2'75	2'25	2'54	'75	'75	'75	7-8	8 ¹ / ₈
August	1'50	1'50	1'50	2'50	2	2'82	'75	'75	'75	6-7	8 ¹ / ₈
September	1'50	1'50	1'50	2'25	2	2'25	'75	'75	'75	6-7	8
October	1'50	1'50	1'50	2'25	1'75	2'07	'50	'50	'59	6-7	8
November	1'50	1'50	1'50	1'75	1'50	1'75	'50	'50	'50	6-7	8 ¹ / ₈
December	1'50	1'50	1'50	1'75	1'25	1'64	'88	'88	'88	6-7	4 ¹ / ₈
January 1933	1'50	1'50	1'50	1'50	1'25	1'88	'88	'25	'81	6-7	4 ¹ / ₈
February	1'50	1'50	1'50	1'50	1'25	1'88	'68	'25	'44	6-7	4 ¹ / ₈
March	1'50	1'50	1'50	4'50	1'50	8	8'68	1'18	2'88	6-7	8 ¹ / ₈

Prices of representative securities of the Government of India and of the British 4% Funding Loan (1960—90)

	1925-26				1926-27				1927-28				1928-29			
	8½% Rupee Paper		4% British Funding Loan (1960-90)		8½% Rupee Paper		4% British Funding Loan (1960-90)		8½% Rupee Paper		4% British Funding Loan (1960-90)		8½% Rupee Paper		4% British Funding Loan (1960-90)	
	H	L	H	L	H	L	H	L	H	L	H	L	H	L	H	L
April ...	68	67/12	88/12/6	88/5	77/6	74/6	87/10	85/10	79/5	78/11	87½	86½	75/9	75/6	92½	88½
May ...	68/7	67/11	88/7/6	87/12/6	78/9	76/6	87/7/6	86/10	79/4	77/18	87½	86½	75/9	75/8	90½	90
June ...	70/8	68/7	87/12/6	86/2/6	77/6	76/8	86/5/6	86/7/6	78/1	77/12	86½	85½	75/10	75/8	91	90½
July ...	69/10	69/5	88/17/6	86/10	77/8	77	86½	86	78	77/7	85½	86½	75/9	74/2	90½	89½
August ...	69/9	68/14	89/12/6	88/10	77/6	77/8	86	84½	77/18	75/12	87	86½	74/1	78/6	90½	89½
September	68/15	68/12	89/7/6	87/10	77/6	77/8	86	84½	76/5	75/7	87½	85½	78/14	72/14	90½	88½
October ...	68/18	67/12	87/15	87/17/6	77/9	77/5	84½	84	76/6	76/2	85½	85½	78/8	78/1	88½	88½
November	68/15	68/6	87/2/6	86/7/6	77/18	77/6	84½	84½	76/5	75/10	85½	85½	78/6	72/14	90½	89½
December...	69	68/9	86/7/6	86/5	78/15	77/10	85½	84½	75/9	74/6	88½	85½	78	72/4	90½	89½
January ...	70/8	69/2	88/2/6	85/15	78/2	77/5	87½	85½	76/2	75/2	89½	88½	78/6	72/8	91½	90½
February ...	71/12	70/8	88/7/6	87/15	77/12	77/5	87½	86½	76/8	75/18	89½	88½	78/6	71/14	91½	88½
March ...	74/8	71	87/15	86/2/6	78/14	77/7	87½	86	76	75/6	89½	88½	72/8	71	88½	86½

	1929-30				1930-31				1931-32				1932-33									
	8½% Rupee Paper		4% British Funding Loan (1960-90)		8½% Rupee Paper		8½% India Sterling		4% British Funding Loan (1960-90)		8½% Rupee Paper		8½% India Sterling		4% British Funding Loan (1960-90)		8½% Rupee Paper		8½% India Sterling		4% British Funding Loan (1960-90)	
	H	L	H	L	H	L	H	L	H	L	H	L	H	L	H	L	H	L	H	L	H	L
April ...	72/4	71/8	88½	86½	68/14	64/1	65½	62½	91	89½	68	62/9	61	59	94½	92½	62½	60½	67	65	97	95½
May ...	72/5	71/8	88½	87½	65/5	64/14	68	61	90½	88½	62/9	61/18	60½	59½	96½	94½	68½	62	70½	66	100½	97½
June ...	71/6	67/14	88	85½	65/6	64/11	62½	60½	90½	88½	61/8	68/18	60	58	97½	96½	68½	60½	75½	66	102½	100½
July ...	68/7	67/6	87	85	65/2	62/1	68½	60½	91½	89½	61/8	59/4	68½	51	97½	95½	70	66½	83	79½	108½	106½
August ...	68/6	67/6	85½	84½	64/10	68	64½	68	91½	90½	59/8	57/1	57	54	92½	90½	69½	68½	81	75	107½	106
September	68/14	68/7	84½	82½	65/6	64/4	65½	68½	92½	90½	57	52	55	43½	92½	79½	69½ ¹⁶	68½	82½	79	110	107½
October ...	68/18	67/14	87	82½	65/2	64/6	66½	68½	94½	90½	58/14	51	58½	47	83½	88	76	70	90	85	109½	107½
November	68/6	67/15	85½	84	65/8	64/10	65½	64	96½	94½	55/10	58	55	49	86½	81½	76½	71½	92	88½	109½	105½
December...	68	67/12	85½	85½	64/11	68	68½	62½	95	93½	58/2	51/12	50½	47½	82	72	74½ ¹⁶	71½ ¹⁶	88½	83½	108½	107½
January ...	68	64/6	87	85½	68/4	62/10	64½	60	95½	94½	54/8	51/7	59	51	86½(a)	84½(a)	80½	74½ ¹⁶	99	86½	110	108½
February ...	65/10	64/1	88	86½	62/11	61/9	60	57	94½	89½	61/12	58/9	68	56	86½(a)	80½(a)	88½ ¹⁶	80½ ¹⁶	99½	99½	110½	109½
March ...	69/10	64/9	98	87½	68/14	61/5	62	58	93½	91	61/12	60/2	68½	68½	86½(a)	86½(a)	88½ ¹⁶	81½ ¹⁶	101½	99	112½	110½

NOTE—'H' means 'Highest' and 'L' 'Lowest'

(a) Quotations nominal.

Imperial Bank of India Official rates of interest.

1922	per cent.	Average for whole year	1927	per cent.	Average for whole year
16th February	8	5'322	1st January	5	5'720
27th April	7		18th January	6	
1st June	6		10th February	7	
15th June	5		2nd June	6	
6th July	4		28th June	5	
26th October	5		28th July	4	
14th December	6		8th September	5	
28th December	7	8th December	6		
1923			22nd December	7	
11th January	8	5'947	1928		6'196
25th May	7		21st June	6	
31st May	6		19th July	5	
7th June	5		15th November	6	
28th June	4		18th December	7	
15th November	5		1929		
29th November	6		14th February	8	
20th December	7	11th April	7		
1924			9th May	6	6'328
8rd January	8	6th June	5		
14th February	9	10th October	6		
10th April	8	31st October	7		
29th May	7	1930		5'887	
19th June	6	8rd April	6		
8rd July	5	10th July	5		
31st July	4	20th November	6		
21st August	5	1931		7'046	
16th October	6	22nd January	7		
1925		28th May	6		
22nd January	7	6th August	7		
21st May	6	24th September	8		
18th June	5	1932		5'021	
2nd July	4	5'642	14th January		7
24th September	5	25th February	6		
8rd December	6	28th April	5		
1926			7th July	4	
20th May	5	4'825	1933		
10th June	4		16th February	8½	

Indian Money Rates at the beginning of each month from 1927-28 to 1932-33

	1927-28		1928-29		1929-30		1930-31		1931-32		1932-33	
	CALL MONEY RATE		CALL MONEY RATE		CALL MONEY RATE		CALL MONEY RATE		CALL MONEY RATE		CALL MONEY RATE	
	Imperial Bank rate	Calcutta Bombay	Imperial Bank rate	Calcutta Bombay	Imperial Bank rate	Calcutta Bombay	Imperial Bank rate	Calcutta Bombay	Imperial Bank rate	Calcutta Bombay	Imperial Bank rate	Calcutta Bombay
April ...	7	6 6½-6¾	7	5½ 5½-5¾	8	5 6½	6	5 6	7	4½-5	6½	6 8½ 5½
May ...	7	5 6-5½	7	5½-5¾ 5½-6	7	2½ 8½	6	4½-4¾ 5	7	4½ 6½	5 8 5	
June ...	7	4-4½ 6-5½	7	4 5½-6	6	1½ 8½	6	4½ 5 6	5 5 5½	5 2½ 8½		
July ...	5	1½ 8	6	8 4½-4¾	5	1½ 1½	6	4½ 5 6	4 4½ 5	2 4		
August ...	4	1½-2½ 2-1½	5	2½ 2½-3	5	Nil 1½	5	2½ 2½ 6	4½ 5 4	2 2 2		
September	4	2 2½-2¾	5	8½ 8½-8¾	5	1½ 1½	5	1½ 2 7	4 5½ 4	1½ 1½		
October ...	5	1½ 2	5	2½ 2-2½	5	2½ 8-8½	5	2½ 2½ 8	5 6½ 4	1½ 1		
November	5	1½ 2	5	2-1½ 8	7	2 2½	5	2½ 2 6	4 4½ 4	1½ 2		
December	5	8 4-4½	6	1½ 8	7	1½ 4½	6	2 2½ 8	4-4½ 6½ 4	1½ 1		
January ...	7	5½-6 5½-6	7	4-4½ 6½	7	8 5 6	8 8 8	8 4½-5 6½	4 1½ 1½			
February	7	6 6½-6¾	7	6 6½-6¾	7	4½-5½ 6½	7	8½-4 5½	7 4 5 4	½ 1		
March ...	7	4½-5 6-6½	8	6 7½	7	5 4½	7	4½-5 5½	6 8½ 4 8½	½ ½		

TRADE SECTION:

FOREIGN TRADE

The improvements in Indian finance recorded in the earlier sections of this Year-Book have, unfortunately, no counterpart in the foreign trade of India. In fact, a further decline from the conditions of the previous year is noticeable in the export trade of the country. This was accompanied also by an appreciable rise in imports which naturally, reduced the visible balance of trade in India's favour. For all this, however, nature is hardly to blame. The monsoon was fair; and crops satisfied all reasonable expectations; but the conditions in which the foreign trade of the country had to be carried on were distinctly worse.

The foreign markets were, in no better position to buy from India than during the earlier years of the present depression. It might even be said that, thanks to the tightening of exchange controls and the multiplication of trade barriers resulting from the all-round adoption of quotas, conditions were distinctly worse, with the inevitable result that exports during the year declined to Rs. 132.43 crores from Rs. 155.89 crores in 1931-32 and Rs. 220.49 crores in 1930-31. There was a corresponding decline in re-exports from Rs. 514 lakhs to Rs. 466 lakhs and 322 lakhs respectively. The imports of foreign merchandise, as mentioned already, rose from Rs. 125.72 crores to Rs. 132.27 crores. The balance of trade in merchandise, therefore, dropped from Rs. 34.8 crores to 3.38 crores. The contrast is even more marked if the figure of 62.05 crores for 1930-31 is taken into account. For a position like this, the explanation has to be sought in the fact that, while conditions in the foreign export markets were continually deteriorating, the purchasing power of India had been more than maintained through the consistent outflow of gold from the hoards. The export of gold on private account during the year under review actually increased from Rs. 57.98 crores to Rs. 65.52 crores. With the spectacle of more than a crore of rupees flowing out of the country week after week, it

would seem also incredible that only two years ago India had a net import of gold of the value of 12.75 crores. As the Finance Member aptly pointed out in his speech on the budget for 1933-34, gold exports have helped, more than anything else, to sustain the purchasing power of the country and not only to maintain, but also to improve, the imports. In silver, the trend has been a marked reduction of the net imports of the white metal from Rs. 11.65 crores in 1930-31 to Rs. 2.59 crores in 1931-32 and 73 lakhs in 1932-33. With 13 lakhs of imports of currency notes on private account, the balance of transactions in Treasury come to Rs. 64.92 crores in favour of India, to use the ordinary nomenclature of modern finance. The total visible balance of trade, therefore, comes to Rs. 68.30 crores; and it is a saddening thought, that, in spite of all the increase of nearly 8 crores of gold exports, the total visible balance of trade should have come down from 90.48 crores to 68.30 crores. At its present level, the balance of trade in merchandise is only 4 per cent. of the average of the 10 post-war years and approximately 5 per cent. of the 10 pre-war years. Taking the remittances, for which Government statistics are available, into account, of which 48.18 crores of Government remittance is the biggest item, the total balance of accounts comes to 18.65 crores.

For all these, the decline in the export trade is chiefly to blame. The changes in the volume, value and direction of the chief exports of India will be examined in detail at a later stage. Here it is important to note that the decline in the prices, which characterised the last two years, has continued unabated in the case of all the export staples of the country. That such a decline has not stimulated the demand for these products is a point which in these days of depression hardly needs a mention, much less an explanation. The following table gives the changes in the index numbers of India's principal exports:—

(Basis 100 end of July, 1914)

	March 1930	March 1931	September 1931	March 1932	September 1932	March 1933
Cereals	103	85	73	70	68	61
Pulses	140	82	91	86	93	81
Tea	121	114	63	60	58	70
Oil Seeds	142	90	78	74	77	69
Jute, Raw	72	45	51	49	50	38
Jute, Manufactured	89	80	69	76	82	68
Cotton, Raw	107	93	74	89	95	79
Hides and Skins	100	80	51	54	53	54

It will be seen that of the commodities mentioned in the table, hides and skins have barely held their ground and tea has had a slight improvement attributable, of course, to the scheme of restriction of exports, which was put through with great difficulty towards the close of the calendar year 1932. This explains the fall of the index number for tea from 60 in March 1932 to 58 in September and the rise therefrom to 70 in March 1933. All the other commodities except tea and oilseeds, have shown a rise up to September and in the subsequent months fallen so low that there is at the end a net loss ranging from 4 to 11 points. It would not be out of place to point out here, in explanation of this phenomenon, that the third quarter of 1932 was characterised by what then appeared to be the symptoms of a revival of prices. It was clear to careful observers that there was no reason to regard the improvement as either genuine or stable and that really the so-called symptoms of revival would prove to be highly deceptive. But the in-

crease in prices which may be attributed to the emergence of enquiries for re-stocking explains the change in the indices and, to some extent, also the subsequent reaction. As this improvement in prices was confined to a short period of three months in the year, it is quite understandable that the total value of India's exports during the period under review show, on the whole, a disressing decline.

All the principal exports have suffered both in volume and in value. Tea is the only exception in as much as there has been a rise in the volume exported compared with the year 1931-32. But even here the value has suffered a marked reduction, as the increase in prices referred to earlier was confined to the last quarter of the year. All the other commodities have suffered seriously both in volume and value. The following table taken from the Report of the Controller of the Currency 1932-33 enables an appreciation of the main features of India's export trade in the year under review:—

	(Omitting 000) 1931-32		(Omitting 000) 1932-33	
	Quantity	Value Rs.	Quantity	Value Rs.
Jute	... tons 1,250	33,11,23	1,243	31,43,91
Cotton	... tons 423	23,44,72	368	20,37,21
Tea	... lbs 341,518	19,43,74	378,837	17,15,28
Rice	... tons 2,301	17,84,39	1,828	14,22,65
Oilseeds	... tons 988	14,58,83	732	11,30,68

Exports of raw jute fell from 3,287,000 bales to 3,153,000 bales in 1932-33. The value likewise fell from Rs. 11.12 crores to 9.73 crores. It is interesting that while the offtake of India's jute by countries in the British Empire fell from 871,000 to 733,000, the foreign countries increased their purchase of this commodity from 2,416,000 to 2,420,000 bales. The United States of America reduced her purchase of raw jute from 274,000 to 201,000 bales. The United Kingdom bought during the

year under review 725,000 bales as against 865,000 bales in the previous year. Exports to France had such a marked increase that the improvement in volume more than offset the decline in prices, with the result that the value of raw jute exported to France rose from Rs. 98 lakhs to Rs. 116 lakhs. Germany barely maintained the volume of her imports of raw jute from India and the value naturally declined from Rs. 256 lakhs to Rs. 229 lakhs. Other countries had proportionate

decreases but Japanese imports amounted to Rs. 23 lakhs against Rs. 17 lakhs in the previous year. The miscellaneous countries have also an improvement to their credit.

Exports of jute bags increased from Rs. 10.94 crores to Rs. 11.16 crores; and in this the British Empire shows an increase from Rs. 474 lakhs to only Rs. 573 lakhs against Rs. 620 lakhs in 1931-32. The declared value for bags showed a fall from As. 4 Ps. 6 to As. 4 Ps. 4. Exports of jute manufactures declined from 102 crore yards to 101 crore yards. Compared with 127 crore yards of 1930-31 the decline is more appalling. It must be added that the British Empire has increased its share of India's exports of jute manufactures from 11.0 per cent. in 1930-31 to 15.2 per cent. in 1931-32 and 15.6 per cent. in 1932-33. The fall in the value is comparatively less, as it amounted to Rs. 10.24 crores against Rs. 10.45 crores in 1931-32. The principal fall is in the case of the United States of America which bought 54.83 crore yards against 69.24 crore yards in 1931-32. The United States is next to blame for her decrease of 47 lakhs of yards to 5.75 crore yards. Ceylon shows a loss of 6 lakhs to 23 lakhs. But the other countries in the Empire show increases, of which the increase of 22 lakhs yards to 6.55 crore yards in the case of Canada is the most notable. Of the other countries, the Argentine Republic has more than doubled her offtake of jute manufactures from Rs. 10.49 crores to Rs. 23.75 crores in the year under review. The principal features of the export trade in tea have already been pointed out. It should be sufficient to say that the percentage of British Empire imports to the total of exports from India has improved from 91.5 per cent. in 1931-32 to 93.7 per cent. This should be attributed to the grant of protection to Empire tea in the British market, which took 331 million lbs. as against 291 million lbs. in 1931-32. Canada shows an increase of 3 million lbs. to 17 million lbs. The United States also shows a rise of 1 million lbs. to 11 million lbs. The increase in the value of exports is noticeable only in the case of the United States of America and Canada. The value of tea exported to the British markets shows in contrast to the volume a decline from Rs. 16.90 crores to Rs. 14.79 crores.

Raw cotton has suffered equally in both value and volume. Against 236.9 million bales exported in 1931-32, 1932-33 shows only 206.3 million bales, and the value

likewise declined from Rs. 23.45 crores to Rs. 20.37 crores though the declared value in total per cwt. is slightly higher at Rs. 27-12-10 as against Rs. 27-5-2 in the previous year. No marked change in the export markets is noticeable; but China has been nearly lost to Indian raw cotton as the decline has been very precipitous. Exports during the period under review to other countries being 134 lakhs bales against 436 lakhs bales in 1931-32 and 606 lakhs bales in 1930-31. The changes in volume are even more appalling. As 1932-33 shows only Rs. 133 lakhs against Rs. 452 lakhs and Rs. 741 lakhs in the two previous years, the United Kingdom barely maintained its imports of Indian raw cotton at the level of 1931-32. Japan showed but a slight increase from 10,80,000 bales to 10,85,000 bales.

Rice has had an even worse year in 1931-32; for while in that year there was a rise in the quantity exported from 2,254,000 tons to 2,301,000 tons, attended though it may be by a fall in value from Rs. 25.82 crores to Rs. 17.84 crores in 1932-33, the exports fell to the low level of 1,828,000 tons and the value to Rs. 14.23 crores. The most notable change in the export trade in rice is the increase in the export to the United Kingdom which rose from 51,000 tons to 194,000 tons and in value from Rs. 40 lakhs to Rs. 120 lakhs. Ceylon reduced her offtake from 410,000 tons to 394,000 tons and the value declined from Rs. 367 lakhs to Rs. 340 lakhs. The other countries of the British Empire have uniformly reduced their imports of Indian rice. The greatest loss occurs in the case of Germany and China. The former took during the year under review only 153,000 tons against 262,000 tons in the previous year, while China's imports came down from 417,000 tons to 262,000 tons. Java has reduced her custom from 63,000 tons to 18,000 tons. The miscellaneous countries have made up in part for the deficiency of the notables by increasing their imports of Indian rice by 226,000 tons to 357,000 tons.

Groundnuts have suffered worst under the depression. From 672,000 tons the total exports have come down to 432,000 tons and the value has declined from Rs. 10.14 crores to Rs. 7.12 crores. All the principal importers of Indian groundnuts have reduced their offtake and only the small countries have proved to be a better market than before. Belgium has increased from 4,500 tons to 92,000 tons

and "other countries" from 17,100 tons to 111,200 tons. Linseed has failed to profit by the much-advertised advantages conferred on it by the Ottawa Agreement. The total exports of linseed fell from 120,000 tons to 172,000 tons and the value from a little over Rs. 1½ crores to much less than a crore. France, which is the principal customer for Indian linseed, has reduced her imports from 44,000 tons to 20,000 tons. Even the United Kingdom has shown a decline, though the Empire's share of total exports has increased from 20 per cent. to 31.6 per cent.

The export trade in wheat has during these years been more or less completely extinguished. The change that has occurred since the war may be easily appreciated if it is pointed out that the average exports of Indian wheat during the five years preceding the War amounted to as much as 1,308,000 tons, against which the exports of wheat during the year under review amounted to no more than 2,200 tons. The average during the War period also shows a marked deterioration in the position to 807,000 tons. The decline was further accentuated during the five post-war years when the average annual Indian export of wheat amounted to only 237,000 tons. 1929-30 saw the figure come down to 150,000 tons. Since then except for 1930-31 in which year exports amounted to 196,000 tons, shipments of wheat from India have been negligible.

The two major factors that have been at work in the import trade of India during 1932-33 are, firstly, the conclusion of the Ottawa Pact giving an appreciable advantage to Great Britain and, secondly, the big offensive planned and executed by Japanese exporters on the strength of the depreciation of the yen and the substantial advantages in relative costs which Japan enjoys over her competitors. We have already seen in the review of the export trade of India that India has no substantial advantage to gain and that even linseed, which the authors of the Ottawa Pact claimed to have benefited considerably, failed to show any improvement. The Ottawa Pact has been more effective in regard to the import trade of India. At the end of the fiscal year, His Majesty's Trade Commissioner is able to write in his annual review: "It is most satisfactory to note that the continuous decline in the share of the United Kingdom in the import trade of India, which has been such a pronounced feature for the last ten years, has at last been checked." The United

Kingdom was able to secure approximately two-thirds of the increase in the import trade during the year, her share of total imports advancing from 44.81 crores or 35.4 per cent. to 48.77 crores or 36.8 per cent. This is due largely to the United Kingdom shipments of cotton yarns, grey unbleached piecegoods, white bleached piecegoods, coloured, printed and dyed piecegoods, sugar machinery, cotton textile machinery, motor cars, yellow metal for sheathing and tyres (pneumatic motor covers).

In motor vehicles, Great Britain suffered a fall in motor cycles from 808 units to 699 units and a fall in value from 3.9 lakhs to 3.3 lakhs. In motor buses, there was a very considerable increase from 435 to 517 but the value declined from 14.4 lakhs to 9.9 lakhs. The most noticeable increase was in the case of motor cars which jumped from 2,178 to 3,958 in number and 15 lakhs to 18 lakhs in value. The United States suffered defeat all along the line, her imports of cars into this country falling from 3,368 to 1,201 and 65 lakhs to 29 lakhs in value. This would hardly call for an explanation as 1932-33 was a year of depreciated sterling, with the Ottawa Pact thrown in the latter half of India, while the United States thought of reducing the dollar only at the very close of the year under review. Imports of food and drink maintained themselves with no appreciable changes in favour or against any particular country. In the imports of rubber tyres and manufactures, the United Kingdom imported 44.8 lakhs worth of pneumatic motor covers against 30.8 lakhs in the previous year. The United States suffered a marked shrinkage in her Indian custom.

In boots and shoes, Great Britain imports were 207,000 pairs against 153,000 pairs in the previous year; but the value declined from 6.6 lakhs to 6.2 lakhs. Germany also enjoyed an increase from 64,000 to 93,000 pairs. Japan actually records a fall both in volume and value. The most sensational increase, as need hardly be mentioned, was in the case of Czechoslovakia, which increased her imports into India from 63,000 to 268,000 pairs; and the value was nearly doubled from 2.4 lakhs to 4.6 lakhs.

The principal reductions in the imports of Great Britain into this country are noticeable only in hardware, galvanised steel sheets, mining machinery, electrical machinery and parts for railways and provi-

sions. The following table taken from the annual report of His Majesty's Trade Commissioner for India gives the imports and the percentage of the total trade in the case of leading competitors for the import trade of India.

	1931-32		1932-33	
	Rs. (lakhs)	Per cent.	Rs. (lakhs)	Per cent.
Germany ...	10,20	8.1	10,37	7.8
Belgium ...	3,02	2.4	3,42	2.6
Italy ...	3,69	2.8	3,95	3.0
Japan ...	13,34	10.6	20,50	15.5
United States ...	12,84	10.2	11,24	8.5

The decrease in the share of the United States must, of course, be attributed to the difficulty of America in competing with the British rivals owing to the depreciation of the sterling. The feature of the year was the increase in the share of Japan. The circumstances which enabled Japan to capture so large a share of the imports into India are examined at length in the section on the cotton textile industry. As for the changes in the textiles trade in India, the following from the report of the British trade Commissioner gives a succinct and useful analysis:

Total exports of cotton yarns rose from Rs. 299 lakhs to Rs. 379 lakhs. The United Kingdom's share increased from Rs. 122 lakhs to Rs. 132 lakhs. A remarkable increase in the imports from Japan from Rs. 83 lakhs to Rs. 161 lakhs, is recorded. Imports from China rose in quantity from 13,215,238 lb., to 13,325,400 lb., but fell slightly in value from Rs. 92 lakhs to Rs. 84 lakhs.

Imports of grey piecegoods (unbleached) in 1931-32 amounted to Rs. 392 lakhs, and in 1932-33 to Rs. 507 lakhs. Notwithstanding this increase, the total imports are still below the figures for 1930-31.

The United Kingdom share advanced from Rs. 96 lakhs to Rs. 176 lakhs. Arrivals from Japan, however, rose from Rs. 2,89 lakhs to Rs. 3,30 lakhs. The imports from China fell from Rs. 6 lakhs to Rs. 1 lakh.

A satisfactory expansion is recorded in the total white piecegoods (bleached) trade from Rs. 5,33 lakhs to Rs. 7,33 lakhs. The United Kingdom share rose from Rs. 402

lakhs to Rs. 527 lakhs; that of Japan, however, advanced in still greater proportion from Rs. 93 lakhs to Rs. 163 lakhs.

"Japanese shippers are making a determined bid for the trade in white shirtings, mainsooks and mulls," the report says.

There has been a noteworthy advance in the trade in coloured, printed or dyed piecegoods from Rs. 505 lakhs to Rs. 834 lakhs.

The British share rose from Rs. 285 lakhs to Rs. 488 lakhs. Arrivals from Japan also advanced from Rs. 163 lakhs to Rs. 292 lakhs.

In the woollen piecegoods trade a most satisfactory expansion is recorded, imports rising from Rs. 69 lakhs to Rs. 161 lakhs.

Imports from the United Kingdom rose from Rs. 25 lakhs to Rs. 52½ lakhs. Arrivals from France rose from Rs. 16 lakhs to Rs. 34 lakhs, those from Italy from Rs. 15 lakhs to Rs. 42 lakhs. Japan in also entering this trade, her shipments advancing from Rs. 1 lakh to Rs. 8 lakhs.

On account of the expansion in the Indian textile industry, total imports of artificial silk yarn advanced from Rs. 82 lakhs to Rs. 92½ lakhs. Italy was the principal supplier, her exports to India rising from Rs. 41 lakhs to Rs. 48 lakhs. Imports from the United Kingdom rose from Rs. 10½ lakhs to Rs. 14½ lakhs, and those from Japan from Rs. 4½ lakhs to Rs. 14 lakhs.

Total trade in piecegoods made entirely of artificial silk grew from Rs. 211 lakhs to Rs. 253 lakhs. In spite of the heavily increased import duties, arrivals from Japan again rose, from Rs. 205 lakhs to Rs. 246 lakhs. Arrivals from the United Kingdom rose slightly from Rs. 3 lakhs to Rs. 3½ lakhs.

The increase in the cotton and artificial silk piecegoods trade was less marked, from Rs. 40½ lakhs to Rs. 57 lakhs. Imports from the United Kingdom advanced from Rs. 6½ lakhs to Rs. 13½ lakhs.

Arrivals from Italy fell in quantity but rose in value, from Rs. 14½ lakhs to Rs. 21 lakhs. Imports from Germany rose from Rs. 4½ lakhs to Rs. 8 lakhs, those from Japan from Rs. 3½ lakhs to Rs. 6½ lakhs. On the other hand, arrivals from Switzerland shrank from Rs. 7½ lakhs to Rs. 4½ lakhs.

India's Foreign Trade.

(In Lakhs of Rupees).

Period.	(1) Exports of Merchandise	(2) Re-Exports of Foreign Merchandise.	(3) Imports of Merchandise	(4) Balance of Trade in Merchandise (1+2-3)	(5) Exports of Treasure	(6) Imports of Treasure	(7) Balance of Transactions in Treasure (5-6)	(8) Balance of trade in Merchandise and Treasure (4+7)
Pre-War Average, 1909-10 to 1913-14	2,19,50	4,62	1,45,85	+ 78,27	7,50	48,67	- 86,08	+ 42,19
War Average, 1914-15 to 1918-19	2,15,97	8,14	1,47,80	+ 76,81	4,76	15,16	- 10,40	+ 65,91
Post-War Average, 1919-20 to 1923-24	2,86,88	15,65	2,54,05	+ 47,98	11,79	86,84	- 25,05	+ 22,88
1924-25	3,84,66	18,51	2,46,68	+ 1,51,54	4,91	99,18	- 94,27	+ 57,27
1925-26	3,74,84	10,49	2,26,18	+ 1,49,15	8,52	55,40	- 51,88	+ 97,27
1926-27	3,01,44	8,01	2,81,22	+ 78,23	2,00	41,81	- 89,81	+ 88,92
1927-28	3,19,15	9,54	2,49,85	+ 78,84	2,68	84,82	- 82,19	+ 46,65
1928-29	3,80,18	7,88	2,58,24	+ 84,66	2,94	87,80	- 84,86	+ 50,80
1929-30	3,10,81	7,18	2,40,80	+ 77,14	1,58	27,76	- 26,18	+ 50,96
1930-31								
April	24,04	58	18,06	+ 6,52	18	8,08	- 2,90	+ 3,62
May	21,48	41	17,90	+ 8,95	8	3,81	- 3,23	+ 72
June	20,14	57	18,86	+ 6,85	2	3,82	- 3,80	+ 3,05
July	20,57	89	18,67	+ 7,80	2	1,91	- 1,89	+ 5,41
August	17,27	88	12,74	+ 4,90	68	5,14	- 4,51	+ 89
September	19,17	24	11,18	+ 8,23	49	1,63	- 1,14	+ 7,09
October	17,68	46	12,78	+ 5,86	82	89	- 7	+ 5,29
November	16,80	48	11,91	+ 5,86	Nil	81	- 81	+ 4,55
December	16,89	34	11,56	+ 5,17	5	59	- 54	+ 4,68
January	16,87	51	14,50	+ 2,88	88	1,29	- 96	+ 1,92
February	14,72	41	18,65	+ 1,48	5	3,75	- 3,70	- 2,22
March	15,42	43	18,01	+ 2,79	18	1,18	- 1,00	+ 1,79
TOTAL 1930-31	2,20,49	5,14	1,64,82	+ 60,77	2,43	26,85	- 24,55	+ 36,22

India's Foreign Trade.—(Contd.)
(In Lakhs of Rupees.)

[YEAR & MONTH]	1	2	3	4	5	6	7	8
	Exports of Merchandise	Re-exports of Merchandise	Imports of Merchandise	Balance of trade in Merchandise (1+2-3)	Exports of Treasure	Imports of Treasure	Balance of trans- actions in treasure (5-6)	Balance of trade in Merchandise and treasure (4+7)
1931-32								
April	18,65	48	12,56	+1,51	1	68	- 62	+ 89
May	18,11	89	11,89	+2,11	1	69	- 68	+ 1,48
June	12,19	89	12,18	+ 45	65	71	- 6	+ 89
July	12,17	89	10,72	+1,88	1,02	58	+ 44	+ 2,27
August	12,81	45	9,67	+8,59	54	50	+ 4	+ 8,68
September	11,60	46	9,88	+2,18	52	85	- 88	+ 1,85
October	12,66	45	10,00	+8,11	9,84	96	+ 8,88	+11,49
November	18,77	85	8,98	+5,20	8,72	58	+ 8,14	+18,84
December	15,59	84	9,26	+6,67	17,86	98	+16,88	+28,55
January	18,20	87	10,98	+2,68	9,45	87	+ 9,08	+11,71
February	12,25	80	9,95	+2,60	7,80	20	+ 7,60	+10,20
March	12,89	84	10,91	+2,82	6,99	20	+ 6,79	+ 9,11
TOTAL 1931-32	1,55,89	4,66	1,26,84	+84,21	62,91	7,25	+35,66	+89,87
1932-33								
April	10,42	28	18,28	-2,88	4,80	22	+ 4,08	+ 1,55
May	9,57	24	11,82	-2,01	8,85	28	+ 8,07	+ 1,06
June	9,88	22	12,09	-2,49	4,98	86	+ 4,57	+ 2,08
July	8,97	28	11,22	-2,02	6,27	58	+ 5,74	+ 3,72
August	10,02	26	11,18	- 85	4,65	28	+ 4,87	+ 3,52
September	12,87	24	11,41	+1,20	6,71	20	+ 6,51	+ 7,71
October	11,50	26	9,98	+1,78	5,78	14	+ 5,64	+ 7,42
November	12,10	27	11,14	+1,28	6,82	28	+ 6,59	+ 7,82
December	12,09	40	9,81	+2,68	10,21	21	+10,00	+12,68
January	11,44	28	10,66	+1,06	4,85	28	+ 4,62	+ 5,68
February	12,24	21	9,28	+8,22	5,05	15	+ 4,95	+ 8,17
March	12,85	82	10,88	+1,79	5,07	18	+ 4,89	+ 6,68
TOTAL 1932-33	1,82,45	8,21	182,60	+8,06	67,99	8,01	+64,98	+68,04

Table showing the value of the foreign Trade of British India on the basis of the declared values in 1913-14 (i.e. taking 1913-14=100)

(In Crores of Rupees)

Period	EXPORTS			IMPORTS		
	Recorded Total value	Index number of declared values on the basis of 1913-14=100	Value of trade on the basis of declared Values in 1913-14	Recorded Total value	Index number of declared values on the basis of 1913-14=100	Value of trade on the basis of declared values in 1913-14
fiscal years						
1922-23	299	140	214	233	169	188
1923-24	349	145	240	228	190	120
1924-25	385	154	250	247	180	187
1925-26	375	152	246	226	185	148
1926-27	301	132	228	231	148	156
1927-28	319	130	243	250	186	181
1928-29	380	127	260	253	188	190
1929-30	311	118	263	241	128	189
1930-31	220	94	235	165	105	157
calendar years						
1931	165	77	214	184	87	156
1932	185	79	171	186	84	159

THE BANK OF MYSORE, LTD.

(Bankers to the Government of H. H. the Maharaja of Mysore)

Authorised Capital	Rs. 20,00,000
Subscribed Capital	„ 20,00,000
Reserve Funds	„ 21,00,000

Head Office:—Avenue Road, Bangalore City.

Branches:—Arsikere

Channapatna
Chickballapur
Chickmagalur
Chintamani
Chitaldrug
C. & M. Station (Bangalore)
Davangere
Harihar

Hassan
Kolar
Mysore
Oorgaum
Sagar
Shimoga
Tippur &
Tumkur

London Agents:—THE EASTERN BANK, LTD.

Directors:—Sir K. P. Puttanna Chetty, Kt., C.I.E. (Chairman)

B. K. Garudachar, Esq.
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C. V. Narasimiengar, Esq.
M. Venkatasubbiah, Esq.
P. Subbarama Chetty, Esq.

CURRENT ACCOUNTS—opened and interest allowed at 1% per annum up to Rs. 10,000.

LOANS & CASH CREDITS are granted on approved securities.

FIXED DEPOSITS for 6 and 12 months received at rates which may be ascertained on application.

THRIFT DEPOSIT ACCOUNTS are opened and interest allowed at 3% per annum up to Rs. 2,500, and Government and other Securities received for safe custody, purchases and sales effected, Dividend and interest realised as directed, every description of banking business transacted. Copies of rules can be had on application.

P. W. O'BRIEN

Manager

Table Showing the volume of principal Exports from British India.
(Figures in thousands unless stated otherwise)

Name of Article		Pre-War	War	Post-War	1928-29	1929-30	1930-31	1931-32	1932-33
		Average	Average	Average					
		1909-10 to 1913-14	1914-15 to 1918-19	1918-20 to 1928-24					
Cotton,—Raw	(tons)	480	891	5,21	6,68	7,27	7,01	428	868
" Waste	(cwts.)	...	...	8,12	2,22	2,30	2,20	246	288
" Piecegoods	(millions of yds.)	90	1,55	1,64	1,48	1,82	98	105	66
" Twists & Yarn	(millions of lbs)	198	180	82	24	25	28	22	15
Jute, Raw	(tons)	764	464	5,54	8,98	807	620	587	568
" Gunny Bags	(in millions No.)	889	716	4,04	4,98	5,22	484	889	415
" Cloth	(in millions of yds.)	970	1,177	1,270	1,568	1,651	1,271	1,021	1,012
Grain, Pulse & Flour	(tons)								
Rice not in Husk	"	2,898	1,685	1,462	1,765	2,298	2,254	2,301	1,828
Wheat	"	1,808	807	287	115	18	197	20	2
Other sorts	"	715	649	800	420	299	168	298	226
Seeds—Essential	(tons)	10	8	9	5	4	4	5	6
Linseed	"	879	270	251	157	248	257	120	72
Groundnut	"	212	119	195	788	714	601	672	488
Other seeds	"	852	811	468	878	229	175	191	221
Tea	(in millions of lbs.)	266	828	821	860	877	856	842	879
Leather	(tons)	...	22	15	22	19	18	16	15
Hides & Skins—Raw	"	78	57	58	66	58	45	84	27
Metals—Manufactures and Ores—									
Iron or Steel	(tons)	42	61	95	528	648	495	4,58	887
Other Metals	"	10	11	88	172	172	158	141	181
Manganese Ore	"	607	474	648	681	816	486	212	198
Other Ores	"	12	21	87	58	55	42	28	29
Lac	(cwts.)	434	345	416	748	669	547	464	418
Wool—Raw & Manufactures									
(in millions of lbs.)		56	51	89	62	55	85	46	88
Paraffin wax	(tons)	12	22	26	52	66	58	52	45
Oilcakes	"	140	117	186	828	278	254	291	287
Spices	(cwts)	325	815	818	819	847	842	821	299
Wood & Timber	(tons)	50	29	85	58	52	40	22	17
Rubber—Raw	(millions of lbs.)	1	8	18	26	26	28	15	7
Coffee	(cwts.)	255	216	226	198	184	298	156	178

Table showing the volume of principal articles Exported from British India—(contd.)

(Figures in Thousands unless stated otherwise.)

Name of Article	Pre-War Average	War Average	Post-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
				1909-10 to 1918-14	1914-15 to 1918-19	1919-20 to 1923-24		
Opium (cwts.)	51	14	9	5	4	4	3	0.4
Manures (tons)	117	57	118	118	122	54	53	81
Fodder, Bran and Pollards (tons)	228	129	211	260	850	262	282	225
Dyeing & tanning substances (cwts.)	1,618	1,261	1,508	1,419	1,412	1,468	1,407	1,204
Tobacco (millions of lbs.)	22	26	27	84	27	29	26	22
Coir (tons)	86	28	82	82	82	26	26	27
Mica (cwts.)	49	50	60	96	115	74	58	40
Fruits & Vegetables (tons)	11	10	10	12	12	9	10	10
Fish (excluding Canned Fish (cwts.))	249	289	288	317	302	278	251	221
Oils (in millions of gallons)	17	82	27	2	2	1.8	2.1	2.6
Coal & Coke (tons)	825	526	484	641	638	460	515	452
Hemp—Raw (cwts.)	509	561	455	561	435	293	224	281
Ghee (cwts.)	47	46	41	89	86	81	27	22
Animals—Living (thousand No.)	451	274	233	542	433	313	184	83
Silk raw (lbs)	1,711	1,017	1,325	1,229	1,341	651	535	119
Fibre for Brushes & Brooms (tons)	...	4	5	6	9	6	6	7
Bristles (cwts.)	94	4	3	4	3	2.5	3	3
Cordage & Rope (cwts.)	58	56	55	65	57	46	46	46
Candles (lbs.)	6,039	8,014	9,692	8,307	8,384	2,287	1,435	1,632
Saltpetre (cwts.)	305	440	273	92	85	63	134	159
Tallow, Stearine & Wax (cwts.)	17	13	29	15	24	24	11	17
Horns, Tips, etc. (cwts.)	88	30	70	37	37	21	13	33
Sugar (tons)	11	3	13	2	1	1	1	1

Table showing the value of the principal articles Exported from British India—*contd.*
(In Lakhs of Rupees)

Name of articles.	Pre-War Average 1909-10 to 1913-14	War Average 1914- 15 to 1918-19	Post-War Average 1919-20 to 1923-24	1928-29.	1929-30.	1930-31.	1931-32.	1932-33.	
Cotton, Raw and Waste } ...	88,28	88,68	65,47	66,69	65,60	46,78	28,78	20,70	
„ Manufactures } ...	11,40	11,78	17,22	7,80	7,19	5,22	4,82	3,29	
Jute Manufactures } ...	20,25	40,20	43,15	56,90	51,98	81,89	21,92	21,71	
„ Raw } ...	22,20	12,80	19,58	32,85	27,17	12,88	11,19	9,78	
Tea ...	18,07	17,55	20,92	26,60	26,01	23,55	19,44	17,15	
Grain, Pulses and Flour ...	45,81	37,42	32,83	38,69	34,79	29,88	20,87	16,12	
Seeds ...	24,87	12,17	23,54	29,68	26,47	17,86	14,59	11,81	
Leather ...	4,80	7,19	6,24	9,44	8,16	6,89	5,85	4,76	
Metals and Ores	Manganese Ore ...	99	89	1,45	1,99	2,29	1,89	57 ⁴	48
	Other metals and Ores ...	70	1,88	2,74	6,92	8,05	6,55	4,90	4,19
Hides and Skins ...	10,82	9,88	9,45	9,56	7,98	5,47	3,66	2,77	
Paraffin Wax ...	55	98	1,19	2,46	3,18	2,82	2,82	2,02	
Oil—Cakes ...	1,06	95	1,61	3,84	3,12	2,08	2,01	1,97	
Wool—Raw and Manufactures ...	2,94	4,11	4,09	5,91	5,84	3,23	3,87	1,91	
Lac ...	2,20	2,57	3,48	3,64	6,97	3,14	1,84	1,24	
Coffee ...	1,83	1,18	1,47	1,69	1,45	1,92	95	1,10	
Tobacco ...	87	56	35	1,29	1,06	1,04	85	77	
Dyeing and Tanning substances ...	1,15	2,41	1,52	1,18	1,12	1,08	87	75	
Spices ...	86	1,03	1,12	1,59	1,96	1,27	87	72	

Table showing the value of the principal articles Exported from British India—*contd.*

(In Lakhs of Rupees)

Name of Articles	Pre-war average 1909-10 to 1918-14.	War Average 1914- 15 to 1918-19.	Post war Average 1919-20 to 1928-24.	1928-29	1929-30.	1930-31	1931-32.	1932-33.
Fodder, Bran and Pollards	90	42	1,20	1,45	1,19	77	75	70
Fruits and Vegetables	47	57	64	96	91	80	80	70
Coir	80	54	1,02	103	1,05	89	76	60
Wood and Timber	1,00	71	1,12	1,77	1,80	1,40	78	56
Oils	92	1,87	3,78	87	72	47	57	54
Fish (excluding canned fish)	39	48	57	78	74	68	54	46
Coal and Coke	76	48	57	72	72	49	55	44
Provisions and Oilman's stores	46	60	66	64	60	50	40	38
Mica	86	57	80	90	1,08	68	89	82
Hamp—Raw	78	1,18	90	88	68	89	27	32
Drugs and Medicines	19	30	33	42	48	21	28	31
Fibre for Brushes, etc.	...	15	21	26	28	26	20	24
Bristles	16	14	15	15	14	11	12	14
Saltpetre	85	80	46	10	9	8	11	12
Opium	9,96	2,17	2,88	1,57	1,42	1,22	87	11
Animals—Living	23	22	30	40	37	26	15	10
Apparel	15	11	21	18	25	16	10	9
Rubber—Raw	89	1,53	1,18	2,00	1,79	1,80	45	9
Building and Engineering materials other than Iron, Steel or Wood	...	...	...	15	15	10	7	9
Cordage and Rope	8	11	18	16	14	10	9	8
Tallow, Stearine and Wax	9	8	12	8	8	7	4	5
Candles	17	28	20	9	11	6	4	5
Silk—Raw and manufactures	50	45	42	32	32	10	3	3
Sugar	16	22	56	5	4	8	2	2
Horns, Tips, etc.	21	7	12	8	8	4	1	2
All other articles	2,77	2,89	5,61	4,68	4,54	3,72	3,78	3,24
TOTAL EXPORTS	2,19,50	2,15,97	2,86,88	3,80,13	3,10,81	2,20,49	1,55,89	1,82,44

Exports of Jute Raw—Contd.

(Quantity in Thousands of Bales.)

(Value in Lakhs of Rupees)

Country to which Exported	Pre-War Average	War Average	Post-War Average	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom	1,691	1,295	952	1,180	928	604	865	725	8,97	7,57	5,56	2,28	8,11	2,24
Other parts of the Br. Empire ...	4	8	5	6	18	7	6	8	2	2	2	1	2	8
United States of America	535	528	488	525	445	297	274	201	2,88	3,44	2,52	1,04	91	69
France	428	198	357	616	596	500	291	886	2,25	4,05	3,62	1,85	98	1,16
Italy	218	215	180	340	307	286	246	210	1,15	2,28	1,90	92	86	66
Brazil	15	66	79	68	108	85	90	74	...	48	68	88	81	26
Japan	17	80	60	67	90	84	56	81	11	37	44	12	17	23
Belgium ... ..	...	1	174	308	259	268	257	192	14	1,90	1,54	99	76	59
Spain	122	172	182	240	250	185	199	237	65	1,55	1,54	69	69	72
Germany	920	84	586	1,457	1,212	946	788	735	4,90	3,96	7,41	3,50	2,56	2,29
Austria	250	18	2	...	...	...	...	...	...	...	...	...	...	...
Hungary
Other Countries	88	44	92	271	321	308	270	304	1,68	1,78	1,94	1,15	75	86
Total British Empire ...	1,695	1,308	957	1,186	986	611	871	738	8,99	7,59	5,58	2,24	8,18	2,27
Total Foreign Countries ...	2,589	1,296	2,145	3,892	3,583	2,859	2,416	2,420	18,21	24,76	21,59	10,64	7,99	7,46
Grand Total ...	4,281	2,599	3,102	5,028	4,519	3,470	3,287	3,158	22,20	32,35	27,15	12,88	11,12	9,73
Percentage of Br. Empire ...	39.6	50.1	30.9	22.6	20.7	17.6	26.5	23.2	40.5	23.5	20.5	17.4	28.1	23.8

Exports of Jute Manufactures.—Contd.

(Quantity in Lakhs of Yds.)

GUNNY CLOTH

(Value in Lakhs of Rupees)

Names of Countries to which Exported	Pre-War Average	War Average	Post-War Average	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
	1909-10 to 1918-14	1914-15 to 1918-19	1919-20 to 1923-24						1909-10 to 1918-14					
United Kingdom ...	423	1,333	741	292	586	403	622	575	56	65	1,15	39	70	68
Ceylon ...	...	...	...	34	33	30	29	23	...	9	7	8	4	3
Union of South Africa ...	...	...	...	46	55	57	44	45	2	11	12	10	7	7
Canada ...	333	534	503	757	816	731	633	655	40	152	143	91	65	65
Australia & New Zealand ...	209	253	175	260	299	227	223	277	...	72	74	33	32	40
China ...	...	...	...	166	104	50	53	42	...	42	21	8	7	5
Philippine Island & Guam ...	...	...	...	103	146	153	162	209	...	26	33	23	25	33
Egypt ...	...	...	...	35	56	33	69	66	1	3	12	5	9	3
United States of America ...	6,639	6,935	3,933	10,213	10,719	3,533	6,924	5,433	632	1962	1325	1032	657	510
Uruguay ...	...	...	...	144	146	141	104	93	...	31	29	22	11	10
Argentine Republic ...	1,727	1,440	1,313	3,403	3,233	2,033	1,049	2,375	209	736	649	316	119	247
Peru ...	...	...	...	21	25	15	17	22	...	4	4	1	2	2
Other Countries ...	369	1,013	523	207	229	249	272	243	76	47	44	33	33	30
Total British Empire ...	...	...	...	1,333	1,739	1,447	1,553	1,575	...	309	351	201	173	173
„ Foreign Countries ...	...	...	...	14,297	14,713	11,263	3,655	3,542	...	2,355	2,619	1,433	367	346
GRAND TOTAL ...	9,700	11,561	12,703	15,633	16,505	12,710	10,211	10,117	10,76	31,64	29,70	16,33	10,45	10,24
Percentage of British Empire...	...	...	...	8'3	10'3	11'4	15'2	15'3	...	...	...	...	...	...
Declared value per yard ...	...	...	...	...	...	...	...	...	0-1-9	0-3-3	0-2-11	0-2-1	0-1-3	0-1-7

Exports of Jute Manufactures—(Contd.)

Jute Bags.

(Quantity in Lakhs of Bags).

(Value in Lakhs of Rupees).

Countries to which Exported	Pre-War	War	Post-War	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War	1928-29	1929-30	1930-31	1931-32	1932-33
	Average 1909-10 to 1913-14	Average 1914-15 to 1918-19	Average 1919-20 to 1923-24						Average 1909-10 to 1913-14.					
United Kingdom ...	805	2,265	418	446	5,80	401	475	405	79	206	201	121	114	107
Germany				18	26	18	17	30	15	9	10	7	5	9
Netherlands } Europe excepting				12	16	23	14	15	...	6	6	8	8	8
Belgium } United Kingdom ...	206	683	299	175	125	120	67	67	...	25	33	29	15	15
France				11	21	11	7	7	...	5	7	3	2	2
Portuguese East Africa [E. Africa incl. Mauritius ...	99	90	112]	124	136	124	124	119	14	58	51	37	33	23
Union of South Africa [S. Africa incl. Rhodesia ...	119	243	177]	2,03	2,03	2,00	182	181	39	117	93	30	62	37
Straits Settlements (incl. Labnan).				128	139	115	156	146	...	67	63	41	47	39
Siam				124	105	40	62	118	27	61	44	14	19	31
Indo-China ... } Far East excepting	393	436	534	154	120	53	47	36	...	73	51	17	13	22
Hawaii ... } Java and Japan.				166	130	139	207	131	19	41	40	34	29	24
China				250	433	199	234	254	...	123	131	61	79	65
Japan ...	35	113	136	33	137	54	46	94	...	44	64	17	12	24
Java ...	130	206	205	421	373	413	296	136	45	226	163	159	93	41
Egypt ...	119	335	102	137	190	170	143	123	43	79	39	66	46	35
United States of America.				200	170	106	34	123	92	53	51	25	14	25
Cuba and West Indies.	130	229	293	439	441	351	267	231	44	276	221	140	33	76
Chile and Argentine [South America	431	532	335]	393	353	202	52	73	35	157	132	50	15	22
Australia and New Zealand ...	623	737	720	1,023	343	399	743	1,049	...	391	411	370	233	320
Other countries ...	793	747	607	340	672	564	613	636	432	271	263	133	163	171
TOTAL BRITISH EMPIRE ...	...	...	...	1,330	1,304	1,795	1,612	1,923	...	1,070	306	337	474	543
TOTAL FOREIGN COUNTRIES ...	...	...	...	3,097	3,419	2,545	2,273	2,223	...	1,423	1,333	325	620	573
GRAND TOTAL ...	3,391	6,676	4,043	4,977	5,223	4,340	3,835	4,151	939	2,493	21,39	14,62	10,94	11,16
Percentage of British Empire in total Declared value per bag ...	...	...	...	37.3	34.5	41.4	41.5	46.3	...	42.9	36.3	43.6	43.3	43.7
	...	...	...	...	...	...	...	...	0.4-5	0.3-0	0.6-9	0.5-5	0.4-6	0.4-4

Exports of Cotton—Raw.—(Contd.)

(Quantity in Thousands of Bales of 400 lbs.)

(Value in Lakhs of Rupees)

Country to which Exported	Pre-War Average	War Average	Post-War Average	1928-29.	1929-30	1930-31	1931-32	1932-33	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom	122	212	152	241	270	231	168	168	172	4,48	4,81	8,00	1,54	161
Other parts of British Empire	80	21	18	7	7	6	8	2	41	11	9	11	5	8
Japan ...	1,012	1,378	1,540	1,610	1,640	1,686	1,080	1,085	14,51	29,03	27,80	20,99	11,05	11,12
Italy ...	288	249	268	884	898	862	184	151	8,18	662	5,79	8,77	1,62	1,44
France ...	109	69	91	204	258	232	81	128	1,51	356	8,92	2,59	79	1,17
China (exclusive of Hongkong, etc.)	81	48	289	408	566	606	436	134	48	729	9,84	7,41	4,52	1,88
Belgium ...	277	44	217	347	341	217	121	128	8,68	618	5,68	2,64	1,18	1,80
Spain ...	50	41	61	76	80	106	45	50	78	181	1,22	1,16	42	49
Germany ...	351	69	198	884	844	809	166	151	4,45	571	4,89	8,29	148	1,83
Other Countries	192	64	98	106	176	121	85	71	286	201	2,59	1,87	80	55
Total British Empire ...	152	238	165	248	277	237	171	170	218	454	4,40	8,11	1,59	1,64
Total Foreign Countries ...	2,255	1,937	2,752	8,464	8,798	8,689	2,198	1,898	81,15	61,71	60,68	43,22	21,86	18,73
GRAND TOTAL	2,407	2,190	2,917	8,712	4,070	8,926	2,869	2,068	83,28	66,25	65,08	46,88	28,45	20,87
Percentage of British Empire	6.8	10.6	5.7	6.7	6.8	7.8	7.2	8.2	...	...	...	...	...	..
Declared value in total per cwt. Rs.	...	...	...	...	...	...	...	...	88-11-8	49-15-7	44-12-8	83-0-8	27-5-2	27-12-10

Exports of Tea.—Contd.

(Quantity in Millions of lbs.)

(Value in Lakhs of Rupees)

Name of Countries.	Pre-War Average	War Average	Post-War Average	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom ...	194	252	280	299	317	299	291	331	9,51	22,35	22,19	19,95	16,90	14,79
Canada ...	10	10	10	11	12	10	14	17	55	70	74	62	67	80
Australia ...	9	8	6	6	5	5	3	2	41	36	31	29	18	8
Ceylon ...	4	3	3	5	4	5	3	4	27	33	27	37	20	23
Egypt ...	1	2	2	3	6	4	3	2	...	24	37	22	15	3
Iraq ...	...	...	12	2	2	1	1	...	...	14	10	7	5	2
Russia ...	80	18	...	4	5	6	3	3	1,42	24	27	35	16	14
United States of America ...	2	6	6	3	3	10	10	11	12	59	59	64	50	57
China ...	8	6	...	6	...	2	1	...	36	43	...	13	6	...
Persia ...	...	4	2	4	6	4	2	1	2	27	32	24	10	7
Georgia ...	...	...	...	3	2	2	2	1	...	14	16	15	9	3
Arabia ...	...	...	...	1	1	1	1	2	1	3	9	7	5	5
New Zealand ...	...	...	...	...	...	...	1	1	...	2	2	2	5	6
Other Countries ...	8	14	10	11	11	7	6	4	40	63	55	39	27	23
Total of Green Tea Exported ...	...	...	...	...	...	...	...	...	...	3	3	5	3	...
Total British Empire ...	221	280	303	325	343	323	312	355	10,74	23,35	23,61	21,31	17,93	15,99
Total Foreign Countries ...	45	43	15	34	33	33	29	24	233	2,75	2,40	2,25	1,43	1,16
GRAND TOTAL ...	266	323	321	360	377	356	341	379	13,07	26,60	26,01	23,56	19,41	17,15
Percentage of British Empire to total ...	83.1	86.7	95.3	90.8	91	90.7	91.5	93.7	82.2	89.7	90.3	94.3	92.6	93.2
Declared value per lb. ...	...	...	...	...	...	...	...	...	0.7-1	0.11-10	0.11-1	0.10-7	0.9-1	0.7-3

Exports of Oil seeds—(Contd.)

(Quantity in hundreds of tons).

GROUNDNUT.

(Value in Lakhs of Rupees).

Name of Countries	Pre-War Average	War Average	Post-War Average	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
France ...	169.1	87.5	126.8	216.2	210.9	172.2	223.2	177.1	2.82	5.26	4.85	2.87	3.53	3.01
United Kingdom ...	1.9	8.8	13.8	43.0	53.2	47.2	77.9	30.0	8	1.21	1.24	72	1.15	55
Belgium ...	15.3	6	14.0	9.5	8.1	2.2	4.5	9.2	27	23	18	4	7	15
Italy ...	7	2.9	14.6	121.8	54.7	77.0	80.3	28.2	2	2.92	1.23	1.13	1.29	44
Germany ...	7.4	8	12.2	241.2	210.1	119.3	121.8	30.2	12	5.91	4.80	2.01	1.76	40
Netherlands ...	1	...	7.8	132.5	154.2	167.3	147.2	46.3	...	3.83	3.51	2.07	2.11	77
Other Countries, ...	17.3	18.6	7.0	19.7	22.9	15.5	17.1	111.2	27	50	57	23	24	1.70
TOTAL ...	211.8	118.7	195.2	733.4	714.1	601.2	872.0	432.8	3.53	19.37	16.39	9.37	10.14	7.12
Percentage of United Kingdom to total	0.9	6.9	6.8	6.1	7.5	7.9	11.6	6.9	0.85	6.2	7.6	7.4	11.3	7.7
Declared value per cwt. Rs.	...	...	...	...	...	...	...	...	8-5-1	12-4-6	11-7-7	8-0-8	7-3-7	8-3-7

LINSEED.

(Quantity in hundreds of tons).

(Value in Lakhs of Rupees).

Name of Countries	Pre-War Average	War Average	Post-War Average	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom	180.5	203.5	141.9	13.1	79.5	57.6	14.1	15.4	2.65	37	1.31	1.24	16
France	76.3	25.3	42.9	47.0	50.7	25.0	44.2	20.4	1.56	99	1.14	53	24
Italy	26.6	16.6	16.1	27.3	23.4	32.7	14.6	10.6	55	61	66	73	15
Belgium	67.3	4.9	23.1	1.6	12.3	13.2	3	3	1.56	3	33	23	4
Germany	33.5	2.0	3.2	6.2	10.5	10.6	9.3	9.3	70	14	24	23	13
Australia	1.6	11.1	11.4	21.6	22.3	11.0	10.0	9.4	3	45	52	22	10
Other countries	42.2	7.0	12.9	34.4	43.5	106.5	26.3	3.3	94	72	1.02	2.17	3.6
TOTAL	379.0	270.4	251.5	156.7	243.2	256.3	120.3	72.2	7.99	3.31	5.72	5.41	91
Total for Br. Empire	132.1	214.6	153.3	39.7	102.3	63.6	24.1	22.3	2.63	32	2.33	1.46	23
Percentage of Br. Empire to total	...	34.9	79.4	61.0	25.3	41.2	24.7	20.0	31.3	33.5	24.8	40.7	27.0	25.5
Declared value per cwt. Rs.	10-3-3	10-3-9	11-3-6	10-3-7	8-3-9

Exports of Oil Seeds.—(Contd.)

(Quantity in Hundreds of Tons),

CASTOR SEEDS.

(Value in Lakhs of Rupees)

Name of Country.	Pre War Average	War Average	Post-War Average.	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom	58.9	47.1	10.5	27.1	24.7	19.6	28.2	21.5	78	55	50	88	84	82
United States of America	11.8	14.7	18.8	56.1	51.0	38.5	84.7	28.4	18	1.12	1.01	65	48	41
Belgium	18.7	1.1	4.1	7.7	8.5	5.1	4.1	4.1	20	16	7	8	6	6
France	15.7	14.8	8.8	15.1	16.5	16.0	20.8	18.7	28	81	84	29	31	19
Italy	11.0	7.1	4.8	9.7	6.1	6.5	12.1	6.2	16	20	18	12	18	9
Other Countries	7.5	4.0	1.8	5.8	4.6	5.8	9.5	11.9	11	12	9	9	18	17
TOTAL	118.6	88.8	48.8	121.8	106.4	91.0	104.0	85.9	1.66	2.46	2.14	1.56	1.50	1.24
Percentage of United Kingdom to total	47.4	58.0	21.7	22.8	28.2	21.5	22.8	25.0	47.0	22.4	23.4	21.2	22.6	25.8
Declared value per Cwt.	...	...	...	...	...	...	...	...	7-5-2	10-1-10	10-1-7	8-9-0	7-8-5	7-8-8
RAPE-SEED														
United Kingdom	25.8	50.5	46.7	28.7	7.8	10.6	14.4	10.7	85	62	16	15	19	14
France	68.5	19.6	17.0	11.0	9.8	10.6	5.6	8.8	96	24	20	17	7	10
Italy	7.1	6.0	26.0	12.8	7	1.7	18.0	68.2	11	28	1	8	26	91
Belgium	98.6	5.4	56.5	1.9	2.7	1.8	1.8	2.8	1.52	4	6	8	2	4
Germany	68.2	1.6	88.4	9.5	6.8	2.8	4.0	9.1	1.05	20	18	4	5	12
Other Countries	10.0	7.0	21.2	18.6	17.0	5.8	10.6	15.4	16	29	86	10	14	28
TOTAL	272.7	90.7	205.8	77.5	44.8	82.8	58.9	114.5	4.15	1.67	92	52	78	1.54
Percentage of United Kingdom to total	9.8	55.7	22.7	87.0	17.6	82.8	26.7	9.8	8.4	87.1	17.4	28.8	26.0	9.1
Declared value per cwt. Rs.	...	...	...	...	...	...	...	...	7-9-8	10-12-1	10-6-8	7-15-1	6-12-4	6-11-7

Exports of Rice not in husk—(Contd.)

(Quantity in Thousands of Tons)

(Value in Lakhs of Rupees)

Name of Countries	Pre-War	War	Post-War	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War	1928-29	1929-30	1930-31	1931-32	1932-33
	Average	Average	Average						Average					
	1909-10	1914-15	1919-20						1909-10					
	to	to	to						to					
	1918-14	1918-19	1923-24						1918-14					
United Kingdom ...	159	825	96	85	40	58	51	194	157	50	50	62	40	120
Ceylon ...	825	828	811	417	426	444	410	894	427	666	644	562	867	840
Straits Settlements ...	308	261	170	176	229	265	288	165	324	228	300	279	167	117
Union of South Africa ...	...	...	...	24	25	29	27	25	32	44	45	42	80	80
Kenya Colony, Zanzibar Pemba	...	...	...	17	22	18	17	18	33	30	36	25	17	12
Australia & New Zealand ...	...	...	...	9	6	2	5	5	21	14	8	8	5	4
Belgium ...	...	...	...	9	80	46	49	28	42	33	48	44	28	15
Germany ...	845	28	207	208	271	162	262	158	841	289	331	158	178	112
Netherlands ...	240	24	81	76	125	100	158	54	216	107	154	96	109	88
China ...	18	6	68	62	260	467	417	262	...	79	317	548	305	196
Japan & Korea ...	123	52	52	82	27	5	...	74	184	43	85	6	...	62
Sumatra ...	10	33	33	112	184	129	96	62	11	141	176	144	64	43
Java ...	168	32	75	44	155	51	68	18	177	55	194	47	43	11
Bahrein Islands ...	...	...	...	16	23	16	16	17	25	33	47	28	23	21
Egypt ...	54	17	36	40	45	22	36	54	54	55	58	22	58	34
Mauritius & Dependencies ...	56	50	50	58	62	50	51	52	74	103	100	65	54	46
Cuba ...	...	...	...	78	33	92	70	39	...	112	122	107	52	30
West Indies ...	...	...	...	18	30	16	21	17	19	27	40	30	13	13
United States of America ...	...	...	...	4	2	3	1	1	...	6	2	3	1	1
Arabia ...	25	33	47	50	57	50	42	44	...	97	99	72	50	48
Other Countries ...	372	446	289	230	242	229	226	337	430	337	327	244	175	130
Total British Empire ...	1,044	1,094	835	753	820	834	810	861	10,30	11,67	12,10	10,66	7,57	6,32
„ Foreign Countries ...	1,354	591	627	1,012	1,478	1,370	1,431	967	15,61	14,32	19,18	15,16	10,27	7,41
GRAND TOTAL ...	2,398	1,685	1,462	1,765	2,298	2,254	2,301	1,828	25,67	25,99	31,28	25,82	17,84	14,23
Percentage of Br. Empire	43.5	65.0	57.1	42.7	35.7	39.2	35.2	47.1	...	...	...	...	...	...
Declared value per cwt.	...	...	...	...	...	...	...	...	5-5-8	7-5-9	6-12-11	5-11-3	3-14-2	3-14-3

Indian Finance Year-Book: 1933

Exports of Wheat—(Contd.)

(Quantity in Thousands of Tons)

(Value in Lakhs of Rupees)

Name of Countries to which Exported	Pre-War	War	Post-War	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War	1928-29	1929-30	1930-31	1931-32	1932-33
	Average 1909-10 to 1913-14	Average 1914-15 to 1918-19	Average 1919-20 to 1923-24						Average 1909-10 to 1913-14					
United Kingdom ...	985	840	162	76	7	175	17	...	10.51	111	10	171	10	...
France ...	106	84	18	8	...	5	...	...	118	4	...	5	...	...
Italy ...	84	62	11	...	...	...	...	...	87	...	...	...	...	...
Belgium ...	188	6	16	9	...	6	...	...	146	18	...	7	...	...
Germany ...	16	...	8	...	...	...	...	...	...	...	...	...	...	...
Egypt ...	4	268	9	...	...	...	...	...	4	...	...	...	...	...
Arabia ...	...	...	...	4	2	2	2	0.6	...	6	4	8	2	1
Other Countries ...	25	47	18	28	4	8	2	1.6	46	85	7	9	8	8
Total British Empire...	992	680	178	76	7	175	17	...	10.60	111	10	171	10	...
„ Foreign Countries	816	177	64	89	6	21	4	2.2	8.87	58	11	24	5	4
GRAND TOTAL ...	1,808	807	287	115	13	196	21	2.2	18.97	169	21	195	15	4
Percentage of British Empire ...	75.8	78.1	78.0	66.1	58.8	89.8	81.0	...	...	...	...	...	...	...
Declared Value per cwt. ...	...	...	...	...	...	...	...	...	5-5-5	7-6-0	8-8-0	4-15-4	6-4-2	9-1-10

(Exports of Hides and Skins.—(Contd.)

RAW HIDES

(Value in Lakhs of Rupees)

Name of Countries	Pre-War Average	War Average	Post-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom ...	81	1,09	60	17	6	7	4	2
United States of America ...	69	1,65	86	12	9	1	...	...
Italy ...	84	1,45	52	55	45	82	15	12
Spain ...	47	21	26	52	80	15	8	4
France ...	8	9	5	4	1	...	...	...
Belgium ...	7	1	4	18	8	1	...	...
Germany ...	2,45	25	75	1,84	1,12	63	52	19
Netherlands ...	17	1	4	21	12	11	4	4
Other Countries ...	1,52	28	80	67	52	48	80	24
Total British Empire ...	84	1,16	68	19	7	7	4	2
Total Foreign Countries ...	6,28	3,88	2,74	3,86	2,68	1,71	87	61
Grand Total ...	6,57	5,05	3,42	4,05	2,70	1,78	91	63
Percentage of British Empire in total	5.2	22.9	19.9	4.7	2.6	3.9	4.4	3.3
Declared Value per cwt. ...	66-4-1	...	...	54-4-5	53-8-4	53-14-8	26-11-8	23-6-9

Raw Skins

United Kingdom ...	26	89	50	22	31	32	47	54
United States of America ...	2,80	3,98	4,80	4,08	3,85	2,58	1,77	87
France ...	25	22	28	54	89	21	16	20
Other Countries ...	42	28	48	62	64	52	21	53
Total British Empire ...	32	57	69	88	52	47	50	60
Total Foreign Countries ...	3,41	4,25	5,38	5,08	4,67	3,16	2,24	1,60
Grand Total ...	3,73	4,82	6,02	5,41	5,19	3,63	2,74	2,20
Percentage of British Empire in total	8.6	11.8	11.3	6.1	10.0	12.9	19.8	25.2
Declared Value per cwt. ...	68-0-6	...	...	118-4-2	117-10-6	99-1-0	80-11-7	76-18-5

Exports of Hides & Skins Tanned and Dressed.—(Contd.)
Dressed and Tanned Hides. (Value in Lakhs of Rupees)

Name of Country to which Exported.	Pre-War Average 1909-10 to 1918-14	War Average 1914-15 to 1918-19	Post-War Average 1919-20 to 1928-24	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom ...	1,52	4,88	2,91	3,98	3,10	2,51	2,08	1,60
Other Countries ...	4	2	29	47	34	8	5	2
Total British Empire ...	1,58	4,89	3,08	3,99	3,16	2,54	2,09	1,61
Total Foreign Countries ...	4	1	16	41	28	6	4	1
Grand Total ...	1,57	4,40	3,19	4,40	3,44	2,60	2,18	1,62
Percentage of British Empire in total ...	97·5	99·8	95	90·7	91·3	97·7	98·1	99·5
Declared Value per ...	85-10-10	...	...	184-2-8	120-7-11	112-8-4	...	...
Dressed and Tanned Skins								
United Kingdom ...	2,15	1,99	2,14	3,92	3,87	3,28	2,77	2,77
United States of America ...	29	59	25	49	30	6	3	...
Japan ...	18	12	36	37	32	29	26	21
Other Countries ...	18	6	18	18	12	10	8	6
Total British Empire ...	2,21	2,02	2,26	3,99	3,94	3,28	2,81	2,81
Total Foreign Countries ...	50	78	67	92	68	40	38	28
Grand Total ...	2,71	2,75	2,98	4,91	4,62	3,68	3,14	3,04
Percentage of British Empire in total ...	81·5	74·5	79·5	81·3	85·3	89·1	89·5	92·1
Declared Value per cwt. ...	196-12-8	...	...	345-5-0	342-12-3	296-14-9	...	...

Exports of Manganese Ore.—(Contd.)

(Quantity in Thousands of Tons.)

(Value in Thousands of Rupees.)

Name of Countries	Pre-War Average.	War Average.	Post-War Average	1928-29.	1929-30	1930-31	1931-32	1932-33	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom ...	1,98	3,36	2,45	1,67	2,92	1,14	54	55	80,66	47,60	86,65	84,28	16,06	14,16
Germany ...	7	8	5	20	22	15	2	1	...	5,32	7,04	4,61	41	25
Netherlands ...	19	...	15	8	84	11	8	2	...	4,80	2,40	4,00	89	50
Belgium ...	1,50	15	1,94	1,68	1,78	78	85	82	25,84	47,22	48,24	28,98	10,65	9,50
France ...	97	47	1,08	2,80	2,08	1,88	80	75	17,24	67,62	58,58	49,46	17,87	16,88
Italy ...	8	19	12	9	4	1	...	...	...	2,97	1,50	...	...	...
Japan ...	4	12	2	...	15	6	...	...	...	...	...	...	...	...
United States of America	1,82	48	66	72	51	49	28	...	18,75	21,56	15,45	14,41	8,44	...
Other Countries ...	2	1	1	7	12	24	10	82	6,15	81	18,75	8,41	220	7,00
TOTAL ...	6,07	4,74	6,48	6,81	8,16	4,89	2,12	1,98	98,64	1,96,80	2,28,56	1,89,10	56,52	48,24
Percentage of U.K. to total	1'8	70'9	37'8	24'5	35'8	28'5	25'5	27'8	81'8	24'4	88'0	24'6	28'8	294
Declared value per ton ...	...	...	...	...	...	...	...	...	16-4-0	28-14-5	28-0-4	28-10-2	27-0-7	28-12-0

Exports of shellac.

(Quantity in Thousands of Cwts.)

(Value in Lakhs of Rupees)

United Kingdom ...	79	65	76	185	120	96	83	81	...	1,74	1,81	54	85	25
United States of America	164	191	238	287	226	117	101	66	...	8,01	2,61	78	44	22
Germany ...	61	4	11	78	65	64	84	84	...	1,08	74	89	15	10
France ...	18	9	9	10	12	11	10	11	...	12	18	7	4	8
Japan ...	4	12	10	26	27	28	84	27	...	84	88	18	15	8
Australia ...	4	2	2	5	6	4	2	4	...	7	7	8	1	2
Belgium ...	...	...	...	4	5	4	5	4	...	5	6	2	2	1
Italy ...	...	...	...	7	6	6	5	5	...	9	7	4	2	2
Other Countries ...	23	18	18	29	81	86	28	80	...	87	86	24	12	10
TOTAL ...	856	801	856	581	498	866	297	262	...	6,82	5,68	2,29	1,80	88
Percentage of B. Empire to total	22'8	22'8	21'9	26'4	25'8	27'8	28'6	82'4	...	26'3	24'8	24'9	27'7	82'5
Declared value per cwt.	...	...	...	...	...	...	...	...	54-1-9	128-6-10	118-15-10	62-6-5	48-1-6	81-9-8

Exports of Pig Lead—(contd.)

Name of Countries	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom	1,18'1	154'5	165'7	104'2	116'6
Germany	50'5	34'0	8'2	6'9	...
Belgium	23'8	20'6	4'8	4'6	...
Ceylon	8'6	11'1	8'9	5'9	4'0
China	8'7	2'9	8'4	8'8	8'2
Japan	10'9	17'4	18'7	33'7	20'9
Other Countries	5'8	4'0	7'7	9'2	1'9
Total British Empire (United Kingdom & Ceylon)	1,21'7	1,65'8	1,74'6	110'1	120'6
„ Other Countries	93'7	78'9	42'8	63'2	26'0
TOTAL	215'4	2,44'5	2,16'9	1,78'3	146'6
Percentage of U. K. & Ceylon in total	56'5	67'7	80'5	63'5	82'8

Exports of Wolfram Ore

United Kingdom ... ..	...	8'2	19'6	52'5	56'2	50'2
Germany ... ..	...	1'7	5'2	8'8	8'8	0'7
Other Countries ... ..	...	0'9	8'3	1'7	2'4	0'5
TOTAL ... ..	...	5'8	23'0	58'0	62'3	51'4
Percentage of United Kingdom ... ..	...	55'2	70	90'6	90'5	97'7

Exports of Coal

(Value in Lakhs of Rupees)

Name of Countries	Pre-War Average 1909-10 to 1913-14	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom ... ..	...	...	2	1	1	3'6
Ceylon	43	42	41	36	33	20
Straits Settlements	17	6	7	3	2'5	1'9
Hongkong ... ..	...	14	18	5	14'1	18'8
Philippine Islands & Guaw ... ..	...	7	5	5	8'2	0'7
Other Countries	16	2	4	1	0'7	3'8
Total British Empire	60	62	63	45	50'6	39'8
„ Foreign Countries	16	9	9	4	8'9	4'5
GRAND TOTAL	76	71	72	49	54'5	48'8
Percentage of British Empire in total	78'9	87'3	87'5	91'8	92'8	80'7

Exports of Pig Iron

United Kingdom ... ..	...	2'5	33'3	33'5	24'1	26'1
Germany ... ..	...	2'6	6'7	4'8	4'6	2'7
China ... ..	...	...	6'1	7'7	5'8	5'9
Japan ... ..	...	168'2	158'8	64'1	65'8	24'2
United States of America ... ..	...	23'6	38'8	40'8	17'9	10'9
Other Countries ... ..	...	14'6	16'0	15'0	5'0	4'6
TOTAL ... ..	...	211'5	259'4	170'4	122'7	74'4
Percentage of United Kingdom ... ..	...	1'2	12'8	22'6	19'6	35'1

Exports of Raw Wool—(Contd.)
(In Lakhs of Rupees.)

	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom	261	394	352	227	250	106
United States of America	4.5	72	78	14	23	9
Other Countries	2.5	23	12	10	5	8
TOTAL	268	488	442	251	277	123

Manufactures.

United Kingdom	19	46	38	38.2	40.6	44.6
Ceylon ... ..	...	1.9	2.0	1.4	1.7	1.9
United States of America	2.4	39	36	20.9	10.8	12.7
Australia ... ..	...	0.99	1.58	0.8	0.1	0.7
Other Countries	1.7	6.4	7.5	6	3.2	3.6
TOTAL	25.1	94.29	85.00	67.0	56.4	63.5
Other kinds of Woollen Manufactures	2.8	7.9	6.8	4.7	2.7	4.8
Total of Woollen Manufactures	25.9	102.2	91.8	71.7	59.1	67.8
Total of wool and Woollens	294.0	590.2	533.3	322.7	336.1	190.8
Declared value per lb. of Wool, Raw	0-7-10	0-13-10	0-14-1	0-13-2	0-11-2	0-6-8

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Branch Office :
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Head Office :
8, Royal Exchange Place,
CALCUTTA.

Table showing the volume of principal articles imported into British India

(Figures in thousands unless stated otherwise)

Name of Article	Pre-War Average 1909-10 to 1918-14	War Average 1914-15 to 1918-19	Post-War Average 1919-20 to 1923-24	1928-29	1929-30	1930-31	1931-32	1932-33
Cotton—Piecegoods (millions of yds)	2,654	1,858	1,852	1,987	1,919	890	776	1,325
" Twist and yarn (millions of lbs.)	42	34	45	44	44	29	31	45
" Raw Tons	12	58	12	29	24	58	79	85
" Waste Cwt.	8	2	...	2	...	...	...	...
Metals and Ores—								
Iron and Steel {Protected Tons}	808	422	661	872	712	421	287	196
" {Not Protected "}	...	...	...	298	261	201	184	186
Copper	898	90	260	270	147	205	204	325
Lead	128	102	67	45	44	37	30	27
Zinc	106	51	101	171	194	208	206	328
Brass	20	118	444	529	432	380	348	571
Aluminium	181	9	58	127	171	128	89	25
Sugar	727	558	517	987	1,012	1,008	556	401
Oils:—								
Mineral (millions of gallons)	91	33	189	242	258	242	217	198
Other kinds (thousands of gallons)	1,197	862	445	3,169	2,875	1,985	3,980	9,267
Motor Cars No.	(a) 8	2	8	20	17	18	7	6
" Cycles	(a) 1	1	2	2	2	15	09	08
" Omnibuses, etc.	...	...	1	18	15	9	4	3
Provisions and Oilmans Stores Cwt.	578	468	501	1,441	1,267	1,237	945	901
Grain, Pulse and Flour Tons	15	34	186	748	884	277	158	77
Silk Raw lbs.	2567	1,958	1,816	2,181	2,175	1,940	1,568	3,186
" Waste	92	78	105	2	...	11	4	8
" Piecegoods including mixed goods (in millions of yds.)	82	23	20	25	26	21	25	45
" Yarns, Noils, Warps, etc. lbs.	1,011	787	784	2,047	1,956	1,424	1,710	3,010
Wool—Raw								
Piecegoods (millions of yds.)	3,202	3,678	2,086	6,018	6,638	3,076	6,691	7,186
Shawls No.	23	8	5	16	18	8	6	14
Other Manufactures lbs.	1,868	198	80	987	658	892	164	338
" lbs.	4,082	1,718	1,459	7,518	7,264	5,185	4,150	6,557
Liquors gallons.	6,401	4,362	4,825	6,790	7,579	7,182	5,696	5,415
Paper and Pasteboard cwts.	...	...	1,229	2,818	2,740	2,294	2,191	2,640
Spices	1,829	1,865	1,365	1,478	1,654	1,847	1,270	1,272

Table showing the volume of principal articles imported into British India—(Contd.)
(Figures in thousands unless stated otherwise)

Name of Article	Pre-War Average 1909-10 to 1913-14	War Average 1914-15 to 1918-19	Post War Average 1919-20 to 1923-24	1928-29	1929-30	1930-31	1931-32	1932-33
Chemicals—								
Soda Compounds cwt.	581	826	908	1,529	1,659	1,507	1,515	1,688
Tobacco (in millions of lbs.) ...	8	4	6	12	10	5	4.5	6
Glass—Bottles and Phials gross ...	166	345	888	586	708	616	461	810
„ Beads and false Pearls cwt. ...	29	18	22	84	87	19	15.5	28
„ Sheet & Plates (millions of sq. ft.) ...	16	8	15.5	24	22	20	16	19
Dyes (in millions of lbs.) ...	15	8	12	20	19	18	18	18
Camphor lbs. ...	1,417	1,682	707	1,612	1,888	1,770	1,938	1,758
Quinine Salts ...	119	76	81	188	129	107	111	108
Fruits—Dried, Salted, etc. tons ...	58	58	68	61	70	69	71	61
Soap cwt. ...	814	842	289	406	448	382	310	296
Paints and Colours „ ...	296	255	299	442	498	458	384	340
Cement „ tons ...	80	95	119	127	121	112	88	83
Bricks and Tiles (millions) No. ...	18	17	20	18	22	12	11	11
Salt ...	545	444	511	615	644	704	451	544
Teak wood C. tons ...	92	70	26	12	11	11	12	7
Boots and Show (millions of pairs) ...	2.8	1.2	0.6	8.8	6.8	10.9	9.5	7.9
Books, Printed, etc. cwt. ...	81	28	28	86	40	34	31	27
Tea (millions of lbs.) ...	4.8	7.4	7.7	9.5	10.2	6.6	7	5.8
Coal and Coke tons ...	455	188	680	191	287	179	68	47
Paper-making materials cwt. ...	171	185	165	446	486	454	448	818
Gums and Resins cwt. ...	150	87	168	191	218	181	140	146
Flax manufactures (millions of yds.) ...	5.2	8.1	1.8	2.4	2.1	1.8	1.6	1.6
Animals—living No. ...	14	12	5	7	9	8	12	5
Hides and Skins—raw tons ...	1	1	1	2	2	1.6	1.8	1.8
Tallow and Stearine cwt. ...	57	40	64	88	108	108	123	140
Fish (excluding Canned Fish) cwt. ...	205	129	119	112	110	105	88	98
Matches (millions of gross) ...	14.6	14.6	12.7	1.5	1.0	0.4	0.1	0.06
Oil-Cloth and Floor-Cloth sq. yds. ...	1,444	1,121	634	1,128	1,840	861	788	945
Cordage and Rope cwt. ...	28	25	15	19	26	22	20	15
Pitch and Tar „ ...	290	219	108	58	46	45	68	117

Table showing the value of principal Imports into British India—(Contd.)
(In Lakhs of Rupees).

Name of Article	Pre-War Average 1909-10 to 1913-14	War Average 1914-15 to 1918-19	Post-War Average 1919-20 to 1923-24	1928-29	1929-30	1930-31	1931-32	1932-33
Cotton—Raw and Waste ...	1,08	45	2,01	8,91	8,42	6,89	7,08	7,26
“ Piecegoods ...	45,24	44,40	58,28	53,81	50,25	20,05	14,67	21,26
“ Other Manufactures ...	6,94	798	12,80	9,43	19,24	5,21	4,48	5,57
Machinery and Millwork ...	5,61	514	21,65	18,36	18,22	14,35	10,92	10,54
Metals and Ores - Iron and Steel ...	12,49	10,11	21,89	20,24	17,21	10,89	6,82	5,26
Copper ...	3,07	71	1,92	1,42	98	1,04	85	1,15
Other Metals ...	2,51	2,07	4,90	5,32	5,45	3,98	2,60	3,31
Ores ...	2	2	4	1	3	1	1	1
Oils—Mineral ...	3,72	4,02	3,03	10,70	11,04	10,43	9,04	6,70
Other Oils ...	23	22	25	88	65	44	68	1,80
Silk—Raw and Manufactures ...	895	3,93	5,74	5,01	4,58	3,00	2,74	4,33
Sugar (including Molasses) ...	12,93	14,56	19,71	16,09	15,78	10,96	6,17	4,23
Instruments, Apparatus and Appliances ...	1,33	1,63	3,92	4,92	5,88	4,77	3,69	3,85
Vehicles—Motor Cars ...	1,18*	75	3,12	4,21	5,78	2,58	1,43	1,29
“ Cycles ...	11*	6	19	10	11	3	4	4
“ Omnibuses ...	6	6	70	2,17	242	1,42	67	41
Other Vehicles ...	45	75	3,25	4,53	4,56	3,23	2,29	2,08
Hardware ...	3,17	2,79	5,79	5,23	5,07	3,60	2,61	2,99
Wool and Woollens ...	3,25	2,00	2,62	5,02	4,23	2,81	1,62	2,96
Provisions and Oilman's Stores ...	2,29	2,28	3,20	6,21	5,64	4,83	3,41	2,93
Paper and Pasteboard ...	1,27	2,02	3,50	3,80	3,72	2,87	2,50	2,86
Chemicals ...	90	1,92	2,05	2,43	2,79	2,61	2,57	2,71
Dyes ...	1,33	1,03	2,91	2,33	2,43	2,59	2,68	2,50
Liquors ...	2,02	2,37	3,72	3,57	3,77	3,32	2,27	2,26
Rubber ...	23	97	1,34	2,36	3,33	2,57	2,21	1,93
Drugs and Medicines ...	94	1,21	1,70	2,02	2,26	1,94	1,91	1,36
Spices ...	1,64	2,06	2,37	2,94	3,23	2,55	2,08	1,72
Glass and Glassware ...	1,62	1,23	2,53	2,37	2,52	1,65	1,22	1,42
Fruits and Vegetables ...	1,03	1,10	1,76	1,69	1,33	1,49	1,34	1,17
Tobacco ...	71	1,32	2,23	2,75	2,70	1,51	94	97
Paints and Painter's Materials ...	71	99	1,44	1,44	1,47	1,12	88	92
Apparel ...	147	143	1,70	1,33	1,71	1,11	82	84
Precious Stones and Pearls, unset ...	93	47	1,19	1,17	1,10	60	45	34
Soap ...	62	96	1,71	1,53	1,67	1,12	89	83
Salt ...	79	1,32	1,74	1,47	1,30	1,15	72	79
Building and Engineering Materials ...	73	99	1,67	1,22	1,34	1,10	84	77
Stationery ...	53	64	1,07	1,02	1,05	81	68	72

* Figures for 1913-14.

Table showing the value of principal Imports into British India—(Contd.)
(In Lakhs of Rupees)

Name of Article	Pre-War Average 1909-10 to 1918-14	War Average 1914-15 to 1918-19	Post-War Average 1919-20 to 1928-24	1928-29	1929-80	1980-81	1981-82	1982-88
Grain, Pulse and Flour ...	20	58	2,70	10,78	5,42	2,82	1,18	71
Haberdashery and Millinery ...	1,87	1,02	1,81	1,84	1,04	78	54	68
Toilet Requisites ...	20	25	42	65	78	54	48	58
Belting for Machinery ...	40	60	84	88	90	68	50	58
Manures ...	5	5	10	74	99	67	86	58
Boots and Shoes ...	57	41	41	68	88	88	65	52
Wood and Timber ...	79	1,02	1,09	88	1,04	90	61	51
Earthenware and Porcelain ...	52	46	78	78	72	48	88	80
Tea Chests ...	44	80	72	67	80	64	50	48
Toys and Requisites for games ...	40	80	52	67	65	49	87	47
Books, Printed, etc. ...	48	46	58	68	72	61	58	46
Arms—Ammunition and Military Stores	84	88	60	77	65	54	68	44
Tea ...	22	47	55	74	64	46	44	85
Jewellery, also plate of gold and silver	24	9	17	16	26	89	19	84
Bobbins ...	...	87	66	86	40	48	82	29
Umbrellas and Fittings ...	42	29	88	57	44	81	80	28
Tallow and Stearine ...	16	18	28	25	81	27	21	25
Cutlery ...	22	15	80	86	41	26	21	24
Gums and Resins ...	24	20	88	89	42	81	24	24
Paper-making Materials ...	11	18	81	42	45	42	86	32
Furniture and Cabinetware ...	22	15	26	87	88	28	20	18
Flax Raw and Manufactures ...	81	42	89	85	88	22	18	17
Animals—Living ...	44	52	25	86	82	21	42	15
Fish (excluding canned fish) ...	81	20	22	26	26	24	18	14
Jute and Jute Goods ...	19	86	22	27	24	18	18	18
Clocks, Watches and parts ...	28	18	24	28	28	17	11	18
Coal and Coke ...	81	80	2,25	89	46	85	14	10
Matches ...	88	1,58	1,77	17	11	4	1	1
All other articles ...	7,96	1,088	24,24	14,15	15,05	10,54	9,87	10,81
TOTAL ...	1,46,85	1,47,80	2,54,05	2,58,81	2,40,80	1,64,79	1,28,37	1,82,58

Imports of Cotton, Twist and Yarn—(Contd.)
(Quantity in Lakhs of Lbs.) (Value in Lakhs of Rupees)

Names of Countries	Pre-War Average	War Average	Post-War Average	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom ...	870	247	257	281	201.1	103.2	119.1	133.6	335.2	356.1	293.9	126.8	121.8	131.8
Switzerland ...	11.8	3.4	6	3.6	6.9	0.7	0.5	0.7	...	5.0	9.7	0.9	0.6	0.7
Italy ...	6.1	3.0	2.9	3.1	14.8	0.7	1.4	...	5.0	10.2	16.6	0.8	1.2	...
China (including Hong-kong) ...	0.4	2.8	7.3	114.2	105.3	117.4	132.2	133.2	...	127.9	110.3	93.8	92.0	84.3
Japan ...	4.6	74.2	167.9	76.3	103.7	63.9	62.1	131.5	6.2	123.7	133.3	33.6	32.3	160.7
Other Countries ...	25.5	10.7	5.7	4.5	2.0	0.5	0.5	2.0	30.3	5.9	3.0	0.7	0.5	1.3
Total ...	417.9	340.6	446.3	437.7	443.3	291.4	315.3	451.0	377.2	623.3	599.3	303.4	293.9	373.3
Percentage of U. K. in Declared Value Per lbs ...	83.5	72.5	57.5	52.7	45.3	35.4	37.4	39.6	33.8	53.6	40.3	41.0	40.7	34.3
	...	...	...	...	...	...	...	...	0-14.5	1-7.0	1-5-10	1-0-11	1-1-5	1-2-9

Imports of Cotton Piecegoods
(Quantity in Millions of Yards)

Grey—

United Kingdom ...	1,316	315.2	369	331.6	320	143.3	33.7	111.1	20.74	13.73	11.76	231	36	176
Japan ...	2.6	31.2	97	241.7	334	213.3	135.2	243.9	...	602	3,91	393	239	329.6
United States ...	10.4	7.4	3	1.6	1	0.5	0.5	0.3	...	6	3	2	1	0.6
Other Countries ...	2.0	1.1	3	13.7	10.5	2.9	4.0	0.7	35	33	23	6	6	1.1
Total ...	1,331	304.9	377	333.6	325.5	146.0	149.4	136.0	21.09	20.19	20.93	337	392	307.3

White—

United Kingdom ...	642.9	510.0	363.5	325.4	435.9	230	207	231	10.37	1423	12.02	5.23	402	323.3
Netherlands ...	7.6	3.3	4.4	3.4	7.3	4.3	3.6	2.2	...	33	29	15	10.3	3.5
Switzerland ...	2.3	0.3	1.7	3.7	3.3	5.4	5.9	6.5	...	37	35	19	17.1	2.5
Japan ...	...	3.3	2.6	5.5	13.9	23.1	39.3	120.4	...	15	33	51	93.4	132.5
Other Countries ...	1.1	1.0	1.4	3.1	7.7	3.9	3.4	2.6	33	25	23	13	3.5	11.3
Total ...	654.2	513.9	373.6	334.1	473.6	271.7	279.7	412.7	11.20	15.33	13.27	6.21	332.3	473.6

Imports of Cotton Piecegoods—(Contd.)

(Quantity in Millions of Yards.)

(Value in Lakhs of Rupees.)

Names of Countries	Pre-War Average	War Average	Post-War Average	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
Coloured, Printed or Dyed—														
United Kingdom ...	590.4	850.8	254.6	885.6	279.0	148.0	110.8	194.3	11.80	11.99	950	447.6	285.4	487.6
Germany ...	...	...	...	2.2	1.4	0.6	0.5	0.6	...	15	9	8.6	8.9	4.9
Netherlands ...	15.2	8.8	7.0	11.8	14.2	8.5	8.1	2.6	...	56	70	35.1	10.1	7.7
Belgium ...	4.1	0.5	0.8	2.2	0.9	0.4	0.2	0.2	...	18	8	8.0	1.8	1.5
Switzerland ...	2.7	1.7	1.5	2.8	1.6	0.7	1.6	3.8	...	17	10	8.8	6.9	14.1
Italy ...	10.8	9.1	4.2	86.1	28.0	8.8	9.9	7.2	...	1.22	88	28.1	25.9	18.8
Straits Settlements (including Labuan)	1.5	0.7	1.4	2.1	1.5	0.7	0.4	0.2	...	11	...	8.1	1.5	0.8
Japan ...	0.5	18.1	14.0	109.8	154.8	74.8	94.7	214.2	...	271	845	148.7	162.7	291.9
Other Countries ...	6.9	1.6	1.9	5.8	7.6	8.7	2.5	2.2	1.65	26	33	18.9	7.5	6.8
TOTAL ...	681.6	886.8	285.4	506.9	488.5	245.7	228.2	424.8	12.95	17.85	15.15	681.9	505.2	884.1
Fents—														
United Kingdom ...	14.4	26.1	11.9	18.5	12.8	2.5	6.5	10.7	...	42.8	86.4	5.5	18.0	19.8
United States of America ...	0.8	5.8	4.8	22.9	28.9	4.8	16.4	19.4	...	49.7	52.7	9.8	22.9	30.2
Other Countries ...	0.2	0.5	0.1	0.7	0.4	0.8	0.4	1.8	...	1.9	1.2	0.5	0.8	2.4
TOTAL ...	14.9	31.9	16.8	87.1	86.8	7.6	23.8	31.7	...	98.9	90.8	15.8	36.7	51.9

Imports of Sugar—(Contd.)
(Quantity in Hundreds of Tons.)

(Value in Lakhs of Rupees.)

Name of Countries	Pre-War Average. 1909-10 to 1913-14	War Average. 1914-15 to 1918-19	Post-War Average. 1919-20 to 1923-24	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom ...	7	4	7	4.8	59.8	8.4	22.9	34.9	25.4	10.1	103.2	10.0	28.0	33.1
Ceylon ...	...	...	...	4.0	3.8	5.7	1.0	1	...	8.9	8.3	9.5	1.3	0.1
Straits Settlements ...	1.7	23.5	7.5	9	6	5	4	2	27.4	2.4	1.9	1.4	0.8	0.5
Java ...	453.0	367.3	332.6	350.8	779.4	302.3	336.7	294.5	923.3	1546.7	1268.7	936.5	436.2	329.7
China (incl. Hongkong) ...	4.4	5.7	6.5	2.1	5.9	5.0	4.0	2.2	10.3	5.2	6.3	8.9	9.0	4.4
Russia ...	...	...	...	...	...	42.6	63.4	5.3	...	...	...	44.3	66.3	8.9
Poland ...	...	...	...	...	24	1.6	1.3	...	...	...	3.1	2.0	15.4	...
Germany ...	...	...	...	8	13.7	11.5	15.4	2	3.8	0.5	24.0	15.0	17.7	0.3
Hungary ...	...	...	118	21	34.6	13.3	6	...	35.1	4.1	59.0	15.9	0.7	...
Czechoslovakia ...	...	...	...	4	95	5	9	4	...	...	13.0	0.7	1.2	0.5
Other Countries ...	174.2	70.2	35.2	2.6	30.0	9.2	34.5	27.3	209.4	6.4	53.9	9.1	24.1	29.7
TOTAL ...	634.0	472.0	444.0	363.0	939.0	301.1	316.1	339.4	12,51.0	15,35.6	15,51.4	10,53.3	600.7	412.2

Imports of Machinery and Millwork.
(Value in Lakhs of Rupees.)

	Pre-War Average.	War Average.	Post-War Average.	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom ...	497.7	420.4	17,60.3	14,09.4	13,33.3	10,72.2	7,73.7	7,31.2
United States of America ...	24.3	66.3	3,10.3	206.3	1,73.2	3,34.2	1,22.1	31.7
Japan ...	0.6	13.5	3.0	4.5	3.3	4.3	3.7	4.1
Italy ...	1.4	2.4	4.3	16.7	15.4	15.2	...	...
Germany ...	30.3	2.5	33.9	1,14.0	1,73.3	1,13.1	1,12.3	33.1
Belgium ...	1.3	...	...	13.9	17.7	14.4	23.3	33.3
Other Countries ...	4.7	3.3	44.5	53.5	73.3	45.9	53.2	51.1
TOTAL	531.1	5,13.9	21,34.3	13,21.3	13,33.0	14,33.3	10,32.3	10,34.2
Share of United Kingdom	83.7%	81.3%	81.3%	77.4%	74.3%	74.7%	70.3%	74.1%

Imports of Some Kinds of Iron and Steel Manufactures—(Contd.)

(Quantity in Thousands of Tons)

(Value in Lakhs of Rupees)

Name of Countries	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
STEEL BARS (other than Cast Steel)														
United Kingdom ...	8.2	28.0	46.6	82.8	20.4	11.0	11.5	18.2	86.2	62.4	47.6	90.5	15.7	15.2
Germany ...	27.4	14.8	18.7	10.8	2.8	1.4	2.8	25.7	12.7	14.1	11.8	2.7	1.6	2.6
Belgium ...	88.8	110.6	80.2	81.5	48.7	88.5	82.0	84.0	1,08.8	82.8	85.8	88.9	25.6	22.7
Luxemburg ...	16.4	22.0	15.8	88.0	14.4	20.8	17.1	15.1	19.0	16.6	88.7	12.1	15.9	10.7
France ...	9.2	8.8	12.8	6.0	5.2	5.0	4.8	8.8	7.7	12.6	6.4	4.6	8.9	8.2
Other Countries ...	1.1	2.4	1.1	1.1	0.9	0.8	0.9	2.8	4.2	8.4	8.2	2.8	2.8	2.4
TOTAL ...	151.1	181.1	169.8	169.8	87.4	72.5	69.2	145.5	188.1	191.9	192.6	91.2	65.1	56.8
BEAMS, CHANNELS, PILLARS, GIRDERS AND BRIDGEWORK—														
United Kingdom ...	24.1	68.2	67.6	51.5	86.9	14.0	5.8	40.9	98.8	1,00.7	79.1	62.8	22.1	8.4
Germany ...	2.7	8.1	2.2	6.8	8.6	8.0	1.1	2.7	4.7	1.9	7.7	6.9	4.7	0.8
Belgium ...	81.8	58.8	44.6	80.8	22.5	9.5	5.9	88.0	61.9	41.1	29.2	19.6	7.4	4.2
France ...	10.7	16.8	20.8	14.1	17.5	5.9	2.7	9.4	14.0	18.7	15.4	14.1	4.6	1.7
United States of America	0.6	0.1	0.1	0.2	0.2	...	...	1.4	0.7	0.5	0.6	0.6	...	...
Other Countries ...	2.0	2.8	0.6	1.8	1.1	0.7	0.2	8.0	4.2	0.7	1.9	1.4	1.0	0.2
TOTAL ...	72.0	144.4	135.8	104.9	86.8	86.1	15.7	90.4	1,84.8	1,68.7	1,81.9	1,04.9	39.8	15.8
SHEETS & PLATES (including Galvanized and Tinned)														
United Kingdom ...	2.77	8.59	8.55	2.67	1.26	79	76	7.18	8.47	7.50	5.69	2.48	1.49	180
Belgium ...	42	58	56	65	59	82	24	68	85	98	1,10	99	60	85
United States of America	28	12	14	11	11	...	...	79	42	49	87	86	1	...
Germany ...	9	1	1	1	1	...	...	11	1	1	1	1	...	...
Other Countries ...	28	11	7	7	7	8	2	18	21	14	12	13	5	5
TOTAL ...	8.59	4.86	4.88	8.51	2.04	1.14	1.02	8.79	9.96	9.07	7.88	8.97	2.15	1.70

Imports of Electrical Instruments, Apparatus and Appliances.—(Contd.)

(Value in Lakhs of Rupees)

Name of Countries	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom ...	185	199	215	174	115	122
Germany ...	28	80	48	48	88	84
Netherlands ...	18	15	16	15	18	11
Belgium ...	...	...	...	7	5	8
Italy ...	8	12	14	0	5	6
Japan ...	8	6	10	7	5	17
United States of America ...	35	89	47	44	80	27
Other Countries ...	11	12	16	12	17	14
TOTAL ...	2,88	3,18	3,61	3,11	2,28	2,84

Imports of Kerosene Oil

(Value in Lakhs of Rupees)

Name of Countries	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
Russia ...	28	83	42	56	...	14
Georgia ...	81	1,50	1,07	1,21	1,18	95
Azerbaijan ...	...	...	44	65	72	55
Persia ...	42	1,62	1,58	86	95	89
United States of America ...	8,09	95	1,47	1,43	1,28	18
Other Countries ...	84	86	91	68	25	88
TOTAL ...	5,89	5,76	5,89	5,84	4,83	2,54
Declared value per gallon ...	0-9-8	0-8-9	0-8-10	0-8-8	0-8-1	0-6-10

Imports of Cement

Name of Countries	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom ...	58	52	47	86	25	17
Germany ...	8	2	2	1	1	...
Japan ...	4	6	7	18	10	8
Other Countries ...	4	8	8	5	5	4
TOTAL ...	64	68	64	55	41	29
Declared value per cwt. ...	2-18-11	2-10-7	2-10-1	2-7-4	2-5-0	1-12-0

Imports of Motor Vehicles—Contd.

(Quantity in Numbers)

(Value in Lakhs of Rupees)

Name of Countries	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War Average	War- Average	Post-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
Motor Cars (including Taxi-Cabs)—														
United Kingdom ...	8,600	8,645	8,758	2,885	2,178	3,953	77	24	80	98	97	71	50	80
United States of America	6,081	10,145	9,620	5,098	3,868	1,201	21	46	166	217	195	100	65	29
Germany ...	...	...	...	45	212	146	—	—	—	—	—	2	4	2
France ...	538	277	864	261	161	84	5	2	7	8	10	7	5	2
Italy ...	1,867	967	1,150	917	510	226	—	2	9	22	26	19	10	5
Canada ...	3,400	4,366	2,818	3,250	676	296	—	—	85	72	42	54	10	6
Other Countries ...	186	167	180	145	115	290	10	1	15	4	6	5	4	5
TOTAL ...	15,122	19,567	17,899	12,601	7,220	6,201	1.18	.75	8.12	4.21	3.76	2.58	1.48	1.29
Motor Cycles (including Scooters)—														
United Kingdom ...	1,964	1,611	1,842	1,395	803	699	10.8	5.1	13.5	9.2	10.4	7.6	3.9	3.8
United States of America	67	55	85	58	8	1	—	—	—	0.4	0.2	0.3	—	—
Other Countries ...	115	186	79	53	110	82	0.40	1.3	5.9	0.6	0.4	0.2	0.3	0.2
TOTAL ...	2,146	1,852	1,956	1,501	926	782	10.7	6.4	19.4	10.2	11.0	8.1	4.2	3.5
Motor Buses—														
United Kingdom ...	447	473	398	258	435	517	3.6	2.7	22.8	20.5	17.5	15.2	14.4	9.9
United States of America	3,699	7,572	12,017	6,197	3,236	1,793	0.7	2.7	29.7	1,29.5	1,76.3	33.3	42.4	24.7
Canada ...	4,268	4,610	2,799	2,397	593	333	—	—	6.2	61.1	45.7	36.0	9.0	5.3
Other Countries ...	263	...	...	61	33	23	1.4	1.0	10.9	5.5	2.2	1.6	0.7	0.6
TOTAL ...	8,682	12,790	15,306	8,913	4,302	2,676	5.7	6.4	69.6	216.8	241.7	141.6	66.5	41.0

Imports of Rubber Manufactures—Contd.

(Quantity in Thousands of Rupees)

(Value in Lakhs of Rupees)

Name of Countries	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
Pneumatic Motor Covers														
United Kingdom ...	1,09	1,16	1,17	1,32	81	87	1,08	42.1	47.6	45.4	59.4	37.0	30.8	44.8
Germany ...	11	11	19	36	31	18	16	4.6	4.5	7.1	19.3	17.1	7.9	8.1
France ...	75	68	48	34	20	23	15	26.0	22.8	17.6	11.4	6.5	7.5	6.1
Italy ...	16	27	46	49	28	30	33	4.7	8.9	17.0	21.4	18.4	12.5	13.8
Canada ...	43	89	1,45	1,17	55	24	12	17.5	36.1	56.9	58.1	20.3	7.6	4.8
United States of America ...	55	1,08	82	1,18	1,41	1,59	87	22.8	43.5	37.0	59.1	63.9	66.1	40.4
Other Countries ...	2	5	6	6	15	7	21	0.4	0.9	1.6	1.9	4.8	2.4	7.7
TOTAL ...	8,11	4,19	4,68	4,87	3,71	3,48	2,92	118.1	169.8	132.6	225.6	168.0	134.8	125.7
	<i>(In Hundreds of Numbers)</i>							<i>(In Thousands of Rupees)</i>						
Pneumatic Motor Cycle Covers														
United Kingdom ...	71	84	97	1,09	32	46	32	130.0	116.0	85.1	78.5	47.2	61.4	51.4
United States of America ...	2	10	1	7	3	7	5	8.9	14.8	2.4	14.9	5.0	8.8	7.6
Other Countries ...	89	82	64	47	56	36	17	47.0	41.8	78.8	30.6	50.0	36.0	21.8
TOTAL ...	1,12	1,26	1,62	1,63	91	89	54	180.9	172.6	165.8	130.0	102.2	106.2	80.8
	<i>(In Thousands of Numbers)</i>							<i>(In Lakhs of Rupees)</i>						
Pneumatic Cycle Covers														
United Kingdom ...	2,52	3,50	4,18	3,44	6,29	9,56	7,74	7.1	7.2	8.0	14.2	10.4	14.6	11.8
Germany ...	24	8	38	1,20	1,02	2,41	45	0.5	0.2	0.6	1.8	1.5	3.8	0.7
France ...	2,94	2,49	2,82	2,03	1,88	1,72	86	5.8	4.4	4.8	3.2	3.4	2.9	1.4
Other Countries ...	81	34	98	47	1,76	2,65	4,64	0.7	0.6	2.6	0.8	2.8	3.9	4.9
TOTAL ...	6,01	6,41	7,86	12,14	10,90	16,34	13,69	14.1	12.4	16.0	20.0	13.1	24.7	18.8
	<i>(In Hundreds of Numbers)</i>							<i>(In Thousands of Rupees)</i>						
Solid Rubber Tyres for Motor Vehicles														
United Kingdom ...	56	55	48	24	23	18	13	707.8	661.6	431.8	253.4	224.5	169.4	133.4
Germany ...	6	18	10	12	5	7	2.9	36.8	174.6	145.1	179.1	68.9	35.5	33.2
United States of America ...	23	34	20	20	16	8	7.8	348.6	434.6	268.4	238.5	164.7	98.2	91.2
Other Countries ...	5	16	8	4	1	2	0.6	33.4	199.5	114.9	44.0	11.1	22.9	6.4
TOTAL ...	95	1,18	81	60	45	35	29.8	1,175.6	1,470.8	1,064.7	765.0	664.2	376.0	314.2

Imports of Metals and Metal Manufactures

(Value in Lakhs of Rupees)

Copper (excluding Ore)

Name of Countries	Post-War Average 1909-20 to 23-24	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom	1,14	49	80	29	29	28
Japan	8	...	4	...	...	...
France	4	21	18	20	18	1
Germany	20	49	81	29	29	67
Belgium	2	10	5	5	2	4
Other Countries	44	18	6	21	12	15
TOTAL	1,92	1,42	94	1,04	85	1,15
Declared value of Copper Wrought per cwt	...	53-8-10	61-9-2	51-7-0	41-18-4	35-4-10

Hardware (excluding Cutlery and Electroplated Ware)

	Post-War Average 1919-20 to 1923-24	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom	3,12	1,89	1,80	1,31	96	91
Sweden	18	15	17	13	12	15
Germany	59	1,69	165	1,08	76	1,08
Austria	5	16	12	7	4	5
Japan	46	29	26	21	16	80
United States of America	1,22	61	59	45	27	17
Other Countries	22	44	48	85	80	83
TOTAL	5,79	5,28	5,07	3,60	2,61	2,99

Cutlery

	Pre-War Average 1909-10 to 1913-14	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom	10.5	10.9	11.1	8.3	5.9	6.5
Germany	7.9	22.2	26.8	15.7	18.2	14.8
Other Countries	8.3	8.3	8.5	3.0	1.6	8.5
TOTAL	21.7	86.4	41.4	26.0	20.7	24.8

Imports of Salt

	Pre War Average 1909-10 to 1913-10	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom	27	19	19	9	6	4
Germany	17	17	14	20	5	10
Spain	24	14	14	11	...	4
Aden & Dependencies	53	47	44	28	49	40
Egypt	35	27	21	22	2	6
Italian East Africa	15	12	13	22	10	14
Other Countries	4	11	5	8	...	1
TOTAL	1,75	1,47	1,80	1,15	72	79
Declared value per ton	29-5-2	23-14-2	20-4-0	16-11-10	15-15-4	14-8-3

Imports of Boots and Shoes.—(Contd.)

(Quantity in Thousands of Pairs)

(Value in Lakhs of Rupees)

Name of Countries	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom ...	702	684	245	153	207	51.0	27	22.8	11.1	6.6	6.2
Germany ...	407	552	204	64	98	...	7	7.3	2.2	0.7	1.1
Austria ...	282	219	84	7	2	2.5	3	2.6	0.5	0.3	0.2
Czechoslovakia ...	61	47	61	68	268	...	3	2.1	2.3	2.4	4.6
Japan ...	523	40.44	10,039	3,734	6,302	0.2	3	29.4	67.2	43.7	31.6
United States of America	323	533	104	7	2	0.5	16	10.4	1.5	0.2	0.1
Canada ...	250	549	70	1	...	...	5	10.4	1.5	...	...
Other Countries ...	221	173	114	461	413	2.5	4	3.3	1.7	6.0	3.0
TOTAL ...	3,320	6,761	10,921	9,490	7,332	55.7	63	37.3	33.0	64.9	51.3
Total of U. K. & Canada	952	1,183	315	154	207	...	32	32.7	12.6	6.6	6.2
Percentage of U. K. & Canada in Total ...	28.7	17.5	2.9	1.6	2.6	...	47.1	37.2	14.3	10.2	12.0
Declared value per pair ...	...	...	...	...	...	2-7-2	2-0-10	1-4-9	0-12-11	0-10-11	0-10-6

Imports of Cotton Raw.

(Quantity in Hundreds of Tons)

(In Lakhs of Rupees)

	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
United Kingdom ...	9.1	3.4	24.7	5.2	6.1	53.7	11.3	4.7	27.4	4.2	4.6
Persia ...	5.0	2.2	0.3	4.6	3.3	...	5.3	1.9	0.6	2.4	4.5
Egypt ...	2.9	5.1	213.4	143.6	31.4	4.5	6.9	3.0	213.7	131.0	77.9
Kenya Colony ...	150.4	190.4	223.9	321.3	203.9	0.1	222.3	230.6	233.0	316.3	177.7
Tanganyika Territory	1.9	5.7	3.9	5.7	9.4	...	3.0	7.6	10.4	4.6	3.1
Anglo-Egyptian Sudan	...	...	0.3	16.3	64.5	...	...	...	0.3	16.9	66.2
United States of America	117.9	16.9	97.6	233.2	437.9	27.7	133.0	19.6	33.2	223.6	334.6
Other Countries ...	1.3	16.1	12.0	4.3	2.6	11.2	2.6	19.7	12.3	3.9	2.1
TOTAL ...	233.3	239.3	534.6	733.2	347.6	132.2	390.4	342.1	633.9	703.4	723.7
Total British Empire ...	159.3	193.3	251.9	343.3	277.5	33.3	234.6	235.3	315.7	332.9	243.5
Percentage of British Empire ...	55.2	80.3	43.1	43.3	32.9	37.5	60.1	33.4	43.4	47.3	34.2

Imports of Silk—Raw & Manufactures.—(Contd.)

(In Lakhs of Rupees.)

(Quantity in Thousands of lb.)

Name of Countries	Pre-War Average	War Average	Post-War Average	1928-29	1929-30	1930-31	1931-32	1932-33	War Average	1928-29	1929-30	1930-31	1931-32	1932-33
Raw Silk.—														
China (including Hongkong) ...	1,07.1	99.8	1,40.8	110.8	120.1	87.5	60.7	1,10.8	...	1,878	2,101	1,928	1,529	2,930
Japan ...	1.1	...	...	7.1	1.6	0.7	1.6	4.7	...	126	88	17	84	165
Other Countries ...	9.1	10.2	9.1	5.7	1.4	...	...	2.1	...	18	6	...	...	92
TOTAL ...	1,17.8	1,10.0	1,49.9	128.6	128.1	88.2	62.8	1,17.1	2,567	2,181	2,175	1,940	1,568	8,187
Declared value per lb. ...	4-8-1	5-10-1	8-8-9	5-12-9	5-10-7	4-8-9	8-15-9	8-10-9	...	...	...	...	...	...
Silk Yarn etc.—														
United Kingdom ...	4.8	4.0	1.9	1.8	0.8	1.8	1.7	6.6	...	28	18.5	81.4	62	260
Switzerland ...	0.6	0.8	0.8	18.2	10.1	5.8	10.7	8.1	...	814	178.9	128.6	289	96
Italy ...	14.2	8.6	14.6	84.4	29.6	15.9	19.2	28.6	...	882	780.8	432.8	622	862
China (including Hongkong)...	2.8	5.1	9.9	8.1	5.7	18.0	9.8	11.2	...	245	229.6	895.9	848	418
Japan ...	17.4	29.1	80.8	11.9	18.9	9.2	5.1	40.4	...	825	474.9	287.8	116	1,187
Other Countries ...	1.9	0.1	1.8	11.7	11.7	6.7	5.2	8.5	...	808	828.8	198.4	278	187
TOTAL ...	41.2	42.2	58.8	85.6	71.8	51.9	51.2	88.4	1,011	2,047	195.6	1,424.4	1,710	8,010
Declared value per lb. ...	4-1-2	5-5-10	7-15-0	4-2-5	8-10-9	8-10-8	2-15-11	2-15-0	...	...	...	...	...	...
Silk Piece-goods—														
United Kingdom ...	8.9	4.1	5.2	8.5	1.1	0.6	1.6	0.9	...	92.2	48.7	26.6	147.5	92.0
France ...	8.9	8.7	2.6	6.1	4.6	1.0	0.6	0.4	...	104.4	92.9	28.7	14.6	8.1
China (including Hongkong)...	58.5	78.9	185.0	88.0	80.7	61.8	50.1	44.8	...	8,817.8	8,884.1	8,877.8	7,828.4	7,941.5
Japan ...	118.6	1,17.9	177.6	188.6	126.2	60.0	71.9	188.0	...	12,686.8	18,892.0	7,884.7	11,744.7	26,768.1
Other Countries ...	2.4	1.9	4.2	8.1	10.0	4.0	2.0	1.8	...	722.1	1,011.9	487.6	189.0	148.2
TOTAL ...	1,82.8	2,01.5	8,24.6	2,44.8	2,22.6	126.9	126.2	180.9	26,080	21,872.8	22,924.6	16,754.9	19,924.2	84,937.9
Percentage of United Kingdom	2.1	2	1.6	1.4	0.49	0.47	1.8	0.5	...	...	...	...	...	...
Declared value per yd. ...	0-11-2	...	...	1-1-10	0-15-6	0-12-1	0-10-2	0-8-8	...	...	...	...	...	...

(In Thousands of yards.)

Imports of Wool and Woollens.
(Value in Lakhs of Rupees)

Wool Raw—							
United Kingdom	...	...	19	17	5	9	18
Persia	...	...	9	9	8	5	8
Australia	...	...	17	22	10	15	18
Other Countries	...	...	4	4	1	2	8
TOTAL	...	...	16	49	52	19	42
Carpets and Floor Rugs—							
United Kingdom	...	...	6.1	8.4	2.4	2.0	1.8
Persia	...	...	1.8	1.5	1.1	2.1	0.8
Other Countries	...	...	1.6	4.0	1.0	1.1	1.5
TOTAL	...	...	16.20	9.5	9.9	4.5	4.1
Piece-goods—							
United Kingdom	...	...	1,21.7	90.8	47.7	24.8	52.5
Germany	...	...	88.4	24.6	8.2	4.2	8.8
Netherlands	...	...	7.2	8.4	8.7	2.4	1.6
Belgium	...	...	7.9	5.4	8.9	1.5	5.9
France	...	...	61.5	60.1	24.0	16.1	84.8
Italy	...	...	81.1	29.8	25.8	15.1	42.1
Japan	...	...	2.5	4.8	2.9	0.7	7.8
Other Countries	...	...	18.7	9.8	4.2	8.9	8.2
TOTAL	...	...	206.8	2,84.0	38.2	1,19.9	68.9

(In Lakhs of Rupees)

	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
Woollen Shawls—						
United Kingdom	...	4.2	2.8	0.7	0.1	0.4
Germany	...	22.9	16.8	9.6	4.9	7.9
Other Countries	...	10.7	7.8	8.8	0.9	2.6
TOTAL	...	41.5	37.8	26.9	14.1	10.8
Hosiery	...	12.0	20.1	20.0	9.7	6.9
Other sorts of Manufactures	...	32.1	81.5	86.5	68.9	44.4
TOTAL OF WOOL & WOOLLENS	...	8,24.6	5,01.9	4,28.5	2,81.1	2,96.5

Imports of Artificial Silk Manufactures.

	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
Piece-goods of Cotton and Artificial Silk—						
United Kingdom	99.1	84.1	41.6	12.7	9.8	17.1
Germany	49.7	26.6	9.7	8.9	4.9	7.8
Switzerland	88.9	58.2	48.4	15.8	7.8	4.4
Italy	91.8	92.6	51.2	19.6	16.0	21.8
Austria	25.8	17.6	9.2	2.8	1.6	3.0
Japan	10.8	80.5	140.0	150.4	208.6	252.4
Other Countries	21.8	25.8	19.9	6.9	8.5	8.7
TOTAL	386.4	350.4	315.0	211.6	251.8	310.2
Other Artificial Silk Manufactures—						
United Kingdom	49.2	33.2	24.8	14.2	18.8	15.1
Germany	7.1	12.5	7.2	5.8	4.0	3.9
Netherlands	10.7	18.4	6.4	8.7	10.1	7.1
France	11.0	6.5	11.6	1.4	7.8	8.8
Switzerland	6.1	6.8	5.8	0.9	2.8	0.7
Italy	66.4	61.6	46.4	50.6	41.8	47.8
United States of America	...	...	...	0.8	1.8	2.2
Japan	8.2	8.4	5.5	3.8	6.2	16.0
Other Countries	8.7	9.7	10.8	4.4	5.7	9.6
TOTAL	162.4	146.6	117.0	90.1	92.5	105.7

Imports of Tea (Black and Green)

(Value in Thousands of Rupees)

Name of Countries	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
Ceylon	7,10	16,24	18,88	15,41	18,09	11,83
Straits Settlements	...	2,02	1,82	96	56	53
Java	81	28,28	22,58	7,68	4,50	1,00
China (including Hongkong)	10,70	23,61	20,21	20,90	19,10	18,60
Other Countries...	3,68	4,07	96	78	1,32	2,87
TOTAL	22,29	74,22	63,90	45,68	43,57	34,63

Imports of Food, Drink and Tobacco—(Contd.)

(Quantity in Thousands of Tons).

(Value in Lakhs of Rupees).

Name of Countries	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
Fruits and Vegetables, Dried, Salted, etc.—													
France	1.1	1.5	1.2	0.8	0.2	0.5	0.8	9.00	9.71	2.74	1.27	2.49	1.60
Italy	8.4	4.1	2.7	8.6	2.8	1.8	1.7	8.50	27.12	83.26	25.14	6.88	6.94
Maskat Territory and Trucial Oman	6.4	7.1	7.7	7.8	6.1	8.8	7.1	18.30	17.64	18.85	14.15	16.54	18.00
Iraq	25.5	50.8	86.1	43.8	45.6	41.5	37.4	...	55.56	60.04	49.72	40.49	82.76
Persia	6.9	7.2	5.4	5.4	5.8	5.6	3.2	18.70	28.67	21.61	18.51	16.88	9.50
Other Countries	6.6	7.5	7.8	10.4	9.4	12.9	10.9	52.72	8.56	7.77	19.18	24.66	20.59
TOTAL	49.9	78.2	69.4	70.8	69.4	70.5	60.8	107.72	1,42.26	1,49.27	1,17.92	1,07.84	84.89
(Quantity in Thousands of Gallons.)													
(Value in Lakhs of Rupees.)													
Ale, Beer and Porter—													
United Kingdom	2,880	2,915	2,805	3,148	3,017	2,478	2,447	45.6	61.8	68.7	63.7	48.8	49.7
Germany	1,091	1,092	1,022	1,048	899	555	508	...	28.1	30.1	25.2	14.8	14.8
Netherlands	165	240	255	337	369	342	282	...	5.4	6.8	7.5	6.5	6.0
Japan	150	190	231	238	279	260	416	...	3.9	4.6	4.6	3.8	4.4
Other Countries	34	44	57	43	46	95	65	18.88	1.6	1.1	1.3	2.2	1.6
TOTAL	5,320	5,487	4,870	4,864	4,610	3,725	3,718	59.48	1,00.8	1,11.8	102.8	76.1	76.9
(Quantity in Thousands of Gallons.)													
(Value in Lakhs of Rupees.)													
Spirit—													
United Kingdom	745	748	758	761	708	469	476	69	1.36	1.41	1.25	88	84
Germany	91	80	61	60	37	16	11	...	7	6	5	3	2
France	480	389	416	426	330	157	122	...	52	58	42	23	21
Java	759	995	786	1,054	1,144	1,069	857	3	10	12	12	10	8
United States of America	45	58	58	68	57	48	48	5	17	19	17	14	16
Other Countries	65	55	41	47	33	19	11	38	4	5	4	3	2
TOTAL	2,185	2,315	2,115	2,414	2,318	1,770	1,525	1.15	226	236	205	135	1.58
Wines	276	304	292	290	246	165	166	28	30	29	24	15	16
TOTAL OF LIQUORS	6,251	7,106	6,777	7,568	7,174	5,860	5,409	2,12.48	356.8	3,76.8	331.8	226.1	2,25.0

Imports of Food, Drink and Tobacco—(Contd.)
(In Lakhs of Rupees)

Name of Countries	Pre-War Average	1928-29	1929-30	1930-31	1931-32	1932-33
Provisions, etc.—						
United Kingdom	1,84	2,25	2,35	1,94	1,51	1,40
Netherlands	9	2,04	1,58	1,27	57	85
Straits Settlements (incl. Labuan)	24	36	32	32	24	20
China (incl. Hongkong) ...	4	15	16	15	10	8
United States of America ...	4	44	48	40	22	19
Australia	8	9	9	9	18	18
Other Countries	51	88	66	71	64	58
TOTAL	2,29	6,21	5,64	4,88	3,41	2,98

(In Thousands of Rupees)

Tobacco—						
Unmanufactured		57,42	39,72	14,40	29,86	62,27
Cigars		1,74	1,75	1,60	1,04	85
Cigarettes :						
United Kingdom		1,99,58	2,11,76	1,17,95	48,55	26,81
China (incl. Hongkong) ...				2,07	2,70	1,04
Egypt	4,69	54	61	44	68	32
United States of America ...		42	40	1,04	53	50
Other Countries		41	40	98	35	78
Total of Cigarettes ...	52,74	2,00,90	2,18,17	1,22,43	52,78	28,95
Tobacco for Pipes & Cigarettes		18,15	18,57	10,89	8,54	8,06
Other Sorts	18,88	1,87	1,51	1,80	2,18	1,80
	71,07	2,74,60	2,69,71	1,51,16	94,35	96,94

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Manager.

Table showing the total Exports to each principal country, the Imports from the respective country and the Balance of trade with each such country, distinguishing between countries in the British Empire and foreign countries, for Pre-War, War and Post-War years ending with 1932-33.

(In Lakhs of Rupees)

Name of Country	Pre-War Average (1909-14)			War Average (1914-19)			Post-War Average (1919-24)			1924-25		
	Exports	Imports	Balance of trade	Exports	Imports	Balance of trade	Exports	Imports	Balance of trade	Exports	Imports	Balance of trade
British Empire—												
United Kingdom ...	56,80	91,58	-35,28	69,62	88,56	-18,94	78,04	1,46,48	-78,89	1,01,70	1,85,45	-81,75
Ceylon ...	8,24	72	+7,52	9,68	1,66	+7,97	12,82	1,71	+10,61	14,17	1,86	+12,81
Straits Settlements ...	7,78	8,08	-4,65	6,28	4,87	+1,86	8,20	4,85	+8,85	8,82	4,86	+8,46
Australia ...	8,14	1,01	+2,18	5,08	1,11	+8,92	4,99	8,19	+1,80	7,15	76	+6,89
Hongkong ...	9,26	98	+8,28	4,48	1,60	+8,18	6,98	1,86	+5,07	8,48	1,18	+2,85
Canada ...	1,09	1	+1,08	1,79	4	+1,75	1,88	69	+1,14	2,28	99	+1,24
Aden and Dependencies ...	1,25	41	+84	2,15	77	+1,88	2,79	80	+1,99	1,98	87	+1,41
Kenya Colony, Zanzibar and Pemba ...	89	86	+58	1,82	1,15	+17	2,14	1,99	+15	2,80	4,82	-2,02
Other Countries of the British Empire ...	4,16	8,89	+77	15,58	2,68	+12,85	12,88	4,02	+8,86	8,87	78	+2,64
Total British Empire ...	92,06	1,01,54	-9,48	1,15,78	96,64	+19,14	1,25,12	1,65,54	-40,42	1,44,70	1,48,17	+8,47
Percentage of Total Trade ...	41.1	69.6	...	51.6	65.4	...	41.4	65.2	...	87.6	60.1	...
Foreign Countries—												
United States of America ...	16,90	4,49	+12,41	26,75	10,29	+16,46	36,26	21,64	+14,62	85,00	14,07	+20,98
Japan ...	16,86	3,64	+18,22	25,20	15,41	+9,79	40,31	17,48	+22,83	55,15	17,12	+38,08
China ...	8,74	1,58	+7,16	4,56	1,98	+2,68	10,98	8,14	+7,84	9,56	2,77	+6,79
Java and Borneo ...	2,91	9,85	-6,44	2,55	11,56	-9,01	8,18	17,18	-14,00	2,66	16,58	+18,87
Argentine Republic ...	2,27	...	+2,27	2,61	...	+2,61	4,21	...	+4,21	5,08	...	+5,08
France ...	14,82	2,21	+12,61	10,02	1,85	+8,17	14,87	2,87	+12,00	20,75	2,59	+18,16
Italy ...	7,08	1,45	+5,63	8,77	1,78	+7,04	9,68	2,47	+7,16	23,19	8,84	+19,85
Spain ...	1,99	17	+1,82	1,60	86	+1,24	2,80	80	+2,50	5,82	15	+5,67
Russia ...	1,94	22	+1,72	2,74	10	+2,64	...	12	-12	18	1	+12
Netherlands ...	8,84	1,27	+2,07	40	86	-46	8,16	2,18	+98	7,99	2,98	+5,01
Belgium ...	11,97	2,76	+9,21	1,10	88	+73	11,25	4,64	+6,61	15,85	6,76	+8,59
Germany ...	22,86	9,85	+18,01	2,04	1,04	+1,00	14,86	7,16	+7,70	27,99	15,47	+12,52
Austria ...	7,77	8,19	+4,58	94	27	+67	78	42	+81	84	1,05	-21
Other Countries ...	1,811	4,58	+8,58	19,05	6,28	+1,277	25,12	9,41	+1,571	80,51	15,12	+16,89
Total Foreign Countries ...	1,82,06	44,81	+87,75	1,08,88	51,16	+57,17	1,76,66	88,51	+88,85	2,89,97	98,46	+1,41,51
GRAND TOTAL ...	2,24,12	1,46,85	+78,27	2,24,11	1,47,80	+76,81	2,01,93	2,54,05	+47,98	3,84,67	2,46,68	+1,88,04

Table showing total Exports to each principal country, the Imports from the respective country and the Balance of trade with each such country, distinguishing between countries in the British Empire and foreign countries for Pre-War, War and Post-War years ending with 1932-33.—*contd.*

(In Lakhs of Rupees)

Name of Country	1925-26			1926-27			1927-28			1928-29		
	Exports	Imports	Balance of trade	Exports	Imports	Balance of trade	Exports	Imports	Balance of trade	Exports	Imports	Balance of trade
British Empire—												
United Kingdom	80,07	1,15,32	-84,85	66,28	1,10,54	-44,26	81,78	1,19,21	-87,45	72,87	1,18,24	-40,87
Ceylon	15,28	1,70	+18,58	14,86	1,87	+18,49	15,88	1,90	+18,98	14,25	2,10	+12,15
Straits Settlements	10,17	5,66	+4,51	9,50	5,82	+3,68	9,28	5,84	+3,44	7,95	5,11	+2,84
Australia	7,56	1,44	+6,12	7,80	1,70	+6,10	6,62	1,92	4,70	7,89	8,46	-1,07
Hongkong	2,96	84	+2,12	3,08	90	+2,18	2,20	1,16	1,04	2,51	78	+1,78
Canada	2,12	1,80	+82	2,05	1,69	+86	2,19	1,79	40	2,45	2,46	-1
Aden and Dependencies	1,67	48	+1,24	1,68	58	+1,10	1,91	66	1,25	2,02	62	+1,40
Kenya Colony, Zanzibar and Pemba	2,09	4,07	-1,98	2,00	2,55	-55	1,90	2,59	-69	1,77	2,72	-95
Other Countries of the British Empire	8,87	48	+8,44	11,81	1,98	+9,88	9,95	1,80	+8,65	9,21	1,09	+8,12
Total British Empire	1,26,64	1,81,19	+4,55	1,18,96	1,27,08	-8,07	1,81,69	1,86,87	-4,68	1,19,92	1,86,58	-16,66
Percentage of Total Trade	88.8	58.0	...	88.4	54.9	...	40.1	54.6	...	85.5	58.9	...
Foreign Countries—												
United States of America	40,22	15,07	+25,15	84,41	18,24	+16,17	86,70	20,48	+16,27	89,97	17,92	+22,05
Japan	56,66	18,19	+38,47	41,27	16,47	+24,80	29,19	17,90	+11,29	84,61	17,68	+16,98
China	15,44	2,81	+12,88	11,81	8,81	+3,00	4,58	4,41	+17	9,48	4,82	+5,16
Java and Borneo	4,76	15,51	-10,75	2,99	14,42	-11,48	2,40	14,71	-12,81	8,69	10,42	-12,78
Argentine Republic	5,62	...	+5,62	6,78	...	+6,78	7,49	...	+7,49	8,01	16	+7,85
France	21,11	8,24	+17,87	18,97	8,56	+10,41	16,10	4,80	+11,80	17,91	4,78	+18,18
Italy	18,98	4,26	+14,72	11,57	6,16	+5,41	13,05	6,76	+6,29	15,25	7,86	+7,89
Spain	4,78	17	+4,61	2,75	21	+2,54	8,81	84	+2,97	8,91	27	+8,64
Russia	19	...	+19	9	52	-43	49	48	+1	25	85	-60
Netherlands	7,60	8,69	+8,91	6,24	4,66	+1,58	8,18	4,81	+3,82	8,78	4,77	+8,96
Belgium	12,84	6,12	+6,22	8,88	6,80	+2,08	10,97	7,48	+3,40	18,45	7,20	+6,25
Germany	26,77	18,81	+18,46	21,48	16,91	+4,57	82,46	15,84	+17,12	82,48	15,84	+6,64
Austria	27	1,24	-97	26	1,11	-85	28	1,26	-98	9	1,40	-1,81
Other Countries	88,46	11,58	+21,88	28,58	11,82	+16,71	81,85	15,26	+16,59	80,21	17,75	+12,46
Total Foreign Countries	2,48,20	94,99	+1,53,21	1,90,48	1,04,19	+86,29	1,97,00	1,18,48	+88,52	2,18,04	1,16,72	+1,01,82
GRAND TOTAL	8,74,84	2,26,18	+1,48,66	8,09,44	2,81,22	+78,22	8,28,69	2,40,85	+78,84	8,87,96	2,58,80	+84,66

Table showing the total Exports to each principal country, the Imports from the respective country and the Balance of trade with each such country, distinguishing between countries in the British Empire and foreign countries for Pre-War, War and Post-War years ending with 1932-33—contd.

(In Lakhs of Rupees)

Name of Country	1929-30			1930-31			1931-32			1932-33		
	Exports	Imports	Balance of trade	Exports	Imports	Balance of trade	Exports	Imports	Balance of trade	Exports	Imports	Balance of trade
British Empire—												
United Kingdom ...	69,59	1,08,10	- 38,51	54,23	61,29	- 7,06	43,46	44,76	- 1,30	87,55	48,77	- 11,22
Ceylon ...	18,22	1,80	+ 11,42	11,88	1,43	+ 9,95	7,65	1,89	+ 6,26	6,57	1,78	+ 4,79
Straits Settlements ...	3,02	6,17	+ 1,85	6,81	3,97	+ 2,84	4,70	2,87	+ 1,88	3,65	2,79	+ 86
Australia ...	5,80	5,54	+ 26	4,49	2,42	+ 2,07	2,95	1,58	+ 1,57	3,88	1,07	+ 2,81
Hongkong ...	3,04	74	+ 2,80	1,67	87	+ 80	1,81	52	+ 1,29	1,89	1	+ 1,88
Canada ...	2,41	1,91	+ 50	1,72	1,83	+ 89	1,47	32	+ 1,05	1,62	34	+ 1,28
Aden and Dependencies ...	1,48	57	+ 86	1,31	33	+ 98	77	53	+ 24	62	48	+ 19
Kenya Colony, Zanzibar and Pemba ...	1,72	3,44	- 1,72	1,16	3,86	- 2,20	77	3,68	- 2,91	64	2,22	- 1,58
Other Countries of the British Empire ...	9,38	1,19	+ 8,19	7,13	1,02	+ 6,16	5,14	87	+ 4,27	4,54	1,95	+ 2,59
Total British Empire ...	1,14,61	1,24,46	- 9,85	89,45	76,02	+ 18,43	68,72	56,62	+ 12,10	60,46	59,86	+ 1,10
Percentage of Total Trade...	86.0	51.7		89.6	46.1		44.1	44.8				
Foreign Countries—												
United States of America ...	87,03	17,66	+ 19,37	21,14	15,12	+ 6,02	13,87	12,85	+ 1,02	9,76	11,25	- 1,49
Japan ...	82,56	23,59	+ 8,97	23,87	14,51	+ 9,86	13,95	13,84	+ 61	13,95	20,50	- 6,55
China ...	13,06	4,10	+ 8,96	13,27	3,33	+ 9,94	7,79	2,76	+ 5,08	3,55	2,95	+ 60
Java and Borneo ...	4,27	13,67	- 9,40	2,63	10,34	- 7,71	1,74	4,86	- 3,12	78	4,17	- 3,44
Argentine Republic ...	7,10	8	+ 7,02	3,63	...	+ 3,63	2,89	...	+ 2,89	3,64	...	+ 3,64
France ...	16,94	4,57	+ 12,37	11,17	2,39	+ 8,28	7,43	2,17	+ 5,81	7,35	2,03	+ 5,32
Italy ...	11,47	6,73	+ 4,74	7,93	4,51	+ 3,42	5,40	3,61	+ 2,79	4,65	3,95	+ 70
Spain ...	3,61	30	+ 3,31	2,37	30	+ 2,07	1,34	20	+ 1,14	1,37	25	+ 1,12
Russia ...	40	46	- 6	53	1,04	- 51	53	95	- 42	34	86	- 2
Netherlands ...	3,90	4,23	+ 4,67	6,67	3,23	+ 3,45	4,66	2,04	+ 2,62	3,21	1,69	+ 1,52
Belgium ...	12,21	6,79	+ 5,42	7,57	4,67	+ 2,90	4,24	3,02	+ 1,22	3,93	3,42	+ 51
Germany ...	26,43	15,79	+ 10,70	14,26	12,33	+ 1,83	10,19	10,21	- 2	3,00	10,37	- 2,37
Austria ...	5	1,23	- 1,18	...	32	- 32	...	71	- 71	...	64	- 64
Other Countries ...	29,23	17,14	+ 12,09	21,15	15,67	+ 5,48	13,59	13,00	+ 59	11,49	1,064	- 85
Total Foreign Countries ...	2,03,32	1,16,34	+ 86,98	1,36,19	83,30	+ 47,39	87,17	69,72	+ 17,45	71,97	73,22	- 1,25
GRAND TOTAL ...	3,17,93	2,40,80	+ 77,13	2,25,64	1,64,32	+ 60,32	1,55,89	1,26,34	+ 29,55	1,32,43	1,32,58	- 15

N.B.—In this Table the figures of re-exports are not taken into account.

Index Numbers of Wholesale Prices of some Principal Countries.
(Adopted from League of Nations Bulletin)

COUNTRY	INDIA (CALCUTTA)	UNITED KINGDOM	UNITED STATES OF AMERICA	JAPAN	FRANCE	GERMANY
Basis Year & Date...	(July 1914=100)	(1918=100)	(1918=100)	(1918=100)	(1918=100)	(1918=100)
1918 (1914) ...	100	100	100	100	100	100
1925 ...	159	159	148	202	...	142
1926 ...	148	148	148	179	695	184
1927 ...	148	142	187	170	642	188
1928 ...	145	140	189	171	645	140
1929 ...	141	187	187	166	627	187
1930 ...	116	120	124	187	554	125
1931 ...	97	104	105	116	502	111
1932 ...	91	102	98	122	427	97
1932						
January ...	97	105	95	121	489	100
February ...	97	105	95	122	446	100
March ...	94	105	95	120	444	100
April ...	92	102	94	116	489	99
May ...	89	101	92	114	488	97
June ...	86	98	92	111	425	96
July ...	87	98	92	112	480	96
August ...	91	100	98	118	415	95
September ...	91	102	94	127	418	95
October ...	91	101	92	128	412	94
November ...	90	101	92	184	418	94
December ...	88	101	90	140	418	92
1933						
January ...	88	100	87	140	411	91
February ...	86	99	86	186	404	91
March ...	88	98	86	184	890	91

Cost of living Index Numbers for India and Foreign Countries.

NAME OF COUNTRY	INDIA (BOMBAY)	UNITED KINGDOM	UNITED STATES OF AMERICA	FRANCE (PARIS)	GERMANY	JAPAN (Tokio)
Items included in the Index	Food, fuel and lighting, clothing and house rent	Food, fuel and lighting, clothing, rent and miscellaneous	Food, fuel and light, rent, clothing, house, furnishing goods and miscellaneous	Food, fuel and light, rent, clothing and miscellaneous	Food, fuel and light, rent, clothing and miscellaneous	Food, fuel and light, clothing & miscellaneous
Base Period	July, 1914	July, 1914	1928	1914	October, 1918, January, April and June, 1914	July, 1914
1926 ...	155	172	104	505	141	199
1927 ...	154	168	102	514	148	189
1928 ...	147	166	100	519	152	184
1929 ...	149	164	100	556	154	181
1930 ...	187	158	96	581	147	155
1931 ...	110	147	87	569	(a) 136	136
1932 April ...	(d) 107	(f) 148	(h) 79	585	122	185
1932 May ...	107	142	78	585	121	184
1932 June ...	109	143	77	583	121	182
1932 July ...	109	141	77	517	122	180
1932 August ...	109	141	77	517	120	182
1932 September ...	109	143	77	517	120	188
1932 October ...	110	143	76	516	119	140
1932 November ...	110	143	76	516	119	142
1932 December ...	109	142	75	516	118	146
1933 January ...	106	141	74	523	117	148
1933 February ...	106	139	72	523	117	146
1933 March ...	101	137	72	523	117	144

(a) Monthly average.

(b) 15th or middle of month.

(d) Average of 16th of current month to 15th of following month.

(f) First or beginning of following month.

BANKING SECTION I:

THE INDIAN BANKING PROBLEM

BY SIR K. M. MACDONALD

Managing Governor, Imperial Bank of India.

The problem does not lie, as many think, in the lack of banking facilities; it lies in the lack of power to use the facilities which exist, and which would adequately increase in response to any healthy growth in the creditworthy demand. In many parts of India competition is already acute for all suitable business offering, and rates are cut to an unprofitable level so far as the Banks are concerned. Wherever sufficient business appears to call for it a branch bank or an outstation, often more than one, is to be found. In many places results have not come up to expectations and offices have had to be closed as non-paying propositions.

It is not difficult to understand the reasons for this apparent anomaly. Except in the large towns, India is almost entirely dependent on agriculture, and, as yet, in no country has the finance of agriculture by commercial banks been satisfactorily arranged. Law and custom probably make it even more difficult in India than elsewhere. Indian laws of inheritance have resulted in numerous small uneconomic holdings of land, and the death of a borrower, who happens to be a member of an undivided Hindu family, may involve his creditor in legal proceedings of the most complicated nature. Custom demands extravagant marriage and other ceremonies which result in heavy indebtedness. Unsuitable systems of land tenure, uneconomic marketing and illiteracy are important contributory causes.

As a result a system of finance has grown up which is elastic in its demands on the agriculturist, but which too frequently lands him and his family, present and future, in a state of heavy indebtedness. In good seasons the moneylender may get some of his principal back,

together with interest at a high rate; in bad seasons he postpones enforcing his dues, but over a term of years the lender is probably usually well paid, and the borrower is often reduced to poverty.

It is easy to diagnose the disease, but difficult to prescribe the cure. Speaking generally, and recognising that in practice the causes and the disease would be treated simultaneously, the first thing to be done is to attack the causes, for it would be of little use to remove the indebtedness whilst the reasons for it continue—things being as they are the indebtedness would quickly re-appear. The causes are a problem more for our legislators and social reformers, than for bankers; when they are removed, or in process of being removed, the indebtedness itself should be dealt with, and it is probable that the best means would be land mortgage banks suitable for the areas in which they operate. The agriculturist is, however, so accustomed to the latitude allowed by the moneylender, that it would take years to adapt him to the rigid practice of land mortgage banks. Whilst his indebtedness is being so dealt with, the agriculturist must of course arrange for current expenditure; this might well be done with the moneylender or co-operative bank as in the past. But in the early stages methods must be devised to ensure that the Land Mortgage Bank is not repaid by borrowing elsewhere. As the land would be under charge to the Land Mortgage Bank, it is probable that the moneylender could, in his own interests, be trusted to see that his advances are limited to amounts which might reasonably be expected to be recoverable from crop proceeds, and that payment is made when the crops are sold. But the Co-operative

IMPERIAL BANK OF INDIA.

Constituted Under The Imperial Bank of India Act, 1920

BANKERS TO THE GOVERNMENT OF INDIA.

AUTHORISED CAPITAL	...	Rs. 11,25,00,000
PAID-UP CAPITAL	...	" 5,62,50,000
RESERVE FUND	...	" 5,20,00,000
RESERVE LIABILITY OF SHAREHOLDERS	..	" 5,62,50,000

LOCAL HEAD OFFICES:

CALCUTTA BOMBAY MADRAS

LONDON OFFICES:

25, OLD BROAD STREET, E. C. 2

BRANCHES:

Abbottabad	Cochin	Jubbulpore	Nagapatam
Abohar	Coimbatore.	Kasur	Nellore
Agra	Colombo	Khanewal (Pay Office)	Okara (Pay Office)
Aklyab	Cuddalore	(UNDER MULTAN)	(UNDER MONTGOMERY)
Aligarh	Cuddapah	Khurja (Pay Office)	Ootacamund
Allahabad	Dacca	(UNDER BULANDSHAHR)	Park Street (Calcutta)
Ambala Cantt.	Darbhanga	Kosi Kalan (Pay Office)	Patna
Ambala City	Darjeeling	(UNDER MUTTRA)	Peshawar Cantt.
Amritsar	Dohra Dun		Peshawar City
Amroha (Pay Office)	Delhi	Karachi	Phullerwan (Pay Office)
(UNDER MORADABAD)	Deoband (Pay Office)	Katni	(UNDER SARGODHA)
Asansol	(UNDER MUZAFFARNAGAR)	Khangaon (Borah)	Purnea
Ahmedabad	Dhanbad	Khandwa	Poona
Ahmedabad City	Dibrugarh	Kumbakonam	Poona City
Ahmednagar	Dhulia	Lahore	Porbandar
Ajmer	Etawah	Lakhimpore (Pay Office)	Palacole (Pay Office)
Akola	(UNDER ETAWAH)	(UNDER SITAPUR)	(UNDER RAJAMUNDAY)
Amraoti	Ellore	Lucknow	Quetta
Adoni	Erode	Ludhiana	Rampur
Alleppey	Farrukhabad	Lyallpur	Raneengunge (Pay Office)
Auraiya (Pay Office)	Ferozepore	Larkana	(UNDER ASANSOL)
(UNDER ETAWAH)	Fyzabad	Mandalay	Rangoon
Bareilly	Gaya	Mandalay City (Pay Office)	Rawalpindi
Bassein	Ghaziabad (Pay Office)	(UNDER MANDALAY)	Rawalpindi City (Pay Office)
Bolgaum (Pay Office)	(UNDER DELHI)	Meerut	(UNDER RAWALPINDI)
(UNDER HUBLI)	Gojra	Mian Channu (Pay Office)	Rajpur
Benares	Gorakhpur	(UNDER MULTAN)	Rajkot
Benares City (Pay Office)	Gujranwala	Moga (Pay Office)	Rajahmundry
(UNDER BENARES)	Gadag (Pay Office)	(UNDER FERROZPORE)	Saharanpur
Bethlah	(UNDER HUBLI)	Montgomery	Sargodha
(UNDER MUZAFFERPUR)	Godhra	Moradabad	Shillong
Bhagalpur	Gulmarg (Pay Office)	Moulmein	Shikot
Bulandshahr	(UNDER SRINAGAR)	Muktsar (Pay Office)	Simla
Burra Bazaar (Calcutta)	Gwalior	(UNDER FERROZPORE)	Sitapur
Bhopal	Guntur	Multan	Sandhurst Road (Bombay)
Breach	Hafizabad (Pay Office)	Murree	Secunderabad
Byonlla (Bombay)	(UNDER LYALLPUR)	Mussoorie	Sholapur
Bangalore	Hapur (Pay Office)	Muttra	Srinagar (Kashmir)
Bollary	(UNDER MEERUT)	Muzaffarnagar	Sukkur
Borhampore (Ganjam)	Halkhas	Muzaffarpur	Surat
Beawada	Howrah	Myingyan	Salern
Budhlada (Pay Office)	Hubi	Mymensingh	Tellicherry
(UNDER LUDHIANA)	Hyderabad (Deccan)	Mandvi (Bombay)	Tanali (Pay Office)
Cawnpore	Hyderabad (Sind)	Madura	(UNDER CUTTACK)
Cawnpore City (Pay Office)	Indore	Mangalore	Tinnevely
(UNDER CAWNPORE)	Jalpaiguri	Masulipatam	Tirapur
Chandpur (Tipperah)	Jamshedpur	Mount Road (Madras)	Trichinopoly
Chapra	Jaranwala (Pay Office)	Naini Tal	Trichur
Chandauli (Pay Office)	(UNDER LYALLPUR)	Narasingunge	Trivandrum
(UNDER MORADABAD)	Jhansi	New Delhi	Tuticorin
Chittagong	Jullundur	Nowshera	Ujain
Clive Street (Calcutta)	Jaipur	Nadiad	Vellore
Cuttack	Jaigaon	Nagpur	Vizagapatam
Calicut	Jodhpur	Nanded	Vishanagram
Cocanada		Nasik	Wardha (C. P.)
		Nandyal	Yectmal

District Manager's Offices at Calcutta, Cawnpore, Lahore & Rangoon.
 Current Accounts—Opened free of charge. Fixed Deposits—Received at interest.
 Savings Bank—Deposits received and interest allowed.
 Government and other Securities—Received for safe custody, Purchases and Sales effected,
 Interest and Dividends collected and credited to account or remitted in accordance with
 instructions.
 The purchase and sale of Government Securities undertaken at all Branches for the Public
 generally.
 Loans and Cash Credits—Granted, and approved Mercantile Bills discounted.
 Sterling and Rupee Letters of Credits Issued.
 Rates, Copies of Rules, Powers of Attorney, etc., may be had on application at any of the
 Local Head Offices or Branches of the Bank.

Banks, as at present constituted, have not the same stimulus of self-interest.

Co-operative Banks were ostensibly formed to encourage thrift, but in practice a large proportion of them seem to have done little but encourage borrowing. The growth of the movement has been too rapid, and its staff inadequate and inexperienced. The quasi-responsibility of Government has enabled it to attract excessive funds in the towns, with the result that its true function of co-ordinating the needs of local depositors with those of local borrowers in the villages has been forgotten. A thorough re-organisation is necessary. Government must define its financial responsibility and make its supervision effective; at present a large proportion of the depositors think that, as Government supervise the co-operative movement, Government is responsible for the repayment of deposits. Means must be found to enforce payment at due date except in very exceptional circumstances. If a member defaults, the benefits of membership should be withdrawn. If a society does not pay, it should be liquidated. For when the motive of self interest is lacking (as it must be unless the village society is controlled by depositing members instead of borrowing members) it is only by stringent rules firmly enforced that repayment of loans according to their terms can be obtained. If the Banks are re-organised on these lines they will become a very powerful factor in the development of a sound and useful banking system in India.

I do not think the co-operative banks are ever likely to oust the indigenous banker and shroff, or that it is desirable that they should. There is ample room for both, and a system under which both work in co-operation with the Indian Joint Stock Banks is well worth considering as an ideal to be aimed at. The indigenous banker and shroff have a knowledge of the people and trade of this country which cannot be replaced by any other agency, and it would be folly not to make the utmost use of it.

The finance of foreign trade is a specialised form of banking which is most efficiently conducted by the Exchange Banks. Competition in this branch of banking also is very acute, with the result that exchange facilities have probably been as full and as cheap in India as in any country in the world. There seems little room at present for the addition of another important bank, and its prospects of profitable business would not at present be bright. I have every sympathy however with India's aspiration for an Exchange Bank with Indian capital and management, but it is all important that such a bank should follow the normal healthy lines of development from a small beginning to full stature, as experience is gained.

There remains the much discussed question of the Reserve Bank which is now so much to the fore. It is only a few years since such institutions were considered by some to be the solution of most currency and credit difficulties, and some Governments have acted in that belief. Recent history must have disappointed even the least optimistic of their promoters, but never the less it is possible that a Reserve Bank system is the best instrument for the end in view. Whether the time is ripe for its introduction into India is another matter, and in any case there are many who think that any Reserve Bank which is part of a chain dominated by a central institution in London or elsewhere, might possibly sacrifice the national interests in efforts to secure agreement on international matters which are only of indirect concern to itself and the country it represents.

It is a common belief in this country that Government can do anything, including the production of efficient banks ready made, much as the conjuror produces the rabbit from the top hat. Experience is however strongly against such a possibility and it is probably true to say that the countries in which the legislature has been most active in banking laws, have the least efficient banking systems.

ALLAHABAD BANK, LIMITED.

ESTABLISHED 1865.

Affiliated to the P. & O. Banking Corporation, Limited.

AUTHORISED and Subscribed Capital	...	Rs. 40,00,000
CAPITAL Called-up	...	„ 35,50,000
RESERVE FUND	...	„ 44,50,000

Head Office:—CALCUTTA.

Branches and Sub-Agencies:

Agra.	Chandausi.	Lahore.	Mussoorie.
Allahabad.	Dehra Dun.	Lahore City Office.	Muttra.
Allahabad City Office.	Delhi.	Lucknow.	Nagpur.
Amritsar.	Fyzabad.	Lucknow City Office.	Naini Tal.
Bareilly.	Gorakhpur.	Aminabad Park.	Patna.
Benares.	Hapur.	Lucknow.	Rai Bareli.
Bombay.	Hathras.	Lyallpur.	Raipur.
Cawnpore.	Jhansi.	Meerut.	Shahjahanpur.
Cawnpore City Office.	Jubbulpore.	Moradabad.	Sitapur.

Pay Offices:

Auraiya.	Ghaziabad.	Muzaffarnagar.
Etawah.	Hardoi.	Nagpur City.
Firozabad.	Moradabad City.	Sikandarabad, U. P.
		Ujhani.

London Bankers:

The P. & O. Banking Corporation, Ltd.

Correspondents in all the Principal towns in India.

Banking business of every description transacted on terms which may be ascertained on application.

M. V. WILSON,
General Manager.

BANKING SECTION II :

BANKING IN INDIA—1932-33

There has been a persistent hope in the minds of all that the depression in trade would vanish as imperceptibly as it came, but here we are in the latter half of 1933, and still no sign of any silver lining in the horizon. Nations are weary of the grim struggle against the fall in prices and increase in unemployment. The currencies of the different countries have fluctuated wildly and stabilisation is still remote. Trade in 1932 was on an even more restricted scale than in 1931 because of the high tariff walls raised by countries in pursuance of an aggressively national programme of balancing the budget.

Banking, which is so intimately connected with trade, bore the full effects of the further fall in trade as reflected in shrunken profits and larger idle funds lying on their hands. In some respects the year 1932 presented a marked contrast to 1931. Whereas in 1931 money rates rose steadily—the average Bank rate during 1931 being 7.04 per cent.—they eased off gradually during 1932, and the average Bank rate during 1932 was 5.02 per cent. Since the close of last year, when the rate was 4 per cent., the Imperial Bank has further reduced it to $3\frac{1}{2}$ per cent.

In earlier times a good many of the Banks had difficulties to contend with; there were a few, however, which were lucky enough to hold their own and make a brave showing. During 1931 and 1932, however, the gloom spread to all, to the lions and the mice, to the Brobdignagians and the Lilliputians. The Imperial Bank has been able to make a better showing allround for 1932, than for 1931. Reserves increased by Rs. 17.5 lakhs, while total deposits also increased by 3.3 crores. There were larger cash and giltedge holdings, avenues of employment of funds in genuine trade activity being limited. Bills were less by about Rs. 2.7 crores, while Loans and advances decreased by Rs. 8.5 crores. The percentage of liquid assets to total deposits was higher. Profits were better by Rs. 22 lakhs, though they did not reach the levels of previous years.

Somewhat similar were the positions of Indian Joint Stock Banks. In most cases there was an improvement as regards deposits, but outlay on commercial business was restricted on account of the continued slump in trade. And so uniformly drooping, day by day, was every branch of trade that advances to the best of parties came to cause concern to bank managements. A confidence crisis of the first magnitude was the result.

Fortunately, however, there were other features which brought some cheer to the worried banker. As a result of the drastic measures taken to economise expenditure, the national finances seemed to be improving and prospects of a balancing of the budget were fair, and with that the confidence of the public in the government was restored. Gold released from the hoards of the masses continued to flow into Bombay to be shipped to foreign countries and the shipments week by week were on an increasing scale. The shipments of gold from India up to the 15th of July, 1933 are round about Rs. 146 crores. The proceeds of these sales had to be invested, and on account of the paucity of avenues for remunerative investment, funds accumulated in the hands of investors. The combined effect of all these factors was reflected in a progressive rise in Government securities. This was of immense relief to Banks, for in the previous year large inroads had had to be made on Reserves built up in previous years and on profits in order to write down securities to market value. Not only were these special Investment Reserves released from the purpose for which they were earmarked, but the further appreciation of giltedge gave bankers a means of adding to their lean profits from actual banking business, by gain on judicious purchase and sale of securities. The confidence of the customers in banks, which never suffered any serious disruption even during the worst period of the crisis, was considerably enhanced. The accession of confidence

NOVEL FEATURES OF CENTRAL BANK OF INDIA'S
 IMPORTANT SERVICES TO THE NATION
FREE LIFE INSURANCE,
 WITHOUT PAYMENT OF PREMIUMS
 FOR DEPOSITORS OF
THE CENTRAL BANK OF INDIA, LTD.

FREE LIFE INSURANCE POLICY issued without payment of Premiums with the Bank's
 Cash Certificates and Fixed Deposit Receipts,

and

FOR THE BENEFIT OF SAVINGS DEPOSITORS
LIFE & ENDOWMENT POLICIES

of Rs. 500/- and Rs. 1,000/- issued on easy system of premium payments.
 Monthly premiums for a Policy of Rs. 1,000/- are as follows :

Age	Endowment	Life
14 to 30	Rs. 2/8	Rs. 2/-
31 to 40	Rs. 4/-	Rs. 3/-

and halves of these amounts for assurances of Rs. 500/-

3 YEARS' CASH CERTIFICATES

OF

The Central Bank of India, Limited



Issued in Multiples of Rs. 100,
 500, 1,000, 10,000, 1,00,000 in one
 or more names, repayable to
 either or Survivor.

For every Rs. 89/8/- that you
 deposit with the Bank to-day,
 you will receive Rs. 100 after
 3 years.

**Make Your
 Money Work
 for You.**

You can secure a neat box to hold both coins and notes by becoming a Savings Bank Depositor
 with us. We retain the key and as often as you bring it to us, the safe is opened and contents
 deposited in your name.

The man on a small salary, who can save but a small amount each month, will find this
 an admirable plan.

For Further Particulars Apply to

THE CENTRAL BANK OF INDIA, LIMITED

Bara Bazar Branch :
 71, CROSS STREET.

Calcutta Office :—100, CLIVE STREET.

Head Office—BOMBAY.

New Market Branch :
 18, LINDSAY STREET.

Sham Bazar Branch :—135, CORNWALLIS STREET

S. N. POCHEANAWALLA—Managing Director.

was reflected in the marked rise in the value of shares of principal banks between

1st January, 1932 and 31st January, 1933, as shown by the following table :—

Bank	Lowest	Date	Highest	Date
	Rs.		Rs.	
Imperial Bank	... 838	Jan., 1932	1,282	October, 1932
Allahabad Bank	... 220	May, 1932	257	Jan., 1933
Central Bank	... 13	Jan., 1932	22½	Jan., 1933
Bank of India	... 74	Jan., 1932	100	Jan., 1933

As a result of the rise in giltedge, most of the Banks were able to either retransfer the investment reserve set aside in the previous year, to cover the depreciation in investments to the General Reserve Fund or to make it an "inner" reserve. Their profits made in 1932 were available for distribution in greater part.

The prevailing easiness in the money market was reflected in a steady decline in Bank rate and rates of interest on term and savings bank deposits. Government took advantage of this to reduce the yield on Treasury Bills and for conversion of loans of near maturity into long-dated loans at lower interest. The investments of the Imperial Bank in securities as at 31st December, 1932 shows considerable increase on those of a year before.

In the case of Exchange Banks, also, there was a general feeling of dissatisfaction with the turnover. Export Bills on account of trade were of very much shrunken volume, and the only redeeming feature was the large export of gold which required financing. There was a gradual withdrawal of funds invested in Treasuries on account of the un-remunerative yield, and there was no attraction for fresh funds to be imported from London. But their anxiety with regard to giltedge investments in India was removed and the appreciation came in handy for them to make a better showing of profit by sales of Government Securities at the rise. Most Exchange Banks have shown better profits during 1932 as compared with 1931, and allocations have in many cases been made to the Reserve Fund.

The smaller banks—called loan offices in Bengal and just banks in other provinces—that is, those institutions, which had their location and being and operations in the mofussil parts, were in the

unhappy predicament of a slow but steady withdrawal of deposits combined to a freezing of most of the advances. Great economic distress has been prevailing in upcountry areas ; those who had accumulated surplus cash and put it away on deposit with banks found themselves confronted with the "rainy day," and what they had put by against the rainy day was badly needed and swiftly withdrawn. Those who had borrowed from banks could not arrange for repayment ; and, in many cases, not even for the due payment of interest. Loans frozen, interest in arrears, the mofussil banks were in an extremely tight corner for cash for meeting the recall of funds by depositors. It may be said that there would have been a heavy crop of failures in the case of banks of this kind, were it not for the local influence of those at the helm of management and their ability successfully to persuade depositors to rest content with return of their funds in dribbles. A widespread crash of banks has been avoided mainly by the tact of directors and managers and the forbearance of depositors. But the persuasive powers of the former have been strained a great deal ; and there is a limit to the forbearance of the latter. The advances of the mofussil banks are secured, in the generality of cases, on real property. And real property cannot be sold to-day for love or money. There are simply no buyers, however much you may search for them, like Diogenes, with a lantern in hand in broadlight. The collapse of values of land and buildings in the mofussil is the most menacing factor in rural economy and banks operating in the interior have, doubtless, a most anxious future. Only with a rise in Commodity prices and revival in Export Trade can prosperity return to the rural parts.

THE BIHAR AND ORISSA PROVINCIAL CO-OPERATIVE BANK, LTD.

PATNA

ESTABLISHED IN THE YEAR 1914.

Paid up Share Capital	...	...	Rs.	5,97,000
Reserve Liability on Shares	...	...	"	12,45,500
Statutory and other Reserves	...	...	"	5,17,500
Investment in Government Securities	...	...	"	26,45,000

The Local Government have authorized the investment in this Bank of the Provident Funds of the Employees of District and Local Boards, and Municipalities. Statements of the financial position of the Bank are quarterly published by the Local Government in the Gazette.

Current accounts are opened and interest allowed on daily balances at 2 per cent. per annum.

Savings Bank Deposits at present received at 8½ per cent. per annum.

Fixed Deposits for one year are accepted at 4 per cent. per annum and for 2 years or more at 4½ per annum.

Detailed rules will be supplied on application.

MIHIRNATH ROY,
Managing Director.

V. M. THAKORE,
Secretary.

Established 1911.

The Bombay Provincial Co-operative Bank, Limited.

(Registered under Co-operative Societies Act)

Head Office:—APOLLO STREET, FORT, BOMBAY.

Branches:

Barmati	District Poona.	Shevgaon	District Ahmednagar	Shahada	District West Khandesh
Islampur	" Satara.	Ahmednagar	" "	Nandurbar	" "
Karad	" "	Bhiwandi	District Thana	Sakri	" "
Tasgaon	" "	Palghar	" "	Sindkheda	" "
Satara	" "	Akluj	District Sholapur	Malegaon	District Nasik
Kirloskarwadi	" "	Viramgam	District Ahmedabad	Satana	" "
Koregaon	" "	Dhulia	" West Khandesh	Kalvan	" "
Shirale	" "	Dondaicha	" "	Dohad	District Panch Mahals
Kopargaoon	District Ahmednagar	Shirpur	" "	Kalol	" "

Apex Bank of the Co-operative Movement in Bombay Presidency.

WORKING CAPITAL EXCEEDS RS. 2,40,00,000.

FIXED, CURRENT AND SAVINGS DEPOSITS ACCEPTED.

Terms on Application .

ADVANCES made only to registered Co-operative Societies.

COLLECTION WORK undertaken on almost all important towns in the Bombay Presidency

Money deposited with this Bank directly benefits the Agriculturists and persons of small means.

For further particulars write to Managing Director.

BANKING SECTION III:

REVIEWS OF BALANCE SHEETS

(OF THE MORE IMPORTANT BANKS DOING BUSINESS IN INDIA)

Bankers to the Govt.:

IMPERIAL BANK OF INDIA.

The Imperial Bank of India was constituted in 1920 by the amalgamation of the 8 Presidency banks and commenced business in January, 1921. It is not only the leading commercial bank in the country but it is also a bankers' bank; fulfilling to a certain extent the functions of a central bank. The bank's profits in recent years have been affected by the heavy depreciation in Indian Government securities and it was necessary in 1931 to transfer Rs. 45 lakhs from the public reserves and Rs. 69 lakhs from inner reserves to write down securities to market value. Since then, during 1932 a total sum of Rs. 17,50,000 has been transferred from profits to Reserve fund bringing it to the figure of 517.5 lakhs. For the year ended December 31, 1931, the dividend was reduced to 12 per cent. from the customary dividend of 16 per cent. paid since the inception of the bank and the rate of 12 per cent. has been maintained for the year 1932 also. Owing to trade depression there was considerable shrinkage in the portfolio of commercial bills held by the bank. The bank's official rate of interest fluctuated in 1932 between 8 and 4 per cent. and averaged 5.021 per cent. for the year against 7.04 per cent. for 1931. As giltedge securities have appreciated considerably in 1932, the losses on giltedge for which provision was made in the balance sheet for the year ended December 31, 1931 would have been made up. As the sum taken away from the Reserve has not been put back the inner reserve of the bank is appreciably strengthened. At 31st December, 1932, while Public Deposits have decreased by Rs. 1.25 crores, other Deposits have increased by Rs. 4.57 crores. There has been an increase in the cash holding of about Rs. 9.93 crores, but a heavy drop in Bills by Rs. 2.64 crores. The percentage of liquid assets to total deposits has increased by nearly 9 per cent. The Managing Governors of the Bank are Sir Osborne A. Smith and Sir K. M. MacDonald.

(In Rupees—000's omitted).

	1930.	1931.	1932.
Liabilities—			
Capital ...	5,62,50	5,62,50	5,62,50
Reserves ...	5,40,00	5,00,00	5,17,50
Total of Capital & Reserves ...	11,02,50	10,62,50	10,80,00
Public Deposits ...	7,36,91	8,32,11	7,06,95
Current, Fixed and other Deposits ...	76,60,06	63,85,64	68,36,35
Total of Deposits ...	83,96,97	72,17,75	75,43,30
Due to Government ...		2,50,00	...

(In Rupees—000's omitted).

	1930	1931	1932
Assets—			
Cash ...	13,04,24	11,03,95	20,97,00
Giltedge invest-ments ...	29,25,17	30,28,65	32,03,63
Bills discounted ...	3,77,49	4,60,82	1,96,67
Total of Liquid Assets ...	46,06,90	45,91,42	54,97,30
Loans & Advances ...	45,93,54	37,13,04	28,63,45
Percentage of total Capital and Reserves to total Deposits ...	13.1	14.7	14.3
Ratio of Liquid Assets to total Deposits ...	54.9	63.6	72.9
Profit & Loss Items—			
Brought forward ...	15,28	12,56	14,06
Profits ...	1,01,74	74,00	97,93
Dividend distribu-tion ...	90,00	67,50	67,50
Allocation to Funds ...	14,44	5,01	19,02
Carried forward ...	12,58	14,05	25,46
Dividend Rate per cent. ...	16	12	12

Indian Joint Stock Banks:

THE ALLAHABAD BANK, LTD.

The Allahabad Bank is one of the oldest of Indian joint stock banks, established in the year 1865. Its original Head Office was Allahabad but since its affiliation to the P. & O. Banking Corporation about 10 years ago, its registered office has been transferred to Calcutta. Though affiliated to the P. & O. Bank, it has maintained its entity intact and continued loyal to the traditions and nature of business it has from the beginning built up. The Allahabad Bank has devoted special attention to branch banking and finance of produce. Its branches are spread practically throughout the United Provinces and a good part of the Punjab. The bank has also branches at other important centres like Bombay, Rangoon, Karachi, Nagpur, etc. In the field of produce finance, it did considerable pioneer work; and though new entrants into the field seek to cut into its business, the facilities which the Allahabad Bank has always offered, and is ever in a position to offer, should retain for it, its own clients and connections and business. The deposits of the bank increased in 1932-33 by about 87 lakhs

of rupees to Rs. 10.82 crores. Against this there has been an increase of nearly Rs. 40 lakhs in loans and advances. The result is that the proportion of liquid assets to deposit liabilities show some improvement. The profits of the bank stands at almost the same percentage as the previous year, and dividend has been maintained at 18 per cent. per annum. In order to provide for Depreciation in giltedge investments, the Directors had set apart Rs. 12.5 lakhs to a special Reserve Account No. 2 specifically earmarked for that purpose. The appreciation of these investments since the date of the previous Balance-sheet has enabled the Directors to release this special reserve in its entirety and reabsorb it into the general reserve. The Bank's year closes as at March 31.

(In Rupees—000's omitted).

	1931.	1932.	1933.
Liabilities—			
Capital ...	35,50	35,50	35,50
Reserves ...	44,50	44,50	44,50
Total of Capital and Reserves ...	80,00	80,00	80,00
Current Deposits ...	2,36,59	1,95,67	2,29,32
Fixed and Other Deposits ...	8,66,21	7,98,79	8,52,27
Total Deposits ...	11,02,80	9,94,46	10,81,59
Assets—			
Cash ...	1,18,92	1,26,82	1,23,44
Giltedge investments ...	5,68,05	5,36,23	5,82,84
Total of Liquid Assets ...	6,86,97	6,63,05	7,06,28
Loans, Bills Discounted, Promotes and other investments ...	1,22,15	1,20,14	99,06
Cash Credits and overdrafts ...	3,47,16	2,64,36	3,25,79
Percentage of Capital and Reserve to total Deposits ...	7.3	8.0	7.4
Percentage of total Liquid Assets to total Deposits ...	62.3	66.7	65.3
Profit and Loss Items—			
Brought forward ...	3,32	4,24	3,69
Profits ...	5,51	5,54	5,75
Dividend distribution ...	4,59	4,59	4,59
Allocation to Funds ...	...	1,50	...
Carried forward ...	4,24	3,69	4,85
Dividend Rate per cent. ...	18	18	18

THE BANK OF BARODA.

The Bank of Baroda was started during the closing years of the first decade of this century under the patronage of, and largely supported by, the Government of H. H. the Maharaja, Gaekwar of Baroda. The Chairman of the bank is Sir Lalubhai Samaldas, Kt., C.I.E.; and the General Manager at the Head Office is Mr. C. E. Randle. The bank has 15 branches of which a good number are situated in Baroda State. The bank is entrusted with the State's Treasury work in the same way as the Imperial Bank carries out the Treasury work of the Government of India. It has also branches at import-

ant centres like Bombay, Ahmedabad, Surat, etc. The paid up capital of the bank is Rs. 30 lakhs. Owing to the heavy depreciation of Government securities in 1931, it was found necessary to transfer Rs. 5.25 lakhs from the Reserve Fund which now stands reduced to Rs. 20 lakhs. The subsequent appreciation of Government securities has left the bank possessed of a secret reserve to the extent of the difference between the market value and written down value of the securities. The deposits of the bank at Rs. 7.33 crores show a substantial rise over the previous year's figure of Rs. 6.70 crores. Profits have been well maintained and the usual dividend of 10 per cent. has been paid. The percentage of total liquid assets to deposit liabilities is exceptionally high at 67 per cent.

(In Rupees—000's omitted)

	1930.	1931	1932.
Liabilities—			
Capital ...	30,00	30,00	30,00
Reserves ...	24,15	19,40	20,00
Total of Capital and Reserves ...	54,15	49,40	50,00
Current Deposits ...	2,27,84	2,30,14	3,09,24
Fixed and other Deposits ...	3,67,82	4,40,27	4,23,52
Total of Deposits ...	5,95,66	6,70,41	7,32,76
Other Liabilities ...	5,24	7,40	8,71
Assets—			
Cash ...	68,26	84,49	92,35
Giltedge investment ...	2,98,03	3,85,84	3,97,50
Bills discounted ...	10	...	7
Total of Liquid Assets ...	3,66,39	4,70,33	4,89,92
Loans and Discount ...	2,70,98	2,39,00	1,99,26
Properties ...	17,05	17,76	17,61
Other Assets ...	3,28	2,95	84,75
Percentage of Capital and Reserves to total Deposits ...	9.1	7.4	6.8
Percentage of Total Liquid Assets to Total Deposits ...	61.5	70.2	66.9
Profit and Loss Items—			
Brought forward ...	55	37	59
Profits ...	3,61	3,97	4,06
Dividend distribution ...	3,00	3,00	3,00
Allocation to Funds ...	50	60	75
Bonus to Staff ...	29	15	30
Carried forward ...	37	59	80
Dividend Rate per cent. ...	10	10	10

THE BANK OF INDIA.

The Bank of India, registered in 1906, is by far the most comfortably situated amongst Indian banks. Its Balance Sheet is neat and natty; and its business is of the soundest description. The Directors have never sought to achieve anything sensational and have ever been content with slow progress so long as it is steady. The Bank of India has a most illustrious and influential Board of Directors, with Sir Cowasji Jehangir Bart., as Chairman. The Manager is Mr. A. G. Gray. The bank has been fortunate in having restricted its holding of Government securities to a comparatively small figure, with the result that while other banks were faced with an exceptionally heavy shrinkage in their giltedge portfolio, the Bank

of India was least affected by the debacle in security prices. A sum of Rs. 7½ lakhs was transferred from profits for writing down Government securities and the uncovered deficit on short-term Government Bonds was as low as 15 lakhs. With the appreciation in Government securities in 1932, it has been found possible to transfer the Rs. 7½ lakhs to the general reserve fund. A further sum of Rs. 50 thousands has been transferred from Reserve for contingencies to the Reserve Fund, thus bringing it to the figure of Rs. 1 crore which marks the completion of 25 years of the Bank's working. The dividend has been maintained at 10% with special Bonus of 8 annas per share to mark the completion of 25 years' working.

(In Rupees—000's omitted)

	1930.	1931.	1932.
Liabilities—			
Capital ...	1,00,00	1,00,00	1,00,00
Reserves ...	91,00	94,00	1,01,50
Total of Capital and Reserves ...	1,91,00	1,94,00	2,01,50
Current Deposits ...	5,38,72	4,79,00	6,90,59
Fixed and other Deposits ...	7,51,48	8,16,47	8,17,05
Total Deposits ...	12,90,20	12,95,47	15,07,64

	1930.	1931.	1932.
Assets—			
Cash ...	2,14,88	2,25,64	2,27,23
Giltedge Investments ...	5,64,26	6,03,72	8,44,39
Total Liquid Assets ...	7,79,14	8,29,36	10,71,62
Other Investments ...	11,05	10,89	8,68
Loans, Advances, etc. ...	7,06,00	6,49,49	6,31,77
Percentage of Capital and Reserve to Total Deposits ...	14.8	15	13.4
Percentage of Liquid Assets to Total Deposits ...	60.4	64.0	71.1

	1930.	1931.	1932.
Profit and Loss Items—			
Brought Forward ...	4,31	4,44	3,39
Profits ...	15,98	19,77	12,36
Dividend Distribution ...	10,00	10,00	11,00
Allocation to Funds ...	4,00	7,50	...
Carried Forward ...	4,44	3,39	3,41
Dividend Rate per cent. ...	10	10	11

BANK OF MYSORE.

The Bank of Mysore, started in 1913, is to the Government of Mysore what the Imperial Bank is to the Government of India. Its progress has been steady and satisfactory. The paid up capital is Rs. 20 lakhs; and the reserve fund is Rs. 17.5 lakhs; while the building fund stands at Rs. 2.25 lakhs. The Bank has maintained deposits roundabout Rs. 2 crores. In 1930 there was a considerable increase in deposit which touched Rs. 2.31 crores. In 1931, however, there was a fall; and the figures was Rs. 2 crores. In spite of difficult trading conditions, the profits in 1932 were only slightly less than in 1931. They have gone up again in 1932 and stand at Rs. 2.18 crores. In a year in which most Banks have found it impossible to make any allocation from the years' profits to reserve fund, the Bank of Mysore has transferred another Rs. 1.25 lakhs to reserve fund, bringing it to the figure of Rs. 17.5 lakhs. Against a dividend of 12 per cent. per annum paid in the previous year the Bank paid a dividend of

12 per cent. in 1932, and a bonus of Re. 1 per share. The intrinsic position of the Bank, judged by every criterion, remains exceptionally strong. The management is in the hands of Mr. P. W. O'Brien.

(In Rupees—000's omitted)

	1930.	1931.	1932.
Liabilities—			
Capital ...	20,00	20,00	20,00
Reserves ...	15,75	16,75	17,50
Total of Capital and Reserves ...	35,75	36,75	37,50
Current Deposits ...	91,94	77,70	75,94
Fixed and other Deposits ...	1,38,87	1,21,81	1,42,14
Total of Deposits ...	2,80,81	1,99,51	2,18,08

	1930.	1931.	1932.
Assets—			
Cash ...	18,65	22,18	27,84
Giltedge Investments ...	89,06	69,81	92,22
Bills discounted ...	5,97	7,60	5,61
Total of Liquid Assets ...	1,13,68	99,59	1,25,67
Loans and Advances ...	1,55,55	1,39,04	1,38,30
Properties, etc. ...	4,51	4,93	3,88
Percentage of Capital and Reserves to Total Deposits ...	15.5	18.4	17.2
Percentage of Total Liquid Assets to Total Deposits ...	49.3	49.9	57.6

	1930.	1931.	1932.
Profit and Loss Items—			
Brought forward ...	12	26	30
Profits ...	4,62	4,27	4,25
Dividend distribution ...	2,80	2,40	2,60
Allocation to Funds ...	1,50	1,75	1,25
Bonus to Staff ...	18	9	19
Carried forward ...	26	30	51
Dividend Rate per cent. ...	14	12	13

THE CENTRAL BANK OF INDIA, LD.

The Central Bank of India was started in 1911 mainly due to the efforts, enthusiasm and organising skill of Mr. S. N. Pochkhanwalla. The latter was fortunate in securing Sir Pherozshah Mehta as the first Chairman of the Bank. Equally lucky was he in having as his lieutenant Mr. A. S. Blasekar who has, in a large measure, shared all the stress and strain of this institution in the various stages of its growth. The capital of the Bank was increased, in successive stages, till early in the last decade it stood at Rs. 50 lakhs paid up. The amalgamation of the Tata Industrial Bank to itself brought up the capital to Rs. 1.68 lakhs, so that the Central Bank has been, since then, the largest institution amongst the Indian joint stock banks. Its deposit figures also were higher than those of the others. In range of business, largeness of clientele, new and newer modes of service, the Central has always been in the forefront. An institution, so flourishing and so steadfastly marching onwards, has had, necessarily, its detractors and even unreasoning critics. The Bank has come out successful in all the vexatious litigation to which some of its enemies have subjected it. This kind of persecution has meant the maintenance of an unduly large liquid position so as to be prepared for runs at any time. Excessive liquid assets mean lesser margin of profits. And runs mean disorganisation of normal business. The

management of the Central Bank have had to contend against heaviest odds. Despite such difficulties, the progress of the Bank has been kept up. At all times, it has been ready and able to weather any strongest storm. That it has stood up through good report and evil report and strengthened its position all the time is a measure of its intrinsic vitality and its sound business methods; it also shows how much headier its growth would have been if it had been left to develop unharassed and unhampered. Giltedge had been an anxious feature, during the severe fall in their values in 1931 as the Central Bank had a large gilt-edge portfolio in view of the need for keeping a liquid position. But that period, it may be said, is over now and the Bank's position is appreciably strengthened. The total deposits of the Bank have increased by about Rs. 5 crores, and because of this the ratio of capital and Reserves to total Deposits has gone down by about 4%, while cash and giltedge investments are of larger amounts, the portfolio of bills is smaller by about Rs. 13 lakhs. The Bank's profits decreased in the year by about 3 lakhs, but the dividend has been maintained at 6%.

(In Rupees—000's omitted).

	1930.	1931.	1932.
Liabilities—			
Capital	1,68,13	1,68,13	1,68,13
Reserves	86,20	70,00	70,00
Total of Capital & Reserves	2,54,33	2,38,13	2,38,13
Current and Savings Bank Deposits and Bills Payable, &c.			
Payable, &c.	7,88,89	7,41,38	11,37,97
Fixed Deposits	6,94,91	7,82,59	8,76,60
Total of Deposits	14,83,30	15,23,97	20,14,57
Due to Bankers	79,93	2,77,51	2,68
Acceptances, Bills for Collection, &c.	1,43,55	1,08,44	92,36
Assets—			
Cash	1,85,43	1,70,33	2,45,16
Giltedge Investments	7,76,26	10,52,24	12,22,78
Bills Discounted	56,60	44,18	31,20
Total Liquid Assets	10,18,30	12,66,75	14,99,13
Properties, &c.	1,12,00	1,19,69	1,10,70
Loans, Advances & other Investments	7,20,63	6,77,68	6,65,25
Acceptances, Bills receivable per contra	1,43,55	1,08,44	92,36
Percentage of Total Capital and Reserves to Total Deposits	17.1	15.6	11.8
Percentage of Total Liquid Assets to Total Deposits	68.7	83.1	74.4
Profit and Loss Items—			
Brought forward	3,71	5,00	4,08
Profits	17,63	17,62	14,32
Dividend distribution	10,09	10,09	10,09
Allocation to Funds	6,25	8,45	1,75
Carried forward	5,00	4,08	3,56
Dividend Rate per cent.	6	6	6

THE INDIAN BANK, LTD.

The founder of the Indian Bank was the late Mr. V. Krishnaswamy Iyer, no less renowned as a patriot and a Congress worker than as a judge of the High Court and a Member of the Executive Council of Madras. The bank was the recipient of considerable patronage of local depositors party as a recoil from the Arbutnot disaster and partly by its appeal to parochial patriotism. On the advice of Sir Lalubhai Samaldas, Mr. Vidyasagar Pandya was appointed as the first Secretary and he served the bank in this capacity for more than two decades. The progress of the Bank which was steady till a few years ago, has since been somewhat arrested, and it is to be expected that the Directors will devise new plans to restore the old pace of growth. The bank with its head office at Madras has 16 branches distributed throughout South India. The Chairman of the Board of Directors is Mr. H. Md. Abdul Azees Badsha Sahib and the Secretary at the Head Office is Mr. P. S. Suryasekaran. Its subscribed capital is Rs. 48 lakhs while the paid up capital is about Rs. 13 lakhs. The reserve fund which was Rs. 9½ lakhs in 1929 has grown to Rs. 12 lakhs in 1932. A contingency fund of Rs. 1.9 lakhs is available for meeting any emergencies. Deposits were Rs. 199 lakhs against Rs. 179 lakhs in 1931. The profits for 1932 showed a further heavy fall by Rs. 53,000 to Rs. 1.93 lakhs owing to the worldwide depression. Notwithstanding the decline in profits the dividend has been maintained unchanged at 12 per cent., but the allocation to the reserve fund has been on a very much reduced scale being only Rs. 25,000. The carry forward at Rs. 32,000 is better than last year's by nearly Rs. 10,000.

(In Rupees—000's omitted)

	1930.	1931	1932.
Liabilities—			
Capital	12,79	12,79	12,79
Reserves and other Funds	11,72	12,96	13,89
Total of Capital and Reserves	24,51	25,75	26,68
Total Deposits	1,92,56	1,72,68	1,99,21
Assets—			
Cash	54,36	30,19	47,48
Giltedge investments	45,96	61,68	93,50
Total of Liquid Assets	1,00,32	91,87	1,40,98
Loans and Advances	1,14,39	1,03,87	71,45
Properties, &c.	5,74	6,57	19,99
Percentage of Capital and Reserve to total Deposits	12.7	14.9	13.4
Percentage of total Liquid Assets to total Deposits	52.1	53.2	70.3
Profit and Loss Items—			
Brought forward	33	39	23
Profits	3,01	2,48	1,93
Dividend distribution	1,53	1,53	1,54
Allocation to Funds	1,30	1,09	30
Carried forward	39	23	32
Dividend Rate per cent.	12	12	12

THE UNION BANK OF INDIA, L.D.

The Union Bank of India was started in 1919; and the capital in the earlier years was Rs. 60 lakhs paid up. Since its inauguration, business conditions in Bombay, to which centre the Bank's activity is confined, have been so consistently and persistently bad that with all the competition offered by the numerous banks in the City, the Union Bank could not make any headway. The Bank was also unfortunate in regard to some of its investments, and particularly in regard to the building which it purchased for its office. In 1922-23, however, the Central Bank of India secured a controlling interest in the Union Bank by purchasing a considerable number of the shares of the latter, as a result of which the Central Bank was appointed as the Managing Agents. The result is that the Union Bank is the unique instance of a bank being managed by another bank as managing agent. Soon after the transfer of the management to the Central Bank, a reconstruction of capital was effected, so that the present position is that the paid up capital is Rs. 40 lakhs. Bad investments were provided for in the writing down of capital as well as the difference between the purchase price and the intrinsic value of the building. The Union Bank has not set before itself any high-sounding or ambitious programme but carries on a simple, straight-forward business in a small but sure way. The Bank is in an eminently satisfactory position without any swollen assets or bad debts. During the year ended March 31, 1933, the Bank has made marked progress, both in deposits and in Loans, etc., and profits are better than in 1931-32. The Bank's financial year ends with March 31.

	(In Rupees—000's omitted)		
	1931.	1932.	1933.
Liabilities—			
Capital	39,95	39,95	39,95
Reserves	8,20	7,00	7,00
Total of Capital and Reserves	48,15	46,95	46,95
Total Deposits	27,56	28,42	58,40
Assets—			
Cash	6,57	5,16	16,80
Giltedge Investments	39,81	40,23	52,84
Bills discounted	67	52	1,04
Total of Liquid Assets	47,05	45,91	70,68
Loans and Advances	27,79	28,80	33,85
Properties, etc.	4,10	3,98	3,80
Percentage of Capital and Reserves to Total Deposits	175	165	80
Percentage of Total Liquid Assets to Total Deposits	171	162	121
Profit and Loss Items—			
Brought forward	60	65	57
Profits	2,34	2,17	2,28
Dividend distribution	2,00	2,00	2,00
Allocation to Funds	...	...	...
Carried forward	65	57	56
Dividend Rate per cent.	5	5	5

Indian Co-operative Banks.

THE BIHAR AND ORISSA PROVINCIAL CO-OPERATIVE BANK.

The Bihar and Orissa Provincial Co-operative Bank has a satisfactory position as to the present and sturdy features of growth as to the future. The paid up capital of the Bank is Rs. 5.96 lakhs. The various reserve funds amount to Rs. 5.18 lakhs, besides which there is a security of Rs. 3.80 lakhs afforded by the uncalled liability of the Guarantee Shares. Total deposits amount to Rs. 70.37 lakhs. Miscellaneous deposits like provident fund etc., come to nearly Rs. 3 lakhs. On the liabilities side, loans and advances, inclusive of interest due, amount to Rs. 59 lakhs. Giltedge securities are Rs. 24.4 lakhs. After making substantial provisions for doubtful debts, depreciation of government securities, reserve fund etc., the Bank was able to declare a dividend of 6 per cent. There has been a marked increase in the resources of the Bank. The Bank has made ample provision for depreciation of giltedge securities. The Bank is proposing to extend its activity in the direction of long-term loans to agriculturists; towards this end, the local government were approached with a view that they should guarantee interest on twenty-year debentures. The Government have consented to guarantee interest on the Debentures of the maximum amount of Rupees Twenty lacs till they are fully repaid. The present is an opportune time for the issue of the Debentures when interest rates are low.

(In thousands of Rs.)

Liabilities—			
Capital	...	...	5,96
Reserves	...	...	5,18
Total of Capital and Reserves	...	...	11,14
Fixed Deposits	...	...	52,46
Current and other Deposits	...	...	17,91
Total Deposits	...	...	70,37
Due to Bankers	...	...	54
Interest payable	...	...	2,06
Assets—			
Cash	...	...	35
Giltedge investments	...	...	24,38
Total of Liquid Assets	...	...	24,78
Loans and Advances	...	...	54,34
Interest Receivable	...	...	4,96
Profits, etc.	...	...	1,29
Percentage of Capital and Reserves to Total Deposits	...	...	15.8
Percentage to Total Liquid Assets to Total Deposits	...	...	35.1
Profits and Loss Items—			
Brought Forward	...	...	1
Profits	...	...	79
Dividend Distribution	...	...	35
Allocation to Funds	...	...	33
Carried Forward	...	...	2
Dividend Rate per cent.	...	...	6

THE BOMBAY PROVINCIAL CO-OPERATIVE BANK, LIMITED.

Amongst the central provincial co-operative banks, the Bombay Provincial Co-operative Bank occupies an important place alike by the vastness of its resources, the wide sphere of its

THE BOMBAY SAFE DEPOSIT CO., LTD.

FORBES BUILDING, BOMBAY.

ESTABLISHED 1910.

THE BOMBAY SAFE DEPOSIT CO., LTD., offers a service to the public unequalled by any similar organization. ¶ Safes and Strong Rooms are available from Rs. 15/- to Rs. 800/- per annum. ¶ There are Safes suitable for the accommodation of Jewel Cases, Securities, &c., and Strong Rooms large enough to accommodate large chests and similar bulky articles. ¶ There is an extensive, specially designed PACKAGE ROOM where packages and boxes of ALL sizes can be accommodated at very moderate rates.

SAFE RATES.			PACKAGES RATES.		
	Per annum			Per annum	
"A" Size Safe	Rs.	15	1 c. ft.	Rs.	24
"B" " " " " " " " "	"	20	2 " " " " " " " "	"	40
"C & D" " " " " " " " "	"	25	8 " " " " " " " "	"	45
"E" " " " " " " " "	"	40	4 " " " " " " " "	"	50
"F" " " " " " " " "	"	50	Rates for Larger Packages on Application.		
"G" " " " " " " " "	"	100			

OFFICE HOURS:

10 A.M. TO 6 P.M. SATURDAYS 10 A.M. TO 2 P.M.
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AGENTS.

THE MADRAS PROVINCIAL CO-OPERATIVE BANK, LTD.

(Formerly the Madras Central Urban Bank, Ltd.)

Head Office:

Luz, Mylapore, MADRAS

Branch Office:

117, Armenian St., George Town, MADRAS

President: V. RAMADAS PANTULU

Secretary: V. C. RANGASWAMI

The Apex Bank for the Co-operative Movement in the Presidency.

Working Capital Exceeds Rs. 2,41,00,000

Fixed, Current and Prudential Deposits accepted

Collection of bills and issue of drafts on the presidency towns and other important centres in the Madras Presidency are undertaken.

Banking business of every description transacted.

For terms, apply to:—

THE SECRETARY.

activity, and the genuine spirit of co-operation actuating those at the helm of affairs. The Bank has a fine network of branches, there being over thirty branches. The deposits of the Bank are roundabout Rs. 120 lakhs, against which it holds considerable volume of liquid securities. Owing to the absence of opportunities for remunerative investment, the profits suffered a sharp decline, and indeed were made presentable only by the fortunate circumstance that the Bank was able to realise a profit of about Rs. 88,000 by the entire sale of certain Government securities during the year. The securities which the Bank still holds have been valued at or below the current market rates.

As a measure of caution the Directors have decided to pay dividends if any, only once a year, as long as the present depression continues. The dividend has been reduced to 4 per cent.

The Land Mortgage branch has again incurred a loss on the year's working. The Bank is anxious that this branch of its business which it undertook at the instance of the government should be transferred to a separate Land Mortgage Bank to be started by the Government. The Chairman of the Bank is Sir Chunilal Mehta; and the Managing Director is Mr. V. L. Mehta, than whom India has no keener enthusiast in co-operation. The Bank closes its accounts as on March 31.

(In Rupees—000's omitted)

	1930.	1931.	1932.
Liabilities—			
Capital ...	12,88	12,97	12,97
Reserves ...	98	99	99
Debentures ...	9,80	9,80	1,42
Total of Capital Reserves & Debenture	23,66	23,76	24,38
Fixed Deposits ...	76,91	67,53	86,12
Current and other Deposit ...	43,61	51,81	86,12
Total Deposits ...	1,20,52	1,19,34	1,94,87
Due to Government	67	1,20	...

	1930.	1931.	1932.
Assets—			
Cash ...	4,06	3,09	3,68
Giltedge Investment	47,72	33,74	96,23
Total of Liquid Asset	51,78	36,83	99,91
Loans to Co-operative banks, &c. ...	77,22	81,06	68,87
Land Improvement loans ...	4,82	4,40	2,49
Other Loans and Investments ...	17,70	14,90	13,45
Properties, etc. ...	56	64	22
Percentage of Capital and Reserve to total Deposits ...	19.6	19.9	12.5
Percentage of liquid Assets to total Deposits ...	43.0	30.9	51.2

	1930.	1931.	1932.
Profits and Loss Items—			
Brought forward ...	28	19	27
Profits ...	89	92	55
Dividend distribution	77	78	52
Allocation to funds ...	...	...	25
Carried forward ...	19	27	16
Dividend Rate per cent.	6	6	4

THE MADRAS PROVINCIAL CO-OPERATIVE BANK, LD.

Head office; Luz, Mylapore, Madras.

The Madras Provincial Co-operative Bank is, perhaps, the most puissant of the provincial central co-operative banks. Its deposits are nearly Rs. 170 lakhs. Against a paid up capital of Rs. 6.5 lakhs, the Bank has a Reserve Fund of Rs. 11.81 lakhs and a Depreciation Reserve Fund of Rs. 4.57 lakhs. The Madras Provincial Co-operative Bank has the unique good fortune of enjoying the goodwill of such clients as would normally place their deposits. It is, perforce, obliged to have considerable investment in Government securities, which amount to nearly Rs. 1.31 lakhs. Cash and fixed deposits with other banks amount to Rs. 20 lakhs. It will thus be seen that the liquid assets are fully Rs. 1.45 lakhs—an extraordinarily strong position for a co-operative bank. The Bank's profits for 1931-32 are down by Rs. 87 thousands, but this must be attributed to the fact that the period coincided with the period of the acutest slump in trade. Its allocation to reserve and towards depreciation are substantial. It is, perhaps, the only instance of an Indian bank which has fully met the provision for the depreciation on Government securities entirely out of the net profits. The Chairman of the Bank is Mr. Ramdas Pantulu and the Secretary Mr. V. C. Rangaswami, whose great popularity with the influential sections of Madras is largely responsible for the steady increase in the Bank's deposits. The Bank's accounting year ends with June, 30.

(In Rupees—000's omitted)

	1930.	1931.	1932.
Liabilities—			
Capital ...	6,20	6,53	6,53
Reserves ...	9,61	10,23	10,88
Total of Capital and Reserves ...	15,81	16,76	17,41
Total Deposits, Current, Fixed, etc. ...	1,59,94	1,58,56	1,68,54
Due to Bankers ...	7,36	...	14

	1930.	1931.	1932.
Assets—			
Cash ...	1,20	12,05	13,75
Giltedge Investment	58,27	70,09	1,30,90
Total of Liquid Assets ...	59,56	82,14	1,44,65
Loans to Central Banks ...	1,15,00	86,97	39,61
Other Loans and Advances ...	4,20	10,64	4,67
Properties, etc. ...	77	24	1,72
Percentage of Capital and Reserves to Total Deposits ...	9.9	10.6	10.3
Percentage of Liquid Assets to Total Deposits ...	37.3	51.8	86.8

	1930.	1931.	1932.
Profit and Loss Items—			
Brought forward ...	16	24	17
Profits ...	2,44	2,56	1,69
Dividend distribution	56	58	59
Allocation to Funds	1,81	2,05	76
Carried forward ...	24	17	46
Dividend Rate per cent.	9	9	9

NATIONAL BANK OF INDIA, LD.

(INCORPORATED IN THE UNITED KINGDOM)

(Established in India 1863)

Subscribed Capital - - - £4,000,000

Paid-up Capital - - - £2,000,000

Reserve Fund - - - £2,200,000

HEAD OFFICE:

26, BISHOPSGATE, LONDON, E. C. 2.

Branches:

INDIA.	BURMA.	KENYA	UGANDA.
CALCUTTA,	RANGOON,	COLONY.	ENTEBBE,
BOMBAY,	MANDALAY.	MOMBASA,	KAMPALA,
MADRAS,		NAIROBI,	JINJA.
KARACHI,	CEYLON.	NAKURU,	
CHITTAGONG,	COLOMBO,	ELDORET,	
AMRITSAR,	KANDY,	KISUMU.	
CAWNPORE,	NEWARA-ELIYA.	ZANZIBAR.	
DELHI,	ARABIA.	TANGANYIKA	
LAHORE,	ADEN,	TERRITORY.	
TUTICORIN,	STEAMER POINT,	TANGA,	
COCHIN,	ADEN.	DAR-ES-SALAAM.	

CURRENT ACCOUNTS are opened and **FIXED DEPOSITS** are received on terms which may be ascertained on application.

The Bank issues **LETTERS OF CREDIT** and transacts **GENERAL BANKING** and **EXCHANGE BUSINESS** of every description with the principal commercial cities of the world.

The Bank's London Office undertakes to act as Trustee or Executor, prepares claims for recovery of British Income Tax overpaid and compiles Income Tax and Super Tax Returns for the purpose of assessment on terms which may be learned on application.

CALCUTTA OFFICE,
104, Clive Street,

T. T. K. ALLAN,
Manager.

British Banks:

**THE CHARTERED BANK OF INDIA,
AUSTRALIA AND CHINA.**

Among the Eastern Exchanges banks operating in India, the Chartered Bank of India, Australia and China is a premier institution, alike in the size of its capital and the extent of its banking resources. The bank was founded in 1853 and is one of the few banks which are at present operating under Royal charter. It has a widespread branch organisation in India, Dutch East Indies, China, Japan and Federated Malay States and has important offices in New York and Hamburg. It owns nearly 80 per cent. of the capital of the P. & O. Banking Corporation and through it controls the Allahabad Bank.

In recent years, the bank has had to operate under particularly difficult conditions in India and the Far East. The year 1931 was a particularly difficult year for this bank. The abandonment of the gold standard in Great Britain caught the bank with an oversold position in gold currencies and the liquidation of these commitments entailed an exceptionally heavy loss necessitating a transfer of £1 million from the Reserve Fund to meet it. The bank was also affected by the heavy decline in British and Indian Government securities but it was considered unnecessary to provide for this, in view of the subsequent recovery in prices. Judging from the figures in the Balance Sheet as on December 31, 1932, the position of the Bank seems to have improved considerably the deposits are better by £5 million and profits by £70 thousands. The dividend has been maintained at 14 per cent. The customary bonus of 6½ per cent. could not be paid and no allocations were made to reserve fund. The year was another in which trading was extremely difficult and business dull, but the bank is in an exceptionally strong position to weather the depression.

(In Sterling—000's omitted)

	1930	1931	1932
Liabilities—			
Capital	3,000	3,000	3,000
Reserves	4,000	3,000	3,000
Total of Capital and Reserves	7,000	6,000	6,000
Notes in Circulation	1,910	1,965	1,895
Deposits	40,834	38,616	43,633
Acceptances, Bills Payable, &c.	4,444	6,189	3,873
Assets—			
Cash	5,961	5,625	8,431
Investments	11,555	11,518	15,656
Bills of Exchange	11,037	8,349	11,799
Loans and Advances	21,027	22,602	17,740
Property, Acceptance Cover, &c.	2,939	2,742	2,803
Shares in Allied Banks, &c.	2,233	2,293	2,295
Percentage of total Capital and Reserves to Deposits	17.1	15.5	13.7
Percentage of Cash to Deposits	14.6	14.6	19.3

(In Rupees—000's omitted).

	1930	1931	1932
Profit and Loss Items—			
Brought forward	191	183	149
Profit	634	382	454
Dividend distribution	608	420	420
Allocation to Funds	30	...	...
Carried forward	188	149	184
Dividend Rate per cent.	20.25	14.0	14.0

THE EASTERN BANK, LTD.

Head Office: Crosby Square, Bishopsgate, London, E. C. 3.

The Eastern Bank was founded in 1909 and has established branches not only in India but in Mesopotamia, Singapore and Ceylon. Notwithstanding the severe competition in recent times, the bank has succeeded in maintaining a steady level of business. The deposits of the Eastern Bank at the end of 1932 show an increase of £0.4 million over 1931. While cash remains at about the same figure, there has been an increase of about £1½ million in investments. Bills receivable are less by about £0.7 million, and Loans and Advances by £0.6 million. The Bank maintains a very liquid position as disclosed by the fact that against deposits amounting to £8 millions, cash, Investments and Bills Receivable amount to £6.4 million. The profits have not only been maintained but have increased by about £2 thousand. Dividend has been maintained at the same rate. There was a depreciation of £300,000 in the bank's holdings of giltedge securities but owing to the subsequent appreciation the Directors have not thought fit to make any special allocations either from reserves or from profits to cover this deficiency.

(In Sterling—000's omitted)

	1930	1931	1932
Liabilities—			
Capital	1,000	1,000	1,000
Reserves	480	480	500
Total of Capital and Reserves	1,480	1,480	1,500
Deposits	5,577	5,606	6,007
Acceptances, Bills Payable, &c.	3,393	2,502	2,109
Assets—			
Cash	1,261	1,322	1,335
Investments	3,161	3,285	4,361
Bills Receivable	1,588	1,351	696
Loans and Advances	2,678	2,624	1,983
Property, Acceptance Cover, &c.	1,887	1,145	1,367
Percentage of Total Capital and Reserves to Deposits	26.5	26.4	25.0
Percentage of Cash to Deposits	22.6	23.6	22.2
Profit and Loss Items—			
Brought forward	48	50	34
Profits	117	120	122
Dividend distribution	90	60	60
Allocation to Funds	25	75	55
Carried forward	50	34	41
Dividend Rate per cent.	9	6	6

LLOYDS BANK LIMITED.

Head Office: 71, Lombard Street,
London, E. C. 3.

Lloyds Bank, Ltd., is the only Bank among the Big Five of London to operate in India through direct branches. Amongst British Banks, Lloyds Bank is the second largest in England (apart from the Bank of England). It has 1,900 offices in England and Wales. The strength, influence, resources, connections and branches which Lloyds Bank has in Britain are the result of a series of fusions or amalgamations of a number of banking institutions. While the activity at home was thus broadened and strengthened, Lloyds Bank, has, at the same time, taken steps to develop its business in overseas centres. Through its affiliates, it has many branches in France, in centres like Brussels, Antwerp and Geneva, in Italy, South America, West Africa, New Zealand, Egypt, India and Burma. The Indian business (which was acquired through the purchase of Cox & Co.) is controlled by a special Eastern Department of the Bank in London. The balance sheet as at 31st December 1932 reveals an increase in deposits of £48 millions, over the previous year. On the assets side, cash and money at call have increased by £3.5 million. Treasury Bills by £39.3 million, but advances have declined by £26.3 million. The Bank's holding of Government securities was written down in 1931 by a sum of £2½ million transferred from the public reserves, of this £500,000 has been re-transferred to the Reserve Fund, the balance being retained as investment reserve. Profits at £1.6 million was £376,000 less than in the preceding year. The dividend has been reduced from 13½ per cent. to 12 per cent. in 1932. It is reported that the "secret" reserves of the bank are maintained in "abundant strength."

(In Sterling—000's omitted)

	1930.	1931.	1932.
Liabilities—			
Capital	15,810	15,810	15,810
Reserves	10,000	7,600	8,000
Total of Capital and Reserves	25,810	23,310	23,810
Deposits	364,655	333,735	382,103
Acceptances, Endorsements, Guarantees, etc.	42,513	36,141	31,979
Assets—			
Cash	86,280	73,323	90,064
Investments	52,651	51,927	85,859
Bills of Exchange	53,733	42,587	76,788
Loans and Advances	176,908	167,518	141,196
Property, Acceptance Cover, &c.	59,550	54,966	50,914
Shares in Allied Banks, &c.	6,139	5,392	4,733
Percentage of Total Capital and Reserves to Deposits	7.1	7.0	6.2
Percentage of Cash Deposits	23.7	22.0	20.9

(In Sterling—000's omitted.)

	1930	1931	1932
Profit and Loss Items—			
Brought forward	508	511	522
Profit	2,130	1,927	1,551
Dividend distribution	1,727	1,516	1,358
Allocation to Funds	400	400	200
Carried forward	511	522	515
Dividend Rate per cent.	b. 5	b. 5	b. 5

a = on "A" Shares

b = "B" Shares

THE MERCANTILE BANK OF INDIA, LTD.

The Mercantile Bank of India was registered in 1892; and it has had long and influential connections in India. In addition, the Bank has branches and agencies in Ceylon, Malaya, China, Dutch East Indies, Siam and Mauritius. As with other Eastern exchange banks, the loss on Government securities necessitated special measures, for which the Bank transferred £450,000 from the Reserve Fund to inner reserves. Considering that during the year 1932, giltedge securities both in India and London showed remarkable recovery, the inner reserves are now in an exceptionally strong position owing to the release of the funds set apart for the 1931-end shrinkage in giltedge values which have not been transferred back to the Reserve Fund. Even after the transfer of £450,000 from the Reserve Fund, the latter stood on 1st January, 1931, at a figure which was exactly equivalent to the paid up capital, namely, £1,050,000. The Directors have transferred a sum of £25,000 during 1932, from profits to Reserve Fund, this strengthening further. It was the cautious policy of the directors in better years which made the financial position of the Mercantile Bank unassailable by the extreme depression of the past two years.

(In Sterling—000's omitted.)

	1930.	1931.	1932.
Liabilities—			
Capital	1,050	1,050	1,050
Reserves	1,500	1,050	1,075
Total of Capital and Reserves	2,550	2,100	2,125
Notes in circulation	275	175	162
Deposits	13,979	11,220	13,035
Acceptances, Bills payable, etc.	588	952	655
Assets—			
Cash	2,667	1,458	2,142
Investments	6,031	5,774	6,201
Bills receivable	2,517	1,354	2,091
Loans and Advances	5,508	5,325	5,002
Property, Acceptance cover, etc.	921	757	557
Percentage of total Capital and Reserve to Deposits	18.2	18.7	16.3
Percentage of Cash to Deposits	19.0	13.0	16.4

(In Sterling—000's omitted.)

	1930	1931	1932
Profit and Loss Items—			
Brought forward ...	167	167	168
Profits ...	213	152	180
Dividend distribution ...	168	126	126
Allocation to Funds ...	45	25	25
Carried forward ...	167	168	172
Dividend Rate per cent.	16	12	12

THE NATIONAL BANK OF INDIA, LTD.

The National Bank of India Limited, was originally founded in Calcutta as a Rupee company in 1863 but was soon after registered in England and converted into a sterling company. Its principal sphere of activity is in India but it has important business in East Africa, Kenya and Uganda. The accounts for the year ended 31st December, 1932, show an increase of deposits of about £2.8 million. Loans and Advances have declined by about £1.4 million, while cash has increased by about £0.8 million. Investments of the bank in giltedge securities were written down to their market value by the transfer of £800,000 from the Reserve Fund in 1931, which has not been put back even after the appreciation in giltedge securities. The balance sheet shows a very liquid position, the total cash securities and Bills of Exchange amounting to £24,309 thousands against the deposit liability of £30,113 thousands. The dividend for the year 1932 is 20 per cent. less tax which is the same as in the preceding year. Before that the dividend used to be 20 per cent. free of tax.

(In Sterling—000's omitted.)

	1930.	1931.	1932.
Liabilities—			
Capital ...	2,000	2,000	2,000
Reserves ...	3,000	2,200	2,200
Total of Capital and Reserves ...	5,000	4,200	4,200
Deposits ...	30,860	27,804	30,113
Acceptances, Bills payable, etc. ...	1,255	2,711	1,044
Assets—			
Cash ...	4,556	3,919	4,591
Investment ...	13,965	12,956	13,821
Bills of Exchange ...	5,784	5,632	5,897
Loans and Advances ...	12,312	12,013	10,609
Property, Acceptance cover, etc. ...	1,058	843	967
Percentage of Total Capital and Reserves to deposits ...	16.2	15.1	13.9
Percentage of Cash to Deposits ...	14.8	13.7	15.2
Profit and Loss Items—			
Brought forward ...	278	279	279
Profits ...	480	470	450
Dividend distribution ...	400	400	400
Allocation to Fund ...	80	70	80
Carried forward ...	279	279	249
Dividend Rate per cent.	20.0	20.0(a)	20

(a) Subject to tax.

NATIONAL PROVINCIAL BANK, LTD.

Head Office: 15, BISHOPSGATE, LONDON, E. C. 2.

(Represented in India by Messrs. Grindlay & Co., Ltd.)

(000's omitted)

	1931.	1932.
	£	£
Liabilities—		
Capital and Reserves ...	17,479	17,479
Undivided Profits ...	804	778
Acceptances ...	9,230	6,206
Deposit and Current Accounts	261,928	291,823
Total ...	289,439	316,283

Assets—

Cash in hand and at Bank, etc. ...	39,048	39,884
Investments ...	36,242	64,132
Cash at call and short notice	18,793	17,690
Discounts and Advances ...	179,068	181,160
Buildings and sundries including cover for acceptances ...	16,286	13,416
Total ...	289,439	316,283

THE P. & O. BANKING CORPORATION, LTD.

Head Office: 117-122, LEADENHALL STREET, LONDON, E. C. 3.

The P. & O. Banking Corporation was founded in 1920 and among the original allottees of shares in this Bank were the Westminster Bank, Lloyds Bank, the National Provincial Bank and the P. & O. Steam Navigation Co. The bank's progress has not been as spectacular as was anticipated at the time of inception, owing largely to the severe post-War slump and unsettled conditions in the East. In spite of these difficulties, the Bank has been able to secure for itself an important position among the Eastern Exchange banks. Towards the end of 1920, the Bank acquired practically all the ordinary capital of the Allahabad Bank, Limited, and through it, controls a prosperous inland banking business. In 1927, however, the P. & O. Bank, in its turn, was affiliated to the Chartered Bank of India, Australia and China. The deposits of the bank which during the three years previous to 1932 remained steady at about £8 million have come down to about £7 million. The bank has also been in the habit of raising all its resources through loans against securities and this item during the last two years has shown a considerable expansion. There has been a considerable expansion in the Bank's portfolio of Rupee Treasury Bills. Owing to the comparatively small percentage of government securities among its assets, the Bank did not suffer very much from having to write down investments; and profits have been maintained at the same level as in the previous three years. The dividend is 5 per cent., leaving £38,000 to be carried forward.

(In Sterling—000's omitted.)

	1930.	1931.	1932.
Liabilities—			
Capital	2,594	2,594	2,594
Reserves	180	180	180
Total of Capital and Reserves	2,774	2,774	2,774
Deposits	8,095	7,713	6,898
Acceptances, Bills payable, etc.	7,799	8,065	4,576
Assets—			
Cash	1,532	727	2,375
Investments	1,971	4,444	3,757
Bills receivable	6,953	3,405	2,102
Loans and Advances	7,441	8,883	4,824
Property, Acceptance cover, etc.	1,309	698	592
Shares in Allied Banks, etc.	590	590	590
Percentage of Total Capital and Reserves to Deposits	34.8	36.0	40.2
Percentage of Cash to Deposits	18.9	9.4	34.4
Profit and Loss Items—			
Brought forward	20	26	32
Profits	107	108	107
Dividend distribution	102	103	101
Allocation to funds ... ..	...	...	...
Carried forward	26	32	38
Dividend Rate per cent.	5	5	5

Note:—Year ends 31st March.

THOS. COOK & SONS (BANKERS), LTD.

(In £000's omitted)

	1931.	1932.
Liabilities—		
Capital	125	125
Reserve Fund	125	125
Current Deposits and other accounts	2,624	2,974
Liability to customers on account of engagements, etc., as per contra	14	22
Total	2,887	3,246
Assets—		
Cash in hand and balances with bankers	366	1,489
Currencies in hand	22	26
Remittances in transit	345	290
Money at call and short notice	120	295
Bills discounted	1,078	332
Investments (at below market value, depreciation having been provided out of the year's profits)	620	519
Advances to customers and other accounts	225	217
Bank premises and furniture, at cost less amounts written off	65	61
Liability of customers for engagements, etc., as per contra	14	17
Total	2,887	3,246

Foreign Banks:

THE AMERICAN EXPRESS COMPANY, INC.

Affiliated with the Chase National Bank.

(In Dollars—000's omitted).

	1930.	1931.	1932.
Liabilities—			
Capital	6,000	6,000	6,000
Reserves and Undivided Profits	2,470	3,290	3,586
Deposits	20,117	15,437	13,396
Acceptances	4,233	1,472	1,141
Other liabilities	5,386	3,174	3,156
Assets—			
Cash	16,305	16,459	15,995
Giltedge Investments	3,191	1,706	686
Loans and Advances	10,533	6,688	5,311
Acceptances	4,233	1,472	1,141
Property and other assets	3,953	3,048	4,146

BANK OF TAIWAN, LTD.

(In yens—000's omitted).

	1930.	1931.	1932.
Liabilities—			
Capital	15,000	15,000	15,000
Reserves	414	1,214	1,544
Notes in Circulation	39,908	44,420	43,442
Deposits	239,848	236,426	243,300
Bills rediscounted	133,368	140,190	82,122
Acceptances	9,271	6,636	5,613
Other Liabilities	2,062	1,940	41,462
Assets—			
Cash	24,139	26,980	27,724
Investments	86,231	87,230	91,877
Loans and Bills discounted	308,857	313,293	296,146
Acceptances	9,271	6,636	5,613
Other Assets	11,372	11,687	11,620

CHASE NATIONAL BANK.

The American Express Company is an affiliate of the Chase National Bank of the City of New York. This is no small distinction as the Chase Bank has, to-day, the pride of place amongst world banks for the size of its capital, reserves and deposits. The capital of the Chase Bank is \$148 million, surplus \$124 million and undivided profits \$11.1 million. Deposits amount to \$1,466 million while the total resources come to \$1,726 million. To the extent that the Chase National Bank occupies a front rank amongst the world's financial institutions, it has both its penalties and its privileges. The penalties in the case of a bank of such a position are that during a period of world-wide economic depression and trade stagnation, making of profits is a difficult matter and accrual of losses is easy. A Bank like the Chase National Bank must have gone through many complete revolutions of the business cycle and experienced good times and bad times. Yet, through each successive period of economic depression and financial adversity,

the Bank has striven to be helpful to the full measure of its power and it has invariably emerged from such trying periods with many new friends, enhanced reputation and enlarged opportunity for usefulness.

(In Dollars, 000 omitted).

	1931	1932
	\$	\$
Liabilities—		
Capital	148,000	148,000
Surplus	124,000	100,000
Undivided profits	20,789	11,130
Reserve for taxes, interest, contingencies etc.	28,650	15,937
Dividend payable Jan. 1	5,550	3,700
Deposits	1,328,737	1,466,039
Circulating notes	16,132	...
Acceptances; less amount in portfolio	146,612	89,507
Liability as endorser on acceptances and foreign bills	35,028	1,218
Other liabilities	13,190	20,759
Total	1,866,688	1,856,290

	\$	\$
Assets—		
Cash and due from banks	327,874	391,297
United States Government securities	178,553	214,997
Short term municipal securities maturing within two years	11,907	75,213
Other State and Municipal securities	7,011	7,813
Other short-term securities maturing within two years	39,174	41,093
Federal Reserve Bank stock	8,160	8,160
Other bonds and securities	86,184	99,427
Loans and discounts	1,025,868	887,187
Real estate	33,754	32,716
Redemption Fund— United States Treasurer	810	...
Customers' acceptance liability, less amount in portfolio	137,782	85,812
Other assets	11,813	12,576
Total	1,866,688	1,856,290

	1931	1932
Assets—		
Cash in hand and at Bank	901	1,538
Bills of exchange discounted and French Treasury Bills	5,131	5,999
Credit balances with banking correspondents	2,171	880
Advances against collateral	385	294
Investments	8	13
Branches abroad	17	29
Current Accounts	1,445	1,265
Liability of customers on acceptances	247	70
Sundry Accounts	75	19
Bank premises	15	16
Total	10,396	10,122

THE HONGKONG AND SHANGHAI BANKING CORPORATION.

Head Office : HONGKONG.

The Hongkong and Shanghai Banking Corporation owes its existence to a special ordinance of the Legislative Council of Hongkong in 1867. The Bank has a particularly strong reserve position, there being a sterling reserve of £8.5 million. In these calculations, sterling exchange has been taken at 1/3d. during the present year. Adopting the same exchange rate, deposits amount to the substantial figure of £58.2 million. The notes in circulation are £8.59 million. Against these the Bank has, in cash and bullion, £20.8 million. Giltedge securities amount to £18.1 million. It will thus be seen that the Bank has not only a tremendous reserve position but a substantial liquid position. That a bank of this size and with these resources should have felt the effects of the economic blizzard is somewhat surprising—but not so surprising if it is remembered that a large part of the operations of the Bank are done in China which has had its political troubles and currency fluctuations. In spite of the difficult conditions in which the Bank has had to carry on its business, it has been able to meet the exceptional losses from current profits, which shows that the earning power of the Bank is as sound as ever.

COMPTOIR NATIONAL D'ESCOMPTE DE PARIS.

(In million Frs.).

	1931.	1932.
	Frs.	Frs.
Liabilities—		
Current and deposit accounts	9,020	9,055
Fixed Deposits	134	48
Acceptances	247	70
Sundry Accounts	138	90
Shareholders' Account	23	23
Reserves	434	436
Capital	400	400
Total	10,396	10,122

(In Sterling—000's omitted.)

1930. 1931. 1932.

Sterling Exchange taken at
1/1½d. 1/5½d. 1/3d.

	1930.	1931.	1932.
Liabilities—			
Capital	1,094	1,438	1,250
Sterling Reserve	6,800	6,500	6,500
Silver Reserve	519	719	625
Total of Capital and Reserves	8,113	8,657	8,375
Notes in Circulation	5,917	9,289	8,591
Deposits	50,605	55,594	58,227
Acceptances and Bills payable	883	1,161	1,134

Assets—	1930	1931	1932
Cash ...	13,162	15,411	20,842
British Government, Indian, Colonial and other securities ...	15,529	17,554	18,124
Bills discounted, loans, credits, acceptances, etc. ...	36,660	41,089	36,917
Bank Premises ...	1,077	1,409	1,230

Profit and Loss Items—	1930	1931	1932
Brought forward ...	3,387	3,429	3,422
Profits ...	20,727	16,849	16,894
Dividend distributed ...	19,135	15,894	15,297
Allocation to funds ...	1,500	500	...
Carried forward ...	3,429	3,422	3,439
Dividend rate per share	£7	£6	£6

THE MITSUI BANK, LIMITED.

(In Yens—000's omitted)

	1931.	1932.
	Yen.	Yen.
Liabilities—		
Deposits (current, fixed, etc.)	637,443	637,649
Foreign bills sold ...	1,983	1,250
Due to foreign banks in- cluding discounts) ...	15,941	17,169
Due to inland correspondents	470	592
Outstanding cheques ...	200	276
Liabilities under L/C. etc.	3,547	8,429
Interest accrued on deposits not due ...	8,872	7,045
Rebate on bills not due ...	2,104	2,776
Provisional receipts, etc. ...	289	409
Capital ...	100,000	100,000
Reserve Funds ...	50,800	51,800
Pension funds ...	4,028	4,507
Profit for the half-year in- cluding—balance from last account, Yen 4,037 trans- ferred from pension fund, Yen 267 ...	4,594	9,708
Total ...	828,291	891,611

Assets—	1931	1932
Cash in hand and at the Bank of Japan, etc. ...	58,310	49,046
Money at call and short notice ...	17,150	42,660
Japanese and Foreign government bonds ...	85,240	103,148
Municipal and other bonds	104,086	132,431
Stocks ...	770	549
Loans and discounts ...	434,994	429,890
Foreign bills purchased ...	33,825	62,777
Due from foreign banks ...	33,501	7,084
Due from inland corres- pondents ...	369	230
Customers' liabilities under L/C., etc., per contra ...	3,547	8,429
Provisional payments ...	28	306
Bank premises and real estates ...	16,474	15,061
Capital uncalled ...	40,000	40,000
Total ...	828,291	891,611

Appropriation of Profit—	1931	1932
Reserve Fund ...	...	1,000
Pension Fund ...	548	573
Bonus ...	...	280
Dividend to shareholders ...	2,400	2,400
Balance carried forward ...	1,646	5,455
Profit for the half-year ...	4,994	9,708

THE NATIONAL CITY BANK OF NEW YORK.

Till two years ago, the National City Bank of New York had the distinction of being the largest Bank in the world alike in regard to capital, reserves and deposits. The first place has now, however, being secured by the Chase National Bank, which, as a result of the latest amalgamation, has now the world record figure for capital, reserves and deposits. It may be said that the National City Bank of New York is, to-day, the second largest Bank in the world. Its paid up capital is \$124 million, surplus \$76 million and undivided profits \$5 million. Deposits aggregate to \$1,299 million. Total resources amount to \$1,445 million. Though these figures are lower than the record years of 1929 and 1930, they are yet commensurate with the times and the size of the Bank. The Bank has maintained the largest liquidity. Mr. C. E. Matchell, Chairman of the Bank, was proud to claim that "the National City Bank of New York, the National City Company and the City Bank Farmers' Trust Company, all forming a single 'National City' organisation, entered the new year equipped more completely and efficiently than ever to render a complete commercial and investment and trust service."

(In million dollars).

	1931.	1932.
	\$	\$
Liabilities—		
Capital ...	124	124
Surplus ...	90	76
Undivided profits ...	12	5
Reserves ...	47	37
Liability as acceptor, endorser or maker on acceptances and bills ...	137	74
Deposits ...	1,261	1,299
Total ...	1,671	1,615

Assets—	1931	1932
Cash in vault and in Federal Reserve Bank ...	179	197
Due from banks and bankers	144	103
Loans, discounts and bankers' acceptances ...	792	620
United States Government Bonds and certificates ...	208	365
State and Municipal Bonds ...	19	53
Stock in Federal Reserve Bank	7	7
Other Bonds and Securities ...	105	120
Ownership of International Banking Corporation ...	8	8
Bank Buildings ...	61	60
Items in transit with branches	...	...
Customers' liability account of acceptances ...	23	10
Other assets ...	119	66
	7	6
Total ...	1,671	1,615

**NEDERLANDSCHE HANDEL-
MAATSCHAPPIJ.**

Liabilities—

*(In Sterling—000's omitted)
converted at 12s=1£*

Capital ...	6,669	6,669	6,669
Reserves ...	8,918	8,835	1,668
Total of Capital and Reserves ...	10,587	10,004	8,837
Deposits ...	88,897	86,822	25,106
Bills Payable ...	8,565	8,192	1,024
Sundry Creditors ...	5,800	4,848	2,898
Assets—			
Cash ...	8,649	9,481	7,297
Investments ...	4,247	6,998	7,765
Bills Receivable ...	11,867	12,614	9,009
Loans and Advances ...	19,918	21,999	9,684
Properties ...	1,889	1,985	2,868
Sundry Debtors ...	18,384	2,157	1,174
Percentage of Total Capital and Reserves to Deposits ...	31.7	27.5	87.2
Percentage of Cash to Deposits ...	10.9	26.1	29.1

THE SUMITOMO BANK, LIMITED.

Head Office : OSAKA, JAPAN.

(In Yen—000's omitted).

	1931.	1932.
	Yen.	Yen.
Liabilities—		
Deposits ...	667,132	735,187
Exchange sold ...	10,868	13,218
Due to other banks ...	4,188	4,175
Foreign credits, acceptances and guarantees ...	5,051	9,311
Accrued interest, unearned discount, etc. ...	10,282	11,940
Capital subscribed ...	70,000	70,000
Reserve fund ...	24,000	25,500
Pension reserve ...	1,881	1,897
Balance of profit brought forward from previous half-year ...	1,834	2,068
Net profit for this half-year ...	2,617	3,887
Total ...	797,851	877,183
Assets—		
Cash in hand ...	49,794	49,383
Money at call and short notice ...	11,900	24,850
Bonds, debentures and other securities ...	247,841	261,486
Bills discounted ...	49,170	61,526
Loans ...	365,323	386,151
Securities lent ...	1,339	685
Exchange purchased ...	17,741	40,063
Due from other banks ...	9,959	4,075
Customers' liabilities on foreign credits, acceptances and guarantees ...	5,051	9,310
Bank premises ...	19,740	19,662
Capital unpaid ...	20,000	20,000
Total ...	797,851	877,183

	1931	1932
Dr.		
Profit and Loss Items—		
Reserve fund ...	500	1,500
Dividend ...	1,750	1,750
Pension reserve ...	800	500
Bonus ...	80	80
Balance carried forward to next half-year ...	1,820	2,128
Total ...	4,450	5,955

Cr.		
Balance of Profit—		
Brought forward from previous half-year ...	1,834	2,068
Net Profit for this half-year ...	2,617	3,887
Total ...	4,451	5,955

THE YOKOHAMA SPECIE BANK, LIMITED.

Head Office : YOKOHAMA.

The Reports and Accounts of the Yokohama Specie Bank are published for half-yearly periods, January to June and July to December.

Below are given details of the Balance Sheets as at December 31, 1931 and 1932, and the Summary of Profit and Loss Accounts for the half-years ended December 31, 1931 and 1932. After making due provisions for all bad and doubtful debts, rebate on bills, etc., the net profit for the half-year ended December 31, 1932, was Yen 12,159,464 inclusive of Yen 5,077,283, being the carry forward from the last account. From the above profits, Yen 1,300,000 was added to the reserve fund, a dividend at the rate of 10 per cent. per annum was paid, the total amount required for the purpose being Yen 5,000,000. The carry forward to the next account is Yen 5,859,464.

(In thousand Yen).

	Dec. 31, 1931.	Dec. 31, 1932.
Liabilities—		
Capital issued and fully paid ...	100,000	100,000
Reserve Fund ...	116,200	118,450
Reserve for doubtful debts ...	3,740	3,810
Notes in circulation ...	11,330	6,596
Deposits (current, fixed, etc.) ...	570,589	680,157
Bills payable, bills rediscounted, acceptances and other sums due by the bank ...	484,019	552,990
Dividends unclaimed ...	4	9
Balance of profit and loss brought forward from last account ...	5,638	5,077
Net profit for the last half-year ...	5,340	7,082
Total ...	1,296,859	1,474,173

Assets—		Profit and Loss Account—	
Cash account—		Reserve fund	1,100 1,300
In hand	21,832 36,822	Dividend—	
At bankers	93,506 97,583	Yen 5.00 per share for	
Investments in public securities and debentures at current market price	344,549 451,042	- 1,000,000 shares	5,000 5,000
Bills discounted, loans, advances etc.	400,986 394,925	Balance carried forward to next account	4,878 5,859
Bills receivable and other sums due to the bank	412,613 470,557	Total	10,978 12,159
Bullion and foreign money	406 686	Balance brought forward June 30, 1931	5,638 5,077
Bank's premises, properties, furniture etc., estimated at cost price, less allowance for depreciation	22,968 22,558	Net profit for the half-year ending December 31st 1931 (after making provision for bad and doubtful debts, rebate on bills etc.)	5,340 7,082
Total	1,296,859 1,474,173	Total	10,978 12,159

THE BANK OF INDIA, LD.

ESTABLISHED 7th SEPTEMBER, 1905.

CAPITAL SUBSCRIBED ... Rs. 2,00,00,000

CAPITAL PAID UP ... Rs. 1,00,00,000

RESERVE FUND ... Rs. 1,00,00,000

Head Office:—ORIENTAL BUILDINGS, BOMBAY.

Branches:—BULLION EXCHANGE (Shaikh Memon St., BOMBAY) BANDRA near BOMBAY, AHMEDABAD, AHMEDABAD (Station Branch) CALCUTTA, Bara Bazar, CALCUTTA. POONA, POONA CITY, RAJKOT, SURAT.

London Agents:—THE WESTMINSTER BANK, LD.

DIRECTORS:

Sir Cowasjee Jehangir, Baronet (Messrs. J. Cowasjee Jehangir & Co., Ltd. Bombay), *Chairman*.

Mr. F. E. Dinshaw (Messrs. Payne & Co., Bombay).

Mr. Ambalal Sarabhai (Ahmedabad).

Sir Joseph Kay, Kt. (Messrs. W. H. Brady & Co., Ltd., Bombay).

Mr. Andrew Geddis (Messrs. James Finlay & Co., Ltd., Bombay).

Sir Chunilal V. Mehta, K.C.S.I., of Bombay.

Mr. Paliram Mathradas. (Messrs. Ramnarain Sons. Ltd. Bombay).

Sir Cowasjee Jehangir, (Junior), K.C.I.E., O.B.E.

Current Deposit Accounts—Interest allowed on daily balance @ 1%. No interest will be allowed which does not amount to Rs. 5 per half-year.

Fixed Deposits.—Deposits are received fixed for one year or for shorter periods at rates of interest which can be ascertained on application.

Savings Bank.—Accounts opened on favourable terms. Rules on application.

The Bank Undertakes Executor and Trustee Business.—Rules may be obtained on application.

General Banking Business Transacted, rules for which can be obtained upon application.

Calcutta Branch:—9, CLIVE STREET.

J. N. ROSE, AGENT.

A. G. GRAY, MANAGER.

INSURANCE SECTION I:

LIFE INSURANCE

The growth of Indian Insurance business has been rather uneven. While the importance of Life Insurance has been recognised since the middle of the 19th Century, it was not until after the war that companies were established in India to transact fire, marine, and other general insurance. The earliest life office to be established in India was the Madras Equitable, which was founded in 1829, but this company ceased operation soon after the war. The Oriental of Bombay is the oldest Joint Stock Company organised to transact Life business. It was established in 1874 and has been uniformly successful since its inception. Several other companies have been subsequently organised and have achieved a large measure of success; but it was only after the year 1920 that the Indian Companies entered upon an era of spectacular progress. The usual test of the progress of life insurance companies is the total volume of business transacted every year and the following table shows the extent of new business secured by Indian companies and the volume of business outstanding at the end of each year:

Year	New Business written during the year	Total Business remaining in force at year-end
1920	5,17 lakhs	31 crores
1921	5,47 "	34 "
1922	5,64 "	37 "
1923	5,85 "	39 "
1924	6,89 "	42 "
1925	8,15 "	47 "
1926	10,35 "	53 "
1927	12,77 "	60 "
1928	15,41 "	71 "
1929	17,29 "	82 "
1930	16,50 "	89 "

The figures for 1931 and 1932, are not yet available in collective form, but an examination of the Balance Sheets reveals that the business of the more important companies has shown an increase in 1932 over that of 1931.

Non-Indian companies also transact life insurance business in India and many of them had been established in India long before any Indian companies were organised. In recent years, however, the ratio of business secured by them has shown a progressive tendency to decline.

In addition to the insurance companies which are subject to the provisions of the Indian Life Insurance Companies' Act of 1912 and the amending Act of 1928, the Post Office carries on life assurance business for the benefit of the Government servants. Statistics of the Postal Insurance Fund are given hereunder.

New Business effected during the year

Total business remaining in force at year-end.

Year ending 31st March.	No. of policies.	Total sums assured	No. of policies.	Total sums assured & business	Total Income	Life Assurance Fund at year-end
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(In thousands of Rs.)

1929	7,582	1,43,41	64,474	19,02,47	63,17	3,84,44
1930	8,894	1,49,56	71,479	14,17,81	69,36	4,02,80
1931	9,710	1,50,38	79,058	15,32,85	76,05	4,46,46

According to a statement published by the United States Department of Commerce, the amount of life assurance in force per capita in various countries was as under, at the end of 1929:—

Country	Per Capita (In \$)	Per Capita (In Rs.) at par of exchange
U. S. A.	843	2,318.2
Canada	640	1,760.0
New Zealand	358	984.5
Australia	273	750.7
United Kingdom	266	731.5
Sweden	205	563.7
Italy	152	418.0
Norway	137	378.7
Netherlands	123	338.2
India	2	5.5

The total assets of Indian companies at the end of 1930, amounted to Rs. 27 crores and these were invested to the extent of 72 per cent. in Government of India rupee securities. Loans on the surrender value of policies and mortgages absorbed about 13 cent. of the funds. During the last two or three years, for which, however, no collective statistics are available, there has been a growing tendency to invest a larger percentage of life funds in the sterling securities of the Government of India.

The total assets in India of non-Indian companies at the end of 1930, amounted to Rs. 31½ crores the bulk of which amount—nearly Rs. 29 crores—represents the Indian assets of companies incorporated in the United Kingdom, and nearly 4½ crores those of companies constituted in the Dominions and Colonies. The Indian assets of American Companies amount to a little over 2 lakhs, those of Continental Companies to nearly 2 lakhs, of the Japanese to 5½ lakhs, and of the Javanese to a little over 1/3 lakh. Out of this 34 crores, 30 crores represent Indian Assets of

ZENITH LIFE

SAFETY FIRST

ASSURANCE

CLEAN SERVICE

COMPANY LTD.

JUST-FAIR

OF BOMBAY

DEPENDABLE

EMPIRE OF INDIA

Life Assurance Company, Limited.

(ESTD. 1897)

Annual Income exceeds

Rs. 69,00,000

P
R
O
V
I
D
E
S

Assets exceeds

Rs. 4,25,00,000

COMPLETE SECURITY.

"The Empire of India, it may be stated in brief, is stronger than ever and is probably sounder in finance than any other INDIAN COMPANY."

Indian Insurance Journal, June, 1933.

For particulars please ring up Cal. 2007. or write to:—

MESSRS. D. M. DAS & SONS, LTD.

28, DALHOUSIE SQUARE, :: :: CALCUTTA

Chief Agents:

BENGAL, BIHAR, ORISSA & ASSAM.

Companies which carry on life business in India, either solely or along with other Insurance business.

In the matter of their investment policy it is gratifying to note that a more scientific policy is dawning upon the minds of Insurance Companies established in India. Formerly, there was hardly any company which adopted an active and rational investment policy. The general tendency was to purchase giltedge securities as and when funds accumulated and lock them away. Seldom was advantage taken of the disparity

in yields of securities of different maturities with a view to increase the average rate of interest on investments and bring down the book value of securities. An active policy of the character indicated would not altogether relieve life insurance companies of the necessity of having to provide against depreciation of investments in abnormal times. But it would certainly mitigate the severity of this influence. The leading British offices are known to adopt this policy with beneficial results on the yield of their investments.

NEW BUSINESS FIGURES

INDIAN INSURANCE COMPANIES

Name of Company	Year Ending	1930	1931	1932
Oriental	31st Dec.	5,44,09	5,35,61	5,94,01
Hindustan	30th Apr.	1,15,81	1,42,59	2,00,00 (a)
National*	31st Dec.	1,18,55	1,82,81	1,55,74
Empire	28th Feb.	1,10,12	1,05,27	1,11,56
New India	31st Mar.	38,24	71,04	88,37
Bharat	31st Dec.	1,00,00	79,09	...
Lakshmi	30th Apr.	70,45	55,19	70,39
Bombay Mutual	31st Dec.	56,95	69,37	75,63
Bombay Life	31st Dec.	59,98	59,66	...
Industrial and Prudential	31st Dec.	45,85	50,41	...
United India	31st Dec.	31,82	42,94	...
Asian	31st Dec.	32,09	40,17	32,63
Metropolitan	31st Dec.	Nil	39,85	...
General Assurance	31st Dec.	39,05	31,67	35,22
Western India	31st Dec.	Nil	31,53	37,18
Zenith	31st Dec.	19,50	21,50	23,70
East and West	31st Dec.	18,59	18,56	20,82
Great India	31st Dec.	10,61	17,18	...
Jupiter General	30th June	13,62	15,08	15,53
Unique	31st May	9,59	14,06	...
Asiatic Govt. Security	31st Dec.	9,65	8,59	10,18

(a) The actual amount is over this figure

A GOOD NEWS IN BAD TIMES

The results of the 2nd Valuation for the period of
4 years ending 30th April, 1932

OF THE
LAKSHMI INSURANCE CO., LTD., LAHORE

INDIA'S MOST PROGRESSIVE AND NATIONAL LIFE OFFICE

DISCLOSE

A SURPLUS of Rs. 5,24,371

with a *Reversionary Bonus* of Rs. 18/- per
thousand per annum of Whole Life Policies
and Rs. 15/- per thousand per annum
on Endowment Policies.

Business completed during the year ending
30th April, 1933. OVER Rs. 80,00,000

**A POLICY WITH THIS PROGRESSIVE COMPANY
IS THE BEST AND SAFEST INVESTMENT**

Head Office :

LAKSHMI BUILDING, McLEOD ROAD, LAHORE

Branches at :

AGRA, BOMBAY, CALCUTTA, DELHI, JULLUNDUR, KARACHI, LAHORE, MADRAS,
MORADABAD, NAGPUR, NAIROBI (B. E. AFRICA), RAJAMUNDRY,
RAWALPINDI, ROHTAK AND SIALKOT.

Chief Agencies at :

AJMIR, AHMEDABAD, AMBALLA, HYDERABAD, LYALLPUR, PATNA.

INSURANCE SECTION II:

FIRE AND MARINE INSURANCE

The Fire and Marine Insurance market in India till the close of the war, was dominated by the companies registered outside India. It is true that the Triton Insurance Company was founded in Calcutta with a rupee capital as long ago as 1850 and the Indian Mercantile Insurance Co., was started in Bombay in 1907 and both have been quite successful in their respective cities. But it was not till 1919 that Indian Companies were organised with a view to develop a distinctively national insurance market outside the sphere of life assurance.

The following table gives the names of the Indian general insurance offices with their paid up capital, date and place of registration.

Name of Companies	Date of registration	Place of registration	Paid up Capital
New India Assurance	1919	Bombay	71,21,000
Jupiter General Insurance	1919	Bombay	23,75,000
Vulcan Insurance	1919	Bombay	15,99,000
Triton Insurance	1850	Calcutta	5,75,000
Universal Fire and General Insurance	1919	Bombay	6,35,000
British India General Insurance	1919	Bombay	10,00,000
Indian Mercantile Insurance	1907	Bombay	4,23,000
Hukumchand Insurance	1929	Calcutta	10,00,000
Crescent Insurance	1919	Bombay	1,47,000
Burma Fire and Marine Insurance	1919	Rangoon	15,00,000
Total			1,63,75,000

With the exception of the Burma Fire and Marine Insurance Company, Limited, which was floated in Rangoon in 1919 and the Hukumchand Insurance Company, which was incorporated as late as 1929 in Calcutta, all the other newly established offices have their head-quarters in Bombay. The Burma Fire and Marine Insurance Company, after a successful career of 12 years, was wound up voluntarily in the year 1931. The Crescent Insurance Company, although originally incorporated with the object of transacting all classes of business, has latterly confined itself more or less to life assurance business. The total paid up capital of the 8 remaining companies in the above list amounts to Rs. 1,47,00,000. There are a few other companies with comparatively small paid up capital transacting miscellaneous business, such as motor car and employers' liability insurance.

The aggregate net premium income of all these companies from business under-written in India in 1930 amounted to only Rs. 61 lakhs against a net total premium income of both Indian and non-Indian companies of Rs. 284

lakhs. The New India, the Jupiter, the Vulcan, The Triton and the Universal have also important business connections outside India and derived a net premium income of Rs. 106 lakhs in 1930 from their operations in the foreign field. The total premium income inclusive of foreign revenue, was Rs. 167 lakhs. During 1931 and 1932, though no official figures are available as yet, the amount of business done by Indian Companies in common with that done by European Companies has shrunk considerably, for which the acute world-wide depression is chiefly responsible. The amount of business which Indian Companies have so far been able to under-write in a year is small in comparison with their capitalisation. A much larger business can be handled by them with the resources in their command.

The distribution of premium income among the non-Indian companies during 1930, is shown by the following table:—

Country of Incorporation	No. of Companies included	Country of Incorporation			Total
		Fire	Marine	Miscellaneous	
Great Britain	60	90	18	57	165
Dominions & Colonies	19	15	19	4	38
United States	10	9	3	—	12
Continent of Europe	15	4	1	—	5
Others	14	2½	½	—	3
Total	118	120½	41½	61	223

Statistics are not available in respect of the gross premium income derived from all classes of insurance business and the figures given in the official Insurance Year-Book are net figures after deduction of re-insurance premia. The total premium income of Rs. 284 lakhs for the year 1930 is composed of Rs. 146 lakhs from fire, Rs. 51 lakhs from marine, and Rs. 87 lakhs from miscellaneous insurance.

Under the Insurance Companies act of 1928, companies transacting business in India are obliged to furnish the Government with statistics of only the net premium income derived from India for which credit is taken in the accounts. This is not a satisfactory state of affairs. The time has come when the Government should consider the desirability of amending the said Act, making it obligatory on insurance companies to disclose their gross premium and net income on their Indian business.

The Official publications giving the Revenue for 1931 and 1932, are not available now. But from the balance sheets already to hand, of the principal offices, it is possible to form some

idea of the trend of business during those two years. In the fire branch owing to shrinkage of values and lower stocks carried by industries, a general contraction of premium income was bound to be felt. The following figures give the net premium income from fire business of the New India, The Jupiter, and The Triton for the three years 1930, 1931 and 1932.

(In lakhs of Rupees).			
	1930	1931	1932
New India	47.15	47.99	42.05
Jupiter General	...	10.19	12.54
Triton	8.69	6.91	6.52

It may be seen from the above figures that the business has fallen considerably in 1932. But the special forces that have prevailed during the last two years would have had their full effect realised by the British offices operating in India. Indian Offices transacting business abroad report a substantial decrease in premiums from business done abroad, but the fall has been compensated by the accretion of a larger proportion of home business. The fire loss experience shows a slight improvement, and underwriting reserves have been in certain cases further strengthened.

In the Marine Insurance branch, the small proportion of business that India had has

been further reduced by the unsettled conditions in the market. The scramble for business has necessitated the cutting of rates to ridiculously low levels, leaving little margin of profit. The only factor that tended to support the market, oddly enough, was the heavy export of gold from Bombay, which has been steadily maintaining a demand for insurance cover. It would seem however, that the bulk of this business has been handled by British Offices.

Conditions in the marine insurance market in England were no better. Owing to the insular feelings aroused by the severity of the trade slump, countries have raised tariff walls as high as the skies, blocking international trade. Consequently British exports have declined and the request for marine insurance has correspondingly decreased. However some of the British companies have done better in 1932, than in 1931. This increase is not wholly to be welcomed as it increases the commitments of the companies. In some cases an increase is to be explained by altered basis of converting foreign business or the fact that there was lesser proportion re-insured in 1932 than in 1931. But the reserves of most companies are quite substantial and therefore, there is no fear of the companies not being able to meet their commitments.

ASIATIC GOVERNMENT SECURITY LIFE ASSURANCE CO., LTD.

(INCORPORATED IN MYSORE)

(Head Office:—BANGALORE)

Chairman: Dr. F. H. Noronha, M.B., Ch.B. (Edin.), D.P.H. (Camb)

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V. RANGASWAMI, B.A., B.L., F.C.I.,
General Secretary & Manager.

INSURANCE SECTION III

REVIEWS OF BALANCE SHEETS

(INDIAN INSURANCE COMPANIES)

THE ASIAN ASSURANCE COMPANY, LTD.

Head Office: BOMBAY.

Since the Asian Assurance Company came to receive the co-operation as Chairman of Mr. Jamnadas Mehta and since Mr. Fozdar has been its Manager, this Company has made remarkable progress as will be shown by the following table:

	1929	1931	1932
Number of proposals...	2,743	3,402	2,724
Number of policies issued	2,078	2,574	2,063
Fees value of proposals	41,30,000	55,01,550	46,19,500
Amount assured	31,70,500	40,17,100	37,68,125
Total premium income	5,85,970	7,93,570	7,88,587
Total business in force	1,15,65,970	1,32,62,025	1,48,40,801
Life Fund	14,10,594	20,87,069	24,50,735

In 1932, the Company underwrote new business of Rs. 88 lakhs; and at the end of the year the life fund stood at Rs. 24.5 lakhs. Against total assets of Rs. 29.75 lakhs, the Asian has invested Rs. 11 lakhs in giltedge and bonds; Rs. 1.86 lakhs in mortgages on property; Rs. 4.86 lakhs in Loans on policies; Rs. 2.6 lakhs in secured loans and Rs. 6.18 lakhs on buildings. On the whole the investments of the Company are well distributed and carefully selected. The only remark that one may make is that the building, situated in Ballard Bier, Bombay, on which they have spent a considerable sum is a somewhat unfortunate investment as the land rent payable to the Port Trust is very high and as, owing to trade depression, letting out offices is extremely difficult in Bombay. The Directors have, therefore, wisely started a sinking fund for the company's building; the sinking fund stands now at Rs. 68,178. It is expected that this sum accumulating at 6 per cent. compound interest will, in the course of 48 years, amount to the full cost of the building. There are still 86 years to run in respect of the lease from the Port Trust.

Life Account.

(In Thousands of Rupees).

	1930.	1931.	1932.
New Business—			
Number	2,100	2,574	2,066
Amount	82,09	40,17	32,58
Premiums on New Business	1,72	2,18	1,74
Total Premiums	6,49	7,44	7,89
Claims	1,53	1,72	2,52
Expenses	2,51	3,02	2,85
Life fund at the beginning of the year	15,11	18,11	20,80
Life fund at the end of the year	18,11	20,80	24,50
Ratio of expenses to premium	39%	41%	36.1%

Balance Sheet.

	1930.	1931.	1932.
Liabilities—			
Capital	2,04	2,04	2,04
Life fund	18,11	20,80	24,50
Reserve funds	20	60	20
Other items	1,99	6,48	8,01
Total	22,48	29,92	29,75
Assets—			
Giltedge securities	7,61	10,75	6,88
Bonds and Preference shares	1,82	4,85	5,70
Loans on life policies	2,97	3,75	4,86
Other loans and Mortgages	1,82	2,67	4,28
House Property	6,14	6,18	6,18
Other items	2,07	2,22	4,45
Total	22,48	29,92	29,75

THE ASIATIC GOVERNMENT SECURITY LIFE ASSURANCE CO., LTD.

Head Office: BANGALORE.

The Asiatic of Bangalore was incorporated under the Mysore State Companies Regulations and is one of the pioneers of Insurance business in that State. It is a progressive company with a neat and natty financial position. The Accounts of the company are presented in a clear and lucid way, so that any lay man can interpret them. The results for the year ended December 31, 1932 show an all-round improvement on those of 1931. New Policies numbering 778 were issued, assuring a total sum of Rs. 10.2 lakhs, as against 601 policies assuring Rs. 8.6 lakhs in 1931. The total premium income was Rs. 1.75 lakhs. The Life Fund at the end of 1932 was 4.07 lakhs showing an increase of Rs. 56 thousands over the previous year. The ratio of expenses to premium income at 48% is still very high, but it is hoped that it will be gradually reduced as the company expands its business. The Directorate includes some of the most influential gentlemen in the state. The Chairman of the Board is Dr. F. H. Noronha, and the management is in the capable hands of Mr. V. Rangaswami. A sub-office of the company has been opened at 187, Canning Street, Calcutta.

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CHIEF AGENTS

2, LYONS RANGE, CALCUTTA

New Business—		(000 omitted.)	
	1931.	1932.	
Policies ...	601	778	
Sum Assured ...	8,59	10,18	
Premiums ...	1,64	1,75	
Claims ...	23	83	
Expenses (management)	85	84	
Life Assurance Fund at the beginning of the year ...	3,07	3,51	
Life Assurance Fund at the end of the year ...	3,51	4,07	
Net increase ...	44	56	
Ratio of expenses to Premium ...	52%	48%	

Balance Sheet.			
Liabilities—			
Capital ...	1,69	1,69	
Life Assurance Fund ...	3,51	4,07	
Reserves ...	1,05	1,02	
Outstanding claims ...	86	22	
Other items ...	47	50	
Total ...	7,08	7,50	
Assets—			
Giltedged Securities and bonds ...	3,20	3,12	
Loans on Policies ...	45	49	
Other mortgages and loans ...	1,30	1,27	
Fixed Deposits ...	60	1,05	
House Property ...	43	83	
Cash ...	51	53	
Other items ...	59	71	
Total ...	7,08	7,50	

THE BOMBAY MUTUAL LIFE ASSURANCE COMPANY, LIMITED.
Head Office: BOMBAY.

The Bombay Mutual is the soundest and most virile of Indian Mutual Life Offices. Its progress has been notable, especially within the last four years. In the matter of new business, the company has made rapid strides; and in 1932 the business written in the company's books came to no less than Rs. 75.65 lakhs. In the last valuation the company declared bonuses of Rs. 26 and 21 per thousand on whole-life and Endowment policies respectively.

New Business—		(In Thousands of Rupees.)		
	1930.	1931.	1932.	
Number ...	3,437	4,173	4,568	
Amount ...	56,95	68,75	75,65	
New Premiums ...	3,12	3,67	3,83	
Total " ...	6,33	9,09	10,52	
Claims ...	1,43	1,58	2,89	
Expenses and Commission ...	3,03	3,90	4,59	
Life fund at the beginning of the year ...	11,54	12,93	15,99	
Life fund at the end of the year ...	12,96	15,99	20,02	
Net increase ...	1,42	3,03	4,03	
Ratio of Expenses to Premiums ...	47.8%	42.9%	43.6%	

Balance Sheet.				
Liabilities—				
Life Fund ...	12,96	15,99	20,02	
Reserve Fund ...	2,14	...	4,19	
Outstanding claims ...	95	1,14	1,65	
Other items ...	61	60	1,12	
Total Rs. ...	16,66	17,82	26,98	
Assets—				
Giltedge securities ...	13,55	14,00	21,46	
Loans on life policies ...	1,53	1,86	2,15	
Cash ...	81	43	64	
Other items ...	1,22	1,53	2,73	
Total Rs. ...	16,66	17,82	26,98	

EAST AND WEST LIFE INSURANCE CO., LD.
Head Office: BOMBAY.

The East and West Life Insurance Company has been in existence for nearly 22 years; and during all this period, it has had an uphill task in securing business against the competition of rival business concerns and in securing such business at an economical rate. This is indicated by the fact that the ratio of expenses to Premium has been increasing and stands at the high figure of 56.8 per cent. The total business during 1932 came to Rs. 20.5 lakhs. The total premium income was Rs. 2.96 lakhs. The life fund increased by Rs. 1.25 lakhs from Rs. 5.08 lakhs to Rs. 6.23 lakhs. The company has steadily progressed since its inception. But till the life fund reaches at least Rs. 10 lakhs, the management will have to take strenuous steps to develop their organisation and interest the right class of agents.

New Business—		(In Thousands of Rs.)		
	1930.	1931.	1932.	
No. of Policies ...	961	1,078	1,800	
Sum Assured ...	13,49	13,34	20,50	
Premiums on new business ...	73	99	1,15	
Assurances in force ...	39,73	43,36	53,54	
Total Premiums ...	2,15	2,61	2,96	
Claims by death ...	26	29	56	
" " maturity ...	10	15	13	
Commissions and Expenses ...	1,15	1,44	1,68	
Life Fund at beginning of the year ...	3,47	4,26	5,03	
Life Fund at year end ...	4,26	5,03	6,23	
Increase ...	79	77	1,20	
Ratio of Expenses to Premiums ...	53.4%	55.2%	56.8%	
Balance Sheet.				
Liabilities—				
Capital ...	99	99	100	
Life Fund ...	4,26	5,03	6,23	
Other Reserves ...	13	50	11	
Claims outstanding and other liabilities ...	31	32	49	
Other items ...	3	2	5	
Total Rs. ...	5,77	6,86	7,93	

Assets—	1,90	2,00	1,40
Giltedge ...	52	84	28
Debentures ...	4	4	4
Other shares ...			
Loans on policies and otherwise ...	2,08	1,86	1,48
Cash ...	61	85	45
Other items ...	62	1,77	4,88
Total Rs. ...	5,77	6,86	7,98

EMPIRE OF INDIA LIFE ASSURANCE CO., LD.

Head Office—BOMBAY.

The Empire of India Life Assurance Company has the second place amongst Indian life offices in regard to size of its life fund. As regards new business, however, it may come fourth in the list. That this company does not underwrite more business than it actually does in a year is because of the extreme vigour in the selection of lives and the conservative policy to which the Directors have remained loyal all through. Thus, in the year ending Febr. 28, 1933, the proposals received amounted to Rs. 1,50 lakhs whereas policies issued were only Rs. 1,12 lakhs. Throughout its career, the Empire of India has been less keen about the size of new business than about the quality of business and the price at which it is secured. For this reason, the mortality experience of the Company is most favourable; and the expenses of management are markedly low, the ratio of expenses to premium income in 1932-33 being 21 per cent. Likewise, the Company has always pursued a conservative policy in regard to investments. Its investments are more or less confined to giltedge securities and first-grade bonds. As much as 99.5 per cent. of such securities and bonds are in the shape of terminable loans, so that the depreciation provided for in past year by a reserve of Rs. 28 lakhs were in the nature of a strengthening of inner reserves as and when the securities mature. It may be taken for granted that in the case of a company like the Empire of India, all the securities in the portfolio will be kept on right to the date of redemption and that, in the meantime, there could be no occasion whatsoever for the sale of such securities. The chairman of the company Mr. Rustom K. R. Cama in his speech at the annual meeting said "In view of the very substantial rise which has taken place (since the presentation of the previous report) in the high class fixed interest bearing securities which the Company holds a valuation as at 28th February last shows that the aggregate market value of our invested funds exceeds by a very substantial margin the value at which the securities appear in our balance sheet without taking into account the investment Reserve Fund of over Rs. 28 lakhs." Nor has the Empire of India been a victim to the prevalent mania to declare high bonuses. In this regard also, the Empire of India has preferred to err on the side of safety. The Empire of India is content to make its appeal to the public on the basis of its extremely low premium rates, honest and safe investment policy, most economical management and strict observance of sound principles of finance and insurance. It is not by hectic canvassing for large business but by consistent and persistent adherence to these

principles that the Empire of India has built up its position as the second largest Indian life office, its life fund standing at Rs. 8.6 crores, investment reserve fund at Rs. 26 lakhs and the total resources at Rs. 4.20 crores. The Managers are Messrs. Allum, Bharucha & Co. The Chief Agents for Bengal, Bihar and Orissa and Assam are Messrs. D. M. Das and Sons, who account for a big slice of the total business.

Life Account. (In Thousands of Rupees).

New Business—	1931-32.	1932-33.
Number (actual) ...	6,001	6,157
Amount ...	1,05,27	1,11,56
Premium on Business ...	5,47	5,62
Total Premiums ...	48,88	48,91
Claims by Death ...	10,86	10,41
Claims by Maturity ...	21,00	25,15
Life Fund at the beginning of the year ...	3,48,75	3,49,90
Life Fund at the end of the year ...	3,49,90	3,68,16
Ratio of Expenses to Premium ...	21%	21%

Balance Sheet.

Liabilities—	1931-32.	1932-33.
Capital ...	1,29	1,80
Life Fund ...	3,49,90	3,68,16
Other Reserve Funds ...	80,61	84,58
Outstanding claims ...	9,58	12,58
Other items ...	6,10	6,27
Total ...	3,97,48	4,18,29
Assets—	1931-32.	1932-33.
Giltedge Securities ...	1,65,56	1,59,60
Debentures ...	1,48,86	1,70,28
Loans on Life Policies ...	58,28	64,28
House Property ...	9,00	9,00
Other Assets ...	16,38	15,18
Total ...	3,97,48	4,18,29

THE GENERAL ASSURANCE SOCIETY, LTD. Head Office: AJMER.

The General Assurance Society of Ajmer has a clean and comfortable position. The business completed in 1932 is 35.2 lakhs. The increase to the life fund in the year was Rs. 5.9 lakhs. The life fund at the end of the year was Rs. 40.2 lakhs. The total resources of the company come to Rs. 48.74 lakhs, of which giltedge account ed for Rs. 84.20 lakhs and loans on life policies were Rs. 8.8 lakhs. The Company has the unstinting and single-minded devotion of the General Manager, Mr. Bhargava. The Company has shown remarkable progress especially in regard to reduction in expenditure which has come down to 27.5 per cent.

Life Account.

(In Thousands of Rupees.)

New Business—	1931.	1932.
Number of Policies ...	2,004	2,265
Amount Assured ...	81,67	85,22
Premiums on New Business ...	1,65	179
Total Premiums ...	10,68	10,86
Expenses ...	2,80	2,93
Life Fund at the beginning of year ...	28,95	34,57
Life Fund at year end ...	34,37	40,23
Ratio of expenses to Premium ...	28.2%	27.5%

Balance Sheet.			
Liabilities—			
Capital	...	1,88	1,88
Life Fund	...	84,87	40,23
Outstanding Liabilities of Life Fund	...	4,71	2,58
Other items	...	1,67	4,62
Total	...	42,08	48,74
Assets—			
Giltedge Securities	...	38,15	34,20
Other Securities and Debentures	...	1,28	6,14
Fixed Deposits	...	86	2
Loans on Life Policies	...	2,98	3,80
Lands and Buildings	...	98	1,20
Other items	...	2,98	8,88
Total	...	42,08	48,74

HINDUSTHAN CO-OPERATIVE INSURANCE SOCIETY, LIMITED.

Head Office: CALCUTTA.

The Hindusthan Co-operative Insurance Society has made a bold bid for the second place in the ranks of Indian insurance companies so far as the underwriting of new business is concerned. This ambition the Company fulfilled two years ago, and has maintained the record in 1932-33 during which new business underwritten comes to over Rs. 2 crores. An increase of Rs. 53 lakhs in one year is an achievement of which a company may be proud; by virtue of such a large inflow of new business, the Society is in the current year, as it was in the last year, the second amongst Indian life offices, the easy first being the Oriental. It is to be hoped that when the full accounts are available, it will be found that the Company has not incurred any increase in its ratio of expenses. Looking over the past three years, it is noteworthy that the expense ratio is roundabout 35 per cent.; but in 1931-32 that is, in a year in which the Company wrote quite a satisfactory volume of business considering the general political unsettlement in the country, the expense ratio slightly increased from 34.2 per cent. to 34.6 per cent. The tremendous increase business leads us to apprehend that the expense ratio might have gone up further, in 1932-33. However, a company like the Hindusthan Co-operative need not at all be anxious to buy its business except on its own terms. By all tokens, its expansion policy will mark its activities in the coming years; and while the management are certainly justified in aiming high, they should be equally particular about the other aim, namely, not allowing the expense ratio to grow higher. The Company may also be congratulated on the substantial addition to the life fund which it was able to make in 1931-32. The increase in the life fund during the year was Rs. 14.38 lakhs as compared with Rs. 12.39 lakhs and Rs. 9.00 lakhs in the previous two years. So satisfactory an improvement in the amount added to the Life fund may certainly be taken as testimony to a favourable claims experience and strict control of expenditure.

The life fund at the end of April, 1932 stood at Rs. 1,18.60 lakhs. It is probable that the life fund as on April 30, 1932, might be roundabout Rs. 1,85 lakhs. The investment policy of the Hindusthan Co-operative calls for special remarks. The Directors have avoided, on the one hand, the rigorous adherence only to gilt-edge investments (which is the policy of a company like the Oriental) and, on the other, injudicious investments and advances (which is the case with, for instance, the Bharat). A scrutiny of the investments of the Hindusthan co-operative shows that giltedge and bonds and cash are about 12 per cent. of the life fund; loans on policies absorb another 12 per cent.; the balance is invested either in house and landed properties or loans on mortgages of properties. The companies which have invested in giltedge securities have had the painful experience of making large-scale allocations to depreciation. From this point of view, the Hindusthan Co-operative has a comparatively comfortable position. At the same time, it should not be forgotten that properties have also gone down considerably in value. When a company has nearly Rs. 82 lakhs either in the shape of properties or loans against properties, there would have to be constant attention to the fluctuation in property values and to the way these fluctuations affect the securities of the company. The Hindusthan Co-operative is able to devote some attention of this kind, as it has specialised, to a certain extent, in the functions of a house building society. While we have no doubt that great vigilance is being exercised in this regard, we cannot but think that the Company has too small a portfolio of liquid securities; that it should take steps to add to this class of investments; and that, in addition, the property holdings or loans against properties should, for some time to come, be avoided. While making this suggestion, we should point out that from the point of view of return on investments, the Company's present policy has been to its benefit. In its campaign of capturing more and more business, the Hindusthan Co-operative has placed before the public interesting and attractive schemes like the Desh-bandhu policy. The management of the Company is in the able hands of Mr. S. N. Tagore, Secretary, who has been associated with the Company from the beginning and Mr. N. R. Sarkar who has played an important part in the expansion policy.

Life Account.

New Business—	(In thousands of Rs.)		
	1929-30	1930-31	1931-32
Number	6,485	6,786	8,700
Amount	1,12,02	1,15,81	1,42,40
Total Premiums	21,20	23,54	26,19
Claims by death	4,02	4,51	4,47
Claims by Maturity	3,49	2,88	3,18
Expenses	7,88	8,05	9,06
Life fund at the beginning of year	82,83	91,88	1,04,22
Life fund at the end of year	91,83	1,04,22	1,18,60
Net increase in the life fund	9,00	12,39	+14,38
Ratio of expenses of Premium	35.1%	34.2%	34.6%

Balance Sheet.			
	1930	1931	1932
Liabilities—			
Capital ...	4,58	4,41	4,88
Life fund ...	91,88	1,04,22	1,18,60
Outstanding claims ...	5,24	4,79	5,09
Reserve funds ...	8,70	4,28	4,65
Other items ...	8,21	5,47	8,65
Total ...	1,08,51	1,23,17	1,86,87
Assets—			
	1930	1931	1932
Giltedge securities ...	9,98	9,98	9,95
Debentures ...	2,87	2,87	2,87
Ordinary shares ...	2,72	2,72	2,76
Loans on life policies	9,26	11,46	13,57
Loans on mortgages of real properties ...	40,06	47,89	55,82
House and landed properties ...	24,44	25,54	26,18
Cash ...	2,17	2,33	1,54
Other items ...	17,51	21,88	24,68
Total ...	1,08,51	1,23,17	1,86,87

THE INDIAN LIFE ASSURANCE CO., LTD.

Head Office: KARACHI.

This Company has now been in existence for 41 years and the financial position of the Company is very satisfactory. Below are given details of the position of the Company according to the report and accounts as at 31st May, 1932. The expenses ratio of the Company is remarkably low at 13 per cent.

(In Thousands of Rupees)

New Business—			
No. of Policies ...	...	...	3,18
Sum Assured ...	...	...	5,90
Premium income ...	...	...	28
Total premiums ...	...	...	7,06
Life Fund at the beginning of the year ...	...	...	62,48
Life Fund at the end of the year ...	...	...	63,28
Net increase ...	...	...	80
Claims ...	...	...	2,51
Expenses ...	...	...	95
Ratio of expenses to Premium ...	...	...	13%

Balance Sheet.			
Liabilities—			
Capital ...	...	...	1,45
Life Assurance Fund ...	...	...	63,28
Shareholders' Reserve Fund ...	...	...	6,88
Claims outstanding ...	...	...	1,48
Other items ...	...	...	14,28
Total ...	...	...	87,27
Assets—			
Giltedged securities and bonds	...	...	74,00
Loans on Policies ...	...	...	8,85
Other Mortgages and Loans ...	...	...	1,44
Property ...	...	...	6,42
Cash ...	...	...	81
Other items ...	...	...	1,75
Total ...	...	...	87,27

INDIAN MUTUAL LIFE ASSOCIATION LTD., MADRAS.

This enterprising Co. has been trying to do clean and sound business. The difficulties in the way of a Mutual Life Assurance Co. are many and for the first ten years or so the progress is bound to be slow. The Company is now in the eighth year of its establishment and shows considerable progress.

(In Thousands of Rupees)

New Business—			
No. of Policies ...	...	...	4,62
Sum Assured ...	...	...	6,27
Premium on new business ...	...	...	88
Total Premium ...	...	...	98
Claims ...	...	...	7
Expenses of management ...	...	...	85
Life fund at the beginning of the year ...	...	...	97
Life fund at the end of the year ...	...	...	1,52
Net increase ...	...	...	55
Ratio of expenses to Premium	...	...	87.6%

Balance Sheet.			
Liabilities—			
Life Assurance Fund ...	...	...	1,52
Investment Reserve Fund ...	...	...	4
Other Reserves ...	...	...	6
Total Funds ...	...	...	1,62
Claims outstanding ...	...	...	2
Other items ...	...	...	2
Total ...	...	...	1,66
Assets—			
Investments ...	...	...	1,09
Loans on Policies ...	...	...	9
Agent's balances ...	...	...	8
Cash and other balances ...	...	...	38
Other items ...	...	...	12
Total ...	...	...	1,66

JUPITER GENERAL INSURANCE COMPANY, LD.

Head Office: BOMBAY.

The Jupiter General Insurance Company shares, with the New India, the honour of having led the company boom in Bombay in 1919. By the same token, the Jupiter and the New India are the first Indian-managed concerns started in this country for doing general insurance business. In fact, the inauguration of these two companies was the signal for the starting of a number of other companies with aims and objects to do all kinds of insurance business. The Jupiter was a victim to the general craze prevalent early in the last decade that an Indian general insurance company could make any appreciable progress only if it starts underwriting business in America. Most of the companies started contemporaneously with the Jupiter had a like partiality for American business. Subsequent events have proved that this experience was anything but favourable. The result is that all the companies that entered the American field are now gradually reducing their business in America, with a view to ultimate retirement from that area. While the American business has been, in pursuance of

a deliberate policy, considerably curtailed, the Jupiter has been fortunate in securing larger business at home in spite of the prevalent trade depression. The Premium income for the year ended 30th June, 1932 shows substantial increases in the Life, Fire and Marine branches, while there has been a slight decrease in the accident department. Only four or five years ago, the Company started life business and in this department, the Directors are intent on building a careful and safe business. The total new business in 1931-32 was Rs. 15 lakhs. At the end of the year, the life fund stood at Rs. 2.11 lakhs. The capital of the Company amounts to Rs. 28.75 lakhs; and the various funds aggregate to Rs. 15.4 lakhs. In the Fire department, the ratio of reserve to premium is 44 per cent. The Directors should lose no opportunity of making further additions to the reserve, far and above the customary 40 per cent., so that the ratio of reserve to premium comes to 70 per cent. in due course. In the marine account, the reserve position is very strong, the ratio of reserve to premium being 89.6 per cent. against 101 per cent. in the previous year. In the accident department, the reserve requires strengthening. The funds of the Company are invested in giltedge securities or in American securities. Owing to the appreciation of the dollar in terms of the rupee, there is considerable profit on the American investments. A reversionary bonus to participating policies at the rate of 15 per thousand sum assured per annum in whole-life policies and at the rate of 12 per cent. per thousand per annum in the case of other classes of policies was declared at the first valuation of the Company. The Chairman of the Company is Mr. Lalji Narainji. The Managing Agents are Messrs. Lalji Narainji & Co., who have influential connections and are, therefore, in a position to help the Company with large business. The Secretary is Mr. K. S. Ramachandra Iyer, who is well-known in connection with his activities for the consolidation of the Indian insurance companies.

Life Account.

(In Thousands of Rs.)

New business—	1931.	1932.
Number (actual) ...	747	810
Amount ...	15,08	15,07
Premiums on New Business ...	88	86
Total Premiums ...	1,70	1,96
Claims ...	52	26
Expenses ...	91	85
Life fund at the beginning of the year ...	70	1,19
Life fund at the end of year ...	1,19	2,11
Ratio of expenses to premium ...	54%	48.4%

Fire Account.

Premiums ...	10,19	12,54
Claims ...	4,42	4,80
Expenses ...	5,00	5,84
Total Reserves ...	4,80	5,50
Ratio of claims to premium ...	48%	38.4%
Ratio of expenses to premium ...	49%	46.6%
Ratio of reserves to premium ...	47%	43.9%

*Marine Account.

Premiums ...	2,18	2,40
Claims ...	1,57	1,09
Expenses ...	71	1,01
Total reserves ...	2,15	2,15
Ratio of claims to premium ...	74%	45.4%
Ratio of expenses to premium ...	83%	42.1%
Ratio of reserves to premium ...	101%	89.6%

Accident Account.

Premiums ...	2,84	2,11
Claims ...	82	1,07
Expenses ...	97	99
Total reserves ...	1,00	1,10
Ratio of claims to premiums ...	85%	50.7%
Ratio of expenses to premiums ...	41%	46.9%
Ratio of reserves to premiums ...	48%	52.1%

Balance Sheet.

Liabilities—			
Capital ...	28,75	28,75	
Funds—			
Fire ...	4,80	5,50	
Marine ...	2,15	2,15	
Accident ...	1,00	1,10	
Life fund ...	1,19	2,11	
Other funds ...	2,78	4,52	
Total funds ...	11,87	15,88	
Other items ...	7,18	9,56	
Total ...	42,75	48,69	
Assets—			
Giltedge securities ...	29,78	33,94	
Branch, agent's and other balances ...	8,19	10,05	
Other items ...	2,68	99	
Cash ...	2,10	3,71	
Total ...	42,75	48,69	

Profit & Loss Account.

	1931.	1932.
Receipts—		
Brought in ...	21	23
Transferred from—		
Fire Account ...	...	1,89
Marine Account ...	57	89
Accident Account ...	41	...
Interest ...	1,03	1,07
Other items ...	21	6
Total ...	2,43	3,14

Disbursements—

Dividend: Rate % ...	8½%	8½%
Amount ...	93	62
Allocations ...	1,08	1,53
Other items ...	18	79
Carry forward ...	23	20
Total ...	2,43	3,14

THE LAKSHMI INSURANCE CO., LD.

Head Office: LAHORE.

The progress of the Lakshmi in its brief existence of 9 years is, truly, a romance in the annals of Indian insurance. So far as we are aware, no other life office in India (or perhaps, in any other country) has under-written, from the beginning, so large a volume of business, conducted its affairs on so economical a basis, and pursued so scientific a financial policy as to be able to build up a life fund of Rs. 80 lakhs at the end of 9 years. There are companies which have been in existence for 20 years and which have not yet obtained a life fund of even half this size. 1930-31 recorded a setback in the progress of the Company, mostly because of a good many of the officers and agents of the Lakshmi were rendered out of action by being imprisoned in connection with the civil disobedience campaign. 1931-32 resumes the old sturdy growth. The ratio of expenses in 1931-32 was 82.4 per cent.; and for a company of 9 years standing, this is a remarkable achievement. The management is in the hands of Pandit K. Santanam, to whom a great part of the credit for the sturdy growth is due.

(In Thousands of Rs.)

	1929-30	1930-31	1931-32
New Business—			
Number of policies (actual) ...	8,608	2,687	8,488
Amount assured ...	70,45	55,19	68,19
New Premiums ...	8,18	2,76	8,80
Total Premiums ...	10,04	11,08	12,65
Claims ...	1,14	1,07	1,44
Expenses ...	8,77	8,57	4,09
Life fund at the beginning of the year ...	9,88	15,01	21,76
Life fund at the end of the year ...	15,01	21,76	29,54
Net increase ...	5,68	6,75	7,78
Ratio Expenses to Premiums ...	88%	82%	82.4%

Balance Sheet.

	1929-30	1930-31	1931-32
Liabilities—			
Capital ...	1,01	1,01	1,01
Life fund ...	15,01	21,76	29,54
Outstanding claims	47	67	59
Other items ...	88	1,02	1,74
Total ...	16,82	24,46	82,88
Assets—			
Giltedge securities ...	7,48	14,49	15,49
Loans on life policies	20	44	88
Other loans and Mortgages ...	5,00	5,19	9,65
House Property ...	50	1,65	1,92
Other Assets ...	1,87	2,88	8,21
Cash ...	1,77	81	1,78
Total ...	16,82	24,46	82,88

NATIONAL INSURANCE COMPANY, LTD.

Head Office: CALCUTTA.

The National Insurance Company was started in 1906 and owes its existence to the resurgent national feeling manifest throughout Bengal roundabout that year. The Company had made steady progress, making its appeal to the public by virtue of its low premium and safe investment policy. It occupies the third place amongst Indian life offices both in regard to volume of new business and in regard to the size of the life fund. The new business secured in 1932 came to Rs. 1.50 crores. The life fund at the beginning of the year was Rs. 1.50 crores and at the end of the year Rs. 1.82 crores. The total assets of the Company are Rs. 1.99 crores, of which loans on company's policies amount to Rs. 27.88 lakhs; first mortgages on properties in India to Rs. 20.6 lakhs; giltedge and bonds and shares to Rs. 1.04 crores; house property to Rs. 21.8 lakhs; cash, interest due, etc. being Rs. 25 lakhs. It will, thus, be seen that the company's investment policy shows prudence as well as careful and scientific distribution of risks. But for the depreciation which had to be provided for in respect of Government securities, the increase of the life fund during 1931 should have been much more than what it actually was. With the recovery in giltedge prices in 1932 the reserves have been released and at the end of 1932 the life fund of the National has reached Rs. 1.82 crores. The National has started a subsidiary company, the National Fire & General Insurance Company for the purpose of transacting fire and accident business. All the capital of the subsidiary company is held by the National. The management of the Company is in the hands of Messrs. R. G. Das & Co., who have considerable business experience at Calcutta and Bombay.

Life Account.

(In Thousands of Rs.)

	1931.	1932.
New business—		
Number (actual) ...	6,899	7,847
Amount ...	1,82,81	1,50,04
Premiums on New Business ...	6,17	7,48
Total premiums ...	88,27	86,77
Interest and dividends ...	7,51	8,95
Claims by death ...	6,21	5,88
„ by maturity ...	5,52	6,92
Expenses ...	9,21	10,08
Life fund at the beginning of the year ...	1,45,88	1,49,68
Life fund at the end of year ...	1,49,68	1,82,17
Net increase in life fund ...	8,80	82,49
Ratio of expenses to premium ...	28%	27.3%

Profit & Loss Account.

	1931.	1932.
Receipts—		
Brought in ...	88	1,14
Transferred from Revenue accounts ...	76	9
Other items ...	28	4
Total ...	1,82	1,27

Disbursements—		
Dividend rate %	...	8 12%
" amount	...	8 12
Allocations	...	10 1
Transferred to Balance Sheet	...	1,14 1,14
Total	...	1,82 1,27

Balance Sheet.

		1931.	1932.
Liabilities—			
Capital	...	1,00	1,00
Life fund	...	1,49,68	1,82,17
Other funds	...	25,49	12,18
Total funds	...	1,75,17	1,94,30
Other items	...	4,78	4,78

Total

		1931.	1932.
Assets—			
Giltedge securities	...	89,09	26,22
Bonds	...	57,78	51,75
Ordinary shares	...	4,40	26,10
Loans on life policies	...	28,48	27,88
Other loans and mortgages	...	21,17	20,60
House property	...	17,89	21,88
Cash	...	86	18,67
Other items	...	15,88	10,98
Total	...	1,79,95	1,99,08

NATIONAL INDIAN LIFE INSURANCE CO., LTD.

Head Office: CALCUTTA.

The National Indian Life Insurance Company has a strong Board of influential Directors and is under the Managing Agency of a reputable firm like Messrs. Martin & Co. It is, therefore, surprising that the Company has not made a more rapid and a more substantial progress than has been the case. Many of the companies, started contemporaneously with the National Indian, have a far larger life fund, underwrite a far greater amount of new business and earn a more substantial income in the year both from the premium and interest on investments. New business in 1932 declined considerably and stood at Rs. 17.47 lakhs. Companies of the standing of the "National Indian" should show much better results. That the "National Indian" has not done so well as it might, shows either that the Premium Tables compare unfavourably with those of other companies, or that the organization for securing new business is not the best. To all these criticisms, the answer may be given that Sir R. N. Mookerjee always prefers to pursue a conservative policy and build his business on a slow and sure basis; and that even if the National Indian has no sensational figures of one kind or another, its development has been on scientific lines and its present position is intrinsically sound. We readily agree that, judged by every canon of insurance, the growth of the National has been on healthy lines and the Company has an impregnable position financially. But the real point of criticism is that the National Indian is eminently the kind of company in which a headier pace of progress could be achieved without anything like an appreciably extra effort. The life fund of the Company stands at Rs. 41.54 lakhs. The business on the books of the Company has been selected with the

utmost care. The mortality experience of the Company is most favourable. Every attempt is being made to keep expenses under control. With all these in its favour, business conservatism seems to be a virtue less needed than business enterprise. The investments of the Company are well spread. Mortgages on property in India account for Rs. 11.93 lakhs; loans on policies for Rs. 5.71 lakhs; giltedge and stock exchange securities for Rs. 24.56 lakhs. The total assets of the Company amount to Rs. 45.58 lakhs. The annual premium income in 1932 was Rs. 7.88 lakhs and the total income from all sources Rs. 9.75 lakhs. The increase to the life fund was Rs. 1.21 lakhs.

Life Account.

(In Thousands of Rs.)

New Business—			
	1930.	1931.	1932.
No. of Policies	1,271	1,249	1,261
Net sum Assured	18,75	20,22	17,47
Net new Premiums	1,08	1,11	98
Total net Premiums	7,55	7,67	7,88
Interest	2,11	2,22	2,80
Claims by death	1,29	1,81	1,78
" " maturities	1,89	1,98	8,57
Commission & Expenses	2,62	2,72	2,79
Life Fund at beginning of year	88,95	87,00	40,88
Life Fund at year end	87,00	40,88	41,54
Increase in Fund	8,15	8,88	1,21
Ratio of expenses to Premium	34.7%	35%	33.1%

Balance Sheet.

Liabilities—			
	1930.	1931.	1932.
Capital	1,00	1,00	1,00
Life Fund	87,00	40,88	41,54
Outstanding Claims	2,22	1,88	2,21
Other Items	65	71	88
Total	40,87	48,87	45,88

Assets—			
	1930.	1931.	1932.
Giltedge	18,92	19,77	15,18
Debentures	5,47	1,77	7,05
Mortgages and Loans	16,52	17,86	18,17
Other Shares and investments	8,88	2,58	2,70
Cash	47	61	86
Outstanding Premium and Interests	1,66	1,78	1,62
Total	40,87	48,87	45,88

Profit & Loss Account.

Receipts—			
	1930.	1931.	1932.
Brought in	12	88	84
Interest	8	8	7
Shareholders' share of valuation Surplus	26	...	...
Total Rs.	46	46	41
Disbursements—			
Dividends to Shareholders	8	12	12
Carried forward	88	84	29
Total Rs.	46	46	41

NEW INDIA ASSURANCE COMPANY, LD.

HEAD OFFICE: Esplanade Road, Bombay.
CALCUTTA OFFICE: 100, Clive Street.

The New India Assurance Company was incorporated in Bombay in 1919. It is the biggest in point of size, volume of general business, and paid up capital amongst all the Indian insurance companies. The Company was started in close association with the well-known firm of Tata Sons; in fact, it was the latter that conceived the entire scheme and executed it in the most spectacular manner in the boom days of 1919. On the first directorate were associated, with representative of Tatas, almost every prominent businessman of Bombay. The Company had thus the unique fortune of starting business under most impressive auspices and with most influential connections. The capital of the Company, at the start, was nearly Rs. 1.20 lakhs; but, at a later stage, it was felt that so large a capital was unnecessary and that two-fifths of the amount paid-up on each share should be refunded. The present capital of the New India is, therefore, Rs. 71.21 lakhs; even at this reduced figure, it has the largest paid-up capital of any Indian Insurance Company. Till 1930, the Company was doing every manner of general insurance business but it did not transact life business. A Life Department has since been opened and the Company has been successful in attracting a substantial life insurance business, which shows sign of rapid progress. In the early years, the premium income of the general departments was derived predominantly from the foreign field. But in recent years, the percentage on Indian business to its total business has risen. In the year ending March 31, 1932, the fire premium income amounted to Rs. 42 lakhs and the Directors' report states that the American business showed a further substantial decrease which was, however, offset by a very substantial increase in the Indian business. The Fire fund stood at Rs. 88 lakhs or 79 per cent. of the premium income. The under-writing profit in the Fire Department was Rs. 4 lakhs, of which Rs. 1.6 lakhs was transferred to profit and loss account and Rs. 2.4 lakhs to the additional reserve for unexpired fire risks. In the Marine account, premium income totalled Rs. 28 lakhs and the Fund stood at Rs. 28 lakhs. The ratio of reserve to premium in the Marine section is thus as high as 100 per cent. and compares with 95 per cent. in the previous year. In the Accident Department, there was a premium income of Rs. 5.95 lakhs which shows a substantial improvement over the previous years. A sum of Rs. 70,250 was transferred from the Accident account to General Profit and Loss Account. The reserve in this department stands at the satisfactory figure of 74 per cent. of premium income. In regard to life business, the Company was able to under-write policies for Rs. 81 lakhs in 1931-32. The rate of dividend was maintained at 7½ per cent. as against 6 2/8 per cent. in 1929-30. The shareholders of the Company, who had a pleasant surprise four years ago of getting a refund of Rs. 10 per share, can now have the satisfaction of having their funds invested in a company whose dividend earning capacity is progressively increasing. The Chairman of the Company is Mr. N. B. Saklatvala, C.I.E., of the firm of Tata Sons. The General Manager is Mr. R. J. Duff, an

insurance man of great experience and organising ability.

Fire Account.

(In Thousands of Rs.)

	1929-30	1930-31	1932-33
Premiums ...	47.15	47.99	42.05
Claims ...	30.48	26.93	24.11
Expenses ...	18.75	18.54	17.78
Reserve at 40% of Premium ...	18.86	19.19	16.82
Additional reserve ...	12.50	14.00	16.40
Total reserves ...	81.86	83.19	83.22
Ratio of claims to premium ...	65%	56%	57.8%
Ratio of expense to premium ...	40%	40%	42.8%
Ratio of reserve to premium ...	66%	69%	79.0%

Marine Account.

Premiums ...	23.73	23.20	22.84
Claims ...	20.64	19.56	19.80
Expenses ...	4.80	3.14	3.51
Total reserves ...	21.00	22.00	22.85
Ratio of claims to premium ...	87%	84%	84.5%
Ratio of expenses to premium ...	18%	14%	15%
Ratio of reserves to premiums ...	88%	95%	100%

Accident Account.

Premiums ...	4.65	5.65	5.95
Claims ...	1.69	2.31	2.71
Expenses ...	1.55	2.06	2.29
Reserve at 40% of premium ...	1.86	2.26	2.88
Additional reserves ...	1.25	1.70	2.00
Total reserve ...	8.11	8.96	4.88
Ratio of claims to premiums ...	36%	41%	45.5%
Ratio of expenses to premiums ...	33%	36%	38%
Ratio of reserves to premiums ...	67%	70%	74%

Life Account.

New business—			
Number of policies	12,29	24,79	88,63
Amount assured ...	84,68	71,04	80,99
Premium on new business ...	1.58	2.80	4.60
Total premiums ...	1.58	4.07	7.26
Claims by death ...	6	49	81
Expenses ...	1.84	2.74	4.27
Life Fund at beginning of year ...	...	81	1.23
Life Fund at year-end ...	81	1.23	4.14
Net increase in funds ...	...	97	2.86
Ratio of expenses to premiums ...	85%	67%	59%

Balance Sheet.

Liabilities—			
Capital ...	71.21	71.21	71.21
Fire Fund ...	81.86	83.19	83.22
Marine Fund ...	21.00	22.00	22.85
Accident Fund ...	3.11	3.96	4.88
Life ...	2.47	1.23	4.14
Reserve ...	5.84	5.98	6.22
Amounts due to other Companies ...	4.41	3.74	2.49
Outstanding claims ...	5.17	3.88	5.51
Other Liabilities ...	14.76	14.92	15.47
Total ...	1,59.88	1,59.61	1,65.40

Assets—			
Giltedge Securities	79,44	88,89	79,71
Debentures and Preference Shares	7,80	7,77	14,01
U. S. A. Investments	22,82	19,08	19,96
Agency and Branch Balances	18,16	10,70	11,68
Cash	15,85	14,57	15,68
Other Assets	21,76	19,10	24,50
Total	1,59,83	1,59,61	1,65,49

Profit & Loss Account.

Receipts—			
Brought in	1,70	1,72	1,76
Transferred from—			
Fire account	22	1,51	1,58
Accident account	1,88	57	70
Marine Account	8	21	14
Interest, etc.	4,84	4,19	4,21
Other receipts	5	5	28
Total	7,72	8,25	8,67

Disbursements—			
Dividend rate %	7	7½	7½
Dividend amount	5,04	5,84	5,84
Allocations	80	49	68
Other items	59	66	69
Carried forward	1,79	1,76	2,01
Total	7,72	8,25	8,67

ORIENTAL GOVERNMENT SECURITY LIFE ASSURANCE CO., LD.

Head Office: BOMBAY.

The Oriental is, far and out, the largest Indian life insurance company. Judged by any criterion, it is head and shoulders over any other life office. In New Business each succeeding year beats the record of the past. Its progress is inevitable; and its progress is hydra-headed. It is very much like a stream which broadens as it flows, till its waters expand into a majestic river. The sums assured 1932 amounted to Rs. 5.94 crores. The premium on the new business came to Rs. 82.28 lakhs while the total premium reached Rs. 2 crores. Interest on Investment were Rs. 60.24 lakhs. The life fund at the beginning of the year was Rs. 10.98 crores and at the year-end Rs. 12.1 crores, there being an increase of Rs. 116.84 lakhs. That is, the Company has reached a stage in which an increase in life fund every year of more than Rs. 1 crore is assured. The investment policy of the Oriental is of the most conservative kind—so conservative, indeed, that the Directors and management have come to feel that this policy is exercising considerable restriction in their choice of investments and that some liberalising is urgent and imperative. For the present, whatever is not invested in building, and loans on policies, is invested in giltedge securities. The large giltedge investments of the Company were a source of anxiety during the sharp set back in their prices in 1931, for which the Company provided ample reserves. But that period is now, happily, over. The ratio of expenses to premium has come down further to 21%. The Company has always maintained a satisfactory record in regard to low expenses. The management of

the Oriental is in the capable hands of Mr. H. E. Jones.

(In Thousands of Rs.)

	1930.	1931.	1932.
1. New Business—			
Number (actual)	26,481	26,486	29,982
Amount	5,44,09	5,84,61	5,94,01
2. Premium on New Business			
	29,89	29,27	82,28
3. Total Premium	1,78,93	1,86,76	2,00,12
4. Interest	51,95	56,61	60,24
5. Claims—			
By Death	41,96	41,84	89,76
By Maturity	89,84	44,86	45,29
Total	81,80	86,20	85,05
6. Commission and expenses			
	40,22	41,84	42,08
7. Life Fund—			
(a) At beginning of the year	9,24,57	10,00,96	10,98,48
(b) At the end of the year	10,00,96	10,98,48	12,09,77
8. Increase in Funds	76,89	92,47	1,16,84
9. Ratio of expenses to premiums	22.4%	22.4%	21%

Balance Sheet.

Liabilities—			
Capital	4,50	6,00	6,00
Life Assurance Fund	10,00,96	10,98,48	12,09,77
Investment Reserve Fund	25,00	25,00	25,00
Contingencies Reserve Fund	4,69	5,51	5,51
Building Fund	1,59	1,75	1,91
Total Funds	10,86,75	11,81,69	12,48,19
Other Items	44,12	42,98	41,83
Total	10,80,87	11,74,62	12,89,54

Assets—			
Giltedge	7,77,98	8,49,46	9,06,86
Bonds	99,78	93,84	1,26,22
Mortgage and Loans	1,07,90	1,81,88	1,49,88
Other Investments	40,46	41,81	44,16
Other Items	44,80	44,64	50,93
Cash	10,00	9,78	11,97
Total	10,80,87	11,74,62	12,89,54

THE TRITON INSURANCE CO., LTD.

Head Office: CALCUTTA.

The Triton insurance Company, which is the oldest general insurance company registered in India, has, by adopting a policy of selecting the cleanest business and building the company on the cleanest financial foundations, reached a position to-day in which it is able to claim the enviable record of having as high a ratio of reserves to premiums as 479 per cent. It is no exaggeration to say that in all our studies of the balance sheets of world insurance companies, we have not come across a reserve position of this magnitude and strength. The capital of the Company stands at the modest figure of Rs. 5.75 lakhs. Its premium income is also at the unpretentious figure of Rs. 6.52 lakhs; but the reserve fund amounts to the colossal sum of Rs. 85.25 lakhs. The total resources of the Company are Rs. 49.64 lakhs, of which giltedge and cash amount to Rs. 47 lakhs. The ratio of claims to premium

is only 42 per cent.; and it was as low as 25 per cent. in 1930. The ratio of expenses to premium is 51.4 per cent. Owing to a favourable claims experience and owing to the large income from investments the surplus on 1932 account was Rs. 2.68 lakhs of which Rs.2.8 lakhs was paid as dividends at the rate of 40 per cent., the carry forward being Rs. 95,264.

Revenue Account.

(In Thousands of Rs.)

	1930.	1931.	1932.
Premiums ...	8,69	6,91	6,52
Claims ...	2,17	8,23	2,73
Expenses ..	4,85	3,46	3,85
Reserve Funds ...	35,25	35,25	31,25
Ratio of Claims to Premiums ...	25%	47%	41.9%
Ratio of Expenses to Premiums ...	50%	50%	51.4%
Ratio of Reserves to Premiums ...	406%	510%	479%

Balance Sheet.

Liabilities—			
Capital ...	5,75	5,75	5,75
General Reserve Fund for exceptional losses	26,75	26,75	26,75
Other Reserve Fund ...	8,50	8,50	8,50
Underwriting Suspense Account ...	4,85	3,54	3,10
Debts due by the Company ...	2,53	2,91	2,29
Other items ...	3,10	3,06	3,25
Total ...	51,03	50,51	49,64
Assets—			
Giltedge ...	46,50	46,45	46,77
Debts due to the Company ...	2,80	2,67	1,54
Cash ...	1,63	71	67
Other assets ...	60	68	66
Total ...	51,03	50,51	49,64

Profit & Loss Account.

Receipts—			
Brought forward ...	79	81	76
Interests, etc. ...	2,18	2,03	2,64
Transferred from underwriting a/c ...	1,70	22	20
Total ...	4,67	3,06	3,60
Disbursements—			
Dividend ...	2,30	2,30	2,30
Dividend Rate % ...	40%	40%	40%
Allocation ...	1,56	...	35
Carry forward ...	81	76	95
Total ...	4,67	3,06	3,60

THE UNITED INDIA LIFE INSURANCE CO., LTD.

Head Office: MADRAS.

While Northern India and the Western Presidency have any number of indigenous life insurance offices, South India, till a few years

ago, had only one life office of its own; but it had the satisfaction that the institution was a model and pattern of what a life insurance company should be. Those who have been in charge of the United India have, from the beginning, been guided by most wholesome insurance principles. They built the institution, brick by brick, with extreme care and with the thought that in each little part, the edifice should be sound and strong. For a long time, the United India held the record in India for the lowest ratio of expenses to income. Its investment policy has been most scientific; and there are no dud assets of any kind. There was a change in the plan of management of the Company a few years ago. And the new management coincided with the redrafting of the constitution of the Company on a basis which may well serve as the model for the Indian life offices. We believe that the Articles of Association of the United India are as near perfection as human ingenuity could make them. The policyholders have a good voice in the directorate; and their interests are completely secured and guaranteed by the creation of the policyholders' Trust Fund. The management is in the capable hands of Mr. M. K. Srinivasan. The life fund at the end of 1931 amounted to 36.88 lakhs; and there was an investment reserve fund of Rs. 5.94 lakhs. The new business of the Company is round about Rs. 43 lakhs; and great vigilance is exercised in the selection of risks. The ratio of expenses has increased from 26 per cent. in 1930 to 32.3 per cent. 1931. The valuation of the last quinquennium made as on 31st December, 1932 disclosed a surplus of Rs. 6.1 lakhs, and bonuses on a liberal scale have been declared, viz., Rs. 22-8 per Rs. 1,000 on Whole Life, and Rs. 18 per 1,000 on Endowment Policies.

(In thousands of Rs.)

New Business—			
	1929.	1930.	1931.
Number ...	1,858	2,125	2,797
Amount ...	23,81	31,32	42,94
New Premiums ...	1,45	1,60	2,27
Total Premiums ...	6,58	7,75	8,74
Claims ...	1,53	1,61	2,09
Commission and Expenses ...	1,97	1,99	2,36
Life Fund at the beginning of the year	27,91	31,53	35,57
Life Fund at the end of the year ...	31,53	35,57	36,83
Net increase in the Fund ...	3,62	4,04	1,26
Ratio of Expenses to Premium ...	30%	26%	32.3%

Balance Sheet.

Liabilities—			
Capital ...	77	77	79
Life Fund ...	31,53	35,57	36,83
Investment Reserve Fund ...	1,29	1,90	5,94
Outstanding Claims ...	1,11	1,21	1,00
General Fund ...	14	41	...
Other items ...	1,39	1,38	1,90
Total ...	36,23	41,24	46,46

Assets—			
Giltedge Securities ...	24,80	30,24	31,77
Debentures and Preference Shares ...	1,21	1,21	1,21
Equity Shares ...	41	41	83
Fixed Deposits ...	1,90	1,15	2,40
Loans on Life Policies ...	2,60	3,28	4,07
Other Loans and Mortgages ...	2,20	1,10	1,97
Other Assets ...	2,66	2,96	3,83
Cash ...	95	89	83
Total ...	36,23	41,24	46,46

THE ZENITH LIFE ASSURANCE COMPANY, LIMITED.

Head Office: BOMBAY.

The Zenith Life Assurance Company has had to contend against the first great handicap of young companies, namely, the prejudice of the general insuring public in favour of companies with tall figures. The Zenith has not yet reached a stage when it could appeal to the public by virtue of the large amount of new business secured or the big size of the life fund built up. It has had to depend upon the resourcefulness of the management to devise novel and attractive plans of business calculated to compel the attention and suit the special requirements of the prospective Indian insurers. Mr. Byramjee Hormusjee, the General Manager of the Company, has proved equal to the occasion and devised policies of great merit and value to the insurers. The Peerless Policy, the Everyman Policy and the Swaraj Policy bear eloquent testimony to the ingenuity of Mr. Hormusjee in this direction. In 1932, new business underwritten by the Company came to Rs. 23.7 lakhs the premium income to Rs. 4.44 lakhs and the total income to 4.88 lakhs. After meeting all the outgo, a net sum of Rs. 2.83 lakhs was available towards increase in the life fund. The following table gives, at a glance, the progress of the company in the last five years.

Life Funds. Increase in the year.

	Rs.	Rs.
1928 ...	4,88,615	75,594
1929 ...	5,45,710	1,07,095
1930 ...	6,91,592	1,45,831
1931 ...	6,94,478	2,886
1932 ...	9,32,576	2,83,097

THE WESTERN INDIA LIFE INSURANCE CO., LTD.

Head Office: SATARA CITY.

The Western India Life Insurance Company is a clean and compact life office with a steady volume of clean business and with a satisfactory growth of life fund year by year. At 1932-end, the life fund stood at 35.19 lakhs, the increase over the previous year being Rs. 6.7 lakhs. In addition to the life fund, the company has a reserve fund which now stands at Rs. 6 lakhs. The expense ratio is low at 24.2 per cent.

The last valuation of the company was made as on 31st December last, but the results have not yet been published. It may confidently be expected that with the company's economical management and favourable mortality experience, the results of the valuation will be very satisfactory. A Chief Agency of this company was opened in Calcutta in 1932.

(In Thousands of Rupees.)

	1930.	1931.	1932.
New Business—			
Number ...	2,260	2,532	3,051
Amount ...	29,87	31,53	37,13
New Premiums ...	1,53	1,67	1,96
Total Premiums ...	7,16	8,26	9,38
Claims ...	1,21	1,02	1,68
Expenses and Commission ...	1,82	2,05	2,27
Life fund at the beginning of the year ...	20,90	23,18	28,47
Life fund at the end of the year ...	23,18	28,47	35,19
Net increase in fund ...	2,28	5,29	6,72
Ratio of Expenses to Premiums ...	25.4%	24.8%	24.2%

Balance Sheet.

Liabilities—			
Capital ...	68	68	68
Life fund ...	23,18	28,47	35,19
Reserve funds ...	4,95	5,97	6,26
Outstanding claims ...	72	68	93
Other liabilities ...	1,91	1,63	1,69
Total ...	31,44	37,43	44,75
Assets—			
Investment ...	26,53	31,54	38,84
Loans on policies ...	2,41	3,16	3,46
Other loans and Mortgages ...	36	43	48
House Property ...	24	29	29
Other assets ...	1,90	2,01	2,18
Total ...	31,44	37,43	44,75

The Company has confined its investments more or less entirely to giltedge. The last valuation of the Assets and Liabilities of the Company was made as at 31st December, 1931. The valuation, as provided by the Companies rules, unfortunately fell to be made at a time when Gilt-edge securities had fallen to the lowest levels which they reached during the present depression. If it had been postponed by one year, the results would have been much more creditable to the Company. The valuation was made on a very stringent basis, and disclosed a surplus of Rs. 13,177, which on the recommendation of the Actuary, the Directors have decided to carry forward undistributed. This result is only a passing phase, and the prospects of the Company are much brighter.

New Business—

	(In thousands of Rs.)		
	1930.	1931.	1932.
No. of Policies ...	1,000	1,069	1,193
Sum Assured ...	19,45	21,50	23,70
Premium on new business ...	1,08	1,24	1,32
Total Premium ...	3,77	4,22	4,44
Claims by death ...	44	50	83
" maturities ...	28	51	50
Commission and Expenses ...	1,86	1,95	2,12
Life Fund at beginning of year ...	5,46	6,92	6,94
Life Fund at year-end ...	6,92	6,94	9,33
Increase ...	1,46	2	2,39
Ratio of Expenses to Premium ...	49.8	46.2	47.7

Balance Sheet.				Assets—			
Liabilities—				Giltedge	6,98	7,44	8,85
Capital ...	50	50	50	Loans on Policies ...	64	77	88
Life Fund ...	6,92	6,94	9,88	Cash ...	20	1,01	1,87
Reserve Funds ...	8	1,58	8	Other items	44	71	88
Outstanding Liabilities and Claims ...	60	72	89				
Premium Deposits ...	11	9	8				
Total ...	8,21	9,88	11,88	Total ...	8,21	9,88	11,88

THE AMERICAN EXPRESS Co. Inc.

INTERNATIONAL BANKERS

WITH WORLDWIDE REPRESENTATION.

CURRENT ACCOUNTS—FIXED DEPOSITS—SAVINGS ACCOUNTS

ALL CLASSES OF FOREIGN BANKING UNDERTAKEN.

AFFILIATED WITH

The Chase National Bank of New York

<u>CAPITAL</u> ...	\$ 148,000,000·00	<u>SURPLUS</u>	\$ 124,000,000·00
<u>UNDIVIDED PROFITS</u>	\$ 19,075,093·30	<u>RESOURCES</u>	\$ 1,988,669,180 01

CALCUTTA

BOMBAY

COLOMBO

14, GOVERNMENT PLACE E. 143, ESPLANADE ROAD CHURCH STREET

T. A. HINES, *Manager.*

INSURANCE SECTION IV :

REVIEWS OF BALANCE SHEETS

BRITISH INSURANCE COMPANIES

ATLAS ASSURANCE CO., LTD.

This company was established in 1808, and carries on Life, Fire, Marine and Miscellaneous Insurance business. It has a world-wide organization. In the Life department the results in 1982 showed a slight decline from 1981. The number of policies issued declined from 4,480 to 3,487, Ratio of expenses to Premium income showed a slight increase from 18.4% to 18.8%. The net increase to the life fund was £1,660,000 against £648,000 in 1981.

In the Fire department premiums fell off a little, but the ratio of expenses to Premium income is at the same level as last year. The ratio of reserves to Premiums is substantial at 108.8 per cent. In the Marine department it is particularly remarkable that the ratio of expenses to premiums is only 12.4 per cent, and that the ratio of reserves to premiums is so liberal as 278.8%, which shows the special care in selection of business which the Directors have acquired.

The total funds of the company according to the Balance Sheet as at 31st December, 1981 is £18,784,581, while the total assets amount to £14,760,428. A dividend at the rate of 82 per cent. was paid for the year 1982.

A valuation of the Assets and Liabilities of the Life Department, as on 31st December, 1982, disclosed a total surplus of £282,217 which together with £871,469 brought forward made a sum of £658,686 available for distribution. A bonus for the triennium ended December 31, 1981 at the rate of 2.4 per cent. was distributed to Policy-holders. Net interest at the rate of 8.5-10 per cent. was earned during 1982 and the expenses, including commission were 18.6-8 per cent. of the Premium income.

Life Account.

		(000 omitted £)	
New Business—		1982.	1981.
Policies No. ...	...	3,487	4,480
Sum Assured ...	...	8,415	8,061 (nett)
Premium ...	...	181	165 (nett)
Total Premium ...	...	980	917
Claims by death ...	...	269	} 868
" Maturity ...	...	148	
Expenses ...	...	128	128
Life fund at the beginning of the year ...	...	7,904	7,261
Life fund at the end of the year ...	...	9,064	7,904
Net increase ...	...	1,660	648
Ratio of expenses to Premium ...	...	18.8%	18.4%

Fire Account.

		1982.	1981.
Premiums ...	...	1,908	2,080
Claims ...	...	1,082	1,053
Expenses and Commission	...	875	1,038
40% of Reserves for unexpired Risks	...	768	...
Additional reserve	...	1,312	...
Total reserve	...	2,075	...
Ratio of claims to Premium	...	54.1%	51.8%
Ratio of expenses to Premium	...	45.86%	45.97%
Ratio of reserves to Premium	...	108.8	...

Employers' Liability, Accident and General Insurance Account.

(000 omitted £)

		1982.
Premiums ...	...	461
Claims ...	...	229
Expenses and Commission	...	192
40% Reserve for unexpired risks	...	184
Additional Reserve	...	208
Total Reserve	...	892
Ratio of claims to Premium	...	49.7%
Ratio of expenses to Premium	...	41.6%
Ratio of Reserves to Premium	...	85.0%

Marine Insurance Account.

		1982.
Premiums ...	...	185
Claims ...	...	118
Expenses and Commission	...	14
Total reserve	...	869
Ratio of claims to Premium	...	88.7%
Ratio of expenses to Premium	...	12.4%
Ratio of Reserves to Premium	...	278.8%

Sinking Fund and Capital Redemption Insurance Account.

		1982.
Premiums ...	...	49
Claims ...	...	61
Expenses and Commission	...	2
Total reserve	...	890
Ratio of expenses to Premium	...	4.1%

Profit & Loss Account.	
	1932.
Balance brought Forward ...	193
Interest dividend etc., not carried to other accounts (nett) ...	123
Profit from Fire a/c. ...	49
Profit from employers' liability accident and general a/c. ...	45
Profit from sinking fund and capital redemption a/c. ...	8
Allocations ...	30
Dividend ...	176
Balance carried forward ...	214
Dividend rate % ...	32%

Balance Sheet.

Liabilities—	
Capital ...	550
Life Assurance and annuity fund ...	9,064
Fire insurance fund ...	2,075
Employers' liability accident and General Insurance funds ...	892
Marine Insurance fund ...	869
Sinking fund and capital redemption fund ...	390
Other Reserves ...	502
Outstanding claims ...	295
Other items ...	1,128
Total ...	14,760
Assets—	
	1932.
Investments ...	11,471
Mortgages and Loans ...	960
Loans on Company's policies ...	585
Branch and agents' Balances ...	680
Cash ...	690
Other Items ...	484
Total ...	14,760

CALEDONIAN INSURANCE COMPANY.

HEAD OFFICE: Edinburgh.

INDIA OFFICE: B8, Clive Buildings.

Founded in 1805, the Caledonian is the oldest Scottish insurance office. The Company's business shows an improvement in 1932 over that of 1931. Besides a General Reserve Fund of £500,000, strong departmental reserves are maintained. In the Marine Department, the Fund is as much as 153 per cent. of the premiums, 195 per cent. in Employers' Liability account, 101 and 109 per cent. each in Fire and Accident Departments.

After the quinquennial valuation in 1925, it was decided to have triennial valuation instead. The next valuation is done at the end of 1933. The balance of profit brought in from the previous year was £142,000. A dividend at the rate of 56.1 per cent. was declared.

Life Account.		(In thousands of £)		
		1930	1931	1932
New Business—				
Number of Policies ...		2,247	1,877	1,887
Sum assured ...		1,567	1,275	1,272
Premiums on new business ...		98	...	24
Total Premium Income ...		547	538	558
Interest ...		330	305	286
Claims by death ...		261	278	276
Claims by maturity ...		219	231	195
Commission and Expenses ...		87	87	85
Life, Annuity and Contingency Fund at beginning of year ...		6,684	6,884	7,028
Life, Annuity and Contingency Fund at year-end ...		6,884	7,028	7,225
Increase in Fund ...		220	144	197
Ratio of expenses to Premium ...		15.0%	16.1%	15.2%

Fire Account.

Premiums ...	868	834	809
Claims ...	447	...	451
Expenses ...	409	...	860
Reserve at 40% of Premium ...	347	334	324
Additional reserve ...	500	500	500
Total reserve ...	847	834	824
Ratio of claims to Premium ...	51.5%	54.8%	54.5%
Ratio of expenses to Premium ...	47.1%	46.2%	44.4%
Ratio of reserve to Premium ...	98%	100%	101.8%

Accident Account.

Premiums ...	7	9	11
Claims ...	8	...	4
Expenses ...	8	...	4
Reserve at 40% of Premium ...	8	4	4
Additional reserve ...	5	5	8
Total reserve ...	8	9	12
Ratio of claims to Premium ...	86.9%	87.7%	86.4%
Ratio of expenses to Premium ...	42.5%	42.2%	36.4%
Ratio of reserve to Premium ...	109%	100%	109%

Employers' Liability Account.

	1930	1931	1932
Premiums ...	48	41	38
Claims ...	22	28	25
Expenses ...	16	15	14
Reserve at 40% of Premium ...	17	...	15
Additional reserve ...	59	...	59
Total reserve ...	76	74	74
Ratio of claims to Premium ...	51.1%	56.1%	65.7%
Ratio of expenses to Premium ...	37.4%	37.7%	37%
Ratio of reserve to Premium ...	176%	180%	195%

Marine Account.			
Premiums	123	124	122
Claims	96	100	103
Expenses	8	7	7
Reserve	193	197	187
Ratio of claims to Premium	75.4%	80.6%	83.5%
Ratio of reserve to Premium	155%	159%	158%

General Insurance Account.			
Premiums	369	396	102
Claims	196	229	87
Expenses	160	170	41
Reserve at 40% of Premium	143	153	41
Additional reserve	164	165	97
Total reserve	312	323	138
Ratio of claims to Premium	53.0%	57.8%	85.3%
Ratio of expenses to Premium	43.2%	42.9%	40.2%
Ratio of reserve to Premium	84%	81.5%	135.2%

Balance Sheet Including Life Department as at December 31, 1930.

	1930	1932
Liabilities—		
Capital	155	155
Life Insurance, Annuity and Contingency Fund	6,884	7,225
Fire Insurance Fund	847	824
Accident Insurance Fund	8	12
Employers' Liability Insurance Fund	76	74
Annuities certain and leasehold Redemption Fund	77	98
General Insurance Fund	312	310
Marine Insurance Fund	193	187
General Reserve Fund	500	500
Staff Insurance and Pension Fund	90	105
Total funds	8,992	9,835
Other items	871	841
Total	10,018	10,381
Assets—		
Giltedge	3,159	3,333
Debenture and preference shares	2,899	2,851
Equity shares	313	347
Mortgages and loans	1,712	1,463
Other investments and other items	1,184	1,165
Cash	151	167
Total	10,018	10,381

Profit & Loss Account.

	1932
Receipts—	
Brought in	142
Transferred from—	
Life account	44
Fire account	25
Accident	...
Marine	...
Employers' Liability Account	...
General Insurance Account	...
Other items	86
Total	247

Disbursements—

Dividend amount	87
Allocations	5
Other items	55
Carried forward	100
Total	247

THE COMMERCIAL UNION ASSURANCE CO., LD.

HEAD OFFICE: LONDON.

BOMBAY OFFICE: 9, Wallace St., Fort.

CALCUTTA OFFICE: 31, Clive Bldgs.

Established in 1861, the Commercial Union occupies a very prominent position among companies transacting insurance business on a world-wide scale. The financial strength of the Company can be gauged from the fact that the paid up capital is £3,540,000 and the General Reserve is £4,100,000. A peculiar feature of the capitalisation of this Company is the existence of debentures originally issued in connection with the purchase of several subsidiary companies. The total resources of the Company exceeds £60 million. The major part of the huge premium income of this Company is derived from fire and accident business. The turnover in the marine insurance section is relatively small but the underwriting results have throughout been very satisfactory notwithstanding the adverse experience of other companies. In fact, in the year 1930, the Commercial Union had the distinction of transferring to its Revenue account the largest amount of profit among all British companies.

The Commercial Union does a large volume of life insurance business in the United Kingdom but its business in India is insignificant. The life fund at the end of 1932 amounted to £20,601,000.

The dividend paid was 20s. 6d. per share.

Valuation is made quinquennially.

The ratio of working expenses in the life department is very low at 12.4 per cent. During the last few years the total sums assured have fluctuated roundabout £4 million, the new business in 1932 being £3,986,000.

The reserves in the general departments are in the strongest position, being well above the premium income.

Life Account.

	(In Thousands of £)		
	1930.	1931.	1932.
New Business—			
Number of policies in Life Department	3,030	6,997	7,246
Number of policies in British General Fund	1,067	1,070	1,211
Amount assured in Life Department	4,386	4,034	3,986
Amount assured in British General Fund	508	484	619
New premiums in Life Department	228	239	224

	1930.	1931.	1932.
New premium in British General Fund ...	21	18	38
Total premiums in Life Department ...	1,564	1,637	1,657
Total premiums in all other accounts ...	367	350	347
Interest from Life Department ...	785	805	846
Interest from all other funds ...	408	333	355
Claims from Life Department ...	923	998	1,040
Claims from all other funds ...	396	907	347
Commission and expenses of Life Department ...	202	200	207
Commission and expenses from all other Funds ...	31	30	31
Fund of Life Department at beginning of year ...	17,202	18,201	19,267
Fund of Life Department at year-end ...	18,201	19,267	20,601
Increase in fund ...	999	1,066	1,334
All other funds at year-end ...	9,224	8,760	8,419
Ratio of expense to premium in Life Department ...	12.9%	12.2%	12.4%

Fire Account.

	1930.	1931.	1932.
Premiums ...	6,774	6,816	6,018
Claims ...	3,712	3,448	3,264
Expenses ...	3,212	3,010	2,923
Reserve at 40% for unexpired risks ...	2,710	2,526	2,407
Additional reserve ...	4,786	4,572	4,517
Total reserves ...	7,496	7,099	6,925
Ratio of claims to Premium ...	54%	53%	54.2%
Ratio of expense to Premium ...	47%	43%	48.5%
Ratio of reserve to Premium ...	111%	112%	115%

Marine Account.

	1930.	1931.	1932.
Premiums ...	699	734	587
Claims ...	320	329	318
Expenses ...	140	151	164
Reserve ...	1,194	1,247	1,202
Ratio of claims to Premium ...	46%	45%	54.1%
Ratio of expenses to Premium ...	20%	21%	27.9%
Ratio of reserve to Premium ...	171%	170%	204.7%

Accident Account.

	1930.	1931.	1932.
Premiums ...	3,658	7,846	7,161
Claims ...	5,178	4,980	4,123
Expenses ...	3,535	3,901	3,114
Reserve ...	3,825	5,578	5,846
Ratio of claims to Premium ...	60%	63%	57.6%
Ratio of expenses to Premium ...	41%	43%	43.5%
Ratio of reserve to Premium ...	66%	71%	75%

Consolidated Balance Sheet.

	1930.	1931.	1932.
Liabilities—			
Capital ...	3,540	3,540	3,540
Debentures ...	2,279	2,279	2,279
General reserve fund ...	4,100	4,261	4,267
Funds:—			
Fire ...	7,495	7,099	6,925
Marine ...	1,194	1,247	1,202
Accident ...	5,825	5,578	5,846
Life ...	27,425	28,027	29,208
Total funds ...	46,418	46,523	46,948
Other items ...	3,359	3,605	3,083
Total ...	60,596	60,952	60,845
Assets—			
Giltedge securities ...	24,871	24,333	19,891
Debentures and preference shares ...	14,470	14,457	13,462
Equity shares ...	581	621	922
Mortgages and Loans ...	6,656	5,974	5,790
Loans on life policies ...	2,365	3,392	1,708
Other investments and other items ...	4,424	3,598	15,584
Cash ...	7,229	3,072	3,488
Total ...	60,596	60,952	60,845

Profit & Loss Account.

	1930.	1931.	1932.
Receipts—			
(In Thousands of £)			
Brought forward ...	590	574	558
Transferred from—			
Fire account ...	185	250	150
Marine account ...	200	200	150
Accident account ...	70	...	...
Life account ...	33	33	36
Interests, dividends and rents ...	1,044	1,080	965
Other items ...	58	153	58
Total ...	2,173	2,240	1,917
Disbursements—			
Dividend rate per cent. ...	41	41	41%
Dividend amount ...	1,140	1,118	1,110
Allocations ...	196	257	20
Other items ...	224	307	730
Carried forward ...	574	558	7
Total ...	2,173	2,240	1,917

THE GENERAL ACCIDENT, FIRE AND LIFE ASSURANCE CORPORATION, LD.

For a company that started business barely half a century ago, the progress achieved by the General Accident, Fire and Life Assurance Corporation must be considered truly remarkable. The total resources now amount to £18.58 million, with total funds standing at £12.7 million. The main strength of the Company is in the accident and the general department as well as in the life department. During 1932, the premiums in the accident department came to the substantial amount of £6.28 million. The total reserves in this section stood at £5.3 million, which is nearly 84.5 per cent. of the premium income. In the Life section, the net new business amounted to £1.86 million.

The life fund at the end of the year at £8.59 million, and shows an increase of £221,000 during the year. The total reserves in the Fire and Marine sections are 91 per cent. of the respective premium incomes and are substantial. The subsidiary companies of the Corporation are: (1) The General Life Assurance Company; (2) Road Transport and General Insurance Company; (3) English Insurance Company; (4) General Accident Assurance Company of Canada; (5) The Potomac Insurance Company of the District of Columbia; (6) Scottish Canadian Assurance Corporation and two other companies, one in South America and the other in India.

Accident Account.

	(£000's omitted)	
	1931.	1932.
Premiums	6,688	6,281
Claims	4,042	3,802
Commission and Expenses	2,375	2,274
40% Reserve	2,816	2,812
Additional Reserve	3,017	2,950
Total Reserve	5,833	5,262
Ratio of Claims to Premiums	60.4%	61%
Ratio of Expenses to Premiums	35.5%	36.5%
Ratio of Reserves to Premiums	79.7%	84.5%

Life Account.

New Business—		1931.	1932.
Amount	2,099	1,864	
Total Premiums	406	420	
Claims	239	236	
Expenses and Commission	98	90	
Life Fund at the beginning of the year	3,489	3,868	
Life Fund at the end of the year	3,868	3,589	
Increase in the Life Fund	-121	221	

Fire Account.

Premiums	602	549
Claims	237	236
Expenses and Commission	245	229
40% for unexpired risks	241	220
Additional Reserves	278	279
Total reserve	519	499
Percentage of Claims to Premiums	48	52%
Percentage of Expenses to Premiums	41	42%
Percentage of Reserves to Premiums	86	91%

Marine Account.

Premiums	86	188
Claims	69	89
Expenses	8	12
Reserves	90	126
Percentage of Claims to Premiums	80	64
Percentage of Expenses to Premiums	9	9
Percentage of Reserves to Premiums	101	91

Balance Sheet.

Liabilities—			
Capital	...	688	688
Life and Annuity Fund	...	3,868	3,589
Fire Fund	...	519	499
Accident and General Insurance Fund	...	5,833	5,262
Marine Fund	...	90	126
Investment Reserve Fund	...	775	775
General Reserve Fund	...	600	750
Total Funds	...	10,685	12,667
Other Liabilities	...	1,946	918
Total	...	18,819	18,580

Assets—

Giltedge	...	3,215	3,299
Debentures and Preference Stocks	...	4,117	4,400
Equity Shares	...	855	878
Mortgages and Loans	...	1,234	1,257
Free-hold and Lease-hold Properties	...	1,880	1,480
Outstanding Premiums and Agency Balances	...	1,234	1,120
Other Assets	...	1,234	1,201
Total	...	18,819	18,580

Profit & Loss Account.

Receipts—		1931.	1932.
Brought Forward	...	387	474
Interest, Dividends and Rents	...	247	248
Transferred from Fire Account	...	74	55
Transferred from Accident and General Account	...	174	225
Other Items	...	8	17
Total	...	890	1,014

Disbursements—

Dividend Rate %	...	56	56
Amount	...	198	198
Allocations	...	43	260
Carried Forward	...	474	489
Other Items	...	180	72
Total	...	890	1,014

GUARDIAN ASSURANCE COMPANY, LTD.

Head Office: LONDON.

Indian Office: 8, CLIVE ROW, CALCUTTA.

Established as long ago as in 1821 this company transacts all kinds of insurance business. Associated with the Guardian are: (1) Guardian Insurance Company of Canada; (2) Reliance Marine Insurance Company, Ltd.; (3) Guardian Eastern Insurance Company, Ltd.; (4) Scottish Plate Glass Insurance Company, Ltd.; and (5) Hibernian Fire and General Insurance Company, Ltd.

The accounts also include the transactions of the Albingia Versicherungs Aktiengesellschaft of Hamburg, most of the share capital of which company has been acquired by the "Guardian" during 1932. The number and amount of the claims have both been below the expectation, and there has been a profit from mortality. The total number of policies in force at the end of 1932, was 26,234 assuring, with bonuses, £20,151,970. The funds of the Life department at the same date amounted to £6,785,502.

The profits of the Company have been maintained in spite of the depression except in the marine branch, where the fall in trade was bound to be felt. In addition to the departmental funds there is an investment reserve and contingency fund amounting to £181,970. Dividend for 1932 was maintained at the rate of 10s. per ordinary share (10s. paid-up) and 10s. on each staff share, both subject to income tax.

Total funds amount to £12.2 million and total resources to £14.3 million.

Life Account.

	(In thousands of £).	1932.
New Business—		
No. of Policies	...	1,902
Sum assured	...	1,548
Premium on new business	...	146
Total Premium	...	606
Claims and annuities	...	454
Expenses and commission	...	84
Life Fund at beginning of year	...	6,722
Life Fund at year-end	...	7,063
Net increase in Life Fund	...	341
Ratio of expenses to premium	...	13.9%

Fire Account.

Premiums	...	1,193
Claims	...	562
Expenses	...	536
Reserve for unexpired risks	...	597
Additional reserves	...	1,047
Total Reserve	...	1,644
Ratio of claims to premium	...	47.1%
" " expenses to premium	...	45.0%
" " reserve to premium	...	87.8%

Accident, Burglary and General Account.

Premiums	...	1,196
Claims	...	595
Expenses	...	541
Reserve for unexpired risks	...	538
Additional reserve	...	395
Total reserve	...	933
Ratio of claims to premiums	...	50.0%
" " expenses to premiums	...	45.2%
" " reserve to premiums	...	78.0%

Marine Account.

Premiums	...	256
Claims	...	201
Expenses	...	69
Reserve	...	465
Ratio of claims to premiums	...	78.5%
" " expenses	...	27.0%
" " reserve	...	181.6%

Balance Sheet as at 31st December, 1930.

Liabilities—		
Capital	...	1,025
Funds:—		
Life	...	7,056
Fire	...	1,644
Accident, Burglary and General	...	933
Marine	...	465
Redemption Assurance Fund	...	230
General reserve	...	182
Total funds	...	12,230
Other items	...	2,039
Total	...	14,269
Assets—		
Giltedge securities	...	3,484
Debentures and Preference shares	...	2,428
Equity shares	...	463
Loans on life policies	...	375
Other loans and mortgages	...	3,197
Other items	...	3,754
Cash	...	568
Total	...	14,269

Profit & Loss Account.

Receipts—		
Brought in	...	17
Transferred from—		
Fire account	...	125
Life account	...	...
General and Accident account	...	65
Marine account	...	9
Other items	...	306
Total	...	522

Disbursements—

Dividend amount	...	197
Allocations	...	...
Other items	...	307
Carry forward	...	18
Total	...	522

THE LIVERPOOL & LONDON & GLOBE INSURANCE CO., LTD.

Head Office: 1, DALE STREET, LIVERPOOL.

Established in 1836, this Company transacts extensive business in all parts of the Globe. It is associated with the Royal Insurance Company, Limited and also controls a number of subsidiary Companies.

The profit earnings of the Company continue to be satisfactory. In spite of the difficult conditions of 1932, new life business registered an increase of £119,000 which is a record for the Company. The Fire Insurance Account showed a net premium income of £4.1 million and a net profit of £284,000 which was carried to Profit and Loss Account. The Reserve Fund in this Department is equivalent to 88.8% of the premium income. The Miscellaneous Insurance Account showed a loss of £123,000 in 1932 against a loss of £75,000 in the previous year, and maintains a reserve equivalent to 122 per cent. of the premiums which shows an increase of 16 per cent. over

1931. The Marine Account has a reserve in respect of unexpired risks equivalent to 142% of the premiums. The Interest Earnings, less income tax and interest on Life Funds, amounted to about £862,000. Omitting the carry forward of £584,897 to the next account, the balance of profit available for distribution after all allocations for expenses during 1932 was £612,168. A dividend of 27s. per share less income tax was paid in 1932 which is the same rate as in 1931.

The Company's position continues strong with total funds amounting to £26 millions out of the total assets of £29 millions.

The principal classes of business transacted in India are Fire, Motor Vehicle and other classes of Miscellaneous Accident business including Workmen's Compensation, also Life and Marine business.

Life Account.

(In thousands of £)

	1930	1931	1932
New Business—			
Number of policies	8,886	8,815	8,801
Amount	1,908	1,950	2,069
New premiums	98	107	124
Total premiums	752	782	819
Claims	455	481	539
Interest	870	880	889
Commission and expenses	79	82	88
Funds at beginning of the year	8,488	8,921	9,472
Funds at year-end	8,921	9,472	9,954
Increase	488	551	482
Ratio of expenses to premium	10.5%	10.5%	10.7%
Annuity fund	579	591	708

Fire Account.

Premiums	4,699	4,481	4,095
Claims	2,825	2,168	2,060
Expenses	2,165	2,161	1,955
Reserve at 40% of premium	1,880	1,792	1,638
Additional reserve	2,925	1,775	1,775
Total reserve	4,805	3,567	3,413
Ratio of claims to premium	49.5%	48.4%	47.7%
Ratio of expenses to premium	46.1%	48.2%	50%
Ratio of reserve to premium	102%	80%	83.8%

Marine Account.

	1930	1931	1932
Premiums	856	828	295
Claims	807	259	248
Expenses	88	85	85
Reserve at 40% of premium	142	129	118
Additional reserve	800	800	800
Total reserve	442	429	418
Ratio of claims to premium	86.8%	80.2%	82.4%
Ratio of expenses to premium	10.7%	10.8%	11.9%
Ratio of reserve to premium	124%	188%	142%

Miscellaneous Account.

	1931	1932
Premiums	5,899	4,859
Claims	3,449	3,893
Expenses	2,061	1,885
Reserve at 40% of premium	2,378	1,944
Additional reserve including liability in respect of outstanding claims	3,454	4,006
Total reserve	5,732	5,950
Ratio of claims to premium	58.9%	69.8%
Ratio of expense to premium	35.2%	38.8%
Ratio of reserve to premium	106%	122%

Balance Sheet.

	1930	1931	1932
Liabilities—			
Capital	1,062	1,062	1,062
4% Perpetual Debenture Stock	568	550	550
4% "Thames and Mersey" Debenture Stock	876	872	871
Funds, fire	4,805	3,567	3,418
Funds, life	8,921	9,473	9,954
Annuity fund	579	591	708
Leasehold Redemption Fund	98	148	173
Marine Reserve Fund	442	429	418
Miscellaneous Insurance Reserve fund	182	6,246	5,950
General Contingencies Fund	446	2,684	2,700
Members Life Profits Account	44	22	28
Other funds	858	692	780
Total funds	28,825	28,851	24,068
Other items	3,446	3,097	2,950
Total	28,792	28,982	29,001

Assets—			
Giltedge	9,512	10,141	10,155
Debenture and Preference shares	10,950	10,037	9,970
Equity shares	1,896	1,465	1,862
Mortgages and loans	1,780	1,834	1,668
Other investments and other items	4,029	3,915	3,619
Cash	1,119	1,540	2,282
Total	28,792	28,982	29,001

Profit & Loss Account.

Receipts—			
Brought in	896	574	573
Transferred from fire account	256	229	234
Transferred from members			
Life profits account	28	28	28
Transferred from Marine account	29	42	28
Transferred from personal Accident account	2		
Transferred from employers' liability account	26		
Interest	528	520	473
Miscellaneous insurance account	-65	-75	-123
Other items	1		68
Total	1,696	1,818	1,375

Disbursements—			
Dividend amount ...	560	542	842
Allocations ...	170	70	70
Other items ...	112	129	129
Carry forward ...	854	572	584
Total ...	1,696	1,818	1,275

THE LONDON ASSURANCE CORPORATION.

Head Office: LONDON.

Calcutta Office: CLIVE BUILDINGS.

Founded in the year 1720. The Corporation has acquired the Guildhall Insurance Company Ltd., and has a controlling interest in the British Law Insurance Company Ltd., the Vulcan Boiler and General Insurance Company, Ltd., the London Associated Reinsurance Corporation Ltd., and the Manhattan Fire and Marine Insurance Co.

The Company transacts all forms of insurance business and has its branches spread over a large part of the globe.

The valuation as at December 31, 1930, was made on the usual stringent basis. Value of securities at the time of valuation exceeded the book figures. A surplus of £781,668 was shown of which (1) £578,042 was allocated to policy-holders in payment of bonus on the basis of 55 per cent. of Premiums to those on the old series and £2-5-0 per cent. to those on the new series; (2) £96,850 was allotted to shareholders and (3) the balance £106,911 carried forward. A dividend of 11s. 8d., less tax was paid on ordinary shares which works out to a percentage of 45.

The last quinquennium was marked by favourable mortality experience and progressive advancement of business. The Life Assurance Fund during the period was raised by an addition of £2 million to the figure of £6.4 million and new assurances effected were about £9 millions. The latest bonus declaration was a record in the annals of the Corporation and still higher rates in the future are expected by a persistence in the general policy of maintaining strong reserves. Additional care is taken in the Annuity section to enhance the reserves to provide against the low mortality of annuitants experienced recently.

Life Account.

New Business—	(In thousands of £)		
	1930.	1931.	1932.
Number of policies ...	2,609	2,299	2,522
Amount ...	2,056	1,796	2,170
Premiums on New Business ...	118	88	116
Total Premiums ...	678	626	688
Interest ...	278	285	297
Claims and annuities ...	810	890	898
Commission and expenses ...	91	100	99
Life fund at beginning of the year ...	5,902	6,401	6,677
Life fund at year-end ...	6,401	6,677	7,128
Increase in fund ...	499	275	446
Ratio of expenses to Premium ...	15.0%	16.0%	14.4%

Fire Account.

Premiums ...	1,274	1,988	2,549
Claims ...	675	1,088	1,456
Expenses ...	581	918	1,191
Reserve at 40% ...	510	795	1,020
Additional reserve ...	740	900	905
Total reserve ...	1,250	1,695	1,925
Ratio of claims to Premium ...	53.0%	54.5%	57.1%
Ratio of expenses to Premium ...	45.6%	46.2%	46.7%
Ratio of reserve to Premium ...	98%	85%	75.5%

Marine Account.

Premiums ...	947	879	950
Claims ...	780	749	658
Expenses ...	100	109	115
Reserve ...	895	902	986
Ratio of claims to Premium ...	84.5%	84.5%	68.7%
Ratio of expenses to Premium ...	10.5%	12.4%	12.1%
Ratio of reserve to Premium ...	95%	102%	103.7%

General Accident Account.

	1930.	1931.	1932.
Premiums ...	830	1,191	1,228
Claims ...	228	877	782
Expenses ...	159	837	484
Reserve ...	249	600	641
Ratio of claims to Premium ...	67.4%	78.6%	63.1%
Ratio of expenses to Premium ...	48.1%	28.2%	35.6%
Ratio of reserve to Premium ...	75%	50%	52.4%

Balance Sheet.

Liabilities—			
Capital ...	878	912	912
FUNDS:—			
„ Life ...	6,401	6,677	7,128
„ Fire ...	1,250	1,695	1,925
„ Marine ...	895	902	986
„ General accident ...	249	...	641
„ Capital and leasehold redemption fund ...	159	410	482
General reserve fund ...	1,800	1,460	1,460
Total funds ...	10,805	11,744	12,617
Other items ...	992	1,734	2,224
Total ...	12,170	14,890	15,758
Assets—			
Giltedge ...	8,576	4,666	6,088
Debentures and Preference shares ...	2,114	2,798	2,924
Equity shares ...	195	514	844
Mortgages and loans ...	2,129	2,800	1,845
Other investments and other items ...	8,565	8,869	4,100
Cash ...	591	248	457
Total ...	12,170	14,890	15,758

Profit and Loss Account.			
Receipts—			
Brought in	239	318	368
Transferred from life account	13	20	20
Transferred from fire account	95	89	27
Transferred from marine	86	159	171
Other items	18	186	171
Total	548	772	752
Disbursements—			
Dividend amount	233	236	324
Allocation general accident accounts	81	185	50
Other items	38	43	163
Carry forward	240	358	210
Total	542	772	752

THE LONDON AND LANCASHIRE INSURANCE CO., LTD.

Head Office: LIVERPOOL AND LONDON.

Bombay Office: 15-15A, ELPHINSTONE CIRCLE.

Calcutta Office: 2, FAIRLIE PLACE.

Established in 1892. This Company is now one of the largest of the composite British Insurance Companies and has absorbed a large number of subsidiary Companies not only in the United Kingdom but also abroad. There are as many as five in the United Kingdom, three in the United States of America, five in Canada, six in Australia and one each in Holland, South Africa and South America. It transacts in its own name all classes of business with the exception of Life and Leasehold business which are carried on in the name of the "Law Union and Rock," a company acquired in 1919.

The Premium Income of the Company in common with other Companies showed a further shrinkage in the year 1932. The underwriting profit in 1932, has suffered a sharp decline of about £187,000, as compared with 1931. The reserves, however, have been increased from year to year and the Company now stands in an extremely strong position.

The new Life business in 1932 at £2,208,476 is in advance of 1931 business by £249,357. There was a net premium income of £722,871 against £698,607 in 1931. The net increase to the Life fund in 1932 was £74,977. The "London and Lancashire" paid a dividend of 20s. per share, less income-tax during 1930, 1931 and 1932 which was equal to 50 per cent. During 1930 a sum of £727,862 out of the profits of the Company was capitalised and the paid up value of each share was raised from £1 to £2. In view of the low interest rates prevailing the Directors took the earliest opportunity to repay the outstanding 5 per cent. Debenture Stock which amounted to £610,823. The liquidation of this liability will result in a substantial net annual saving to the Company.

Life Account.			
	(In Thousands of £)		
	1930.	1931.	1932.
New Business—			
Amount assured	1,646	2,049	2,298
Premiums on new business	57	63	100
Total premium income	695	699	723
Interest	484	471	417
Claims by death	567	457	880
Claims by maturity	314	287	330
Commission and expenses	111	115	121
Life Fund at beginning of the year	10,982	10,880	10,716
Life Fund at year-end	10,880	10,716	10,791
Increase	-52	-164	+75
Ratio of expenses to premium	16.0%	16.4%	16.7%

Fire Account.			
Premium	3,224	3,040	2,872
Claims	1,548	1,417	1,812
Expenses	1,844	1,287	1,310
Reserve for unexpired risks	1,290	1,216	1,149
Additional reserve	2,400	2,400	2,400
Total reserve	3,690	3,616	3,549
Ratio of claims to premium	48.0%	46.6%	45.7%
Ratio of expenses to premium	41.7%	42.3%	45.6%
Ratio of reserve to premium	114%	118.9%	123.6%

Accident and General Account.			
Premium	2,858	2,197	2,023
Claims	1,858	1,269	1,252
Expenses	983	891	871
Reserve for unexpired risks	944	879	810
Additional reserve	800	800	800
Total reserve	1,744	1,679	1,610
Ratio of claims to premium	57.4%	57.7%	61.3%
Ratio of expenses to premium	39.6%	40.5%	43.1%
Ratio of reserve to premium	74%	76.4%	79.6%

Marine Account.			
	1930.	1931.	1932.
Premium	1,269	1,296	1,102
Claims	995	884	881
Expenses	145	150	189
Reserve for unexpired risks	508	519	441
Additional reserve	900	900	900
Total reserve	1,408	1,419	1,341
Ratio of claims to premium	78.4%	68.2%	75.4%
Ratio of expenses to premium	11.4%	11.5%	17.1%
Ratio of reserve to premium	111%	109.4%	121.7%

Balance Sheet.

Liabilities—			
Capital ...	1,456	1,456	1,456
5% Debenture Stock ...	628	618	611
Reserve Fund ...	1,500	1,500	1,500
Fire Fund ...	8,690	8,616	8,549
Marine Fund ...	1,408	1,419	1,841
Accident Fund ...	1,744	1,679	1,610
Staff Pension Fund ...	294	309	328
Life Assurance Fund...	10,880	10,716	10,791
Total funds ...	19,516	19,289	19,114
Balance of Profit and Loss account ...	1,854	1,511	1,788
Claims and balances outstanding ...	8,586	4,071	4,289
Other items ...	1,185	468	241
Total ...	27,670	27,358	27,449
Assets—			
Buildings ...	1,669	1,678	1,687
Giltedge ...	11,861	9,911	8,886
Debentures and Preference shares ...	8,812	4,505	5,221
Mortgages and loans ...	4,818	4,811	8,915
Other Investments ...	2,247	2,864	5,482
Cash ...	4,268	4,589	2,858
Total ...	27,670	27,858	27,449

Profit & Loss Account.

Receipts—			
	1930.	1931.	1932.
Brought in ...	2,194	1,854	1,511
Underwriting profit from Fire Account ...	824	845	816
Underwriting profit from Marine Account ...	187	201	160
Underwriting profit from Accident and General Account ...	85	78	Nil.
Underwriting profit from Fixed Term Assurance Account ...	8	2	5
Life profits ...	82	82	82
Interest ...	550	502	509
Total ...	8,876	2,514	2,588
Disbursements—			
Dividend amount ...	569	560	569
Allocations ...	1,429	448	226
Other items ...	28	...	Nil.
Carried forward ...	1,854	1,511	1,788
Total ...	8,875	2,514	2,588

NORTH BRITISH & MERCANTILE INSURANCE CO., LD.

Chief Offices ... LONDON AND EDINBURGH.

Bombay Office ... 276, HORNBY ROAD.

Calcutta Office ... 101/1, CLIVE STREET.

Established in 1809, this is one of the most powerful of the British Companies, with wide ramifications and enormous reserves. Subsidiary

Companies acquired are the Ocean Marine Insurance Co., Ltd., the Railway Passengers Assurance Co., and the Fine Art & General Insurance Co., Ltd. Marine business is done by the "Ocean Marine," Accident business by the "Railway Passengers" while the "Fine Art" transact all classes except Life. Fire and Life business is transacted in the name of the "North British."

In the Life Branch, though the number of policies effected shows a decrease, the amount assured at £4 millions is more by £0.18 million. The Life fund at the end of the year was £27.7 million, showing an increase of £1.1 million. The ratio of expenses to premium has been reduced further low to 16.7 per cent.

Though the profit from fire business was substantially lower than in 1931, the dividend has been maintained at 28sh. per share which works out to 92 per cent.

Life Account.

(In Thousands of £)

New Business—			
	1930.	1931.	1932.
Number ...	8,532	8,024	7,639
Amount ...	4,105	8,817	8,998
Premium on New Business ...	808	195	224
Total Premium ...	2,192	2,186	2,189
Interest ...	1,168	1,158	1,186
Claims by Death ...	886	948	914
" " Maturity ...	575	614	654
Commission and Expenses ...	866	866	866
Life fund at beginning of year ...	25,071	26,066	26,604
Life fund at year-end ...	26,066	26,604	27,635
Increase in fund ...	995	538	1,031
Ratio of Expenses to Premium ...	16.7%	17.1%	16.7%
Annuity fund ...	8,546	8,768	5,186

Fire Account.

Premiums ...	8,901	8,628	8,277
Claims ...	2,182	1,828	1,706
Expenses ...	1,781	1,662	1,498
Reserve at 40% for unexpired risks ...	1,560	1,451	1,811
Additional reserve ...	2,000	2,000	2,000
Total reserve ...	8,650	8,451	8,811
Ratio of Claims to Premium ...	54.6%	50.4%	52.0%
Ratio of Expenses to Premium ...	44.4%	45.8%	45.7%
Ratio of Reserve to Premium ...	91%	95.1%	101%

"Ocean Marine" Account.

Premiums ...	822	290	252
Claims ...	244	222	189
Expenses ...	88	88	82
Reserve ...	818	278	98
Ratio of Claims to Premium ...	75.7%	76.6%	75%
Ratio of Expenses to Premium ...	10.2%	11.4%	12.6%
Ratio of Reserve to Premium ...	99%	94%	...

Fine Art and General Account.

	1930.	1931.	1932.
Premiums ...	868	840	827
Claims ...	178	168	158
Expenses ...	151	142	140
40% Reserve ...	145	186	181
Additional Reserve ...	200	200	200
Total Reserve ...	845	836	831
Ratio of Claims to Premium ...	49.1%	48%	48.8%
Ratio of Expenses to Premium ...	41.7%	41.8%	42.8%
Ratio of Reserve to Premium ...	95%	99%	101.2%

"Railway Passengers" Account

	1930.	1931.	1932.
Premiums ...	1,198	1,155	1,108
Claims ...	571	532	538
Expenses ...	488	472	468
Reserve at 40% ...	479	462	448
Additional Reserve ...	449	498	465
Total Reserve ...	928	955	908
Ratio of Claims to Premium ...	47.6%	46.0%	48.5%
Ratio of Expenses to Premium ...	40.7%	40.8%	41.8%
Ratio of Reserve to Premium ...	77%	82.7%	81.9%

Balance Sheet.

Liabilities—			
Capital ...	2,438	2,438	2,438
Funds of Life ...	26,066	26,604	27,695
" Fire ...	3,560	3,451	3,811
Sinking fund ...	251	264	311
Other funds ...	1,412	1,435	6,727
Total funds ...	31,289	31,754	38,044
Other items ...	12,452	9,792	5,082
Total ...	43,741	43,984	45,564
Assets—			
Life and Annuity branches ...	30,420	31,117	33,708
Giltedge ...	4,762	4,714	3,756
Debentures and Preference Shares ...	2,985	2,865	1,435
Equity Shares ...	2,768	2,727	4,408
Mortgages and loans ...	8	8	8
Other investments and other items ...	2,835	1,946	1,789
Cash ...	518	612	470
Total ...	43,741	43,984	45,564

Profit & Loss Account.

	1930.	1931.	1932.
Brought in ...	3,207	3,468	3,178
Transfers from Fire account ...	262	246	214
Transfers from Annuity account ...	86	...	...
Transfers from Life Annuity and Sinking Fund ...	886	...	...
Other items ...	514	509	501
Total ...	4,405	4,228	3,888

Disbursements—

	1930.	1931.	1932.
Dividend rate % ...	92%	92%	92%
Amount ...	528	589	532
Allocations ...	850	50	50
Other items ...	59	461	685
Carry forward ...	3,468	3,178	3,621
Total ...	4,405	4,228	3,888

NORWICH UNION LIFE INSURANCE SOCIETY.

Head Office: NORWICH.

Founded as a mutual concern in 1808 for the transaction of life business, the Company has been steadily expanding its activities. In 1925, the Society purchased from Phoenix the Norwich Union Fire Insurance Society.

The Societies' financial position and business results are extremely encouraging. The number of policies issued in 1932 has increased by 361. Net new premiums show an improvement by £25,000 while total Premium Income has increased by £109,000. The expense ratio at 14.64 per cent. compares favourably with 15.11 per cent. in 1931. The total assets stand at the high figure of £36.84 million as against £4.77 million in the previous year. In spite of the fall in the interest yields during the past year, the net interest earned by the Company, £4-15-11, is not much lower than £4-19-0 in the previous year. The stock exchange securities held by the Company are shown at or under the mean market price as at December 31st, 1931, with the exception of any investments since made, which are taken at cost. The financial position of the Company is very satisfactory.

Life and Annuity Account.

	1931	1932
Life Premiums ...	8,492	8,601
Consideration for annuities ...	162	397
Interests and dividends ...	1,596	1,616
Net rate % earned on Funds 4-19-0	4-15-11	4-15-11
Claims (Life) ...	2,086	2,255
Annuities paid ...	140	150
Surrenders (Life) ...	680	738
Commission and expenses (Life) ...	511	506
Percentages of expenses to annual premiums ...	15.11	14.64
Percentage of new to total premiums ...	14.52	14.78
Fund at the beginning of the year ...	32,297	32,966
Fund at the end of the year ...	32,966	35,065
Increase in the year ...	669	2,099
New Business—		
No. of policies ...	12,598	12,954
Net sums insured ...	3,250	3,010
Net new premiums ...	507	532
Premiums ...	219	120
Interest and dividends ...	58	54
Claims ...	84	89
Surrenders ...	33	162
Commission and expenses ...	8	7
Fund at the end of the year ...	1,577	1,548

Total assets as per Balance Sheet for the year ended 31st December, 1932, amounted to £36,838,719, as against £34,778,000 in the previous year.

PEARL ASSURANCE CO., LTD.

Head Office: HIGH HOLBORN, LONDON, W.C. 1.

The "Pearl" is one of the leading Insurance Companies founded in Britain whose funds increase steadily year after year. The number of new policies written in 1932 rose by 1,759 to 41,042. The ordinary Life Fund increased by the substantial amount of well over £2 million, bringing the total up to £ 82,816,407. With the exception of the "Accident" account, it will be seen that the Fire and Casualty business has been unprofitable, although the net deficit is but a flea-bite to an office of the size of the "Pearl". But with the Company's record for keen business-securing capacities, it may confidently be expected that before long the balance of Profit and Loss account will be on the credit side.

Life (Ordinary Branch).

	(000 omitted £)	
	1931	1932
New Business—		
No. of policies ...	89,283	41,042
Net sums assured ...	8,022	7,618
Net new premiums ...	508	557
Life fund at the end of the year ...	80,272	82,816
Net interest earned ...	£4-10-11	£4-10-5

Life (Industrial) Account.

	1931	1932
Premium income ...	7,182	7,255
Fund at the close of the year	28,932	81,585

Fire Account.

Premiums ...	4.98	5.02
Claims paid and outstanding	2.54	2.94
Commission and expenses ...	2.16	2.22
Percentage of claims to premiums ...	51.47	58.58
Percentage of expenses to premium ...	48.86	44.88
Underwriting profits after allowing 40% for unexpired risks ...	£15	£17

Accident Account.

Premiums ...	72	75
Claims paid and outstanding	87	86
Commission and expenses ...	£15	£17
Percentage of claims to premiums ...	51.19	48.60
Percentage of expenses to premium ...	20.91	22.91
Underwriting profits after allowing 40% for unexpired risks ...	19	20

Employer's Liability Account.

Premiums ...	20	20
Claims paid and outstanding	12	11
Commission and expenses ...	8	9
Percentage of claims to premiums ...	57.42	55.82
Percentage of expenses to premiums ...	88.06	45.61
Underwriting profits after allowing 40% for unexpired risks (actual amount) ...	778	-278

Motor Account.

Premiums ...	101	94
Claims paid and outstanding	60	59
Expenses ...	84	88
Percentage of claims to premiums ...	59.20	62.71
Percentage of expenses to premiums ...	88.80	41.09
Underwriting profits after allowing 40% for unexpired risks (act.) ...	-8,827	-601

General Account.

Premiums ...	81	62
Claims paid and outstanding	25	38
Expenses and commission ...	12	25
Percentage of claims to premiums ...	81.41	58.58
Percentage of expenses to premiums ...	87.26	40.91
Underwriting profits after allowing 40% for unexpired risks ...	-7	-9

Profit & Loss Account.

Interest receipts excluding Life and Capital Redemption and all taxes ...	42	41
Shareholders' life profits ...	544	508
Net underwriting profits ...	24	-7
Dividend rate for year (tax-free) ...	47½%	50%
Amount of Dividend (ordy.) ...	522	580

The following are the interest earnings by the respective accounts (nett of Income-tax).

Fire ...	23,867
Accident ...	5,684
Employers' liabilities ...	1,255
Motor ...	2,521
General ...	1,851
Total ...	34,128

Total assets as shown by the Balance-sheet for the year ended 31st December, 1932 is 74,083,478 as against £69,229,000 in the previous year.

THE PRUDENTIAL ASSURANCE COMPANY LIMITED.

The Company was founded in Great Britain in 1848 and has steadily grown since that date. Until now it has accumulated funds of over Rs. 841 crores whilst its total income from all sources for 1931 amounted to over Rs. 62 crores. It now has the distinction of being the largest Insurance Institution in the British Empire.

The growth of the Company during the present century is shown in the following schedule of assets and income:

Year.	Total Assets.	Total Income.
	Rs.	Rs.
1901 ...	57,72,26,999	18,84,12,428
1911 ...	1,08,81,95,746	20,64,78,115
1921 ...	1,79,76,96,475	41,48,87,696
1931 ...	8,41,05,84,715	62,04,18,851
1932 ...	8,51,59,81,226	64,91,85,257

All classes of business are transacted through its three Branches, the Ordinary Branch, Industrial Branch and General Branch, and the Company has Agencies and Branches throughout the world.

The total sums assured in force together with the accrued bonuses in the Ordinary Branch amount to over Rs. 266 crores. The new sums assured in respect of Policies effected during 1952 amounted to over Rs. 28 crores, showing a decrease of nearly 5 crores over the corresponding amount for 1950. At the end of 1929 new and better terms were offered by the Company for Life Annuities and since that date there has been a marked expansion in the amount of annuity purchase money received.

The Company has been established only a few years in India, yet it is already transacting a very substantial Indian business. In 1929 the Company ranked second highest amongst Non-Indian Companies in respect of the number of Policies issued during that year in India. Policies were effected in 1951 in India for a total sum assured of Rs. 1,80,00,000. The total assets of the Company invested in India amount to over 10 crores.

Continued expansion has been achieved over a long period and the profits of the Company have correspondingly increased to the benefit of the participating policyholders to whom 90 per cent. of the Ordinary Branch profits are allocated.

The surplus for 1951 was greater than that for 1950, but in view of the uncertain financial outlook, it was considered prudent to reduce temporarily the rates of bonus declared. The rates declared were Rs. 15 per Rs. 1,000 sum assured for Endowment Assurances and Rs. 18 per Rs. 1,000 sum assured for Whole Life Assurances. An additional amount equivalent to the reduction was to be paid on those Policies which were in force at 31st December, 1951 and which became claims by death or maturity during 1952. The surplus shown in the 1952 valuation is £3,945,167 including the sum of £188,882 brought forward from last year. Bonuses declared are 20 per thousand and 28 per thousand respectively for Endowment and Whole Life Policies respectively. Additional bonuses of 8 in respect of Endowment and Whole Life Policies issued before 1st January, 1952, and in force on 31st December, 1952, have been declared from the contingency fund in fulfilment of the promise made in the previous report.

The figures given below indicate the progressive nature of the Company:

	Ordinary Branch.		
	1950	1951	1952
	Ra.	Ra.	Ra.
Number of new Policies issued ...	77,581	76,719	71,950
New sums assured ...	25,06,62,847	27,09,55,167	23,03,23,280
Premiums on new business ...	2,10,04,853	2,12,86,466	1,88,68,227
Total sums assured and bonuses ...	2,61,07,89,841	2,83,84,78,282	2,66,02,23,200
Total premium income ...	15,41,57,788	16,29,70,516	17,16,91,963
Claims by death ...	2,07,32,626	3,23,03,906	3,22,54,400
Claims by maturity ...	8,70,28,481	7,73,47,023	8,97,00,627
Life fund at end of year excluding investments reserve ...	1,26,23,67,075	1,32,07,40,964	1,38,34,81,840
Total assets of the Company ...	2,21,76,71,480	2,41,05,84,715	2,51,89,81,328

All conversions from Sterling to Rupees have been made at the rate of exchange Re. 1-sh. 1/6d.

ROYAL EXCHANGE ASSURANCE.

Head Office: ROYAL EXCHANGE, LONDON.

The corporation was established as early as 1720 and transacts all classes of business. To it are affiliated more than half a dozen subsidiary companies. The company's business shows all-round expansion in 1952. Life Policies issued in the year numbered 5,790 showing an increase of 1,505, and net sums assured are better by £461,000. Total premiums also show substantial improvement. The rate of net interest earned was 4-12-11 against 4-5-10 in the previous year. The ratio of expenses to premium has come down further to 16.6 per cent. The increase to the Life fund during the year was £918,000. The underwriting profit in the Fire department is almost double that of 1951, while in the General accident department the profit has fallen down considerably. The net trading profits are four times that of 1951, and dividend has been maintained at 27 per cent. The total assets amount to £18,968,189.

Life and Annuity Account.

	(000-omitted £)	
	1951.	1952.
Life Premiums ...	975	1,044
Considerations and Premiums for annuities ...	183	862
Interest and dividends ...	481	498
Net rate % earned on Funds	4-15-10	4-12-11
Claims ...	528	547
Annuities ...	99	102
Life surrenders ...	189	147
Commission and expenses (Life) ...	164	166
Percentage of expenses to Annual Premium ...	17.18	16.60
Percentage of new to Total Premiums ...	11.15	15.40
Life Fund at the beginning of the year ...	10,006	10,522
Life fund at the end of the year ...	10,522	11,485
Increase during the year ...	516	913
New Business—		
No. of policies ...	4,285	5,790
Net sum assured ...	£2,417	2,873
Net new Premiums ...	109	161

Fire Account.

Premiums ...	1,624	1,678
Percentage of claims to Premiums ...	52.88	52.25
Percentage of commission and expenses to Premiums ...	44.82	47.68
Underwriting profit after allowing 40% for unexpired risks ...	62	116

General Accident Account.

Premiums ...	1,117	1,220
Percentage of claims to Premiums ...	58.64	69.85
Percentage of expenses to Premiums ...	41.80	39.83
Underwriting profit after allowing 40% for unexpired risks ...	56	19

Marine Account.			
Premiums	462	640	
Underwriting Profit transferred to Profit and Loss a/c	Nil.	Nil.	
Funds	859	864	

Profit & Loss Account.			
Expenses not departmental ...	89	85	
Interest receipts (excluding Life and capital redemption)	201	200	
Shareholder's life profit ...	89	89	
Net trading profits ...	59	222	
Dividend rate % for year ...	27	27	
Dividend amount ...	196	192	
Exchange reserve account ...	275	...	

The total assets as per balance sheet amounted to £18,968,189 as against £17,918,000 in the previous year.

ROYAL INSURANCE COMPANY.

The Royal Insurance Company occupies an important place amongst the insurance offices which operate on a world-wide scale. The total assets of the company amount to £52.04 million, and this is inclusive of investments to the amount of £10.2 million in allied or subsidiary companies. Taken in conjunction with the Liverpool and London and Globe with which the Royal is associated, the group has a premium income of £24.5 million, with total funds amounting to £65 million. The reserves are on a strong basis, fire fund being 101 per cent. of the premium income, the marine fund being 168 per cent. and accident fund 99 per cent. In 1932 there was a considerable shrinkage in business and the under-writing profit has correspondingly decreased. The investments of the company have been drastically written down to market value; and in view of the sensational rise which took place in securities in 1932, the Royal should have a substantial inner reserve. The dividend has been maintained at the same rate as for 1931.

Life Account.

	(In Thousands of £)	
	1931.	1932.
New business:—		
Number	5,299	5,529
Amount	8,509	8,858
New Premiums	228	826
Total Premiums	1,822	1,916
Claims	1,200	1,648
Expenses and commission	226	229
Life fund at the beginning of year	20,466	21,862
Life fund at the end of year	21,862	22,271
Net increase in the fund	+896	909
Ratio of Expenses to Premiums	12.4%	12.0%

Fire Account.			
Premiums	6,088	5,740	
Claims	8,088	2,928	
Expenses and Commission	2,759	2,660	
40% Reserve for unexpired risks	2,425	2,296	
Additional Reserve	4,500	8,500	
Total Reserves	6,925	5,796	
Ratio of claims to Premium	51%	51%	
Ratio of Expenses to Premium	46%	46.34%	
Ratio of Reserves to Premium	114%	101%	

Marine Account.			
Premiums	1,029	918	
Claims	521	640	
Expenses	228	216	
Reserves	1,670	1,547	
Ratio of claims to Premiums	51%	69.7%	
Ratio of Expenses to Premiums	22%	23.5%	
Ratio of Reserves to Premiums	162%	168.5%	

Accident & General Account.

Premiums	5,444	5,061
Claims	8,188	8,072
Expenses and Commission	2,219	2,109
40% Reserve for unexpired risks	2,177	2,025
Additional Reserve	8,002	8,002
Total Reserves	5,179	5,027
Ratio of claims to Premiums	59%	60.7%
Ratio of expenses to Premiums	41%	41.7%
Ratio of Reserves to Premiums	95%	99.8%

Balance Sheet.

Liabilities—			
Capital	2,800	2,800	
Life Fund	21,862	22,271	
Annuity Fund	1,855	2,259	
Accidents and General Insurance Fund	5,180	5,027	
Marine Fund	1,670	1,547	
Fire Fund	6,925	5,796	
Other Funds	1,118	8,808	
Total Funds	88,110	48,508	
Outstanding claims of all Depts.	4,406	4,646	
Other Liabilities	5,452	8,894	
Total	50,858	52,048	

Assets—			
Giltedge Securities	17,865	19,991	
Debentures and Preference shares	15,417	18,622	
Equity Shares	4,684	4,458	
Loans on Policies	1,717	1,696	
Other Loans and Mortgages	3,708	3,521	
House Property	2,825	2,600	
Agents' Balances	2,788	2,608	
Cash	2,092	2,886	
Other Assets	904	916	
Total	50,858	52,048	

Profit & Loss Account.

Receipts—			
Brought Forward	...	1,564	1,899
Interest and Dividends	...	1,850	1,278
Transferred—			
Fire account	...	402	281
Marine account	...	126	105
Accident and General Account	...	117	84
Other Items	...	40	197
Total	...	3,599	3,294
Disbursements—			
Dividend	...	1,875	1,875
Allocations	...	595	155
Other Items	...	280	199
Carried Forward	...	1,899	1,565
Total	...	3,599	3,294

Accident and General Account.

Premiums	...	145	188
Percentage of claims to premiums	...	42.84	51.76
Percentage of commission and expenses to premium	...	44.25	45.25
Underwriting profits after allowing 40% for unexpired risks	...	18	7

Employer's Liability Account.

Premiums	...	85	80
Percentage of claims to premiums	...	60.58	72.88
Percentage of commission and expenses to premium	...	40.00	41.00
Underwriting profits after allowing 40% for unexpired risks (actual amount)	...	1,415	-1,998

Profit & Loss Account.

Expenses not departmental	...	2	3
Interest receipts (excluding Life and Capital Redemption)	...	19.8	18.7
Net trading profits	...	20	3
Tax on profits	...	4	5
Dividend rate % for the year	...	14	14
Dividend amount	...	15.9	15.8

SCOTTISH INSURANCE CORPORATION, LD.

Head Office: 115, GEORGE ST., EDINBURGH.

Established in 1877, the corporation transacts a wide range of Insurance business in and outside the United Kingdom. It is controlled by the Scottish Amicable Life Assurance Society which acquired the Corporation in 1919. The business of the Corporation has been affected by the acute depression. The Life fund shows a decrease of £42,000. The Fire and Employer's liability departments show slight losses while there is a small profit in the Accident and General account. The dividend has however been maintained at 14 per cent. The total assets amount to £1,608,418 as against £1,584,000 in the previous year. There is a general reserve fund of £100,000 and an investment reserve fund of £75,000.

Total assets according to the Balance Sheet amounted 1,608,418 as against 1,584,000 in the previous year.

There is a general reserve fund of £100,000 and an investment reserve fund of £75,000.

Life Account.

	(000 omitted £)	1931	1932
Life premiums	...	66	58
Interest and dividends	...	42	89
Net rate % earned on funds	...	£4-8-1	£4-4-11
Claims	...	66	63
Surrenders	...	19	16
Commission and expenses	...	12	11
Funds at the beginning of the year	...	960	969
Funds at the end of the year	...	969	927
Increase or decrease	...	9	-42
Percentage of expenses to annual premiums	...	19.9	19.6
Percentage of new to total premiums	...	10.81	9.85
New Business—			
No. of policies	...	115	119
Net sums insured	...	83	61
Net new premiums	...	7	2

Fire Account.

Premiums	...	88	88
Percentage of claims paid to premiums	...	49.68	53.96
Percentage of commission & expenses to premium	...	44.58	46.05
Underwriting profits after allowing 40% for unexpired risks (actual amount)	...	3,962	-164

SCOTTISH UNION AND NATIONAL INSURANCE COMPANY.

HEAD OFFICE: Edinburgh.

CALCUTTA OFFICE: 6, Lyons Range.

BOMBAY OFFICE: 16, Bank St.

The Scottish Union and National Insurance Company was formed in 1878 by an amalgamation of two companies, the Scottish Union (founded in 1824) and Scottish National (founded in 1841). It took over the old City of Glasgow Life Assurance Company in 1918.

The Company controls the Maritime Insurance Company, Ltd., American Union Insurance Company of New York and the Central Union Insurance Company. It transacts varied forms of insurance business, and has a network of branches throughout the world.

The Quinquennial Valuation as at December 31, 1927, was made assuming the rate of interest at 3 per cent. Bonuses of 48s. per cent. and upward were declared in the case of Scottish Union policies and 48s. per cent. in other classes. There was a balance of £171,409 available to be carried to Profit and Loss account. Dividends at the rate of 18s. less tax on "A" shares (£1 paid) and 48s. less tax on "B" shares (£8-15s. paid) were paid. The total Assets of the Company on December 31, 1930, amounted to £16 million.

The reserves in the Fire, Employers' Liability and Marine accounts are kept at a very high figure. The ratio of reserve to premium in

the Fire Department was 185.5 per cent. in 1932 compared with 119.8 per cent. in 1931 and 111 per cent. in 1930; that in the Employers' Liability section is 114 per cent. against 105 per cent. and 104 per cent.; and that in the Marine section was 124 per cent. against 181 per cent. and 129 per cent. The reserve position is thus on the soundest basis possible. Total funds of the Company amount to £14 million and the total resources to £16 million.

Life and Annuity Account.

	(In Thousands of £)		
	1930.	1931.	1932.
New Business—			
Number of policies ...	3,256	3,098	2,834
Amount ...	2,224	2,435	2,587
Premium on new business ...	86	84	71
Total Premium ...	720	741	787
Claims and annuities ...	793	770	183
Commission and expenses	118	123	11,035
Life fund at beginning of year ...	10,587	10,798	11,116
Life fund at year-end ...	10,798	11,035	11,116
Increase in fund ...	211	237	81
Ratio of expenses to Premium ...	16.4%	17.2%	18%

Fire Account.

	1930.	1931.	1932.
Premium ...	1,811	1,155	1,051
Claims ...	685	705	617
Expenses ...	569	510	435
Reserve at 50% of Premiums ...	656	578	525
Special reserve ...	800	800	900
Total reserve ...	1,456	1,878	1,425
Ratio of claims to Premium ...	52.2%	61.0%	58.7%
Ratio of expenses to Premium ...	48.4%	44.1%	46.1%
Ratio of reserve to Premium ...	111%	119.8%	135.5%

Accident Account.

	1930.	1931.	1932.
Premium ...	27	26	28
Claims ...	18	18	12
Expenses ...	11	11	18
Reserve at 50% of Premium ...	13	13	14
Additional reserve ...	5	5	4
Total reserve ...	18	18	18
Ratio of claims to Premium ...	49.0%	50.0%	42.8%
Ratio of expenses to Premium ...	41.3%	42.8%	46.4%
Ratio of reserve to Premium ...	66%	69.2%	64.2%

Employers' Liability Assurance.

	1930.	1931.	1932.
Premium ...	54	52	50
Claims ...	23	27	24
Expenses ...	22	21	21
Reserve at 50% of Premium ...	24	22	21
Additional reserve ...	32	33	36
Total reserve ...	56	55	57
Ratio of claims to Premium ...	51.0%	51.9%	48%
Ratio of expenses to Premium ...	40.0%	40.8%	42%
Ratio of reserve to Premium ...	104%	105.7%	114%

Marine Account.

	1930.	1931.	1932.
Premium ...	327	381	362
Claims ...	251	224	227
Expenses ...	68	64	69
Reserve at 50% of Premium ...	163	165	181
Additional reserve ...	258	270	271
Total reserve ...	421	435	452
Ratio of claims to Premium ...	76.8%	67.6%	62.7%
Ratio of expenses to Premium ...	19.8%	19.8%	19%
Ratio of reserve to Premium ...	129%	181%	124.8%

Miscellaneous Account.

	1930.	1931.	1932.
Premium ...	170	177	178
Claims ...	76	79	78
Expenses ...	70	76	78
Reserve at 50% ...	85	89	86
Additional reserve ...	33	35	53
Total reserve ...	118	124	139
Ratio of claims to Premium ...	44.5%	44.6%	45.0%
Ratio of expenses to Premium ...	41.8%	42.9%	45.0%
Ratio of reserve to Premium ...	69%	70%	80.3%

Balance Sheet as at December 31st.

Liabilities—	1930.	1931.	1932.
Capital ...	300	300	300
Funds: Life and annuity ...	10,798	11,035	11,116
„ Fire ...	1,456	1,878	1,425
„ Accident ...	18	18	18
„ Employers' Liability ...	56	55	57
„ Marine ...	421	435	452
General reserve fund ...	500	500	500
Other funds ...	320	337	608
Total funds ...	18,569	14,108	14,176
Other items ...	1,776	1,275	1,530
Total ...	15,645	15,682	16,006

Assets—

	1930.	1931.	1932.
Giltedge ...	4,277	4,415	4,718
Debentures and Preference shares ...	6,247	6,476	6,468
Equity shares ...	215	255	246
Mortgages and loans ...	3,137	2,836	2,758
Other investments and other items ...	1,473	1,338	1,442
Cash ...	296	267	379
Total ...	15,645	15,682	16,006

Profit and Loss Account.

Receipts—			
Brought in	894	876	808
Transferred from fire account	118	68	60
Transferred from accident account	2	2	3
Transferred from employers' liability account	6	7	4
Transferred from miscellaneous account	27	21	226
Transferred from marine account	20	30	50
Other items	90	82	79
Total	652	586	780
Disbursements—			
Dividend amount	151	149	148
Allocation to special reserve in fire account	50	50	100
Other items	75	79	170
Carry forward	876	808	812
Total	652	586	780

STANDARD LIFE ASSURANCE CO.

Head Office: EDINBURGH.

Chief Branch: CALCUTTA.

Sub-Branch: BOMBAY.

Founded as a proprietary company in 1825, this was converted into a mutual concern in 1925. It commenced business in India in 1846.

The Company transacts life, annuity and capital redemption business, both in the United Kingdom and outside.

The company has recovered some of its business which suffered a slight decline in 1931. Total new business at £2.9 million showed an increase of £0.16 million on the previous year. The accumulated funds amount to the large figure of £28.5 million. It may be added that during the past year the Company booked the largest amount of ordinary Life business ever completed by the Company in its history.

Valuation is made annually and the Company's reserves are calculated on a 2½ per cent. basis, with an additional margin that makes it approximately equivalent to one at 2½ per cent. interest—a stronger basis of valuation than that adopted by any other Assurance Company in the world. A Compound reversionary bonus of 42s. was declared during each of the past three years. The carry over as at November 15, 1932, is £80,806 compared to £80,000 in 1931 and £28,000 in 1930. The Life Assurance and Pension Schemes for industrial firms recently introduced by the Company have proved very successful. The Group Life Assurance and Staff Pension Scheme is intended to help many industrial firms who realise the desirability of covering their staff against risk of death and for pensionary liabilities, an object which could not easily be achieved by commercial firms on their own initiative.

Life Account.

New Business—	(In Thousand £)		
	1930.	1931.	1932.
Number of Policies	4,478	8,885	4,089
Amount Net	3,141	2,764	2,922
Net Premium on new business	245	189	192
Total Premium	1,283	1,188	1,285
Interest	885	984	994
Claims by death	607	614	575
" " maturity	259	293	281
Commission and Expenses	305	196	185
Life Fund at beginning of year	17,816	18,326	19,452
Life Fund at year-end	18,326	19,452	21,124
Increase in Fund	1,010	1,126	1,672
Ratio of expenses to premium	16.6%	16.5%	15.8%

Balance Sheet.

Liabilities—	1930.	1931.	1932.
Life Assurance and Annuity Fund	18,326	19,452	21,124
Capital Redemption Assurance and Annuity Certain Fund	185	559	698
General Reserve	800	800	850
Perpetual Stock	850	850	850
Total Funds	20,111	21,661	23,517
Current Liabilities	268	800	827
Total	20,379	21,961	23,844

Assets—

Giltedge	6,174	6,828	7,785
Debenture and Preference Stocks	7,822	7,710	9,095
Ordinary Stocks	1,871	2,780	1,995
Mortgages and Loans on Life Interests and Reversions	2,020	2,119	1,511
Loans on Policies	1,409	1,528	1,112
Other Investments	557	557	78
Agents' Balances, etc.	189	195	...
Cash	887	294	273
Total	20,379	21,961	23,844

SUN INSURANCE OFFICE LIMITED.

Calcutta Office: 2, HARE STREET.

Bombay Office: 24, BRUCE ROAD.

Head Office: LONDON.

Started in 1710, the Sun is the oldest insurance office in the world.

The Company transacts fire, marine, motor car, workmen's compensation and all other classes of accident insurance. It is connected with Sun Life Assurance Society. The Sun confines its activities to general insurance business, and the Sun Life to life business.

The Sun has built up substantial additional reserves in all departments, over and above the customary 40 per cent. provision against unexpired risks. The Reserves amount to 106 per cent. of the premium income in Fire Department, 127 per cent. in Marine and 72 per cent. in Miscellaneous account. In addition to so strong a position, there is a general reserve

fund of £1 million. The carry-forward stands at the £0.85 million.

Policyholders and shareholders alike should feel gratified at so impregnable a position. The dividend rate has been increased to 53 1/8 per cent. this year.

Fire Account.

	(In Thousands of £)		
	1930.	1931.	1932.
Premiums	2,479	2,455	2,352
Claims	1,223	1,140	1,182
Expenses	1,188	1,110	1,106
Reserve at 40% for unexpired risk	992	982	941
Additional reserve	1,600	1,600	1,600
Total reserve	2,592	2,582	2,541
Ratio of Claims to Premium	49.8%	46.5%	48.1%
Ratio of Expenses to Premium	45.7%	45.2%	47.0%
Ratio of Reserve to Premium	105%	105%	108%

Marine Account.

Premiums	598	567	608
Claims	365	456	520
Expenses	40	41	60
Reserve	519	589	772
Additional reserve	180	180	180
Total reserve	649	669	902
Ratio of Claims to Premium	61.0%	80.4%	85.5%
Ratio of Expenses to Premium	6.7%	7.2%	9.9%
Ratio of Reserve to Premium	108%	118%	127%

Personal Accident.

	1929.	1930.	1931.*
Premiums	49	53	...
Claims	17	22	...
Expenses	20	21	...
Reserve for unexpired Risks	20	21	...
Additional reserve	22	25	...
Total reserve	42	46	...
Ratio of Claims to Premium	84.6%	40.8%	...
Ratio of Expenses to Premium	40.2%	40.0%	...
Ratio of Reserve to Premium	84%	86%	...

*Combined with Burglary and General Accident figures.

Employers' Liability Account.

	1929.	1930.	1931.†
Premiums	147	148	...
Claims	82	85	...
Expenses	52	52	...
Reserve for unexpired Risks	59	59	...
Additional reserve	119	111	...
Total reserve	178	170	...
Ratio of Claims to Premium	55.7%	57.7%	...
Ratio of Expenses to Premium	35.8%	34.9%	...
Ratio of Reserve to Premium	121%	115%	...

†Not given separately.

Burglary & General Account.

	1930.	1931.	1932.
Premiums	1,195	1,474	1,460
Claims	652	835	835
Expenses	448	556	540
Reserve for unexpired Risks	478	590	584
Additional reserve	400	465	465
Total reserve	878	1,055	1,049
Ratio of Claims to Premium	54.6%	56.6%	57%
Ratio of Expenses to Premium	37.5%	37.7%	37%
Ratio of Reserve to Premium	73%	72%	71.8%

Balance Sheet.

Liabilities—			
Capital	600	600	600
Funds—			
Fire	2,592	2,582	2,541
Personal Accident	46	...	...
Employers' Liability	170	...	...
Burglary and General	878	1,055	1,049
Marine	649	669	902
General Reserve Fund	1,000	1,000	1,000
Pension Fund	275	288	299
Total Funds	5,610	5,594	5,791
Other Items	2,788	2,945	3,891
Total	8,948	9,189	9,682

Assets—

Giltedge	2,385	2,311	3,044
Debentures and Preference shares	2,402	2,360	2,460
Equity shares	196	227	303
Mortgages and loans	273	345	343
Other Investments and other Items	3,080	2,672	2,717
Cash	657	724	810
Total	8,948	9,189	9,682

Profit & Loss Account.

Receipts—

Brought in	968(a)	1,081	1,081
Transferred from Fire account	235	297	250
Marine	18	71	100
Personal Accident	7	...	...
Employers' Liability	24	...	...
Burglary and General	91	90	128
Other Items	117	168	128
Total	1,455	1,707	1,685

Disbursements—

Dividend Rate %	30	30	53 1/8%
Amount	240	251	244
Allocations	54	300	285
Other Items	71	45	359
Carry forward	1,061	1,061	847
Total	1,455	1,707	1,685

YORKSHIRE INSURANCE COMPANY, LTD.

Head Office: St. Helen's Square, York.

This Company has been established for over a century. It has acquired a number of subsidiary companies, which do their business separately but whose accounts are included in the Yorkshire.

Valuation of the Life business is made quinquennially on the basis of 2½ per cent. for with-profit policies and 3 per cent. for non-profit policies. The 1928 valuation provided the policyholders with bonuses averaging 48s. per cent. per annum.

1932 dividends were 9s. 6d. on the fully paid £1 shares, 4s. 9d. on £2-10 (10s. paid) shares and 2s. 4½d. per share on the fully paid 5s. shares, all free of income tax. In addition to the uncalled capital of £700,000, the total resources amount to £13,713,325 including the General Reserve Fund of £1,257,843. The total income in 1932 was £3,156,000.

Life Account.

	(In thousands of £)		
	1930	1931	1932
New business—			
Number	2,325	2,449	2,695
Amount	1,653	1,711	1,921
Premium on new business	97	74	56
Total premiums	604	616	676
Interest	299	315	315
Claims and annuities	395	438	463
Commission and expenses	78	79	91
Life fund at beginning of year	6,476	6,854	7,145
Life fund at year-end	6,854	7,145	7,733
Net increase in life fund	378	291	588
Ratio of expense to premium	12.9%	12.9%	13.5%

Fire Account.

Premiums	1,027	1,030	1,010
Claims	523	529	567
Expenses	407	409	411
Total reserve	760	762	724
Ratio of claims to premium	51%	51%	56.1%
Ratio of expenses to premium	40%	40%	40.7%
Ratio of reserve to premium	74%	74%	71.6%

Marine Account.

Premiums	543	503	443
Claims	428	377	353
Expenses	87	89	79
Reserve	609	623	608
Ratio of claims to premium	79%	75%	79.7%
Ratio of expenses to premium	16%	18%	17.8%
Ratio of reserve to premium	112%	124%	138.4%

Accident and General Account.

Premiums	1,348	1,305	1,223
Claims	761	725	712
Expenses	548	532	511
Total reserve	799	761	729
Ratio of claims to premium	57%	56%	58.2%
Ratio of expenses to premium	41%	41%	41.8%
Ratio of reserve to premium	59%	58%	59.6%

Balance Sheet.

Liabilities—			
Capital	287	288	290
FUNDS—			
Life	6,854	7,145	7,733
Fire	760	732	724
Accident and general	798	761	729
Marine	609	623	603
Sinking and capital redemption fund	313	344	421
General reserve fund	1,093	1,011	1,258
Total funds	10,427	10,616	12,269
Other items	1,746	2,042	1,444
Total	12,460	12,946	13,713
Assets—			
Giltedge investments	3,399	3,454	3,713
Debentures and Preference shares	1,737	1,798	2,904
Equity shares	97	88	88
Loans on life policies	375	423	447
Other loans and mortgages	2,652	2,768	2,791
Other investments and other items	3,878	4,036	3,238
Cash	332	376	532
Total	12,460	12,946	13,713

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INSURANCE SECTION V :

REVIEWS OF BALANCE SHEETS.

FOREIGN INSURANCE COMPANIES

**ALLIANZ UND STUTTGARTER LIFE
INSURANCE BANK, LTD.**

Head Office: BERLIN.

Head Office for India: QUTAB ROAD, DELHI.

As the title indicates, this concern carries on both insurance and banking business, life insurance business being done under the name of Allianz Und Stuttgarter Verein Insurance Company, Limited. The company is the largest insurance office on the continent, and has such large surplus funds that it found it convenient or rather necessary to conduct banking business side by side with insurance. The total assets of the company amount to £47.9 million and security funds to nearly £89 million. An indication of the largeness of the company can be found in the fact that the company has paid claims which will work out to more than £20,000 every day. Recently the Allianz Und Stuttgarter has extended its business widely and has acquired shares of other life offices, both within Germany and without. The growth of the company within the last few years has been remarkable. In 1926, the total Assurance in force was £26 million, and this has increased nearly 8 times to £281 million by 1981 and premium receipts have increased from £1 million to £10.5 millions. In 1981, though the profit on mortality in direct business showed a decline from that of the previous year by about £185,000, the total surplus increased by £708,000 to £2.2 million. 99 per cent. of this surplus goes to undivided policy-holder's profit. A large part of the company's investment is in mortgages on real property. The company claims to offer the greatest attraction from the point of view of service and security to policy-holders.

New Business—

	(£ 000's omitted.)	
	1980.	1981.
Number (actual) ...	75,667	147,742
Amount ...	5,857	9,924
Direct Business—		
Number (actual) ...	180,967	187,260
Amount ...	29,910	37,317
Total business in force ...	223,672	280,680
Assurance proper of the above ...	147,535	219,176
Total premium income ...	7,402	10,586
Profits on Mortality in direct business ...	588	448
Total surplus ...	1,531	2,224

Balance Sheet.

Liabilities—

Share capital ...	980	1,405
Reserve Fund (legal) ...	98	141
Net Liabilities ...	16,027	28,192
Reserves for claims pending ...	98	170
Investment Reserve Fund ...	...	846
Miscellaneous Reserves ...	1,208	1,151
Revalorization stock ...	6,977	8,028
Other items ...	4,988	7,968
Total ...	80,816	47,901

Assets—

Securities ...	8,246	8,856
Bonds of Public bodies ...	1,920	2,577
Loans on Policies within their surrender value ...	1,888	3,193
Mortgages ...	11,597	17,695
Real Property ...	1,022	1,790
Property in Re-valorization stock ...	6,977	8,028
Other items ...	4,216	6,260
Total	80,816	47,901

SUN LIFE INSURANCE CO., OF CANADA.

The Sun Life of Canada is one of the largest Insurance Companies in the world transacting purely Life business. It has been established in India for a long time, and till recently was underwriting a very large share of the total business secured in India. The popularity of the company has suffered a slight setback recently with the result that its business shows a marked fall in 1982. The total amount assured in 1982 fell from £108,629,000 in 1981 to £58,876,000 and total premiums have fallen from £26.9 millions to £23.4 millions. During 1980, the net increase to life fund was £3,897,000 while in 1981 there was actually a net decrease to the Life fund of £7,164,000. In 1982, however, the Life fund has increased by £12,809,000 and stands at £119,709,000. Claims during 1982 have shown a striking increase from £9 millions in 1981 to 18.7 millions. The ratio of expenses to premium is 21.1% and shows a reduction from 23% in 1981.

Among the Assets of the Company, giltedge securities represent only about 9 per cent., and loans on companies policies represent 16 per cent. Investments on Equity shares are the major portion, and represent 48 per cent.

Life Account.

New BUSINESS:	(In Thousands of £)		
	1930	1931	1932
Number of Policies ...	178,297	147,246	95,122
Amount Assured ...	142,078	108,629	58,876
Premiums on New Business ...	5,938	8,871	...
Total premiums ...	24,097	26,890	23,404
Interests, dividends and rents ...	6,568	5,928	7,862
Total assurances in force ...	588,482	627,000	601,889
Claims by death ...	4,726	5,044	...
Claims by maturities ...	2,888	2,882	18,695
Claims by annuities ...	1,645	1,596	...
Expenses and commission ...	6,888	6,189	4,950
Life fund at the beginning of the year ...	110,167	114,064	106,900
Life fund at the end of the year ...	114,064	106,900	119,709
Net increase or decrease ...	+8,897	-7,164	+12,809
Ratio of expenses to premium ...	24%	23%	21.1%

Balance Sheet.

Liabilities—	1930	1931	1932
Capital ...	411	411	411
Life and annuity fund ...	114,064	106,900	110,709
Other funds ...	1,101	...	291
Claims, surrenders, etc., due and unpaid ...	1,786	5,984	1,294
Other liabilities ...	8,661	15,155	8,988
Total ...	120,978	128,400	125,688

Assets—	1930	1931	1932
Giltedged securities ...	7,251	*24,500	11,118
Debentures and Preference shares ...	9,088	6,655	15,078
Equity Shares less deductions for fluctuations ...	62,581	60,500	60,098
Loans on life policies ...	14,798	17,940	20,440
Other Loans and mortgages ...	6,589	6,940	6,148
Other assets ...	17,985	11,877	11,479
Cash ...	2,687	1,088	1,292
Total ...	120,978	128,400	125,688

*Including railway, gas, electric and other funds.

NEW ZEALAND INSURANCE CO.

Underwriting Account.

	1932.	1931.
Fire Marine and Accident Premiums (Nett) ...	1,050	1,145
Expenses and Commission ...	849	858
Provision for Losses ...	671	740
Reserve for unexpired risks ...	528	575
Balance transferred to Profit and Loss a/c ...	78	76

Profit & Loss Account.

Balance brought forward ...	181	209
Interest and rents ...	126	140
Balance from underwriting a/c ...	78	76
Dividend distribution ...	150	150
Allocations ...	50	95
Balance carried forward ...	110	181
Dividend rate % ...	10%	10%

Balance Sheet.

Liabilities—	1932	1931
Capital ...	1,506	1,500
Reserves ...	1,027	1,045
Other items ...	507	581
Total ...	3,034	3,126

Assets—

Bonds and Debentures ...	1,964	2,052
Shares ...	158	159
Mortgages ...	52	62
Fixed Deposits ...	116	77
Freehold premises and properties ...	418	417
Cash ...	116	128
Other items ...	215	286
Total ...	3,034	3,126

PUBLIC UTILITIES SECTION I :

LIGHT RAILWAYS

BY MR. D. Y. ANDERSON, M. A.

In any discussion of Light Railways, whether in India or elsewhere, we are faced with a difficulty at the very outset—what exactly is meant by a Light Railway? Writing more than thirty years ago, W. H. Cole said—"The subject of light railways may be compared to a country which has no fixed frontiers, or to those Arctic lands whose Northern limits are still unmapped. The reader's first and natural demand for a definition of the term light railways must be frankly met with the disappointing reply that a hard and fast definition, at once concise, exact, and comprehensive, is not forthcoming." To the man in the street, however, a light railway is synonymous with a narrow gauge railway, although the two expressions do not necessarily mean the same thing; and it will no doubt be sufficient for our present purpose if we avoid academic discussion on the point, and confine ourselves to the consideration of narrow gauge systems.

The Railways of India are constructed on four different gauges—the broad or standard gauge of 5 ft. 6 ins., the metre gauge of 3 ft. 3½ ins. and the two narrow gauges of 2 ft. 6 ins. and 2 ft. When the construction of Railways in India was first considered, nearly a hundred years ago, it was suggested that the British standard gauge of 4 ft. 8½ ins. should be adopted, as this would facilitate the supply of locomotives and rolling stock from England. Lord Dalhousie, however, was advised by Mr. Simms (who had come from England in 1845 as Consulting Engineer) to recommend a gauge of 6 ft., which would have greater advantages than were furnished by the British Standard, and would be practically as good as the old 7 ft. track. The 5 ft. 6 ins. gauge was the eventual compromise, and has led to the Indian "break of gauge" as between standard and metre, to which have been attributed—

probably erroneously—so many of the misfortunes of Indian railways.

The broad and metre gauges have always been looked upon as the main line gauges, the narrow gauge lines being considered as cheap feeders to their more important brethren; and a study of the Indian Railway map shows that these narrow lines are in almost all cases small systems connecting the main lines with agricultural or suburban areas in which broader gauge constructions would have been uneconomic. So the map to-day consists of the long main routes on the broad and metre gauges, and in the interstices a pepper-pot pattern of narrow lines feeding and being fed by the main routes.

The latest issue of the Annual Report by the Railway Board on Indian Railways (for the year 1931-32) gives the total route mileage of all railways in India as 42,813 on March 31, 1932. Of this total the standard gauge accounts for 21,107 miles, the metre gauge for 17,529 miles, and the narrow gauges for 4,177 miles 49%, 41 per cent. and 10 per cent. of the total, respectively. Numerically there are 42 broad gauge systems, 62 metre gauge, and 61 narrow gauge, the average route mileages being 500, 280 and 68. Of the narrow gauge lines the Satpura system alone has 625 miles, the Barsi Railway 203 miles, and the Gaekwar's Baroda line 318 miles; the remaining 58 railways therefore have a total of 2,893 miles between them, or an average of just under 50 miles. These figures shew very clearly the nature of the small lines and the purpose they are intended to serve.

The Railway Board Report also classifies the Railways according to earnings, ownership, and management; and as the figures may be of interest they are given here. (Class I Railways have gross earnings of Rs. 50 lakhs per annum and over;

Class II Rs. 10 lakhs to Rs. 50 lakhs:
Class III (under Rs. 10 lakhs).

State Owned ...	19,231	10,840	1,637
Other ...	1,876	6,689	2,540
Total ...	21,107	17,529	4,177

The figures given are route mileage.

	' 5' 6"	3' 3 1/2"	2' & 2' 6"
Class I ...	21,107	15,119	2,235
Class II ...	...	2,259	970
Class III ...	...	151	972
Total ...	21,107	17,529	4,177

State Managed ...	15,048	3,755	967
Other ...	6,059	14,374	3,210
Total ...	21,107	17,529	4,177

A statement is also given, for narrow gauge lines only, showing their length, date of first opening, and particulars of ownership and management.

1. Lines owned by the State.

Name	Gauge	Miles	Opened	Worked by
Purulia Ranchi ...	2 1/2	117	1907	B. N. Ry.
Raipur Dhamtara ...	2 1/2	57	1900	Do.
Satpura ...	2 1/2	625	1903	Do.
Bombay Baroda & Central India ...	2 1/2	30	1914	B.B. & C.I.R.
Eastern Bengal ...	2 1/2	17	1899	E. B. Ry.
Dharwa-Pusad ...	2 1/2	43	...	G. I. P. Ry.
Kalka-Simla ...	2 1/2	60	1903	N. W. Ry.
Kangra Valley ...	2 1/2	103	1928	Do.
Kohat-Thal ...	2 1/2	62	1903	Do.
Trans-Indus (Kalabagh Bannu) ...	2 1/2	159	1913	Do.
Zhob Valley ...	2 1/2	174	1921	Do.
Morappur-Hospur ...	2 1/2	73	1906	S. I. Ry.
Tirupattur-Krishnagiri ...	2 1/2	28	1905	Do.
Jorhat (Provincial) ...	2	32	1883	R. S. N. Co. & I.G.N.R. Co.

2. Lines owned by Indian States.

Name	Gauge	Miles	Opened	Worked by
Parlakimedi Light ...	2 1/2	25	1900	B. N. Ry.
Piplod-Devgad-Baria ...	2 1/2	10	1929	B.B. & C.I.R.
Rajpipla State ...	2 1/2	39	1897	Do.
Gaekwar's Baroda State ...	2 1/2	318	1873	Baroda State
Bodeli-Chhota Udaipur ...	2 1/2	23	1917	Do.
Kolar District ...	2 1/2	64	1913	Mysore State
Tarikere-Narasimharajapura Ltd. ...	2	27	1915	Do.
Cutch State ...	2 1/2	52	1905	Cutch State
Dholpur State ...	2 1/2	55	1908	Dholpur State
Gwalior Light ...	2	253	1899	Gwalior State

3. Lines owned by Companies.

Name	Gauge	Miles	Opened	Worked by
Mayurbhanj ...	2 1/2	71	1905	B. N. Ry. A
Champaner-Shivrajpur-Pani Light ...	2 1/2	31	1911	B. B. & C. I. Ry. A
Godhra-Lunavada ...	2 1/2	25	1913	Do. A
Nadiad-Kapadvanj ...	2 1/2	28	1913	Do. A
Khulna-Bagerhat ...	2 1/2	20	1918	E. B. Ry. A
Dhond-Baramati ...	2 1/2	27	1914	G. I. P. Ry. A
Ellichpur-Yeotmal ...	2 1/2	118	1913	G. I. P. Ry. A
Pachora-Jamner ...	2 1/2	35	1918	Do. A
Pulgaon-Arvi ...	2 1/2	22	1917	Do. A
Jacobabad-Kashmor ...	2 1/2	77	1914	N. W. Ry. A
Larkana-Jacobabad ...	2 1/2	53	1922	Do. A
Barsi Light ...	2 1/2	203	1906	Company B
Darjeeling-Himalayan ...	2	51	1880	Do. C
Darjeeling Extensions ...	2	95	1914	Do. A
Howrah-Amta Light ...	2	44	1897	Do. D
Bangalore-Chik Ballapur Light ...	2 1/2	39	1915	Mysore State E
Shahdara (Delhi)-Saharanpur Light ...	2 1/2	82	1907	Company F
Ahmadpur-Katwa ...	2 1/2	32	1917	Do. B
Arrah-Sasaram Light ...	2 1/2	65	1911	Do. D

Name	Gauge	Miles	Opened	Worked by
Bankura Damodar River	2½	60	1916	Company F
Baraset-Basirhat Light	2½	62	1905	Do. D
Bengal Provincial	2½	33	1894	Do. G
Dashgara Jamalpuranj	2½	8	1917	B. P. Ry. F
Bukhtiarpur-Bihar Light	2½	33	1903	Company D
Burdwan-Katwa	2½	32	1915	Do. F
Dehri-Rohtas Light	2½	28	1911	Do. B
Futwah-Islampur	2½	27	1922	Do. F
Howrah-Sheakhala Light	2	20	1897	Do. D
Jagadhri Light	2	3	1911	Company G
Jessore-Jhenidah	2½	37	1913	Do. G
Kalighat-Falta	2½	26	1917	Do. F
Kulasekarapatnam Light	2	27	1915	Do. G
Matheran Light	2	13	1907	Do. B
Tezapore-Balipara Light	2½	20	1894	Do. D
Tirupati-Tiruchanur Light	2	3	...	Do. G
Trivellore Light	2	2	1921	Do. G

- A. Branch Line Company under rebate terms.
- B. Company subsidised by Government of India.
- C. Company subsidised by Local Government.
- D. Company subsidised by District Board.
- E. Company guaranteed by Indian State.
- F. Branch Line Company under guarantee terms.
- G. Unassisted Company.

It will be seen that the Company-owned lines work under various conditions, of which a few words of explanation may be given.

A. Branch Line Companies under rebate terms:

In 1925 the Railway Department of the Government of India published a Resolution on the subject of the financing of branch lines, of railways. This Resolution states that branch and feeder lines are constructed under an agreement whereby the State either guarantees a minimum return on Capital (see F below), or alternatively "undertakes that the line shall receive out of the earnings of the main line from traffic contributed by the branch, such a sum, known as a rebate, as will make up the total earnings of the branch to a given sum, while the branch in each case shares with the main line any profit exceeding the guaranteed minimum." This scheme was evolved at the end of last century, when Government was unable to provide capital; but the Acworth Committee damned it very thoroughly, and in consequence the Government decided to abandon the policy and to reduce the number of Branch Line Companies. "If on any occasion the Government of India should be unable to find funds for construction . . . and should it be considered advis-

able to tap fresh sources for subscription to railway loans by offering terms different from those given to the ordinary Government loans, that is, by offering not only a fixed rate of interest, but a share in the profits of a particular Branch Line, there appears to be no particular advantage of using a financial half-way house specially to float a loan on such terms; there appears to be no reason why the Government should not float the loan direct." This is a very 'fair sample of official journalese, but what it meant is that if, in future, any branch lines are to be built, Government will either do its own building, or at least supply the necessary funds.

B. Companies subsidised by the Government of India.

There are four of these—Barsi, Shahdara-Saharanpur, Dehri-Rohtas and Matheran; and the conditions for the first two are:—

I. Barsi—receives land only from Government, but no financial aid, all profits going to the Company. Government may determine the contract in 1944 or 1954, and if it does so shall pay to the Company in England in sterling a sum such as, when added to any unspent capital, shall amount to the total paid-up capital expended with the authority of the Government.

II. Shahdara (Delhi)-Saharanpur—receives land only from Government. The Local Government (U. P. A. & C.) provide free land sufficient for a single 5'-6" track, with land for all works and conveniences; together with the use of portions of the local roads. The Government give no financial guarantee but take half of the profits in excess of 4% on the paid-up capital. The Local Government

may determine the agreement at certain intervals (the next being 1934) and can then buy the line, paying to the Company the value calculated at 25 years' purchase of the average annual profits for the preceding 3 years, subject to a minimum of the capital expended and a maximum of 25% in excess thereof.

C. Company subsidised by the Local Government.

Darjeeling-Himalayan—Government land and the use of the cart road are given free; other land if necessary is acquired by Government and transferred to the Company at cost price. The Government to pay enough to make the gross receipts up to Rs. 2 lakhs annually. Half the net profits in excess of 5% are applied in repayment to the Government of the amount spent on maintaining the cart road during the year, or in making good the deficiency in gross receipts. Government may take over the line at 10 year intervals (next date 1939) paying its value as a dividend-earning investment plus a bonus of 20%.

D. Companies subsidised by District Boards.

A typical example of these is the Howrah-Amta. The District Board grant free use of the side of the Board's road, and agree to pay such sum as may be required to make the net profits equivalent to a dividend of 4%, subject to a maximum payment of Rs. 1,100 per annum per mile, or Rs. 28,000/- per annum. Profits in excess of 4% are shared equally between the District Board and the Company. The District Board may purchase the line at stated intervals, the price being the value of the line as a dividend-earning investment, together with a bonus of 20%.

E. Company guaranteed by an Indian State.

The Bangalore-Chik Ballapur was floated by an Indian Company under a guarantee, from the Mysore Durbar, of 4% per annum on the subscribed capital. The Company failed to raise the entire capital, and the Mysore-Durbar then subscribed the balance as joint owners, the Company retaining the option of repaying the amount later on.

F. Branch Line Companies under guarantee terms.

The Burdwan-Katwa is typical of this group. Government provides land free. When the net receipts are not sufficient to pay interest at 3½% on the capital, the

Government makes the amount up to, this figure; if the net receipts are not over 5% they go to the Company, and any excess over 5% is divided equally between the Government and the Company. In 1946, or at 10-year intervals thereafter, Government can purchase the line, paying 25 times the average net earnings of the preceding 3 years.

G. Unassisted Companies: These need no explanation.

It is interesting to make some investigation into the financial results of the various Companies, with a view to discovering which mode of proprietorship is most advantageous; and we have therefore taken out figures, for the three years 1927—1930. (a) of the return represented by the annual net earnings as compared with the capital outlay; and (b) of the working ratio—i.e., the ratio of working expenses to gross earnings.

Railway	(a) % of return on Capital	(b) Working ratio
Purulia Ranchi ...	3.50	64.80
Raipur Dhamtara ...	9.15	47.17
Satpura ...	0.27	97.24
B. B. & C. I. Ry. ...	0.89	92.75
Kalka-Simla ...	Nil.	109.02
Kangra Valley ...	Nil.	421.65
Trans-Indus ...	Nil.	158.67
Morappur-Hospur ...	Nil.	124.08
Tirupattur Krishnagiri ...	0.49	101.04
Jorhat Provincial ...	Nil.	101.45
Parlakimedi ...	4.57	49.45
Piplod Devgad Baria ...	3.16	49.95
		(1929-30 only)
Rajpipla ...	3.64	70.40
Gaekwar's Baroda ...	1.20	34.73
Bodeli Chhota Udaipur ...	3.49	82.65
Kolar District ...	3.04	78.47
Tarikere, etc. ...	1.63	62.63
Cutch ...	3.79	52.51
Dholpur ...	5.60	56.28
Gwalior ...	2.92	66.86
Mayurbhanj ...	4.59	44.81
Champaner ...	5.60	69.48
Godhra Lunavada ...	5.60	75.75
Nadiad Kapadvanj ...	5.60	60.49
Khatna Bagerhat ...	6.77	45.09
Dhond Baramati ...	6.82	45.00
Ellichur Yeotmal ...	6.98	45.00
Pachora-Jamner ...	5.62	45.00
Jacobabad Kashmir ...	5.36	45.00
Larkana-Jacobabad ...	4.99	45.00
Barsi ...	6.84	52.88
Darjeeling Himalayan ...	9.88	69.16
Do. Extensions ...	5.00	50.00
Howrah-Amta ...	7.98	68.47
Bangalore, etc. ...	3.06	74.60
Shahdara Saharanpur ...	3.33	43.51
Ahmadpur Katwa ...	Nil.	102.92
Arrah Sasaram ...	5.68	62.11
Bankura Damoodar ...	Nil.	116.88
Baraset Basirhat ...	5.59	71.31
Bengal Provincial ...	2.74	79.19

Railway	(a) % of return on Capital	(b) Working ratio
Dashgara Jamalpur-ganj	2.38	64.67
Bukhtiarpur Behar	7.17	63.55
Burdwan Katwa	7.78	82.04
Dehri Rohtas	11.54	51.64
Futwah-Islampur	3.02	62.91
Howrah-Sheakhala	6.98	70.38
Jagadhri	4.47	81.69
Jessore-Jenidah	0.44	94.32
Kalighat-Falta	2.35	81.95
Kulasekarapatnam	2.75	79.72
Matheran	1.34	85.37
		(1928-30)
Tezporo Balipara	9.07	76.57
Trivellur	NH.	160.62

The averages of these figures are instructive. For ten State-owned lines the average return is 1.42%, and the average working ratio 131.79%. The calculations omit the Eastern Bengal Railway, whose working statistics are not separately available; they also omit the Kohat-That and Zob Valley lines, which are purely military and are not expected to pay. If we also exclude the Khangra Valley line as

being of too recent construction, the return is 1.58% and the ratio 99.58%.

For lines owned by Indian States the averages are 3.31% and 64.89%; and for Company owned lines 4.88% and 75.74%. There may, of course, be local conditions other than ownership which affect these results: but considering the position from the aspect of these figures alone, it appears that nationalisation is hardly the panacea that some people claim. The State lines give a return of 1½%: Indian State lines more than double this, and Company lines more than treble it. The State lines spend all but ¼% of their income—if we include the Khangra Valley line they have overspent their income by nearly a third. Indian State lines save one-third, and Company lines one-quarter of their income. Further comment appears to be needless—as it certainly would be ineffective under present circumstances.

From the point of view of the investor, many of these Railway shares appear to be attractive at present rates. Here are a number of quotations as on June 15, 1933.

RATE OF DIVIDEND

Railway	1930	1931	1932	Par.	Price	Return (1932)
Ahmadpur-Katwa	3½	3 7/16	3 7/16	100	72	4.77
Arrah-Sasaram	4	4	4	100	59½	6.72
Bankura-Damodar	3½	3 5/16	3 7/16	100	72	4.77
Baraset-Basirhat	4	4	4	100	48	8.33
Bukhtiarpur-Bihar	5	4½	4½	100	75	6.00
Burdwan-Katwa	3½	3½	3½	100	72	4.86
Darjeeding-Himalayan	10	9	5	100	84½	5.82
Dehri-Rohtas	6½	5	5	10	8½	5.88
Dhond-Baramati	6	5½	4½	100	77½	6.13
Futwa-Islampur	3½	3½	3½	100	72	4.86
Howrah-Amta	6½	5	5	100	97	5.15
Howrah-Sheakhala	5	4	4	100	67	5.87
Kalighat-Falta	3½	3½	3½	100	72	4.86
Larkana-Jacobabad	4½	4	4	100	81	4.74
Mayurbhanj	4	3½	3½	100	68	5.51
Pachora-Jamner	4½	4½	3	100	61	4.92
Shahdara-Saharanpur	9	6	6	100	111	5.41

The average return, at these prices, and assuming the last declared rate of dividend, is therefore over 5½%. Moreover, it will be seen that there has been a marked tendency for dividends to come down since 1929, this being due—at least in part—to the general depression in trade. If, as we all hope, business is going to improve in the not too distant future, the improvement should bring with it an increase in rail-borne traffic, with a conse-

quent increase in earnings, a revival of dividends and a rise in share prices. So that, on the face of it, the purchase of these shares now would possibly prove to be not only a sound investment but also a profitable speculation. For some of the Companies the dividend is guaranteed at 3½% or 4%, and with prices ranging from 50 to 60 per 100, the return is not to be despised.

A word of warning is necessary, how-

ever. The recent decrease in traffic and in dividends is not to be explained solely by talk of trade depression. Railways throughout the world have for several years suffered from a trouble which is more serious, because less transient than the slump; this trouble is the competition from road motors, whose advantages are too well known to need description here. The Railways in Britain have now obtained powers to run their own road services, and this to some extent has helped them to meet outside competition. In India the Railways are still governed by the Indian Railways Act, which took effect in 1890 and has not so far been modernised. In 1890, motors were very much in their infancy, and it does not appear to have occurred to anyone in those days that road transport might develop as it has done. Consequently the Act, in this respect, is completely out of date. There is only one section of the Act which deals with the question of road traffic; that is section 51, which permits Railway Companies, with the sanction of the Governor-General in Council, *i.e.*, of the Railway Board—to “construct and maintain roads for the accommodation of traffic passing to or from the Railway”; “to provide and maintain any means of transport which may be required for the reasonable convenience of passengers, animals or goods carried or to be carried on the Railway”; and to “charge tolls on the traffic using such roadways, roads, or means of transport . . . according to tariffs to be arranged from time to time with the sanction of the Governor-General in Council.”

The stumbling block in this rule is to be found in the words “reasonable convenience”; in practice this means that Railways are not permitted to run their own road services in competition with their own rail services. That is to say, if a Railway has its track running between two points A & B, it cannot run a road service between A & B, as such a road service would not be a reasonable convenience. Now many of the Indian narrow gauge lines have their alignment actually alongside existing roads, and there is therefore opportunity for direct competition, mile for mile. It is a simple matter for anyone *except the Railway Company*, to secure a license to run a motor bus on these roads; motor buses

are necessarily speedier than narrow gauge trains, they can pick up and put down traffic where they like and not merely at specified stations, they are to a very great extent free from the local taxation which can be such a burden on Railways, and they are infinitely less controlled as regards the legal limits of speed and carrying capacity. The small Railways are therefore at a very serious disadvantage, and with the present legislation it does not seem possible to do anything whatsoever.

During the year there has been a considerable amount of verbal activity on this subject. In the summer of 1932 the Managing Agents of the Indian Light Railway Companies addressed a letter to Government setting forth their grievances, and Government replied that they were sending out two doves—Messrs. Kirkness and Mitchell of the Railway Board—who would endeavour to discover if there were any peaks of land appearing above the submerging flood. In due course these gentlemen submitted an elaborate and in all respects admirable report, which, presumably, is still being carefully considered. Meanwhile, a Bill to amend Section 51 of the Railways Act, with a view to enabling the Railways to operate their own road services, was brought before the autumn session of the Legislative Assembly. After a considerable volume of irrelevant nonsense had been talked, the Bill was referred to a Select Committee whose report was appropriately published on April 1st of the present year. The Committee announced that they desired to place the Railways on an equal footing with everyone else as regards the operation of road services, and then altered the wording of the Bill so as to make it as difficult as possible for the railways to get road powers.

In April 1933 a Road Rail Conference was convened in Simla when the Governments and the railways and the road users and everybody else had an opportunity to air their respective views: and there is to be a second Conference towards the end of the Year. Much cry and no wool at all. The buses continue to cock snooks at the regulations and to filch traffic from the Railways: and the Railways continue to lose money and to draw nearer and nearer to disaster. Such are the blessings of representative government.

PUBLIC UTILITY SECTION II:

HYDRO-ELECTRIC DEVELOPMENT IN INDIA

Electrical development in India, unlike most other phases of our national economy, is as important for what has so far been achieved as for what yet remains to be done. The material progress of India's millions unquestionably requires a vast industrial development commensurate with the scope which this country offers. But India is not adequately endowed with coal, the traditional force of power, or its later rival, oil. While for other countries electrical development would be more of an improvement suggested by the progress of science, for India electrical development would be the sole and indispensable condition of economic progress. This is as much as saying that before the development of electricity and the invention of the various uses to which it is now put, industrial progress in India would have seemed less feasible than it does to-day. It is necessary to dwell on this point as there is a tendency to regard the vast hydro-electric schemes that have been completed and that are still in progress as more the concern of electrical engineers and other technicians than a point of vital importance to the well-being of the average man.

Electrical development is affected both by the establishment of large public utility companies in big industrial areas, and also by taking advantage of the water power available in an area to institute large hydro-electric schemes. The latter enables the distribution of current over large areas at comparatively small cost. Though the institution of such schemes requires the outlay of big amounts, once the schemes are instituted, progress is heady and conditions of all-round improvement ensue without delay. But the former is dependent upon a number of conditions which are not satisfied easily. Development through the activities of isolated joint stock companies necessarily means that progress can be attained only

when the conditions generally favourable to joint stock enterprise are present. Though there are periods of boom it is rarely, if at all, that a substantial part of the available new capital flows into one particular direction. Besides, as electrical companies have to depend not so much on the demand for the amenities of civilised urban life, as on the needs of industries for power, it will be a long time before the smaller towns or the rural areas can secure electric current on anything like a fair rate.

It will be seen from the above analysis that electrical development of the first of the two kinds mentioned has to be slow, meagre and unsatisfactory. The big industrial cities have naturally been the first to have electric supply companies in their midst facilitating both the processes of industrial production and also the domestic conveniences of the inhabitants of those areas. It would hardly be possible, nor indeed would it be useful or necessary to trace the development of electric supply companies over India's urban areas. In a sense, they are rather the result, than a potential cause of industrial activity. The hydro-electric schemes, on the other hand, have the merit of producing conditions for which the ordinary joint-stock companies would only have to wait. It is fortunate that among the many gifts that nature has lavishly bestowed on this country, water power is by no means the least. In the hilly tracts of India are gigantic falls which lend themselves admirably to their utilisation in hydro-electric projects. The projects, too, can be of such vast dimensions that the neighbouring plains are afforded the full share of their benefits. It follows from this, that those regions which are very distant from hilly tracts and the source of big river systems, have to depend on the slower and more prosaic process of electrifying themselves. From the point of view of hydro-electric development,

those which are most fortunately situated are in their order of importance, Bombay, Mysore, Southern and South East India, the U. P. and the Punjab; and the other parts of India are in this respect less fortunate.

The credit for pioneering in hydro-electric schemes goes to the Mysore State which harnesses the Cauveri falls to the purpose of generating electric energy for domestic and industrial consumption throughout the State. This project is the oldest in conception, in execution, and in development. It is also unique in the great blessing it has conferred upon the large population. The idea of utilising the Cauveri falls is reported to have been mooted first in 1894 when attention was drawn to the possibility of long distance transmission of power. Further investigations afterwards followed. But the credit of giving single-minded devotion to the task of bringing it to fruition despite all the obstacles of the day, belongs to the Indian statesman, Sir K. Seshdari Iyer, the famous Dewan of Mysore. In 1899 the decision was reached by the Government to utilise the fall for the production of electric power to be transmitted to industrial undertakings in different parts of the State including the Kolar gold mines. The primary consideration was that industrial enterprises throughout the State would get the supply of cheap motive power. The preliminaries consisted in acquiring from the Madras Government the right to use the whole of the water power. The falls occur in the river Cauveri which at this point forms the boundary between the Mysore State and the Coimbatore district, where the stream forms the famous island of Sivasamudram. The river has falls on both its branches, the British side being known as Bar Chakki and other side as the Gangana Chakki. The head works are about two miles above the falls and as in all similar cases the water has to be diverted by means of a masonry dam 9 ft. high and 2,400 ft. long across the river. The flow is of course controlled by suitable gates. The generating station is situated in a place where are located the control gates for regulating the flow from the penstock and pipe lines conveying the water to the turbines. Two parallel channels about three miles in length conduct the water to the forebay above the generating station. The capacity of the channel is 1,200 cusec. But the full capacity will be utilised only when the growth of the demand for power warrants it. A silt

reservoir with a capacity of five million cubic feet is also provided to ensure that water going into the turbines is free from silt. The average power generated during the month is 14,810,000 B. T. units. The power is generated at a voltage of 2,200. The principal consumers of the power are the Kolar gold mines which are 92 miles away, Bangalore at a distance of 60 miles and Mysore, 87 miles. The Mettur project in the Madras Presidency is also during its present constructive stage getting its supply of electric power from the Mysore hydroelectric works.

No account of the Mysore project would be adequate or complete without a reference to the provision of storage reservoir at Krishnarajasagara which enables the flow of water available at any time to be reserved and regulated according to the needs of the moment. The vast difference that it makes will be seen from the fact that during the dry weather the flow of the Cauveri at Sivasamudram does not exceed 100 cusecs; but with the storage it is possible to have 900 cusecs. Penstock pipes are provided in the reservoir dam to enable an increase in the supply of electricity generated at Krishnarajasagara according to the requirements. The Krishnarajasagara dam is 8,600 ft. in length and 124 ft. high above the river bed. The catchment area is 4,100 square miles and the storage capacity is 44,827 million cubic ft. The water spread is 49.5 square miles. Among the advantages of the storage reservoir is the possibility of bringing a higher area of land under irrigation than has been possible till now in a country subject to frequent drought. The advantages that have flowed from the hydro-electric project in Mysore can be appreciated even by a casual visitor to that State. It may be generally stated here that as a result Mysore is one of the foremost industrial states of India. The State itself has initiated a number of capitalist enterprises which are yielding an annual revenue of about Rs. 80 lakhs. The amenities of civilised life like electric light, etc., are available to the most obscure parts of the State and at a rate which compares most favourably with the rates elsewhere in India and the world.

Next to the Mysore project in the order of chronology but far more spectacular from every point of view is the hydro-electric enterprise projected by the Tatas and intended to exploit the possibility, from this point of view of the Western Ghats. The Tata Hydro-Electric scheme

embraces three companies, namely, Tata Hydro-Electric Power Company, Andhra Valley Power Company and Tata Power Company. The three companies are alike in various ways; and through the various links between them they must be considered as a single unit. Taken together, they take the first place in India as the most gigantic hydro-electric power scheme. Possibly, they constitute the world's biggest hydroelectric project. The capital scheme of the three companies involved Rs. 16½ crores; and the block expenditure comes to Rs. 16 crores. Among the many marvellous achievements of the Tata House in regard to the pioneering of industries in India, the hydro-electric projects are not the least notable. The power generated by the three Companies is utilised for the electrification of a section of the B. B. and C. I. Rly. and the G. I. P. Rly. and by most of the cotton mills in the Bombay island. The Bombay Electric Supply & Tramways Company, which has the monopoly for the retail supply of electrical power in the City of Bombay, finds power in the bulk from the Tata Companies. Even after meeting all these demands, the productive capacity of the three projects is not utilised to the full. The Kalyan power scheme of the G. I. P. Rly. was a needless outlay on the part of the railway administration; and the cost per unit to the railway from the working of the Kalyan power station is higher than the rate at which the G. I. P. buy part of their requirements from the Tatas. There can be no doubt that the Kalyan power station was a needless duplication of effort, while without that effort and outlay, the railway would have secured power cheaper. Owing to the prevalent trade depression, there has been no expansion in the consumption of electrical power. In the result, the Tata Hydroelectric Companies are working, and may have to continue to work, only to partial capacity. These projects have been a tremendous success not only as engineering enterprises; the shareholders have been in receipt of satisfactory dividends in the case of the two companies started in the earlier years, while the Tata Power Company, the last of the trio is now on a dividend-paying basis.

Madras, though lagging behind the other provinces in respect of general industrialisation, promises to go ahead in the future. The hopes are based solely on the possibilities that are being opened out by the Pykara Hydro Power Scheme. The main engineering features of this scheme

are briefly summarised: The Pykara River rises on the slopes of the Mukurti Peak, 12 miles due west of Ootacamund, the summer headquarters of the Madras Government and after a winding course of about 15 miles on the Nilgiri Plateau, it plunges down to the plains below in two falls, 180 and 200 feet. A total drop of over 4,000 feet is taken within a few miles and thereafter the river becomes known as the Moyar which, skirting the foot of the Nilgiri Plateau on the north, eventually joins the Bhavani. The 4,000 feet difference in level, between the edge of the plateau, where the main falls begin and the Moyar River at the foot of the plateau, is the head available for development. Initially it is proposed to utilise only the first 3,000 feet under the name of the Pykara Scheme and when the demand for power increases, the lower 1,000 feet will be developed with the name of Moyar Scheme. Full investigations show that the Pykara River is capable of producing 100,000 horse power, although it would be many years before the demand can develop to that extent. The scheme as now sanctioned is for developing a maximum of 21,000 horse power for the Nilgiris and Coimbatore districts only. As the demand increases additional reservoirs will be constructed on the plateau for storing larger quantities of water, until the full possibilities of the site, namely, 100,000 horse power are brought into use. The designs have been so drawn up that a minimum of capital is, at any time, kept locked up on unproductive works or equipment but flexible enough to admit of extensions at a minimum of cost. The catchment area which is to be utilised is about 88 square miles in extent and receives an annual rainfall averaging about 105 inches. The highest floods known have been in July, the river discharging more than 20,000 cusecs, and the lowest flow observed has been in May, being only 15 cusecs. It is apparent that a certain amount of regulation of the river by storage is necessary before continuous power can be generated. The catchment has, fortunately, several suitable reservoir-sites; and for this reason the Pykara Scheme is considered a very flexible and attractive development. Additional storage can be obtained at any time, to cope with an increase in power demand, by constructing a series of dams one after another.

The waters of the Pykara will be diverted by a small dam constructed across the river about a mile above the main fall

and an aqueduct 7,000 feet long will convey them to a forebay on the edge of the plateau. They will be supplemented by another and an independent supply from a reservoir formed by a dam across the Glen Morgan stream. The effective storage provided will be about 84 million cubic feet and this will serve all purposes for a number of years.

From the forebay the water will be taken through a pipe 78 inches in diameter of riveted steel which lower down branches into high pressure penstock pipes varying from 27 inches to 21 inches and these will carry the water down the hillside to the power house 8,000 feet below. These pipes will have a length along the slope of about 10,000 feet and in the lower portions where the water pressure will be very high, the pipes will be made of special steel and it may be necessary to further reinforce them by steel bands. For this reason the scheme will be unique in India and it is believed that there are only four schemes in the world where higher heads have been developed. The cost of these pipes along with their supports when erected will be about Rs. 18 lakhs. A permanent haulage track will be laid alongside the pipes to convey men and material between the top and bottom of the plateau. The penstock pipes end in a manifold, from which water will be led into three generator units, each of 7,800 k. w., maximum rating. One of these will be spare for use in emergencies.

Power will be generated at 11,000 volts and transformed up to 66,000 volts for transmission to Coimbatore. It is proposed to instal high tension transformers outdoors, and when the demand for power increases, more turbo generators will be installed and the transmission raised to 1,10,000 volts.

The power generated at Pykara will be transmitted to different centres of consumption by high voltage overhead lines. A double circuit 66,000 volts line (50 miles long) will carry power to the Coimbatore sub-station and branch lines at 22,000 volts will radiate from this sub-station to the other centres in the district such as Tirupur, Pollachi and Anamalais. The Nilgiris District load will be catered for by branch lines from the Pykara Power house itself. The principal users of power would be the cotton mills at Coimbatore, Tirupur and Pollachi, who are expected to take more than half the output. A large proportion would also be used by the tea estates in the Nilgiris and Anamalais. The

rest of the power will be for the lighting of towns and supply small factories, flour mills, ginning mills, rice mills, etc. Also, it is expected that the South Indian Railway may have, at least, a portion of their Nilgiris Section electrified and their stations in the districts near the power lines lit up by electricity.

The hydro-electric scheme of the United Provinces is unique in that it serves a purely agricultural area without counting on the concentrated demand for energy which usually forms the nucleus of any large system of electrical supply. The United Provinces has a large area in which agricultural land is denied the advantage of natural gravity canals. The water supply has perforce to be by pumping from rivers, tube wells and the large open wells. The possibility of placing at the command of the average cultivator a certain volume of cheap electrical energy which he might utilise for the purposes of pumping water from the wells and other sources which cannot be made to reach the fields by the ordinary force of gravity suggested the installation of a hydro-electric supply. In the earlier stages doubts were felt whether it was safe to attempt to utilise the waters of the Upper Ganges canal for the purpose of a hydro-electric project. For, unlike the Pykara or the Sivasamudram falls it was not a case of utilising waters running to waste to far more productive purposes. In the United Provinces, the failure of an attempt on the Upper Ganges canal might mean damage to a canal system which by itself was a large asset securing to the State an average annual revenue of Rs. 62 lakhs. With the general advance of engineering the scheme became more and more feasible.

The river supply at the head works at Hardwar varies according to the various seasons from 8,000 cusecs, the full capacity of the channel, to 5,000 cusecs. "The difference in the level intercepted between the slope of the canal which averages 1 foot per mile and that of the country is absorbed by a series of 13 vertical falls decreasing in height from 12 feet at the head to 6 feet near the tail. The total electric power available at the 10 falls which have been found suitable for power development is about 3,400 K. W. or 47,000 h.p., of which about 13,000 h.p. is now being developed by means of the project under review in addition to 2,000 h.p. of oil-engine stand-by reserve."

It would be appropriate to sketch briefly the growth of the whole scheme.

In 1927, a construction power station which was formerly at mile 7 of the canal was remodelled and adapted for giving power to the Hardar group of towns and to Roorkee. This station has now been abandoned and absorbed into the extended network. In 1928, two schemes were undertaken at the Bhola and Palra Falls. At the former were installed 4,500 h.p. turbo generator with a head of 14 feet together with a 400 h.p. local reserve oil set. The station has now been linked with the general transmission system. At Palra 300 horse power Kapla type sets were installed to supply power to Kurja and also pump cusecs from the Kali Nadi. The Ramganga scheme was a later idea and its purpose was to generate 4,000 horse power at the Bahadrad Falls and utilise the energy by 220 miles of h.t. transmission lines for electrifying 11 districts. 200 cusecs of water were also to be pumped by means of electricity from the Ramganga river to a height of 36 feet at 590 miles away from the power station. This was to irrigate 50,000 acres of fertile land for which no ordinary scheme of irrigation would avail. The total estimated cost of the combined electrical and irrigation project was Rs. 47½ lakhs. The distribution of power in bulk is made through the agency of commercial companies with adequate resources to supply a smaller district. The probable future development of the scheme may be understood from the fact that the first stage of the development will be loaded up for 5 years and that thereafter it will be necessary to continue electrification at the rate of 1 fall per year so that 1941 will see the scheme in full completion. The ultimate capacity will then be 33,400 K. W., of which 26,500 K. W. will be constantly available plus 1,000 K. W. of oil-engine reserve.

The Uhl river project of the Punjab was first conceived after a complete hydro-electric survey of the Province in the year 1921. The Electricity Board advised the Government to concentrate on it to the exclusion of rival schemes.

A description of the scheme with an emphasis on the more difficult aspects thereof will not only explain the delays which aroused popular criticism but also give an idea of the extent to which nature has been conquered in the service of man's material needs. The river Uhl flows in a valley which is 6,000 feet above sea level. It is divided from the Kangra Valley by a ridge which is 9,000 feet high and more or less completely inaccessible. The purpose of the whole scheme is to take the waters of the Uhl and its tributary to the Kangra Valley. As it is out of the question to take the waters round the ridge, the only alternative is to drive a tunnel through the ridge. It will be seen from this that the head-works are to be situated in the Uhl Valley where the River of that name is joined by its tributary. The pipe lines of the power house are situated in the Kangra Valley; and the water is to be carried through 2½ miles of concrete lined tunnel of more than 9 feet in diameter. From the mouth of the tunnel at the Kangra end, the water is dropped through steel pipes 1,800 feet down to the power house. The distribution of electricity will be done by means of transmission line carried on steel tunnels from the power house at Jogindernagar. The building of a dam nearly 270 feet high across the gorge through which the Uhl passes enables a tenfold increase in the pressure of the pipe-line. It is also intended to construct a second power house below that in the Kangra Valley conveying the water through another pipe-line and dropping it another 1,200 feet in order to secure the requisite pressure. The details of the execution of the project are matters of the highest engineering interest; and rendered in non-technical and more vivid language, it may be a thrilling tale from which school children might imbibe a romantic love of engineering. But here we must content ourselves with pointing out that all the difficulties have been ultimately surmounted, and it is now certain that the scheme will before long shower its benefits on the people of the province.

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INDUSTRIAL SECTION I:

IRON & STEEL INDUSTRY IN INDIA

The year under review has been a difficult one for the Iron and Steel Industry in India in common with the Industry in other parts of the world. However, India has not suffered to anything like the extent America, United Kingdom and Germany, have, where production has fallen tremendously.

Restriction in Capital Expenditure by Government on the Railways has had the inevitable result of reducing the consumption of Steel Rails, Cast Iron & Steel Sleepers.

The Ottawa Agreement has assisted the Indian Companies to maintain their export of sheet bar and pig iron to the United Kingdom.

Iron is by far the most important of the metals and to procure an adequate supply of it is as necessary a condition for the up-building of the industrial activity of a Nation as is an abundant supply of coal.

2. India is particularly rich in Iron Ore Deposits and the Iron ore fields in Behar and Orissa and the adjoining States are second only in the world to the Lake Superior deposits in North America.

3. India has also abundant supplies of limestone and dolomite, but her proved deposits of coking coal are not so rich as the deposits of iron ore and limestone.

4. For some years up to and including 1929 the production of iron ore in India had been steadily increasing. 1930 showed a slight setback. India is now the second largest producer of Iron Ore in the British Empire. The principal iron ore deposits are situated in the Singhbhum District in Behar and Orissa and the Keonjha and Mayurban States, approximately 200 miles from Calcutta.

Iron Ore Produced in India:—

1929	...	13,90,000 Tons.
1930	...	10,99,000 "
1931	...	14,08,000 "
1932	...	12,50,000 "

5. *Limestone*.—Ample deposits of Limestone and Dolomite are available within a short distance of the Ore Fields and proved deposits run into many million tons.

Limestone and Dolomite Production in India:—

1929	...	4,60,000
1930	...	3,76,000
1931	...	3,58,000
1932	...	3,40,000

6. *Manganese Ore*, which is required for the manufacture of pig iron and steel is also obtained from the Singhbhum District where deposits are adjacent to the Iron Ore Fields.

7. *Quality of Iron Ore*.—The iron ore in India is very rich and the yield is on an average 60 per cent. iron to every ton of ore mined. This compares favourably with the finest Lake Superior and Bilbao ores and is superior to the iron-stone mined in the United Kingdom.

8. To review the raw material situation, India has enormous deposits of iron ore, large deposits of coking coal, limestone and dolomite, all of which, are mined economically and without difficulty.

9. The Capital invested in the Iron and Steel Industry is no less than Rs. 27 Crores.

10. *Works*.—There are four concerns interested in the production of Pig Iron and Steel on a large scale.

They are:—

- (a) The Tata Iron & Steel Co., Ltd.,
- (b) The Indian Iron & Steel Co., Ltd.,
- (c) The Mysore Iron Works, and
- (d) The Bengal Iron Co., Ltd.

11. Of these Works those of the Tata Iron & Steel Co., Ltd., are the only Works producing Steel on a large scale; neither the Indian Iron & Steel Co., Ltd., nor the Bengal Iron Co., Ltd., produce Steel, although the Bengal Iron Co., Ltd., did

so some 25 years ago. The Mysore Iron Works produce alloy and special steels on a small scale.

12. We give a brief description of the various Works :—

THE TATA IRON & STEEL COMPANY, LIMITED.

The Works are situated at Jamshedpur (named after the Founder of the Company) about 155 miles from Calcutta and the Company have their own Railway System, about 65 miles in and around the Plant, of which a three-mile long Branch Line connects to the Bengal-Nagpur Railway Main Line running between Bombay and Calcutta.

The initial plant was put into operation early in 1911 and the manufacture of steel by modern processes was successfully demonstrated in 1912. Extensions to the original plant have since been carried out on a large scale.

The lay-out of the plant and the machinery installation is on the most modern lines and the existing plant for the manufacture of pig iron consists of the following :—

5 Blast Furnaces (2 of 400 tons capacity daily)
(1 of 850 " " ")
(1 of 1,000 " " ")
(1 of 1,200 " " ")

Seven Stationary (Basic) Open Hearth Furnaces (4 of about 60 tons capacity per heat and 3 of about 75 tons per heat).

Two Furnaces for steel-making by Duplex Process comprising three 5 Ton Acid Bessemer Converters, three 200 ton Basic Open Hearth Tilting Furnaces and a 1,300 ton mixer.

Coke Ovens for the production of coke for the blast furnaces together with Bye-Product Plants for recovery of Coal Tar and Sulphate of Amonia have been installed.

Various Steel Mills are in operation including 2 Blooming Mills, 2 Rail and Structural Mills, 2 Bar Mills, 1 Marchant Bar Mill, 1 Continuous Sheet Bar and Billet Mill, 1 Sheet Mill, 1 Plate Mill.

The Works is one of the largest units in the world and generates its own power and is complete with Engineering Shops, Laboratories, Water supply, Drainage Bungalows, Hospitals, Schools etc., etc.

The town and the Works at Jamshedpur occupy about 22 Square Miles.

Production—

	1929-30	1930-31	1931-32	1932-33
	Tons.	Tons.	Tons.	Tons.
Pig Iron	7,14,000	7,40,000	8,15,000	6,72,069
Steel Ingots	6,24,000	5,80,000	6,03,000	6,90,778
Finished Steel	4,31,000	4,03,000	4,51,000	4,28,968

Sections, Bars, Plates, etc., are all manufactured to the usual test requirements and TATA-tested Steel is accepted as being equal to British Standard Specification.

THE INDIAN IRON & STEEL COMPANY, LIMITED.

This Company was incorporated in 1918, commenced operation in 1923 and at present produces only pig iron.

The Company possesses its own ore mines, coal and limestone mines.

The Works are connected to the East Indian Railway Main Line at Barachuck Station and to the Bengal-Nagpur Railway at Burnpore Station by Broad Gauge Sidings, about 142 miles from Calcutta.

The Plant consists of 2 Blast Furnaces of the most modern design, each furnace having a capacity of 850 tons of pig iron daily.

Coke Ovens, for the production of Coke necessary for the furnaces together with Bye-Product Plant, have been installed.

Like the Tata Iron & Steel Co., Ltd., the Indian Iron & Steel Co., Ltd., have their own Town of Burnpore where the Company owns over 4,000 acres of land and to accommodate the Staff and labour, water-works, hospitals, bungalows, quarters, etc., have been built.

Production of Pig Iron :—

1929-30.	1930-31.	1931-32.	1932-33.
4,46,000	3,31,000	2,50,000	1,97,000

This Company specialises in the manufacture of pig iron, basic for steel-making and foundry iron for castings.

MYSORE IRON WORKS.

The Mysore Iron Works is owned by the Government of Mysore and is situated at Bhadravati.

The Plant occupies an area of about 50 acres and comprises a modern Charcoal Blast Furnace with Wood Distillation and

Bye-products Recovery Plant. A modern plant for the manufacture of cast iron pipes has also been installed.

The construction of the Works commenced in 1918, operation being started in 1923.

Output of Pig Iron:—

1929-30.	1930-31.	1931-32.	1932-33.
Tons.	Tons.	Tons.	Tons.
21,000	20,000	15,149	11,141

The Mysore Iron Works produce Charcoal Iron which is especially suitable for the manufacture of chilled castings, malleable castings, special steels, etc.

The capacity of their Blast Furnace is approximately 80 tons of pig iron per day.

THE BENGAL IRON COMPANY, LIMITED.

This company which was formerly The Bengal Iron & Steel Co., Ltd., took over the old Barakar Iron Works Co., in 1889, when the whole Plant was remodelled and the production of pig iron was commenced.

The Works of the Company occupying an area of 2,300 acres of land are situated at Kulti, Bengal, on the East Indian Railway with a siding connecting with the Bengal-Nagpur Railway, about 144 miles from Calcutta.

The present Blast Furnace Plant comprises 5 Furnaces, two of which are modern mechanically charged Furnaces, capable of a combined output of 800 tons of pig iron per day.

The Works have their own Coke Ovens and Bye-product Plant.

Foundries.—The Bengal Iron Co., Ltd., specialise in the manufacture of cast iron pipes and cast iron sleepers.

Production—

	1929-30.	1930-31.	1931-32.	1932-33.
	Tons.	Tons.	Tons.	Tons.
Pig Iron ...	168,000	78,000	Nil.	Nil.
Sleepers ...	8,133	5,068	29,969	1,749
C. I. Pipes	32,002	36,178	25,204	19,659

As with the other Iron Companies the town of Kulti is self-contained and equipped with its own power plant, water-works, hospitals, bungalows, etc.

GENERAL.

13. The Iron & Steel Industry is of considerable importance to the country

both from a strategic and commercial point of view.

14. The Industry in normal times gives employment to over 100,000 labour, consumes over 2 million tons of coal and pays over a crore of rupees for Railway Freight on the carriage of raw materials and manufactured goods.

15. *Steel*.—The steel manufactured by the Tata Iron & Steel Co., Ltd., is consumed in India, primarily by the Railways, no finished steel being exported to foreign countries.

With the fall in the demand on account of the Railways consequent on the reduction in the programme of railway expenditure, the Tata Iron and Steel Co., are making more sustained efforts to stimulate the consumption of their goods by the general public. The existing rates of railway and steamer freights are not helpful to such development; but prices are fixed with a view to replace foreign imports; and the success that has attended the recent efforts is by no means inconsiderable. Much would depend on the change in the habits of the people who are still unused to iron and steel goods; but even here a slow transformation is visible.

16. *Pig Iron*.—Amongst the uses to which pig iron is put perhaps the largest tonnage is consumed in the manufacture of Cast Iron Railway Sleepers. Next come the Pipe Foundries. The total tonnage of iron consumed in India as such is approximately 100,000 tons per annum.

17. Indian Iron is shipped practically to every country in the world; and the weight of Indian competition in the world market may be judged from the fact that recently imports of Indian iron into Britain were the subject of questions in the House of Commons.

18. The principal export market for Indian iron for many years past has been Japan. Japan, unlike India, has very little natural resources for the manufacture of iron, and since her modern civilisation began she has been compelled to import large quantities of iron and steel. Of the other markets for the Indian pig iron, next in the order of importance, are the United Kingdom and United States of America.

19. The following figures show the export of Indian iron during the last four years:

	(In tons.)			
	1929-30.	1930-31.	1931-32.	1932-33.
	5,68,000	4,39,000	3,50,000	2,18,000
	Value (lakhs Rs.)			
Rs. 2,59	1,70	1,22	74	

Imports of Pig Iron into India

(In Tons)

From	Pre-war average	War average	Post-war average	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-32
U. K.	12,471	2,754	6,578	999	4,068	2,373	2,697	3,082	331	...
Continent	32	9	3,889	623	1,036	787	564	1	49	...
Other countries	378	3	86	...	...	...	1	...	...	...
Total	12,881	2,766	10,553	1,627	5,104	3,160	3,262	3,083	380	746(a)

Imports of manufactured Iron and Steel into India

(In Lakhs of Rupees)

From	Pre-war average	War average	Post-war average	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32
U. K.	753	550	13,16	10,36	14,49	13,03	10,16	5,67	3,39
Continent	291	56	4,14	5,36	6,23	6,51	6,42	4,62	2,77
U. S. A.	89	2,83	3,43	96	57	58	52	50	14
Other countries	20	68	11	2	3	7	7	7	2
Total	11,08	9,57	20,84	16,70	21,37	20,19	17,17	10,86	6,32

(a) The distribution of this total among the countries is not yet ascertainable.

INDUSTRIAL SECTION II:

THE INDIAN JUTE MILL INDUSTRY

MAINLY HISTORICAL

Though historical records of a comparatively distant past contain many references to fibres which were closely related to, if not identical with, jute, it was not till the middle of the last century that jute and jute manufacture attained a definite importance in world trade and commerce. Obviously, a variety of fibres were known to the ancients and were in active use; and it would be difficult to determine their identity among those that we know today. But it is certain that about the beginning of the nineteenth century the word *pat*, which is so commonly heard in the bazars of Calcutta, had come to denote definitely the botanical species known as *Corchorus capsularis* and *Corchorus Olitorius*. The word jute, however, seems to have been used for the first time in official records by Dr. Roxburgh, the Founder and Director of the Botanical Gardens, Calcutta, who was also the first to see its possibilities as an article of export, in a letter to the Court of Directors of the East India Company, which he sent along with a bale of the fibre in 1805. More followed; and by 1820 jute was being spun for use in carpets at Alington in Oxfordshire. But old prejudices die hard; and in the light of the subsequent progress of jute it should seem strange that it was a standard condition of business in the flax trade in those times that goods for delivery should be "warranted free from Indian jute".

It is natural that jute should attempt its first entry abroad in places carrying on the spinning and weaving of flax and hemp. Dundee had, therefore, a consignment of jute in 1822; but the spinning of this fibre was found to be far from easy; and it took some years before Dundee found how to use them for door mats. Progress, however, though slow, was steady. By 1828, raw jute came to have a separate heading in the Calcutta customs records; and the shipments in that year amounted to 864 cwts. Then whale oil

was found to have the property of softening the fibre and making it more easy to spin; and with the spread of this device, the demand for the fibre increased. Exports swelled to 11,800 cwts. within a period of less than five years and the price had doubled itself by 1837. Coffee came to be transported from the Dutch East Indies in jute bags; and with a foreign Government enlisted as a large-scale consumer, the jute industry was firmly established in Dundee.

The development of mechanical production in Dundee had its natural effects on conditions in Bengal. The handloom industry had shown a surpassing vitality; and up to the middle of the last century India's exports of jute manufactures were more in value and volume than the exports of the raw material. But later on with a rapidly increasing demand for jute from abroad, it became more profitable for the agriculturist to concentrate on the cultivation of jute than to continue a competition in which the odds were against him.

The normal progress of the jute industry was given a sudden and artificial stimulus by the Crimean War which shut out Russia's flax and hemp from the world markets. In the same way, the American Civil War deprived the manufacturers of cheap cotton bags of their raw material. In both these cases jute was the most obvious substitute; and it made most of these opportunities. Its place in world trade was assured. And from this time exports showed a steady and rapid rise. The peak year was 1908-09, when 897,000 tons were exported, with 1927-28 as a close second with exports of 892,000 tons.

The establishment of mills in India for the manufacture of jute with European machinery did not begin till after the middle of the nineteenth century. The first jute millowner is reported to be one Mr. George Acland. His original intention was to push *rhea* ahead of flax and hemp and visited Dundee with this pur-

pose in view. But with commendable quickness he appreciated the more useful qualities of jute; and in 1855 he erected the first jute spinning mill at Rishra near Serampore on land which was afterwards the site of the Wellington Jute Mill. Two years later the first weaving factory was erected at Barnagore. With such a conclusive demonstration of the profitability of jute spinning and jute weaving and with the trade showing such remarkable capacity for expansion, other factories followed in rapid succession.

The first power loom was erected by the Borneo Company of which Messrs. George Henderson & Co. were the agents. Its combination of spinning and weaving proved to be a very decisive factor in its success; and within a few years the equipment and output of the Company were doubled. It was followed in 1862 by the Gourepore and the Serajunge Mills. The India Mills came on in 1866; and the result was an increase in loomage in the short period between 1869 and 1878 from 950 to 1250. In 1872-78 Budge Budge, Fort Gloster and Seebpore (later changed to Fort William) were registered in Calcutta and Samnugger and Champdany in Scotland. Before two years were over, Oriental (now Union North), Howrah, Asiatic (now known as Soorah) Clive, Bengal (now Belliaghatta) New Central (formerly Rustomjee), Hastings and Ganges followed. Such rapid inrush of new mills took up the total loomage to 8,500 and apparently caused a state of temporary disequilibrium in the trade. Only Kamarhatty ventured into the field in 1877. And it was not till 1882 when the mills had over 5,000 looms that the next bout of new ventures started, lasting for about three years. At the end of this the loomage had increased to 6,700, of which 4,900 were sacking and the rest hessian.

Again production outstripped demand; and the obvious need for restriction of output suggested the equally obvious expedient of forming the Indian Jute Mills' Association. Its function has been mainly to bring the producing units together for purposes of regulating the output as and when necessary. No new mills were built in the decade ending 1895. But it is a feature of the jute trade that existing mills had been regularly increasing their loomage and by 1895 the loomage had increased to 9,701 of which 8,117 were sacking. The next quinquennium saw the advent of Gondolpara, Kharah, Alliance, Anglo-India, Standard, National, Delta, Kinnison and the present Landsdowne. The open-

ing years of this century were not marked by any new flotations, but between 1905 and 1910 Dalhousie, Alexandra, Auckland and Northbrook Mills were started; and the loomage went up to 81,755 as against 15,218 ten years earlier. Albion, Angus and the Empire came into the field in time to reap the profits of the War period. And during the War, Caledonian, Lothian, Orient, Waverly, Craig and Bally were added and after the War, Nuddea and Megna, Cheviot, Benjamin (now Presidency). Birla and Hukumchand were the first Indian mills; and later followed the Adamjee, the Premchand Mills, Hanuman, Agarpara and Mafatal Gagalbhai Mills. In 1921, Ludlow and the American Manufacturing Co. were added to the one American-owned mill, namely, the Angus.

The tables appearing in this volume, giving all the relevant statistics of acreage and crop, mills' consumption and exports of raw jute and exports of jute goods will afford a more complete and more accurate story of the development and expansion of the jute mill industry. It should suffice here in this descriptive note to point out that, if we put out of mind the last two or three years which form the period of the present depression, the history of the jute mill industry during the War and post-War period is one of unbroken progress. The area under jute increased from 81.69 lakhs acres in 1913-14 to 84.85 lakhs in 1929-30. Production expanded from 87.59 lakhs bales in the pre-War year to 121.87 lakhs in 1926-27. The Indian mill consumption progressed with but few setbacks from 48.74 lakhs of bales to 62.46 lakhs in 1929-30. The export of jute and jute manufactures in 1925-26 amounted to Rs. 96.79 crores out of a total of Rs. 874.84 crores, from which there was a natural reaction. But so late as 1928-29 the figure stood at Rs. 89.25 crores. From that peak, it has come down to Rs. 88.11 crores for reasons which will be entered into in a later section of this article, but there can be no doubt about the vitality of this industry or its capacity to stand competition from rival goods. That the jute industry will be able to take the fullest advantage of the revival of world trade when it comes is one of the certainties of Indian economics.

THE CULTIVATION AND MARKET- ING OF JUTE.

Bengal holds a virtual monopoly of the production of raw jute. The two varieties

of jute mentioned in the previous section are grown exclusively in the deltaic region common to the mighty river systems of the Ganges and the Brahmaputra. Thus the crop is confined to Bengal, Assam and Bihar and Orissa, as also the native state of Cooch Behar. Madras and Bombay possess little fragments of land suitable for cultivation of a fibre most akin to jute; and one or two mills are in existence there which utilise the product in manufacture. The normal area under jute is about 80 lakhs acres and three millions may be said to depend on its cultivation for their living.

Jute is most luxuriant in a loamy soil. The inundation of the Ganges and the Brahmaputra leave rich deposits of alluvial soil; and the cultivator is, therefore, spared the expense and trouble of providing manure. Once planted, the crop requires little attention for a long time. The finishing stages, however, entail hard and very irksome labour. For to separate the fibre from the wood, the crop has to be steeped in water for two or three weeks, Retting, as this process is called, requires the cultivator to stand in water for long hours. The fibre is separated by beating the stems with wood. Then it is washed and dried and made ready for disposal.

The marketing of jute, so far as the cultivator is concerned, is not different in essentials from the marketing of other agricultural produce in India, though it must be remembered that jute is what is called a money crop for which the individual cultivator has little or no need. Moreover, the bulk of the demand comes from the indigenous mills, who have a strong and powerful organisation and for whom the buying of jute at the best prices is not a seasonal or an intermittent operation. The organisation of the mill and other interests has wide ramifications in the jute areas. The cultivator is, as a rule, in debt and the creditor has *de facto* the first claim on the produce. It may reasonably be suggested that jute passes from the cultivators through the hands of those who represent a blend of the moneylender and the agent acting on behalf of the urban interests. A multiplicity of middlemen is detectable here. The cultivator sells his jute through a *faria* to the *bepari*, a small dealer who acts on behalf of his principal, the *aratdar* or *mahajan*. The *mahajan* sells to the agent of a mill; or there is one more link in the chain, the broker or *baier* butting in between the mill and the *mahajan*. Then the jute finds its way to Calcutta or Chittagong by rail, river or road

to be consumed by the mills or exported abroad.

The place of the "futures" market in the organisation of the jute trade calls for special mention. Jute offers peculiar attractions to the speculator. Unlike cotton, for instance, which is grown in many parts of the world, jute is grown only in and about Bengal. Demand for the commodity is steady. But at the same time, uncertainties in regard to weather, conditions of the crop and extent of demand at any given time for jute products render it extremely fitted for speculative operation. There is more than one organisation in Calcutta which affords facilities for such operations. But the most important body is the East India Jute Association which has been formed mainly on the lines of the East India Cotton Association and it aims at discharging the same functions to the jute trade as the former renders to the cotton trade in the Western Presidency. The rules of the Association are so framed as to keep the business of its members as far removed from wager and gamble as possible. But the best futures markets of the world have not invented any infallible means of preserving the strictly *bonâ fide* character of the business; and in the case of the E. I. Jute Association also criticisms of an adverse kind have often appeared in the Press. It must be admitted, however, that the Association has succeeded in ensuring more of freer play for the forces of supply and demand.

PROBLEM OF RESTRICTION IN THE JUTE INDUSTRY.

As indicated already in the earlier sections of this article, the last two, three years have been a trying time for the jute mill industry and those who are connected with it. Our exports of jute and jute manufactures have fallen both in volume and value. The acreage and production of raw jute have been practically halved as compared with two years ago. Prices are every day digging new record lows. And the jute mills are obliged to devise new schemes of restriction in a vain endeavour to keep pace with the fall in demand. The world economic depression has undoubtedly, a large place in the troubles of the jute industry. The movement of the chief agricultural crops like cotton, wheat, coffee, etc., has been restricted by the state of the consuming markets; and this brings about a serious decline in the foreign consuming demand

for jute. While this factor may be properly appraised without any attempt to underrate its importance, it must not be forgotten that the position of jute in Bengal enables the mills to acquire a certain degree of immunity from world causes of an adverse kind. Possessed of a complete monopoly of the raw material and a virtual monopoly of those lines of jute manufactures in which the Calcutta mills are engaged, it should always be possible by the regulation of output to save the industry from severe losses or an altogether sterile working. Even in the early stages of the history of the jute industry temporary disequilibrium between supply and demand was not unknown. In fact, the Indian Jute Mills' Association was first formed to combat such a danger; and there is no conclusive reason why the Association should not be able to render the same service on subsequent occasions.

Recent developments have been such that one is sometimes left wondering whether restriction will not be the perennial problem of Bengal's foremost industry; for the need for restriction arose earlier than the present world depression and, for all that we can see to-day, may last even after the trade revival gets into stride. The reasons for the latter statement will be gone into in the proper place. As for the former, it is best to start with mentioning that restriction in the later history of the jute trade is the rule rather than the exception. We have shown in the first section of this article the vast expansion in the jute industry during the War period and the years immediately succeeding it. This expansion was due to the fact that the new entrants into the field did not see the place of the War in the economic demand for jute products during that period. When this was more clearly borne in on the jute mills they agreed to a scheme of restriction of output which lasted till June 30, 1929. The members of the Indian Jute Mills' Association had probably a variety of motives in abandoning restriction in that year. There was, first of all, the feeling that demand had expanded considerably since the agreement amongst the jute mills was first concluded. The clearest proof of this was to be found in the fact that the jute mills in Dundee and on the Continent of Europe had been increasing their loomage and their consumption of raw jute. Even at home new mills were being established; and the obvious result of the continuance of restriction was that other producing units were reaping the benefits of prices

which were maintained at that level only by the action of the Association. In these circumstances, the abandonment of restriction was an act of bare commonsense.

But reference must also be made here to the feeling in certain circles that the motive of the jute mills at that time was to hit the Indian mills which had just ventured into a field, till then practically an exclusive preserve of the European mills. Though it is not for anyone, except those in charge of the mills to deny such allegations, yet it must be remembered that this contention has value and relevance only in a controversy in which the main issue is whether the Indian mills harmed in that way should avail of the earliest opportunity to return tit for tat. Be that as it may, after a somewhat prolonged consideration, the jute mills decided in November 1928 to increase the working hours from 54 to 60 hours per week. But the new arrangement was to begin from July 1, following. The change was not very old before it became apparent that it could not be persisted in except at the peril of the industry itself. The demand for short hours was widely made. The mills took time to recognise the position. And even after the recognition came, it was not easy to come to an agreement as to the remedies. Finally it was decided to revert to 54 hours. The inadequacy of this measure suggested the closure of the mills for three weeks in the latter half of 1930, the exact time to be determined by each mill and, of course, duly notified to the Association. It is curious how the need for restriction grew with every new measure designed towards that end. The reduction of working hours to 54 led to the closure of the mills for three weeks. And the closure of the mills after it ceased, was followed by a further restriction of working to 40 hours per week. Then it was decided to seal up, 15 per cent. of the looms of every member of the Indian Jute Mills' Association. The remaining 85 per cent. of the looms running 40 hours per week is equivalent to the full complement of looms working 84 hours per week, a reduction of 48 per cent.

It may be thought that so drastic a restriction of working cannot fail to produce better conditions. But difficulties arose at this stage which but for their being a late and unexpected development, are the same as those on which all schemes of restriction have foundered. The very severity of the restriction was an inducement for those who are outside its scope to increase their production. The non-

member mills which owned about 5 per cent. of the total loomage of the industry increased their equipment and working hours. Their overhead costs were lower and their margin of profits increased. The sight of this development tempted even members of the Association to desert its ranks. And so a position was reached in which the output of the non-restrictionists amounted to as much as 14 or 16 per cent. of the total production.

These developments brought matters to a head. While the need for restriction was becoming more and more urgent, the Association mills exhibited a decided reluctance to impose any more restrictions on themselves unless they had the whole industry with them. This was interpreted, and rightly, by the non-Association mills as a bid for their support. And attempts were made to raise the bid. Protracted negotiations and increasingly stiffened attitudes were the result. The markets all the time were going from bad to worse; and interest in the question spread to the general public as the ruin of the jute industry spelt the ruin of the whole province and even interests far transcending the province. A vigorous press agitation was in progress to induce the Government of Bengal to interfere in the public interest in the negotiations between the two sections and either bring about a settlement or impose one by legislative enactment. His Excellency the Governor took a keen personal interest in the negotiations, the more so, as he was opposed on principle to the interference of the State in the affairs of an industry. But the final outcome was not exactly a compromise, as may be seen from the points which were agreed on in the second conference of jute interests which was held at the Government House under the presidency of Sir John Anderson himself.

The main points settled were :

(1) That the deposit money which the Adamjee mills forfeited on account of its secession from the Association should be refunded.

(2) That the Association mills should work 40 hours a week, while the non-Association mills should be free to work 54 hours a week.

(3) That the latter should be allowed

to work their full complement of looms while the former are to have 15 per cent. of their looms sealed up.

(4) That the Association should have the right of having the non-Association mills inspected by its own staff.

The agreement had to be ratified by a substantial majority of the Indian Jute Mills' Association; and though the first meeting is reported to have been somewhat stormy, the agreement was ratified by a 95 per cent. majority in the second meeting. The Association had reserved to itself the right to grant concessions similar to those of the non-Association mills to such of its members as could put forward convincing reasons for such special treatment. The whole arrangement was to run for a period of eleven months.

The settlement has naturally been subject to the criticism that it has set a premium on intransigent opposition to restriction; and that the experiences of this year would have the effect of setting up formidable barriers to a similar regulation of output when it is called for in the future. While this criticism is almost obvious, it is difficult to suggest a way out. However, the different positions in respect of reserves, block, etc., of different companies, the circumstances relevant to a consideration of the differential treatment of the mills in a regime of restriction may perhaps, be clarified and determined, so that individual cases could be decided, not according to their capacity to hold out in a tussle, but according to certain well-defined and well-understood principles. But all the same the dangers which were experienced during 1952 cannot be eliminated unless the industry itself outgrows the need for uncomfortably long and drastic restriction. Whether and when this will happen, the present is the most inopportune time to answer. But it will certainly be long before world demand for jute goods will grow up to the present productive capacity of the industry. And when it does, the possibility of the establishment of new mills is not a less serious danger than the obstacles in the way of restriction when that is the need. All these are circumstances which suggest that the Indian Jute Mill Industry is one in which State control is not advisable, but necessary.

Jute Raw

Season ending 30th June	Area sown 1,000 acres	Production in 1,000 bales of 400 lbs. each	Indian Mill consump- tion in 1,000 bales of 400 lbs. each	Export in 1,000 bales 400 lbs. each
1918-14	81,69	87,59	48,74	41,82
1915-16	28,75	74,24	56,09	81,06
1920-21	25,08	59,79	54,67	28,48
1922-23	17,99	54,86	46,15	29,02
1925-26	29,26	90,00	58,44	85,16
1926-27	29,62	1,21,87	58,74	44,48
1927-28	81,44	99,16	56,88	44,86
1928-29	88,16	99,56	58,79	44,28
1929-30	84,65	1,12,81	62,46	44,52
1930-31	18,58	55,80	54,28	84,25
1931-32	*20,00	*60,00	x34,00	x27,50

* Area and production figures for 1931-32 are only a rough estimate.

x Mill consumption and export figures for 1931-32 represent only 9 months, July 1, 1931 to March 31, 1932.

Export of Jute Cloth from India

In Lakhs of yards.

To	Pre-war average	War average	Post-war average	1926-27	1927-29	1928-29	1929-30	1930-31	1931-32
U. K.	428	18,88	741	504	811	292	586	402	621
Canada	388	584	508	596	688	557	816	781	682
Australia	209	258	175	265	246	222	260	188	198
U. S. A.	66,89	69,85	89,88	97,54	102,80	102,18	107,19	85,88	69,17
Argentine	17,27	14,40	18,18	81,82	83,10	84,08	82,98	20,86	10,49
Other countries	869	10,16	528	780	748	791	881	770	787
TOTAL	97,00	115,61	127,08	150,81	155,28	156,88	165,05	127,10	102,04

Exports of Gunny Bags from India

In Lakhs of Bags.

To	Pre-war average	War average	Post-war average	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32
U. K.	805	22,65	418	388	461	446	580	501	475
Rest of Europe	206	688	299	194	191	186	279	287	275
Egypt	119	385	102	144	142	157	190	170	144
South Africa	119	248	177	168	189	208	208	200	182
East Africa	99	90	112	193	198	245	261	248	222
Australia	628	787	720	965	867	1,028	848	999	744
Java	180	206	205	270	258	421	878	416	296
Japan	85	118	186	249	187	88	157	54	46
Far East	398	486	584	698	810	780	954	519	685
South America	481	582	885	872	490	490	478	278	...
Central America	180	229	298	890	892	446	481	857	289
Other Countries	796	747	607	470	451	492	524	416	526
TOTAL	38,91	66,76	40,48	44,91	46,81	49,77	52,28	48,40	38,84

INDUSTRIAL SECTION III :

THE COTTON TEXTILE INDUSTRY

The place of the cotton textile industry in the national economy of India is second only to that of agriculture. Alike in capital sunk, in the volume of employment which is created and in the net addition to the total wealth and annual income of the country, it has hardly a rival among our industries. And what is as important, if not more, it has had, for various reasons, a peculiar hold on the affection and allegiance of the public. Its decline in the latter half of the seventeenth and eighteenth centuries was regarded as the symbol, as much as the result, of the country's political subjection; and from that time to this the progress of the cotton industry has been in the public mind equivalent to the progress of our political and economic emancipation.

This is only understandable, for India was the birthplace of the cotton industry. The best of our cotton manufactures are still unsurpassed in the fineness of their texture and their superb finish. Historians of various ages and climes are agreed that India enjoyed a glorious export trade in cotton fabrics. Its decline, which could have been brought about by the mechanical improvements of the West, actually followed a deliberate policy on the part of the British Government both here and in Great Britain to crush the Indian industry in the interests of Lancashire. It is unnecessary to dwell on this policy as it was the sole sustenance of the political movement during the earlier part of the last half century. But the unnatural end of the historic cotton industry of India did not, as indeed, it could not, affect our natural advantages for the development of a cotton mill industry on modern lines. In fact, the first cotton mill was started in Calcutta with English capital by persons who saw that the saving in freights to and fro would be sufficient to outweigh the other disadvantages that might arise from unskilled labour and the import of machinery from abroad. But nature had designed Bombay as the home of the Indian Cotton Mill Industry. The beginning was made by two

Englishmen; and the first Indian mill was established in 1856 under the management of a Parsi gentleman. More followed in rapid succession; and the progress up to the year 1880, may be gauged from the following table:—

Year	No. of mills.	Spindles (In thousands)	Looms	Labour
1851	1	29	...	5
1868	13	309	3.4	7.7
1876	47	1,100	9.1	...
1877	51	1,244	10.3	...
1880	56	1,461	13.5	44.4

From the year 1879-80 more complete statistics are available and the table below shows the development of the industry for the quinquennial periods up to 1903-04 and for the two years thereafter.

Years.	No. of Mills at work	Nominal capital (in lakhs Rs.)	Persons employed in	Looms Thousands	Spindles
1879-80 to 1883-84	63	6,57.6	51.0	14.5	1,610.6
1884-85 to 1888-89	93	8,57.9	75.7	18.2	2,298.8
1889-90 to 1893-94	127	11,61.1	1,16.1	25.3	3,263.8
1894-95 to 1898-99	158	14,19.5	1,50.0	36.6	4,046.1
1899-00 to 1903-04	195	16,87.9	1,71.6	42.0	5,000.9
1904-05	218	17,67.5	1,86.4	47.3	5,193.4
1905-06	204	17,19.7	2,12.7	52.3	5,283.8

At the beginning of the war the Indian mills were 241 in number with a spindleage of 6.3 million and a loomage of over 92,000. The total production of the industry, according to the estimates of the Tariff Board presided over by Sir Frank Noyce was 688 million lbs. of yarn and 1,164 million yards of cloth exclusive of hand-spinning and handweaving; as against 353 million lbs. and 422 million yards in the beginning of the century.

Thus at the date at which it is usual to take a halt in any historical review of industries the cotton mill industry had

shown a remarkable expansion. There was also a marked alteration in its character. It passed from an essentially spinning industry, exporting more than half its production, to a weaving industry using imported yarn in its products. And this, in spite of the fact that the number of spindles had increased by 39 per cent. and the number of looms by 142 per cent.; the essence of the change referred to lay in the number of spindles per loom falling from 119 in 1898-99 to 68 in 1912-13.

The five war years witnessed the continued operation of the tendencies apparent in the earlier period. By August, 1918, the number of mills increased to 249, the number of spindles to 6.56 million and the looms to 115,818; the number of spindles per loom also fell to 56. Further expansion was retarded by the difficulty of obtaining machinery from Britain; but production was all the same increased. Other important features during this period were the loss of the export trade in yarn—which was due partly to the competition of Japan in the East and partly to the increase in the domestic demand and the increasing share of Japan in the home trade.

The three years immediately following the end of the War were a period of abounding prosperity for the cotton mill industry in India. The prosperity of the mills, together with the fact that owing to the high rate of sterling exchange for the rupees, foreign machinery was cheap, orders for new machinery both for old and new mills were freely placed. But when the deliveries were made the rupee had fallen and importers met with severe losses. Conditions in the domestic market had undergone a marked change. A crisis of first magnitude developed in the imported piecegoods. Dealers looked at their burnt fingers and shunned all stocks, foreign and indigenous. The neglect of foreign markets for Indian yarn, of which mention has already been made, began to aggravate the troubles in the spinning section. And by 1926, it would be true to say that the cotton mill industry, at any rate in Bombay, showed all the characteristic features of a trade depression following an intensive boom period. And not the least of those features was the painful, almost calamitous, disillusionment of many who had partaken in the numerous conversions of the proprietary mills into joint stock concerns. With the depression came the question of reduction of wages which had been increased not exactly during the time

of the boom, but in its closing stages. For the worst of wages is that they do not move in accord with the prosperity or the slump in the industry. The rise in wages was resisted by the mills; and later the fall was opposed by the labourers. The result was, more especially in Bombay, a series of strikes, from which no good flowed except a reduction in the swollen stocks.

These conditions led to the Tariff Board enquiry of 1926, and its terms of reference were:

(1) To investigate the condition of the cotton textile industry in India, with special reference to the industry in Bombay and Ahmedabad;

(2) To examine the causes of the depression in the industry and to report whether they are of a temporary or permanent character;

(3) In particular, to consider whether, and if so to what extent, the depression is due to the competition of other countries in the home and export trade;

(4) To report whether, having regard (i) to the fact that the industry has long been firmly established in India, and (ii) to the interests of the consumer and to all other interests affected,—

(a) the industry is in need of protection; and

(b) if so, in what form and for what period protection should be given; and

(5) to make any other recommendations that are germane to the subject.

The Tariff Board confirmed the impression conveyed by its terms of reference that the plea for protection was made with far greater importunity by Bombay and Ahmedabad than the mills outside. And even as between these two cities the former was in a worse position than the latter. In fact, Bombay has certain permanent disadvantages as compared with other centres, e.g., the higher wages of a highly urbanised area, the higher costs of fuel and power, remoteness from the sources of raw cotton and the chief markets for finished goods; and these can be offset by advantages in regard to cost of stores, of insurance and of office expenses only if the management makes the best of the latter and reduces the former to its irreducible minimum.

The other questions were necessarily of a more complicated kind, as the conditions of the mill industry had to be examined in relation to the piecegoods market which was itself subject to violent

external forces. There was no doubt that the loss of the Chinese market was an important cause of the depression. There was no doubt, too, that there was some degree of unfair competition from Japan which was having longer hours of work and employing women labour to more than the legitimate extent. And so far as Bombay was concerned, it suffered as much from the competition of other Indian mills as from the factors mentioned above. The remedy which the Tariff Board suggested was the variation of products; and to this end they recommended a bounty for the spinning of higher counts.

It would be appropriate at this stage to give a short history of the tariffs on cotton goods in India, without going into the controversy that has always waged round it in apparent disregard of incontrovertible facts. The Indian Tariff Act of 1894 imposed a duty of 5 per cent. on all imported cotton yarns and fabrics; and at the same time an excise duty of 5 per cent. was levied on the production of yarn above 20s. Later in 1896 Government, under pressure from Lancashire interests and on the pretext of free trade, removed the duty on cotton yarn and reduced the duty on cotton fabrics, imported and produced locally, to 3½ per cent. The injustice to the local industry continued till the financial necessities of the War time and the pressure of a growing public opinion forced Government to raise the import duty on cotton fabrics to 7½ per cent. In 1921, a similar need brought about a further enhancement of the duty to 11 per cent. the excise duty remaining unaltered all the time at the level of 3½ per cent. In 1922, imported cotton yarn was subject to a revenue duty of 5 per cent. And in 1926, the excise duty was finally abolished.

But the advantage derivable from the increased duty was neutralised largely by the eighteen pence ratio which was unquestionably a substantial aid to importers into India. The industry felt the disability very keenly; and to this were added the disastrous effects of strikes, with the result that the cotton mill industry, especially of Bombay, had an unbroken tale of woe. Mr. G. S. Hardy, the Collector of Customs at Calcutta was deputed to enquire into the possibility of replacing the *ad valorem* duties on cotton piecegoods with specific duties, and to examine the condition of the trade since the report of the Tariff Board in 1926.

Mr. Hardy's report was to the effect that the administrative difficulties involved in a system of specific duties were a conclusive argument against it and that, so far as the trade was concerned, Japanese imports were gaining ground, first at the expense of Lancashire and latterly to the detriment of the Indian mills.

The Budget for 1930-31, therefore, provided for an increase of the import duty on cotton piecegoods from 11 per cent. to 15 per cent. and the Government proposed to levy an additional 5 per cent. on all non-British cotton goods for three years. An amendment in the Assembly deprived Lancashire of the preference in respect of grey goods which constitute the bulk of the production of Indian mills. The Supplementary Budget of September, 1931, imposed surcharge of 25 per cent. on cotton piecegoods in common with all other imports.

What time the last mentioned changes were made, the Government of India made it clear that the protection was given purely as a temporary measure dictated by the necessities of the moment and not as the final decision of a considered policy. "The object in view," in the words of the Commerce Member, "is not the development of the industry but its preservation," the provision of a shelter behind which the industry could make genuine efforts for a reorganisation. It was also made clear that Government did not expect the mills to venture on new ground such as the production of finer yarn or the weaving of higher quality goods and that the whole question would be gone into again at the expiry of a period of three years dating from March, 1930. But it is necessary to remember, and it is a matter for gratification, that the grudging and halting manner in which the Government were prepared to succour the industry was more than made up by the intense passion for *Swadeshi* which has seized the people since March, 1930. The Congress had during this period, especially in the earlier part of it, thrown its full weight in favour of the indigenous manufactures; and in spite of the official displeasure and the opposition of foreign interests the Congress Executives all over the country succeeded in binding the mills to a policy of strict *Swadeshi* in their production. Thus with mills bound over to the use of Indian made yarn, and foreign cloth shops and dealers subjected to unintermittent picketing, and the masses themselves taking sponta-

neously to an unqualified patronage of Indian piecegoods, the cotton mill industry in India has come to furnish the sole instance in the whole world of an industry which has made headway during the present unprecedented depression.

Statistical data in regard to the cotton mill industry and the cotton piecegoods market in which the indigenous industry is only one of the principal competitors are given in part at the end of this article and in part in the trade tables. Taken together they show that the principal features of this trade are that the Indian mills have made tremendous headway; that the British cotton mill industry has lost its hold on the Indian market and that the Japanese are the most formidable competitors to the indigenous mills in a number of lines. The threat of Japanese competition becomes more serious with every fall in the value of the yen as against the rupee. During the period in which Japan remained on the gold standard after India's abandonment of it, the Japanese industry suffered to that extent a very considerable handicap. Afterwards the handicap was scratched when the yen went off gold. In the middle of 1932 Japan has shown clear signs of a desire to stabilise the yen at a very low value in terms of the pound. This increases the dangers to which the indigenous industry and particularly Bombay, which is the least efficient part of it, are exposed. The Bombay mill industry grounded its appeal for an examination of its claims by the Tariff Board on a number of factors; but the devaluation of the yen lends forcible point to Bombay's demand.

At the time the 1932 Year-Book was issued, the Tariff Board had hardly got into stride in regard to the cotton enquiry. The *questionnaire* had then been just issued; and it will be remembered that in the *questionnaire*, questions regarding the relations of managing agents to the cotton mills figured largely. We wrote at the time: "Care is necessary to see that the cotton mill interests do not abuse the support which in the conditions that were ruling till recently was, undoubtedly, necessary for their growth. Neither the protectionist policy of the State nor the spontaneous support of a politically-minded public should be allowed to shelter an inefficiency which with time must become a far graver threat to the economic well-being of the country than the worst dumping of foreign producers."

There is reason to think that the Tariff Board had bestowed a great deal of thought and attention on this question of the managing agency system. But it is not yet possible to say anything either of their conclusions or of the recommendations they have based thereon as the report of the Tariff Board has not yet been published. The Government have not even stated the reason for withholding publication of a document, public interest in which can hardly be exaggerated. But cotton mill interests have not suffered by this love of reticence on the part of the Government of India. For the cotton mills have by now had two instalments of substantial protection afforded to them. On both the occasions, the principal reason for the enhancement of protective duties is the continued threat of Japanese dumping. The increase in the import of Japanese manufactures in this country, the exact figures for which are given elsewhere in this section, is part of a big offensive which Japan has launched in recent times in all their export markets. But it has hit India with exceptional severity. It has been pointed out earlier that with the increase of Japanese imports into India at the expense of the British, Japan has come to be a more formidable competitor of the Indian mills than Lancashire. This development must be attributed to the immense advantages which the Japanese cotton mill industry has derived from the currency and monetary policy of their country since September, 1931. During the period September to December, 1931, when India had gone off the Gold Standard and Japan continued on it, it was possible for the latter to acquire the necessary stocks of Indian cotton at an extremely low price; and, when, thereafter, Japan started depreciating her currency, she gained a double advantage over the Indian producer in as much as the raw material has been acquired cheap and the finished product could be quoted at lower prices abroad. The following table shows the course of the sterling-yen exchange during the period referred to—

LONDON—YOKOHAMA.

STERLING—YEN RATE

Parity:—24.57d.

1931, Jan. 2	2/0 17/32
„ 31	2/0 7/16
Feb. 28	2/0 7/16
Mar. 28	2/0 7/16

1931—(Contd.)

Apr. 30	2/0 13/32
May 30	2/0 13/32
June 30	2/0½
July 31	2/0½
Aug. 30	2/0 13/32
Sep. 17	2/0 13/32
" 25	2/8½
" 30	2/7
Oct. 31	2/6½
Nov. 30	2/10
Dec. 2	3/0 5/32
" 12	3/10½
" 14	2/4
" 17	2/6
1932, Jan. 2	2/1½
" 30	2/0½
Feb. 29	1/10½
Mar. 31	1/9½
Apr. 28	1/9½
May 31	1/9½
June 30	1/6½
July 30	1/7½
Aug. 31	1/4½
Sep. 29	1/5
Oct. 31	1/3½
Nov. 30	1/3½
Dec. 29	1/3½
1933, Jan. 31	1/3
Feb. 28	1/2½
Mar. 31	1/3
Apr. 29	1/2 15/16
May 31	1/2½

The threat of Japanese dumping has been so persistent and has embraced so many commodities that the Associated Chambers of Commerce and Industry in their last annual session appealed to the Government of India to take powers to levy emergency duties with a view to protect indigenous industries exposed to such unfair competition. The necessary legislation was passed through the Assembly in the last budget session.

With regard to cotton, the resolution of the Government of India dated 25th July, 1932, referred to the question of increased duties on cotton piecegoods not of British manufacture to the Tariff Board for an "immediate enquiry." The terms of reference were:—

"To report whether cotton piecegoods not of British manufacture are being imported into British India at such a price as is likely to render in-effective the protection intended to be afforded by the

duty imposed on such articles under Part VII of the Second Schedule of the Indian Tariff Act, 1894, by the Cotton Textile Industry (Protection) Act, 1930, to similar articles manufactured in India; and, if so, to consider—

(a) to what extent, if any, the duty on cotton piecegoods not of British manufacture should be increased and whether in respect of all cotton piecegoods not of British manufacture or in respect of cotton piecegoods, plain, grey only, or of cotton piecegoods, others, only;

(b) whether the duty should be increased generally, or in respect of such articles when imported from or manufactured in any country or countries specified; and

(c) for what period any additional protection found to be required should be given,

and to make recommendations."

On September 2nd, the report of the Tariff Board was published and on August 30, came the full text of the resolution of the Government of India and the report of the Tariff Board. The decision then made was that the *ad valorem* duty on cotton piecegoods, not of British manufacture, which was fixed by the Cotton Textile Industry (Protection) Act, 1930, at 20 per cent. and to which surcharges amounting to 11½ per cent. have been added for revenue purposes by the Finance Act of 1931, should now be raised to 50 per cent., subject to a minimum specified duty of 5½ annas per lb. on plain grey piecegoods; and that the increased duties will take effect immediately and will remain in force till March 31, 1933, and will not be subject to the sur-charges imposed by the Indian Finance Act of 1931 and the Indian Finance (Supplementary and Extending) Act of 1931."

The consideration which impelled the Tariff Board to recommend the increased duties was mainly the depreciation that had taken place in the exchange value of the yen. They had, however, to examine the question whether the advantage of a depreciated currency was not offset by Japan having to pay an increased price for import of raw materials from abroad. In this regard, though the data available to them were insufficient and unsatisfactory, the Board deemed it reasonable to conclude that the advantage still lay with the Japanese exporter. The scope of this emergency enquiry should not be misunderstood. The Tariff Board was asked to decide the

additional measures necessary to make good the decrease in protection from the level of the Act of 1931 effected by the depreciation of the yen. The Tariff Board, therefore, pointed out that as the earlier protective duty was not fixed on the usual basis of a regular Tariff Board estimate of a fair selling price, there is no standard by reference to which the measure of additional protection may be determined. In the absence of any definite estimate, the Tariff Board could only calculate how far the measure of protection then enjoyed by the industry fell short of the protection intended by the Government of India and the Legislature. This meant that the Tariff Board had to compute the combined effect of the fall in Japanese exchange and the fall in the price of raw cotton. The following extract gives the plan and the method by which the Tariff Board arrived at the view that the duty required in the situation caused by the depreciated yen was 53 per cent. :

"In our calculation we assume the net import price (ex. duty) of piece-goods in March, 1930, to have been 100. We take into account the protective duty on non-British goods at 20 per cent. and we leave out of our reckoning the surcharges introduced for purely revenue purposes. We put the fall in the price of raw cotton since March, 1930, at Rs. 250 and the current average rate for July-August delivery at Rs. 170. The proportion which the cost of raw cotton bears to the selling price of finished piece-goods has been taken approximately at 40 per cent. in the classes of goods similar to those made in Indian mills. We find the fall in the rupee-yen exchange since March, 1930, rate 136.6 and the current rate at 106.

	Net price ex. duty	Duty	Fair selling price
Price of piecegoods in March, 1930	100	20	120
Corresponding price at current price of cotton : 100 minus $40 \times 32/100$	87	17	104
Net price at current yen exchange : 87 minus 22 per cent.	68	...	...
Duty required for fair selling price : 104 minus 68	...	36	...
Equivalent <i>ad valorem</i> rate of duty : $36/68 \times 100$	...	53 per cent	...

It is significant that at the time the Government of India announced their decision to grant the additional protection, the figures employed by the Tariff Board in its calculations had become obsolete by a further depreciation of the yen. It is useful, especially in view of what has happened since, to extract here the very apposite comment made by *Indian Finance* on this question at the time :

As compared with March, 1930, the current price of raw cotton shows a fall of 2 per cent., taking Broach in 1930 at Rs. 250 and the current rate at Rs. 245. As for the rupee-yen exchange, taking the March, 1930 rate at 136.6 and the current rate at 87, the fall since March, 1930, is 37 per cent. The calculation of the Tariff Board would, in the light of these new data, be as under :

	Net price ex. duty	Duty	Fair selling price
Price of piecegoods in March, 1930	100	20	120
Corresponding price at current price of cotton : 100 minus $40 \times 2/100$	99	20	119
Net price at current yen exchange : 99 minus 37 per cent.	62	...	...
Duty required for fair selling price : 119 minus 62	...	57	...
Equivalent <i>ad valorem</i> rate of duty : $57/62 \times 100$	...	92 per cent.	...

It follows from this that the increase in import duties required to raise the protection to the level originally intended was not 50 per cent. but 60.75 per cent. If the Government had acted as indicated here much of the subsequent travails of the cotton mill industry would have been avoided. As it is, the country has been obliged to continue increasing indefinitely the duties on the imported cotton manufactures without having the opportunity of considering the other side of the question, namely, of securing economies in the internal management of the cotton mill industry. The regular Tariff Board report, as mentioned already, has not been yet published. But it is widely believed that as a result of the thorough enquiries made by the Tariff Board into the question of the relation between the managing agency system and the cotton mill industry, the Board should have had much to say both on the conduct of the managing agents of the past and on the reforms essential for their better functioning in the future. While the report has been withheld from

publication, the Government have recently taken action in regard to additional protection for the cotton mill industry.

Though the *communiqué* does not fall within the financial year to which the Year-Book refers, it is useful to render the review of the cotton mill industry as up-to-date as possible :

The Commerce Department notification issued on this question states :

"In exercise of the powers conferred by sub-section (5) of section 3 of the Indian Tariff Act, 1894 (VIII of 1894) and in supersession of the notification of the Government of India in the Department of Commerce No. 341-T (164) dated the 30th August, 1932, as amended by Notification No. 341-T (5) 33 dated the 31st March, 1933, the Governor-General-in-Council is pleased to increase the duty chargeable under Part VII of the Second Schedule to the said Act on the articles specified in the annexed table to the extent set forth therein.

Article with number of entry in Part VII of the second schedule under which duty is chargeable.

Cotton piecegoods (other than fents of not more than nine yards in length)—(A) Plain grey that is not bleached or dyed in the piece, if imported in pieces, which either are without woven headings or contain any length of more than nine yards which is not divided by transverse woven heading. Not of British manufacture.

(B) Others—Not of British manufacture.

Present rate of duty	Increased rate
5½ annas per lb. 50 per cent.	6½ annas per lb. 75 per cent.

Instead of leaving it to a popular Legislature to consider in full the report of the Tariff Board, the Government have

again resorted to piecemeal protection, shelving, in effect, the equally important question of the reorganisation of the industry. Thus, our remarks of July, 1932 hold as good to-day as when they were written :

Whatever the nature and extent of the danger of unfair and undue foreign competition, there is no gainsaying the fact that the Indian cotton mill industry calls for a thorough reorganisation. Both the industry as a whole and each unit of production thereof offer considerable scope for economy. But the latter would seem to all intents and purposes to typify the worst evils that are associated with the managing agency system. Some of the gravest leakages are reported to occur through the managing agents ; and it is to be hoped that when the Tariff Board publishes its report it will have made sound and valuable suggestions as to how each cotton mill company is to order its production. Considering that the cotton mill industry has enjoyed a unique form of protection, a protection that is afforded not so much by the coercive authority of the State as by the spontaneous will of a whole nation—though the former too is far from inconsiderable—it is reasonable to demand that if those who are in power in the cotton mill industry do not comply with the demands of economic production the State must devise measures of compelling them to do so. Schemes of rationalisation with which the industry tinkered in the most ignorant and half-hearted manner a year ago must be evolved and, if necessary, forced upon the interests concerned. During the last 30 years the Indian people have made a splendid effort in saving this country from the appalling wastage of exporting raw cotton abroad and consuming the cloth made of that same cotton. It is unthinkable that effort should be nullified through the cupidity of a small band of cotton mill-owners. It is time that the economic consumer should gain the upper hand over the *swadeshi* sentimentalist.

Statistical Statement of Mills in India (including Indian States and Foreign Territories) for the year ending 31st March

Year	No. of Mills.	No. of Looms	No. of Spindles	*Cotton consumed in bales of 400 lbs.	Yarn produced in pounds	CLOTH PRODUCED	
						In pounds	In yards
1909-10	245	80,171	6,142,551	1,935,010	627,581,562	228,824,078	768,869,482
1910-11	254	84,627	6,846,675	1,905,866	609,927,141	245,814,878	1,042,741,658
1911-12	258	87,640	6,427,181	2,050,102	625,080,199	266,644,256	1,186,151,590
1912-13	266	91,585	6,495,012	2,096,016	688,455,490	285,467,804	1,220,414,529
1913-14	264	96,688	6,620,576	2,143,126	682,776,851	274,888,550	1,164,291,588
1914-15	255	108,811	6,598,108	2,102,682	651,984,657	277,205,900	1,185,707,952
1915-16	267	108,417	6,675,688	2,197,718	722,424,579	352,254,556	1,441,514,550
1916-17	267	110,812	6,670,162	2,198,164	681,107,281	377,728,816	1,578,182,789
1917-18	269	114,805	6,614,269	2,085,678	660,575,615	381,404,169	1,614,126,458
1918-19	264	116,094	6,590,918	2,044,238	615,040,464	349,580,450	1,450,728,160
1919-20	268	117,558	6,714,265	1,952,818	685,760,278	388,925,750	1,640,047,774
1920-21	255	117,958	6,652,474	2,120,230	660,002,597	367,481,791	1,580,449,746
1921-22	271	123,314	6,814,273	2,208,540	698,571,677	408,520,881	1,781,578,296
1922-23	289	137,283	7,245,119	2,151,698	705,898,599	405,258,789	1,725,284,187
1923-24	310	147,087	7,908,196	1,917,748	617,828,682	401,660,958	1,701,574,855
1924-25	305	150,680	8,286,206	2,226,810	719,889,994	458,839,645	1,970,399,238
1925-26	303	154,591	8,403,336	2,118,884	686,427,479	465,039,687	1,954,462,650
1926-27	306	158,124	8,412,317	2,417,412	807,116,138	538,769,358	2,258,716,065
1927-28	296	159,239	8,286,280	2,009,782	808,940,878	567,806,045	2,356,564,805
1928-29	292	163,884	8,493,810	2,161,166	648,295,956	445,656,578	1,898,268,655
1929-30	305	173,231	9,021,629	2,393,714	838,559,849	562,286,708	2,418,981,049
1930-31	310	171,725	8,790,060	2,638,176	867,044,558	590,836,923	2,561,183,085
1931-32	...	...	...	...	966,406,682	672,256,961	2,989,891,101

* Year ending 31st August.

Estimated World's Consumption of Indian Cotton by Various Countries, 1912-13 and 1919-20 to 1930-31.

Countries	(000's omitted.)													
	(Year ending 31st July)	1912-13	1919-20	1920-21	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32
Great Britain	58	58	89	55	107	201	188	168	82	121	133	183	252	183
% on 1913	...	105	74	104	201	380	345	317	155	228	345	355	475	345
France	95	87	69	119	170	198	160	168	159	180	217	224	224	152
Germany	281	79	205	215	193	203	214	204	172	212	252	271	203	129
Russia	6	†	...	...	...	...	...	1	...	...	...	118	*114	*55
Poland	15	10	21	37	44	84	26	22	82	24	28	24	22	11
Italy	175	147	208	200	239	314	238	254	184	179	225	261	286	145
Czecho-Slovakia	(a)	8	43	50	61	129	117	99	66	78	90	109	83	84
Austria	154	†	36	25	41	62	46	48	25	34	40	85	25	14
Spain	84	40	59	46	65	111	71	73	58	64	74	92	85	31
Belgium	82	78	94	100	127	163	245	156	129	147	175	180	149	97
Switzerland	4	6	7	6	7	11	9	10	6	7	9	10	10	7
Other European	17	24	23	26	30	22	32	33	29	37	45	56	56	33
Total Continent	813	444	770	834	977	1,247	1,108	1,068	855	962	1,150	1,375	1,212	728
% on 1913	...	55	95	102	120	153	136	131	105	118	141	169	149	89
India	2,081	2,046	2,188	2,207	2,197	2,087	2,347	2,015	2,188	1,840	1,880	2,243	2,298	2,296
Japan	992	1,150	1,416	1,430	1,722	1,554	1,478	1,770	1,556	1,241	1,488	1,697	1,500	1,117
China	(b)	...	45	845	857	831	840	488	459	308	393	463	520	421
Total Asia	3,073	3,196	3,749	4,032	4,276	3,922	4,165	4,278	4,208	3,389	3,766	4,403	4,318	3,834
% on 1913	...	104	123	131	139	128	135	139	137	110	123	143	140	125
U. S. A.	...	12	10	11	21	27	31	-80	23	27	35	61	43	21
All others	2	...	2	...	1	7	34	33	23	24	44	60	35	23
GRAND TOTAL	3,941	3,710	4,570	4,923	5,332	5,404	5,521	5,572	5,196	4,523	5,173	6,087	5,860	4,789
% on 1913	...	94	116	125	137	137	140	141	132	114	131	154	149	122

† No returns.

(a) Included in Austria.

(b) Included in Others.

* Complete return not received; estimated from trade sources.

World's Cotton Crops (Todd's).
(In thousands of 500-lbs. Bales Approx.).

	1914-15	1919-20	1920-21	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32			
AMERICA																	
U. S. A. Lint	16,135	11,421	18,440	7,954	9,762	10,140	18,628	16,104	17,977	12,856	14,478	14,825	18,982	17,096
Linters	857	608	440	897	608	668	897	1,115	1,168	1,016	1,232	1,241	1,000	1,000
Total	16,992	12,029	18,880	8,851	10,370	10,808	14,525	17,219	19,185	18,972	15,760	16,066	14,982	18,096
Mexico	125	200	194	145	191	160	221	199	851	175	272	240	169	207
Brazil	456	468	480	491	538	561	649	589	490	480	511	550	502	569
Peru	118	159	166	181	188	201	198	186	248	234	218	210	204	207
Argentine	8	15	28	18	29	62	75	186	65	108	129	150	185	160
Others	8	9	11	45	26	67	84	70	74	58	73	64	54	50
ASIA																	
†India	5,209	5,796	8,600	4,485	5,078	5,161	6,088	6,215	5,024	5,968	5,782	5,125	4,820	4,064
China	2,838	2,470	1,829	1,488	2,249	1,981	2,104	2,044	1,707	1,821	1,790	1,884	2,400	1,925
Japan and Korea	87	92	103	89	106	118	122	122	141	181	148	186	152	102
East Indies, etc.	23	20	81	27	26	21	20	19	18	14	14	18	18	20
Russia	1,244	200	66	42	52	314	458	741	785	1,041	1,192	1,828	1,723	1,900
Persia	140	122	102	95	63	79	58	82	88	78	90	100	124	120
Iraq, Ceylon, etc.	†	†	†	†	†	1	2	8	8	2	4	4	8	1
Asia Minor, etc.	140	114	106	45	89	78	110	151	184	209	181	161	180	152
AFRICA																	
Egypt	1,298	1,114	1,206	972	1,248	1,806	1,455	1,598	1,727	1,219	1,602	1,697	1,608	1,800
Sudan	19	19	24	19	23	88	86	97	118	101	129	127	97	188
East Africa	84	48	75	49	80	119	180	168	128	128	196	185	175	174
South Africa	1	2	2	2	5	9	18	22	9	9	8	14	9	8
West Africa	12	18	24	12	13	21	32	39	22	17	26	85	20	5
Non-British	4	11	18	16	26	89	65	74	87	91	112	107	100	100
WEST INDIES																	
British	5	5	5	4	3	4	8	8	5	5	8	4	5	4
Others	11	7	11	22	17	17	19	25	24	21	23	26	26	20
Australia, etc.	†	†	1	8	7	10	12	6	5	8	5	10	8	11
GRAND TOTAL	28,212	22,918	21,907	16,801	20,867	21,020	26,544	29,808	30,878	25,875	28,218	28,184	27,454	29,278

† Less than 500 bales. † 400 lbs. bales.

Estimated World's Consumption of All Kinds of Cotton by Various Countries.
(Year ending 31st July) (000's running bales.) (International Cotton Federation.)

COUNTRIES				1912-13	1919-20	1920-21	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32
Great Britain	...	...	...	4,274	3,620	2,024	2,865	2,770	2,718	3,235	3,022	3,010	2,904	2,800	2,465	1,964	2,386
% on 1918	...	...	...	...	84	47	67	65	64	76	71	70	67	68	58	46	56
France	...	...	...	1,010	819	725	1,085	1,185	1,068	1,122	1,179	1,182	1,180	1,227	1,171	1,122	892
Germany	...	...	...	1,728	519	898	1,168	918	945	1,211	1,148	1,478	1,585	1,878	1,822	1,086	1,196
Russia	...	...	...	2,070	†	928	624	509	597	1,084	1,752	1,787	1,864	2,152	2,109	1,821	1,520
Poland	...	...	...	414	48	184	220	228	179	209	190	819	860	251	225	*228	194
Finland	...	...	...	85	26	29	84	82	80	28	89	88	41	84	80	84	82
Italy	...	...	...	789	741	795	800	898	942	1,002	1,087	982	954	1,042	1,001	788	794
Czecho-Slovakia	...	...	...	(a)	98	260	872	254	417	484	477	508	546	495	461	397	344
Austria	...	...	...	857	†	98	116	106	183	196	159	146	164	149	117	97	104
Spain	...	...	...	858	890	299	868	853	866	852	407	390	413	404	412	393	408
Belgium	...	...	...	257	285	211	243	272	296	305	358	368	424	452	461	358	305
Switzerland	...	...	...	99	84	82	88	96	101	108	114	108	116	105	101	92	88
Other European	...	...	...	817	811	295	281	313	260	322	355	356	409	428	478	450	412
Total Continent...	...	...	...	7,914	3,271	4,747	5,341	5,158	5,329	6,868	7,210	7,552	8,056	8,112	7,889	6,856	6,282
% on 1918	...	...	...	...	41	60	67	65	67	80	91	95	101	108	99	87	79
India	...	...	...	2,177	2,059	2,248	2,314	2,252	2,065	2,440	2,064	2,601	2,084	1,997	2,419	2,518	2,700
Japan	...	...	...	1,588	2,084	2,122	2,872	2,576	2,387	2,459	2,816	2,851	2,541	2,766	2,997	2,565	2,769
China	...	...	...	(b)	868	1,071	1,895	1,609	1,571	1,610	1,755	1,920	2,016	1,957	2,297	2,329	2,252
Total Asia	...	...	...	3,765	5,006	5,486	6,081	6,437	5,978	6,509	6,685	7,372	6,591	6,720	7,718	7,407	7,728
% on 1918	...	...	...	...	188	145	162	171	158	173	176	196	175	178	205	197	205
U. S. A.	...	...	...	5,719	6,788	5,876	6,528	7,258	6,144	6,127	6,895	7,184	6,770	7,038	6,060	5,246	4,847
% on 1918	...	...	...	...	118	94	114	127	108	107	119	125	118	128	106	92	85
Canada	...	...	...	118	208	150	157	177	152	161	211	201	198	228	200	202	195
Mexico	...	...	...	153	116	121	188	186	149	198	222	184	189	164	215	146	160
Brazil	...	...	...	508	898	568	477	670	379	533	732	444	552	472	414	392	465
All Others	...	...	...	177	91	40	166	79	91	178	204	244	280	353	270	265	
GRAND TOTAL	...	...	...	22,628	19,433	18,462	21,748	22,680	20,985	23,294	24,681	26,141	25,540	25,882	25,209	22,488	22,328
% on 1918	...	...	...	...	86	82	96	109	92	103	109	115	112	114	111	99	99

† No returns

(a) Included in Austria.

(b) Included in others.

* Complete return not received, estimated from trade sources.

History of Cotton Prices, 1911-12 to 1931-32 (Todd's)

Season	LIVERPOOL PRICES, PENCE PER LB.			Alexandria	American
	American	Indian	Egyptian	Price	Price of
	Middling	No. 1 Fine Oomra	F.G.F. Brown	Dols. per Kantar	Upland
					Cents. per lb.
1911-12	6'09	5'68	9'56	17'25	9'69
1912-13	6'76	6'16	9'79	18'28	12'20
1913-14	7'27	5'88	9'45	19'02	18'49
1914-15	5'22	4'46	7'84	12'01	7'94
1915-16	7'51	6'09	10'42	19'28	11'99
1916-17	12'88	10'52	21'56	37'81	18'41
1917-18	21'68	18'78	30'97	38'52	28'86
1918-19	19'78	18'18	27'85	37'20	30'86
1919-20	25'81	19'28	30'84	37'81	33'21
1920-21	11'89	9'20	30'24	34'50	16'08
1921-22	11'87	9'60	19'75	34'23	17'78
1922-23	14'92	11'14	17'29	30'71	24'06
1923-24	17'66	18'85	21'55	39'79	31'67
1924-25	18'76	11'95	29'82	39'49	24'27
1925-26	10'77	8'97	20'05	30'47	19'88
1926-27	8'15	7'18	15'89	21'49	12'96
1927-28	11'17	9'21	19'39	29'69	19'72
1928-29	10'52	8'08	18'14	25'68	18'92
1929-30	9'09	6'39	14'52	20'86	17'24
1930-31	5'71	4'02	9'06	12'43	9'57
1931-32	4'82	4'32	6'80	—	5'89

*F.G.F. Sakel

† Eight months only. These figures are E.G.F. Brown till 1914, since then composite figures embracing G.F. Sakel, G.F. Ashmuni, and G.F. Brown.

Progress of Japanese Cotton Mills

(Year ending 31st December.)

(Japan Cotton Spinners' Association.)

Year	No. of Mills	Total No. of Spindles	Average No. of working Spindles	No. of Looms	Average No. of Hands employed daily	Approximate quantity of cotton consumed (Bales of 500 lbs.)
1910	186	2,099,764	1,741,168	17,702	109,970	1,087,148
1920	198	3,813,530	3,191,753	50,533	190,601	1,704,633
1921	217	4,161,126	3,162,353	54,994	179,363	1,721,098
1922	235	4,517,612	3,967,265	60,765	219,410	2,005,760
1923	228	4,197,966	4,079,353	61,421	208,481	2,089,405
1924	232	4,370,292	4,115,692	64,225	204,557	1,933,027
1925	243	5,447,184	4,669,753	63,350	229,323	2,267,737
1926	247	5,679,852	5,016,467	77,043	238,662	2,454,250
1927	257	6,116,266	4,662,569	78,352	210,395	2,373,241
1928	259	6,467,174	4,933,089	81,309	198,463	2,289,361
1929	253	6,336,516	5,149,365	77,893	214,623	2,607,212
1930	263	7,214,001	5,698,030	79,466	154,633	2,342,134
1931	263	7,535,146	6,079,376	77,732	152,743	2,403,104

INDUSTRIAL SECTION IV:

THE INDIAN TEA INDUSTRY

EARLY HISTORY AND LATER DEVELOPMENT.

Tea, like Jute, is an industry of comparatively late origin. It had, however, existed in China from the earliest times where it was in use as a beverage in the eighth century. It was mentioned in a letter which an Englishman in Surat wrote to his friend at home in 1617. In 1658 the *Mercurius Politicus* had a notice showing that a consignment of tea arrived in England, which is probably the earliest arrival. Pepys' reference to it in 1661 as a "Chinese drink of which I have never drunk before" suggests a more common usage of the new beverage. But it was not until 1720 that the East India Company imported a large volume of one million pounds which was retailed at 30 sh. the lb. In 1773 the Company had such excess stocks, that it obtained permission to export them to Boston; and this, incidentally, led on to the famous Boston tea party. By the year of Trafalgar the imports came to 7½ million lbs.

In the earlier stages China had a monopoly of the tea trade; and probably the tea industry would not have been established in India, but for the fact that the Charter Act of 1813 transferred the monopoly of the tea trade from the Company to the Crown. The Directors naturally looked about for another source of supply for this lucrative trade; and their determination in this matter was strengthened by the knowledge that the plant could thrive under varying conditions of climate and soil as those of Brazil and Java, St. Helena and Sumatra. The Government of Lord William Bentinck appointed a Committee in 1834 to enquire into the possibility of importing plants from China and developing plantations in the hilly tracts. The lower hills and valleys of the Eastern Frontier and the Himalayan range and the Niligris were obviously fitted for the cultivation of tea. But for a long time, the pioneers of this enterprise were altogether ignorant of the

fact that, far from being an exotic plant, tea was part of the flora of Assam. Scepticism in the value of the discovery persisted for a longer time than we might deem credible. But the supporters of the indigenous plant did not have to wait long for their success. For by the middle of 1838 they were able to announce that 8 chests containing 350 lbs. of tea had been shipped to England. Within a year Indian tea was definitely accepted to be a sound commercial proposition; for before that year was formed the Assam Tea Company which was the first and is even now about the largest tea company in India. The first auction in Mincing Lane was held in 1839; but the quality was adversely commented on by the brokers. Efforts to get the Chinese to teach the Indian cultivators failed, probably through the jealousy of the former. But the industry progressed despite these discouraging signs. By 1866, there were 39 gardens with about 10,000 acres, 8,000 operatives and 1.7 million lbs. of output. Before another decade was out there were three times as many gardens; the acreage increased by 80 per cent. and the production had multiplied ten times. By 1906, the acreage increased to 50,000 and the output and employment to 12.4 million lbs. and 64,000 operatives. The corresponding figures for 1915 are 53,178 acres, 17.99 million lbs. and 42,300.

The fall in the number of operatives which is in strange contrast to the increase in acreage and output leads us to a mention of the patent devices of Mr. William Jackson and the planting reforms of Mr. Christison. The former invented the rolling machine which obviated the repugnant and dilatory processes of rolling the tea by hand and tamping it to dust with naked feet. The latter evolved the measures necessary for preventing the erosion of soil on steep hill surfaces and for resisting the effects of drought.

These inventions enabled the Indian tea industry to get far ahead of China. And the pace of the later development and ex-

pansion may be judged from the following figures:

TEA PRODUCTION IN INDIA.

	Acreage in 1,000 acres.	Production millions lbs.
1901	524	201
1921	709	274
1924	714	375
1927	756	390
1928	776	404
1929	788	432
1930	805	391

Space forbids any detailed sketch of the progress in South India or in other chief producing countries of the world. But it may be mentioned that the first experiments in tea planting in Ceylon were not encouraging. The greatest fillip was given by the disaster which overtook the coffee plantations through the appearance of a pest. Attempts were made to replace coffee with cinchona and then tea. The latter was an unqualified success. By 1880 the export was 162,000 lbs. Five years later it exceeded 4 million and in another five years it reached 45.8 million lbs.

The acreage increased from 408,000 in the beginning of the century to 450,000 in 1929; and the latter, it must be remembered does not include small holdings which are estimated to be about 20,000 acres.

In addition to the great production of India and Ceylon, Africa contributes an increasing amount. The figures for production in 1928-29 will be of interest:

	Area in acres.	Production in 1,000 lbs.
Union of S. Africa	2,000	800
Nyassaland	8,900	1,745
Kenya	5,800	150

Natal, too, has a tea industry of long standing, but as by far the greater part of it is taken up in domestic consumption its production is of little importance to other producers. Nyassaland exports practically the whole of its output; Kenya is understood to have expanded the acreage very largely since 1928-29. Its products are of medium quality which should be useful for blending purposes. Malaya has conducted some successful experiments in tea cultivation; and it is supposed that there are considerable possibilities.

China, as a producer of tea has been pushed more to the background. The un-

hygienic methods of production have allowed the change of taste in the foreign consumer; and Chinese tea is now principally a peasant production conducted for the individual consumption of the cultivator. The following figures will show the deterioration:

EXPORTS OF TEA FROM CHINA, IN MILLION LBS.

	Black and Green.	Brick and Tablet.
1899	153.6	71.2
1913	109.2	82.2
1923	98.0	8.8
1927	77.6	38.6
1928	76.8	46.6

The principal rivals to India and China are Java and Sumatra. The origin of the industry in the Dutch East Indies was about the same time as in India or perhaps a little earlier. But production on a large scale had to await the import of plantlings from India. In 1911 Sumatra had 500 acres. By 1928 Java claimed 2,35,000 acres as against 2,07,000 acres in 1924 and Sumatra 53,000 as against 29,000 acres in 1924. In addition Java had 83,000 acres under native growers of which 66,000 acres were in bearing.

Total production from the world's principal sources is given below, as published in the annual Calcutta Tea Market Report of Messrs. J. Thomas & Co.:

	1927 Million lbs.	1928 Million lbs.	1928 Million lbs.	1930 Million lbs.	1931 Million lbs.
Northern India (total season's crop)	336½	341	372	331	335½
Southern India (total exports)	47½	48½	52½	47½	49½
Ceylon (total ex- ports)	227	236	251½	241½	247
Java (total ex- ports)	126½	134	136½	136	145
Sumatra (total exports)	12½	19	22½	22½	26½
Total	755½	779½	834½	777½	803

CULTIVATION AND MANUFACTURE.

Tea seeds take about eighteen months to grow to the stage at which they are fit to be transplanted. The tender shoots are not interfered with during that period; and then they are transplanted at the com-

mencement of the rainy season into holes three feet apart and two feet deep. An acre of land can grow about 2,900 plants. As the plants require copious rains and complete drainage, too, in order that the water may not be in contact with the roots for a long time, only hill slopes are suitable for tea cultivation. Manuring is applied heavily direct to the roots. Weeding and hoeing have to be frequent, and nitrogenous green crops are grown in between the rows immediately after and before the rains. The tea plant left to itself can grow to the height of an ordinary tree; but the plant is kept by pruning to the height of two to three feet, both to force more of tender foliage and to facilitate easy plucking. The picking commences in the third year; and the annual outturn per acre varies, according to the age of the plantation from two to four maunds. The various kinds of teas referred to in the markets indicate whether a particular kind is a tender leaf or a coarse shoot. The buds yield "orange pekoe" and "broken orange pekoe"; "pekoe" is derived from the tender leaves; and "pekoe souchong" is the product of the coarser leaves.

Picking has to be carried on by manual labour, particularly by women "who with quick eye and deft fingers rapidly choose and pluck the leaves, right and left hand operating simultaneously". The leaves are then taken with the minimum delay to the factory where it passes through several stages which are, in their order, withering, rolling, fermentation, firing, sorting, and finally packing. The first stage consists in spreading out the leaves in thin layers for about 20 hours to develop and increase the enzyme. This process is so important as almost to determine the quality of the final product. It has to be slow and even; and a free upward and downward movement of the air is necessary. The importance of this process and the details of the subsequent stages of the manufacture are best described by the Imperial Economic Committee:—

"The leaves are so spread as to allow of free upward and downward circulation of the air. Where climatic conditions allow, the sides of the building are open to the outside air. In some districts, owing to the humidity, it is necessary to wither the leaf in closed rooms, through which carefully controlled currents of air circulate, the object being not to raise the temperature, but to counteract the humidity of the atmosphere.

The process of rolling twists the leaf and breaks open the cells containing the properties that give strength and flavour to the final product. The juices liberated by rolling form, when dry, a soluble extract which is released when the tea is brewed. The rolling may be so carried out that a proportion of the leaf is broken and goes to form, without any subsequent cutting, part of the "broken" grades which are now-a-days preferred for their superior liquoring quality.

After being rolled, the leaves are spread out and left to ferment. Here, again, it is important to arrest fermentation at the right moment, for if it goes too far, quality and flavour will be spoiled. The fermented leaves, still damp and sticky, are now spread on the perforated or wire trays of a firing machine, and submitted to a hot air current for a short period during which they assume the black appearance with which everyone is familiar. In the course of the processes enumerated, the leaf loses 75 per cent. of its weight.

The tea is now known as "made" tea, and is next vibrated through sieves of varying mesh and sorted into grades. It is important that the leaf in each grade should be even in size and true to type. Although there are no fixed standards for each grade, the differences between them are well-known on the market and any mixture is soon detected. The sorted tea is then packed by machinery into chests and half-chests. These are lined with lead or aluminium foil to protect the tea from the atmosphere, to which it is highly sensitive. Even so, tea is sometimes affected by juxtaposition in ships' holds with cases of fruits such as oranges."

MARKETS FOR TEA.

Alike in point of production and consumption, the tea industry is an industry of the British Empire. It lends itself to treatment as an Empire industry, as no other industry does. For, though, as we have seen earlier, the production of tea is spread over various parts of the world, over 70 per cent. of that tea is produced and nearly 70 per cent. of it is consumed within the Empire. Over two-thirds of the entire capital in the industry is owned by its citizens. All the machinery employed in India and Ceylon is of Empire origin. Even the tea chests are imported from Empire countries.

But what is most important in this context is that the Empire is both the pro-

ducer and the consumer of the greater part of the world's annual output. The world export position is summarised in the following table taken from the Report of the Imperial Economic Committee:

WORLD EXPORTS OF TEA IN 1928 AND 1929
(CALENDAR YEARS) IN MILLION LBS.

	1928.	1929.
India	355.5	380.4
Ceylon	236.7	251.5
Nyassaland	1.4	1.7
South Africa	.1	.1
Total from British Empire	593.7	633.7
Java and Sumatra	153.5	161.3
China (Black & Green)	76.8	73.0
Japan and Formosa	33.4	32.8
Total from foreign countries	263.7	267.1
Total from all countries	857.4	900.8
Empire percentage	69.1	70.3

The above tables will bear out the statement with which we started that the industry is essentially an Empire industry and is peculiarly fitted for treatment as such. Unlike other Empire products which have yet to win and secure their place in the markets of the United Kingdom, Tea has an assured place. Of the Empire countries, Canada gives a negligible part of the patronage to the non-Empire product. New Zealand is a slowly expanding market, with Ceylon taking the lion's share of it and Northern India coming in for a small bit. Australia is giving more than 50 per cent. of her patronage to Java and relegating the Empire producers, and particularly India, to an insignificant place. Ceylon which exported appreciably more than Java in the earlier years has lost ground considerably; and the relation of Australia to the Empire tea trade may well be the subject of special enquiry and negotiations in the Ottawa Conference. Outside the Empire, the United States of America derives its importance as potentially an even bigger market than Great Britain. In that country, Ceylon has the foremost place with Northern India following and Java as a somewhat distant third. But even if it were otherwise, the problem so far as America is concerned, would be one, less of gaining a larger place for the

Indian or Empire product than of securing an expansion of consumption in a market on which all the producers have been looking wistfully for a long time.

We may, therefore, take it that the principal problems with which the tea trade of the Empire is confronted are firstly, to secure a larger share, if not the whole of the British market, secondly, to explore the possibility of an Empire preference for tea, particularly from Australia and thirdly, to decide what to do in regard to the American market.

In regard to the first, it may be remembered that a year ago there was little or no prospect of the reinstatement of the preference for Empire tea which Mr. Churchill abolished when he was last Chancellor of the Exchequer. But the British Budget for 1932-33 has granted a preference of 2d.; and the question can no longer be regarded as an issue calling for examination or judgment. But it must be remembered that according to the Financial Times whose writings were cabled out to India early in June, 1932, the preferential duty has not altered the position of Java in the British market and that Empire tea has not derived any appreciable advantage. It is unthinkable, that the British consumer will consent to bear a heavier burden for the sake of the producers of India and Ceylon. And so we are thrown back again on the old problem of securing a voluntary and for that reason, a more effective and a less objectionable, preference. There is no doubt that there is a large body of sentiment in Great Britain which favours the expansion Empire tea at the expense of the non-Empire product. All expert committees which have gone into this question are practically unanimous that Empire tea has every advantage over the rival products and that, if only the retailers could be induced to sell pure Empire blends, the virtual exclusion of non-Empire tea could be achieved without any kind of State action like the imposition of a preferential duty.

The Imperial Economic Committee which issued its eighteenth report on tea early in 1931, is positive that the failure of Empire tea, to make progress commensurate with its quality and other advantage is due almost solely to, what for lack of a better term may be called, the inertia of the interests concerned. We may appropriately make the following extract from their report: "Tea owing to the superiority of the Empire product, is a

particularly favourable subject for voluntary preference and offers to those who cater for the preference an exceptional opportunity for developing their trade in what is one of the staple articles of their business. There can be no reason but mere oversight for the fact that a well-known London store, which prides itself on its display of Empire product should distinguish its various blends by nothing but a series of numbers. To the same reason may also be assigned the fact that a well-known multiple-shop organisation which for some time has put up a thoroughly good household blend consisting entirely of Empire grown tea should have only in the last few months attempted to exploit the publicity value of the Empire origin and does not even yet exploit this publicity value on the packet itself. For there is no doubt that, provided the article is good, the declaration that it is the produce of the British Empire now has definite publicity value in the United Kingdom."

To turn to the American market, it is often overlooked that though the wealth and population of that country make it a very alluring market, the actual experiences are highly discouraging. In this context, the contrast between the United Kingdom and the United States is striking. On the one hand, the United Kingdom has always been the best actual market for Indian and other Empire tea; and on the other, the United States have been regarded for some time as potentially an ever bigger market. In the former, the little advantage which is yielded by a preferential tariff is only fitfully afforded. The market is showing unmistakable signs of saturation. The figures of retained imports show a consumption per head of five cups of tea per day. And any increase in the British offtake of tea would depend solely on the increase of population. The American market presents a marked contrast to the British. While the latter consumed about 424 million pounds in 1929 and increased it to 439.2 million pounds in 1930, the United States, a far bigger land, consumed only 93.4 million pounds in 1929 and reduced its consumption in 1930 to the level of 84.4 million pounds out of which green tea is 32 per cent. against 36.4 per cent. in 1929.

In spite of such marked contrast there are still many in the trade who are not sure whither to divert their fresh efforts for increased sales of tea. It is true that the United Kingdom which is the biggest

market for Indian and other Empire tea has very naturally reached the utmost limits of expansion and that, any further increase in the British consumption of tea will have to depend on the purely natural factor of normal increase in population. But the United States, it must be remembered, has proved singularly unresponsive to all the coaxings of the tea propaganda committees. Far from there being any increase in the spread of tea drinking in the United States, there have of late been distinct signs that the vogue is on the decline. In the earlier stages the intensive campaign in favour of Indian tea in the United States bore immediate results. Imports of Indian tea increased from £12 million in 1923, to £15 million in 1924 and £18 million in 1925. But at that figure it has remained stationary since and what has been said of Indian tea might also apply to the Ceylon product. While the proportion of Indian and Ceylonese tea in amount imported into the United States has increased the total consumption has hardly varied; and India and Ceylon have gained only at the expense of China and Japan, which in pre-war years provided for 70 per cent. of the requirements of the United States. If we consider the consumption of tea per head of population, the present consumption of .75 lbs. per head compares very unfavourably with the figure of 1.32 lbs. which was the average fifty years ago. This might perhaps be explained by the large annual influx of new immigrants to whom tea is an altogether strange drink. But so large a difference as that between 1.32 pounds and .75 lbs. must point to the possibility that there are rigorous limits to the popularisation of tea as a beverage amongst the Americans. It is not quite impossible, fantastic as it might seem, that the Boston tea incident still has its hold on the imagination and sentiments of a large number of American citizens.

In these circumstances, it is natural that the wisdom of incurring further expenditure of money in developing the American market should have been a subject of discussion among the tea associations of India and Ceylon. Those who have specialised in advertisement and what is called in an expressive Americanism, high pressure salesmanship would, of course, insist on a continuance of the campaign in America. But it is prudence not to make an unduly heavy outlay on this when the tea industry has other fields which can yield more immediate results.

An understanding with Australia in regard to preference for Empire tea is not only suggested by the facts of the situation, but is quite in tune with the general sentiment in favour of Empire trade. The following table showing the imports into Australia in 1931 and at the end of the last three decades of this century makes a very strong *prima facie* case for a thorough examination of the possibility of Empire preference.

IMPORTS INTO AUSTRALIA.

IN MILLIONS OF LBS.

Year	Ceylon	North India	Java	Sumatra	Total
1910	22.3 (66.6%)	10.4 (29.7%)	1.3 (3.7%)	...	34.0
1920	22.9 (44.7%)	9.1 (17.7%)	29.8 (57.6%)	...	51.8
1930	29.5 (61.7%)	4.2 (7.4%)	22.9 (40.8%)	2 (3%)	47.8
1931	22.4 (43.6%)	8.7 (7.2%)	24.4 (47.4%)	1.0 (1.9%)	51.8

It will be seen that while Java has taken up her exports by leaps and bounds and Sumatra, too, in spite of her later start has progress to her credit, India and Ceylon alone, and particularly the former, have found the ground slipping from under them. An examination of the treatment accorded by other Empire countries to Empire tea will show that a similar development might have occurred but for the preference granted to it. The Ottawa Conference was designed to promote understanding on these lines and arrived at tentative schemes by which each member of the Empire would profit on the basis of genuine reciprocity. The expansion of the Empire Market for Tea is now looked forward to.

One possible difficulty may perhaps be mentioned here. Since India is one of the chief tea producers who may be profited by a scheme of Empire preference, Australia may well point to the recent duty on her imports of wheat into this country as not being in consonance with an Empire policy in matters of trade. This is hardly the place in which a full consideration of this question may be made. The Ottawa Conference was opposed by the majority of Indian opinion and the idea of adjusting our fiscal policy to suit Empire requirements is repugnant to Indian commercial opinion, not to speak of the indigenous wheat interests. In these circumstances, even if an arrangement were possible by which Indian tea would have preference in Australia it would be very difficult to get the necessary political support for the change. If the Conference succeeds in producing a scheme which is acceptable to India, then

a way out of the dilemma is indicated by the present railway freights for moving wheat from the Punjab to Calcutta being very high.

Before leaving the question of markets for tea reference must be made to the possibilities for increased consumption which India itself offers. According to certain authoritative estimates our internal consumption of tea was 57 million lbs. in 1929-30. Such increase points to the fact that with the development of the purchasing power of the masses in India, a vast expansion of consumption is bound to result. The Tea Association would be well advised not to leave this as a matter of purely natural growth; but to take it up in an active way. With Indian consumption at such a low level the tea industry was not in so compelling a need for restriction of output. And as for the present situation it will ultimately prove to be a blessing in disguise as without a critical situation it would be difficult to rally the Empire to the help of the industry. Once the Empire markets are fully secured for the Empire product, efforts might then be made to restore the voluntary basis for Empire preference.

MARKETING OF TEA.

The system of marketing which obtains in the tea trade is so peculiar that no apology should be needed for a detailed and comparatively lengthy account of it. A considerable portion of the tea crop of India and Ceylon comes to Calcutta and Colombo for export to the consuming markets. As the gathering of tea is a seasonal operation in N. India the producers have always felt nervous of throwing the output of the whole season on the market at the same time; and by common agreement the crop is disposed of in weekly auctions. But the real centre of the tea trade is London not only because the United Kingdom is the biggest consumer of tea, but it is the entrepot of the tea, as of so many other, trades. The London market is, therefore, the nerve centre which determines the volume of demand at any even time and the prices at every auction. The preliminaries to the London auctions will be described in detail later on. The tea is despatched by the garden managers to the local ports, and the managing agents of the company owning those gardens concerned consign it to their firms in London who, thereupon, become responsible for the market-

ing. There is, of course, the usual movement of the goods from the docks into the warehouses where they are held in bond till the payment of the duty. Barring the relatively small lots of China tea which are sold by private treaty, the bulk of the goods is put up for public auction. In such auctions, there are selling brokers who act for the managing agents and the bidding is done by buying brokers who are intermediaries acting for the grocers and dealers. The selling brokers draw samples from each break, test them and issue catalogues. There is an interval in which samples are exhibited in the sale rooms, selling and buying brokers form their idea of the value of each break, and the former receives instructions from their principals as to whether they are simply to sell at best or whether there is a given price below which they should not sell at all.

The practice in the London tea auctions which are the most peculiar feature of a peculiar system of marketing is described in the report of the Food Council of the United Kingdom:

"In addition to acting as Selling agents on behalf of the producer, selling brokers also do a certain amount of business on behalf of purchasers whose orders they have received before the auction. These orders are placed through the selling brokers' 'market men', who appear in the box with the selling brokers, and bid precisely as do other persons in the room. We have been informed that the market man does not disclose his top price or his orders to his principal, but buys as cheaply as he can. If he disclosed the orders given to him in confidence by the buyers or bought at prices higher than the market he would quickly lose his business. Business of this character is principally done on behalf of smaller shippers who supply Continental orders. The market man receives a salary from the selling broker, and is therefore his employee, but he also receives $\frac{1}{4}$ per cent. commission on purchase, this $\frac{1}{4}$ per cent. being additional to the 1 per cent. received by the selling broker. Although on the face of it, it may appear unlikely that these market men can act in a dual capacity without prejudice to the interests of either selling broker or buyer, we have received no evidence to the effect that the arrangement operates unfairly to either party.

"Generally, the selling broker acts in the interest of the producer, and his duty is to obtain the highest price for the teas

placed on the market by producers in return for a remuneration of 1 per cent. on the selling price. We have received no complaints against selling brokers. They appear to carry out their duties with satisfaction to the trade and without detriment to the consumer. In fact, they form an essential part of the organisation for placing tea at the consumer's disposal.

"The immediate purchasers of most of the tea auctioned at Mincing Lane are the buying brokers. They number about a dozen and are members of the Tea Buying Brokers' Association of London. Six of these firms have been described to us as relatively big firms. Buying brokers do not normally buy tea to hold but resell later to dealers, blenders, and merchants at a commission of $\frac{1}{4}$ per cent. In practice all purchasers of tea who do not give their orders to selling brokers' market men (a procedure which is described above), buy tea through buying brokers, except that occasionally as a convenience distributors' representatives will bid in the room if their buying broker is not present or is occupied, but the business is always put through the buying broker, and the buying broker is paid his commission of $\frac{1}{4}$ per cent. We have been informed that during the last 40 years there has been a change in practice, and buying brokers now obtain a bigger proportion of the orders as compared with the selling broker than was once the case. Although the auctions are public, and nominally anyone is entitled to bid, it has been stated to us that if a bidder, not a recognised buying broker, were to enter the market, or, if one of the big distributors were to instruct his buyer to bid at the market, not through the intermediary of a buying broker, the buying brokers would 'run' the price with the object of securing that all sales of tea should pass through their own hands.

According to the evidence given to us by the Tea Buying Brokers' Association of London, buying brokers assist the trade (1) by selecting suitable teas in public sale for their clients and submitting samples and valuations to those clients, (2) by executing part orders for a parcel of tea and taking over the balance of the parcel, thus enabling the smaller dealer to obtain the tea he wants, (3) by executing confidentially orders for clients who very often have no time to attend the sale themselves, (4) by buying as cheaply as possible in the sale,

The bidding for tea is done in pence and farthings per lb, and the same price is frequently offered by many buyers, none of whom may be willing to raise his offer. The parcel then goes to the first bidder, and it will be of advantage to other buying brokers who need supplies to repurchase the tea from him and divide the commission with him rather than to offer an extra $\frac{1}{2}$ d. per lb. After purchase of a particular 'break' other buying brokers therefore frequently call to the successful bidder, and generally, if not invariably, the bidder divides up his consignment at the purchase price, sharing the commission of $\frac{1}{4}$ per cent. with the other buying brokers. In effect, therefore, two sales are going on simultaneously in the same room.

It often happens, however, that buying brokers in anticipation of orders from clients in the near future, will buy tea for which they do not possess orders. These teas are placed on a 'bought-over list' and, in fact, whatever quantity of tea is not resold by the buying broker in the auction room is normally placed by him on his 'bought-over list'. These lists are issued daily, and from them dealers, blenders and other distributors select the quantities and kinds of tea which they require.

We are informed that many firms rely entirely on the 'bought-over list' for their supplies, and it is claimed that this eliminates much competition from the auction room."

The system of marketing detailed above clearly suggests certain lines of adverse criticism. The buying broker seems to be, to all intents and purposes, an unnecessary middleman who tends only to increase the price of tea for the ultimate consumer. Secondly, it requires an uncommon effort of imagination to believe or realise that the selling brokers' "market men" can act in a dual capacity and be true to his duties both to the buyer and seller all at the same time and in the same transaction. Thirdly, though this is not a necessary result of the marketing system the buying brokers are only a dozen in number and this has led to the remarkable concentration of buying in a few hands. It is said that 70 per cent. of the distributing trade in Britain is in the hands of four combinations and this is obviously a dangerous state of affairs. The defects which have been mentioned above have found able apologies at various times. Of the buying brokers it is said that he is a specialised middleman whose expert ser-

vice must be of great advantage to his principal.

The selling brokers' "market men" are given the shelter of the ingenious contention that complaints have rarely been made against them. It is probably overlooked that in a trade whose control has been concentrated in a very few hands—and it must be remembered that the buying brokers control also many companies owning large tea plantations—it is not to be expected that any serious charges will be made or satisfactorily substantiated. But, committees which have required organisation of the Tea trade have stressed the need for a producers' combination which can act as a counter-weight to the combine that actually obtains on the demand side. We must mention here with not a little regret that there has been so far no evidence of an anxiety on the part of the producing interests to improve a system of marketing which cannot commend itself to the ordinary man on grounds of commonsense.

TEA RESTRICTION.

Tea interests have apparently found less difficulty in arriving at a scheme of restriction than the rubber interests. The Chandbourne Plan hung in the balance for an unconscionably long time. Rubber has become proverbial for the futility of restriction. Even jute follows a tortuous course of public propaganda and fluctuating output. By the end of the first week of December, 1932, it was announced that complete agreement had been arrived at among the representatives of the principal producing countries regarding the measures to be taken to bring about effective restriction. The Associations represented were the Indian Tea Association (London) the Ceylon Association in London, the South Indian Association, the British Chamber of Commerce for the Netherlands East Indies and the Amsterdam and Java Tea Association.

As may be easily imagined, agreement among the associations represented in the London discussions marked only the first stage in the progress towards the adoption of restriction. The subsequent stages comprised a referendum in each country to the producing units, a request to the Government that they take upon themselves the responsibility of enforcing the export quota and the devising of the requisite machinery on the part of the Government. Likewise, the producing units had also to agree amongst themselves

as to the share of each producing interest of the total permissible exports.

So far as India is concerned, the preparation for the referendum revealed an initial difficulty which, though successfully overcome must have seemed serious enough when it was first encountered. It was reported that the South Indian Tea interests insisted that a due allowance must be made in the scheme for the large areas which will come into being before long. It was natural that the sponsors of a scheme of restriction did not give any special consideration to new production, as it is of the essence of restriction that even actual capacity should be reduced, not to speak of affording scope to potential sources of production. But to most South Indian estates, it would appear that the picking of young clearings and the marketing of their produce are vital to the very solvency of the concerns. The claims of South India were duly recognised and allowance for young clearings were made possible by altering the restriction from 15 to 18½ per cent. This compromise enabled the Indian Tea Association, Calcutta, to formulate the proposals and prepare for the referendum after which alone India could be said to have accepted or rejected the restriction scheme. A special note on this subject by the Indian Tea Association, Calcutta, was the following summary of the proposals to which the London organisation gave their initial assent:

(1) That the exports of tea from the producing countries be regulated in order to restore equilibrium between supply and demand.

(2) That the Government of the respective countries will undertake to prohibit exports in excess of the quotas agreed upon.

(3) That the standard upon which regulation is based shall be fixed on the maximum exports from each country reached in any of the three years 1929, 1930 or 1931.

(4) That the commencing of regulation for the first year, shall be 85 per cent. of the standard export, and that a Committee shall be set up representing all the Associations interested, which Committee, taking into due consideration stocks and the price of tea, shall fix prior to the expiry of each year—the figure of regulation for the following year.

(5) That the agreement shall be for a period of five years.

(6) It will be part of the agreement

that the existing tea areas must not be extended during the said period of five years except in special cases when the existence of an estate would otherwise be imperilled, and that no further areas must be sold or leased out for tea cultivation and that no planting of tea must take place on land now carrying other products. Under any circumstances such extensions and new planting are not to exceed one-half or one per cent. of the present total planted tea area of each territory and the respective Governments will be asked to make a binding regulation to the above effect. The conclusion and continuation of the agreement will be made dependent on the enforcement of the regulation by the Governments of all the territories concerned.

The Indian Tea Association, Calcutta, has elaborated the principles according to which the restriction will be applied to individual producers in India.

It will be remembered that the standard upon which regulation is to be based is the maximum exports from each country reached in any of the three years 1929, 1930 and 1931. In the case of India, however, the financial year will apply instead of the calendar year; and the following table taken from the note of the Indian Tea Association shows the regulation year, the maximum exports and the export quota for the first year of the scheme for each country.

Country.	Year.	Standard Exports.	Expt. Quota of 85 p.c.
India	1929-30	382,694,779	325,205,563
Ceylon	1929	251,622,617	213,794,225
Java	1931	145,028,631	123,274,337
Sumatra	1931	26,633,397	22,563,388
		<u>805,679,424</u>	<u>684,827,513</u>

Thus if India is to accept the scheme, the amount of tea she would be entitled to export in the first twelve months following its adoption would be 325,205,563 lbs. The principles on which the allocation will be made are outlined as under:

(a) That for the purpose of the scheme India should be treated as one unit.

(b) That allocation should be made at the same percentage throughout.

(c) That the estate is to be regarded as the unit for purposes of calculating the export quota.

(d) That the basis on which allocation should be made should be the

maximum crop of each unit for any of the years 1929, 1930, 1931 or 1932, increased by allowances on a definite scale for young clearings.

(c) That export rights should be transferable and saleable.

One question, however, of great importance, which is pertinent to the scheme of restriction but is not covered by it, is that of restricting the output within each country. The authors of the scheme were evidently concerned solely with conditions in the export markets; and they seem to have thought that if supplies in the foreign markets are restricted and foreign markets are insulated from the producing areas, a rise in export prices can well be secured. If the export quotas are fixed and the duty of enforcing them is taken over and discharged by the Governments of the respective producing countries, there is every reasonable prospect that conditions in the export markets will be definitely better. But one cannot be quite sure that unregulated production in the plantations will not have a strange sentimental effect on the con-

suming markets. If, as is quite natural the execution of the scheme is preceded by vigorous forestalling and the glutted markets postpone buying for some time, it is quite conceivable that even under the quota system the exporters will be obliged to sell at the same old, or even lower, level of prices.

The Indian Tea Association, Calcutta are guarded in their observation in this regard:

"The present proposals must involve some decrease in the total output, but it must not be assumed that this need be reduced to the amount of the quota for export, as consumption in India has to be provided for and this can be arrived at on the basis of past averages plus a liberal allowance for increased consumption."

We do not know on what evidence the Association bases its expectations of an increased internal consumption. But it is possible to hope that with the export markets closed for their surplus production, the Indian tea producers will at last be forced to devote more of their attention to the development of the Indian market.

INDUSTRIAL SECTION V :

THE INDIAN COAL INDUSTRY

COAL IN INDIA AND INDIAN COAL IN THE WORLD.

In importance, the coal industry in India can hardly compare with cotton, or jute, or with the pure agricultural staples. Our production of both raw cotton and cotton goods is a substantial portion of the world output ; in jute we have a practical monopoly ; and the agricultural staples have a significance in the national economy apart from, and independent of, their relation to the output, and markets of the rest of the world. But in coal our annual production is an average of 20 million tons, out of a world production of about 1,250 million tons. The industry in India has comparatively less capital invested in it ; and the chief collieries are confined to the provinces of Bengal and Bihar and Orissa. Withal, it is one of the most important industries, one in which the public can never afford to take a mere lukewarm interest. First, the welfare of the coal industry, though it fills a smaller place in the whole of India, is of vital importance to Bengal and Bihar and Orissa. Secondly, coal is by every criterion a key industry. A good supply of coal is one of the basic conditions of industrial progress. Our vast railway system would be unworkable without a well-worked coal industry. So would a coastal marine be when it is evolved by our nationals.

Before we examine the position of our coal industry, it would be well to delineate some of the peculiarities of the economics of coal production. Coal, like other minerals, does not possess the adaptability of agriculture. A coal mine cannot be turned, when the price is not adequate, to any alternative production as, for instance, many agricultural farms or some industrial plant may be. Secondly, there is a preponderance of fixed capital and labour charges in the coal industry ; and this tends to make a state of idleness more costly than production at a loss. Thirdly, a coal mine is subject to the law of diminishing returns or increasing costs very

much more than other industries. The complete extinction of the mine is not a remote possibility but the definite end, and has to be taken into consideration in determining costs, prices and profits. Differential costs are both common and high ; and prices may often be determined by the mine which is more advantageously situated. Another important point is that coal is not a simple product of uniform quality. One class is suitable for cooking, another as steam coal and a third for household purposes. But they do not fall into separate non-competitive categories ; and prices move in sympathy. In other words, quality excepted, prices find their level. And lastly, demand for coal is more or less inelastic ; a fall in price does not induce an increase in demand. All these show how difficult it is for the coal industry to devise a remedy when it is afflicted with over-production caused either by increased output or, for some reason, a fall in demand.

We may now turn to sketch briefly the features and changes in recent years of the world's coal industry. The remarkable feature of the coal industry of the world is that out of a production of 1,217 million metric tons in 1913, 517 million tons were produced in U.S.A. and 605 million tons in Europe. So that, so far as the position of the world's industry is concerned, the rest of the world can hardly be said to count. Of the total European output, 292 million tons were produced in Great Britain, and 190 million tons in Germany. The other important producers were France 40 million tons, and Belgium 23 million tons. Between 1888 and 1913 world output had increased by nearly 200 per cent. This was the period of the most rapid progress in industrialisation, particularly, in U.S.A. and Germany. In U.S.A. the increase was approximately 300 per cent., in Germany 200 per cent. and Great Britain nearly 100 per cent. After 1913, there followed a decade of world chaos during

which, coal like other industries suffered from disorganisation. By 1924, there was a fair recovery and a resumption of the onward march. In 1927, the output of coal exceeded the pre-war output.

At this time, there came two important developments which affected the position of the British coal industry in a very serious way. The Saar region was placed under the terms of the Peace Treaty under separate control and the greater part of the Eastern coalfield was transferred to the new Poland. At this stage Germany was no doubt obliged to import considerable quantities of coal from Britain; but later, she managed to do without them, partly by a reduction of her exports to Holland and Belgium and partly by an increase in the output of lignite and brown coal. The output of other European countries also increased. In 1925, Poland was deprived of her markets in Germany; and the countries of Western Europe offered her no prospect. So she availed of the "corridor" and the golden opportunity provided by the English coal stoppage of 1926, to capture the markets of the Baltic. All the four groups into which the foreign markets for British coal may be divided (namely, (1) the Baltic region, Sweden, Norway and Denmark, (2) the North Sea region comprising Germany, Belgium and France and (3) the Mediterranean region including Spain and Italy and (4) South America show a fall in the offtake of British coal. At the present time there are three countries which export more coal than they import—Great Britain, Germany and Poland. And their competition is intensified because world demand for coal has not kept pace with the world production. Not only has there been a big increase in production, but the need for coal has been reduced by the increased competition of lignite on the Continent, the growing use of oil in ocean and land transport, and of gas and electricity in the homes and factories and lastly the enhanced efficiency of steam-raising. The world market reveals the competition between coal produced under competitive conditions and coal that is indirectly subsidised by lower railway and ocean freights. Each country is exposed to the dangers of blind competitive forces which aim not at maximum profit but minimum loss. Selling organisation and selling agreements are tried and work with questionable success. And on the top of all this trial and tribulation, is

The bearing of the facts cited above on the position and prospects of the Indian coal industry should not be exaggerated. Indian coal is not affected by the British or the Polish product to the same extent as Indian cotton is by Egyptian cotton or American cotton; but the fundamental facts are the same. The growing vogue of oil and electricity in railways and factories, has affected our coal in the same way as in foreign countries. The peculiarities of the economics of coal production which were pointed out at some length earlier also obtain in the coal industry. And it may also be suggested that the over-production and the consequent effects on coal in Europe have their natural effects in the depression in India. But of this more later.

INDIA'S COALFIELDS.

Raneegunge and Jharia are the best-known coal fields in India. They account for about 90 per cent. of the total production and the rest are raised in other fields some of which lie not only outside the provinces of Bengal and Bihar and Orissa, but also in the Native States. Raneegunge which produced 6.5 million tons in 1930, is situated in Bengal and was opened up in 1820. Jharia which yielded 9.7 million tons in the same year was started in 1893. The other fields are of comparatively recent origin. Joint stock coal companies have invested more than Rs. 12 crores in the industry; and there is besides a small knot of coalfields owned by the railways for which details of capital are not available. Though Raneegunge and Jharia tower over all the rest of the coalfields in India, the progress made by the latter is by no means insignificant. It would be well, before we proceed to sketch the recent history and the present problems of the Indian coal trade, to have a short sketch of the distribution of the coalfields and to afford some data for an estimate of their value and importance. The Raneegunge fields cover an area of about 500 square miles spread over the districts of Burdwan, Bankura, Manbhoom and the Central Pargannas. The Raneegunge fields are very favourably situated for the export trade, the freight in their case to Calcutta being very much less than from the other fields. The more important seams are Dishergarh, Poniati, and Sanctoria; the next class is represented by Chudih, Koithi, Chanch, Salanour

"A" Samla, Kajora and Jambad. As the Raneegeunge fields were opened up as early as 1820, the raising costs are distinctly higher.

The Jharia field comprises an area of 150 square miles. It contains 18 seams of coal. The trade distinguishes 18 classes of its output of which the last 9 are considered to be very poor. Operations were commenced in 1893. The Bokara field has an area of 200 square miles. It is worked chiefly by the various Indian railways and its output in 1930 was 1.6 million tons. The working is easy and cheap and the total resources of this field are estimated to be over 1,000 million tons of coal of first-rate quality.

The Karanpura field, which falls into divisions, North Karanpura and South Karanpura with areas respectively of 472 square miles and 72 square miles, contains thousands of million tons of coal, though of somewhat poor quality. This field may prove in the future to be more profitable as it is having increasing transport facilities and the actual working may be more easy and less costly than fields similarly situated.

The Giridih field is controlled by the East Indian Railway for their own needs. It is seven square miles in area and the coal is accounted to be of the best quality. The coalfields in the Central Provinces have been spotted only recently. The quality, it is apprehended, may be found to be very poor and working on a commercial scale will have to await the development of more satisfactory railway communications.

The Pench Valley and Kanhan fields are fortunate in having a good transport service from the G. I. P. and the B. N. Rlys. In common with the Chanda fields they find ready market for loco and mill use. The Central India fields lie to the East of the Katni-Bilaspur section of the B. N. Rly. and a railway line has been projected to facilitate the opening up of large deposits of coal in this region.

The Rewa State contains an area which has a convenient market near to it in the Lime and Cement factories in the Katni district. Burhar is situated in the same State and has an annual output of about a lakh of tons.

Korea which lies in the Native State of the same name contains high-class coal and is being developed.

The Talcher field is worked by the B. N. and M. S. M. Rlys. Its development will grow with the new port of Vizagapatam; and the future may show it to be advantageously situated both in regard to S. India as well as some of the ports of the South East of India.

The Assam field is practically marked out from the railways of Eastern Bengal, and Assam, the steamers navigating the rivers of that area and the tea gardens in neighbouring districts. The product is of high quality and the mines are worked by adits driven into the hillside.

OUTPUT & MARKETS.

Independent of the fluctuations in the fortunes of coal companies, the output of coal in India has gone ahead, as may be seen from the following two tables giving the figures of production for the last ten years and for the last five decades:

Production Year by Year.

Year.	Tons.
1920	17,962,214
1921	19,303,947
1922	19,010,986
1923	19,656,883
1924	21,176,606
1925	20,900,088
1926	20,909,167
1927	21,082,336
1928	22,542,842
1929	23,418,734
1930	23,803,048
1931	21,716,435

Production at the end of each decade.

Year.	Tons.
1880	1,019,793
1890	2,168,521
1900	6,118,692
1910	12,047,416
1920	17,962,214
1929	23,418,734
1930	23,803,048

The imports and exports of coal into and from India are given below:

TABLE I.

EXPORTS OF COAL.

(Quantity in Tons).

	1930-31	1931-32	1932-33
United Kingdom ...	8,057	11,955	31,529
Ceylon ...	295,767	272,680	169,081
Straits Settlements (incl. Labuan) ...	25,158	23,431	20,550
Hongkong ...	55,944	162,265	183,571
Philippine Islands & Guam ...	32,985	37,007	8,278
Other Countries ...	10,259	7,779	34,064
Total ...	428,170	515,117	452,073
Coke ...	1,520	1,870	2,136

TABLE II.

IMPORTS OF COAL.

(Quantity in Tons).

	1930-31	1931-32	1932-33
United Kingdom ...	23,245	23,760	15,994
Union of South Africa	121,538	23,241	13,516
Portuguese East Africa	5,061	...	...
Australia ...	1,455	3,805	3,015
Other Countries ...	4,894	4,813	2,275
Total ...	155,688	55,619	34,800
Coke ...	22,866	12,144	12,678

The channels of consumption for this supply of coal are indicated in the following table which gives the figures for three years:

(In Thousands of Tons).

	1931	1930	1929
Railway (including work-shops) ...	6,629	7,531	7,588
Port Trust ...	156	197	198
Bunker coal ...	1,109	1,272	1,376
Admiralty and R. I. M. Shipping accounts ...	29	31	38
Inland steamers ...	621	702	674
Jute mills ...	679	867	962
Cotton mills ...	1,311	1,260	1,538
Iron and Brass foundries	4,716	5,606	5,231
Tea gardens ...	189	202	220
Consumption at collieries and wastage (estimated)	2,172	2,380	2,342
Brick and Tile manu- facture ...	758	1,089	691
Paper mills ...	146	159	139
Other forms of industrial and domestic consump- tion ...	2,346	2,218	1,879
Total ...	21,355	23,514	22,871

It will be seen from the above that the chief consumers, not to speak of the collieries themselves, are, in their order, the Railways of India, the Iron and Brass Foundries, Cotton mills, Bunker coal, Brick and Tile manufacture. It is equally obvious that the fundamental condition of the growth of the coal industry, a vast and widespread industrialisation, is lacking. And even within the narrow limits indicated by the figures cited above, elements of unsettlement have been rife especially during the last one decade after the war. The railways who form the chief consumer of Indian coal have acquired and been working their own coal mines. Objection has been taken to this development on the ground that as the railways are owned by the State, the establishment of railway collieries would mean an unjustifiable and unwarranted encroachment of the State into the sphere of private industry. It is of course, contended in reply that as the railways are commercial enterprises, they must have freedom to develop their business interests and devise combination of a vertical nature, if they deem it profitable to do so. The railway collieries have been developed in the face of natural opposition; but with the increasing troubles of the coal industry the Government have shown themselves more sympathetic to the appeals of the trade regarding the working of the collieries.

Apart from the existence of railway collieries there are other factors which affect the welfare of the coal industry in India. The most important of these is the electrification of the suburban railways of Bombay, as also the railway between that City and Poona. With the completion of the schemes of electrical development in S. India, the South Indian and the M. & S. M. Railways are also bound to follow suit. But while these factors may create a temporary disturbance to the market and some concern to the collieries, they are no permanent threat to the coal industry as a whole. For railway development, though it may now be held up owing to financial stringency, is by no means at an end. There is still vast scope; and there need be no fear that so far at least as the railways are concerned, they will fail to contribute to the total demand for Indian coal.

The Bombay cotton mill industry is the next channel of consumption which offers a frequent threat of silting up. In this market, too, there appears on a somewhat larger scale the danger which was men-

tioned in regard to the railways. Mills and factories are worked more and more by oil or electricity; and to the extent this vogue is on the increase, the prospects of coal consumption in Bombay must be less. But it is not, of course, to be expected that the change from coal to oil or electricity will be sudden or on a large scale. And in the worst circumstances Bombay must be a market which Bengal or other Indian coal can hardly afford to despise.

But in Bombay, Indian coal has to meet with the powerful competition of South African coal. In that country the coal trade and the Government work in closest co-operation. The Railways are State-owned; and bounties are best given in the shape of railway freights which have no relation to the economic rates. It has become almost the established custom in South Africa to have one rate for the internal movement of coal, another for coal intended to the bunkered and a third, which is the lowest, for coal exported to foreign countries like India, Ceylon, Sumatra, etc. In consideration of this fact the Indian Coal Committee of 1925, recommended an increase of 50 per cent. in the rebate on railway freights for coal for shipment; and the acceptance of this recommendation meant a reduction of annas eleven in the cost of transporting coal to Bombay and Karachi. But there is one important circumstance, which it is difficult to provide against. And it is that coal from the United Kingdom or South Africa is carried practically in ballast. Steamers expect, and do get, valuable cargo from Calcutta, Bombay and Karachi; and while proceeding to pick up such cargo they can afford to take cargo at rates which by themselves would seem to be uneconomic. Such advantages are for the same reason denied to coal going from Calcutta; and in this sense, the export of our precious raw materials may be said to inflict a double injury.

Recently, attempts have been made on grounds of patriotism and Swadeshi to induce Bombay to patronise Indian coal to the exclusion of the imported commodity. The request of the coal owners of Bengal in this behalf is only a request for reciprocity in matters of trade. For the duties on cotton piecegoods and the sentimental preference for the indigenous products undoubtedly, mean a very considerable sacrifice on the part of Bengal; and it would be an act of mutual goodwill if Bombay agreed not to utilise foreign

coal in her mills and factories. The proposal was made by the Indian Mining Federation but was rejected by the Bombay millowners on the ground that Bengal coal is not an economic proposition. But for the interests involved, the reply of the millowners could be treated as a huge joke. The agitation in favour of Indian coal, unlike the agitation in favour of the cotton mills, has never been vigorous; and the coal interests have not been stung to action even by the supercilious reply of the Bombay cotton millowners. But lately there have been reports that Bombay mills have begun to use more of Indian coal; but as the figures for this period are not available it would be difficult to estimate the actual results.

The other Indian ports offer no considerable demand for Indian coal. The industrial needs of the interior of the country are being met from the coal fields near at hand. This development has been helped by the fact that the growing technique of industry has enabled the use of low grade coal where formerly only the best coals were suitable. And the Government of India increased the freights on coal other than those intended for export or bunkering by 15 per cent. as from January, 15, 1932. The cumulative effect of all these developments is that Bengal coal will be cut off more and more from the interior and thrown on the so-called export markets.

The foreign markets have for long been the weakest spot of the Indian coal trade. It is here that the trade has suffered the worst vicissitudes, though the surplus of production over internal consumption is not very high, the disposal of this surplus at remunerative rates is of vital importance to the whole industry. Disturbance in the foreign markets deepens into depression at home and the export trade has, therefore, been the concern of the collieries and the Government. It is necessary in an examination of this subject to realise that all the coal passing through the port of Calcutta is not intended for the foreign markets, a part of it is for bunkering, a part for the Indian ports and only the remainder goes to the foreign markets. The exports of Indian coal began to be of importance only in the five years ending 1900 when they averaged 30,500 tons annually. For the pre-war period the peak was reached in 1906 with an export of a little over a million tons, and for the decade ending 1915, the annual average was slightly about three quarters of a

million ton. - It was only two years after the war in 1917, that exports began to be affected through the shortage of shipping which obtained at that time throughout the world. In 1918, the lowest point was reached with 74,000 tons. The end of the war helped a rapid recovery and 1920 saw exports mounting up to so high as 1.2 million tons. The rapid expansion of the demand for coal after the war involved a very heavy strain on the railways in the years 1919-20. The coal trade came to monopolise the available supply of wagons with the result that other commodities and trades were held up. In July, 1920, the Government of India following the example of the United Kingdom and South Africa, decided to prohibit the export of coal from India except under license with effect from July 24, and from September 1, to refuse the preference which had till then been accorded by the railways to bunker coal for Indian ports. It was hoped, at the time these restrictions were imposed, that the bunker coal intended for the ports of Bombay, Madras and Karachi which were then taking an all-rail route would be diverted to the port of Calcutta and would then reach their destination by coastal steamers. At a later stage, it was deemed advisable to restrict the free export of coal and to allow the exports to the former foreign markets only on the basis of a rationing scheme. Within a half year, it was found, on account, among others, of a fall in the raisings to the extent of 4½ million tons, that the provisions were not drastic enough. From the end of January 21, exports to Labuan and Singapore were altogether prohibited. Colombo was allowed a diminished supply till the end of March and thereafter only to the Ceylon Government railways and a few public utility concerns. Even bunkering coal was reduced to the minimum necessary for enabling the steamers to reach the next nearest source of bunker coal. In July 22, all restrictions on the export of cargo and bunker coal by sea to ports in India were removed. The embargo was not entirely removed till January 1, 1923.

The inevitable result of this interference with the flow of coal to foreign markets was that Indian coal was ousted from its place and that South Africa which is the chief rival to India fully established herself in those markets; and it is easy to understand that once business relationships are established it is difficult to terminate them in favour of even an

older customer. It has been remarked already in an earlier section of this article, that, the Government and the trade in South Africa work in the closest co-operation and that among the many measures introduced for strengthening the export trade in South Africa coal was the action that had been taken to prevent the use of any but the best coal for export and bunkering and to ensure the satisfactory condition of any coal so used. By 1924, the situation resulting from the loss of the foreign markets had become serious.

The coal trade applied for protection; and as the questions involved were deemed to be of a highly technical nature, the Government decided to appoint the Indian Coal Committee, which would go thoroughly into the question and submit a report which might possibly be regarded as the basis for the Tariff Board to work on. The findings of the Indian Coal Committee are naturally various and varied. Their most important finding was that the problems of the Indian coal trade may be summed up in two words "quality" and "price." In regard to the former, they inclined to the view that, though the restriction placed on exports during the period after the War had much to do with the ultimate loss of the foreign markets, there have been even from earlier times a decided dissatisfaction, amongst the foreign consumers with the quality of the Indian coal and that, even if the restrictions on exports had not been imposed, India would in any case, have been superseded by her rivals in Colombo, Singapore and other ports. As regards price, they went elaborately into the factors entering into the price of coal at the various consuming centres. Naturally, these factors fell into four divisions: (1) cost of raising; (2) railway freights; (3) port charges, in the case of coal for foreign markets and Indian ports and (4) shipping freights. The Committee after a careful examination gave their finding that Indian coal, by all the accepted criteria in this regard, is, if anything, superior to the rival product from South Africa; and that if greater care were expended in the raising, handling and selection for foreign markets of Indian coal, our products can very well stand the competition from abroad and slowly find it possible to regain the lost markets. For this purpose, the common methods of pooling and grading were suggested in the evidence before the Committee and were considered by them. The Com-

mittee decided that no pooling was essential for this purpose. They accordingly recommended the appointment of an Indian Coal Grading Board to classify the different seams at Indian collieries, to prepare a grading list and grant certificates of shipment. The recommendation was given legislative effect in 1925; collieries included in the grading list receive a special rebate on railway freight and a reduction of port dues and of shipment of cargo coal approved by the Grading Board. With the institution of the Board, foreign markets have been enabled to ascertain beyond doubt the origin and quality of the coal consigned to them. The quality of the coal shipped under the supervision of the Board has helped Indian coal to regain the footing it had lost in the markets of the East owing to the indiscriminate shipments of earlier years. The exports of Bengal coal for Calcutta during 1930 amounted to 2.05 million tons as against 2.61 million tons in the previous years and 2.28 million tons in 1928.

Apart from the prospects of Indian coal as such, Bengal coal would seem to have problems of its own. We have already mentioned that there will be an increasing tendency on the part of the industrial consumers in the heart and farther ends of the country to have their needs supplied by the collieries near at hand. This has been possible as the technique of steam raising enables the use of inferior coal in place where formerly there was no alternative to the use of best qualities. In these circumstances Bengal coal will have to fall back entirely on the export markets; and this is a prospect which it need not fear as Bengal coal is of the highest quality and well appreciated by foreign consumers. But the internal coal market has been during recent times in a state which the producers can by no means regard as wholesome. Coal prices are determined by the rates obtained at the railway tenders; and the fact that the railways themselves are owners and managers of collieries tends to undue depression of the market. It has naturally been the insistent demand of the coal trade that the railways should cease to work their collieries. While this desideratum has not been fully secured the coal owners of all sections attempted for their part to reduce undue competition amongst the producers. In 1929, the representatives of the principal coal owners formed the Calcutta Coal Conference and thus got

fixed minimum selling prices for the various qualities.

In the short period in which it worked it showed evidence of a capacity to reconcile the interests of each producer with the larger interests of the industry as a whole. It must be said to the credit of the Conference that during the period it worked coal prices were at higher levels than would have obtained otherwise. But the depression has hit the coal companies so severely that it was ultimately found impossible for them to observe the provisions of the Conference. Instead of attempting to maintain a clearly difficult position, the companies resolved to dissolve the Conference; and this was done on February 28, with the general consent of the constituents. As a result, there is greater freedom now to sell all classes of coal without any understanding as to the minimum prices.

The year 1932-33 saw a worsening of all the adverse features of the coal trade referred to in the earlier review, and the primary cause of the increase of all these handicaps was the imposition of a surcharge of 15 per cent. on rail freight on coal. The effect of this, it has been contended, is to give an unfair advantage to the coalfields of the Central Provinces, as, with a 15 per cent. surcharge, the basic rate in respect of the coals of these two areas is in favour of the C.P. coal. The practical effect of the surcharge is to make Bengal coal considerably dearer to Western and Southern India and to other places away from the coalfields in Bengal and Bihar and Orissa. The movement towards the utilisation of lower grade coals, which was initiated by the improvement in technique, has been further strengthened now by the increased cost of Bengal coal. Not only has there been a shrinkage in the volume of the coal contracted for by the railways, but on account of the surcharge, the South Indian and M.S.M. Railways have found it better for them to take their requirements from Talcher and Singareni. The G. I. P. and B. B. & C. I. have changed over to C. P. coal. The following table shows the quantities of coal contracted by various railways for their requirements during 1933-34:

	1932-33	1933-34
	Tons.	Tons
S. I. Railway	323,000	264,000
M. & S. M. Railway ...	400,000	242,000
B. & N. W. Railway ...	286,000	245,000
B. B. & C. I. Railway	490,000	280,000
Assam Bengal Railway	72,000	65,000

The comparative prices of 1932-33 and 1933-34 are given below :

	1932-33		1933-34	
	Rs.	A. P.	Rs.	A. P.
Dishegarh ...	4	12 0	4	4 0
Poniati ...	4	8 0	3	15 0
Super Jharia ...	4	12 0	4	4 0
Selected Jharia ...	4	8 0	4	2 0

1st March, 1933.

The policy of the Railways to take their coal from the coalfields nearest to the place of consumption, and a similar

attitude on the part of industries in Central and Western India mean that the coal companies in Bengal and Bihar and Orissa have to depend more and more in the future on the export market. The competition that obtains in these spheres is so severe that the prices obtained are extremely unremunerative. In these circumstances, the President of the Indian Mining Federation in his annual speech on March 31, was induced to plead for some form of regulation of output, if necessary, under the authority of the Government.

INDUSTRIAL SECTION VI:

THE INDIAN SALT INDUSTRY

The problem of the Salt industry in India is the problem of displacing the imported salt in the markets of Bengal and Burma with the indigenous manufacture. While other parts of India are content with the products of their own local sources of supply, Bengal has for various reasons passed into the grip of the exporter from Liverpool. The foreign salt is not only available at a price which makes it difficult for the Indian producer to compete, but its quality is also of such a high standard as the indigenous manufacturer will take some time to reach. The principal sources of indigenous salt are (1) the sea-coasts of Madras, with Tuticorin as the principal centre of production. (2) The sea-coast of Bombay which abounds in salt factories which are worked under the control of the Government (In this region are situated the works at Darsana which have become famous through the raids conducted during the Civil Disobedience Movement of Mahatma Gandhi) and (3) The salt mines of Northern India at Khewra and Warcha in the Punjab Salt Range and salt works at Sambhar, Pachbadra and Didwana in Rajputana. In Madras, the production is in the hands of private individuals and under the control of the Government. The Salt Department has a voice in the quality and in the quantity to be manufactured. With 60 factories working along the coast there is sufficient competition to ensure reasonable prices.

In Bombay, the works at Darsana are under the direct charge of the Salt Department. Government agency manufactures large quantities at Kharaghoda. But Karachi is the premier centre of Indian salt. Private companies work under an excise system and the attacks on the foreign importers have been made from time to time by the salt producers of Karachi. Roughly speaking, Bombay, Madras and Northern India accounts each for $\frac{1}{3}$ of the indigenous production.

As for Bengal, it is certain that in the early years of the last century, salt was

derived from local manufacture by boiling or by solar evaporation along the sea-coast from Chittagong to Puri. With the advent of the East India Company, the Company's Governors and principally, Warren Hastings introduced a system of Government monopoly by which manufacturers were induced, by advances of money, to sell their entire production to Government. The Government once assured of a total control over the supply, were able to manipulate prices in order that they might make a fair profit for the Company. About the middle of the century, competition of imported salt was increasingly felt and later the indigenous industry disappeared more or less totally. The consumption of Bengal during the present times may be put at an average of 5 lakhs tons a year. The claim of the indigenous manufacturer to Bengal's custom in regard to salt needs no elaborate substantiation. For once the whole country is committed to a policy of discriminating protection it is natural that Karachi, Tuticorin, the salt mines of Northern India and even Aden, which for purposes of the salt industry is considered as part of India, should cast longing eyes on the lucrative markets in Bengal. An enquiry by the Tariff Board is suggested by the fact that the repeated efforts of the Karachi salt manufacturers to enter the Bengal market had been met on every occasion by the Salt Importers' Association of Bengal with a drastic reduction in prices. These measures of cut-throat competition have been adopted so repeatedly that there can be no question that the foreign importers were retaining their hold on Bengal mainly, if not solely, through the tactics they have adopted in regard to prices in the Bengal market.

The Government when they ordered the Tariff Board enquiry, framed the terms of reference as "whether it is desirable in the national interest that steps should be taken to encourage the production of salt in India suitable for consumption in those

markets which are at present largely supplied from abroad and if so what measures they recommend." The essence of the Board's findings is that even if the markets which are now served by the importer were to be reserved for the indigenous producer, the national gain in employment and profits is not commensurate with the privation of the consumer; that the threat of shortage in time of war which was one of the reasons advanced for securing the Bengal market for indigenous manufacturers, would still continue as in the event of a war, Bengal will have to be supplied from Aden and Karachi; and that, therefore, the best way of tackling the problem is to provide conditions in which Bengal would be served to an increasing extent by rail borne salt. So far as the possibilities of the indigenous manufacture are concerned, the Tariff Board has estimated that salt of superior quality could be produced within a few years; and they therefore recommended that Government should undertake a thorough survey of the possible sources with a view to determine the extent to which the Bengal market may be supplied by rail with fine, white crushed salt. The Tariff Board also addressed itself to the question of protecting the indigenous manufacturer from the vagaries of the importer. They had clear evidence before them as to the questionable methods adopted by the importers to keep the indigenous manufacturers out of Bengal. But at the same time, they were impressed with the fact that domestic production could not grow all of a sudden to the extent of meeting of the whole of the demand. They, therefore, formulated a scheme of a Salt Marketing Board which was to be in constitution like that of a Public utility company. The function of the Marketing Board is to buy the entire output of indigenous salt both from the Government and from private manufacturers and then meet the excess requirements over indigenous production by purchases from the foreign importer. It should be the aim of the Board to maintain stability of prices at a level at which they would be fair to the consumer and which will allow the indigenous industry scope for economic expansion.

In pursuance of the suggestion of the Tariff Board that a fuller investigation into the possibilities of expanding the existing sources of supply and the effect of such expansion on prices should be undertaken, the Government of India appointed the Salt Survey Committee consisting of

Sir Chunilal Mehta and Mr. C. H. Pitt, General Manager of the Northern Salt Range Division. The report of this Committee was submitted in February, 1931. After a detailed examination, the Committee came to the conclusion that "there is no ground for assuming that with imports from Aden, India cannot be made easily self-supporting in the matter of salt supply, and that even the continent itself can, when areas suitable for salt manufacture but at present lying idle are developed, supply all the crushed salt that India needs." It is interesting that this conclusion was arrived at by the Salt Survey Committee, though they were asked to examine only the possibilities of Karachi, Okha and Morvi and Northern India Salt range and not the possibilities either on the east coast or on the south coast. The Salt Survey Committee went into the question in detail and reinforced the recommendation of the Tariff Board that higher prices should be charged locally and should be utilised for a reduction in the price in Bengal markets since prices not fully commensurate with the higher cost of freight for a distant market are a well-known and accepted commercial practice. The Committee also obtained from the Railway Board reduction in the rate from Khewra.

Throughout the period in which the question of protection for salt industry was being considered by successive committees, there was a somewhat acrimonious controversy conducted ostensibly on behalf of the interests of the Bengal consumer and against the selfish greed of the salt manufacturers of the Western Presidency. Though it is unquestionable that protection for the salt industry would mean something of a sacrifice on the part of the Bengal consumer and a new opportunity for profit for capitalists in Bombay, it would undoubtedly be unreasonable for any section to oppose the only means open to us of developing the indigenous salt industry and of securing for it the fullest scope in the internal market. When the time for considering the recommendations of the Tariff Board came, the Legislative Assembly decided, both in view of the controversy referred to above and in view of the complicated nature of the institution of a marketing board, as suggested by the Tariff Board, to refer the question to a Committee of the Assembly in which Bengal interests were adequately represented. The recommendations of the Committee including Bengal representatives were in substantial agreement with the

recommendations of the Tariff Board; and they may be summarised as follows:—

(1) That an additional duty of $4\frac{1}{2}$ as. per maund on salt imported by sea into British India should be imposed without delay.

(2) In order to ensure to the Indian producer a fair selling price recommended by the Tariff Board, the executive should be empowered to increase this duty by one anna per maund if the price of foreign salt falls below its present level.

(3) The imported Indian salt should get a rebate equal to the additional duty if the producer undertook to sell to the Government quantities of salt up to a fixed maximum at the fair selling price recommended by the Tariff Board.

(4) The fair selling price recommended by the Tariff Board was Rs. 68-11 per 100 maunds ex-ship. Taking the present price

of imported salt at Rs. 86 per 100 maunds a duty of $4\frac{1}{2}$ annas per maund would mean a duty of Rs. 28-2 per 100 maunds and the price would, therefore, be Rs. 64-2 per 100 maunds ex-ship, which is very near the figure suggested by the Tariff Board.

The Bill for the temporary additional duty of $4\frac{1}{2}$ annas per maund on imported salt was introduced in the budget of 1931 and in spite of the strenuous opposition the bill was passed by the legislature. The opposition of Bengal was, however, placated by an express provision that $\frac{7}{8}$ of the additional revenue should be distributed among the provinces where the salt liable to the new duty is likely to be consumed; for it is important in this context that not all the salt imported into Calcutta is consumed by Bengal, Assam and Bihar and Orissa have an appreciable offtake of the total imports.

SALT

Year	PRODUCTION		IMPORT	
	Quantity in 1,000 tons	Value Rs. 1,000	Quantity 1,000 tons	Value Rs. 1,000
1915-16	1,745	99,03	548	1,89,61
1917-18	1,427	1,49,04	336	2,20,08
1919-20	1,891	1,82,35	446	2,09,52
1921-22	1,533	1,11,32	472	1,51,68
1923-24	1,781	1,12,40	474	1,10,28
1925-26	1,295	76,42	560	1,04,20
1927-28	1,611	1,13,80	596	1,74,84
1929-30	1,709	1,13,14	643	1,30,39
1931-32	...	...	451	71,98

Production figures relate to Calendar year, and are inclusive of Indian States.
Value figures prior to 1922, are inclusive of duty.

INDUSTRIAL SECTION VI:

THE PAPER INDUSTRY

The manufacture of paper by hand existed in India from quite early times; but it has very little relation to the modern paper industry. In Europe, paper used to be made out of rags. But now their use is confined to only certain special kinds, the bulk of the output being made out of Esparto grass, during the latter half of the last century and wood fibre at the end of the century. Conifer trees which are quite suitable for yielding raw material for the manufacture of paper have one serious disability, namely, that they took nearly 60 years to be replaced. Though Esparto grass is also suitable, there is still the problem of a shortage of cheap raw material; and among the substitutes that have been thought of, bamboo is the most suitable. In Northern India, Sambai grass is used for making paper. No attempt has been made so far to manufacture paper from Indian wood though Indian paper is made of wood fibre. The essential operations of paper manufacture, according to the Tariff Board, are:

"(1) The removal by chemical means from the fibre of the elements which are not required, so as to isolate the cellulose. It is this process which converts the fibre into chemical pulp.

(2) The bleaching of the pulp with chloride of lime.

(3) The treatment of the pulp in the heaters. It is here that the experience of the trained paper-maker comes chiefly into play, and the quality of the paper made depends mainly on his skill and experience.

(4) The conversion of pulp into paper on the paper machine. Here the essential point is the interlacing of the fibres on the wire cloth and the ingenuity of the craftsman has had ample scope in devising the apparatus by which this is accomplished."

The normal consumption of paper in India comprising both local production and foreign imports is 99,000 tons; but that part of it which the Indian industry can

produce is very limited. The Indian industry cannot engage profitably either in the very low grade papers which are extremely cheap or the high-class glazed papers for which the demand is so limited as not to warrant any large outlay of capital. Deducting the imports on this account, the amount of imports which compete with Indian paper and which Indian industry can well produce by itself is 200,000 tons. The trade has been subject to a certain amount of dumping from countries like the United Kingdom and Germany which export only a small part of their production. Such a charge would not lie against Norway or Sweden; but all the same the dumping that has been present has affected the Indian industry.

From the foregoing, it will be seen that there are three important considerations for giving protection to the paper industry; first, that the paper industry itself is subject to dumping from abroad; second, that no less than 20,000 tons of the foreign imports can be produced at home economically; and third, that in view of the possibility of the paper industry of the world coming to rely on Indian bamboo pulp, the manufacture of pulp from bamboo must be kept alive. And protective measure accorded to bamboo pulp would automatically increase the cost of the manufacture of paper and the manufacturer would, therefore, be entitled to a corresponding protection. It is in this manner that the country has been led on to afford protection to the two industries. The Tariff Board estimated for purposes of determining the protective duty on paper a fair selling price for Indian mills of Rs. 464 per ton. As the price which the Indian paper would realise on a free market is only Rs. 841, the measure of protection required would be Rs. 128 per ton. The import duty on pulp which the bamboo pulp manufacturing industry would require is Rs. 45 per ton. The consequent increase in the cost of manufacture is Rs. 45 per ton. The consequent increase

in the cost of paper is Rs. 19 per ton. Thus, taking together the need of the paper industry of Rs. 128 per ton and the increase in the cost of production due to the protection of bamboo pulp of Rs. 19 per ton the total amount of protection for the industry would be Rs. 140 per ton or one anna per lb. The recommendations of the Board have been embodied in the Bamboo Paper Industry (Protection) Act, 1932 Newsprint, however, containing 70 per cent. of wood pulp is allowed to be imported free.

The most important producer of paper in India is the Titaghur Paper Mills Co., Ltd., under the Managing Agency of Messrs. F. W. Heilgers & Co. The Company took over the machinery of the Bally mills

which was first established in 1870 and which was liquidated in 1905. The Titaghur also took over the Imperial Paper Mills which was started in 1824 and was not able to continue. The estimated production of the Titaghur Company is about 20,000 tons per year. The next important concern is the Bengal Paper Mill Co., which took over the Gwalior Mill and removed its machinery to Ranigunge in 1922. The capacity of this Company is 8,400 tons per year. The other important mills are the Upper India Paper Mills at Lucknow with a capacity of 4,000 tons, the Deccan Paper Mill Company with an output of 1,700 tons and a few small concerns in Madras and the Punjab and the other provinces.

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INDUSTRIAL SECTION VII :

THE CEMENT INDUSTRY

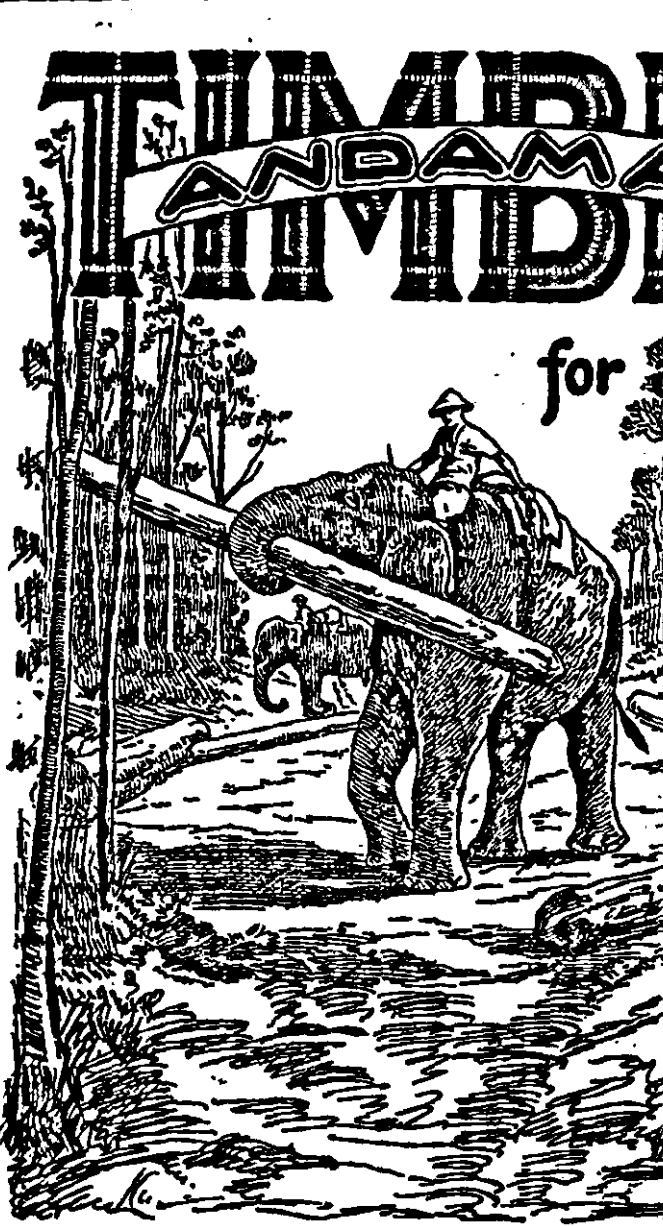
Cement is something of an oasis in the desert of India's troubled and depressed industries. It has, in the first place, shown a steady increase of production, though in the last few months, the extraordinary prolongation and intensity of the depression may have affected it in some ways. The sudden and drastic curtailment of railway construction is also a serious factor. But the industry's organisation is compact, self-reliant, and efficient, with a market which is sure to show a vast expansion; and when trade improves, cement will be among the first to take advantage of the improved conditions. Like most other industries of India, cement, too, tried to taste the forbidden fruit of protection; but on a careful enquiry the Tariff Board decided that what the industry suffered from, was a state of overproduction, the effects of which had been intensified by unduly competitive marketing. The rebuff had the most desirable effect; as in 1930 the industry succeeded in forming a Cement Marketing Board comprising the Indian Cement Co., Ltd., Bundi Portland Cement Ltd., Gwalior Cement Co., Ltd., C. P. Cement Co., Ltd., Katni Cement & Industrial Co., Ltd., Okha Cement Co., Ltd., United Cement Co. of India Ltd., Punjab Portland Cement, Ltd. Those who have stood aloof are the Sone Valley Portland Cement Co., Ltd. and Shahabad Cement Co., Ltd., which together have an annual output of 250,000 tons as against the output of 722,000 tons of the companies in the selling combine.

The importance of this industry may be gathered from the following data. The capital invested in this industry by the Companies is about Rs. 5 crores, of which Rs. 3½ crores are of the companies forming the Marketing Board. The industry consumes about 250,000 tons of coal, which is more than the consumption of the tea gardens or the Port Trusts. The jute industry gains from cement to the extent that the latter is responsible for an annual demand of 12 million-jute bags. Nearly Rs. ½ crore is paid to railways in the shape of freights by the Marketing Board alone. The output during 1930 was

564,000 tons as against 560,000 tons in 1929; and the output for 1931 is probably slightly less than that of the previous year. Imports of foreign cement into India during 1931 show a drop of nearly 50 per cent. on the 1930 figures *i.e.*, 10,407 tons against 19,440 tons.

The progress of the last few years must be credited to the Cement Marketing Company. During this period improvements of various kinds have been effected. Coloured cements, which were formerly left for the consumers themselves to manipulate as best as they could, are now manufactured with the proper scientific progress. The product compares with the best manufactures of the world. Another improvement is the evolution of that quality which takes far less time to harden. Works which circumstances required to be carried out at great speed, have found these rapid-hardening cements of great value. In the despatch of cement, too, closely woven jute bags with waxed crepe paper lining have enabled the cement companies to send their products to countries like Bengal and Assam without fear of their being spoiled by the rains or the wetness of those parts. Altogether the cement industry is the best instance of enlightened co-operation amongst the producers.

A short review of the working of the important Cement companies referred to earlier in this article, will be of use as showing the present position and the future prospects of their industry. For, after all, the prospects of the industry depend as much upon the conduct of those who are in charge of it as on the state of its production and the prospects of its demand. The Bundi Portland Cement Co., Ltd., first started business under a different name and the present title was assumed in 1916. Its factory is situated at Lakheri about 600 miles north of Bombay on the B. B. & C. I. Rly. Lines. It has a capacity of 160,000 tons per annum and its equipment is up-to-date. Its principal product is the brand commonly known as the "BBB." The Company has a paid-up capital of Rs. 40 lakhs with reserve and other funds



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amounting to Rs. 55 lakhs. The gross block account shows Rs. 79.71 lakhs and during the last few years since 1927, it has declared an uniform dividend of 12½ per cent.

The Gwalior Cement Company have their works located at Banmore, 12 miles north of Gwalior. Its output is 45,000 tons per annum and it is so designed that the output can be doubled at an expenditure of Rs. 20 lakhs. The processes are appropriate to the limestone and argillaceous clay which are the raw materials near at hand. The Company's capital is Rs. 28 lakhs and the block is valued in the books at Rs. 87 lakhs. The reserve and other funds amount to Rs. 14.24 lakhs. The dividend during the last three years has shown a falling off.

The Indian Cement Company works are situated in the well-known Porbander limestone quarries. The ordinary paid capital of the Company is Rs. 27.96 lakhs and the Company has also a debenture of Rs. 1

lakh. The block account is at Rs. 88.12 lakhs and the reserve and other funds amount to Rs. 25.78 lakhs.

The Shahabad Cement Company which like the Indian Cement Company, is under the managing agency of Tata Sons Ltd., has a capital of Rs. 85 lakhs and the block is valued in the books at Rs. 61.21 lakhs. It has built up reserve and other funds amounting to Rs. 25.68 lakhs and the dividend has increased from 7 per cent. in 1927-28 to 10 per cent., 12 per cent. and 15 per cent. in the succeeding years. The shares at the end of the first half-year of 1932 are quoted at Rs. 195 for a paid-up value of Rs. 100.

The Punjab Portland Cement Co., has an ordinary capital of Rs. 80 lakhs and also debentures to the value of Rs. 20.25 lakhs. The block value is put down at Rs. 64.87 lakhs and the Company has reserve and other funds amounting to Rs. 25.78 lakhs. The dividends have been maintained during the last three years at 5 per cent.

Imports of Cement in India

(In 100 tons)

From	Pre-War average	War average	Post-War average	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32
U. K.	108.0	69.7	94.2	71.5	90.6	91.0	81.6	63.2	45.2
Japan	...	14.8	6.6	9.3	9.4	14.4	18.7	36.8	29.9
Hongkong	2.2	7.8	3.6	2.5	2	...	...	...	..
Italy	1.9	7	9	4.5	20	4.4	3.3	1.2	...
Other countries	18.8	2.9	13.6	13.2	10.1	17.5	17.7	10.8	13.7
Total	130.3	95.4	118.9	101.0	112.3	127.3	121.3	-112.0	87.8

CEMENT CONSUMPTION FOR THE YEAR ENDED 31st MARCH, 1933.

The consumption of India during this Company's Financial year ended 31st March, 1933, together with comparative figures of the previous year:—

	Year ended 31st March, 1932	Year ended 31st March, 1933	Difference
	Tons	Tons	Tons
C. N. C. (General)	3,15,611	3,54,916	+39,307 = 12.45%
Supplies to Punjab Government	50,432	31,209	-19,142 = 37.90%
Total despatches of all Companies under Inter Company agreement	3,66,043	3,86,206	+20,165 = 5.50%

The increase of 39,307 tons in General despatches comes from increased Public consumption and when adjustments in I.S.D. and U.P. Government despatches—vide below

—are taken into consideration the total increase in Public consumption is 40,785 tons
Analysis of total Government offtake is:—

	1932 tons	1933 tons	Difference tons
Punjab Government	50,432	31,290	-19,142
I. S. D.	14,934	12,600	- 2,334
U. P. Government	1,188	2,044	+ 856
Total	66,554	45,934	-20,620

The total consumption throughout India of all Brands including Imports was:—

	Year ended 31-3-32 Tons	Year ended 31-3-33 Tons	Difference Tons	
C. M. C.	3,66,043	3,86,208	+20,165	= 5.50%
Shahabad Coy.	1,39,015	1,23,373	-15,642	= 11.25%
Sone Valley Coy.	87,697	84,701	- 2,996	= 3.40%
Total Home Product	5,92,755	5,94,282	+ 1,527	= 0.25%
Imported	53,083	59,050	+ 5,967	= 11.20%
Total Consumption	6,45,838	6,53,332	+ 7,494	= 1.00%

The following statement shows the area incidence of increase or decrease:—

DISTRICTS	1931-32 Tons.	1932-33 Tons.	Increase Tons.	Decrease Tons.	%
Bombay City	36,203	41,186	4,983	...	13.8
Bombay Presidency	17,084	21,822	4,738	...	27.7
Kathiawar and Gujarat	44,111	45,130	1,019	...	2.3
Karachi	14,084	15,709	1,625	...	11.5
Sind	10,434	8,068	...	2,366	22.6
Calcutta	28,395	27,038	...	1,357	4.8
Bengal	9,511	10,245	734	...	7.7
Bihar & Orissa	17,696	19,940	2,244	...	12.7
Assam	1,106	1,258	152	...	13.7
United Provinces	37,305	50,859	13,554	...	36.3
Madras Presidency	11,302	13,473	2,171	...	19.2
Hyderabad State	80	704	624	...	780.0
Cochin & Travancore	1,775	2,631	856	...	48.0
Central Province	10,840	10,300	...	540	5.0
Central India	5,591	5,519	...	72	1.1
Rajputana	7,117	6,745	...	372	5.2
Northern Punjab	26,609	31,486	4,877	...	18.3
Central "	14,221	19,931	5,710	...	40.0
S. Punjab & Delhi	7,136	8,776	1,640	...	22.9
N.-W. P. Province	1,712	3,396	1,684	...	98.0
Baluchistan	3,507	2,343	...	1,164	33.1
Export Trade:					
Burma	8,100	7,625	...	475	5.9
Ceylon	25	...	...	25	...
Persian Gulf	1,667	734	...	933	56.0
	3,15,611	3,54,918	46,811	7,304	...
Net Increase = 39,307 tons = 12.45%					

The following statement gives details of Punjab Government offtake:—

Districts	1931-32	1932-33	Increase	Decrease	%
Karachi	281	394	113	...	40
Sind	356	108	...	248	69
Northern Punjab	35,772	19,897	...	15,875	44
Central	3,215	3,593	378	...	11
S. Punjab & Delhi	178	1,140	962	...	540
N.-W. F. Province	8,540	5,883	...	2,657	31
Baluchistan	2,090	275	...	1,815	87
	50,432	31,290	1,453	20,595	...

Nett Decrease = 19,142 tons = 37.9%

IMPORTS OF FOREIGN CEMENTS.

	English Tons	Continental Tons	Japanese Tons	Total Tons	Difference Tons
Bombay:—					
31-3-1932	966	130	8,031	9,127	...
31-3-1933	924	...	10,898	11,822	2,695 = 29.5%
Imports of British	...	-42 tons or	4%		
Imports of Japanese	...	+2,867	31.4%		
Kathiawar Ports:—					
31-3-1932	...	...	...	...	...
31-3-1933	...	...	2,500	2,500	2,500
Karachi:—					
31-3-1932	1,939	634	528	3,061	...
31-3-1933	260	11	8,455	8,726	+645 = 20%
Imports of British	...	-1,676 tons or	86%		
Imports of Japanese	...	+2,972	55.4%		
Imports of Continental	...	-625	98.7%		
Madras Presidency Including West Coast Ports:—					
31-3-1932	22,339	9,948	...	32,287	...
31-3-1933	19,905	7,254	1,884	29,043	-3,244 = 10%
Imports of British	...	-2,434 tons or	10.9%		
Imports of Continental	...	-2,694 tons or	27.0%		
Imports of Japanese	...	+1,884			
Calcutta:—					
31-3-1932	2,806	651	5,190	8,587	...
31-3-1933	2,379	79	9,501	11,959	3,372 = 39%
Imports of British	...	-427 tons or	15.0%		
Imports of Continental	...	-572	...		
Imports of Japanese	...	+4,371	85.0%		

The following details shew the actual despatches of each Company in relation to their proper quota of business:—

Allowing for partial working basis of the Okha Company for one month and the Indian Cement Co. for 11 months out of the year under review the total manufacturing capacity was:—

Manufacturing Capacity	Divisible despatches
6,28,667 tons	3,73,934 tons = 59.48%
As against for 1932	... = 54.83%

			Share of business Tons	Actual despatches Tons	Difference Tons
<i>C. P. Cement Company</i>	...	...	1,06,254.1		
Less Surplus from Previous year	...	103.1			
Transferred to Gwalior Coy.	...	5000.0	5,103.1		
			<u>1,01,151.0</u>	<u>1,01,084</u>	-67
<i>Katni Cement Company</i>	...	...	51,356.15		
Plus deficit from previous year	...	...	210.70		
			<u>51,566.85</u>	<u>51,559.4</u>	-7.45
<i>Bundi Portland Cement Ld.</i>	...	...	94,448.10		
Plus deficit from previous year	...	...	182.40		
			<u>94,630.50</u>		
Less transferred to Punjab Co.	...	...	8,000.00		
			<u>86,630.50</u>	<u>85,747.95</u>	-882.55
<i>Gwalior Cement Co.</i>	...	...	26,563.50		
Plus deficit from previous year	...	121.05			
Plus transferred from C. P. Cement Co.	...	5000.00	5,121.05		
			<u>31,684.55</u>	<u>*31,393.50</u>	-291.05
<i>Indian Cement Co.—</i>					
April, 1932	...	2286.45			
May/March, 1933 partial working to 10,000 tons p.a.	...	9166.65	11,453.10		
Less surplus from previous year	...	...	259.80		
			<u>11,193.30</u>	<u>11,908.65</u>	+715.35
<i>Ohha Cement Co.—</i>					
Full working basis for 11 months	...	...	42,651.10	44,689.65	-2038.55
<i>Punjab Portland Cement Ld.</i>	...	...	15,934.60		
Less surplus from previous year	...	...	151.25		
			<u>15,783.35</u>		
Plus transferred from Bundi	...	...	8,000.00		
			<u>23,783.35</u>	<u>24,018.55</u>	+235.20
<i>Sona Valley Cement Co.—</i>					
Working on quota from 1st July, 1932	...	...	59,447.65	57,706.60	-1741.05

INDUSTRIAL SECTION VIII:

THE SUGAR INDUSTRY

The national importance of sugar in India is but dimly understood by the man in the street, despite the considerable quickening of activity, in recent times, with regard to the manufacture of sugar. Immediately after the War, the possibility and desirability of utilising to the full the sugarcane resources of India was examined, though without any tangible result, by the Government of India. In fact, even in earlier stages, there was fitful attention paid to this subject on sundry occasions. The Board of Agriculture, it is to be presumed, did note endlessly on the sugar file, but the notes led nowhere. In February, 1919, a special officer was appointed to collect all relevant data and statistics as regards the best way of exploiting the advantages which India possessed in the matter of a large sugarcane area under cultivation. Soon after, a committee was appointed under the Chairmanship of Mr. J. MacKenna, who was then Agricultural Adviser to the Government of India, to examine, amongst other questions, the various sugar-growing tracts of India with a view to determine the nature of the expansion possible in such tracts either by the development of a factory industry or by improvement in the existing indigenous methods, and generally to review the position of India with regard to the world's sugar supply and to formulate recommendations for the improvement of that position.

There was no doubt at any time as to the desirability of such expansion in the position of India in the world sugar market. It was recognised that the food value of sugar was high; that the normal consumption had been increasing steadily for many years and in India no less than elsewhere; that sugarcane was indigenous in India which, until very recent years, has stood first of all countries in the world in its area under cane and its estimated yield of cane sugar. The question, which the Sugar Committee, presided over by Mr. MacKenna and, in its later stages, by

Mr. F. (now Sir Frank) Noyce addressed to themselves, was this: While India should be in a position, as she was in the past, to produce a surplus of sugar for export, why is she obliged to supplement her own supplies by increasing imports? The report that they submitted in 1920 was of great value as emphasising the importance of sugar in national economy. As was the fate of the recommendations of most other committees in India, the report of the Indian Sugar Committee of 1920 was consigned, in due time, to oblivion.

Roundabout that time, however, there was a keener appreciation amongst our businessmen of the possibility of the sugar industry in India. This stimulated the flotation of a few concerns for the manufacture of sugar. The most important of these was the giant sugar corporation sponsored by Tatas and inspired by the knowledge and information that had been gathered by Mr. B. J. Padshah of that firm who was on the Sugar Committee. This Corporation, started amidst most impressive circumstances, came, however, to an abrupt end. Negotiations were on hand for the acquisition of land so that the Company might have its own plantations. Considerable difficulty was experienced in this matter. In the result the Tatas decided to proceed no further with the project and took the company into liquidation. A company, whose ten rupee shares shot up to Rs. 50 premium immediately on flotation, was thus forced to give up within a few months of its inauguration, the attempt to produce sugar on a mass scale.

Nothing more was heard of the importance of the sugar industry till three years ago when the higher and higher revenue duties that were being imposed upon sugar imports brought the question once again to the fore. If this problem has to-day attained considerable prominence, it is due not to a correct understanding of the problem as such, but to an incidental and accidental happening like high import

duties suggesting the desirability of steps being taken for the tackling of this problem. The Government of India never understood the full significance of sugarcane in the agricultural and rural economy of the country, nor of sugar in its industrial economy. They showed faint glimmerings of understanding on few occasions; but they were innocent of any direct, active and intelligent policy calculated to make sugarcane and sugar occupy that pride of place in national economy which they should. If, ultimately, a situation has materialised in which conditions certainly propitious for the manufacture of sugar have been created, it is due less to any design or careful plan than to mere accident or fortuitous circumstances. That the promotion of the production of sugar is desirable from every point of view, is a matter on which there could be no difference of opinion. There was no difference of opinion even in earlier years when nothing was done. The main fact is that there was a total lack of any intelligent or active policy on the part of the State in affairs pertaining to national economy. The importance of sugar is emphasised whether one views this problem in relation to agricultural or rural or industrial economy of the country.

1. To start with, the need for autonomy as regards sugar was vividly realised, as a factor of national safety, in the conditions created by the War.

2. The agricultural side of the case is of paramount importance.

(a) In most parts of India, sugar occupies an unique place in the system of the rotation of crops. There are, it is true, other crops which can replace cane—that is, garden crops like chillies and tobacco, and even staple crops like wheat, rice and cotton. But, as the Tariff Board has pointed out, if a substitution of this nature took place, there should be considerable deterioration in the agricultural system; and, at the same time, productivity of the soil should also be less. The essential fact about sugarcane cultivation is that it requires manuring on a large scale; the soil has to be well prepared; and the land deeply furrowed. The benefit of such stirring of the soil and such careful manuring is reflected in a better outturn of the crops that are grown in the year following a sugarcane crop. It has been proved that, in the United Provinces, most types of wheat grown after sugar give an yield of 30 maunds as against 20

maunds when the same type of wheat is grown after any other crop.

(b) While crops like rice or wheat or cotton are, in part, dependent upon markets outside of India; and while, in their case, the rupee prices are determined by the relevant factors pertaining to like crops in other parts of the world, the entire crop of cane grown in India is consumed within India; and a good measure of control over its prices can, therefore, be exercised. In other words, the agriculturist is at the mercy of outside factors so far as every crop other than cane is concerned. If the Government take on hand a comprehensive and effective plan for ensuring a satisfactory price to the sugarcane growers, there is every chance of such a plan bearing fruitful results as one has not to reckon with extraneous influences in this case. It is possible, in regard to sugarcane, to reserve the entire Indian market to the Indian agriculturists and to create conditions in which a suitable price will be forthcoming. From this point of view, sugarcane plays a most important part in the fortunes and in the various adjustments of the rural population.

(c) If the agriculturists rely on sugarcane as the one crop which would not let them down, equally is it important, from the point of view of Government revenue, that the ryots should be able to fall back upon a crop, the proceeds from which would enable them to meet the Government demands. The Bombay Government have stated that of the Rs. 26 lakhs derived from irrigation dues, Rs. 10 lakhs is accounted for by sugarcane. In Bengal, the problem to-day is the diversion of the activities of the cultivators to some other crops besides jute. Bengal cannot afford to grow as much jute as she has been doing. If the golden fibre is to fetch a satisfactory price, a moiety of the land now under jute cultivation should be put under some other crop. Sugarcane suggests itself as the most apt substitute. By a growing popularity of cane with the cultivators, there is every reason to hope that the difficulties experienced by zemindars and Government in the last two years in regard to the collection of revenue would shortly disappear.

(d) There are crops like cotton which pay an extraordinarily good margin of profit in certain years. Jute, too, has its spell of amazing prosperity. But taking a number of years together, sugarcane will be found to pay the steadiest and the most consistent return to the cultivators.

Garden crops like chillies do pay better sometimes ; but, in their case, the market is limited and the price fluctuations are big. From every point of view, sugarcane is a far more reliable crop to lean on than any other.

(e) In the village economy, sugarcane is of great value, as supplementing the supplies of fodder for cattle. Stalks and edible leaves of the cane make substantial food for cattle ; and to the extent that there is shortage in grass and other kinds of fodder, sugarcane leaves come very handy in the harvesting period. This is so valuable, indeed, that the village folk would be prepared to strip cane free, the stalks and leaves being sufficient remuneration.

3. In relation to rural economy, sugarcane has great significance :

(a) The harvesting season for sugarcane is from November to the middle of March. This period is the interval between the karif and rabi seasons and serves to afford employment to the agriculturist and his cattle at a time when other employment is scarce.

(b) Sugarcane cultivation gives a living to between thirteen million people to fifteen million people in India. The production of sugar in the factories would mean that, during the season, anything like 50,000 men could secure service as industrial labourers.

(c) The value of the sugarcane crop together with the manufactured products therefrom, should mean an increase in the national economy by anything like Rs. 60 crores.

(d) As Mr. Padshah has pointed out in his supplementary note to the Sugar Committee Report, the agricultural problem of sugar touches the problem of the poverty of the country ; though nothing could be looked for from sugar alone to abolish poverty, there is hope of reducing the rigour of poverty partly by reducing cost of living, more largely by added agricultural income. Though the previous poverty be poverty still, and regrettable at that, yet it is greatly reduced poverty, and that is worth trying for.

4. We may now turn to a study of the importance of sugar in relation to industrial economy :

(a) Sugar industry differs from every other industry in that, of the total cost of producing the manufactured goods in the case of sugar, about two-thirds represents the price of the raw material. In the case of steel, for instance, iron ore is barely a

tenth of the value of the finished product. That is, sugar as an industrial proposition is of prime importance to the sugarcane cultivator. The industrial and agricultural interests of the country are promoted, simultaneously, in the case of sugar to a far greater extent than is the case in regard to any other industry.

(b) Of the four conditions laid down by the Fiscal Commission as the criteria to be satisfied by any industry claiming protection, the first is abundant supply of raw material. India has, perhaps, the largest area under cane of any country in the world. It is, in fact, six times as much as that of Java. The following table gives the area under cane in India for a number of years :

Provinces and States.	Area (in acres).		
	Current Year 1931-32	Previous Year 1930-31	Average of preceding 5 years
United Provinces (including Rampur State) ...	1,514,000	1,504,000	1,475,000
Punjab ...	474,000	426,000	409,000
Bihar & Orissa ...	282,000	284,000	288,000
Bengal ...	233,000	199,000	204,000
Madras ...	117,000	112,000	104,000
Bombay (including Indian States) ...	93,000	93,000	90,000
North-West Frontier Province ...	44,000	47,000	49,000
Assam ...	31,000	33,000	38,000
Central Provinces and Berar ...	22,000	21,000	23,000
Delhi ...	3,000	5,000	6,000
Mysore ...	36,000	38,000	33,000
Hyderabad ...	35,000	34,000	...
Baroda ...	2,000	1,000	2,000
Total ...	2,886,000	2,797,000	2,721,000

India has a sufficiently large area under cane ; and there has been sufficient improvement in the methods of agriculture to justify the hope that all the raw material necessary for meeting the entire demand of sugar in the country could easily be made available.

(c) The second condition of the Fiscal Commission is cheap power. This question does not arise at all in the case of sugar as the "bagasse" provides all the fuel that is required in the factory.

(d) The third condition is a large home market. India is one of the largest consumers of sugar in the world. At the time the Tariff Board report was written, it was estimated that India was importing one million tons of sugar annually, about

100,000 tons was manufactured in India in refineries or central factories; a varying amount estimated at 200,000 to 250,000 tons was manufactured by Khandaris mainly in Rohilkund by the bel method; and in addition to these some 2½ million tons of gur was consumed each year. In regard to owning so large a market at its very door, the Indian sugar industry differs from the other cane sugar producing countries like Java, Cuba, the West Indies, Mauritius and Hawaii. In these areas, the gross consumption amounts to about 630,000 tons against a production of about 8,800,000 tons annually. In other words, both as regards production and consumption India can be completely self-contained as it is possible for no other country to be.

(e) The fourth condition is a sufficient supply of labour. In the nature of the case, sugar factories have to be located in rural parts right in the midst of sugarcane growing areas. The factories have, therefore, to depend upon the surrounding villages for their labour force. The factory season corresponds to the period when agricultural operation is normally small; and no difficulty is, therefore, experienced in securing an adequate supply of labour.

Labourers are quite efficient and available at rates more or less corresponding to the wages paid in Java. In other countries, far higher wages have to be paid.

Here was India with the biggest crop, the biggest consumption, the biggest imports, and the largest natural advantages. How was it that nothing was done to take advantage of so unique a combination of propitious factors?

It has been proved that given favourable conditions, Indian businessmen will have enterprise enough to find the requisite capital for the inauguration of companies in adequate numbers to avail themselves of the opportunity. Over sixty new ventures have entered the field in the last two years. They could have been floated a decade or two earlier if only the State had made it possible for them to feel that sugar industry was assured of bright prospects.

It has also been proved that given favourable conditions, there can be the utmost elasticity in the production of both sugarcane and sugar. The following table giving a forecast of the annual production and consumption in India up to 1934-35 from 1930-31 shows the rapid pace at which the sugar industry is growing.

PARTICULARS	1980-81	Actual	Estimated	Estimated	Estimated
	Tons	1931-32	1932-33	1933-34	1934-35
Production from existing capacity of old factories	155,000	228,000	228,000	351,000	586,000
Production due to increase in capacity of old factories at (10 per cent. of previous season's capacity)	...	...	23,000	35,000	60,000
Production from new factories commencing manufacturing operations during the season	...	...	100,000	200,000	Nil.
Total production of factory sugar	155,000	228,000	351,000	586,000	646,000
Estimated production of Khandari sugar	200,000	250,000	275,000	300,000	300,000
Total production of all kinds of sugar (excluding gur)	355,000	478,000	626,000	886,000	946,000
Consumption of sugar	...	982,540	940,000	940,000	940,000
Differences between consumption and production representing margin for imported sugar	...	504,540	314,000	54,000	-6,000

In 1921-22 sugar factories in India produced only 28,250 tons. By 1929-30, in extreme gradual stages, the production increased to 89,800 tons. The production jumped to 155,000 in 1930-31. Whereas last year's estimate for 1931-32 production was only 170,000 the revised estimate is 228,000. The estimate for 1932, which

was 247,000, is now expected to be increased to 351,000. By the same token, the 1933-34 estimate at 332,000 is now revised to 586,000. In 1934-35, the production is expected to reach the substantial total of 646,000. So heady a progress is a most creditable achievement indeed.

It has also been proved that given suitable conditions, the agriculturists could equally rise to the occasion. Improved qualities of sugarcane are being grown on a more and more expensive scale. The area under improved varieties in the provinces of India amounted to 39 per cent. of the total area in 1931-32 as compared with 28 per cent. of the total area in the preceding year. The following table gives the area under improved cane in various provinces including Burma during 1931-32 as compared with 1930-31.

Provinces	1931-32	1930-31
United Provinces ...	678,774	514,691
Punjab ...	120,350	70,000
Bihar & Orissa ...	189,418	70,484
Bengal ...	100,000	100,000
Madras ...	26,974	10,000
Bombay ...	Nominal	Nominal
North-West Frontier Province ...	38,000	40,000
Assam ...	7,750	6,900
Central Provinces ...	7,013	4,269
Burma ...	2,200	250
Total ...	1,170,479	817,094

Let us now sum up: Sugar has thus a definite place in national economy. It is the one industry which affects agriculture fundamentally. It is calculated to help rural economy in striking and multifarious ways. If only encouragement had been given immediately after the sugar committee report was published in 1920, India could have retained about Rs. 200 crores in the sense and to the extent that foreign exports would have been stopped. The reduction of total imports by this figure would have meant that the Government would have been free from exchange embarrassment to a corresponding extent. Provincial governments would not have had as serious difficulty in the collection of revenue as was the case in the past two years. If Indian agriculturists are to learn, and to be encouraged to learn, in imperceptible ways, the advantages of change-over from primitive methods to advanced methods, sugarcane cultivation affords the best opportunity. Growth of sugarcane and increased production of sugar would have been of great value to the agriculturists, the industrialists and the Government. It would have improved the tone of rural life; it would have added immensely to national wealth. After the War, every country was taking steps to make itself self-contained so far as sugar

was concerned. India alone was content to remain a passive spectator. Sugar illustrates what dangers can befall a country by a negative or adverse economic policy on the part of the State. The story of the last three years is, happily, an illustration of the great good which an active national economic policy can yield to the nation.

The credit for this quickening of the economic conscience of the Government is due to the efforts made by the Imperial Council of Agricultural Research. Early in 1930, the Imperial Council of Agricultural Research sent a representation to the Government of India on the subject of the sugar industry. This representation was forwarded to the local governments for their opinion. When their opinions were received, the Imperial Council had the whole question examined by a specially qualified committee. The conclusion of the committee was that the Government of India be asked to refer to the Tariff Board for enquiry the question whether protection was required, and if so, in what measure, for the sugar industry in India. It was this step of the Imperial Council which focussed public attention on the sugar question and which is responsible for so satisfactory an increase in the number of sugar factories that the time is fast coming when India should be producing all the sugar she needs.

Of all the protected industries, sugar stands in the most favourable position. The main reason for this is that the protection granted is of a most substantial character. The import duties work out to nearly double the Java cost of sugar. In the case of other industries, such protection as was given was afforded in a piecemeal fashion. The result was that none of those industries could build up a strong and sturdy competitive power as against foreign rivals. There are industries like cotton and iron and steel which are scarcely out of the wood in spite of repeated doses of protection. Industries like paper and cement have done tolerably well. It is sugar that has done pre-eminently well. Mr. R. C. Srivastava, the Government sugar technologist, writing his review of the Indian sugar industry for 1931-32, expresses great satisfaction that the movement, which made such modest beginnings some two years back, has gone on gathering strength at a rate which far surpasses the most sanguine expectations: If State aid is to be given to any industry, let it be given sharp and quick and smart and substantial—this is the lesson and moral to

be learnt from the last two years' history of sugar in India. The experience of textile industry and iron and steel industry proves that anæmic or half-hearted or piecemeal protection does good to nobody.

If the present position as regards sugar is so encouraging, what of the future? Considerable publicity has been given to the "word of warning" given by Mr. Srivastava that "considerable caution and restraint are necessary in connection with any further expansion of the industry, if it is to be saved from the fate of jute, rubber and a number of other industries which are now suffering from the ill-effects of over-production". Mr. Srivastava is afraid that the pace of progress has recently become too fast to be healthy. We should rather think that the forebodings of Mr. Srivastava are premature if not unwarranted. The heady expansion of producing units causes us neither misgivings nor apprehensions. We are rather worried about the lack of plan, the lack of adequate references, the lack of business experience, and the lack of careful appreciation of the possibility of overcrowding in any one centre, that characterise a good many of the new entrants to the sugar field. There is still ample room for concerns with a satisfactory capital plan, sponsored by firms of repute and experience, and located in centres where there has been no overcrowding. From this point of view, we believe that there are still great potentialities in the Bombay and Madras Presidencies and in the Mysore and Hyderabad States. Bengal, too, has not so far come into the picture. As there is official propaganda in favour of jute cultivators turning their attention to an alternative crop like sugarcane, this province can well afford to have a few new sugar concerns.

As for the fear that the production of sugar in India would exceed consumption, we should not forget that over the past 15 years there has been manifest a marked increase in the consuming capacity of the population for sugar. This consuming capacity received a check in the extreme economic depression that has been prevailing for three years. As soon as there is a betterment in economic conditions, and as soon as the masses have increased purchasing power, the consumption of sugar in India must start showing substantial increase. To argue that on the present basis of restricted consumption, the heady expansion that has already taken place and that is bound to take place would exceed

demand would be inaccurate. The present is an extremely abnormal period so far as the purchasing power of the masses is concerned. We do believe that while there should be caution and discretion in the plan, structure and working of the new companies, we do not see any reason to join in the warning of the Government Technologist that no more concerns should be started. The field of Indian sugar companies is not yet overcrowded. There are certain parts where it is not only possible but desirable that enterprising capitalists should start new ventures. The lesson of the past is not against any more flotations but in favour of well-conceived, well-planned and well-working enterprises.

TARIFF BOARD RECOMMENDATIONS.

The following are the sections from the summary of the Tariff Board Report (1931) in so far as they bear on the protective duties:

Any scheme of bounties is on administrative grounds impracticable. If khandasari manufacturers were included in the scheme, it would be impossible to devise machinery for assessing and checking the bounty. If the khandasari industry were excluded from the scheme, central sugar factories would be given an unfair advantage over this branch of the industry.

We propose therefore that the assistance given should be by way of duty. In order to enable the industry to face initial difficulties and to safeguard the position of the manufacturer of indigenous sugar by the bel method in Rohilkhand we propose that for the first seven years the duty should be fixed at Rs. 7-4 per cwt., and for the remaining period at Rs. 6-4 per cwt. The total protection thus granted would be approximately the same as would result from the imposition of a duty of Rs. 6-9-3 for the whole period of protection.

We recommend that the period of protection should be for 15 years.

Since agreement regarding export quotas appears to have been arrived at by the leading sugar producing countries, we have with some hesitation decided to recommend no further immediate increase in duty beyond the protective duty already recommended. We recommend that should the present international negotiations for stabilisation of prices fail or

should market prices in Calcutta in the future fall below Rs. 4 without duty, a further duty of annas 8 per cwt., should immediately be imposed.

It is suggested that power to impose this duty should be vested in the Governor-General in Council but that subsequent to the imposition of such duty sanction of the Legislature should be obtained for the continuance of the deferred duty and for the fixation of the period for which it is to be in force.

We propose that the duties should apply to all classes of sugar including sugarcandy.

Expenditure on development and research in connection with sugarcane in India is on a scale which in view of the importance of the sugarcane crop may be considered small, particularly when compared to expenditure in such countries as Java and Hawaii. We propose that increased sums should be allotted to development and research work since without such measures the whole purpose of the protective scheme is likely to be delayed if not defeated. Indeed we regard this as almost a condition precedent to protection.

We would recommend a grant of not less than Rs. 10 lakhs annually to the Imperial Council of Agricultural Research for this purpose. If our scheme of protection is accepted we consider that legislation should be introduced making it compulsory for sugar factories to submit such returns or information as may be called for by the Governor-General in Council or any officer authorised by him in this behalf.

We consider that the scale for cane payment recommended by the Indian sugar committee, namely a sliding scale based on price for cane equal to half the price of sugar manufactured from it subject to a minimum of annas six per maund is generally suitable. But in the first years of protection we consider that this should be increased by one anna per maund.

We would recommend that power should be taken to enable the Governor-General in Council or any authority authorised by him in this behalf to issue rules requiring sugar factories to post in a conspicuous place at the entrance to the factories notices specifying such matters in connection with rates paid for cane as may be thought fit.

We do not recommend investment by Government in shares in sugar companies, but we would have no objection to the

grant of loans by Government should this form of assistance appear desirable in any particular instance.

Attention is drawn to the recommendations contained in paragraph 292 of the Fiscal Commission's Report. We consider that if the industry is declared protected, steps should be taken as early as possible to ensure that the conditions suggested by the Fiscal Commission are fulfilled by companies engaged in sugar industry.

Fair representation of Indian interests on the Directorate and opportunity for Indian investors to subscribe to the share capital of new companies should be secured by such means as Government may consider practicable in the circumstances of the sugar industry.

We would suggest that no loan, grant, subsidy or other facility be offered to any sugar factory which has not complied with these conditions.

ACT NO. XIII OF 1932.

The following is the full text of the Sugar Industry (Protection) Act, 1932.

An Act to provide for the Fostering and Development of the Sugar Industry in British India.

Whereas it is expedient, in pursuance of the policy of discriminating protection of industries in British India with due regard to the well-being of the community, to provide for the fostering and development of the sugar industry for a period ending with the 31st day of March, 1946, by determining the extent of the protection to be conferred up to the 31st day of March, 1938, and by making provision for the determination of the extent of the protection to be conferred for the remainder of the period. It is hereby enacted as follows:—

Short Title.

1. This Act may be called the Sugar Industry (Protection) Act, 1932 (Amendment of Schedule II, Act VIII of 1894).

2. (1) In the Second Schedule to the Indian Tariff Act, 1894 (VIII of 1894), there shall be made the amendments specified in the Schedule to this Act.

(2) The amendments made by subsection (1) shall have effect up to the 31st day of March, 1938.

Statutory Inquiry.

3. The Governor-General in Council shall cause to be made, by such persons as

he may appoint in this behalf, an inquiry to ascertain if the protection of the sugar industry during the period from the 31st day of March, 1938, to the 31st day of March, 1946, should be continued to the extent conferred by this Act, or to a greater or lesser extent, and shall, not later than the 31st day of March, 1938, lay his proposals in this behalf before the Indian Legislature.

Power to increase duty imposed by Section 2.

4. If the Governor-General in Council is satisfied, after such inquiry as he thinks fit, that sugar not manufactured in India is being imported into British India at such a price as is likely to render insufficient the benefits intended to be conferred upon the sugar industry by the duties imposed by Section 2, he may, by notification in the Gazette of India, increase such duty to such extent as he thinks fit.

Power to make rules requiring returns.

5. The Governor-General in Council may, by notification in the Gazette of India, make rules requiring the owners of sugar factories in British India to make such returns relating to the production of sugar in their factories as the Governor-General in Council may consider to be desirable, prescribing, the form of such returns, the dates of their submission and the authority to which they shall be submitted.

Power to make rules requiring notices of Prices of Sugarcane to be posted up in Sugar Factories.

6. (1) The local Government may, by notification in the local official Gazette, make rules requiring that there shall be affixed, in conspicuous places near the entrances to sugar factories, notices for the information of sellers of sugarcane, and such rules may prescribe the form and languages of such notices; and the particulars to be included therein relating to prices at which sugarcane is being bought at the factory.

(2) In making such rules the local Government may provide that a contravention thereof shall be punishable with fine which may extend to five hundred rupees.

Explanation.—In this section and in section 5 "factory" has the meaning assigned to it in clause (3) of section 2 of the Indian Factories Act, 1911 (XII of 1911).

THE SCHEDULE.

(See Section 2).

Amendments to be made in Schedule II to the Indian Tariff Act, 1894.

1. In Part II.

(a) For the heading "Sugar" and Item No. 34, the following heading and item shall be substituted, namely:—

Other Food and Drink.

34 Molasses—Ad valorem 25 per cent.

(b) the heading "Saccharine" above Item No. 34-A shall be omitted; and

(c) the heading "Other Food and Drink" above Item No. 35 shall be omitted.

2. In Part VII, after item No. 156, the following heading and item shall be inserted, namely:—

"SUGAR."

Cwt.

Rs. A. P.

157 Sugar and sugarcandy, excluding confectionery 7 4 0

3. Item No. 156-A shall be re-numbered as Item No. 150.

4. In Part VII under the head "Miscellaneous."

(a) in the first column, the figures "157," "158" and "159" shall be omitted;

(b) the heading "Matches," "Undipped Splints" and "Veneers" shall be numbered as Item No. 159; and

(c) in the second column, the entries relating to "Matches," "Undipped Splints" and "Veneers" shall be lettered, respectively, as sub-items (a), (b) and (c) of Item No. 159.

SCALE OF IMPORT DUTIES

The following was the scale of import duties on sugar up to the budget announced on February 28, 1931:

Years.	Duty.
1908-09—1910-11	5 per cent. ad valorem
1911-12—1913-14	" " " " "
1914-15—1916-17	" " " " " to 28-2-16
	10 " " " "
1917-18—1919-20	" " " " "
1920-21—1922-23	10 " " " " 28-2-21
	15 " " " " 28-2-22
	25 " " " "
1923-24—1924-25	25 " " " "
	May, 1925
	Rs. 4-8 per cwt.
1926-27—1928-29	" 4-8 "
1929-30	" 4-8 " to 28-2-30
	" 6-0 " from 1-3-30

The following is a more detailed Statement as from March 1, 1931 :—

Sugar excluding Confectionery	From 1st March, 1931	Duty from September, 1931	Duty from April, 1932
(1) Sugar, crystallized or soft 28 D. S. and above	Rs. 7-4 per cwt.	Rs. 9-1 per cwt.	Rs. 9-1 per cwt.
(2) Sugar, crystallized or soft inferior to 28 D. S. but not inferior to 8 D. S.	Rs. 6-12 per cwt.		
(3) Sugar below 8 D. S. and sugar candy	Ad. valorem 25 per cent. plus Rs. 2-12 per cwt.		
(4) Molasses	Ad. valorem 25 per cent.	Ad. valorem 8½ per cent.	Ad. valorem 8½ per cent.
<i>Tariff Values</i>			
Molasses :			
(1) Imported in bulk by tank steamer	Rs. 2-14 per cwt. 25 per cent.	Rs. 2-1 per cwt. 8½ per cent.	Rs. 2-1 per cwt. 8½ per cent.
(2) Otherwise imported	Rs. 8-6 per cwt. 25 per cent.	Rs. 2-9 per cwt. 8½ per cent.	Rs. 2-9 per cwt. 8½ per cent.
Sugar Candy	Rs. 18 per cwt. 25 per cent. plus Rs. 2-12 per cwt.	Rs. 10 per cwt. 8½ per cent. plus Rs. 8-7 per cwt.	

Imports of Sugar Machinery

(In Lakhs of Rupees.)

Name of Country.	1930-31	1931-32	1932-33
United Kingdom	10.83	26.23	91.48
Other Countries	2.86	3.91	61.63
Total	13.69	30.14	153.11

Imports of Sugar—16 Dutch Standard and above

(Quantity in Tons.) (Value in Lakhs of Rupees.)

Name of Country.	1930-31	1931-32	1932-33	1930-31	1931-32	1932-33
United Kingdom	1,253	3,695	12,034	2	5	14
Ceylon	5,722	962	77	9	-1	...
Straits Settlements including Labuan	460	399	233	1	1	1
Java	502,307	366,749	294,826	937	436	330
China, including Hongkong	4,971	5,015	612	9	9	4
Other Countries	572	20,087	19,319	2	22	21
Total	815,285	366,907	328,691	960	474	370

Imports of Beet Sugar

(Quantity in Tons) (Value in Lakhs of Rupees.)

Name of Country.	1930-31	1931-32	1932-33	1930-31	1931-32	1932-33
United Kingdom	7,175	19,189	22,860	8	23	24
Russia	42,579	68,431	8,839	45	66	9
Poland	1,589	12,992	...	2	15	...
Germany	11,500	15,418	249	15	18	...
Hungary	13,814	595	...	16	1	...
Czechoslovakia	513	896	434	1	1	1
Other Countries	949	838	8,308	1	1	8
Total	78,119	118,359	40,690	87	125	42
Molasses	102,024	40,191	31,991	49	16	11

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INDUSTRIAL SECTION IX:

THE INDIAN TARIFF BOARD

HISTORICAL SKETCH.

The Indian Tariff Board is the natural result of the decision of the Government of India to change the fiscal policy and adopt a policy of Protection to be applied with discrimination. This decision was based on the findings of the Fiscal Commission that the industrial development of India had not been commensurate with the size of the country, its population and its natural resources and that the fullest development must be aimed at by a policy of judicious protection. The Fiscal Commission also laid down the guiding principles of such a policy and recommended that in its application the Government of India should be advised by a Tariff Board consisting of not less than three members conducting their enquiries under conditions of the utmost publicity. The Legislative Assembly accepted these recommendations in a resolution of February 16, 1923. And the Tariff Board was appointed in March, 1923, initially for one year as a measure of cautious experiment, and later on the basis of a biennial renewal. The Tariff Board has continued to function without a break since its inception and it is an indication of prevailing conditions as well as future possibilities that there has at no stage been any lack of work as has been the case with, for instance, the Railway Rates Advisory Committee. Though the Dissenting minute of a minority of the Fiscal Commission recommended that two of the three members of the Board should be elected by the non-official members of the Legislature and there should also be two assessors chosen from the commercial and mercantile community, the constitution of the Tariff Board which consists of three members one of whom is a Government official has been found by experience to be quite suited to the purpose. There has so far been no demand for any change in the constitution of the Board, which in its present form may be regarded as part

of our permanent machinery of government.

The personnel of the Board, the matters referred to it, the decisions thereon and the action finally taken by the Government of India and the Legislative Assembly will be found in a tabular statement attached. It must be remembered that the Tariff Board is not concerned exclusively with the imposition of protective duties, nor even with mere changes in the customs tariff. It is the Board's duty to advise the Government in regard to all matters pertaining to the policy of discriminating Protection which involves besides the imposition of new duties or enhancement of existing ones, the removal or reduction of import duties on raw materials entering into any indigenous manufacture, the grant of bounties to industries in either a direct or an indirect manner.

In fact, the Fiscal Commission had laid down that the duties of the Tariff Board would be "*inter alia* to investigate the particular industries to protection, to watch the operation of the tariff, and generally to advise government and the Legislature in carrying out the policy" of discriminating protection. But so far there has been no case of the Tariff Board acting on its own initiative and tendering advice to the Government on matters which have not been specifically referred to it. The procedure in the case of Tariff Board enquiries is very simple. The industry concerned applies to the Government making a *prima facie* case for protection; and if and when the Government think it fit the application is referred to the Tariff Board for enquiry and report. As recommended by the Fiscal Commission, conditions of the utmost publicity are ensured though, of course, proceedings *in camera* are resorted to, when the evidence tendered is of such a nature that its publication will involve the divulging of trade secrets. The interests concerned and public bodies like the various commercial associations submit their memoranda supplemented, where

necessary, by oral evidence. The report to be submitted to the Government; and on its acceptance by Government, the desired changes are effected by the normal processes of legislation. The Tariff Board is of necessity an advisory body, the final decision resting with the Government and the Legislature. It is difficult to think of any improvements in the present procedure, though, it must be admitted that the unrepresentative character of the Government involves the danger of reasonable applications being delayed by Government both before their reference to the Board and after submission of the report. But this danger cannot be met by giving each industry the right of direct access to the Tariff Board. But an obligation on the part of the Government to embody the recommendations of the Board in a Bill and bring the same before the Legislature may be deemed to be on a different footing.

The first task of the Tariff Board in reference to any application is, as required by the Fiscal Commission, to assure itself that the industry satisfies the fundamental conditions necessary for a grant of Protection, namely, (1) that the industry possesses natural advantages (2) that without the help of protection it is not likely to develop at all or not so rapidly as is desirable and (3) that it will eventually be able to face world competition without protection.

The rationale of the above conditions is obvious. Taken together they mean that, except in the case of industries which are essential for national defence and are therefore outside the pale of ordinary economic considerations, protection should be recommended only if the Board is sure it is not an avoidable or permanent burden on the consumer. This is in consonance with the principles of Free Trade which may be regarded as the permanent economic rule with protection as a mere temporary exception. Every report of the Tariff Board may be deemed to fall into two parts one showing whether the fundamental conditions are satisfied and the other detailing the specific scheme of Protection, and the reasons why the alternative methods are ruled out.

It is appropriate to attempt a short analysis of the work of the Tariff Board during the last nine years. At the moment of writing, two applications for protection are being examined by the Board, one referring to the cotton mill industry and the other to the glass industry. The former was referred to the Board in April, 1932, and in regard to the latter, the results,

though perhaps formulated, have not yet been published. Leaving these two, the Board have so far undertaken and accomplished more than 35 enquiries. Of these, in only one or two cases has its recommendations failed to meet with the acceptance of the Government. Wire and wire nails, which was one such, subsequently gained the protection it sought. In the other instance of the heavy chemicals industry, the publication of the report was delayed for two years after its submission to Government, after which it was granted tentatively a somewhat grudging measure of protection. In eight instances, the applications were turned down by the Tariff Board; and the Government acquiesced in its decision. In the case of magnesium chloride, coal and printers' ink, it was held that the case for protection was not established, though the latter gained a slight increase in the import duty. Cement failed to procure State help as it was found that what the industry suffered from was not the competition of foreign producers, but a state of overproduction at home, a position which it was for the industry to adjust as soon and as well as possible. The most outstanding instance in this category of rejected applications is that of oil, in which not only were the producing interests unable to establish a case for protection but a certain section of them was found to be unwilling to place the full facts before the Board.

There were four cases in which import duties on raw materials needed for Indian industries were either reduced or removed. In all the other cases, the applications have resulted in the grant of a substantial measure of protection. But the chief beneficiaries of the activities of the Tariff Board have been the cotton mill industry and the iron and steel industry. Latterly, matches, salt and sugar have come in for a substantial help of a protectionist kind. But nearly ten enquiries have been conducted by the Tariff Board in regard to articles which are closely connected with the iron and steel industry. The cotton industry has been referred to it twice, not including the occasion in which the condition and needs of the cotton industry were the subject of an *ad hoc* enquiry by Mr. Hardy, the Collector of Customs. While the help rendered to the cotton industry has been in the shape of an increase in the duty on imported yarn and piece-goods, the iron and steel industry has had all manner of help ranging from a change in the tariff to direct bounties doled out

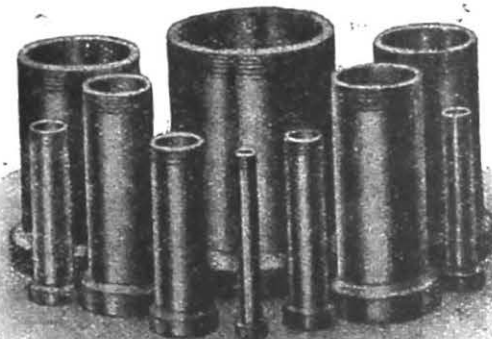
by the State. It would be unnecessary to detail the various steps taken to strengthen the iron and steel industry, as they are given in the table appended to this article.

Anyone with a close acquaintance with the reports of the Tariff Board can venture to say that it has all along worked within the framework of the stipulations made by the Fiscal Commission. Though the actions of the Government before and after reference to the Tariff Board have come in for a good deal of public criticism, the Board by itself has enjoyed a steady popularity. Neither its methods of enquiry nor its ultimate decisions have aroused any dissatisfaction except among those who represent the foreign interests who are inevitably affected by the protectionist measures suggested by the Board. And it must be emphasised that at no time did it cater to the uncritical bias of the populace in favour of protection. The instances in which applications were turned down are not few. Nor is the list of industries to which protection was recommended to be granted small. The fact that divergences of opinion between the Government and the Board are negligibly few—and this, in spite of the fact that in many instances its decisions were adverse to British industrial interests—is a testimony to the essential soundness of the Board's work.

The personnel of the Tariff Board has throughout enjoyed a high reputation for capacity, earnestness, unswerving rectitude and loyalty to the high purpose for which the Board was instituted. To appraise the practical effects of a policy of discriminating protection is never an easy task; and more so to-day after three years of unprecedented economic depression. The acid test of the Board's work is whether the industries which have enjoyed the protection for some time have outgrown the need for such extraneous aid. That is, no doubt, the proper culmination of protective measures; and it must be confessed that so far there has been no instance of a protected industry being able to hold its own against foreign competition. On the other hand, there has been more than one instance of one protective measure having to be supplemented by another. It is not difficult to realise that the success of protection as indicated in the foregoing depends upon many other conditions which take time to be satisfied. So far as the Tariff Board is concerned, its work justifies the confident hope that when the economic development of the country is taken on hand by a representative government the Cabinet will find in the Board an invaluable lever of national uplift.

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TABULAR STATEMENT SHOWING THE WORKING OF THE TARIFF BOARD

Serial No.	Date of reference	Personnel	Subject of Enquiry	Recommendations by Tariff Board	Action taken by Government
1	2	3	4	5	6
1.	July 10, 1923.	<i>President :</i> G. Rainy. <i>Members :</i> V. G. Kale, P. P. Ginwala.	Steel Industry.	Imposition of about 33½% import duty on iron & steel entering into British India.	Act providing for fostering and developing steel industry passed at a special session of the Assembly on 18th June, 1924. By this Act specific duties were imposed on various kinds of steel at varying rates; and bounties were also granted on the manufacture of certain kinds of steel.
2.	Oct. 8, 1924.	<i>President :</i> G. Rainy. <i>Members :</i> V. G. Kale, P. P. Ginwala.	Increase of Duties on Steel.	Held two enquiries in 1924 and 1925. Board recommended increase of duties in order that protection already granted may not be ineffective.	Adoption of a Resolution on 26th January, 1925, by the Assembly granting a bounty on steel manufacture in India between 1st October, 1924 and 30th September, 1925, at the rate of Rs. 20 a ton on 70% of the total weight of the ingots manufactured in each month, the total amount of the bounty payable during the year not to exceed Rs. 50 lakhs. In September, 1925, the Assembly granted bounties to the Steel Industry up to 31st March, 1927, at the rate of Rs. 12 per ton subject to a maximum of Rs. 60 lakhs up to 18 months ended 31st March, 1927.
3.	1925.	Do.	Do.	Do.	
4.	April 3, 1926.	<i>President :</i> P. P. Ginwala. <i>Members :</i> A. E. Mathias J. Matthai.	Continuance of Protection to Steel Industry.	Board found that the Industry deserved further protection, made detailed report re: Rolled and Fabricated Steel Tinplate and recommended protection for a period of 7 years. The Board suggested the appointment of a Statutory enquiry in 1933-34 to determine the extent of protection to be given.	The Steel Industry (Protection) Act, 1927, was passed extending protection to the Industry till 1933-34 and giving power to the Governor-General to increase the duties if protection is rendered ineffective by any change in prices of imported steel. Differential duties introduced on British and non-British Steel.
5.	April 3, 1926.	<i>President :</i> A. E. Mathias. <i>Member :</i> J. Matthai.	M a n u f a c t u r e of wagons, wire and wire nails, etc.	Tariff Board recommended protective duties, bounties, etc., on various kinds of Steel. This was the 2nd Report of the Tariff Board submitted after the 1927 Steel Protection Act was passed.	The Steel Industry (Protection) Act, 1928, was passed in the Assembly for giving effect to the main recommendations of the Board levying a duty of Rs. 2 per cwt. on iron and steel bolts, discontinuing protective duty on wire and wire nails, etc.

Serial No.	Date of reference	Personnel	Subject of Enquiry	Recommendations by Tariff Board	Action taken by Government
1	2	3	4	5	6
6.	1924.	<i>President:</i> G. Rainy. <i>Members:</i> P. P. Ginwalla V. G. Kale	Magnesium Chloride at Kharaghoda in the Bombay Presidency.	The Board decided that the claim for protection was not justified.	The Government of India accepted Board's opinion and issued a Resolution in May, 1925, in accordance therewith.
7.	July 10, 1924.	<i>President:</i> G. Rainy. <i>Members:</i> P. P. Ginwalla. V. G. Kale,	Removal of import duty on Sulphur.	The Tariff Board recommended removal of import duty on Sulphur, which is a raw material for Chemical and other industries.	Duty removed with effect from 9th June, 1924.
8.	April, 1924.	<i>President:</i> G. Rainy. <i>Members:</i> P. P. Ginwala, V. G. Kale.	Printing Ink. (Hooghly Ink Co., the only firm manufacturing printing ink).	Case for protection considered not established. Increase of Customs duty on imported printing ink from 2½% to 5% ad valorem.	
9.	1925.	<i>President:</i> G. Rainy. <i>Members:</i> P. P. Ginwala, V. G. Kale.	Cement Industry.	Tariff Board found that this industry was suffering from over-production and that the low price of cement was due to the competition amongst indigenous manufacturers. Accordingly no protectionist measure was recommended.	Government accepted this finding of the Tariff Board.
10.	1926.	<i>President:</i> G. Rainy. <i>Members:</i> P. P. Ginwala, V. G. Kale.	Paper and Paper pulp industry.	Levy of a specific duty of Re. 1. per on all writing paper and on all printing paper other than news print.	Recommendation was duly embodied in an Act of the Legislature.
11.	June 10, 1926.	<i>President:</i> F. Noyce. <i>Members:</i> Rai Bahadur Harikissen Kaul, N. S. Subba Rao.	Cotton Textile Industry.	Majority of the Board proposed that the import duty on cotton piecegoods should be increased from 11% to 15% for 3 years, and a bounty should be given on the spinning of finer counts. The President was opposed to the bounty and recommended that an additional duty of 4% should be imposed on cotton manufactures including yarn imported from Japan for a period of 3 years. Board proposed remission of duties on Cotton textile machinery.	On 7th June, Government refused the bounty to the spinning of higher counts of yarn. Government also stated that in their opinion no case had been established for a general increase in the duty as a measure of protection. Government remitted import duty on cotton textile machinery and mill stores. At a later date Government of India modified their decision and a 5% import duty on cotton yarn was imposed with a specific minimum of -/1/6 pies per lb. This increase affected Japanese imports more than British imports.

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1	2	3	4	5	6
12.	Sept. 30, 1925.	President: G. Rainy. Members: J. Matthai, P. P. Ginwalla (Minority).	Coal Industry.	Majority and Minority Reports: Board unanimously found that the case for a protective duty on all imported coal was not established.	Government issued a Resolution on 17th June, 1926, accepting this unanimous finding of the Tariff Board.
13.	Mar. 23, 1925.		Ship Building Industry.	The Board found that Ship Building did not require protection except in so far as it was affected by the protective duties on Iron & Steel.	Government accepted this finding of the Tariff Board. Government postponed legislation in regard to import duty on ships and other vessels for inland and harbour navigation till the results of the Statutory enquiry into iron steel industry were known. In the meanwhile Government gave exemption to iron and steel in ships and other vessels imported from inland and harbour navigation from so much of the protective duties as was in excess of 10% <i>ad valorem</i> or Rs. 35 per ton whichever was higher. By the Steel Industry (Protection) Act, 1927, this compensation was reduced to Rs. 23 per ton.
14.		President: G. Rainy. Members: V. G. Kale, P. P. Ginwalla.	Wire and Wire Nail Industry.	Tariff Board had no recommendation to make for the grant of supplementary protection.	Government accepted this finding. Government also accepted the recommendation of the Tariff Board that no higher duty should be imposed on wire nails than on wire.
15.	1925.	President: G. Rainy. Members: P. P. Ginwalla, V. G. Kale.	Galvanised Industry.	The Board recommended removal of the duty on imported spelter in accordance with the general principle enunciated in para 180 of the Fiscal Commission Report that raw materials should be required for Indian industries. Board were unable to recommend imposition of protective duty on imported galvanized iron wire.	On 8rd July, 1926, Government issued a Resolution that the recommendation for removing import duty on spelter should be considered at the time of the next budget and in connection with further protection for Steel industry in 1927. Government accepted the finding of the board in regard to non-imported of a protective duty on imported galvanized iron wire.

Indian Finance, Gen. Book: 1935

Serial No.	Date of reference	Personnel	Subject of Enquiry	Recommendation by Tariff Board	Action taken by Government
1	2	3	4	5	6
16.	1926.	<i>President:</i> P. P. Ginwala <i>Members:</i> A. E. Mathias J. Matthal.	Match Industry.	Tariff Board recommended the continuance of the duty of Re. 1-8 per gross without limit to the period of duration, and that the duty should be made protective.	Government of India accepted the finding of the Board that the Match Industry fulfilled the condition laid down by the Fiscal Commission. Government agreed with the recommendation of the Tariff Board and imposed by the Match Industry (Protection) Act, 1928, a protection duty of Rs. 1-8 per gross on imported matches without any time limit. Government also accepted the finding that in the circumstances no action was called for against the Swedish Match Co. on the ground of unfair competition. Government noted the Board's recommendation that, should developments indicate that the Company is acquiring undue control to the detriment of Indian Industry, they should take steps to safeguard the industry.
17.		<i>President:</i> P. P. Ginwala. <i>Members:</i> A. E. Mathias, J. Matthal.	Oil Industry.	Majority and Minority Reports. Both recommended that no protection is necessary as, the case for protection to the oil industry was not established.	Government of India agreed that no action need be taken.
18.		<i>President:</i> P. P. Ginwala. <i>Member:</i> J. Matthal.	Tariff equality in respect of manufacture of electric wires and cables.	Board suggested that a duty of 5% be levied on rubber insulated electric wires and cables.	Government imposed 5% duty on rubber insulated electric wires and cables by the Indian Tariff (Amendment) Act, 1921, passed on 22nd March, 1929. Government found that there were practical difficulties in removing the duty on electrolyte copper rod known as block rod, suggested by the Tariff Board.
19	1927.	<i>President:</i> A. E. Mathias. <i>Member:</i> J. Matthal.	Plywood and tea-chest industry.	The Tariff Board recommended that the manufacture of plywood and tea-chests should be protected; that protection should be given for 5 years and that protection required is -/7/9.6 pies per standard chest.	Government accepted the recommendations of the Board but decided to impose a duty of 30% on all forms of plywood.

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1	2	3	4	5	6
20.	1927.	President : A. E. Mathias. Member : J. Matthai.	Camel hair, cotton and canvas ply belting.	The Tariff Board recommended that a 5% ad valorem duty should be imposed on cotton belting 5% ad valorem duty on hair belting and 5% ad valorem duty on canvas ply belting and that the duty on black proofing should be removed.	Government issued a Resolution on 10th February, 1928, accepting the recommendations of the Tariff Board except of the removal of the duty on black proofing. Government also reduced the duty on camel hair yarn to 5% (Vide Tariff Amendment Act passed in March, 1928), and therefore decided to give relief to the Indian Cable Co. not by removal of duty but by allowing them to import their requirements of such rods free of duty.
21.		President : A. E. Mathias. Member : J. Matthai.	Tariff equality in respect of the manufacture of printing type.	In their Report dated 21st Jan., 1928, Tariff Board recommended that a specific duty of -/1/- per doz. should be levied on printing type in place of the existing duty of 2½% ad valorem.	Recommendation of the Board were approved by the Government who made necessary alterations in the Tariff by a clause in the Indian Tariff (Amendment) Act, 1929, passed on 22nd March, 1929.
22.		President : A. E. Mathias. Member : J. Matthai.	Tariff equality in respect of the manufacture of Manilla Rope.	Board recommended that the duty on Manilla Rope be entirely removed.	On 8th June, 1929, Government accepted the principle and in July, 1930, duty of 15% on a Tariff valuation of Rs. 80 per cwt. on raw hemp was imposed.
23.	Sept., 1929.	President : P. P. Ginwala. Members : A. E. Mathias. J. Matthai.	Salt Industry.	Tariff Board recommended imposition of additional duty on imported salt, also proposals for establishment of a Marketing Board etc.	On 5th April, 1931, the Salt (Additional Import Duty) Act, 1931, received the assent of the Governor-General. Under the Act an additional duty of -/4/8 per maund was imposed on Salt imported into any port in British India but produced outside India and the Act came into effect on 17th March, 1931. The Act was renewed in 1932.
24.	1927.	President : A. E. Mathias. Member : J. Matthai.	Changes in tariff entries relating to printing paper.	Tariff Board recommended some changes in the Tariff Schedule which regulates the duty payable on news print.	Adopted by Government.
25.	July 16, 1928.	President : P. P. Ginwala. Members : A. E. Mathias. J. Matthai.	Heavy Chemical Industry.	Board recommended that the conditions laid down by the Fiscal Commission are substantially fulfilled by the Chemical Industry	In their resolution, dated 5th September, 1929, the Government observed that the imposition of duties proposed by the Board would not lead to the

Serial No.	Date of reference	Personnel	Subject of Enquiry	Recommendations by Tariff Board	Action taken by Government
1	2	3	4	5	6
				and they recommended measures of protection to the industry.	development of industries but would rather tend to perpetuate its existing uneconomic organisation. Government also were of the opinion that before reaching any final decision some questions arising out of the Tariff Board's Report may be submitted to expert examination, subject to any new factors which may emerge in the course of the expert examination the scale of assistance proposed by the Board as accepted by the Government of India. Government imposed protective duties till 31st March, 1932.
				<p>REMARKS—</p> <p>Publication of this Report was delayed for about 2 years, after it was submitted.</p>	
26.	Sept. 30, 1930.	<p>President : A. E. Mathias. Member : J. Matthal.</p>	Additional protection to galvanized sheets.	Board recommended additional protection to the manufacture of galvanised sheets. Board recommended additional duty of Rs. 87/- per ton on imported galvanised sheet unfabricated.	Government accepted Board's finding and in January, 1931, the Assembly passed a resolution that the duties mentioned in Government's resolutions of 30th December, 1930, should be continued up to 31st March, 1930.
27.	1930.	<p>President : A. E. Mathias. Member : J. Matthal, F. I. Rahimtoola.</p>	Sugar Industry.	The Tariff Board reported in 1931 that the Industry fulfilled the condition laid down in the Fiscal Commission and should be protected by the imposition of additional duties on sugar. Board recommended the imposition of a duty of Rs. 7/4 per cwt. for first seven years and Rs. 6/4 per cwt. for a further period of 3 years. The Board further recommended that the period of protection should be for 13 years.	An Act to provide for the fostering and development of the sugar industry in British India was passed in 1930 and received the assent of the Governor-General on 8th April, 1932. Under the Act protection was given to the industry for a period up to 31st March, 1946, by determining the extent of protection to be conferred up to 31st March, 1938 and by making provision for the determination of the extent of protection to be conferred for the remainder of the period in 1938. Power was given to the Governor-General to increase the duty imposed on sugar if the price at which sugar imported into India was such as would render inefficient the benefits intended to be conferred by this Act. A duty on sugar and sugarcandy was imposed at the rate of Rs. 7/4 per cwt. and a duty at the rate of 25% <i>ad valorem</i> was imposed on molasses.

Serial No.	Date of reference	Personnel	Subject of Enquiry	Recommendations by Tariff Board	Action taken by Government
1	2	3	4	5	6
28.	May 15, 1930.	<i>President :</i> A. E. Mathias. <i>Member :</i> J. Matthai.	Manufacture of certain railway materials made of Steel.	Board recommended imposition of a duty of Rs. 2/4 per cwt. on bolts and nuts, etc.	Government adopted the recommendations of the Board which were embodied in the Steel Industry (Protection) Act, 1931.
29.	Dec. 1, 1930.	<i>President :</i> A. E. Mathias. <i>Member :</i> J. Matthai.	Steel Rails.	The Tariff Board recommended additional payment to Tata Iron and Steel Co., Ltd., on certain kinds of steel.	Government accepted the recommendations of the Board so far as 90 lbs. rails were concerned and a resolution was passed in the Assembly for additional payment of Rs. 20 for each ton of rail supplied by Tata's over and above the price specified in the contract, viz., Rs. 110 per ton and additional payment at the rate of Rs. 10 for each ton of rails of 115 lbs. per yd. of scale over and above the price Rs. 120 per ton.
30.	July, 1928.	<i>President :</i> P. P. Ginwalla. <i>Members :</i> A. E. Mathias. J. Matthai.	Magnesium Chloride Industry.	The Board recommended that a protective duty of -/7/- per cwt. should be imposed on Magnesium Chloride, and that the period of protection should be fixed for 7 years.	Government accepted the finding of the Tariff Board.
31.			Methylated Spirit.	Tariff Board reported that they had no recommendation to make for the removal of tariff on methylated spirit.	Government accepted the findings of the Board.
32.	Mar. 8, 1931.	<i>President :</i> J. Matthai. <i>Member :</i> F. I. Rahimtoola. G. T. Boag.	Paper and Paper Pulp industry.	The duties imposed by the Bombay Paper Industry (Protection) Act, 1925, were due to expire in 1932. The Tariff Board held a further enquiry and recommended that further protection should be given and that the duty of Rs. 123/- per ton on paper should be imposed, and that the duty on imported pulp should be paid at Rs. 45 per ton on these duties to remain in force for a period of 7 years.	An Act was passed in March, 1932, to amend the law relating to the fostering and development of bamboo paper industry in British India. The date of protection to this industry was extended from 1932 to 1939 and a duty at the rate of Rs. 45 per ton was levied on wood paper.

Serial No.	Date of reference	Personnel	Subject of Enquiry	Recommendations by Tariff Board	Action taken by Government
1	2	3	4	5	6
33.		<i>President :</i> A. K. Mathias. <i>Members :</i> J. Matthai.	Gold and silver thread and allied industries.	Board reported that a case was made out for the protection of gold and silver and recommended that a duty should be imposed at 15% <i>ad valorem</i> .	Government accepted the recommendation of the Tariff Board and Gold Thread Industry (Protection) Act, 1931, came into force in 1931, under which 4% <i>ad valorem</i> duty on silver and 50% <i>ad valorem</i> on gold plate, gold leaf and gold manufactures.
34.		<i>President :</i> P. P. Ginwala. <i>Members :</i> F. I. Rahimtoola. G. T. Boag.	Revenue duty on Pig iron.	The Tariff Board reported in favour of removal of the revenue duty on pig iron. They opined that no serious harm would be done to any consumer by the retention of the duty until statutory enquiry into the Steel industry in 1923-24.	Government in their Resolution, dated 19th June, 1930, accepted this finding of the Tariff Board.
35.	May 9, 1931.	<i>President :</i> J. Matthai. <i>Members :</i> F. I. Rahimtoola. G. T. Boag.	Wire and wire nail industry.	In 1927-28 Tariff Board recommended that protective duty on wire nails should be discontinued. After re-examination of question the Board recommended a levy of a specific duty at the rate of Rs. 45/- per ton on wire as well as wire nails.	Government accepted the finding of the Tariff Board and imposed a duty of Rs. 45 per ton by the Wire and Wire Nail Industry (Protection) Act, 1932.
36.	May 11, 1931.	Same as above	Electric Wires and Cables (other than paper insulated cables) industry.	The Tariff Board recommended that the Industry does not satisfy the conditions laid down in the Fiscal Commission and need be given no protection.	Government have accepted this finding of the Tariff Board.
37.	1931.	Same as above	Glass Industry.	Recommendations submitted to Government. Not published till June, 1933.	
38.	April, 1932.	Same as above	Cotton Textile Industry.	Report of Tariff Board not published till June, 1933.	
39.	1932.	<i>President :</i> J. Matthai. <i>Members :</i> H. R. Batheja. G. T. Boag.	Steel Industry.	Report not yet published.	

INDUSTRIAL SECTION X :

HIDES AND SKINS

"They dress in this country great numbers of skins of various kinds, goat skins, ox skins, buffalo and wild ox skins as well as those of unicorn and other animals. In fact, so many are dressed every year as to load a number of ships for Arabia and other quarters."

So wrote Marco Polo, a Venetian traveller, in his book on Travels, about the volume, prosperity and excellence of workmanship of the Leather Industry of India in the 13th century A.D., the importance of which is no whit less to-day in our national economy, in spite of the vicissitudes through which it has passed during the last several hundred years. But the same praise cannot be bestowed on the quality of its products, which now suffer in comparison and competition with the manufactures of other nations of the world.

During recent centuries, we find, from old records, that Japan (which, by the way, has again appeared as a buyer of our tanned skins for the past few years) was one of the countries to which the Dutch merchants exported Indian skins regularly in the 17th century from the Coromandal Coast, the quality of the skins being most fancied by the Japanese importers.

From the fragmentary records of the East India Company, it is evident that a definite export trade in raw hides and skins was established in Calcutta about hundred years ago, and hides and skins were being exported to North America, Great Britain and France. In 1850, since when reliable figures of the export trade from the port of Calcutta are available, we find that hides and skins occupied the eighth place in importance from the point of view of value. To-day hides and skins are many places below.

A few spasmodic efforts were made here and there to organise the tanning, and boot and shoe making industry in the last century on modern and scientific lines. Machinery was imported and factories were built up, several of which proved utter failures. But nothing effective was

done as regards the improvement of the raw material itself which continued to be exported as usual under most wasteful and uneconomic methods of collection and preservation of hides and skins. The starting of the Government Ordnance Factory at Cawnpore did raise the standard of tanning in Upper India; and several important tanneries grew up in Cawnpore, Agra, and Bombay as a direct result of the Government enterprise; but as the Government factory was situated at a centre where they could obtain and select the best hides available in this country, the seriousness and disadvantage of the losses resulting from the want of employment of proper methods in the collection and curing of hides were never realised by the Government, and hence no efforts were directed towards its improvements. The Great War brought the importance of the industry into great prominence and forced its recognition as one of the key industries of this country.

Large profits were made in the leather trade during the War time in India and although they had no experience of this business, several important English firms of Calcutta started large factories in haste, which had to be closed soon after, with serious losses to shareholders or proprietors. The sentiment was in favour of helping the tanning industry of India and the Empire. The world was hungry of stocks of every kind; and raw hides were in great demand in the tan-yards of America and Europe. So it was decided to impose an export duty of 15 per cent. *ad valorem* on raw hides and skins as from September 11, 1919, allowing a rebate of 10 per cent. on shipments made to countries within the Empire.

But the utter incapacity and want of knowledge of the trade, which they had displayed, they were not prepared to acknowledge. The Indian tanners who had set up modern tanneries, with few exceptions, had done no better, especially with regard to running the industry on profitable basis. This much must, how-

ever, be acknowledged with regard to the tanneries that were run by Mr. N. S. T. Chari who is considered the Doyen of Indian chrome tanning, that he did produce leathers for shoes which compared in quality most favourably with the best foreign manufactures of its class and proved thereby that leathers of best quality can be produced in this country from our raw materials.

The opposition of the exporters to the continuance of the export duty gathered strength and the duty was reduced to 5 per cent. in 1923. The Empire tanners, too, could not take good advantage of the preferential treatment accorded to them by the Indian Government; and the raw hide trade continues to flow more or less in the old channels again to-day. The exporters were not fully satisfied and the agitation against the remaining 5 per cent. of export duty continued; and in the Indian Finance Bill of 1927 the Government had to provide for the removal of the export duty of 5 per cent. *ad valorem* on raw hides. The proposal was thrown out by the Legislative Assembly by the casting vote of the President in favour of *status quo*. The Government of India, taking into consideration the well-balanced strength of the conflicting interests, seemed to prefer the replacement of the export duty by an export cess that would be administered by a committee on the lines of Indian Central Cotton Committee and that would be expended for the benefit of the industry as a whole. A Hide Cess Enquiry Committee was appointed for the purpose which submitted a long and useful report more than two years ago. But, apparently, no step has been taken on the report so far as we are aware. The trade is suffering acutely from many ills. The fall in the prices of hides and skins has been no less steep than in many other commodities, which are selling to-day at pre-War figures. The tanning industry also has suffered heavy losses both in Madras and Upper India; and the value of exports has dwindled to an enormous extent. The total value for the year 1931 for the exports of both raw and tanned varieties came down to about

Rs. 11½ crores only. The depression in the internal trade is no less acute.

India is one of the largest producers of hides and skins. Although no regular statistics are available, expert opinion estimates that we produce 30 million cow hides yearly, while in goat skins we are the largest producers in the world. According to Arnold's calculation, we produce nearly one-third of the world's total supply of goat skins. Our production of reptile and fancy skins, such as lizard, snake and crocodile, has not been negligible; and we established quite a large business in these skins during recent years with foreign countries. These being luxury articles, the demand for these has also fallen very heavily during the last two years.

The total value, as estimated by competent authorities, of the production of hides and skins of all kinds is Rs. 20 crores yearly. It is rather surprising that considering the importance both as regards its utility and value, not enough interest has been taken in the fortunes of this trade.

The system of collection and curing of the hides is so primitive that a heavy national waste is the resultant thereof. From enquiries that we have independently made in this matter, and from the information supplied to us by most competent authorities, we may safely put the national loss at anything like Rs. 5 crores per annum. This much is due to faulty methods employed in flaying, curing and collection of raw hides; we have not taken into account the loss sustained for want of better organisation for marketing our goods in foreign countries.

We would suggest that a combined effort should be made by the Government leather institutes now existing in Calcutta, Cawnpore and Madras, in conjunction with the proposed Hide Cess Committee, to find proper preservatives for the hides and skins and popularise their use, together with the teaching of improved methods of collection and flaying of the hides in the far-flung villages. This huge national waste that is recurring year after year in this trade must be stopped.

TRANSPORT SECTION I:

RAILWAY AND RAILWAY FINANCE

I. HISTORICAL.

Indian Railways have been constructed either by the State or by private Companies. On completion of construction, they have been worked either by the State or by the Company which originally built them, or have been handed over to another Company to work. Several of the railways originally owned by Companies have been purchased by the State. Some of these purchased railways are now worked by the State; for example, the Sind, Punjab and Delhi Section of the North Western Railway. Some of them, as in the case of the Bombay, Baroda and Central India Railway, have been handed back to be worked by the Company which originally constructed them. Some on purchase have been handed over to other railways to work under contract; thus, parts of the old Madras Railway were handed over to the Madras and Southern Mahratta and South Indian Railways to work. The Nagda-Muttra Railway was built by the State, but has since been incorporated in the Bombay, Baroda and Central India Railway and is worked by that Company as a part of its system. The Delhi-Umbala-Kalka Railway, which was built by a Company of that name, has since been purchased by the State and is worked by the North Western Railway. Similarly, the Southern Punjab Railway Company which had entrusted the working of its undertakings to the North Western Railway, has been purchased by Government.

The East Coast Railway was originally constructed and worked by Government as a famine-protective line, but its northern, and southern sections were subsequently made over to the Bengal-Nagpur and Madras Railway Companies, respectively, to work as part of their systems. The Hyderabad-Jodhpur Frontier Section of the Jodhpur Railway was constructed by Government and handed over for working to the Jodhpur Railway

which belongs entirely to an Indian State. The Bezwada Extension is in the same way worked by the Nizam's Guaranteed State Railway Company. The terms on which one railway works another are in all cases, except where a purchased railway has been absorbed entirely in a State Railway system, incorporated in a contract. Hardly two of these contracts are alike in every respect. It is impossible to set out the differences arising out of the varying terms of the contracts, or to take account in every case of the histories of the railways since construction.

Railways fall under two main categories:—

- (a) those in which Government has a capital interest,
- (b) those in which it has not.

The second class comprises for the most part the branch line companies formed before the introduction of the present policy of financing branch lines enunciated in paragraph 6 *infra*. Generally, the main financial conditions of the contracts with such Companies are:—

- (1) the provision of land by Government free of cost to the Companies;
- (2) financial assistance in the shape of a firm guarantee of $3\frac{1}{2}$ per cent. on the capital, or a rebate out of the net receipts of the parent system accruing from "interchanged traffic", sufficient to make up, with the net earnings of the branch, an amount equivalent to 5 per cent. on the capital; and
- (3) equal division between Government and the branch line company of surplus profits over and above 5 per cent.

A number of small railways in India has been constructed by Companies on these terms. The financing of such railways falls outside the Government programme of railway construction, the capital transactions appearing in the accounts representing merely the receipt and payment of deposits. The value of

land is charged to Government as Railway Revenue expenditure outside the accounts of the Company. Similarly the Government share of the Surplus Profits of the railway in excess of 5 per cent. is credited as a Revenue receipt. In each case in which Government gives a direct guarantee, there is a liability in respect of interest, and if Government were to make a payment under this liability it would figure in the accounts as Government expenditure on the railway.

II. FINANCING BRANCH LINES

A new policy was introduced in 1924-25 for the construction and financing of branch lines. Under this policy endeavours are to be made to reduce by purchase the number of existing branch line companies and Government is to find the capital required for the construction of extensions of branches to existing main systems. The construction of any branch or feeder lines not expected to be remunerative, which a Local Government might desire to have constructed for purely local reasons or administrative advantages, will be considered, provided the Local Government is prepared to guarantee the Government of India against the loss involved in the working of such lines.

The State has much greater immediate interest in those railways the capital expenditure on which has been provided wholly or mainly by Government. The main divisions of these railways are:—

- A.—State Railways worked by the State.
- B.—State Railways worked by Companies or by Indian States.

The second class comprises Railways towards the cost of which the working agents have contributed a small amount of share capital on which a definite rate of interest is guaranteed by Government and in respect of which they receive a share of the surplus profits after meeting all charges for interest on capital.

Both classes have been financed in the same way, through the Government programme, the funds for which are usually provided either from surplus revenues, or from loans forming part of the Public Debt of India, or from Debentures and Debenture Stock raised by the Working Companies.

The accounts of State-owned railways are therefore part and parcel of the Indian Government accounts, and railway finances are part of the general finances of India.

But a convention was entered into in September 1924 by which it was agreed to separate railway finances from the general finances as a temporary measure.

III. THE SEPARATION CONVENTION.

It is nearly eight years since the resolution was adopted by the Assembly regarding the separation of Railway from General Finances. The resolution which is dated 20th September, 1924 ran as follows:—

“This Assembly recommends to the Governor-General in Council that in order to relieve the general budget from the violent fluctuations caused by the incorporation therein of the railway estimates and to enable railways to carry out a continuous railway policy based on the necessity of making a definite return to general revenues on the money expended by the State on Railways:

(1) The railway finances shall be separated from the general finances of the country and the general revenues shall receive a definite annual contribution from railways which shall be the first charge on the net receipts of railways.

(2) The contribution shall be based on the capital at charge and working results of commercial lines, and shall be a sum equal to one per cent. on the capital at charge of commercial lines (excluding capital contributed by Companies and Indian States) at the end of the penultimate financial year plus one-fifth of any surplus profits remaining after payment of this fixed return, subject to the condition that, if in any year railway revenues are insufficient to provide the percentage of one per cent. on the capital at charge, surplus profits in the next or subsequent years will not be deemed to have accrued for purposes of division until such deficiency has been made good.

The interest on the capital at charge of, and the loss in working, strategic lines shall be borne by general revenues and shall consequently be deducted from the contribution so calculated in order to arrive at the net amount payable from railway to general revenues each year.

(3) Any surplus remaining after this payment to general revenues shall be transferred to a railway

reserve ; provided that if the amount available for transfer to the railway reserve exceeds in any year three crores of rupees only two-thirds of the excess over three crores shall be transferred to the railway reserve and the remaining one-third shall accrue to general revenues.

(4) The railway reserve shall be used to secure the payment of the annual contribution to general revenues ; to provide, if necessary, for arrears of depreciation and for writing down and writing off capital ; and to strengthen the financial position of railways in order that the services rendered to the public may be improved and rates may be reduced.

(5) The railway administration shall be entitled, subject to such conditions as may be prescribed by the Government of India, to borrow temporarily from the capital or from the reserves for the purpose of meeting expenditure for which there is no provision or insufficient provision in the revenue budget subject to the obligation to make repayment of such borrowings out of the revenue budgets of subsequent years.

(6) A Standing Finance Committee for Railways shall be constituted consisting of one nominated official member of the Legislative Assembly who should be chairman and eleven members elected by the Legislative Assembly from their body. The members of the Standing Finance Committee for Railways shall be *ex-officio* members of the Central Advisory Council, which shall consist, in addition, of not more than one further nominated official member, six non-official members selected from a panel of eight selected by the Council of State from their body and six non-official members selected from a panel of eight elected by the Legislative Assembly from their body.

The Railway Department shall place the estimate of railway expenditure before the Standing Finance Committee for Railways on some date prior to the date for the discussion of the demand for grants for railways and shall, as far as possible, instead of the expenditure programme revenue show the expenditure under a depreciation fund created as per the new rules for charge to capital and revenue.

(7) The railway budget shall be presented to the Legislative Assembly if possible in advance of the general budget and separate days shall be allotted for its discussion, and the Member in charge of railways shall then make a general statement on railway accounts and working. The expenditure proposed in the railway budget, including expenditure from the depreciation fund and the railway reserve, shall be placed before the Legislative Assembly in the form of demands for grants. The form the budget shall take after separation, the details it shall give and the number of demands for grants into which the total vote shall be divided shall be considered by the Railway Board in consultation with the proposed Standing Finance Committee for Railways with a view to the introduction of improvements in time for the next budget, if possible.

(8) These arrangements shall be subject to periodic revision but shall be provisionally tried for at least three years.

(9) In view of the fact that the Assembly adheres to the resolution passed in February, 1923, in favour of State management of Indian Railways, these arrangements shall hold good only so long as the East Indian Railway and the Great Indian Peninsula Railway and existing State-managed railways remain under State management. But if in spite of the Assembly's resolution above referred to Government should enter on any negotiations for the transfer of any of the above railways to Company management such negotiations shall not be concluded until facilities have been given for a discussion of the whole matter in the Assembly. If any contract for the transfer of any of the above railways to Company management is concluded against the advice of the Assembly, the Assembly will be at liberty to terminate the arrangements in this Resolution.

Apart from the above convention this Assembly further recommends—

“(i) that the railway services should be rapidly Indianised, and further that Indians should be appointed as Members of the Railway Board as early as possible, and

(ii) that the purchases of stores for the State Railways should be

undertaken through the organization of the Stores Purchase Department of the Government of India."

The above convention appears to have been in the nature of a compromise between the Government and the Opposition at the time; the Government gave the undertaking contained in sub-para. (9) of the first para. of the Resolution and the assurances contained in the second para. in return for the arrangements as set out in the first 8 paras that were considered necessary for railways to carry out a continuous railway policy untrammelled by the political exigencies of finance to which general revenues could be regarded as subject.

Sufficient time has elapsed since the convention was entered into to allow of a retrospect being made in order to get a fairly correct grasp of the general tendencies that State railways have shown under the new arrangements.

IV. THE CONTRIBUTION TO GENERAL REVENUES.

From 1859 to 1898 (for forty consecutive years), the operation of Indian railways had not been a source of profit to the tax payer. The deficits mounted up to 235 lakhs in 1894, 236 lakhs in 1872 and 266 lakhs in 1896. The total losses up to 1898 aggregated to the enormous sum of 57.80 crores and have had to be met by taxation. The tide turned however in 1899, and year after year there have been net gains (except in 1908 & 1921) which achieved a record of 15.85 crores in 1918.

The following statement shows the direct gain (+) or less (-) from the operation of railways yearly from 1858 up-to-date.

Year.	(In Lakhs of Rs.)
1858	... -65
1859	... -110
1860	... -120
1861	... -151
1862	... -167
1863	... -184
1864	... -193
1865	... -24
1866	... -94
1867	... -165
1868	... -193
1869	... -162
1870	... -193
1871	... -182
1872	... -236

1873	... -179
1874	... -161
1875	... -156
1876	... -115
1877	... -15
1878	... -207
1879	... -157
1880	... 104
1881	... -29
1882	... -131
1883	... -30
1884	... -105
1885	... -73
1886	... -119
1887	... -212
1888	... -223
1889	... -185
1890	... -69
1891	... -32
1892	... -185
1893	... -154
1894	... -235
1895	... -162
1896	... -266
1897	... -143
1898	... -94
1899	... 11
1900	... 49
1901	... 127
1902	... 34
1903	... 129
1904	... 316
1905	... 300
1906	... 347
1907	... 236
1908	... -186
1909	... 124
1910	... 303
1911	... 568
1912	... 721
1913	... 718
1914	... 324
1915	... 611
1916	... 1,122
1917	... 1,487
1918	... 1,585
1919	... 935
1920	... 564
1921	... -910
1922	... 117
1923	... 121
1924	... 652
1925	... 1,301
1926	... 883
1927	... 736
1928	... 1,004
1929	... 643
1930	... 245
1930-1931	... -624
1931-1932	... -986
1932-1933 (Revised)	... -934

The steady and substantial surpluses that the railways have been yielding during the last 30 years have made people forget that till about 1910, *i.e.*, for over 50 years, the railways had been considered as more or less a commitment of Government in the interests of the administration of a large country and had been numbered amongst the benefits of British rule in India. Indian railways have been regarded as commercial undertakings of Government only during the last 2 or 3 decades, and the contribution to general revenues appears to be based on the idea that as the losses of the earlier years had been borne by the tax-payer, the gains of later years should reimburse him *pro tanto*. Otherwise, there is no reason why the total net gains should not have been applied *entirely* towards decreasing the charges for service and increasing its scope and efficiency.

V. THE ACTUAL CONTRIBUTION.

It is a moot point whether the railways of a country are to be run in the national interests regardless of the cost of the service rendered and the return on the outlay, or whether a fair return should be guaranteed or worked up to by maintaining a suitable level of rates and fares. The trend of recent opinion has been in favour of the regulation of charges in such a way as to yield, in the aggregate, either a 'fair return' on the capital invested or a 'standard revenue' based on the conception of such a fair return. Where the railways are State-owned and the 'fair return' or 'standard revenue' yields a 'profit' or 'gain,' should such profit or gain be ear-marked for railway development, or go to reduce the rate of fair return or amount of standard revenue, or should it be appropriated by the State and go to decrease the scale of taxation? The convention entered into in 1924 was in the nature of a compromise which divided up the net gain, and allowed of a moiety being utilised in the reduction of taxation and another in building up railway reserves.

We might now see how the convention has worked in practice—The contributions made to General Revenues during these years have been as follows:

	Crores, Rs.
1924-25	6.78
1925-26	5.49
1926-27	6.01
1927-28	6.28
1928-29	5.23

	Crores, Rs.
1929-30	6.12
1930-31	5.74
1931-32	5.36

VI. THE RESERVE FUND.

During the eight years 1924-32, the railways have contributed to General Revenues the magnificent sum of 47.01 crores of rupees or an average of nearly 6 crores of rupees per annum. They had accumulated on 31-3-31 in a Reserve Fund a sum of 5.81 crores as shown below after paying from it 13 crores of rupees in the two lean years 1929-30 and 1930-31.

	Crores, Rs.
1924-25	6.38
1925-26	3.79
1926-27	1.49
1927-28	4.57
1928-29	2.58
1929-30	-2.08
1930-31	-10.92
1931-32	-4.95

But this balance has been wiped out by the payment in the current year.

VII. THE DEPRECIATION FUND.

They have a balance in a Depreciation Fund of about 27 crores of rupees got together as shown below. Out of this balance temporary loans have been made to railways of 13.59 crores in the two years ending 31st March, 1932:

	Crores, Rs.	
	Credit to Fund.	Debit to Fund.
1924-25	10.35	7.39
1925-26	10.67	7.98
1926-27	10.89	8.05
1927-28	11.38	10.95
1928-29	12.00	9.60
1929-30	12.59	11.76
1930-31	13.07	11.40
1931-32	13.46	8.26
1932-33 (Revised)	13.75	5.60
Total	108.16	81.02

Taking the balances of the Reserve and Depreciation Funds together the Railways had on the 31st March, 1931 a reserve to their credit of nearly 20 crores of rupees, after paying a contribution of nearly 42 crores of rupees to general revenues during the seven years following the convention—an achievement of no mean order. The balance on the 31st March, 1932 has been reduced to 13 crores.

VIII. HOW THE CONTRIBUTION WAS MADE.

A study of the manner in which State railways managed their affairs during these eight years and after contributing nearly 47 crores of rupees to General Revenues

had still in hand balances aggregating 13 crores will no doubt be very interesting. In the figures given below, the actual receipts and expenses for the eight years have been shown; the accounts are on the basis of actual realisations and expenditure, in cash.

	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32
i. (a) Gross Revenue Receipts ...	101.05	99.70	99.04	104.24	104.84	102.70	95.10	86.68
(b) Surplus profits from subsidised Companies, ...	0.21	0.85	0.40	0.85	0.89	0.59	0.20	0.15
(c) Interest on Depreciation and Reserve Funds ...	0.30	0.54	0.64	0.81	1.06	1.28	1.82	0.98
(d) Other Misc. Railway receipts ...	...	0.01	0.05	0.08	0.12	0.21	0.21	0.12
Total Receipts ...	101.56	100.60	100.12	105.49	105.90	104.78	96.83	87.88
ii. (a) Working Expenses excluding Depreciation ...	52.56	53.75	53.51	53.87	54.88	55.59	56.05	49.22
(b) Depreciation ...	10.85	10.67	10.89	11.88	12.00	12.59	11.40	13.55
(c) Surplus profits paid to Cos. ...	1.42	1.77	1.66	1.57	1.59	1.52	1.16	0.64
(d) Land and Subsidy to Cos. ...	0.08	0.04	0.05	0.05	0.02	0.04	0.06	0.09
(e) Interest ...	23.90	24.81	25.87	27.27	29.83	30.46	32.72	33.07
(f) Miscellaneous Ry. Expenses ...	0.18	0.26	0.66	0.50	0.82	0.54	0.68	0.46
Total ...	88.40	91.31	92.68	94.64	98.09	100.74	102.02	97.03
iii. Net-Gain ...	13.16	9.28	7.50	10.85	7.81	4.04	...	...
Loss ...	...	...	...	...	...	...	5.19	9.20
iv. (a) Contribution from Ry. to General Revenues ...	5.78	5.49	6.01	6.23	5.23	6.12	5.74	5.36
(b) Amount transferred to Ry. Reserve Fund ...	6.88	3.79	1.49	4.57	2.58	...	...	...
(c) Amount transferred from Ry. Reserve Fund ...	...	...	...	...	...	2.08	10.92	4.95

The magnitude of the receipts from Indian railways depends to a very large extent on a good monsoon. All the best laid plans of railway administrators' gang 'gang aft a'glee' when the rains do not make their friendly visitations in time and bumper crops are not moved about the country. Subject to this limitation, the effect on railway receipts of political contentment and general economic prosperity is no doubt marked. A good balance of trade in favour of India is something of a guarantee of a good balance in railway coffers.

Considered from this point of view, the variations in gross receipts during these eight years cannot be considered to be extraordinary, being 5 to 6 crores from the average mean despite the effect of changes in accounting which have resulted in items of receipts being recorded as minus expenditure and *vice versa*. To increase the gross receipts, by other than purely book-keeping methods, is never an easy proposition; when trade is at a standstill and poverty and unemployment stalk the land, it might be the last straw on the camel's

back to increase the scale of rates and fares. Perhaps, the contrary move is indicated, as nothing is so welcome from the psychological point of view as the cheerful rendering of essential services regardless of cost, at times of trouble and difficulty.

IX. LEVELS OF RATES AND FARES.

A comparison was made some time ago of the levels of rates on Indian railways for different classes of commodities with those prevailing on English railways by a student of railway economics. The figures he has published, which are extracted below are of interest in that they go to show that the scale of rates in India is intrinsically higher than that in England. Considering the difference in the capacity to pay of the two countries, there does not appear to be much room for an increase in the tariff rates.

All the figures in the tables below are in terms of pies per maund per mile.

Class	New English Classification			
	First 20 miles or any part of such distance	Next 80 miles or any part of such distance	Next 80 miles or any part of such distance	Remainder distance
1	.74	.37	.21	.20
2	.84	.41	.27	.25
3	.88	.43	.31	.27
4	.90	.47	.35	.30
5	1.01	.49	.37	.30
6	1.03	.53	.41	.31
7	1.13	.62	.47	.37
8	1.19	.68	.53	.39
9	1.25	.74	.59	.41
10	1.37	.90	.68	.43
11	1.47	.99	.82	.57
12	1.52	1.05	.88	.62
13	1.66	1.13	.98	.68
14	1.77	1.25	1.03	.82
15	1.87	1.35	1.15	.90
16	1.97	1.44	2.25	1.03
17	2.14	1.62	1.31	1.13
18	2.28	1.76	1.44	1.25
19	2.65	2.07	1.72	1.50
20	3.12	2.44	2.24	1.72
21	4.68	3.65	3.37	2.53

Present Indian Classification.

Class	Class rate (Maximum)
1	.38
2	.42
3	.58
4	.62
5	.77
6	.83
7	.96
8	1.04
9	1.25
10	1.87

The average miles a ton of goods is carried on any one of the railways in India is about 200 miles, and if we take it roughly that on the average, the bulk of the traffic passes over more than one railway, we might put down the average haul as 300 miles. Now, the rate per maund per mile in England for goods falling in the 10th class for a distance of 300 miles is 0.58 of a pie which is less than the class rates in India for goods falling in the 4th class and above and equal to that for goods falling in the 3rd class. It would appear that the 4th class of the Indian classification corresponds

roughly to the 10th class of the English classification.

Turning from rates for goods to fares for passengers, it is known that the lowest rates for passenger traffic are to be found in India. This does not appear to have harmed the railways in any way; and Sir William Acworth, a shrewd observer of railway matters, is credited with the remark that Indian railways are probably the only railways in the world which are making a small profit on the carriage of passengers.

X. REDUCTION OF RATES AND FARES.

There seems to be a general consensus of opinion that there is little room for an increase in the scale of rates and fares. The indications are that, to battle successfully with road competition, there should be a general reduction in short distance rates both for passenger and goods traffic with a simultaneous abolition of differences in class, both for passengers and goods, as in the case of motor bus and railway luggage rates. Other possible improvements are the abolition or reduction of terminals, and short distance charges now being levied on short distance traffic, the introduction of a general scheme of mileage gradation on the continuous mileage on all railways intended to increase the average length of haul, and the extension of the 'free' time for wharfage and demurrage on the advance payment of a reduced scale of charges.

XI. THE FIELD FOR ECONOMIES.

Turning to the consideration of the working expenses, it will be noticed that while the receipts have not shown an increase commensurate with the growth in the capital outlay, the working expenses have done so and have risen to the figure of about Rs. 102 crores. It is true that there is room for economies on all sides; but these economies cannot alter the 'fixed charges' for interest and depreciation, unless some book-keeping devices are resorted to, for purely administrative or political reasons. The following figures bring out the fact that the scope for economy and retrenchment is restricted to about a half of the total expenditure.

(Amount in crores of Rs.)

	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32
1. Capital: State worked Lines ...	289	400	416	485	470	491	488	502
2. Capital: Company worked Lines	864	372	282	295	266	276	282	285
3. Capital: All State Railways (including miscellaneous items)	655	675	701	788	789	770	783	790

(Amount in crores of Rs.)

	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32
4. Gross Revenue receipts ...	101	100	99	104	104	108	95	87
5. Depreciation ...	10'85	10'67	10'89	11'38	12'00	12'59	18'07	18'55
6. Surplus profits ...	1'42	1'77	1'66	1'57	1'59	1'52	1'16	0'64
7. Interest charges ...	28'95	24'82	27'52	28'76	29'84	30'47	32'72	33'07
8. Total fixed charges ...	35'72	37'26	40'07	41'71	42'93	44'58	46'93	47'26
9. Proportion of interest charges to receipts ...	24%	25%	28%	28%	28%	30%	34%	38%
10. Proportion of fixed charges to gross receipts ...	35%	37%	40%	40%	41%	43%	49%	54%
11. Total Working Expenses ...	38'40	31'81	32'68	34'64	38'09	40'74	42'02	47'08
12. Proportion of fixed charges to working expenses ...	40%	40%	43%	44%	44%	44%	46%	50%

The percentage of the fixed charges on the total gross receipts has increased steadily from year to year from 35 per cent. in 1924-25 to 49 per cent. in 1930-31. Even if the gross receipts of 1930-31 had reached the top figure of 104 crores, the percentage would have been about 45 per cent., the highest percentage on record. If the ratio of these charges to the gross receipts have to revert to the 35 per cent. in 1924-25 the yearly gross receipts should be increased to the enormous figure of 134 crores, a remote possibility. If the ratio is to be maintained at the mean figure of 40 per cent., it would still be necessary to earn a sum of Rs. 117 crores as gross receipts, a figure that has never been reached before.

It might be supposed that the provision that is being made for depreciation each year is more generous than is warranted by the actual deterioration or obsolescence of the assets, and that a safer index to the trend of things will be the ratio of the interest charges to the gross receipts which has increased from about 24 per cent. in 1924-25 to about 34 per cent. in 1930-31. To get back to the 1924-25 ratio, it would be necessary to earn about 136 crores as gross receipts, while to achieve the ratio of the steady years 1926-29 the receipts will have to be about 117 crores, the figure that was arrived at, taking the depreciation also into consideration.

The proportion which the 'fixed charges' bear to the total charges has varied in these years from 40 per cent. to 46 per cent., and as retrenchment can affect only the varying charges, the percentage is likely to increase in the next few years.

XII. THE PROVISION FOR DEPRECIATION.

Previous to 1924, Indian railways did not set apart any sum annually to provide

for the depreciation of assets that had not been corrected by the expenditure incurred in the year on renewals and replacements. During the War, the expenditure on renewals and replacements was greatly restricted and railway property had deteriorated very considerably in value. The postponement of the expenditure on renewals and replacements led to the companies working State railways earning large surplus profits in accordance with the provisions of their respective contracts, but their extra earnings were at the cost of the State and of the taxpayer. In the post-War years, larger funds had to be provided annually for expenditure on renewals and replacements to over-take and correct the deterioration of assets during the War.

For these reasons, a Depreciation Fund was started, as provided for in the Convention of September, 1924. The original intention was, no doubt to make it applicable to Company-managed railways also, as that the surplus profits of the Companies might not be enormously increased, by purely adventitious circumstances. The Companies would not accept the arrangement, and there was no alternative but to keep such an account for the Company railways outside their accounts and set apart an annual sum from the net earnings accruing to Government after the companies had been given their surplus profits in accordance with the old practice. This has been done, and a Depreciation Fund account is being maintained by Government for Company-managed railways, outside the regular accounts.

XIII. DIFFERENT RULES FOR COMPANY LINES.

Before the Depreciation Fund was instituted, the rules of allocation of expenditure between Capital and Revenue, had been very strict. Nothing was chargeable to capital unless there was,

not only an increase in the cost, but also a definite and substantial improvement in service. The variations in price levels of different times were not allowed to lead to over-capitalisation, and the original costs were converted into the probable costs of replacement (at the time of replacement) to determine whether the cost of the new asset provided in replacement was more or less than those of the old. Renewals of permanent-way carried a charge to capital only on the basis of the extra weights of rails and sleepers put in; reconstruction of bridges was similarly allocated only on the basis of the increase in the weight of girders; and no charge lay to capital when rolling stock was renewed unless there was an increase in the tractive effort of locomotives, the floor area of carriages, and the carrying capacity of wagons.

These well-tried rules of conservative finance were altered for State-managed railways with the creation of the Depreciation Fund, and charges were admitted to capital on the simple basis of cost. The immediate effect of this new rule of allocation was to lead to the over-capitalisation of railways, and the understatement of the charge to revenue. As the works under construction in 1924 were also allocated on this basis the effect of these rules was to some extent retrospective. The Fund was started with a 'nil' balance, and the annual provision for depreciation was made on the straight line method of accounting for this, on the basis of the lines of certain of the more important assets. The immediate benefit of this arrangement was that it admitted of expenditure being incurred freely from capital funds without the connected charges, (allocatable to revenue under the old arrangements and now met from the Depreciation Fund) affecting the working expenses of the year. This had always been in the nature of a stranglehold on the spending capacity of railways, under the old systems, and it had become a rather common occurrence for capital funds to be provided only to be returned largely unspent.

One effect of the distinction in the rules of allocation between Company and State-managed railways is that the expenditure incurred on these railways on the replacement of assets is no longer comparable. To replace the same assets, the expenditure incurred from revenue by a Company-managed railway would be more than that incurred by a State-managed

railway from the Depreciation Fund. Till recently, there was another complication due to the Company-worked railways crediting the present cost of materials removed from the line in reduction of their expenditure on renewals and replacements while the Stateworked railways credited these adventitious receipts to the working expenses of the year.

The following figures indicate the annual provision for depreciation charged to working expenses and the annual expenditure incurred from the Depreciation Fund; the figures in the Government accounts worked out for Company-managed railways have been shown separately. The balances left over in the Fund each year are given also.

DEPRECIATION FUND:
In Crores of Rupees.

	State-worked railways.			Company-worked railways.		
	Cr. to Fund	Dr. to Fund	Balance	Cr. to Fund	Dr. to Fund	Balance
1924-25 ...	4.86	3.60	1.26	5.49	3.79	1.70
1925-26 ...	6.38	4.38	2.00	4.29	3.61	0.68
1926-27 ...	6.39	5.14	1.25	4.50	2.91	1.59
1927-28 ...	6.73	6.42	0.31	4.65	4.53	0.12
1928-29 ...	7.11	5.52	1.59	4.88	4.08	0.80
1929-30 ...	7.97	6.08	1.89	4.62	5.68	-1.06
1930-31 ...	8.30	6.32	1.98	4.76	5.08	-0.32
1931-32 ...	8.55	5.03	3.52	4.92	3.24	1.68
Total ...			14.80			5.19

The figures in the above table are interesting from another point of view. While the annual balances on the State Railways have increased steadily from 1.25 crores in 1926 to 1.98 crores in 1930-31, they have decreased steadily on the Company-managed railways. This is due mostly to the fact, that on the latter, the rules of allocation force a larger debit to depreciation. Had the State-run railways followed the same rules of allocation as the Company-worked lines, the balances in the Depreciation Fund would necessarily have been very much smaller. That is to say, the present balances in the Fund are artificial and due, in a large measure, to the 'over capitalisation' resulting from the cost basis of allocation; a temporary relief in the annual expenditure has been obtained, but through an increase in the recurring charges for interest which have grown from 23.90 crores in 1924-25 to 32.72 crores in 1930-31, i.e., by nearly 8.82 crores of rupees.

The view has been held that, while it is essential for a commercial undertaking to run a depreciation fund, it is not so very important for a public utility service of a permanent nature, so long as a stringent programme of renewals and replacements is consistently followed and the rules of allocation of expenditure to capital are on the conservative basis of improvement. There is something to be said in favour of this view, according to which the accounts of most of the English railways are still being kept.

The principal argument against a Fund is that expenditure from the Fund is not automatically controlled by a cast-iron link to the year's resources, and that there is room for a certain amount of extravagance. If there are no funds in the Capital budget or the Revenue budget, expenditure can still be incurred from the Fund or allocated thereto. The cost basis of allocation requires the original cost of the replaced asset to be known; and as this is not readily available in most cases, it is merely estimated. The charge to capital depends unfortunately on the accuracy of these estimates, while under the old system, the charge was a small percentage of the new cost in most of the more important types of renewals. The room for consequent mis-classification of expenditure is rather great under the new system of allocation.

The theory is advanced that it would be a step in the right direction to revert to the old principles of allocation of charges between capital and revenue on the improvement basis, and simultaneously abandon the Fund, the accounting for the transactions of which has enormously increased accounting and clerical work in all directions. The experience of the past 8 or 9 years has been valuable in indicating that the average annual depreciation of the wasting assets is in the neighbourhood of 12 crores of rupees and this figure could be used as an index by which the scale of renewals and replacements of each year can be judged and controlled. If for extraordinary reasons the actual expenditure on replacements and renewals were very much less than this figure, a suitable lump sum could be set apart from the revenues of the year for utilisation in later years, without the complicated accounting for a Depreciation Fund.

XIV. INTEREST CHARGES.

The steady growth of the interest charges, as an important factor in the

diminution of the net return from Indian railways has been commented upon elsewhere. Of the 32.72 crores of interest charges met in 1930-31, 20.74 crores were in respect of State-worked lines and 11.95 crores in respect of Company-worked lines, roughly a third of the total. The total interest charges on English debt of various kinds, such as Sterling debt, Company's share capital, debentures and debenture stock aggregated about 5½ million pounds sterling, which converted at the average rate of exchange, is equal to about 7.40 crores of rupees or roughly a fourth of the total interest charges. Of the rest of the 25.32 crores, the lion's share is interest on capital outlay provided by Government.

The method of calculating interest on railway capital outlay is somewhat peculiar. It is calculated at the fixed rate of 3.3252 per cent, on the total outlay as on the 31st March, 1917, and at an *average rate of interest* on all capital outlay after that date. This average rate of interest has varied slightly in recent years owing to the higher interest charges on recent borrowings. The figures for the last few years are as follow :—

Year.	per cent.
1919-20	5.9328
1920-21	5.1979
1921-22	6.1038
1922-23	5.48
1923-24	5.69
1924-25	5.54
1925-26	5.66
1926-27	5.43
1927-28	5.38
1928-29	5.63
1929-30	5.31

It had been the practice hitherto to obtain the average rate of interest applicable in any year by dividing the total interest charges for all railways, actually payable on all loans floated by the Government of India after 1916-17 by the *nominal* amount of the debt outstanding. This method did not allow for loans floated at a premium or discount. Most of these loans having been floated at a *discount*, the actual rate of interest applied has been naturally less than the actual cost of borrowing. It was wisely decided to apply the correct rate obtained by dividing the total interest charges, *not* by the nominal amount of the outstanding debt but by the actual amount realised for the nominal amounts. This has resulted in an increase of approximately one-third of one per

cent. in the rate and about a crore in the interest charges borne by railway revenues.

It might not be out of place to observe here that, on the separation of railway from General Finances in 1924-25, the Railway capital account was permanently debited with the balance on 31st March, 1924 of the capital liability involved in the purchase of railways under redemption by Annuities and Sinking Funds. As a consequence of this arrangement, the Railway Revenue Account is charged with the full interest in respect of the liability outstanding on 31st March, 1924 (included under the head Interest on Sterling Debt) and the balance required to make up the total annuity payment and the Sinking Fund charges is borne by General Revenues, thus giving a legitimate relief to the railway budget. As an exception to this arrangement, the charges for the Discount Sinking Fund for the old Oudh & Rohilkhand Railway, created for the redemption of debt incurred in excess of money raised for the purchase of the Railway, are still debitable to the Railway Revenue Account.

These Sinking Funds were established in connection with the Eastern Bengal, North Western and East Indian Railways to redeem India 3½ and 3 per cent. stock issued in lieu of Annuity or Debenture Stock. They have been applied to the purchase of Indian stock of the denomination offering the best yield.

One of the most vigorous criticisms made by the Acworth Committee was that the economic development of India had suffered enormously owing to the utter failure of Government to lay out sufficient borrowed money in railways at a time when the rates of interest were comparatively low. Lord Inchcape said that it would have paid Government in the earlier years to borrow funds at 1 or 1½ per cent. higher than the market rate at that time. He stated, in giving evidence before the Acworth Committee, "If I had a railway and wanted the money, and saw the trade there, I should raise the money, even if I had to pay 7½ or 8 per cent."—an opinion which should, no doubt, have been remembered at the time of deciding upon the postponement of the acquisition of the Bengal and North Western and Rohilkhand and Kumaon Railways.

The Acworth Committee said :

"Had the Government thought fit to borrow money even at a rate considerably higher than the rate of net return that the railways could earn on it, we believe its action would have been abundantly justified. But in fact the Indian Government never needed for many years previous to 1914 to face this position. A reference to the curve of net revenue given in the Administration Report on Railways in India will show that, though in the earlier years the interest on railway capital had to be met partly out of taxation, for the last 45 years the net earnings of the capital invested in Indian Railways has never sunk below 4 per cent. For the last 20 years it has only three times sunk below 5 per cent., and this result was attained though a substantial sum had been charged against revenue for repayment of capital and in spite of the fact that a not inconsiderable part of the total mileage had been built not on commercial grounds but for strategic purposes. Now the average rate payable by the Government of India on this borrowed money is about 3½ per cent. We are unable with these figures before us to find any justification for the policy which has been persistently pursued of starving the development of Indian Railways."

It is likely that the Acworth Committee had in mind the construction of lines in suitable areas and the building of stock to keep abreast of the traffic that was actually offering, and not the provision of increased facilities or luxuries, such as a faster service, or better appointed carriages, or more expensive wagons or station buildings of architectural beauty. A good portion of the capital spent on railways during the last 14 or 15 years has apparently been invested in the latter directions and so failed to yield a commensurate return.

XV. STATE VERSUS COMPANY-MANAGEMENT.

The capital at charge on the 31st March, 1931, of State owned railways was 783.32 crores of rupees. Of this 497.91 crores appertain to lines worked by the State and 281.97 crores to lines worked by Companies, the balance being made up of miscellaneous items. While the return on the capital of State-worked railways was 2.85 per cent. and resulted in a loss of over 6.5 crores of rupees after meeting interest and other charges, the Company-

managed railways showed a return of 4.76 per cent. and registered a small gain of 31.64 lakhs of rupees. The correspond-

ing figures of rate of return and net financial result for the last few years are shown below and are full of interest.

	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32
Percentage of Net Revenue Receipt									
1. On Capital at charge: State Rys. ...	3.64%	5.33%	4.54%	4.49%	4.81%	4.59%	3.81%	2.85%	2.64%
2. On Capital at charge: Company Rys. ...	5.92%	6.29%	6.29%	5.70%	6.07%	5.98%	5.07%	4.76%	3.74%
<i>In Lakhs of Rupees</i>									
Net gain or loss to Govt.: State Rys. ...	-87	459	367	363	497	260	-80	-658	-765
Net gain or loss to Govt.: Coy. Rys. ...	690	842	516	373	508	388	325	82	-215
Total gain or loss (including Misc.) ...	641	1,287	883	721	1,015	659	254	-624	-980

The figures in the above table show how very consistently the Company-managed State railways have yielded a better return than the State-managed railways. This is somewhat remarkable considering that, while the State railways meet from Capital all the extra cost of replacing an asset, the Company railways meet such expenditure from Revenue. The State-worked lines include the strategic lines of the Frontier, but even after making an allowance for the loss on these lines, the Company lines show a better result. The record of 1924-25 of a net gain of over 13 crores is accounted for partially by the State railways chang-

ing their rules of allocation in that year and charging very large amounts to Capital, that would have otherwise been charged to revenue in the same way as on the Company lines. This record can never be reached again, as the adventitious paper credits to working expenses will not recur.

XVI. ARE COMPANY LINES MORE ECONOMICALLY RUN?

The following figures for individual State and Company railways would appear to go far in justifying the impression that Company railways are generally more economically run.

State Railways	Percentage of net earnings on total capital at charge								
	State-managed	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32
Eastern Bengal	4.25	3.89	5.25	5.23	4.98	4.19	2.29	1.62
East Indian	6.99	6.07	5.85	6.13	5.79	5.08	4.22	4.12
Great Indian	7.73	6.18	5.57	5.49	4.66	4.09	2.63	2.41
North Western (Commercial)	7.42	3.86	3.99	4.78	4.79	3.78	3.23	2.95
Burma	3.09	2.48
Company-managed									
Assam-Bengal	3.02	3.94	4.11	4.67	4.49	3.18	3.05	2.69
Bombay-Baroda	3.03	7.09	6.12	6.16	7.21	6.36	5.19	5.63
M. & S. M.	6.86	6.57	6.67	6.37	8.22	7.23	6.00	6.19
South Indian	8.72	7.98	8.13	6.79	6.87	6.68	5.43	5.11
Private-owned									
Bengal & N. Western	9.35	10.25	11.12	11.43	10.85	9.82	7.96	7.62
Rohilkand & Kumaon	7.95	9.85	7.88	8.51	8.03	7.24	7.69	6.67
Nizam's State (B. Gauge)	9.71	9.60	9.11	8.37	9.46	9.87	8.00	8.13
" " (M. Gauge)	9.39	7.89	8.94	9.31	9.41	7.88	...	...

Individual figures in the above table for each railway are not strictly compar-

able, as the State-managed lines generally set aside more for depreciation than the

expenditure incurred on replacements and renewals ; but the general tendency for economical management shown by Company-managed railways is unmistakable. The results of operation of State-managed railways have tapered off much more quickly during these than those of Company-managed railways, whether owned by the State or not.

XVII. THE RETURN ON CAPITAL.

The rates of return on the capital at charge of all State-owned railways taken together for several years are given below. The signs of deterioration are rather pronounced.

1913-14	...	...	5.01 per cent.
1921-22	...	...	2.64 "
1922-23	...	...	4.38 "
1923-24	...	...	5.24 "
1924-25	...	...	5.85 "
1925-26	...	...	5.31 "
1926-27	...	...	5.05 "
1927-28	...	...	5.41 "
1928-29	...	...	5.22 "
1929-30	...	...	4.65 "
1930-31	...	...	3.70 "
1931-32	...	...	3.16 "

Thanks to the funds for railway construction having been borrowed in the earlier years at rates of interest varying from 3 to 4 per cent., a return of only 4.32 per cent. on the 783 crores of capital at charge on 30-3-31 would have been sufficient to stave off a loss. Taking State-managed railways separately we find that a return of 4.16 per cent. would have been sufficient to balance the accounts, while the corresponding figure for Company-managed railways would be somewhat higher (approximately 4.65 per cent.) due to the surplus profits and higher rates of interest on the Company's capital having to be met in the case of the latter.

The above figures of "rates of return on capital outlay do not correspond to the rates of dividend earned by commercial concerns. The latter generally represent the yield on the *ordinary capital* of the undertaking, after the payment of interest on loans and debentures, and depend upon the proportion of such loans to the total capital and the terms thereof. The Bengal & North Western Railway has, for several years, been declaring huge dividends to its shareholders, although the actual "rates of return" have been only between 8 & 12 per cent.

The scale of railway financial operations is so large that a small difference in the percentage of return accounts for a large difference in the surplus or deficit, as evidenced by the following figures :

Year	Percentage of Net Earnings on Capital	Net gain or loss to Government (In Lakhs of Rs.)
1923-24	5.24	6,41
1924-25	5.84	12,87
1925-26	5.23	8,69
1926-27	4.95	7,21
1927-28	5.30	10,15
1928-29	5.08	6,59
1929-30	4.49	2,54
1930-31	3.53	-0,24
1931-32	3.02	-9,86

It is possible to use a statistical figure for the comparison of the results of working of the different classes of railways which avoids the difficulty mentioned above of the difference between State and Company lines about the provision for depreciation. This is the percentage that ordinary working expenses exclusive of the expenditure on replacements and renewals bear to the gross earnings. The following are the comparative figures for several years :

	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32
State-Managed								
East Indian	51.34	51.15	51.29	52.70	50.06	52.02	54.12	52.03
Eastern Bengal	58.94	60.82	54.28	58.01	55.38	56.71	64.88	65.26
North Western	54.13	55.30	57.92	60.04	60.59	63.22	66.59	62.54
Great Indian	54.11	62.52	60.62	46.87	55.14	58.07	63.41	60.38
Company Managed.								
Assam-Bengal	55.07	51.40	50.20	47.12	49.48	55.20	56.81	59.78
Bombay-Baroda	49.65	52.34	54.53	52.32	52.07	53.22	56.73	53.16
M. & S. M.	46.63	47.87	49.00	45.50	43.57	43.29	49.69	40.65
South Indian	50.24	50.01	47.57	44.44	46.76	45.48	49.77	49.30

XVIII. PURCHASE OF LINES BY THE STATE.

The convention of September, 1924 appears to envisage a tacit undertaking by Government to transfer to State-management the railways which were operated by Companies as and when the contracts with these latter expired. Since the convention was agreed to, the East Indian, Great Indian Peninsula and Burma Railways have come under State management and certain privately-owned lines such as the Southern-Punjab Railway (7 crores)

	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32
B. & N. W.	9'84	9'85	10'25	11'12	11'48	10'85	9'82	7'96	7'82
R. & K. ...	8'85	7'95	9'85	7'88	8'51	8'08	7'24	7'09	6'67

Under normal circumstances it would have apparently been in the interests of the tax-payer to have arranged to acquire these lines with the help of borrowed funds on the 31st December, 1932, but due, perhaps almost entirely to the difficulty of raising loans, these contracts with the railways have been extended for another five years, the terms, and conditions being altered slightly in favour of the State.

The contract with the Assam Bengal Railway which is a State-owned railway could have been terminated on the 31st December, 1931, but it was considered that it would not be financially profitable to purchase the Company's interest in the railway and the contract continues automatically for another 10 years, *i.e.*, upto the 31st December, 1941. Amongst the reasons advanced against the immediate assumption of State control of this railway were the following:

- (i) The loss of Indian income-tax on the Company's earnings.
- (ii) The high interest charges that would be payable on the sum required to meet the purchase price.
- (iii) The possible postponement of the beginning of important projects such as the Bombay Sind connection and the Decca Aricha Rail-

have been purchased. But the policy of Government's assuming the management of these railways have received a check in recent years and the contracts with the Companies managing the Bengal and North Western, the Rohilkand and Kumaon and the Assam Bengal Railways have had to be renewed for different periods. The two former are privately-owned railways which have for several years, been yielding a return on the outlay of much over 6½ per cent., as the following table will show:

way, were funds diverted to the transfer of the Assam Bengal Railway.

(iv) The probability of the assumption of the State management of the railway leading to an increase in the cost of staff and the consequent reduction of the net earnings. It will be noticed that all these reasons could be advanced with almost equal strength against the transfer to the State of any Company-managed railway.

XIX. PURCHASE OF RAILWAY STORES.

According to the convention of 1924, Government was committed to the undertaking that the purchase of stores for the State Railways should be undertaken through the organization of the Stores Purchase Department of the Government. The significance of this undertaking lies in the belief that the latter department owes its genesis to the policy of Government to encourage Indian industries and make its purchases of stores, wherever possible, in India itself. The following figures give some indication of the scale of purchases of State Railways in one year and the vital influences this must necessarily have on the industrial and commercial life of the country.

Value of Railway materials purchased.

(In Crores of Rs.)

VALUE OF IMPORTED MATERIALS

	Purchased direct	Purchased through Agents in India	Total Imported materials	Value of indigenous materials	Total Purchases 1931-32	Total Purchases 1930-31	Total Purchases 1928-30
Rolling Stock	1.90	0.82	2.72	0.57	3.29	6.44	8.91
Tools and Stores	0.28	1.62	1.90	1.84	3.74	5.08	7.14
Permanent Way	0.05	0.23	0.28	3.40	3.68	4.05	5.55
Electric Plant	0.11	0.70	0.81	0.06	0.87	1.40	2.16
Building and Station materials and fencing	0.02	0.17	0.19	0.10	0.29	0.57	0.57
Bridge Work	...	0.08	0.08	0.07	0.15	0.52	0.53
Workshop Machinery	0.05	0.21	0.26	...	0.26	0.46	0.66
Engineer's Plant	0.08	0.09	0.12	0.02	0.14	0.23	0.44
Other materials	...	0.23	0.23	3.29	3.57	4.60	4.10
Total	2.44	4.20	6.64	9.35	15.99	23.75	30.06

*Other materials consist of coal and coke, stone, bricks, lime and ballast, etc.

XX. PURCHASE THROUGH THE INDIAN STORES DEPARTMENT.

The value of the annual purchases of stores in a normal year might be taken to be approximately 30 crores of rupees, of which more than half is the cost of imported materials, if the purchase of stone, bricks, lime, ballast, coal & coke included under the head "other materials" are excluded. The bulk of these purchases appears to have been made through the machinery of the Railway Stores Departments instead of through the Stores Purchase Department of the Government of India, as the following official figures will show:

(In Thousands of Rupees)

	1929-30	1930-31	1931-32
1. Textiles	41,17	83,24	16,92
2. Cement	16,53		
3. Creosote	...		
4. Lubricating and other oils and greases	57,44		
5. Paints and Varnishes	17,85		
6. Electric fans, lamps and other electrical stores	8,69	89,74	1,09,22
7. Plant and Machinery	1		
8. Water supply materials	2,11		
9. Structural steel work including bridge girders	48		
10. Soaps	53		
11. Hardware	2,81		
12. Miscellaneous	8,83		
Total	1,50,45	1,27,98	1,26,14

The above figures show in a general way the increasing use is being made of the central machinery of purchase, such purchases having increased from 104 lakhs in 1928-29 to 150½ lakhs in 1929-30 and dropped to only 126 lakhs in 1930-31. Nevertheless, the proportion of these purchases to the total average of about 30 crores is only about 5 per cent., a rather disappointing ratio to those who believe in the efficiency of centralised purchases.

To those who are interested in the study of the gradual change in the policy of railway stores purchase, the table of figures in the next page will be informative. Mark how the purchases of stores, (exclusive of brick, lime, ballast, etc.), have increased from 9½ crores in 1915-16 to 38½ crores in 1921-22, and how the value of stores purchased in India has generously increased from year to year.

XXI. RUPEE TENDER SYSTEM.

The new stores purchase rules promulgated with the Government of India, in the Industries Department, Resolution No. S.217 of the 12th December, 1929, came into force from the 1st January and provide that all articles required to be purchased for the public service, except those of special and unusual character, must be purchased on the condition that delivery shall be made in India for payment in India. They also permit of a limited degree of price preference being accorded to articles produced or manufactured either wholly or partly in India.

Departmental regulations have been issued by the Railway Board for the guidance of railway officers in the observance of these rules. The assertion of a more definite preference for stores produced or manufactured wholly or partly in India which was the feature of the rules made by the Secretary of State more than a decade ago has thus been followed up by a fairly strict rule requiring purchase in India and in Indian coin.

These rules for stores purchase apply in their entirety only to the State-worked railways. They cannot be made to apply, as a matter of course, to Company-managed State railways as they might be considered to infringe upon the powers of the Companies' Home Boards in these matters. But the Company-managed railway were asked to follow these rules as far as might be practicable. The following percentages of the English grant to the total grant for stores purchases for the last three years being out the difference between State-managed and Company-managed railways in the matter of observance of the new policy of Government.

	1929-30	1930-31	1931-32
State-managed Railways	24%	16%	7%
Company-managed Railways	44%	31%	30%

While there has been practically no change in the percentage of purchases made by the Company-worked State rail-

ways after the "Rupee Tender System" of purchase came into force, that of the State-worked railways has been more than halved.

XXII. STORES BALANCES.

Another interesting statistic in connection with railway stores is the percentage of the balances of stores on hand to the total issues of stores on railways.

(Amounts in Lakhs of Rupees)

Year	Receipts	Issues	Closing balance	Percentage of closing balances on issues
1925-26	40,44	42,41	14,87	35
1926-27	41,24	42,13	14,26	34
1927-28	49,55	47,03	16,79	36
1928-29	45,97	46,04	16,73	36
1929-30	41,51	41,70	16,54	40
1930-31	32,74	34,40	14,88	43
1931-32	...	...	13,65	...

Technical opinion is not in favour of laying down definitely a method by which the normal maximum balances of stores of each railway should be calculated but is of the view that the closing balances of stores should not ordinarily exceed 40 per cent. of the issues. Judged by this criterion, there has been an accretion of stores balances during the last year perhaps inevitable in view of the economic position.

Value of Stores purchased by the Principal Railways (which reported).

(In Lakhs of Rupees.)

A.—Value of Stores imported direct.

B.—Value of Imported Stores purchased in India.

C.—Value of Stores of Indian Manufacture or of Indigenous Origin.

N.B.—Materials invariably purchased in India such as bricks, lime and mortar, timber ballast &c. are not included.

Classes	1915-16			1916-17			1917-18			1918-19			1919-20			1920-21			1921-22		
	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C
Bridge-work ...	8	1	2	8	...	1	1	...	...	...	...	...	6	...	...	88	1	2	92	8	1
Engineer's Plant excluding petty tools ...	4	2	...	1	2	...	...	1	...	1	2	1	1	4	1	4	8	1	19	10	1
Workshop Machinery & heavy tools ...	9	2	...	8	3	...	8	4	...	8	5	...	15	8	...	30	24	...	54	12	1
Permanent Way.																					
1. Rails ...	18	1	14	27	9	27	...	2	4	...	...	50	1,18	...	82	51	...	62	88	20	1,00
2. Steel and Cast-iron Sleepers and Chairs and fastenings ...	81	2	14	18	...	38	2	...	18	2	...	14	57	2	84	1,04	4	88	1,28	9	60
3. Wooden Sleepers ...	...	...	...	...	...	...	...	...	...	...	...	1,28	...	...	1,80	16	15	1,56	2	29	2,88
Rolling Stock.																					
1. Locomotive and spare parts ...	1,85	1	5	81	3	8	56	5	4	91	4	5	1,44	4	6	6,54	24	6	5,98	10	6
2. Coaching and Goods Stock including spare parts ...	1,48	5	21	70	11	11	87	14	82	89	82	62	6,44	44	69	5,48	85	1,05	7,05	50	1,47
Buildings and Station Materials and fencing ...	5	5	8	8	12	10	1	11	9	1	11	6	7	15	9	12	26	18	27	28	12
Tools and Stores.																					
1. Tools and Cutlery ...	8	8	1	8	7	1	8	11	1	5	18	1	12	11	2	18	18	2	14	14	2
2. Iron, Steel and other metals (excluding Public Way materials) ...	80	16	15	15	45	21	11	79	38	86	55	57	68	60	72	61	88	68	68	78	59
3. Portland Cement ...	5	1	...	...	8	8	...	2	8	...	...	4	...	1	8	8	5	5	5	8	4
4. All other stores ...	88	60	8,85	28	1,18	4,80	14	1,88	5,06	19	1,79	8,76	60	2,15	4,15	68	2,22	4,41	1,80	5,25	4,48
Electrical Plant and materials ...	12	7	...	8	11	1	7	11	1	7	17	2	21	28	1	81	86	2	58	85	2
Total ...	4,81	1,06	4,17	2,10	2,24	5,96	1,85	2,78	6,06	2,48	8,18	7,06	11,48	8,92	8,90	16,29	5,01	9,01	19,77	8,16	10,78
Grand Total for the year ...	9,54			10,80			10,19			12,72			23,70			80,25			88,61		

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TRANSPORT SECTION : II

ROAD VERSUS RAIL

The year is important for the beginnings of the attempt to rationalise the system of transport in the country particularly to bring about a co-ordination of road and rail.

In countries like England and France road *versus* rail is one of the most complicated and the most embarrassing problems of the day ; and the solution has by no means been easy to find. In India the problem has not yet gained such proportions ; and the advantage of having before us both the difficulties and the solutions of other countries can hardly be underrated.

The question of road *versus* rail is only one instance of the impact of new inventions and developments on economic society and economic organisation. When science succeeds in putting forward a better, or an alternative, means of satisfying the same want, competition between the rival caterers is inevitable. Society, as a whole, would be indifferent to such competition if it is between, say, gramophones and radios in which small groups of private individuals are engaged. But when an enterprise, which represents a national asset, and on the conduct of which millions depend for their living, is involved, as in the case of railways and motor transport, it would be disastrous to leave the settlement to the "natural forces of competition."

Even the crude solution of free competition is not available in this case. For the railways, being mostly quasi-public or purely state institutions, are not free to employ all the methods of modern competitive industry. Rates cannot be altered at short notice, and as the management likes. Often they are not at liberty to forestall the competition and exploit the new business by themselves engaging in it. But the worst unfairness lies in the fact that while railway companies have themselves had to invest on their roadways and pay for the interest in the outlay and for upkeep of the permanent way, com-

mercial motor transport has the roadway ready made for it and, at best, pays only for its upkeep. To realise this point one must recognise the difference between current road maintenance and total road costs. But if this is recognised, the unfairness of allowing motor transport to compete with railways in the manner in which they have been, will be apparent. A settlement of the problem of road and rail should not be an imposition of new burdens on the former, merely in the interests of the latter. Commercial motor transport must be prepared for some degree of public control and regulation, in as much as it is a public utility and all public utilities are naturally subject to regulation. Moreover the industry in its own interests requires the guiding hand of the State. For it is exposed to the evils of excessive competition, concentration on the more populous routes and unemployment among buses. Irregularity of service and uncertainty of rates would draw the good ones and bad all into a common suspicion and stigma. Already motor transport has suffered from these evils ; and the more enlightened sections amongst these interests are inclined to 'welcome, and' even actively agitate, for State regulation.

It is such a situation that Messrs. Mitchell and Kirkness were appointed by Government to enquire into. The material gathered by the official experts encourages the hope that, though our problem might very soon develop an identity with that of foreign nations, present conditions admit of a true correlation of road and rail transport with advantage to the interests concerned, and the public at large. This is not to suggest that conflict of interests has not developed already. The shrinkage in railway revenue is attributable in part at least to the competition of motor transport. In passenger traffic the motor has made a more serious inroad. And even in goods, the Light Railways have been seriously affected. But in a comprehensive consideration of the prob-

lem as a whole, one must attach importance to the large scope that still remains in the transport needs of the country as a whole and the facility which such scope offers for the happy adjustment of conflicting forces.

As the question is still a subject of investigation, we do not propose to draw any detailed conclusions from the report of the experts. It should suffice for the present to analyse the position as it has been revealed by their report. It is a truism to suggest that transport facilities should be viewed and treated as a system on which rests the economic well-being and progress of the country as a whole; that every means of transport should have a definite and organic relation to the system and that every problem of transport should be viewed from the standpoint of the public interest and equity to the parties concerned. To evolve or create the system, it is necessary at first to examine the various means and facilities of transport now available to the public. These have arisen in a haphazard manner. The idea that it is a social waste to duplicate a service is not conspicuous in the road and rail development that has so far been made. Ordinary commercial standards and, in the earlier stages, military considerations have determined railway projects and road development. And it is natural that at a time when road transport could not be thought of as a possible rival to rail transport, the railways did not hesitate to run parallel to roads and supersede them in lofty indifference. Even when the later railway projects were formed, little regard was paid to the possibility of some of them at least being seriously prejudiced by the rise of motor transport. In the case of road development, administrative changes had told heavily even on the maintenance of existing roads. The expert officials have confirmed what everyone in India has felt in the limited sphere of one's own personal knowledge and experience that the responsibility of maintaining roads had of late devolved on local bodies which either lack the resources therefor or whose resources have had to be diverted to other branches. The relevant part of the report is worth quoting here:—

"We feel that the road system in India has now become somewhat unbalanced owing partly to the large expansion in the other activities of the local bodies which has outrun the increase of their resources and has resulted in neglect of local roads; partly

to the classification of roads, limiting the provincial purview to trunk and main roads; so that recent development and regular maintenance has been preponderantly in the field of provincial roads".

In these conditions the experts have done well to submit a statistical picture of existing communications. And the salient facts may be briefly stated. Firstly, 30 per cent. of metalled roads in India are parallel with railways; while 48 per cent. of railways have metalled roads parallel with them and within ten miles.

"In certain provinces less than one-third of the whole area having a density of 100 per square mile and over is 'un-commanded' by railways. Generally in those areas there are about 20 or 30 square miles of area for every mile of railway, and from ten square miles in Madras up to about 20 square miles elsewhere per mile of motorable road; while, if all roads in charge of public authority are taken into account, there would, excluding the Central Provinces, be from 1.8 square miles to 5 square miles per mile of road".

What is most important to note is that the general improvement of all roads nominally maintained by public authority would bring facilities within close reach of all; and "any comprehensive plan of road development should take into consideration the possibility of linking the more important villages with the public road system".

In order to restore balance to what the experts call the present unbalanced road system, a comprehensive plan will be necessary. And the object of the plan would be to bring the facilities of modern transport within the reach of every part of the country. The problems would fall into certain divisions: (1) those affecting the position of the railways and the scope of their development and (2) those affecting the roads and road transport. So far as the former is concerned, the experts afford the information that "railways have already investigated motor competition and from the material with such modification as we have been able to suggest, we arrive at the conclusion that Class 1 railways are losing about Rs. 190 lakhs per annum. The greatest loss is in the United Provinces (Rs. 45 lakhs); the railway most seriously affected is the North-Western (Rs. 39 lakhs)." The carriage of merchandise by motor transport in competition with railways is, we are told, within the zone of one to fifty miles though there are other instances of competitive traffic

over greater distances. It is possible that competition may increase in rate and intensity in so far as motor buses are a great convenience to the public and in cases in which they are definitely superior it is unreasonable to deprive the public of the services of the new system of conveyance. But it is obviously wasteful to pay for dual facilities where the amenities are equal and to cause inroad into railway revenues. The experts put forward for consideration a system of zoning of motor transport on parallel competitive road within a range of 50 miles, which would have the effect of localising competition to what appears to be the appropriate field of motor transport.

As regards the question of the future development of railways the experts are emphatic that the advent of motor transport must entirely change the outlook from which branch line railway projects should be viewed. Of the projects that are now pending some could probably be abandoned in-favour of good roads and in consideration of the fact that the needs for which they are intended can be better served by motor transport. There are others which have been taken into consideration in apparent disregard of the existence of good roads. There are some, no doubt, which, in spite of the existence of good roads have succeeded in justifying themselves as the traffic offering consists of heavy merchandise that does not lend itself to commercial transport by motor. It is obvious that some of the projects which may have the effect of duplicating road transport but which are required for purposes of through connection either at present or at a later date in the future, would have to be completed. But it is certain that the schemes of railway extension which had been formulated in the past and which are on the files of the authorities, would have to be taken up for reconsideration from the new standpoint.

It remains to consider the problems which may be regarded as affecting motor transport alone without reference to other systems of transport. In the introductory portions of this article we have said enough to point out the considerations that affect the framing of regulations in regard to motor transport. And we take it as broadly true that in India there is little or no need for measures calculated to equalise competitive conditions between road and rail. Rather, there is reason to think, that in some parts of the country

at least, motor transport is not getting back from the public authorities in the shape of good roads etc., as much as they pay in the form of taxes. In the article on Motor Transport which we published in *Indian Finance Year Book*, in July last, we pointed out that motor transport is regarded in India as the handy milch-cow of every impecunious authority from the Central Government to the smallest local body. The experts have confirmed this idea when they say "an independent taxation of motor transport by different authorities appears to be unsatisfactory and the action between them may bring into force large diminishing returns in respect of the revenues of all."

The Road-rail Conference which met at Simla on April 24, considered the problem on the basis of the material gathered by Messrs. Mitchell and Kirkness. At the Conference the Railway point of view was put forward by Sir Guthrie Russel. He emphasised the obligations of Indian railways and said that they had to find each year a total of Rs. 103 crores that is, Rs. 50 crores for working expenses, Rs. 14 crores for depreciation, Rs. 33 crores for interest and Rs. 6 crores as contribution to General Revenues. The unfortunate results of the last few years were, of course, not due to motor competition but to the world economic depression. The Mitchell-Kirkness report estimated the loss to railways on account of motor competition at Rs. 1½ to Rs. 2 crores; and it is reasonable to infer that, if the present position is allowed to continue, motor transport may cut a larger hole in the revenues of Indian railways. Sir Guthrie Russel pointed out in effect that the danger of motor competition ought not to be appraised merely by the loss of Rs. 1½ to Rs. 2 crores. Motor transport, it would seem, has taken the very cream of passenger and goods traffic. As regards the former, the third class passenger traffic which, as is well-known, forms 89 per cent. of these earnings has passed away to the motors at least in so far as short distance journeys are concerned. As regards goods, the low-paying heavy traffic has of necessity been left intact in the hands of the railways. But the highly paying traffic seems to be quite vulnerable. And Sir Guthrie Russel asks how the railways are going to meet their obligations if they are to lose their highly rated traffic.

The Hon. Mr. E. Miller who represented motor transport protested against the suggestion of the original draft resolutions

that the elimination of wasteful competition should be done only at the expense of motor transport. The true criterion in this matter is the public interest and convenience. It is for the railways to show a more genuine regard for economy and business administration.

Though we recognise there is scope for economy in railway administration, it would still remain to solve the main problems connected with road and rail. Here the public interest is the sole criterion. The preservation of the profit-earning capacity of the railways is certainly a matter of public interest; and care must be taken to see that the profit is not merely an inconsiderate levy on the travelling public and trade and industry. Duplication of communications is obviously a waste of public resources. And in India we are fortunate in that we are not faced with an insoluble dilemma. The Mitchell-Kirkness Report points out clearly that the co-ordination of road and rail transport is a less complicated matter in India. Where existing bus services run parallel to railways, it is necessary to ascertain that the services are run on an economic basis. The impression has gained ground that most bus enterprises are really losing concerns, in which the owners are often unable to detect, much less appraise, the exact loss. Perhaps this is true in some cases; but in the majority of cases, they are as much sinned against as sinning. If the railways complain that the buses have been let off lightly in the matter of the costs of the track, so might the buses contend that they get so little for all the diverse levies and taxes which they pay to a whole hierarchy of powers from the local board to the puisant Central Government.

It is, however, in regard to road development that the authorities will find themselves faced with a number of embarrassing problems. In the background is the eternal uncertainty of the Reforms and the kind of constitution that is to be imposed. The conference has passed a few resolutions regarding the continuance of the Road Development Fund. While the railway and road transport interests growl against each other over the supposed conflict of their interests, the representatives of the provincial governments are jealously mindful of any interference in their spheres of administration or taxation. Yet it stands clearly to reason that the multiplicity of petty local authorities in whose inefficient and unequal hands has been left

the care of the roads must go. Administrative reform, there is bound to be; and whether the autonomy of the provinces and other federating units is to be preserved is a matter of constitutional importance and should have no practical import. A far more important question is whether road development can be content to rely on revenue allotment or whether it will before long have the same phase of capital expansion as the railways had in the twenties. A two-fold development of inland transport in the present state of business is indeed, a happy prospect to contemplate.

The following are the resolutions finally accepted at the Road-Rail Conference.

1. This Conference is of opinion that, in the *general public interest*, the time has come for increased co-operation and a more intelligent co-ordination of effort between the various authorities and interests concerned, in the matter of:—

(a) future Railway development, and of

(b) the future development of road communications, whether used for motor transport or other purposes, so as to secure a more comprehensive and uniform plan of general development that at present exists.

In areas where uneconomic competition between railway and road transport has been proved to exist, such increased co-operation and co-ordination may necessitate the adoption, by *mutual agreement*, of measures designed to reduce such uneconomic competition to the minimum compatible with the maintenance of healthy competition.

Any comprehensive or uniform plan of general development must sooner or later involve a gradual expansion of facilities for rural motor transport, complementary to the Railways and to other existing arterial forms of transport, but as internal district communications—apart from the main arteries—are largely controlled by local bodies, any intra-provincial co-ordination of effort must necessarily in the first instance be a matter for the local Governments and legislatures, who, in such matters, should consult, and to the best of their ability, co-operate with the Railway and other interests concerned.

2. In order to ensure increased co-operation and more intelligent co-ordination of effort between the various authorities concerned, this Conference considers

that the following measures would be justifiable :—

(a) The control of public service and goods motor transport should be regulated in the interests of public safety and convenience.

(b) The number of vehicles licensed to ply for hire should be restricted so as to prevent such competition between all forms of transport as may be contrary to the public interest.

3. This Conference considers that the statutory provisions which at present limit the operation of motor services by certain railways should be repealed.

4. This Conference recommends that the present regulations regarding public service and goods motor transport should be reviewed with the object of amending them so as to afford every encouragement to the development of rural services even to the extent in exceptional cases of granting of monopolies for limited periods.

5. This Conference considers that, in the interests of all concerned, a co-ordinated plan should be drawn up for the taxation of motor transport by the various authorities concerned.

6. This Conference considers that—

(a) the present road development account should be continued for the duration of the present constitution and would urge that provision for its

continuance be made in the new constitution ;

(b) the class of roads to which the road development account should be applied, including the maintenance of roads constructed from that account, be reconsidered ;

(c) in present circumstances the most urgent need is an improvement in the efficiency, and a reduction in the cost, of the transport of agricultural produce to markets and thence to the railways ; future road development programmes should be framed accordingly.

This Conference considers that it is necessary to study the question whether such lack of balance as at present exists in the road systems will, if the means of development are restricted to revenue resources, be susceptible of correction either at all or at a rate consistent with the economic needs of the country ; and accordingly recommends that a comprehensive plan should be drawn up with a view to examining the possibility of development of both main and subsidiary roads from loan funds within the limit of the resources available for maintenance.

This Conference considers that suitable machinery should be established at the Centre and in the Provinces to ensure adequate co-ordination between all forms of transport and their future development.

TRANSPORT SECTION III :

INLAND WATERWAYS

BY MR. G. L. MEHTA

Inland Waterways, apart from performing the function of irrigation and drainage, play an important part in the transport system of India and particularly in the Province of Bengal.

The total capital outlay, direct and indirect, on irrigation and navigation works including works under construction amounted, at the end of the year 1929-30, to Rs. 1,30,27 lakhs in the whole of India. The gross revenue in the year was Rs. 12,94 lakhs, and the working expenses Rs. 5,86 lakhs, the net return on the capital being 5.44 per cent. The capital invested includes considerable expenditure upon three projects of the first magnitude namely, Sarda canals, the Lloyd (Sukkur) Barrage Project and the Cauvery-Metur Project which were under construction and contributed little or nothing in the way of revenue. Of the several provinces, the return on the capital invested in productive works was highest in the Punjab, where the canals yielded 13.61 per cent. in 1929-30. In Madras the return for the same year was 7.70 per cent. while in the United Provinces, it was 5.90 per cent.

There are six important navigable canals in Bengal namely, Midnapur Canal, Hijli Canal, Calcutta and Eastern Canals, Sunderbans Steamer Route, Madaripur Bil Canal and Orissa Coast Canal.

The length of the navigable canals in Bengal is 1,396 miles. Receipts from navigable canals by the Irrigation Department of the Government of Bengal amounted to Rs. 9,28,363 in 1929-30. The total registered tonnage of boats plying on these canals in the same year was 21,81,071 tons, the estimated weight of cargo being 19,22,224 tons and the estimated value of goods carried on these canals Rs. 22,42,10,196.

The Calcutta Port Commissioners have been earning a revenue of about Rs. 8 lakhs from the Inland Vessels Wharves and the income amounted in 1930-31 to Rs. 7,94,737-1-0.

The Grand Trunk Canal project has been kept in abeyance pending further consideration of the scheme.

Dredging of shoals was done in the Lower Kumar and Attarabanka rivers by the suction dredgers "Foyers" and "Alexandra." On the Madaripur Bil route, certain training works have been constructed to prevent silting in the Lower Kumar river.

Conservancy operations in the river Ganges from Rajmahal to Goalundo were carried out through the agency of the steamer companies who receive an annual subsidy of Rs. 21,000 from the Government of Bengal partly for conservancy and partly for carriage of postal mails. The Joint Steamer Companies also receive Rs. 23,000 for the same purpose from the Government of Bihar and Orissa.

The question of the development of waterways has been engaging the attention of the Government of Bengal since the last few years and a Committee was appointed in November, 1929, to examine the work of the Irrigation Department of Bengal in respect of irrigation, the maintenance of waterways, resuscitation of rivers, the control of floods and the drainage of waterlogged areas, and to advise Government on the desirability of creating a separate Department for waterways or a Provincial Waterways Board for the conservancy of navigable rivers in the Province. The Committee submitted its report in March, 1930. The principal recommendation of the Committee was the constitution of a Waterways Trust for the administration of inland waterways of Bengal. The recommendations of the Committee are under the consideration of the Government.

The Federation of Indian Chambers of Commerce had addressed a representation to the Government of India in May, 1929, urging the examination of the problem of development of Waterways by a suitable central agency with a view to the formulation of national policy in the matter. The

Government of India replied to this communication in April, 1931, expressing their inability to institute an enquiry into the question of Waterways development or constitute any central body for the purpose.

The passage of the Inland Steam Vessels Amendment (Act 13 of 1930) sponsored by Mr. K. C. Neogy has led to two tangible results. As provided in section 54-B, the Joint Steamer Companies formed a local Advisory Committee at Dacca in July, 1931, with the Agent of the Joint Steamer Companies as President, the President of the Narayanganj Chamber of Commerce, the Chairman of the Dacca District Board and the Secretary of the Dacca Peoples' Association as members. The first meeting of the Committee was held in September, 1931.

In March, 1931, the Government of India constituted a Rates Enquiry Committee as provided for in section 54-A of the Inland Steam Vessels Act of 1917 as amended by Act 13 of 1930, on a representation by the Pioneer Motor Boat Co. to determine whether a rate war exists between the India General Navigation and River Navigation Co. on the one hand and the Pioneer Motor Boat Co. on the other in regard to the run between Dacca and Serajdikhan. It consisted of Sir B. N. Sarma as President and Mr. A. W. Parsons and Mr. A. Cassels, Commissioner of Dacca Division. The Committee found that on the run in question, the rates of passenger fares charged on the Inland Steam Vessels belonging to the I. G. N. and R. S. N. Companies have been reduced to such an extent as to disclose an intention to force the Pioneer Motor Boat Co. to cease from carrying passengers. The Committee further recommended that the fare should be on the basis of 3½ pies per mile and in the interest of travelling public, the minimum rate should remain in force for one year only or until, on a complaint, a new minimum rate could be fixed. The report was forwarded to the Government; but it is not known what action has been taken in the matter.

So far as the technique of the maintenance of waterways in an efficient condition is concerned, much remains to be done. In the September Session of the Council of State, the Hon'ble Mr. J. C. Banerjee gave notice of a resolution asking the Government to open a department of experts for the training of drivers. But the differences of opinion among experts even in regard to

questions of fundamental importance are many and serious; and they show no sign of reduction.

Mr. A. N. Mitra, M.A., M.I.E. (Ind.), member of the Indian Service of Engineers and of the Institution of Engineers, who is connected with the Bengal Irrigation Department and is specially studying the problems of malaria and water-hyacinth, gave an interesting lecture at the Indian Institution of Engineers at Calcutta on the rivers in Western Bengal and Orissa wherein he dealt at length with the advantages and drawbacks of embankment system and discussed the question of recurrent floods. Dr. H. A. Sen, Professor in charge of the Department of Applied Chemistry in the University College of Science has prepared a scheme for the industrial utilisation of water-hyacinth, which is the most serious menace to waterways in Bengal and the question of whose eradication has baffled numerous experts of the Irrigation Department. The past few years have been usefully sterile in any improvement of knowledge or invention; and it is to be hoped that in the future Bengal will be enabled to formulate a well-thought-out and adequate policy in regard to her waterways.

Among the principal river steam navigation companies plying in the waterways of Bengal and Assam might be mentioned the following:—

(1) *The Indian General Navigation and Railway Co., Ltd.*, registered in 1899; Authorised Capital 1 million pounds in 66,667 ordinary shares and 33,333 five per cent. cumulative preference shares of £10 each; Capital issued and subscribed £655,580, in 65,558 ordinary shares of £10 fully paid up and £244,030 in 24,403 five per cent. cumulative preference shares of £10 each carrying preferential claim to repayment of capital. The Debenture Capital is 30 lakhs in debentures of Rs. 500 each issued in 1915 bearing interest at 5% per annum redeemable in 1st July, 1945.

This Company has a working agreement with River Steam Navigation and the Bengal Assam Steam Navigation Companies. The I. G. N., and the R. S. N., are working jointly and are designated as Joint Steamer Companies. Managing Agents of I. G. N. are Messrs. Kilburn & Co. and that of R. S. N. are Messrs. Macneill & Co.

(2) *The Bengal and Assam Steamship Co., Ltd.* registered in 1895; Capital

Authorised and issued Rs. 25 lakhs in 5,000 seven per cent. preference shares and 20,000 ordinary shares of Rs. 100 each. Capital subscribed Rs. 23 lakhs in 20,000 ordinary shares of Rs. 100 each fully paid and 5,000 seven per cent. preference shares of Rs. 100 each, Rs. 60 has been called up. The Company was formed to establish a service of steamers and flats for the transport of produce, principally jute, on the rivers of Bengal and the Eastern districts. For the Balance Sheet of the Company as on 31st October, 1932, see page 248 of *Investor's India Year Book 1932-33*. Managing Agents are Messrs. Andrew Yule & Co., Ltd.

(3) *The Calcutta Steam Navigation Co.*, Capital authorised, issued and subscribed Rs. 8,40,000 in 8,400 shares of Rs. 100 each fully paid up. Balance Sheet of the Company shows: *Ref. Ibid.* page 272. The Managing Agents are Messrs. Hoare Miller & Co.

(c) *The East Bengal River Steam Service Ltd.*, Managing Agents are Raja Srinath Roy & Brs. The authorised capital is Rs. 20 lakhs in 20,000 shares of Rs. 100

each; issued and subscribed capital is Rs. 9,17,300 in 9,173 shares of Rs. 100 each and Rs. 38,760 in 3,876 shares of Rs. 100 each, Rs. 10 paid up. The Balance Sheet as on 13th April, 1932, shows: *Ref. Annual Report* for 1932.

(5) *The Bangiya Inland Steam Navigation and Trading Co., Ltd.* The Authorised and issued Capital is Rs. 5 lakhs in 1 lakh shares of Rs. 5 each; the subscribed and called up capital is Rs. 70,800 in 14,160 shares of Rs. 5 each. The Directors in the Annual Report and Audited Accounts of the Company stated that the earnings of the steamers decreased to a certain extent owing to the competition of road traffic on the river side as well as the motor launches in the river.*

Apart from these, there are several small companies such as the Pioneer Motor Boat Co., the Ghatal Steam Navigation Co., etc.

In September, 1931, a new Indian Company called National Steam Service was opened for carrying passengers between Goalundo and Rajabari in the district of Dacca.

ORIENTAL GOVERNMENT SECURITY LIFE ASSURANCE

COMPANY, LIMITED

Incorporated in India 1874

HEAD OFFICE:—BOMBAY

1932 RESULTS

New Business: 29,982 Policies Assuring Rs. 594 Lakhs.

Claims Paid During The Year: 8,816 for Rs. 85 Lakhs.

Funds Increased to nearly Rs. 12½ Crores.

Policies in Force: 2,07,581 Assuring with Bonuses nearly Rs. 44 Crores.

Low Expense Ratio of 21% of the Premium Income.

NEXT DIVISION OF PROFITS

falls to be made as at 31st December, 1933

Participating Policies effected in the Current Year will be entitled to participate in the Division of Profits if in force as at 31st December, 1933.

Applications for further information should be addressed to:

THE BRANCH SECRETARY,

ORIENTAL ASSURANCE BUILDINGS, 2, Clive Row, Calcutta

or to any of the Company's other offices as undernoted:

AGRA	BANGALORE	DACCA	KUALALUMPUR	MARCARA	RAIPUR	SINGAPORE
AJMERE	BAREILLY	DELHI	LAHORE	MOMBASA	RAJSHAHI	SUKKUR
AHMEDABAD	BEJWADA	GAUHATI	LUCKNOW	NAGPUR	RANCHI	TRICHINOPOLY
ALLAHABAD	BHOPAL	JALGAON	MADRAS	PATNA	RANGOON	TRIVANDRUM
AMRALA	COLOMBO	KARACHI	MANDALAY	POONA	RAWALPINDI	VIZAGAPATAM

TRANSPORT SECTION IV :

SHIPPING

Shipping and Maritime Trade.—In the year 1929-30, the movement of shipping in foreign trade did not show a marked change either for better or worse from the previous year. 3,141 steamers with an aggregate tonnage of 9,571,052 entered with cargoes or in ballast and 3,136 steamers with an aggregate tonnage of 9,652,875 cleared with cargoes or in ballast at Ports in British India.

So far as the Maritime Trade of Bengal is concerned, the year 1930-31 registered a considerable decline in the total number and tonnage of vessels entered and cleared from and to foreign ports. As compared to 1,040 steamers and sailing vessels (both with cargo and in ballast) making a total tonnage of 3,677,808 in 1929-30, there were 841 steamers and sailing vessels with an aggregate tonnage of 3,009,950 in 1930-31. During the year 45 vessels cleared with full cargoes of coal and 102 with jute as against 88 and 105 respectively in the previous year. The total number of vessels plying in the coasting trade also declined from 2,024 to 1,913 and the tonnage from 6,284,278 tons to 5,785,071 tons.

As regards the value of foreign trade of Calcutta, it declined from Rs. 2,08,33.69 lakhs in 1929-30 to Rs. 1,31,01.16 lakhs in 1930-31. The maritime trade of Calcutta, both import and export, with other Indian Coast ports also declined markedly during the same period as will be evident from the fact that the total coasting trade fell from Rs. 31,89.18 lakhs in 1929-30, to Rs. 26,59.02 lakhs in 1930-31. This decline was mainly due to a heavy shrinkage in the trade with Burma.

The total coasting trade of India in 1929-30 amounted to Rs. 2,03,25,39 thousands, the total imports coming to Rs. 1,05,21,95 thousands while the total exports coming to Rs. 98,03,44 thousands.

Nationality of Vessels.—The following is a statement distinguishing the principal Nationalities of steam and sailing vessels which entered or cleared with cargo or in ballast at Ports in British India.

Nationality	No.	Tons
British	4,556	1,29,86,725
Japanese	397	13,00,838
German	314	13,80,680
Italian	275	11,54,651
Dutch	252	8,46,291
American	139	4,97,418
Norwegian	185	4,03,557
French	64	3,16,433
British Indian	490	1,76,928
Swedish	35	1,06,847

So far as the foreign trade of Calcutta is concerned, of the 841 vessels which entered and cleared in 1930-31, 635 were British, 60 Japanese, 44 American, 28 Dutch, 21 Norwegian, 13 Italian and 15 other European countries.

Shipping at Principal Ports.—The total shipping of the eight principal Ports of British India in 1929-30 was as follows:—

Port	No.	Tons (Thousands)
Bombay	62,567	11,627
Calcutta	3,064	9,962
Rangoon	3,609	8,995
Karachi	5,301	5,095
Madras	1,690	5,981
Tuticorin	1,754	2,464
Cochin	2,136	2,453
Chittagong	2,205	1,288

Ships Registered in India.—The total number and tonnage of vessels of 100 tons and upwards belonging to or registered in India as it stood on the 31st March, 1930, are as under:—

Quality of ships	Steamers and Motor vessels		Sailing		Total	
	Vessels	Tons	Vessels	Tons	Vessels	Tons
Iron	9	34,062	1	181	10	84,223
Steel	145	178,485	3	1,081	148	179,566
Wood and Composite	4	1,116	242	46,905	246	47,421
Total	158	213,663	246	47,547	404	261,210

Ships Built in India.—The total number of ships built in India during the

year 1929-30 were 29 with an aggregate tonnage of 1,017 tons.

One of the noteworthy examples of ships built in India during the year is a steel passenger launch constructed in Calcutta and supplied with power plant by Ailsa Craig Motor Co., Ltd. Having an overall length of 50 ft. with a moulded breadth and depth of 10 ft. and 4 ft. 7 in., the launch is primarily intended for river service. She has a total seating capacity for 80 passengers. Another instance is the Indo-Burma Petroleum Company's Dredger "Margaret" built at the Dalla Dockyard of the Irrawaddy Flotilla Company and is intended for the reclamation of their oil-field. She is 100 ft. by 34 ft. by 8 ft. The dredging machinery was specially built by the Bucyrus Eric Company and is of the 16 inch hydraulic type. The power is 670 b.h. for the main engine and 150 b.h.p. for the generating engine. The Dredger is capable of moving 225 cubic yards of solid material an hour and will cost about 4½ lakhs. She is the second to be employed by the Company for their oil-field.

While on this question of ship-building it is of interest to note that s.s. *Sarvistan* (ex. s.s. *Frankfurt*) 7,714 gross tons which was owned by H. M. H. Nemazee was sold last year to Japanese ship-breakers for about £12,000/- delivery Osaka.

There was an exhibition of Indian Boats at the Science Museum, South Kensington, London, where Indian Boats of many kinds were well represented. The models exhibited ranged from a double dug-out peculiar to East Bengal to a double house-boat from Ceylon.

Ship Wrecks and Casualties in Indian Waters.—The official returns of wrecks and casualties in Indian waters for 1930 issued by the Commerce Department of the Government of India show a total of 130 consisting of 80 wrecks and 50 casualties. The figures are classified as follows:—

	Wrecks	Casualties.
British vessels ...	1	25
" Indian vessels ...	64	21
Foreign vessels ...	...	4
Native craft ...	15	...

The Causes of Wrecks and Casualties:—

Collisions ...	2	9
Foundering ...	32	3
Strandings ...	39	31
Miscellaneous cases	7	7

They occurred in the following localities:—

Sind Coast ...	62
Kathiawar Coast and the Gulf of Cambay ...	7
Bombay Coast ...	38
Malabar Coast ...	42
Hooghly River ...	9
Burma Coast ...	9

The remainder in small numbers occurred in other localities in Indian waters.

Freights during the year.—Rates of freight from Burma to United Kingdom, the Continent and the Mediterranean on rice, etc., varied from sh. 26/9 to 20 shillings per ton of 20 cwts..

General freight from Bombay to the United Kingdom, the Continent and the Mediterranean ranged from sh. 22/6 to 18/- shilling and from Marmagoa on ore to the Continent or Mediterranean sh. 18/3 to 17/- shillings per ton of 20 cwts..

Rate of freight from Calcutta to the United Kingdom on a jute basis was sh. 33/9 between April and July, 1930 and sh. 31/3 between August, 1930 and March, 1931, while the rate to the Continent was 30 shillings for the former period and went down to 27/- shillings 6 pence for the latter period.

Freight on tea to the United Kingdom and the Continent was fixed and maintained throughout the year at the flat rate of 45/- shillings per ton of 50 cft.

The rates to America and South African ports were at 50 and 45 shillings respectively and did not vary.

Coal freights for the twelve months for Rangoon and Madras ranged from Rs. 4-8 to Rs. 3-4 and for Bombay and Karachi from Rs. 6-12 to Rs. 5.

Shipping Costs.—Not enough attention is paid by all shipping companies or their conference on securing reductions in charges on shipping in Indian waters such as dock and harbour dues, pilotage, light dues, etc. While in England various bodies such as the Traders' Co-ordinating Committee on Dock charges of the Chamber of Shipping are endeavouring to have dock and harbour dues reduced and in some instances succeeding in such attempts as in pilotage charges a few years ago, in India such bodies as Port Trusts instead of giving relief to shipping and trade during the severe trade depression are increasing the charges and levying surcharges.

Port Charges and Pilotage fees.—The Calcutta Port Commissioners increased various charges from 1st April, 1931 and

these charges have been retained during the current year. The principal among such increases were a surcharge of 50 per cent. on the wharfage charge and one of 25 per cent. on the river due on petrol and its products, a surcharge of 12½ per cent. on river due on all imports and exports other than petrol and manganese ore and an increase in river due on jute.

The Bombay Port Trust have not increased any charges except for reimposing the sur-tax of 50 per cent. which was reduced 33½ per cent. in April, 1929 as an experimental measure and have curtailed their capital expenditure.

The Pilotage Fees in the Port of Calcutta have been increased since April, 1932 through levying a temporary surcharge of 10 per cent. on the existing scale fees. These fees were increased by a surcharge of 15 per cent. in 1928. The Indian Chamber of Commerce, Calcutta has protested strongly both against the increase of port charges and the surcharge on pilotage fees.

A Pilotage Dues Committee was constituted in 1928 and again in 1930 to suggest revision of the scale of pilotage dues levied in Calcutta. The Committee have proposed a scale based both on draft and tonnage instead of merely on draft as hitherto. The Report of the Committee is under consideration of the Government.

Light Dues and Lighthouses.—The only important charge on shipping in Indian waters which has been reduced is the light due. The Indian Coast light due which was Rs. 0-1-6 per ton till April, 1931, was reduced to Re. 0-1-4 per ton and has been further reduced to Re. 0-1-3 per ton with effect from 7th April, 1932. Light dues levied in respect of Great and Little Basses Lighthouses were also reduced from 3/32d. per ton to 3/64d. per ton from April, 1931 and the Minicoy light dues from 1/32d. per ton to 1/64d. per ton from the same date (Exchange at 1s. 6d. in all cases at present).

The Kennery Island Beacon at the entrance of the Port of Bombay is the first of its kind to be installed in Indian waters.

A Wireless Beacon station which enables ships' pilots to take their bearings with a stop-watch is to be erected by the Marconi Company as a special aid to navigation in the shipping channel of Rangoon. This type of wireless beacon has a vertical loop aerial which revolves at a steady speed making one complete revolution in sixty seconds omitting a well defined beam of wireless waves in its own plane as it turns.

Stations with this novel system of wireless direction finding have been erected by the Air Ministry in England but this is stated to be the first of its type to be built abroad and the first to be ordered for general use.

As a part of the comprehensive scheme for the reorganisation of lighting and navigational aids for approaching vessels to the Port of Rangoon three automatic lightships of 120 tons each were ordered by the Rangoon Port Commissioners from the Gas Accumulator Company of Great Britain. The lights on all the new lightships as well as the automatic fog bells are controlled by automatic sun valves and are entirely unattended, the intensity of daylight alone actuating the mechanism. Each lightship contains sufficient gas for twelve months' continuous working without any attention. The cost of the three lightships is £34,285.

India and the International Load Line Convention.

The main point in which India is interested so far as the International Convention regarding Load Lines is concerned is the question of *Indian Summer Period*. The Present period of "Indian Summer" is from 15th December to 30th April. Under the Convention this period will be further restricted from 16th December to 15th April. Shipping interests who are in Indian maritime trade both Indian and non-Indian have protested against this curtailment and while some commercial bodies have suggested that the Government of India should not ratify the Convention, others have approved of ratification provided the Government collected the requisite meteorological data to have the period revised at an early date. As regards the distinction between "national" and "international" voyages, it has been argued that there should be such a distinction but that foreign and Indian States Ports in the Indian Coast should be included in national voyages as they are not outside the country.

Mail Subsidies.—The Government of India pay mail subventions to various shipping companies. Nearly Rs. 6 to 7 lakhs are annually paid from the Indian Treasury to the Peninsular & Oriental Steam Navigation Company for the carriage of mails from Marseilles to Bombay, Shanghai and Adelaide. The British Indian Steam Navigation Company which is an allied concern and is the largest shipping company plying on the coast of India receives

an annual subsidy of Rs. 15,18,000 for the carriage of mail by water.

River Steam Navigation companies such as the R. S. N. Co., and the I. G. S. N. Co., also receive subsidies which amount roughly to Rs. 67,320 per annum and the Irrawaddy Flotilla Company receives an annual subsidy of Rs. 2 lakhs.

Training Facilities.—The only action taken by the Government on the recommendations of the Indian Mercantile Marine Committee's Report is the establishment of a training ship, the *Dufferin* in Bombay. From all accounts, the ship has been a great success and has turned out capable and efficient Indian cadets as mercantile marine officers. Some of the cadets are undergoing training as apprentices on foreign-going steamers of various shipping companies to qualify for Mate's and Master's certificates and two of them have been appointed to the River Surveyors Department of the Calcutta Port Commissioners. In the last report for 1931, the Captain Superintendent of the *Dufferin* states that 219 candidates sat for the qualifying examination of the ship as against 137 candidates in the preceding year. "The forecast of the position in 1932" says the Report "will be 48 cadets at sea in the Mercantile Marine as apprentices, 3 under training in England for the commissioned ranks in the Royal Indian Marine, 3 serving under the Port Commissioners of Calcutta in the River Survey Department and 3 training as engineers, of whom one is at Fairfields in Scotland."

Since 1931, the Government also give every year three State technical scholarships of the value of £240 per annum each tenable in England for the training of Indians in Marine Engineering.

Shipping Companies.—The largest shipping company plying on the Indian Coast is the British India Steam Navigation Company, Ltd., which has paid-up capital of £3,657,200, Reserves of £1,400,000, Fleet and Investments of £7,080,374. The company made a net profit of £222,091 last year and distributed £221,576 in dividend, the rate being 6.06 per cent. The Company has 128 ships with a total gross tonnage of 757,210 tons and dead weight tonnage of 989,122 tons with an average of 13½ years.

Another important shipping company is the Asiatic Steam Navigation Company. It was registered in 1878 but last year it has undergone re-organization. It was registered last September with a nominal

capital of £1,000,000 in £10 shares. The objects were to acquire the business of shipowners carried on by Turners' Steam Navigation Company, Ltd. The purchase consideration is £990,630 payable in shares. The Company owns 16 steamers, totalling 78,659 tons gross and averaging 11 years of age.

The largest Indian shipping company on the coast is the Scindia Steam Navigation Company with an issued and subscribed share capital of Rs., 89,83,575. During 1930-31 the Company made a net profit of Rs. 2,16,599-10-10 after providing Rs. 4 lakhs for depreciation and paid total dividend amounting to Rs. 1,45,985-12-0. The fleet of the Company stands in the books at Rs. 59,12,477-14-11. The Company has 10 steamers of its own with a total gross tonnage of 43,076 tons and total dead weight tonnage of 71,591 with an average age of 10 years. This Company's steamers ply, on the coast of India, Burma and Ceylon.

Among other shipping companies carrying on maritime trade in India might be mentioned the Bombay Steam Navigation Co. (Managing Agents: Messrs. Killick Nixon & Co.) between Bombay, Karachi and Kathiawar Ports; the Bombay and Persia Steam Navigation Co. and the Persian Gulf Steam Navigation Co. plying between Bombay and Persian Gulf Ports; the Bengal Burma Steam Navigation Company between Chittagong, Akyab and Rangoon; The Indian Co-operative Navigation Company between Bombay and Konkan Ports; the Eastern Steam Navigation Co. between Karachi, Malabar and other Indian coast ports; the Malabar Steamship Co.; R. Assaria & Co; Eastern Peninsular Navigation Co.; the Bombay Steamships, Ltd.; Cowasjee Dinshaw Bros.

General.—At the conclusion of the Shipping Conference held under the presidency of Lord Irwin, the then Viceroy at Delhi in January, 1930, the Government of India issued a communique on the 6th January, 1930, that "the Government will take into consideration, at an early date, the issues raised in the discussions which took place at the Conference" and that "as soon as it has been possible fully to consider these issues, the responsibility will rest with the Government of India of deciding what action should be taken and whether any useful purpose would be served by inviting interests to meet again". In reply to question in the Legislative Assembly on the 2nd February, 1931, put by the late Mr. S. C. Sahni, as to what

action had been taken and was proposed to be taken on that communique, Sir George Rainy, the Commerce Member stated "that the political atmosphere had become wholly unfavourable to a settlement by agreement." It is understood that the question of assisting the development of Indian shipping is under the consideration of the Government who have not yet taken any action in pursuance of the assurance conveyed in their communique of January, 1930, on the subject.

MERCHANT FLEETS OF THE WORLD.

Of the several industries which suffered from the blighting effects of the trade depression, Shipping is not the least important. A contraction of about 80 per cent. in volume and about 60 per cent. in value of the international trade since 1929 has undermined the shipping industry. Already in 1929, a large proportion of the world's carrying capacity was superfluous, and with the further fall in sea-borne trade the proportion of carrying capacity lying unused became larger. As if this were not enough, many countries, impelled by a false sense of prestige continued to add to their existing capacity, and also resorted to cut-throat competition for freight, by large subsidies. Though there are now signs of an improvement in the internal position of the principal countries, the level of international trade and freight rates is as low as ever. The 1933 edition of Lloyd's Register Book, which records the changes in the size and composition of the world's merchant fleet, throws interesting light on the subject.

The world's total gross tonnage, exclusive of vessels of less than 100 tons and of sailing ships, declined from 68,868,000 tons in June, 1932 to 66,628,000 tons in June, 1933. The reduction of 1,740,000 gross tons though considerable was wholly insufficient to bring about a readjustment of supply to demand. The volume of vessels launched declined from 1,617,000 gross tons in 1931 to 727,000 gross tons in 1932. On the other hand, the volume of tonnage lost and broken up rose from 1,836,000 gross tons in 1931 to the record level of 1,696,000 gross tons in 1932. The distribution of the ownership of the world's steam and motor tonnage in 1929, 1932 and in 1933 is shown in the table below :—

WORLD'S STEAM AND MOTOR TONNAGE.

Country.	(In thousands of gross tons.)		
	1929.	1932.	1933.
Great Britain and Ireland ...	20,046	19,562	18,599
U. S. A. (Sea) ...	11,086	10,270	10,088
Italy ...	8,215	8,881	8,089
Germany ...	4,058	4,148	3,888
France ...	3,808	3,508	3,470
Holland ...	2,982	2,957	2,759
Sweden ...	1,480	1,691	1,658
Norway ...	3,218	4,164	4,078
Japan ...	4,187	4,255	4,253
World Total ...	66,407	68,868	66,628

The above figures show that barring Japan, the Shipping capacity of all the principal countries shows a reduction as compared with 1932. The decline has been most marked in the case of Great Britain whose proportion of the World's capacity declined from 30.2 per cent. in 1929 to 28.6 per cent. in 1932 and 27.9 per cent. in 1933.

It must here be remembered that only a portion of this available tonnage is available for carrying ordinary merchandise and passengers, since a large proportion is devoted exclusively to the transport of bulk oil. The figures of Tanker tonnage, excluding vessels of under 1,000 tons gross are given below. They show that the volume of oil-carrying capacity, which rose until 1932, began to decline in the past year :—

TANKERS OF 1,000 TONS AND UPWARDS.

	(In thousands of gross tons.)		
	1929.	1932.	1933.
British Isles ...	2,850	2,816	2,269
U. S. A. ...	2,510	2,519	2,502
Norway ...	1,450	1,539	1,508
World Total ...	6,810	6,874	6,279

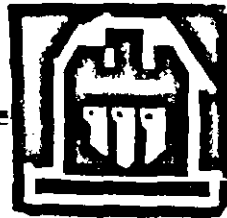
Eliminating tankers, lake vessels, ships of less than 4,000 tons gross, and tonnage over 25 years old, there remains in 1933 a world tonnage of 81,549,000 gross of large, efficient ocean-going tonnage, available for all purposes except that of carrying bulk oil. An analysis of this figure by nationalities is given below :—

LARGE OCEAN-GOING TONNAGE
1933.

		Proportion of Tonnage. World Tonnage.
Great Britain and Ireland ...	11,900	87.7
U. S. A. ...	5,627	17.8
Italy ...	1,801	5.7
Germany ...	2,282	7.1
France ...	1,909	6.0
Holland ...	1,642	5.2
Norway ...	897	3.2
Japan ...	2,079	6.6
World Total ...	81,549	100

While recovery of international trade must have a large place in the rehabilita-

tion of the Shipping industry, considerable immediate benefit may be realised by an international scheme of scrapping old tonnage. The United Kingdom delegation to the World Economic Conference also contended that the continuance of the present methods of subsidising practised by a large number of countries can only result in the situation becoming more acute. In making this protest, Britain is not wholly free from self-interest. She has enjoyed the fruits of a large carrying capacity during the post war period, and other countries may now rightly plead that they must now have a proportionate share of the world's carrying capacity.



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SOME 1931 FIGURES

Capital Fully Subscribed ...	Rs. 1,85,36,000
Capital Paid up ...	64,87,000
Total Assets Exceed ...	63.2 Crores
Annual Premium Income Exceeds ...	13.9 "
Total Business in Force Exceeds ...	304.2 "

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AGRICULTURAL SECTION :

INDIA'S STAPLE PRODUCTS

RELEVANT STATISTICS

BY MR. M. VAIDYANATHAN, M. A., L. T., F. S. S.,

**STATISTICIAN, IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH,
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**SCOPE & PLAN OF AGRICULTURAL
STATISTICS**

Agricultural statistics embraces, as the name indicates, all statistics relating to the agricultural progress of a country and must include figures, not only of acreage and yield, stocks, trade returns, and prices with all their fluctuations, but also data concerning the economics of the agricultural producer, the costs of agricultural production, so to say, the primary elements of which are the farmer's domestic budget and his costs of cultivation. But in a country like India where agriculture is at once economically the most important, and technically the most backward industry, agricultural statistics should also show how far the agriculturist has taken to improved methods of cultivation and to what extent he has availed of the results of scientific research here and elsewhere in the matter of improving the yield of his farm.

Recent developments in world economy have also tended to widen the scope of the agricultural statistics of a country. Not to speak of the increasing recognition, thanks to the depression, of agriculturists all over the world of the need of statistics showing the position and prospects of a commodity, most agricultural commodities have come to have a world market. Alike in regard to production and supply on the one hand, and the state and prospects of consumption and demand on the other, it is the world position that counts. It is true that India is in a different position from other countries in the sense and to the extent that her main crops—particularly food crops—are produced for her own consumption and that only a portion of her produce such as fibers and

oil-seeds have had to find markets outside. But the general world depression has dragged India, too, into the mire and her agricultural problems are mixed in the tangle of international economic problems. The position of our wheat is an instance in point. Though our exports of wheat are negligible compared to our production of about 9 million tons, our internal wheat prices are nevertheless, regulated by world factors such as stocks in the United States of America and Canada, and demand in the markets of Liverpool, Argentina and Manitoba. Hence the agricultural statistics of a country cannot be complete unless they enable an analysis of all the factors that influence the position and prospects of its agriculture.

Though the full scope of agricultural statistics has been indicated above, the present compilation is limited to thirteen tables only, of which it can by no means be claimed that they are either exhaustive or even comprehensive. Tables I to III represent details of acreages sown in India by provinces and by crops. An administrative province is not always a convenient unit for a study of agricultural operations, and a redistribution of India by crops, besides being useful for our purposes, would at any rate be more rational than most other bases of redistribution suggested here and there. But so far as crop acreage figures in British India go, they are considered to be very accurate, except in permanently settled tracts like Bengal where, too, conditions are fast improving. Indian States have not yet fallen in line with British India in the matter of statistics, and though progressive States have recognised the need for them, the statistics of the Majority of them are still defective.

GENERAL POSITION IN BRITISH INDIA.

Table I (A) represents the areas in British India during the triennium ending 1929-30, as published in *Agricultural Statistics of India*, Vol. I (issued by the Department of Commercial Intelligence and Statistics) classified into cultivated and uncultivated areas. The latest year for which these statistics are available is 1929-30. The Provinces furnish annual returns of these statistics from which the final figures are struck. The year to which the data relate ends generally on the 30th June except in Assam where it ends on the 31st March and in Central Provinces and Berar on the 31st May.

Table I (B) relates to the statistics in Indian States (for seventy reporting States only representing 56 per cent. of the total area of the Indian States) as published in *Agricultural Statistics of India*, Vol. II, for which 1928-29 is the latest year for which the data are available. The figures for the Indian States are incomplete and considered to be far less accurate than those for British India.

In Table I (A) and I (B) Percentage figures are given. As classifications of areas are being revised periodically in the case of British India and as new States are being brought in every year for the purpose of these statistics, the figures for successive years are not strictly comparable.

But the percentages for British India indicate that the net area sown in British India is just one-third the total area, and that the area under food crops is four-fifths the area under all crops. The irrigated area is only one-fifth the total area sown.

The data for States indicate the net area sown in the Indian States is somewhere about 48 per cent. of the total area, considerably higher than in British India. The area under food crops seems, however, to be less than in British India, just between 72 to 77 per cent. only of the gross area. The irrigated area is about 12 per cent. only of the total net sown area, whereas in British India it is more than 20 per cent.

DISTRIBUTION OF ACREAGE AMONG PRINCIPAL CROPS.

Table II represents the areas of principal crops in India classified into main food and main non-food crops and sub-

divided further as given in *Agricultural Statistics of India*. The data are taken from *Estimates of Area and Yield of Principal Crops in India 1930-31* so far as 1929-30 figures are concerned in case of all crops, and for 1930-31 only in the case of non-forecasted crops; but for forecasted crops (wheat excluded) revised figures for 1930-31, and final figures for 1931-32 have been taken from the *Weekly Indian Trade Journal*. In the case of wheat the fourth forecast has just been issued (May 26, 1932) and hence 1931-32 figures are represented by this forecast, while those of 1930-31 by the final figures published in August, 1931.

It is easily seen from the table that of the main food crops, rice comes foremost occupying more than 80 million acres, i.e., nearly 25 per cent. of the total gross sown area. Then come wheat and jowar each occupying more than 30 million acres, i.e., more than 10 per cent. of the gross area; bajra and gram each between 13 to 16 million acres or roughly 4 per cent. Sugarcane is grown in about 2.8 million acres, i.e., in about .9 per cent. only of the total sown area. Of the oilseeds, groundnut, rape and mustard and sesamum have each taken between 5 to 6 million acres or roughly 1.5 per cent.; while linseed takes about 3 million acres or .8 per cent. Cotton has occupied more than 23 million acres (i.e., 7.5 per cent. of the total area) though showing a decrease of 2.4 million acres in 1931-32 when compared to 1929-30. Jute has occupied 1.9 million acres in 1931, just more than 50 per cent. only of the acreage in 1930.

The crops in India are generally conservative showing the same extent of cultivation from year to year but those that have shown increases in acreage in recent years are rice, wheat, sugarcane and all the oilseeds; while cotton is showing a tendency to decline. Jute is however showing signs of fast dwindling.

CROP FIGURES AND FORECASTS

Table III gives the acreages of principal crops in India by provinces classified into forecasted and non-forecasted. Forecasts of acreage and yield are now issued by Government for eleven crops as shown in the table at different periods during the progress of the season. The difference between the forecasted and non-forecasted lies presumably in the importance of the former from trade standpoint. Of the

eleven crops, wheat and cotton have each five forecasts ; sesamum four ; rice, sugarcane, groundnut, linseed and rape each three ; jute and indigo each two ; and castor one only. The following table gives the months on which the All-India forecasts are issued :—

	Crop Months.
Rice	... October, December, February.
Wheat	... January, March, April, May, August.
Sugarcane	... August, October, February
Cotton	... August, October, December, February, April.
Jute	... July, September.
Linseed Rape and Mustard	... January, March, June.
Sesamum	... September, October, January, April.
Castorseed	... February.
Groundnut	... August, October, February.
Indigo	... October, December.

At each final forecast, the corresponding figures of the previous season are revised, and such revised figures form conclusive data of the previous year's acreage and yield.

In the case of non-forecasted crops, the season and crop Reports issued by Provinces and States at the end of the year are the only authority and hence the data in the case of these crops are usually available only at a late period.

The crop acreage data in India are considered to be very accurate excepting in the permanently settled tracts like Bengal. Analysing the data given in Table III it is seen that :—

(1) For Madras rice is a very important crop occupying more than 11 million acres, cotton about 2.4 and groundnut about 3.0 ; jowar and bajra are about 5 and 3 respectively. Sesamum, castorseed and indigo are largely grown here when compared to the other provinces. *

(2) Jowar is the main crop for Bombay occupying about 9 million acres ; then cotton about 6 to 7 million acres ; and bajra comes next about 4.5. Rice and wheat are grown in 3 and 2 million acres respectively.

Sind is fast developing with her irrigation facilities and most of these staple crops are grown in large quantities there.

(3) In Bengal rice and jute are the premier crops normally with an acreage of 20 and 3 millions respectively but with a considerable decrease of jute acreage last season.

(4) In United Provinces and Punjab wheat is the main crop occupying about 7

and 11 million acres respectively. Rice is largely grown in United Provinces but it is nil in the Punjab. United Provinces is the chief sugar-producing province in India, growing more than 1.5 million acres out of a total acreage of 2.9 million under sugar-cane in India. Cotton is now largely grown in the Punjab to the extent of 2.5 million acres though United Provinces grows very little. Linseed and rape in United Provinces occupy nearly .3 and .3 million acres respectively. United Provinces grows in appreciable quantities barley, jowar, bajra, maize and gram.

(5) To Bihar and Orissa, rice is the main crop growing 14 million acres ; jute is also grown though not as much as in Bengal.

(6) Central Provinces grows rice, wheat and jowar in moderate quantities.

(7) Assam grows rice and tea.

(8) Of the Indian States, Hyderabad grows 3.5 million acres of cotton, and 9 millions of jowar ; and to Mysore coffee is an important crop.

SPREAD OF IMPROVED CROPS IN BRITISH INDIA AND NATIVE STATES.

In Table IV are given areas under improved varieties of crops in several provinces and States compiled by the Provincial Departments of Agriculture. Though these data cannot in the very nature of things be accurate, they give a general indication of the progress achieved in India in this direction. And it must be pointed out that in any future design of agricultural statistics in India the figures for acreage and yield under improved varieties of crops must always find a prominent place.

Areas under improved varieties of crops in several provinces during 1928-29 to 1930-31 are due mainly to the propaganda of the Provincial Departments of Agriculture and natural spread of the efficacy of improved seeds. Though the quantities of seed issued by the Departments and hence the acreages sown can be correctly estimated, the effects of natural spread can, if at all, be only guessed. This table has been specially compiled by the Imperial Council of Agricultural Research from information supplied by the provinces and states. 1930-31 figures are not available for all the provinces, and such of the data as have been supplied have been filled in the table.

Though the figures cannot be accurate for reasons explained above, they indicate roughly the amount of progress achieved by the Government Departments of Agriculture in India at least in one phase of agricultural activity, that is, the demonstration to the cultivator of how improved strains of crops can give him adequate additional return. In 1929-30 the acreage under improved crops for British India alone was about 13 million acres out of which the marketable crops, cotton, wheat, rice and jute, have taken an appreciable share.

PROGRESS OF IRRIGATION.

Table V represents irrigated areas in British India by sources and provinces during 1929-30, the latest year for which published statistics are available. The table brings out how far the several provinces have developed their irrigation facilities. The last column gives for each province the percentage of the irrigated area to the total gross area sown.

From the table it will be seen that of the provinces in India the Punjab makes the fullest use of the Government canals for cropping, and Madras, Bombay and United Provinces on a smaller scale. Of the irrigated crops, rice in Madras and Bihar and Orisa, and wheat in the Punjab and United Provinces come foremost; and on a smaller scale rice in Bombay, Bengal and Burma and sugarcane in United Provinces. The only provinces having a smaller percentage than 10 per cent. of the irrigated area are Bengal, Central Provinces and Burma; while the Punjab has nearly 60 per cent., Madras 30 per cent., United Provinces 35 per cent. and Bihar and Orissa 20 per cent.

CROPS FORECASTED AND NON-FORECASTED.

Table VI represents estimated yields of the main crops by Provinces and States in India during the years 1929-30 to 1931-32. For reasons explained in connection with table III the crops are classified into forecasted and non-forecasted; and in the case of forecasted crops the latest forecasts available have been incorporated. As explained already the revised figures for 1930-31 are available in the case of all forecasted crops excepting the wheat for which the forecast (published in May, 1932) is alone available for wheat estimates. The

table given in connection with the explanation of table III gives the dates on which these forecasts are issued.

It is probably necessary to examine at this stage however briefly how yields of crops are estimated in India. Appendix I to *Estimates of Area and Yield of Principal Crops in India* explains briefly the method of framing these estimates. Three factors are brought in for framing an estimate of outturn, viz., the acre, the condition factor and the standard normal outturn per acre; the condition factor representing the ratio of the current crop to a normal crop and the normal yield being defined to be 'the average yield on average soil in a year of average character.' The product of the three factors gives the estimated yield of the crop in any locality. While the crop acreage in India is considered to be accurate except in permanently settled tracts, the condition factor is left to the judgment of the reporting agency which is usually the revenue staff except in those tracts where the absence of revenue staff necessitates less satisfactory arrangements. The condition factor is usually reported as so many 'Annas' of a normal crop being based upon the idea that a 16 anna crop should represent the usual normal and that yields of a particular season should be expressed in sixteenths of the normal. But as it was found that village opinion has been regarding a sixteen anna crop as a first class crop instead of taking it to be a normal, now in most of the provinces the normal crop is equated to 12 or 13 annas. A clear understanding is therefore necessary between the reporting and compiling agencies for a correct interpretation of 'the condition factor.' With regard to the third factor—the standard normal outturn per acre—entering into the computation of the estimated yield, the method adopted in most of the provinces is a periodical system of crop cutting experiments by which an estimate of a normal crop is deduced. There are practical difficulties in deducing a correct estimate of a normal by such a process, as the nature of the crop the homogeneity of the area chosen and the identity of the times of harvest are all factors that influence the accuracy of the average. Though the forecast estimates as framed by the provinces and states in India may be improved in some directions they are considered on the whole to be satisfactory.

Though the present methods of estimating the condition factor and standard out-

turn are indeed theoretically correct, unless they are worked out in a right spirit, and the estimates are verified and corroborated by independent methods, one must doubt the accuracy and reliability of the estimates of yields as now supplied by the provinces and states. The case of raw cotton statistics is an instance in point, where the trade estimates always differ considerably from those supplied by the government. The compiling agency in most of the provinces is the Revenue Staff; and however much they are competent to estimate the agricultural conditions in rural areas, so long as personal equation enters into estimating the condition factor of a crop, the compiling agency must watch carefully the reports of the individual areas and eliminate or reduce to the minimum the effects of that personal equation. The other factor that enters into the estimates of yield is what is known as standard or normal outturn per acre by which an estimate of an average yield in an average soil during an average season is sought to be judged. Here, too, there has been no attempt at standardisation so far, and different methods are being adopted in different provinces. The methods adopted in crop cutting experiments conducted in India required an improvement in that the number of samples should be increased to cover different soils of varying fertility, and in that harvesting should be done distributed regularly both in time and space. The problem of arriving at a standard outturn is thus purely statistical, and in every case where crop-cutting experiments are conducted the data must be subjected to a strict statistical analysis before the final average is struck. Besides improving the technique that is being adopted in estimating the yields of a crop, there is the other side of the question, that is, that in every case these forecasted estimates must be scrutinised at the end of the season with all available data for verification, such as the statistics of internal trade and consumption in the locality considered. It is unfortunate that the Rail and River Borne Trade Returns have now been discontinued—except for raw cotton—and it must be recognised that without a correct knowledge of the internal movement of staple crops which, as we have already noted, are mainly consumed in the country itself, the Indian agricultural statistics or economics would be much the poorer; and the sooner these useful returns are revived the better it is for the Indian agriculturist.

YIELDS, PER ACRE, AVERAGE AND STANDARD.

Table VII has been compiled to show how the average yield per acre for each crop in the several provinces has varied from year to year.

Though the average yields for a whole province may be misleading in view of the heterogeneous character of the diverse soils and conditions of a province, the above statistics is instructive in bringing out how several provinces compare and how with respect to the same province the average yields change from year to year. They also furnish an answer to the question frequently asked whether the soil in India is deteriorating. Thus with respect to rice the averages for Madras, Bengal and United Provinces have always stood higher than other provinces; wheat yield in United Provinces is on an average higher than in the Punjab; Madras sugarcane gives better yields than United Provinces the largest sugarcane area; and United Provinces oilseeds have stood higher than other provinces.

The average yields per acre for forecasted crops by provinces are compared to the standard or normal yields. The average yields have been based on data given by tables III and VI. The significance of a standard yield has already been explained with reference to table VI. In view of the importance of the forecasted crops, their cases alone have been considered here.

FOREIGN TRADE IN RELATION TO DOMESTIC PRODUCTION.

Table VIII estimates the statistics of exports in relation to the total production; and the percentages worked out bring out the fundamental truth that our balance of trade is kept up only by raw materials of manufacturing industry, and that so far as exports of food-stuffs go, what is usually known as 'exportable surplus' is not, and cannot be, the balance left after consumption in the country itself.

Since the present economic depression seems to have started from October 1929, production and net exports have been compiled for (1) 1930-31, (2) 1931-32, as compared to the average of three years ending 1929-30. The export year of a crop should always depend upon its period of harvest which therefore varies with different crops, and again the export data must always be

studied with reference to production preceding the export year; but in the Table VIII to strike at a uniformity and a rough indication of the present position, exports of a fiscal year have been considered with reference to the production of the season not exactly preceding it, but almost synchronous with it. For cotton, percentage figures, have not been struck, as the weightage for the manufactured goods exported or imported is not indicated in the sea-borne trade returns. Rice statistics are given for India (excluding Burma) and Burma separately, as exports of rice are mainly from Burma and as Burma is on the verge of separation from India.

From the above statistics it is seen that the crops which are of considerable account to India in the matter of exports are linseed, castorseed, jute, coffee, tea and rubber exporting a high percentage between 60 to 95 per cent. of the total production. Groundnut maintains an export of 25 per cent. of the production while rice and rape maintain 5 to 7 per cent. only. Wheat, that has attracted considerable attention in recent times has been on balance only an article of import, while tobacco has kept up an export of only 1.5 per cent. of the total produce. The exports of other crops in India are practically negligible when compared to their production.

PRICES OF AGRICULTURAL PRODUCTS.

Table IX represents prices of main agricultural commodities in India from January 1931 to June 1932 as compared to June 1913 (pre-war), and October 1929 when the present economic depression seems to have started. For the purpose of this table prices of eight different crops have been considered at representative centres of production. The last two columns give percentage fall in prices in June 1932 from those prevailing in June 1913 and October 1929.

It is seen from the statement that jute has been most hard-hit with a percentage fall in prices of 62.7 as compared to pre-war; then comes cotton with a drop of 47.8%, and then Bengal rice with a fall of 40.9. The decline in other commodities considered have ranged between 20 to 30%. It is also seen that linseed had a boom price in October, 1929 and the present price has a 60% fall from that level.

WHEAT & COTTON—PRICE PARITIES.

Table X is compiled from the monthly bulletins of the International Institute of Agriculture with a view to compare the differences in prices from month to month between Indian wheat and cotton and foreign varieties selling in Liverpool Market—Data from January 1930 to April 1932 have been used to work out percentage monthly parities.

It is seen that in the case of wheat while the parities in 1930 have varied between 3 to 5%, there have been very few quotations for Indian wheat in 1931 and none so far in 1932. Indian cotton M.G. Broach F.G. has sold less than American Middling by 20 to 37% in 1930 and till September 1931; while since September 1931 the differences have been considerably smaller by a range of 5 to 10% only. This may be deemed an encouraging sign for Indian Cotton.

COTTON STATISTICS

Production, Exports, Imports, Stocks and world consumption of Indians.

Table XI is intended to examine the present position of cotton production in India. The controversy regarding long staple versus short staple must be settled one way or the other in the interests of the Indian Cotton Grower.

The following are given in this connection:—

1. Production by varieties and staples (with acreage by varieties)
2. Quantities exported from and imported into India.
3. Stocks of cotton held in Bombay and
4. estimated world's consumption of Indian cotton by countries.

While production is given by seasons, exports are given by fiscal years (ending March 31st) imports and stocks by cotton years (ending August 31st) and world's consumption by years (ending July 31st). These statistics explain how far we are able to meet world cotton demand and supply after meeting our own requirements. Table XI (D) brings out details of foreign cotton by sources imported into India.

It is interesting to see from the above tables that India's production of cotton has recently stood at 5 million bales though the production during 1931-32 has fallen short by 1 million bales. Table XI (B)

estimates that out of this nearly 25% is long stapled though the trade estimates go to the extent of 33%. Of the long stapled, Hyderabad Gaorani, Navasari, and Cambodia are the main varieties while of the short stapled Omras carry the palm. Though the details of our exports of raw cotton are not available by varieties and staples, we can take it that most of our exports are short-stapled. Our exports go mainly to Japan to the extent of more than 40% of our total exports of about 4 million bales. Of our imports during the cotton year 1930-31 (ending August 31st) East Africans, Egyptians and Americans are responsible for nearly a lakh and a half

bales. But during the current year the Americans seem to be making headway and receipts in Bombay from September 1st, 1931 to June 2nd, 1932 have gone up to more than 230,000 bales as compared to 140,000 only the previous year. Regarding the cotton trade position in Bombay the stocks held by the mills or outside, on the 31st August 1931 are only slightly less than the corresponding figures of the previous year though the figures show continuous decrease since 1929. The world consumption, however, of Indian cotton in 1930-31 shows an increase over 1928-29 with a index of 149 on the basis of 1913 consumption equated to 100.

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TABLE I (A).

General Summary of Agricultural Statistics of British India.

(a) Classification of areas

	(In million acres)			
	Years			
	1928-29	1929-30	1930-31	1931-32
Area under forest	87	87	88	89
Uncultivated—				
Area not available for cultivation	149	147	147	145
Culturable waste other than fallow	155	155	154	155
Cultivated—				
Fallow land	48	50	50	49
Net area sown	228	228	229	229
Irrigated area	50	51	50	49
Total area	668	668	668	667

(b) Details of Cultivated Area.

	(In million acres.)			
	1928-29	1929-30	1930-31	1931-32
Net area sown	228	228	229	229
*Gross area sown	262	261	262	268
Area under irrigation	50	51	50	49
Area under food crops	211	210	214	205
Area under non-food crops	51	50	48	16

*This includes net area sown plus area sown more than once.

(c) Percentage figures arising out of (a) and (b)

	1928-29	1929-30	1930-31	1931-32
1. Per cent. of net area sown to the total area	34.1	34.1	34	34.33
2. Per cent. of area under irrigation to the net area sown	21.9	22.4	21.9	21.4
3. Per cent. of area under food crops to the gross area sown	80.6	80.5	81.7	77.9
4. Per cent. of area under non-food crops to the gross area sown	19.4	19.5	18.3	6.1

TABLE I (B):

General Summary of Agricultural Statistics of Indian States.

(a) Classification of areas

	(In million acres).	
	Years	
	1927-28	1928-29
Area under forest	18	17
Uncultivated—		
Area not available for cultivation	24	25
Culturable waste other than fallow	16	16
Cultivated—		
Fallow land	12	11
Net area sown	65	67
Total area	185	186

(b) Details of Cultivated Area.

	(In million acres)	
	1927-28	1928-29
Net area sown	65	67
*Gross area sown	68	71
Area under irrigation	8	9
Area under food crops	50	51
Area under non-food crops	17	18

*This includes net area sown plus area sown more than once; but as details are not available for certain areas the gross area does not tally with the sum of areas under food crops and under non-food crops.

(c) Percentage figures arising out of (a) and (b).

	1927-28	1928-29
1. Per cent. of net area sown to the total area	48.1	49.3
2. Per cent. of area under irrigation to the net area sown	12.3	13.4
3. Per cent. of area under food crops to the gross area sown	76.9	71.8
4. Per cent. of area under non-food crops to the gross area sown	23.1	28.2

TABLE II.

Area of principal crops in India (including Indian States)

(In million acres)

	1980-81	1981-82	1982-83
1) Main food crops—			
Rice	82.7	84.0	82.0
Wheat	82.0	86.0	82.2
		(forecast (May, 1982).	
Barley	(a) 6.6	...	...
Jowar	(a) 38.1	...	...
Bajra	(a) 18.8	...	...
Maize	(a) 6.4	...	...
Gram	(a) 12.4	...	...
Sugarcane	(a) 2.8	2.9	3.8
) Main non-food crops—			
Oilseeds—			
Groundnut	6.6	5.6	6.9
Linseed	8.0	8.2	2.6
Rape and Mustard	6.6	6.1	8.1
Sesamum (til or jinjili)	5.6	5.5	5.9
Castor seed	1.5	1.6	1.5
Fibres—			
Cotton	28.8	28.5	22.55
	1981	1982	
Jute	1.9	2.1	2.4
Drugs and narcotics—			
Tea	8	...	...
	1980	1981	
Coffee	2	...	...
Tobacco	1.8	...	...
Dyes and Tanning Materials—			
Indigo	.06	.05	..
	1980	1981	
Miscellaneous crops—			
Rubber	2	2	...

(a) Incomplete.

TABLE XIII.

Cattle Census in relation to arable land in some principal countries of the world.

(In millions)

Country	Acreage under arable land	Cattle population	Number of cattle per 100 acres of arable land
Germany	50.7	18.4	82
Austria	4.8	2.2	46
Denmark	6.9	8.1	45
Spain	89.8	8.7	10
France	54.8	15.6	28
Great Britain	12.6	7.1	56
Hungary	18.8	1.8	18
Italy	84.1	6.9	20
Netherlands	2.8	2.4	104
Poland	45.6	9.4	21
Roumania	31.8	4.0	18
Switzerland	1.2	1.6	188
Czechoslovakia	14.4	4.5	31
Union of Socialist Soviet Republics	246.2	82.6	21
Yugo Slavia	17.5	3.8	22
Canada	62.4	8.9	14
United States	855.8	59.0	17
Argentina	64.0	82.2	50
Japan	14.4	1.5	10
Egypt	8.5	1.6	19
Union of South Africa	9.8	10.7	118
Australia	80.4	11.2	87
New Zealand	2.0	8.8	100
British India	808.7	184.6	50

Table III
Acreeges of the Main Crops by Provinces.
(A) Forecasted Crops
(In Million Acres)

PROVINCES	RICE			WHEAT			SUGARCANE			COTTON			JUTE		
	1980-81	1981-82	1982-83	1980-81	1981-82	1982-83	1980-81	1981-82	1982-83	1980-81	1981-82	1982-83	1980-81	1981-82	1982-83
	(Revised) (Final)														
Madras	11.7	11.6	11.5	...	...	...	0.1	0.1	0.1	2.1	2.8	1.9	...	...	...
Bombay (including Sind and Indian States)	8.7	8.5	8.2	2.8	2.9	8.08	0.09	0.09	0.1	6.3	6.2	6.8	...	...	...
Bengal	20.6	22.1	21.7	0.1	0.1	0.1	0.2	0.2	0.2	0.08	0.08	0.07	...	...	...
United Provinces	6.8	6.7	6.1	7.7	7.6	1.8	1.5	1.5	1.7	0.8	0.8	0.5	1.6	1.6	1.6
Punjab ... ..	...	...	...	10.6	10.9	9.7	0.4	0.5	0.5	2.5	2.5	2.2	...	...	...
Burma	18.0	12.5	12.6	...	...	...	...	...	...	0.4	0.2	0.8	...	...	...
Bihar and Orissa	18.9	14.1	18.07	1.2	1.2	1.2	0.8	0.8	0.8	0.07	0.07	0.06	...	...	...
Central Provinces and Berar	6.8	7.0	7.0	8.1	8.6	8.5	0.02	0.02	0.02	4.8	4.6	4.2	0.1	0.1	0.1
Assam	4.5	4.5	4.5	...	...	...	0.08	0.08	0.08	0.04	0.04	0.08	...	...	...
North-West Frontier Province ... ..	...	...	...	0.9	0.9	0.9	0.05	0.04	0.05	0.01	0.02	0.01	...	...	...
Ajuner-Merwara ... ..	...	...	...	0.02	0.08	0.02	...	...	...	0.08	0.08	0.08	0.1	0.1	0.1
Coorg	0.08	0.08	0.08	...	...	...	...	...	...	...	...	...	...	...	...
Delhi ... ..	...	...	...	0.04	0.04	0.04	...	...	...	...	...	...	...	...	...
Hyderabad	0.7	0.9	0.8	1.2	1.8	1.2	0.08	0.04	0.04	8.5	8.6	8.5	...	...	...
Mysore	0.8	0.7	0.7	...	...	...	0.04	0.04	0.04	0.07	0.08	0.08	...	...	...
Baroda	0.2	0.2	0.2	0.7	0.7	0.07	...	...	...	0.7	0.7	0.5	...	...	...
Gwalior ... ..	...	...	...	1.1	1.1	1.8	...	...	...	0.6	0.6	0.6	...	...	...
Central India ... ..	...	...	...	1.9	2.8	2.07	...	...	...	1.8	1.2	1.0	...	...	...
Rajputana ... ..	...	...	...	1.2	1.8	1.2	...	...	...	0.5	0.4	0.4	...	...	...
Travancore ... ..	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Cochin ... ..	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Tripura (Bengal) ... ..	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Cooch Behar ... ..	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL	82.7	84.0	82.0	82.0	88.8	82.6	2.8	2.9	3.8	28.8	28.5	22.8	1.9	1.9	1.9

As figures with the zeros after the decimal point are omitted, the totals do not tally in some cases with the actual additions in the above table; and the totals given are those taken from the original sources.

Table III—(Contd.)

Acreages of the Main Crops by Provinces.

(A) Forecasted Crops

(In Million Acres.)

PROVINCES	LINSSEED			RAPE AND MUSTARD			SESAMUM			CASTOR SEED			GROUNDNUT		
	1930-31	1931-32	1932-33	1930-31	1931-32	1932-33	1930-31	1931-32	1932-33	1930-31	1931-32	1932-33	1930-31	1931-32	1932-33
Madras ...	...	...	...	...	...	...	0·8	0·8	0·8	0·8	0·8	0·8	3·6	2·7	3·4
Bombay (including Sind and Indian States) ...	0·1	0·1	0·1	0·2	0·2	0·2	0·7	0·7	0·6	0·1	0·1	0·1	1·6	1·5	1·6
Bengal ...	0·1	0·1	0·1	0·8	0·8	0·7	0·2	0·2	0·1	...	...	...	...	...	...
United Provinces ...	1·0	0·8	0·8	3·5	0·8	2·8	1·1	1·1	1·2	...	...	0·01	...	...	...
Punjab ...	0·08	0·08	0·08	0·9	1·0	1·1	0·1	0·2	0·1	...	...	...	...	...	...
Burma ...	...	...	...	...	...	...	1·8	1·8	1·5	...	...	...	...	...	0·6
Bihar and Orissa ...	0·7	0·7	0·6	0·7	0·6	0·6	0·2	0·2	0·2	0·06	0·06	0·05	0·6	0·4	...
Central Provinces and Berar ...	0·8	0·9	1·1	...	...	0·07	0·6	0·5	0·5	0·05	0·04	0·03	...	...	0·1
Assam ...	...	...	...	0·4	0·3	0·2	...	...	...	...	...	...	...	...	...
North-West Frontier Province ...	...	...	...	0·08	0·08	0·1	...	...	—	...	...	...	...	...	...
Ajmer-Merwara ...	...	...	...	...	...	...	0·02	0·02	...	...	...	...	...	...	...
Coorg ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Delhi ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Hyderabad ...	0·3	0·3	0·2	0·01	0·01	0·01	0·6	0·5	0·6	0·8	0·9	0·8	0·7	0·8	1·1
Mysore ...	...	...	...	...	...	...	...	...	...	0·1	0·1	0·1	...	...	...
Baroda ...	...	...	...	0·02	0·02	0·02	0·07	0·03	0·07	0·06	0·07	0·07	...	...	...
Gwalior ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Central India ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Rajputana ...	0·08	0·1	0·09	0·00	0·04	0·03	0·05	0·04	0·03	...	...	...	...	...	...
Travancore ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Cochin ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Tripura (Bengal) ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Cooch Behar ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL ...	8·0	8·2	8·2	6·6	6·1	6·05	5·6	5·5	5·9	1·5	1·6	1·5	6·6	5·6	6·9

Table III.—(Contd.)
Acreeges of the Main Crops by Provinces.
Main Non-forecasted Crops
(In Million Acres)

PROVINCES	BARLEY			JOWAR			BAJRA			MAIZE			GRAM		
	1929-30	1930-31	1931-32	1929-30	1930-31	1931-32	1929-30	1930-31	1931-32	1929-30	1930-31	1931-32	1929-30	1930-31	1931-32
Madras ...	...	...	...	5.2	4.8	4.8	2.9	2.9	2.8	0.1	0.1	...	0.08	0.09	...
Bombay (including Sind and Indian States) ...	0.08	0.04	0.03	9.4	9.2	8.0	4.4	5.1	4.9	0.2	0.2	...	0.7	0.9	1.0
Bengal ...	0.08	0.08	0.08	...	...	2.6	...	...	...	0.09	0.09	...	0.2	0.2	...
United Provinces ...	4.8	4.2	4.0	2.5	2.5	1.0	2.1	2.0	2.1	2.3	2.4	2.1	4.2	5.1	5.8
Punjab ...	0.9	0.7	...	1.1	0.9	...	3.4	3.2	3.2	1.1	1.1	1.0	2.2	2.1	5.3
Burma ...	...	...	...	0.5	0.4	...	...	...	...	2.0	2.0	...	0.2	2.0	...
Bihar & Orissa ...	1.4	1.4	1.3	0.08	0.08	4.2	0.07	0.07	...	1.7	1.6	1.6	1.5	1.5	1.5
Central Provinces & Berar ...	0.02	1.02	0.01	4.3	4.7	...	0.1	0.1	...	0.2	0.2	...	1.2	1.3	1.3
Assam ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
North-West Frontier Province ...	0.2	0.2	...	0.1	0.08	...	0.2	0.1	...	0.5	0.5	...	0.2	0.2	...
Ajmer-Merwara ...	0.08	0.05	...	0.07	0.07	...	0.08	0.08	...	0.1	0.09	...	0.04	0.03	...
Coorg ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Delhi ...	0.01	0.01	...	0.08	0.08	...	0.07	0.07	...	...	...	...	...	...	...
Hyderabad ...	0.05	(a)	...	9.0	9.0	...	2.1	(a)	...	0.9	(a)	...	1.1	(a)	...
Mysore ...	...	...	...	0.3	0.7	...	0.1	0.07	...	(f)	...	...	0.7	0.3	...
Baroda ...	...	...	...	0.3	(a)	...	0.6	(a)	...	...	...	...	0.02	(a)	...
Gwalior ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Central India ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Rajputana ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Travancore ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Cochin ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Tripura (Bengal) ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Cooch Behar ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL ...	7.0	6.6	6.8	33.2	33.1	34.08	16.1	15.8	13.6	7.4	7.0	6.0	13.2	13.4	16.6

(a) Not available.
(b) Incomplete.
(f) Less than 500 Acres.

Table III—(Contd.)
Acreeges of the Main Crops by Provinces.
(B) Main Non-forecasted Crops.
(In Million Acres.)

PROVINCES	TOBACCO			COFFEE			TEA			RUBBER		
	1929-30	1930-31	1931-32	1929-30	1930-31	1931-32	1929-30	1930-31	1931-32	1929-30	1930-31	1931-32
Madras	0'3	0'2	0'2	0'04	0'04	0'04	0'07	0'07	0'07	0'02	0'01	0'01
Bombay (including Sind and Indian States) ...	0'2	0'1	0'1	...	...	...	0'2	0'02	0'02	...	...	...
Bengal	0'8	0'8	0'8	...	...	...	...	...	...	...	...	...
United Provinces	0'16	0'7	0'7	...	...	...	...	...	...	...	...	...
Punjab	0'0	0'07	0'07	...	...	...	...	...	...	...	...	...
Burma	0'1	0'1	0'1	...	...	...	...	...	...	...	...	...
Bihar & Orissa	0'1	0'1	0'1	...	...	...	...	...	...	...	...	...
Central Provinces & Berar	0'01	0'02	0'02	...	...	...	...	...	...	...	...	...
Assam	0'01	0'01	0'01	...	...	...	...	...	...	...	...	...
North-West Frontier Province	0'01	0'01	0'01	...	...	...	0'4	0'4	0'4	...	...	...
Ajmer-Merwara ... ..	...	...	...	...	...	...	...	...	...	...	...	...
Coorg	0'04	...	...	0'04	0'04	0'04	...	...	...	...	...	...
Delhi ... ..	...	...	...	...	...	...	...	...	...	...	...	...
Hyderabad	0'08	0'09	0'08	0'09	0'08	0'08	...	...	...	...	...	...
Mysore	0'02	0'02	0'02	...	...	...	...	...	...	...	...	...
Baroda	0'05	0'04	0'04	...	...	...	...	...	...	...	...	...
Gwalior ... ..	...	...	...	...	...	...	...	...	...	...	...	...
Central India ... ..	...	...	...	...	...	...	...	...	...	...	...	...
Rajputana ... ..	...	...	...	...	...	...	...	...	...	...	...	...
Travancore ... ..	...	...	...	...	...	...	0'07	0'07	0'07	0'05	0'05	0'05
Cochin ... ..	...	...	...	...	...	...	...	...	...	...	...	...
Tripura (Bengal) ... ..	...	...	...	...	...	...	...	...	...	...	...	...
Cooch Behar ... ..	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL	1'8	1'8	1'8	0'2	0'2	0'2	0'8	0'8	0'8	0'2	0'2	0'2

As figures with two zeros after the decimal point are omitted, the totals do not tally in some cases with the actual additions in the above table, and the totals given are those taken from the original sources.

Table IV

Areas under new and improved crops in British India in 1928-29—1930-31.

(A) British India.

(In acres.)

PROVINCES	RICE			COTTON			WHEAT		
	1928-29	1929-30	1930-31	1928-29	1929-30	1930-31	1928-29	1929-30	1930-31
	Madras	215,981	1,518,680	292,478	425,468	260,187	300,572
Bombay	17,405	1,528	8,447	1,036,878	898,821	410,296	29,684	285	11,259
Sind	...	2,858	2,890	...	66,005	90,028	...	84,821	86,052
Bengal	185,255	192,885	228,288	...	...	...	...	...	...
United Provinces	...	...	...	215,000	220,000	255,000	1,800,000	1,600,000	1,800,000
Punjab	...	...	...	1,524,470	1,891,000	1,450,200	2,099,530	2,516,600	2,448,000
Burma	828,125	882,972	486,804	6,570	5,002	9,890	...	...	...
Bihar and Orissa	20,251	28,051	15,184	...	...	...	5,198	8,462	28,206
Central Provinces	181,696	220,976	...	627,671	660,199	...	260,007	855,057	877,872
Assam	12,562	16,826	...	...	...	...	...	...	...
North-West Frontier Province	...	...	...	...	...	...	...	...	...
Total British India	956,255	2,854,271	...	8,886,052	8,000,914	...	4,124,810	4,894,725	...

PROVINCES	JUTE			SUGARCANE			OTHER CROPS		
	1928-29	1929-30	1930-31	1928-29	1929-30	1930-31	1928-29	1929-30	1930-31
	Madras	9,790	22,202	21,821	172,572	86,965	94,526
Bombay	...	...	...	2,518	...	...	480,541	3,654	8,988
Sind	...	...	...	...	...	...	...	889	410
Bengal	1,187,605	1,176,852	1,415,502	67,019	74,805	100,000	8,848	8,699	17,816
United Provinces	...	...	...	281,000	231,184	678,000	214,000	218,000	Barley, 84,000 Gram 76,000 Miscellaneous 184,000
Punjab	...	...	...	88,818	79,860	70,000	...	...	...
Burma	...	...	...	...	1,781	250	182,099	144,706	166,256
Bihar and Orissa	...	104	...	46,068	81,575	70,484	8,882	8,887	...
Central Provinces	...	...	...	...	1,850	4,269	224,984	267,185	806,456
Assam	6,060	68,206	...	8,244	6,818	6,900	2,781	18,184	...
North-West Frontier Province	...	...	...	620	550	40,500	9,120	41,000	...
Total British India	1,148,665	1,289,662	...	498,592	768,805	...	...	727,519	...

Table IV—(Contd.)

(B) Indian States.

(In Acres).

(So far as information is available).

STATES	RICE			COTTON			WHEAT		
	1928-29	1929-30	1930-31	1928-29	1929-30	1930-31	1928-29	1929-30	1930-31
Mysore	20,000	30,908	...	15,000	10,972	...	...	...	...
Hyderabad	...	...	...	94,500	82,800	114,100	...	...	...
Baroda	*250	8,120	161	*14,250	85,054	*6,894	*60	1,061	*85
Travancore	*438	11,000	1,261	...	...	...	...	...	...
Gwalior	...	...	...	*4,189	2,500	...	*1,909	500	...
Patiala	...	...	...	...	...	165,000	...	...	856,750
TOTAL	20,688	50,028	...	127,930	187,826	...	...	1,561	...

STATES	MILLET			SUGAR-CANE			OTHER CROPS		
	1928-29	1929-30	1930-31	1928-29	1929-30	1930-31	1928-29	1929-30	1930-31
Mysore	...	189,038	...	6,000	8,621	...	200,000	68,865	...
Hyderabad	26	(Rape only) 7,467	91	840
Baroda	(Groundnut only)	...	...
Travancore
Gwalior	*918	4,000	...	*5	...	...	*871	...	...
Patiala
TOTAL	...	199,038	...	...	8,621	...	...	68,456	...

Table IV—(c) Areas in acres under improved crops—(Contd.)

CROPS	IN BRITISH INDIA		IN INDIAN STATES (So far as known)		TOTAL	
	1928-29	1929-30	1928-29	1929-30	1928-29	1929-30
Cotton	8,896,052	8,000,914	127,939	187,826	8,968,991	8,188,240
Wheat	4,124,829	4,894,725	2,086	1,561	4,126,905	4,896,286
Rice	956,225	2,854,271	20,688	50,028	976,913	2,404,292
Jute	1,148,665	1,289,662	...	...	1,148,665	1,289,662
Sugar-cane	408,592	763,805	...	...	408,592	763,805
*Groundnut	519,879	102,490	7,467	67,685	526,896	170,175
*Millets	146,846	164,954	200,918	198,088	347,849	367,992
*Gram	216,406	201,881	...	...	216,406	201,881
*Potatoes	11,881	18,184	...	...	11,881	18,184
Other crops	861,465	245,110	771	771	862,286	245,881
TOTAL	11,860,830	12,980,896	816,262	504,080	12,175,802	18,484,926

* Departmental spread only

*Not separately reported by some Provinces.

Table V.
Irrigated Areas by sources and Crops in several Provinces of British India during 1929-30.
(In Million Acres.)

AREA IRRIGATED FROM :—

PROVINCE OR STATE	Government Canals	Private Canals	Tanks	Wells	Other sources	TOTAL
Madras	8.7	0.2	8.4	1.4	0.5	9.2
Bombay	8.4	0.08	0.1	0.7	0.2	4.5
Bengal	0.05	0.2	0.9	0.04	0.8	1.4
United Provinces	8.8	0.02	0.08	5.6	2.0	11.0
Punjab	10.6	0.4	0.04	4.0	0.1	15.2
Burma	0.6	0.8	0.2	0.02	0.8	1.5
Bihar and Orissa	0.9	0.9	1.6	0.6	1.4	5.8
Central Provinces and Berar	(a)	0.9	(a)	0.1	0.04	1.00
Assam	0.01	0.8	...	...	0.8	0.6
North-West Frontier Province	0.4	0.4	...	0.08	0.09	1.0
Ajmer-Merwara	...	...	...	0.1	...	0.1
TOTAL FOR INDIA	28.1	8.7	6.8	12.7	5.8	61.0

Area of Crops Irrigated.
(In Million Acres.)

PROVINCE OR STATE	RICE	WHEAT	BARLEY	JOWAR	BAJRA	MAIZE	SUGARCANE	COTTON	OTHER CROPS	TOTAL	Per cent. of the Irrigated Area to total gross Area sown.
Madras	8.0	...	...	0.4	...	...	0.09	0.2	2.4	11.1	28.2
Bombay	1.4	0.5	0.09	0.8	...	0.08	0.07	0.4	1.7	4.9	14.8
Bengal	1.8	0.01	...	...	...	...	0.08	...	0.8	1.6	6.8
United Provinces	0.8	8.8	2.2	0.1	...	0.8	1.0	0.5	8.4	12.1	85.8
Punjab	0.8	5.6	0.4	0.2	...	0.5	0.08	2.1	5.9	15.5	58.8
Burma	1.4	...	...	...	...	...	...	...	0.1	1.5	8.1
Bihar and Orissa	8.5	0.8	0.1	...	...	0.06	0.01	...	1.4	5.4	21.6
Central Provinces and Berar	0.9	...	...	...	...	...	0.02	...	0.1	1.0	4.0
Assam	0.6	...	...	...	...	...	...	...	0.0	0.6	10.7
North-West Frontier Province	0.08	...	0.09	0.02	0.01	0.8	0.05	0.02	0.5	1.0	40.0
Ajmer-Merwara	...	...	0.04	...	...	0.03	...	0.03	0.1	0.2	38.8
TOTAL FOR INDIA	18.8	10.6	8.0	1.7	1.5	1.8	1.7	8.2	16.1	54.9	28.9

(a) Included in Private Canals.

N.B.—As figures with two zeros after the decimal point are omitted the totals do not tally in some cases with the actual additions in the above table; and the totals given are those taken from the original sources.

Table VI.
Estimated Yields of the main Crops by Provinces in India.
(A) Forecasted Crops.
(In Million Tons.)

PROVINCES	RICE			WHEAT			SUGARCANE (GUR)			COTTON			JUTE	
	1930-31	1931-32	1932-33	1930-31	1931-32 Forecast May, 1932	1932-33	1930-31	1931-32	1932-33	1930-31	1931-32	1932-33	1931	1931-32
Madras ...	5.4	5.3	5.23	...	...	...	0.3	0.3	0.34	0.4	0.4	0.4	...	...
Bombay (including Sind and Indian States) ...	1.6	1.6	1.45	0.6	0.6	0.76	0.2	0.2	0.26	1.3	1.3	1.4	...	...
Bengal ...	9.2	9.5	9.32	0.08	0.08	0.04	0.2	0.3	0.45	0.02	0.02	0.02	5.0	5.12
United Provinces ...	1.7	2.0	1.82	2.7	2.6	2.74	1.6	2.2	2.6	0.3	0.2	0.17	...	...
Punjab ...	...	...	...	3.6	3.2	3.16	0.3	0.4	0.41	0.3	0.6	0.62	...	0.43
Burma ...	5.1	4.2	4.90	...	...	...	0.3	...	...	0.09	0.03	0.06	...	...
Bihar & Orissa ...	5.6	5.7	4.20	0.5	0.5	0.49	0.03	0.3	0.31	0.01	0.01	0.01	0.3	...
Central Provinces and Berar ...	1.7	2.3	1.32	0.6	0.7	0.63	0.03	0.04	0.04	1.1	0.5	...	...	0.23
Assam ...	1.4	1.5	1.62	...	...	...	0.06	0.03	0.03	0.02	0.02	...	0.2	...
North-West Frontier Province ...	...	...	...	0.2	0.2	0.22	...	0.05	0.06	...	...	...	...	...
Ajmer-Merwara ...	...	...	...	...	...	...	...	...	...	0.01	0.01	...	...	...
Coorg ...	0.05	0.05	0.05	...	...	...	...	...	...	...	...	...	...	...
Delhi ...	...	...	...	0.01	...	0.01	0.05	...	...	X	X	...	...	...
Hyderabad ...	0.2	0.3	0.25	0.1	0.2	0.16	0.04	0.07	0.07	0.7	0.5	0.53	...	...
Mysore ...	0.2	0.2	0.26	...	...	...	...	0.03	0.03	0.01	0.01	...	...	...
Baroda ...	0.05	0.06	0.06	0.02	0.02	0.03	...	...	...	0.1	0.1	...	...	...
Gwalior ...	...	...	...	0.3	0.3	0.31	...	...	...	0.1	0.03	0.76	...	...
Central India ...	...	...	...	0.3	0.4	0.33	...	...	...	0.2	0.1	0.13	...	...
Rajputana ...	...	...	...	0.3	0.4	0.32	...	...	...	0.07	0.06	0.5	...	...
Cooch Behar ...	...	...	...	...	...	...	...	...	...	...	...	...	0.02	...
TOTAL	32.2	32.8	33.6	9.9	9.1	9.3	3.2	9.3	4.6	3.2	4.1	4.4	5.5	5.34

X. On a new basis from 1931-32.

Table VI.

Estimated Yields of the main Crops by Provinces in India.

(A) Forecasted Crops.

(In Million Tons.)

PROVINCES	LINSEED			RAPE AND MUSTARD			SESAMUM			CASTOR SEED			GROUNDNUT (Nuts in Shell)			INDIGO (Dye)		
	1930-31	1931-32	1932-33	1930-31	1931-32	1932-33	1930-31	1931-32	1932-33	1930-31	1931-32	1932-33	1930-31	1931-32	1932-33	1930-31	1931-32	
Madras	
Bombay (including Sind and Indian States)	0'08	0'1	0'1	0'1	0'08	0'08	0'08	1'8	1'8	1'6	0'01	0'01	
Bengal	...	0'02	0'01	0'01	0'08	0'02	0'15	0'08	0'08	0'07	0'02	0'02	0'01	1'0	1'1	1'0
United Provinces	...	0'2	0'2	0'02	0'1	0'1	0'49	0'03	0'3	0'03	...	...	...	...	...	...	...
Punjab	...	0'2	0'2	0'14	0'5	0'4	0'14	0'1	0'1	0'1	...	...	...	...	...	...	...
Burma	0'1	0'2	...	0'01	0'01	0'01	...	...	...	...	...	...	...
Bihar & Orissa	0'14	0'03	0'03	0'06	0'2	0'1	1'0
Central Provinces and Berar	...	0'09	0'09	0'09	0'1	0'1	0'01	0'03	0'03	0'02	0'04
Assam	...	0'07	0'09	0'09	(a)	0'02	0'04	0'05	0'04	0'05	...	...	...	...	...	...	...
Hyderabad	0'06	0'05	0'50(b)	...	...	...	...	...	...	...	...	...	...
Rajputana	...	0'02	0'02	0'01	0'04	0'02	0'03	0'05	0'06	0'06	0'2	0'2
TOTAL	...	0'4	0'4	0'40	1'0	1'0	1'04	0'5	0'5	0'5	0'1	3'1	2'7	2'8	0'01	0'01

* For Cotton and Jute estimates are in millions bales (1 bale=400 lbs.) L. In million cwts.

(a) Not available.

X. On a new basis adopted from 1931-32.

Table VI.—(Continued)
Estimated Yields of the main Crops by Provinces in India
(B) Main Non-forecasted Crops
(In Million Tons.)

PROVINCES	BARLEY			JOWAR			BAJRA			MAIZE			GRAM		
	1929-30	1930-31	1931-32	1929-30	1930-31	1931-32	1929-30	1930-31	1931-32	1929-30	1930-31	1931-32	1929-30	1930-31	1931-32
	Madras	(a)	(a)	...	1.5	1.8	1.8	0.8	0.8	0.7	0.06	0.06	...	0.02	0.02
Bombay (including Sind and Indian States)	0.01	0.01	...	1.8	1.9	1.6	0.5	0.7	0.6	0.07	0.04	...	0.1	0.2	...
Bengal	0.08	0.08	...	...	...	...	...	...	...	0.08	0.08	...	0.05	0.05	...
United Provinces	1.4	1.6	1.6	0.6	0.5	...	0.4	0.4	...	0.9	0.9	...	1.2	1.4	1.5
Punjab	0.8	0.2	...	0.09	0.08	...	0.8	0.4	...	0.4	0.4	0.5	0.8	0.9	1.0
Burma	...	...	...	0.05	0.05	...	...	...	...	0.04	0.04	...	...	...	...
Bihar and Orissa	0.5	0.5	0.5	0.08	0.08	...	0.08	0.08	...	0.6	0.5	0.5	0.5	0.5	0.5
Central Provinces and Berar	...	...	...	1.0	1.2	...	0.08	0.04	...	0.1	0.1	0.1	0.2	0.2	0.2
Assam	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
North-West Frontier Province	0.08	0.06	...	0.01	0.01	...	0.08	0.01	...	0.2	0.2	...	0.08	0.02	...
Ajmer-Merwara	0.01	0.01	...	...	...	...	...	...	...	0.02	0.08	...	...	...	...
Coorg	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Delhi	...	...	...	...	...	...	...	0.01	...	...	...	...	...	...	...
Hyderabad	(a)	(a)	...	1.2	1.8	1.0	(a)	(a)	...	(a)	(a)	...	(a)	(a)	...
Mysore	...	...	...	0.1	0.1	...	(a)	...	...	...	...	...	0.07	0.01	...
Baroda	...	...	...	(a)	(a)	...	(a)	(a)	...	...	...	...	(a)	(a)	...
Travancore	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Cochin	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Tripura (Bengal)	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
TOTAL	8.8	2.4	2.4	6.4	6.9	6.2	2.0	2.5	2.7	2.4	2.4	2.2	3.1	3.4	3.6

N.B.—As figures with two zeros after the decimal point are omitted, the totals do not tally in some cases with the actual additions in the above table; and the totals given are those taken from the original sources.

(a) Not available.

Table VI.—(Concluded)
Estimated Yields of the main Crops by Provinces in India
(B) Main Non-forecasted Crops
(In Million Tons.)

PROVINCES	TOBACCO			* COFFEE (cured)			* TEA			* RUBBER (dry)		
	1929-30	1930-31	1931-32	1929-30	1930-31	1931-32	1929-30	1930-31	1931-32	1929-30	1930-31	1931-32
Madras	0'1	0'1	0'1	8'1	6'8	...	27'4	26'4	27'5	2'7	2'0	0'6
Bombay (including Sind and Indian States) ...	0'1	0'1	0'1	...	...	...	...	...	...	...	...	...
Bengal	0'1	0'1	0'1	...	...	...	116'0	97'0	88'4	...	...	...
United Provinces	0'07	0'04	0'04	...	...	...	1'5	1'8	1'8	...	...	...
Punjab	0'02	0'03	0'03	...	...	...	1'9	1'9	1'9	...	...	...
Burma	0'05	0'05	0'04	...	...	...	...	...	...	11'2	10'0	8'4
Behar and Orissa	0'07	0'07	...	...	...	...	0'9	0'8	0'8	...	...	...
Central Provinces and Berar ... ..	...	...	...	...	...	...	...	...	...	...	...	...
Assam ... ..	...	...	...	...	...	...	258'9	238'4	248'2	...	...	...
North-West Frontier Province	(a)	(a)	...	...	...	...	...	...	...	...	...	...
Ajmer-Merwara ... ..	...	...	...	...	...	...	...	...	...	...	...	...
Coorg ... ..	...	...	...	14'7	9'1	...	0'2	0'2	...	0'5	0'4	0'2
Delhi ... ..	...	...	...	...	...	...	...	...	...	...	...	...
Hyderabad	0'01	0'02	...	...	...	...	...	...	...	...	...	...
Mysore ... ..	...	...	...	16'4	16'4	...	0'1	0'2	...	0'02	0'02	...
Baroda ... ..	...	...	...	...	...	...	...	...	...	...	...	...
Travancore ... ..	...	...	...	0'07	0'4	...	80'5	28'0	28'6	10'9	9'4	9'4
Cochin ... ..	...	...	...	0'02	0'8	...	...	...	...	2'8	2'6	1'4
Tripura (Bengal) ... ..	...	...	...	...	...	...	1'4	1'2	1'8	...	...	...
TOTAL	0'6	0'6	0'6	80'4	58'0	...	482'8	391'1	394'0	28'0	24'4	20'1

N.B.—As figures with two zeros after the decimal point are omitted, the totals do not tally in some cases with the actual additions in the above table; and the totals given are those taken from the original sources.

* In million lbs. (a) Not available.

Table VII.
Average Yield per Acre and Standard Yield per Acre.
(A) Forecasted Crops.
(In lbs.)

A. Average Yield per Acre.
 B. Standard Yield per Acre.

PROVINCES	RICE			WHEAT			SUGARCANE (GUR)					
	A	B		A	B		A	B				
	1980-81	1981-82	1982-88	1980-81	1981-82	1982-88	1980-81	1981-82	1982-88			
Madras ...	1,081	1,015	1,055	1,018	...	...	...	6,220	6,107	6,880	6,200	
Bombay (including Sind and Indian States) }	968	1,044	1,280	998	468	462	575	...	...	...	...
			*1,864				(g) 930	468	5,901	5,757	6,950	5,855
							(h) 780	...	...	...	*7,600	...
Bengal ...	1,002	961	(a) 1,022	959	588	564	721	525	2,792	2,625	3,054	4,865
			(b) 892									
			(c) 1,142									
United Provinces ...	565	677	900	482	700	810	1,050	789	2,878	3,185	2,600	3,258
Punjab ...	...	...	...	...	749	746	795	...	1,588	1,744	1,958	1,672
Burma ...	885	749	1,000	867	...	...	...	...	...	...	...	...
Bihar & Orissa ...	908	912	(a) 987	720	838	855	(d) 984	...	...	...	...	...
			(b) 741				(e) 451	892	2,241	2,480	2,460	2,322
			(c) 800				(f) 861	...	...	...	...	...
Central Provinces and Berar ...	555	718	647	681	459	468	577	421	3,627	3,564	3,186	3,582
Assam ...	681	771	(a) 896	799	...	...	...	...	2,104	2,240	2,576	2,450
			(b) 706									
			(c) 1,008									
North-West Frontier Province	...	...	...	...	544	586	612	528	2,764	2,647	1,892	2,586
Ajmer-Merwara ...	...	...	...	...	560	560	697	611	...	...	...	...
Coorg ...	1,448	1,457	...	1,467	...	...	...	...	...	...	...	...
Delhi ...	...	...	1,464	...	589	560	828	587	896	1,498	2,296	1,680
Hyderabad ...	582	742	...	658	258	258	...	291	3,288	4,160	...	4,256
Mysore ...	666	675	...	702	868	878	450	468	2,122	1,991	3,847	2,080
Baroda ...	486	599	1,071	624	614	522	...	988	4,480	3,860	...	3,860
Gwalior ...	...	...	...	...	541	584	...	512	...	...	...	...
Central India ...	...	...	...	...	874	850	...	867	...	...	...	...
Rajputana ...	...	...	...	...	577	640	...	590	...	...	...	...

(a) Winter Rice
 (b) Autumn Rice
 * Refers to Sind

(c) Summer Rice
 (d) Bihar
 (e) Chota Nagpur

(f) Orissa
 (g) Irrigated
 (h) Unirrigated

Table VII.—Average Yield per Acre and Standard Yield per Acre
(A) Forecasted Crops—Contd.
(In lbs.)

A. Average Yield per Acre
B. Standard Yield per Acre

PROVINCES	COTTON (ginned)				JUTE				LINSEED			
	A		B		A		B		A		B	
	1930-31	1931-32	1932-33	1932-33	1930	1931	1931-32	1931-32	1930-31	1931-32	1932-33	1932-33
Madras	74	79	87	88	...	...	...	...	...	...	...	...
Bombay (including Sind and Indian States) ...	88	84	{ 182 } { *181 }	88	...	...	...	...	232	232	360	251
Bengal	99	91	155	126	1,802	1,240	1,831	...	367	356	473	448
United Provinces	162	111	170	129	...	...	...	...	332	339	500	337
Punjab	123	81	{ (i) 180 } { (j) 146 }	110	...	...	...	...	166	210	...	217
Burma	97	60	110	77	...	...	...	...	...	...	...	...
Bihar and Orissa	81	82	155	80	1,042	918	1,200	...	522	315	492	339
Central Provinces and Berar	69	48	102	70	...	...	...	...	196	208	212	182
Assam	143	162	176	162	1,290	800	1,400	...	...	...	...	...
North-West Frontier Province	92	89	90	75	...	...	...	...	...	...	...	...
Ajmer-Merwara	142	163	216	183	...	...	...	...	...	...	...	...
Coorg ... ..	...	...	...	...	...	...	...	...	...	...	...	...
Delhi	100	169	165	185	...	...	...	...	...	...	...	...
Hyderabad	43	56	...	59	...	...	...	...	...	...	...	150
Mysore	56	43	47	45	...	...	...	...	142	163	...	...
Baroda	77	76	...	69	...	...	...	...	...	...	...	...
Gwalior	67	43	...	59	...	...	...	...	...	...	...	...
Central India	67	44	...	55	...	...	...	...	...	...	...	...
Rajputana	53	68	...	54	...	...	...	...	243	236	...	217

(i) Desi (j) American

*Refers to Sind

A. Average Yield per Acre.

B. Standard Yield per Acre.

Table VII.
Average Yield per Acre and Standard Yield per Acre
(A) Forecasted Crops—Contd.
(In lbs.)

386

Indian Finance Year Book : 1935

PROVINCES	RAPE AND MUSTARD				SESAMUM				CASTOR SEED			
	A		B		A		B		A		B	
	1930-31	1931-32	1932-33	1930-31	1931-32	1932-33	1930-31	1931-32	1932-33	1930-31	1931-32	1932-33
Madras ...	...	...	...	294	290	801	295	222	221	281	285
Bombay (including Sind and Indian States)	280	244	388	270	277	400	272	328	341	...	367	
			(g) 482*							*225		
			(h) 321*									
Bengal ...	405	404	483	381	362	495	501	...	...	...	...
United Provinces ...	294	356	600	227	227	230	242	640	840	...	480	
Punjab ...	356	373	485	196	197	...	183	...	...	...	...
Burma ...	...	...	...	127	53	160	93	...	...	...	...
Bihar and Orissa ...	501	477	492	344	336	350	325	326	332	350	345	
Central Provinces and Berar ...	...	543	460	190	166	210	193	448	453	400	413
Assam ...	395	381	504	...	...	...	...	...	...	...	...
North-West Frontier Province ...	243	204	314	...	...	...	...	...	...	...	...
Ajmer-Merwara ...	...	...	...	85	82	72	17	...	...	...	...
Delhi ...	57	140	325	...	...	...	...	...	...	...	...
Hyderabad ...	64	98	...	136	106	...	180	127	165	...	163	
Mysore ...	...	...	...	...	...	...	...	184	127	...	121
Baroda ...	224	213	224	130	133	...	153	224	204	...	201	
Rajputana ...	124	392	...	215	153	...	172	...	...	...	...

PROVINCES	GROUNDNUT (Nuts in shell)				INDIGO (Dye)			
	A		B		A		B	
	1930-31	1931-32	1930-31	1931-32	1930-31	1931-32	1930-31	1931-32
Madras	1,107	1,041	1,120	1,046	24	28
Bombay (including Sind and Indian States)	1,466	1,595	(g) 2,500	920	21	...
					(h) 1,150	...	...	...
United Provinces	15	18
Punjab	20	...
Burma	694	684	1,000	715	...	...
Bihar and Orissa	19	15
Hyderabad	535	616	...	641	...	...

(g) Irrigated. *Refers to Sind
(h) Unirrigated.

Table VIII

Statistics of Production, Exports and Imports of Main Agricultural Crops in India

Production data are for the seasons and exports or imports for the fiscal years (1st April to 31st March).

RICE		Average of 8 years ending 1929-30	1930-31	1931-32	1932-33
Production (in tons)—					
India (excluding Burma)	...	25,512,000	27,055,000	28,588,000	30,655,000
Burma	...	4,992,000	5,148,000	4,182,000	...
Total		30,504,000	32,198,000	32,770,000	...
Exports (in tons to Foreign Countries)—					
India (excluding Burma)—					
Rice in the husk	...	5,444	4,424	238,044	...
Rice not in the husk	...	279,178	278,891		
Rice, flour and ground rice	...	461	185		
Burma—					
Rice in the husk	...	82,881	21,021	2,183,785	1,657,000
Rice not in the husk	...	1,792,571	1,975,898		
Rice, flour and ground rice	...	1	...		
Total—				78	92
Rice in the husk	...	87,825	25,445	70,391	58,844
Rice not in the husk	...	2,071,744	2,258,784	2,801,415	1,828,206
Rice, flour and ground rice	...	462	185	78	92
Exports (in tons) from Burma to India (Coastal)—					
Rice in the husk	...	182,158	175,408	Not published	...
Rice not in the husk	...	968,829	818,967		
Imports into India (Mainly from Straits Settlements and Indo-China):—					
Rice in the husk	...	19,408	1,571	...	...
Rice not in the husk	...	66,672	7,445	17,981	35,510
Net exports from India in million tons	...	2'0	2'8	2'8	...
% of net exports to total production	...	6'6	7'1	7'0	...
WHEAT					
Production (in tons)	...	8,912,000	9,305,000	9,812,000	9,190,000
Exports (in tons)—				May, 1932	
Wheat	...	142,469	196,503	20,215	2,194
*Wheat flour	...	55,091	46,909	42,724	20,790
Imports (in tons)—					
Wheat	...	829,887	282,084	111,269	33,482
*Wheat flour	...	184	120	84	61
Net exports or imports (in tons)	...	-104,488	+84,654	-27,019	...
% of net exports to total Production.	...	...	Negligible	...	...
* On the basis 1 ton flour = 1½ tons wheat + Net exports - Net import					
BARLEY					
Production (in tons)	...	2,801,000	2,892,000	...	...
Exports (in tons)	...	71,681	1,184	26,866	16,598
Imports (in tons)	...	142	166	Nil	...
Net exports in tons	...	71,539	968	26,866	...
% of net exports to total production	...	8'0	'04	...	...
GRAM					
Production (in tons)	...	2,976,000	3,867,000	...	80,894
Exports (in tons)	...	14,851	11,982	15,890	...
Imports (in tons)	...	81	115	...	...
Net exports (in tons)	...	14,820	11,817	...	...
% of net exports to total production	...	0'5	0'8	...	...
TOBACCO					
Production (in tons)	...	609,000	572,000	...	...
Exports (in lbs.)—					
Unmanufactured	...	28,997,518	27,970,510	25,426,632	20,892,804
Manufactured	...	1,074,284	1,122,122	884,617	729,846
Total		30,071,747	29,092,632	26,311,249	21,622,650
Imports (in lbs.)—					
Unmanufactured	...	5,099,172	1,608,831	3,844,919	5,115,672
Manufactured	...	5,585,237	3,821,806	1,632,537	...
Total		10,684,409	4,929,987	4,477,456	6,051,681
Net exports (in lbs.)	...	19,887,338	24,162,645	21,788,793	...
% net of exports to total production	...	1'4	1'9	...	...

Table VIII

**Statistics of Production, Exports and Imports of Main
Agricultural Crops in India.—(Contd.)**

	Average of three years ending 1990-81	1980-81	1981-82	1982-83
GROUNDNUT				
Production (in tons)		8,154,000	2,697,000	2,886,000
(Shell)				
Exports (in tons)		601,204	671,978	482,818
Imports (in tons)		80	...	...
(Mainly from Straits Settlements)				
Net exports (in tons)		601,174	671,978	...
% of net exports to total production		19'0	24'9	...
LINSEED				
Production (in tons)		377,000	411,000	Not yet available
Exports (in tons)		256,799	120,288	...
Imports (in tons)		21	...	...
Net exports (in tons)		256,778	120,288	72,190
% of net exports to total production		60'8	29'2	...
RAPE AND MUSTARD				
Production (in tons)		988,000	1,023,000	Not yet available
Exports (in tons)		85,878	56,670	...
Imports (in tons)
% of net exports to total production ...		8'6	5'5	...
SESAMUM				
Production (in tons)		526,000	465,000	545,000
(Revised)			(Final)	
Exports (in tons)		1,116	12,822	10,822
Imports (in tons)		807	1,829	...
Net exports (in tons)		809	10,493	...
% of net exports to total production		0'2	2'8	...
CASTOR-SEED				
Production (in tons)		120,000	145,000	146,000
Exports (in tons)		91,022	108,974	85,890
Imports (in tons)
% of net exports to total production		75'9	72'7	...
COTTON-SEED				
*Production (in tons)		1,741,000	1,855,080	1,500,000
Exports (in tons)		41,850	11,655	2,389
Imports (in tons)
% of net exports to total production		2'4	0'9	...

* Estimated on a basis of $\frac{1}{2}$ ton seed for every bale of Cotton.

Table VIII.
Statistics of Production, Exports and Imports of Main
Agricultural Crops in India—Contd.

COTTON				1930-31	1931-32	1932-33
Production (in bales) of 400 lbs.	...	...	...	5,224,000	4,064,000	4,516,000
Exports (in tons) Raw	...	...	...	701,069	423,030	868,323
Imports (in tons) Raw	...	...	...	58,464	79,823	847,758
JUTE				1931	1932	
Production (in bales) of 400 lbs.	...	...	...	5,559,900	...	5,845,000
				1930-31	1931-32	
Exports (in tons) Raw	...	...	...	619,705	586,618	5,63,063
Manufactures (including twist and yarn)	...	...	...	768,649	669,618	
Total exports (Raw and manufactures) in tons	...	...	...	1,386,854	1,250,236	
% of exports to total production	...	...	...	73.7	...	
				(based upon 1900 production)		
COFFEE				1930-31	1931-32	
Production (in lbs.) Cured	...	...	...	82,975,000	155,600	} No index number
Exports (in cwts.)	...	...	...	292,839	4,793	
Imports (in cwts.) other than roasted or ground	...	...	...	42,591	150,307	
Net exports (in cwts.)	...	...	...	250,298	...	
% of net exports to total production	...	...	...	84.9	...	
TEA				1930	1932	
Production (in lbs.)	...	...	...	891,080,000	...	
				1930-31	1931-32	
Exports (in lbs.)	...	...	...	856,238,940	841,518,304	378,836,506
Imports (in lbs.)	...	...	...	6,646,261	6,969,252	
Net exports	...	...	...	849,590,679	834,606,052	
% of net exports to total production	...	...	...	88.2	...	
RUBBER				1930	1931	
Production (in lbs.) (Dry)	...	...	...	24,851,500	...	
				1930-31	1931-32	
Exports in lbs.	...	...	...	23,527,801	15,104,991	6,903,923
Imports in lbs.	...	...	...	323,494	843,126	201,750
Net exports in lbs.	...	...	...	23,104,307	14,261,865	
% of net exports to production	...	...	...	94.7	...	

* These exclude manufactured rubber. While export of manufactures are not considerable, imports in the form of pneumatic motor covers, tubes and tyres have run to about 3 crores of Rupees.

Table IX.

**Prices of Main Agricultural Commodities in India representative of centres of production
(From January, 1931—June, 1933)**

Compared to October, 1929 and July, 1913

Prices as in the beginning of the first week of each month, but where quotations are not available for the nearest period.

Commodity	July 1918			October 1929			January 1931			February 1931			March 1931			April 1931			May 1931			June 1931			July 1931			August 1931			September 1931		
	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.
1. Raw Jute, Calcutta (Firsts, per bale of 400 lb.) ...	69	0	0	60	0	0	28	4	0	25	12	0	27	4	0	28	4	9	30	12	0	30	8	0	28	12	0	27	12	0	30	12	0
2. Raw Cotton, Bombay F. G. M. G. Broach fully pressed per candy of 784 lb.	287	0	0	344	0	0	178	8	0	187	8	0	218	8	0	205	0	0	178	0	0	169	12	0	191	8	0	171	0	0	154	0	0
8. White Rice—																																	
(a) Rangoon Big Mills Special, per 100 baskets of 75 lb. each ...	882	8	0	460	0	0	210	0	0	210	0	0	192	8	0	205	0	0	177	8	0	172	8	0	165	0	0	207	8	0	237	8	0
(b) Calcutta Seeta No. 1 per B. maund ...	6	14	0	7	4	0	5	12	0	5	0	0	5	0	0	5	4	0	5	12	0	5	12	0	5	4	0	5	8	0	5	10	0
4. White Wheat, Lyallpur (1½ per dirt), 2 per cent. barley per maund f.o.r. Lyallpur...	3	8	0	4	8	0	2	0	8	2	8	8	2	1	6	2	0	0	1	9	6	1	10	0	1	10	0	1	14	0	1	12	0
5. Linseed, Bombay Bold per cwt., ready ...	8	1	0	13	13	0	6	14	0	6	11	0	7	14	0	7	7	0	6	14	0	6	4	0	6	10	0	6	10	0	5	18	0
6. Groundnuts, Madras-Machine decorticated per candy (500 lb.) ...	48	5	0	53	0	0	24	0	0	26	0	0	27	0	0	29	0	0	29	0	0	29	0	0	27	0	0	29	0	0	29	0	0
							to			to			to			to			29	0	0	26	0	0	27	0	0	29	0	0	29	0	0
							29	0	0	27	0	0	28	0	0	30	0	0							29	0	0	30	0	0			
7. Rape and Mustard Seed, Bombay-Brown, Cawnpore per cwt. ready ...	8	8	6	9	14	0	6	8	0	6	8	0	7	0	0	7	0	0	7	4	0	7	0	0	7	0	0	7	4	0	7	2	0
Gingelly, Bombay-White, Bold per cwt. ready ...	12	6	0	11	18	0	6	8	0	7	4	0	7	12	0	8	6	0	8	2	0	8	0	0	8	2	0	9	0	0	9	0	0

Table IX.—(Contd.)

Prices of Main Agricultural Commodities in India representative of centres of production.

(From January, 1931—June, 1933)

Prices as in the beginning of the first week of each month, but where quotations are not available for the nearest period.

Commodity	January 1932			February 1932			March 1932			April 1932			May 1932			June 1932			July 1932			August 1932			Sept. 1932		
	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.
1. Raw Jute, Calcutta (Firsts, per bale of 400 lb.)	87	0	0	84	12	0	83	4	0	81	8	0	79	0	0	25	12	0	26	0	0	32	0	0	32	0	0
2. Raw Cotton, Bombay F.G.M.G. Broach fully pressed per candy of 784 lb.	200	0	0	207	0	0	237	8	0	187	0	0	171	8	0	150	8	0	166	12	0	178	8	0	252	8	0
3. White Rice—																											
(a) Rangoon Big Mills Special, per 100 baskets of 75 lb. each	207	8	0	215	0	0	247	8	0	250	0	0	247	8	0	280	0	0	222	8	0	227	8	0	227	8	0
(b) Calcutta Seta No. 1 per B. maund	5	4	0	4	14	0	4	6	0	4	4	0	4	2	0	4	0	0	3	12	0	3	12	0	3	12	0
4. White Wheat, Lyallpur (1½ per dirt), 2 per cent. barley per maund f.o.r. Lyallpur	2	10	6	2	7	9	2	5	6	2	0	0	1	15	6	2	8	6	2	4	9	2	12	0	3	0	6
5. Linseed, Bombay Bold per cwt., ready	6	4	0	6	5	0	7	8	0	6	0	0	5	19	0	5	8	0	5	5	0	5	18	0	6	10	6
6. Groundnuts, Madras-Machine decorticated per candy (500 lb.)	28	11	0	36	4	0	33	8	0	43	8	0	35	0	0	33	8	0	33	4	0	39	8	0	35	4	0
7. Rape and Mustard Seed, Bombay-Brown, Cawnpore per cwt., ready	7	6	0	7	8	0	8	10	0	6	10	0	6	6	0	...	...	...	6	1	0	6	8	0	6	7	0
8. Gingelly, Bombay-White Bold per cwt., ready	7	12	0	9	2	0	10	4	0	9	2	0	8	14	0	8	12	0	8	14	0	8	15	0	9	6	0

Table IX.—Contd.

Prices of Main Agricultural Commodities in India representative of centres of production

(From January, 1931—June, 1933)

Compared to October, 1929, and July, 1931

Prices as in the beginning of the first week of each month, but where quotations are not available for the nearest period.

Commodity	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June	Percentage fall in Prices in June, 1933 as compared to October, 1929
	1932	1932	1932	1933	1933	1933	1933	1933	1933	
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
1. Raw Jute, Calcutta (Firsts, per bale of 400 lb.)	30 12 0	27 0 0	26 8 0	26 4 0	25 0 9	25 8 0	26 0 0	31 0 0	35 0 0	41.7
2. Raw Cotton, Bombay F.G.M.G. Broach fully pressed per candy of 784 lb.	225 8 0	218 0 0	204 0 0	194 0 0	194 0 0	181 8 0	175 0 0	180 12 0	204 12 0	31.8
3. White Rice—										
(a) Rangoon Big Mills Special, per 100 baskets of 75 lb. each	205 0 0	197 8 0	185 0 0	175 0 0 (old) 167 8 0 (new)	172 8 0	165 0 0	150 0 0	162 8 0	157 8 0	68.0
(b) Calcutta Seeta No. 1 per B. maund	8 12 0	8 12 0	8 14 0	8 14 0	8 11 0	8 6 0	8 8 0	8 10 0	8 14 0	46.6
4. White Wheat, Lyallpur, (1½ per dirt), 2 per cent. barley per maund f.o.r. Lyallpur	8 0 9	8 0 9	8 0 0	8 8 0	8 5 9	8 8 6	8 8 6	8 2 6	2 18 6	36.8
5. Linseed, Bombay Bold per cwt., ready	6 8 0	6 8 0	6 1 6	6 1 0	6 8 9	5 0 6	4 15 6	5 8 0	5 14 0	57.5
6. Groundnuts, Madras-Machine decorticated per candy (500 lb.)	35 2 0	32 0 0	29 4 0	31 0 0	31 11 0	28 8 0	24 8 0	25 7 6	26 14 8	49.8
7. Rape and Mustard Seed, Bombay-Brown, Cawnpore per cwt., ready	6 8 10	6 0 0	6 0 0	6 8 0	6 5 0	6 0 0	5 10 0	5 11 0	5 8 0	44.8
8. Gingelly, Bombay-White Bold per cwt., ready	8 4 0	7 10 0	7 4 0	7 6 0	7 10 0	7 1 0	6 6 0	6 12 0	6 14 0	41.8

Table X (A)

Estimated Acreage and Production, of

Indian Cotton by varieties.

(Taken from Indian Trade Journal).

(000's omitted).

DESCRIPTIONS OF COTTON	1930-31		1931-32		1932-33	
	Acreage	Production Bales	Acreage	Production Bales	Acreage	Production Bales
Domras—						
Khandesh ...	1,211	278	1,221	179	1,061	213
Central India ...	1,908	517	1,804	205	1,617	215
Barsi and Nagar ...	2,815	488	2,525	360	2,469	362
Hyderabad Goarani ...	971	126	862	115	800	181
Berar ...	3,221	658	3,162	357	2,944	527
Central Provinces ...	1,329	478	1,458	189	1,272	218
TOTAL ...	11,150	2,840	11,102	1,855	10,223	1,660
Dholleras ...	2,588	559	2,101	582	2,586	642
Bengal-Sind—						
United Provinces ...	845	322	753	207	527	170
Rajputana ...	551	84	468	78	452	68
Sind-Punjab ...	1,889	567	1,992	457	1,786	409
Others ...	73	16	74	16	72	15
TOTAL ...	3,360	989	3,282	758	2,787	752
American—						
Punjab ...	887	269	763	215	774	300
Sind ...	65	20	61	14	88	24
TOTAL ...	952	289	824	229	862	324
Broach ...	1,282	277	1,250	294	1,276	296
Coompta-Dharwars ...	1,856	178	1,540	258	1,401	218
Westerns and Northern	1,540	182	1,862	228	1,591	202
Cocanadas ...	199	82	194	85	189	82
Tinnevelly ...	525	129	502	188	458	125
Salems ...	200	86	198	85	198	85
Cambodias ...	248	90	278	119	320	141
Comillas, Burmas and other sorts ...	517	123	359	67	469	108
GRAND TOTAL ...	23,812	5,224	23,482	4,068	22,350	4,425

TABLE X (B)

Indian Cotton Crops classified by staple lengths

(In Thousands of Bales of 400 lbs. each)

Taken from Cotton Improvement in India by Indian Central Cotton Committee, 1931.

	1915-18 Average	Forecast crop. Average 1925-30	Trade estimates normal season *
Long Staple $\frac{3}{8}$ inch and above			
Oomras—			
*Hyderabad Gaorani	168	186	250
Verum 262	...	2	200
Broach—			
Surat-Navsari mostly 1027	...	...	...
A. L. F. (Staple 1")	...	98	850
Others ...	190	77	...
Kumpta-Dharwar—			
Gadag 1 (Staple 1")	...	18	...
Dharwar 1 (Staple $\frac{3}{8}$ ")	...	28	200
Jayawant (Staple 1")	...	...	...
Others	282	245	...
Westerns and Northern—			
Hagari 25 (Staple $\frac{3}{8}$ ")	...	22	...
Hagari 1 (Staple $\frac{3}{8}$ ")	...	8	250
Nandyal 14 (Staple $\frac{19}{16}$ " to 1")	...	...	...
Others ...	198	285	...
Tinnevellys—			
Karunganni C-7 (Staple 1")	...	8	180
Karunganni others (Staple $\frac{3}{8}$")	...	...	...
Others	401	155	...
Cambodia—			
Coimbatore 1	...	...	...
(Staple 1" and over)	...	...	...
Coimbatore 2	...	...	...
(Staple 1" and over)	...	...	...
Irrigated Cambodia	...	...	...
(Staple 1" and over)	...	...	...
Others	101	96	180
	65	84	...
Punjab and Sind Americans—			
289-F (Staple 1" to $\frac{1}{16}$ ")	...	2	450
*4-F (Staple $\frac{3}{8}$ ")	48	252	...
TOTAL, LONG STAPLE	1,148	1,458	2,060
Short Staple Below $\frac{3}{8}$ Inch—			
Oomras (part)	1,681	2,864	2,800
Broach (part)	98	88	...
Dholleras	472	598	400
Bengals	687	986	1,800
Salems	18	87	...
Cocanadas	87	48	200
Comillas, Burmahs, etc.	79	108	...
TOTAL, SHORT STAPLE	3,012	4,164	4,209
GRAND TOTAL ...	4,160	5,622	6,269

*If marketed pure.

TABLE XI (A)

Exports of Raw Cotton from India to various countries for year ending 31st March

(In Thousands of Bales of 400 lbs.)

Countries	1920-31	1931-32	1932-33
United Kingdom	281	166	168
Other parts of the British Empire	6	6	2
Total British Empire	287	172	170
Japan	1,686	1,080	1,035
Italy	362	183	151
France	232	81	123
China (exclusive of Hongkong, etc.)	606	486	184
Belgium	217	121	123
Spain	106	45	50
Germany	800	166	151
Other Countries	121	85	71
Total Foreign Countries	8,689	2,197	1,893
TOTAL	8,928	2,369	2,063

TABLE XI (B)

Imports of Foreign Cotton into Bombay

(BOMBAY CHAMBER OF COMMERCE)

(Year ending 31st August)

(Bales of 392 lbs. net)

Descriptions	1929-30	1930-31	1931-32
East Africans	184,533	179,473	133,162
Egyptians	12,837	148,947	121,032
Americans	15,889	140,296	220,808
Persians	704	1,433	2,951
TOTAL	168,515	† 470,832	538,064

† Includes 178 bales of Russian Cotton.

TABLE XI C.
Statement of Stocks of Cotton in Bombay
(Indian and Foreign.)
exclusive of Cotton held by the Mills.
(Taken from the Bombay Cotton Annual 1931-32.)

DESCRIPTIONS	ON 31ST AUGUST, 1930.			ON 31ST AUGUST, 1931.			ON 31ST AUGUST, 1932.		
	Bales unsold.	Bales sold but not delivered.	Total number of bales.	Bales unsold.	Bales sold but not delivered.	Total number of bales.	Bales unsold.	Bales sold but not delivered.	Total Bales.
Broach	81,012	12,243	43,258	88,577	5,607	44,274	63,043	9,894	72,937
Dhollera descriptions, including Cutch (full, $\frac{1}{2}$ and $\frac{1}{4}$ pressed bales)	87,854	4,854	42,203	57,559	8,565	61,124	49,800	7,624	56,924
Oomra descriptions	289,565	89,185	328,700	145,767	19,646	165,413	77,874	16,175	94,049
Khandesh	48,938	9,144	58,132	43,244	3,204	46,448	52,134	7,055	59,189
Bengals (including Sind, Punjab and Rajputana),	23,276	17,806	46,082	38,800	3,179	41,979	46,272	3,450	49,722
Punjab American	775	1,161	1,936	3,009	1,482	4,491	16,279	1,608	17,882
Dharwar	1,951	997	2,948	660	...	660	1,637	100	1,737
Comptas, Tinnevely and Cambodia	16,785	16,775	33,560	37,416	7,008	44,424	29,525	2,225	31,750
Western-Northern Descriptions	9,043	13,883	22,831	22,466	7,676	30,142	31,130	4,516	35,646
Persians ... ..	...	...	...	...	...	...	500	...	500
Americans	297	290	587	11,333	10,320	22,653	16,453	3,276	24,729
Egyptians ... ..	...	15	15	2,021	1,947	3,968	20,082	2,681	22,763
East Africans	12,233	3,545	15,833	32,645	11,406	44,051	21,975	9,486	31,461
Other sorts	10,623	899	11,527	10,879	181	11,060	4,836	300	5,136
TOTAL	431,972	170,700	602,672	444,331	75,311	520,692	431,063	73,335	504,448

TABLE XI (D)

Statement of Stocks of Cotton held by the Mills in Bombay on 31st August

	Cotton actually on hand in Mill Godowns (Actual number of bales).	Ready Cotton bought but not taken delivery of. (Actual number of bales).	Total (Actual number of bales).
1930 ...	166,882	23,643	190,525
1931 ...	164,209	15,432	179,641
1932 ...	193,437	22,274	117,603

TABLE XI (E)

Estimated World's Consumption of Indian Cotton by various Countries
(INTERNATIONAL COTTON FEDERATION)
(Year ending 31st July)
(In Thousands of Bales.)

Countries	1929-30	1930-31	1931-32
Great Britain ...	188	252	183
% on 1913 ...	355	475	345
France ...	224	224	152
Germany ...	371	203	129
Russia ...	118	*114	55
Poland ...	24	22	11
Italy ...	261	236	145
Czecho-Slovakia ...	109	83	34
Austria ...	85	25	14
Spain ...	92	85	51
Belgium ...	130	140	97
Switzerland ...	10	10	7
Other European ...	56	56	33
Total Continent ...	1,375	1,212	723
% on 1913 ...	169	149	89
India ...	2,243	2,208	2,296
Japan ...	1,697	1,500	1,117
China ...	463	520	431
Total Asia ...	4,403	4,318	3,834
% on 1913 ...	143	140	125
U. S. A. ...	61	48	21
All others ...	60	85	23
Grand Total ...	6,067	5,860	4,730
% on 1913 ...	154	149	122

* Complete return not received, estimated from trade sources.

Table XII—International Statistics.

Taken from International Year Book of Agricultural Statistics

Estimated average production and net exports for certain principal crops in the main exporting countries of the world.

(In Million Tons)

(1) Wheat and Flour.*

COUNTRY	Estimated average production of wheat for the triennium ending 1932 ending 1932 season	Average net exports for the triennium ending 1928-29 (ending July, 81)	Net exports during 1929-30 ending July, 81	Net exports during 1930-31 (ending July, 81)	Net exports during seven months 1931-32 (Aug. 1st to end Feb.)
Hungary	2'6	0'7	0'9	0'5	0'4
U. S. S. R.	81'0	†Varying between 0'2 to 1'8	0'8	8'4	Not known
Canada	10'8	9'8	5'5	7'7	3'8
United States	25'8	4'8	4'2	8'8	2'1
Argentina	6'7	4'9	4'6	8'7	1'8
Australia	5'8	2'5	1'8	4'5	2'5

* Flour reduced to grain on the basis 8 units of flour = 4 units of wheat.

† In the earlier years U. S. S. R. was importing.

(2) Rice.

COUNTRY	Estimated average production for the triennium ending 1932	Average net exports for the triennium ending 1929	Net exports during 1930 (ending December)	Net exports during 1931 (ending December)
India	80'5	2'0 (Fiscal year)	2'8 (Fiscal year)	2'8 (Fiscal year)
Indo-China	5'8	1'8	1'2	1'1
Siam	4'2	1'1	1'0	1'2
Argentina	1'7 (Three years preceding 1931)	1'6	(8) Linseed. 1'8	2'1
India	0'4	0'2 (Fiscal year)	0'8 (Fiscal year)	0'1 (Fiscal year)

(3) Cotton (Raw.)

COUNTRY	Average production during the triennium ending 1932 season	Average net exports ending 1928-29	Net exports during 1929-30 (ending July 31)	Net exports during 1930-31 (ending July 31)	Net exports during 1931-32 (Seven months—August 1 to end February)
United States	4'8	1'7	0'2	1'8	1'6
India	1'8	0'6	0'7	0'7	0'2
Egypt	0'4	0'8	0'1	0'8	0'2 (till January)

(4) Coffee.

(In Million lbs.)

		Ending June 30	Ending June 30	(Eight months—July 1 to end February)
Brazil	2,464	2,016	1,996	2,317
India	84	19	32	28
Java and Madura	112	74	56	38

(5) Tea.

(In Million lbs.)

COUNTRY	Average estimated production during the triennium ending 1932	Average net exports during the triennium ending 1929	Net exports during 1929-30 (ending June 30)	Net exports during 1930-31 (ending June 30)	Net exports during 1931-32 (July 1 to end February)
Ceylon	248	224	251	247	145
India	409	357	370	347	304
Java and Madura	147	184	155	159	95
Japan	39	(Importing)	25	24	(up to January) 17 (up to January)

CO-OPERATIVE SECTION :

CO-OPERATION IN INDIA

Agriculture is the main industry in India and is likely to remain so for many years. Owing largely to the Hindu and Mahomedan law of inheritance, the average holding is very small: in the south and east it is stated to be about five acres, while in other parts, not more than half the holdings are said to exceed this figure. It is obvious that such small men cannot alone obtain direct credit from commercial banks; and agricultural credit has, therefore, in the past mainly depended on the village money-lender.

The money-lender and his hiring middlemen force them to sell away at the lowest prices. The cultivator in short is prostrate before the most sinister combination of adverse forces. He is not an entity by himself; and if he is to extricate himself from the present position, he must make the most of the common interests among his fellowmen and replace the blighting influence of external domination by the beneficence of corporate self-reliance.

In India, thanks to the devastation caused by repeated famines, the Government had begun to exercise their minds on the problem of rural uplift; but for a time there were only a few isolated attempts in the Punjab and Madras to start organisations, which in the state of the law at that time could not be imparted an identity, distinct from that of ordinary companies. But the volume of opinion favouring the introduction of co-operation had gathered momentum; and when the Famine Commission of 1901 felt impelled to emphasise its urgent and imperative nature, the Co-operative Credit Societies Act could not be long in coming; and it was duly enacted in 1904.

The Societies are groups of villagers who have agreed to be jointly and individually responsible for sums borrowed by the group from central banks, which are organised at suitable centres to accept deposits and borrow from the commercial banks as far as possible. In cases where sufficient local capital has not been obtain-

able by the central banks, provincial banks have sometimes been formed in the chief towns of the provinces to obtain funds to lend to the central banks.

One of the primary objects of co-operation is thrift. In countries where its growth has been natural, the primary societies in the first instance worked on their own deposits and have consistently contained a large proportion of depositor members. Such depositor members exert a wholesome influence on their societies; and in the primary societies, of course, lies the real strength of the movement. In many provinces in India, this wholesome influence is lacking, as depositors are non-existent in the great majority of Societies.

Cultivators are used to lenders who do not exact the full penalties of their bonds and, although the terms offered them by the Co-operative Societies are much less onerous, old habits die hard and societies composed entirely of borrowers are unlikely to make much effort to change them. The result in many cases is heavy overdues, not always through inability to pay but often through unwillingness to do so.

The first Act was an avowed experiment; and it was not till 1912 that a new Act was framed which permitted non-credit activities and made provision for the financing of primary societies—a glaring omission of the earlier Act.

The Co-operative Societies Act of 1912 requires the Registrar to audit or cause to be audited by some person authorised by him the accounts of every registered society at least once a year and it lays down that such audit "shall include an examination of overdue debts, if any, and a valuation of the assets and liabilities of the Society." Co-operation is a transferred subject and some provinces have now passed their own Acts; but the provisions regarding audit have not been materially changed.

It is incumbent on every student of Indian economics to determine the exact



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strength of the co-operative movement in India and examine the handicaps which have acted on it. The Agricultural Commission points out that "so far as numbers go, the movement has made remarkably rapid progress." Though the Agricultural Commission has, in the main, been gratified by the results achieved during these years, there is every reason to regard co-operation in India more as a cluster of isolated experiments than as a demonstration of rapidly increasing popularity.

If we consider what may be called the more intangible results, one may say generally that "Knowledge of the co-operative system is now wide-spread; thrift is being encouraged; training in the handling of money and in elementary banking principles is being given. Where the co-operative movement is strongly established, there has been a general lowering of the rate of interest charged by money-lenders; the hold of the money-lender has been loosened, with the result that a marked change has been brought about in the outlook of the people."

It can, of course, be explained that the advantage of wiping off debts or at least reducing their burden by renewing them at lower rates of interest is appreciated by even the most illiterate, while the benefits of non-credit organisations cannot appear so obvious. But can it not also be said that non-credit organisations have not progressed, because the credit societies, which represent the beginning of co-operative activity, have not had a really healthy growth?

The reasons for the slow progress which co-operation has made in India are of a varied nature; and to understand them clearly it is advisable to distinguish them as falling into three broad divisions (1) those for which the State or the Government of the country is responsible; (2) those for which the people themselves must take the larger share of the blame; and (3) the defects in the working of the societies.

Obviously, in a movement like this, the *personnel* of the workers is of first-rate importance. And it is a well-known fact that so far the workers have comprised a conglomeration of inexperienced officials and amateur non-officials. It is said that in the early years of the movement "the leaders of the blind were themselves among the afflicted" and that progress was achieved only by the slow process of experiment and error.

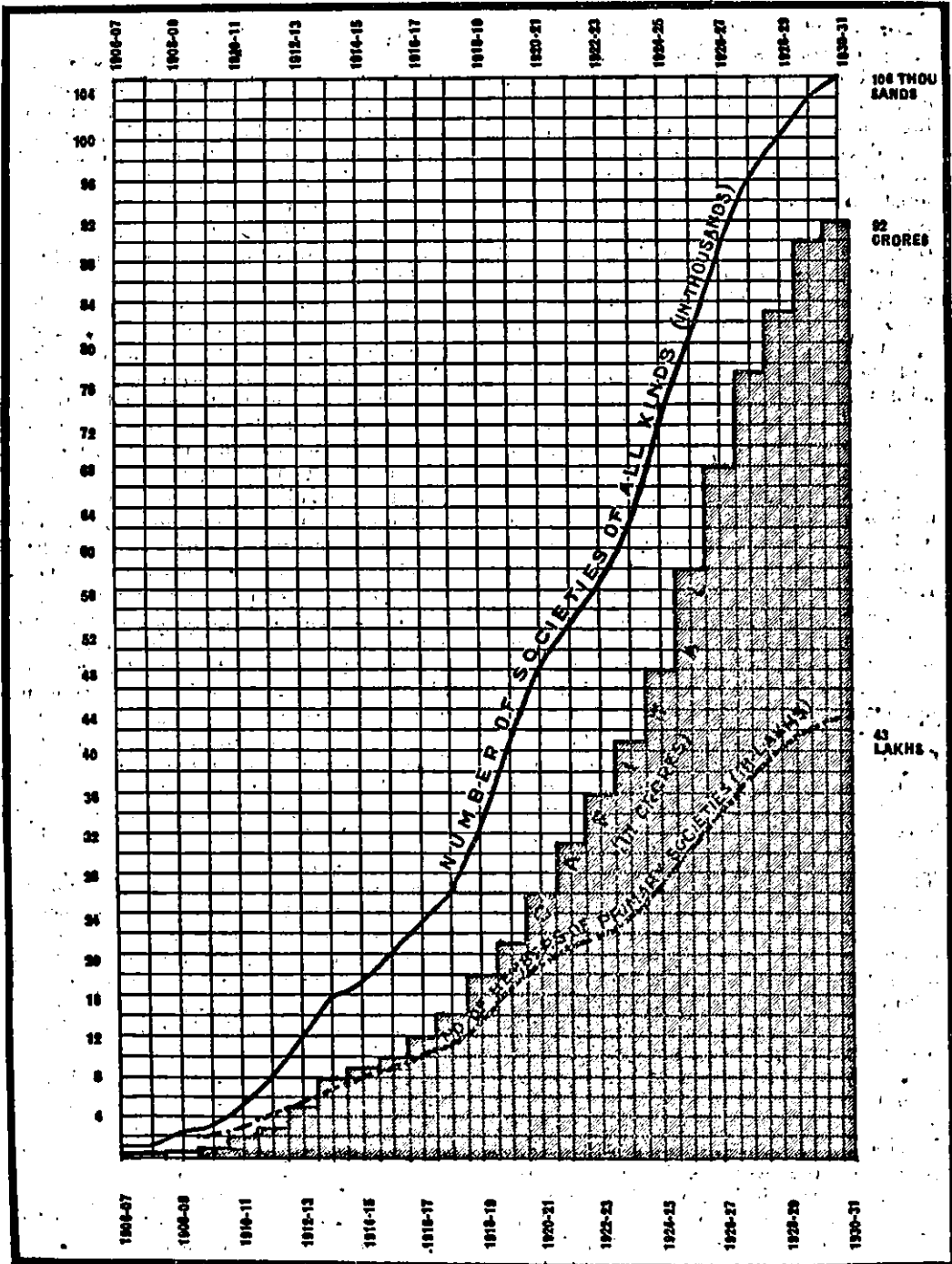
Out of the three categories of defects made out before, two should be settled by the inter-action of official and non-official workers. It is not to be expected that the latter, who have their own material pursuits in life, could develop themselves into full-fledged experts. But officials can and must acquire the fullest knowledge and experience and gradually extend them to all the other workers. It may be said, by way of digression, that this co-operation between expert officials and devoted non-officials is the basis of every improvement that is necessary in the present conditions of India.

The foremost obstacle in the path of the co-operative movement is the lack of resolution on the path of the cultivating classes to do away with the economic handicaps of the past, especially the inherited debts, and to run the race of our material existence with the utmost energy they can command. It has been observed that the very idea that "debt is a voluntary condition in which no man need remain is to many something of a novelty." Indebtedness seems to many to be inevitable, to be one of the ills that human flesh is heir to; and little or no attempt is made to avail of even special legislative measures to extricate one's self from that position. The money-lender's authority is thus unshaken and sometimes even buttressed by a pious sentiment of duty to ancestors. When this is the general state of affairs, it is no wonder that even members of co-operative societies make no effort to understand their fundamental principles and look upon them only as the means of substituting old loans at unconscionable rates of interest by new ones obtained at reasonable rates. It does not occur to them that co-operation offers cheap credit not for changing the personnel of the creditor, but for eliminating him altogether and for helping the individual member to realise his economic future.

Till now, because nothing was done to extricate the masses from the present position, the State has been faced with the double task of assisting the finance of agriculture and of restricting credit in the interest of the improvident cultivator. And the co-operative societies, too, had to consider the question of advances not only for strictly productive purposes but also for reducing past indebtedness. It has been a moot point with co-operators for a long time whether the reduction of past debts should be brought within their purview and if very little has been done that

PROGRESS OF THE CO-OPERATIVE MOVEMENT IN INDIA.

1906-07 to 1930-31.



way, it is only because their resources have been limited. The ordinary administration of co-operative societies has been complicated by the necessity to ensure that the moneys lent by the society are spent on the purposes for which they are granted. Debts that are inherited, and debts that are acquired through improvidence—these are not two isolated problems. The latter is directly due to the former, and if something were done to wipe away the past sins we may be sure that there will be no fresh accretions. But it is necessary to emphasise at the same time that unless the insolvency law is so conceived as not to create wholesale transfers of lands and holdings, we cannot expect to reap the benefits that are now aimed at.

By keeping the people illiterate Government have starved the co-operative movement and tinkered with the problems of the peasantry by passing legislation of doubtful usefulness. There have been many acts of the legislatures, central and

provincial, which to all appearances have attempted to improve the lot of the peasant. The Usurious Loans Act was one such ; but is it possible for the Government to say what measures they took to ensure its wide utilisation? We are told at the end that legislation calculated to save the cultivator from himself is foredoomed to failure, that the mere provision of cheap credit, far from proving a remedy, will only aggravate the present ills.

Co-operation has, indeed, done much to mitigate the evils of usury ; but it has much more to do not only in this respect, but also others. The least that democracy, where it is not socialistic, can do is to treat co-operation as its pet. India is on the eve of democratic government ; and may it not mean that the best days of co-operation are come at last and that the best attentions of the future Government of India will belong to the co-operative movement?

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Table I

(a) Number of Societies for all India showing the increase since 1906-07

	Average for 4 years from 1906-07 to 1909-10	Average for 5 years from 1910-11 to 1914-15	Average for 5 years from 1915-16 to 1919-20	Average for 5 years from 1920-21 to 1924-25	Average for 5 years from 1925-26 to 1929-30	1930-31
1	2	3	4	5	6	7
Central (including Provincial and Central Banks and Banking Unions) ...			304	506	587	607
Supervising and Guaranteeing Unions (including Re-insurance Societies) ...	17	231				
Agricultural (including Cattle Insurance Societies) ...			638	1,302	1,394	1,256
Non-Agricultural ...	1,718	10,891	25,878	51,716	83,098	93,778
	196	664	1,662	4,188	8,862	10,580*
TOTAL ...	1,926	11,786	28,477	57,707	98,936	1,06,166

*Including two Insurance Societies.

(b) Number of Societies by Provinces and States for 1930-31

Province	Population (millions)	Central (including Provincial and Central Banks and Banking Unions)	Supervising and Guaranteeing Unions (including Re-insurance Societies)	Agricultural (including Cattle Insurance Societies)	Non-Agricultural (including Insurance Societies)	Total number of Societies	Number of Societies per 100,000 inhabitants
1	2	3	4	5	6	7	8
Madras ...	46.7	83	454	12,826*	1,565	14,878	31.9
Bombay ...	21.9	20	108	4,890	878	5,896	26.9
Bengal ...	50.1	120	8	21,464	2,027	23,614	47.1
Bihar and Orissa ...	37.7	68	186	8,817	888	9,404	24.9
United Provinces ...	48.4	69	8	5,260	291	5,628	11.6
Punjab ...	23.6	120		17,541	3,087	20,698	87.7
Burma ...	18.1	12	484	2,347	179	2,972	22.7
Central Provinces and Berar ...	15.5	86	17	3,957	99	4,109	26.5
Assam ...	8.6	10		1,804	90	1,418	16.4
North-West Frontier Province	2.4	1		299	17	257	10.7
Coorg ...	0.2	1	18	215	24	258	126.5
Ajmer-Merwara ...	0.6	7	2	547	98	654	109.0
Hyderabad Administered Area	0.1				18	18	18.0
Delhi ...	0.6	1		221	58	275	45.8
Total (British India) ...	269.9	507	1,220	79,628	8,709	90,064	33.4
Mysore ...	6.6	16		1,777	420	2,218	33.5
Baroda ...	2.4	6	1	861	179	1,047	43.6
Hyderabad ...	14.4	84		1,782	841	2,157	15.0
Bhopal ...	0.7	22	7	1,184	26	1,189	169.9
Gwalior ...	3.5	(a)		4,028	48	4,071	116.8
Indore ...	1.8	5		458	48	506	38.9
Kashmir ...	3.6	15		2,582	352	2,899	80.5
Travancore ...	5.1	1	28	1,446	885	1,810	35.5
Cochin ...	1.2	1		127	82	210	17.5
Total (Indian States) ...	38.8	100	36	14,145	1,821	16,102	41.5
GRAND TOTAL ...	308.8	607	1,256	93,778	10,580	1,06,166	34.4

(a) Figures not available.

Table II

(a) Number of Members for all India showing the increase since 1900-07

	Average for 4 years from 1906-07 to 1909-10	Average for 5 years from 1910-11 to 1914-15	Average for 5 years from 1915-16 to 1919-20	Average for 5 years from 1920-21 to 1924-25	Average for 5 years from 1925-26 to 1929-30	1930-31
1	2	3	4	5	6	7
Central (including Provincial and Central Banks and Banking Unions) ...	1,987	28,877	89,925	168,822	212,093	202,066
Supervising and Guaranteeing Unions (including Re-insurance Societies) ...			10,971	24,457	84,621	85,512
Agricultural (including Cattle Insurance Societies) ...	107,648	459,096	902,980*	1,061,098	2,791,562	8,165,925
Non-Agricultural (including other insurance Societies) ...	54,257	89,157	226,081	498,509	897,270	1,142,387
Total Number of Members of primary Societies ...	161,910	548,258	1,128,961	2,154,607	8,688,841	4,808,262

*Excluding members of Cattle Insurance Societies at the end of 1915-16 and 1916-17, and those in Bombay and the United Provinces at the end of 1917-18.

(b) Number of Members by Provinces and States for 1930-31

Provinces	Population (millions)	Central (including Provincial and Central Banks and Banking Unions)	Supervising and Guaranteeing Unions (including Re-insurance Societies)	Agricultural (including Cattle Insurance Societies)	Non-Agricultural (including other insurance Societies)	Total number of Members of primary Societies	Number of Members of primary Societies per 1,000 inhabitants
1	2	3	4	5	6	7	8
Madras	46.7	16,886	11,768	714,820	264,925	979,745	21.0
Bombay	21.9	18,450	2,785	339,459	233,210	572,669	26.1
Bengal	50.1	25,185	298	535,285	225,527	760,812	15.2
Bihar and Orissa	37.7	12,074	11,162	227,554	26,908	254,462	6.7
United Provinces	46.4	10,614	103	119,558	28,178	147,786	8.1
Punjab	28.6	85,860	...	589,296	110,320	679,616	28.8
Burma	18.1	1,940	2,568	53,396	82,845	85,741	6.5
Central Provinces and Berar	15.5	55,853	4,697	60,905	16,810	76,815	4.9
Assam	8.6	1,852	...	55,815	14,254	69,569	8.1
North-West Frontier Province	2.4	172	...	5,923	1,799	7,722	8.2
Coorg	0.2	827	205	11,589	3,448	14,087	70.2
Ajmer-Merwara	0.6	1,612	122	12,114	6,494	18,608	31.0
Hyderabad Administered Area	0.1	...	...	...	6,178	6,178	61.7
Delhi	0.6	485	...	5,423	2,372	7,795	18.0
Total (British India)	269.5	175,760	33,708	2,710,087	971,263	8,681,300	18.7
Mysore	6.6	3,187	...	70,105	64,323	134,428	20.4
Baroda	2.4	1,817	30	25,208	12,118	37,321	5.5
Hyderabad	14.4	4,209	...	87,208	15,912	58,120	18.7
Bhopal	0.7	2,483	158	20,159	452	20,611	29.4
Gwalior	8.5	7,225	...	69,420	887	70,307	20.1
Indore	1.8	1,846	...	8,665	4,701	13,366	10.8
Kashmir	8.6	3,390	...	47,362	6,960	54,222	15.1
Traivancore	5.1	2,517	1,616	165,568	53,661	219,259	43.0
Cochin	1.2	182	...	12,368	12,065	24,523	20.8
Total (Indian States)	88.8	26,306	1,804	455,868	171,074	626,962	16.2
GRAND TOTAL	308.3	202,066	35,512	8,165,925	1,142,337	4,808,262	14.0

Table III

(a) Working Capital for all India showing the increase since 1906-07

1	Average					7 1930-31
	2 from 1906-07 1909-10	3 from 1910-11 1914-15	4 from 1915-16 1919-20	5 from 1920-21 1924-25	6 from 1925-26 1929-30	
	R(1,000)	R(1,000)	R(1,000)	R(1,000)	R(1,000)	R(1,000)
Share capital paid up ...	18,19	88,87	2,51,97	5,25,66	9,94,17	12,40,88
Loans and deposits held at the end of the year from Members ...	14,12	88,28	96,85	2,54,45	5,08,42	6,77,98
Loans and deposits held at the end of the year from Societies ...	18,59	1,98,42*	47,81	1,49,98	2,92,88	8,20,24
Loans and deposits held at the end of the year from Provincial or Central Banks ...	...	...	5,03,19	12,29,88	24,62,48	29,29,59
Loans and deposits held at the end of the year from Government ...	5,86	10,87	25,58	67,69	1,68,84	1,74,81
Loans and deposits held at the end of the year from Non-Members and other sources ...	19,69	1,41,98	4,70,25	10,96,22	28,59,68	28,15,70
Reserve and other Funds ...	1,67	25,00	1,23,82	8,12,38	7,18,21	10,82,12
TOTAL ...	68,12	5,48,42	15,18,47	36,86,26	74,89,18	91,91,22

* Includes loans from Provincial or Central Banks.

(b) Working Capital by Provinces and States for 1930-31

Province	Popu- lation	Share Capital paid up	LOANS AND DEPOSITS HELD AT THE END OF THE YEAR FROM							TOTAL	Number of annas per head of popu- lation
			Members	Societies	Pro- vincial or Central Banks	Govern- ment	Non- Mem- bers and other sources	Reserve and other Funds			
1	2	3	4	5	6	7	8	9	10	11	
	mil- ions	R(1,000)	R(1,000)	R(1,000)	R(1,000)	R(1,000)	R(1,000)	R(1,000)	R(1,000)	As.	
Madras ...	46.7	2,42,16	81,86	88,52	6,68,15	44,15	5,57,60	1,27,94	18,09,88	62	
Bombay ...	21.9	1,77,46	2,91,98	68,82	2,96,59	47,16	4,04,85	1,04,91	18,90,72	102	
Bengal ...	50.1	1,98,92	97,11	19,96	5,20,41	77	5,66,02	1,59,82	15,62,51	50	
Bihar and Orissa ...	87.7	56,42	17,84	8,78	2,44,72	67	2,10,64	54,88	5,88,90	25	
United Provinces ...	48.4	56,51	9,40	2,78	58,09	18	52,92	42,91	2,22,78	7	
Punjab ...	28.6	1,81,15	80,58	78,84	6,83,63	15,51	5,69,20	2,50,98	18,04,29	122	
Burma ...	18.1	88,78	12,57	4,17	59,52	4,08	24,85	75,07	2,69,04	88	
Central Provinces and Berar ...	15.5	84,57	5,51	81,80	2,12,70	2	1,80,96	66,17	5,81,78	55	
Assam ...	8.6	8,09	8,17	1,98	20,05	98	28,86	10,01	78,04	15	
North-West Frontier Province ...	2.4	2,08	64	28	5,28	...	4,29	48	12,95	9	
Coorg ...	0.2	2,75	87	18	2,25	9	2,92	2,47	11,08	88	
Ajmer-Merwara ...	0.6	6,78	3,52	1,18	10,41	...	15,84	9,67	47,80	126	
Hyderabad Adminis- tered Area ...	0.1	1,96	2,95	1	...	8	11	26	5,82	85	
Delhi ...	0.6	2,59	1,09	5	8,28	...	10,95	2,11	25,07	67	
TOTAL (British India) ...	269.5	10,60,17	6,18,08	2,96,15	27,40,08	1,18,54	26,29,51	9,07,08	88,59,56	50	
Mysore ...	8.6	48,89	88,50	4,92	27,16	8,95	46,81	24,09	1,89,82	46	
Baroda ...	2.4	5,80	9,98	2,26	16,06	5,79	25,86	9,69	74,94	50	
Hyderabad ...	14.4	45,41	4,98	2,81	76,27	8,85	52,71	28,12	2,08,15	28	
Bhopal ...	0.7	1,31	2	1,86	8,64	4,58	80	8,86	24,57	56	
Gwalior ...	8.5	15,08	1,55	9,00	...	35,88	10,18	20,58	91,62	42	
Indore ...	1.8	8,51	5,61	18	14,58	2,18	15,29	18,46	54,76	67	
Kashmir ...	8.6	24,42	10	88	82,52	4,85	18,84	16,57	97,78	43	
Travancore ...	5.1	88,26	6,01	1,62	10,22	1,42	10,64	6,16	69,88	22	
Cochin ...	1.2	8,08	8,10	1,86	4,11	27	6,01	8,06	21,24	28	
TOTAL (Indian States) ...	88.8	1,80,66	64,85	24,09	1,89,56	61,27	1,86,19	1,25,04	8,81,66	84	
GRAND TOTAL ...	308.3	12,40,88	6,77,93	8,20,24	29,29,59	1,74,81	28,15,70	10,32,12	91,91,22	48	

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