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**REVIEW**  
OF THE  
**TRADE OF INDIA**  
IN  
**1939-40**

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Governor-General in Council*



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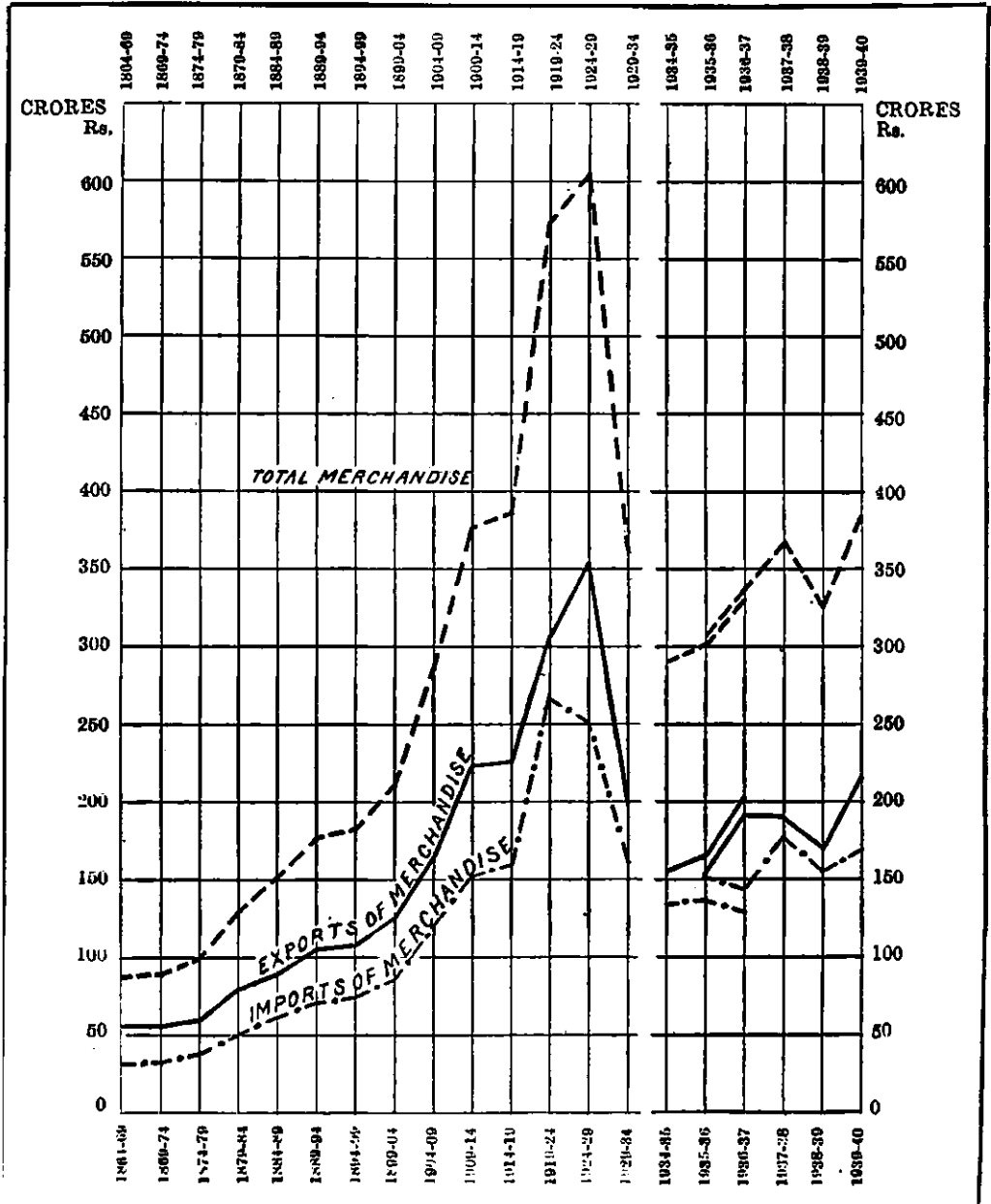
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## CHART A

## Foreign Sea-borne Trade of British India.

Quinquennial averages during the seventy years (1864-69 to 1929-34) and the annual trade for the last six years.

(Private and Government.)



NOTE.—(i) The space after 1929-34 separates the several quinquennia and the annual figures.

(ii) The three points starting from 1934-35 represent unadjusted figures which include Burma.

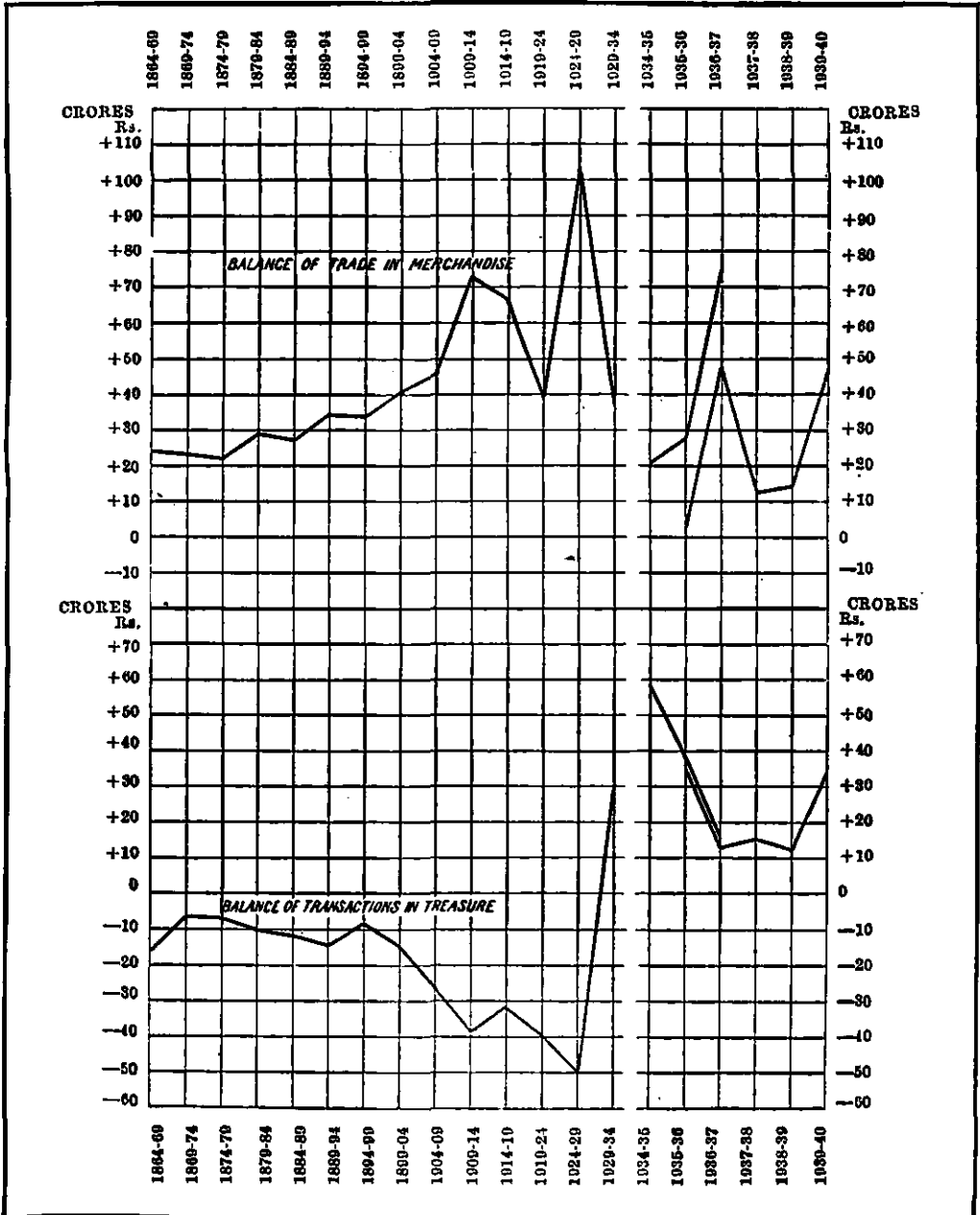
(iii) The points starting from 1935-36 represent adjusted figures excluding Burma for 1935-36 and 1936-37 and actual figures thereafter.



## CHART B

Balance of Trade in Merchandise and Transactions in Treasure  
Quinquennial averages during the seventy years (1864-69 to 1929-34) and the annual  
balance for the last six years.

(Private and Government.)



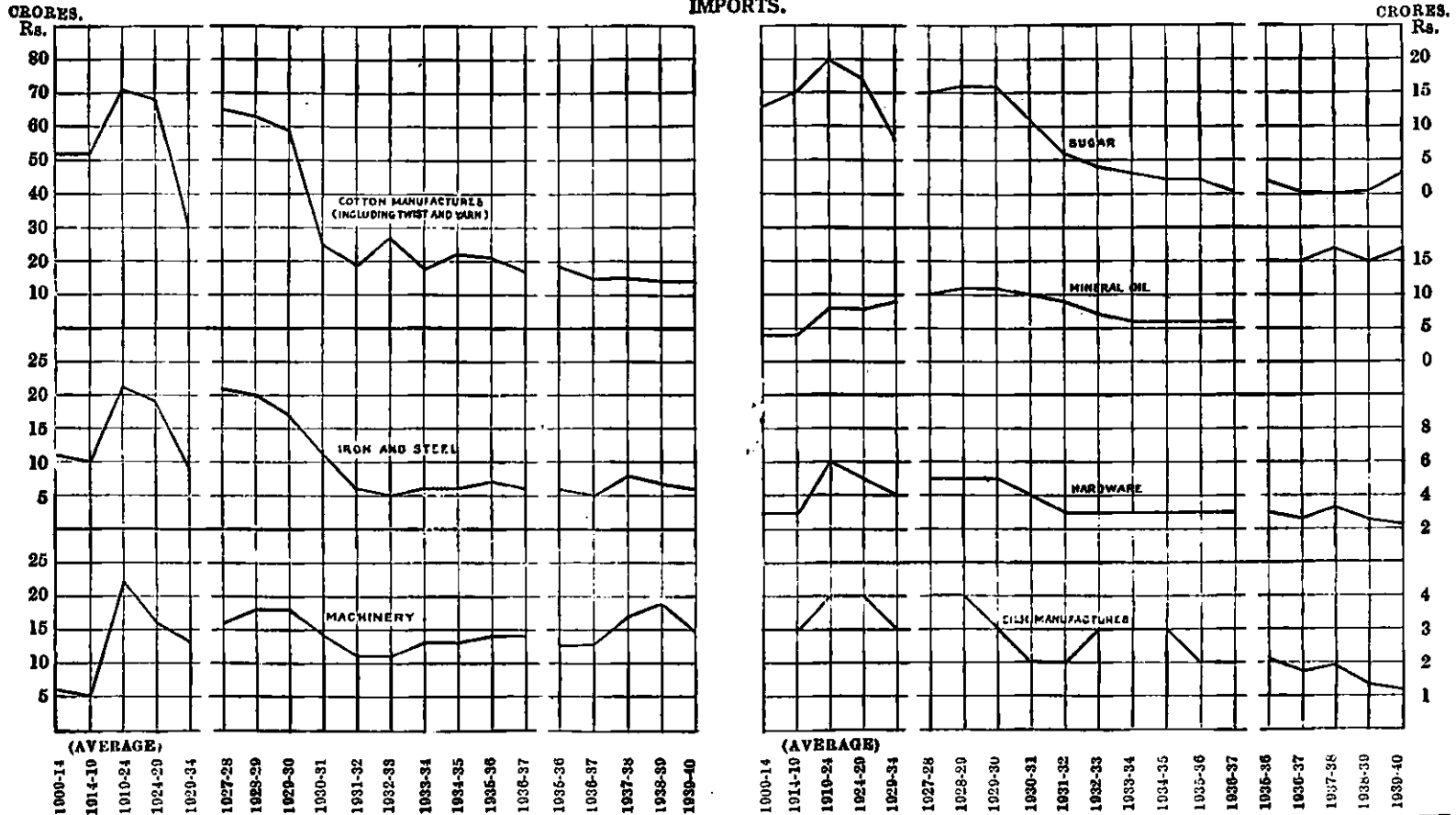
NOTE.—(i) The space after 1929-34 separates the several quinquennia and the annual figures.

(ii) The three points starting from 1934-35 represent unadjusted figures which include Burma.

(iii) The points starting from 1935-36 represent adjusted figures excluding Burma for 1935-36 and 1936-37 and actual figures thereafter.

## CHART C

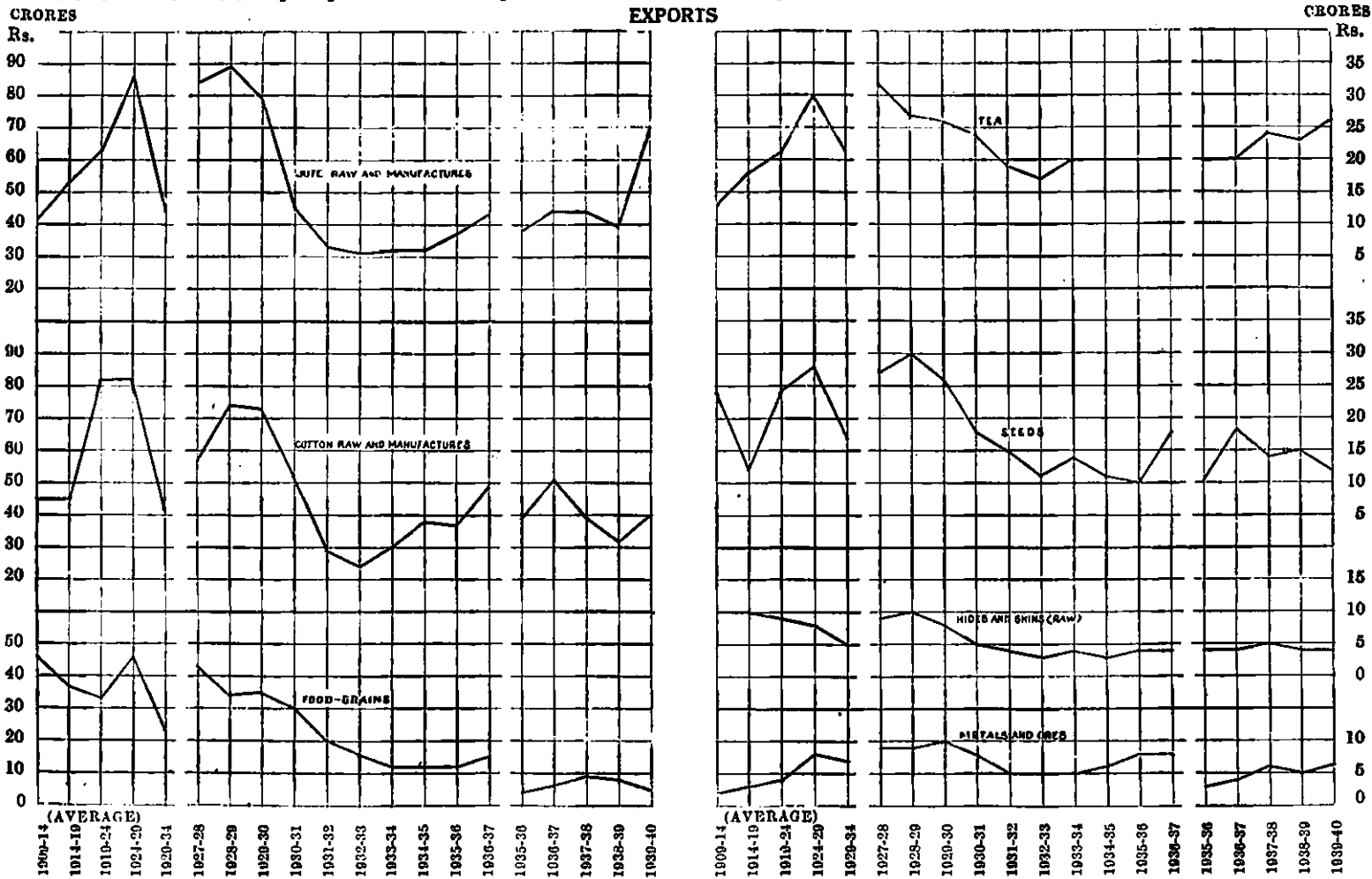
Variations in the values of principal articles in the import trade of British India during the five quinquennia ending 1929-34 and the last thirteen years.



NOTE.— (i) The space after 1929-34 separates the several quinquennia and the annual figures.  
 (ii) The points starting from 1927-28 and ending in 1936-37 represent figures for India including Burma.  
 (iii) The points starting from 1936-38 represent adjusted figures excluding Burma for 1936-36 and 1936-37 and actual figures thereafter.

### CHART D

Variations in the values of principal articles in the export trade of British India during the five quinquennia ending 1929-34 and the last thirteen years :



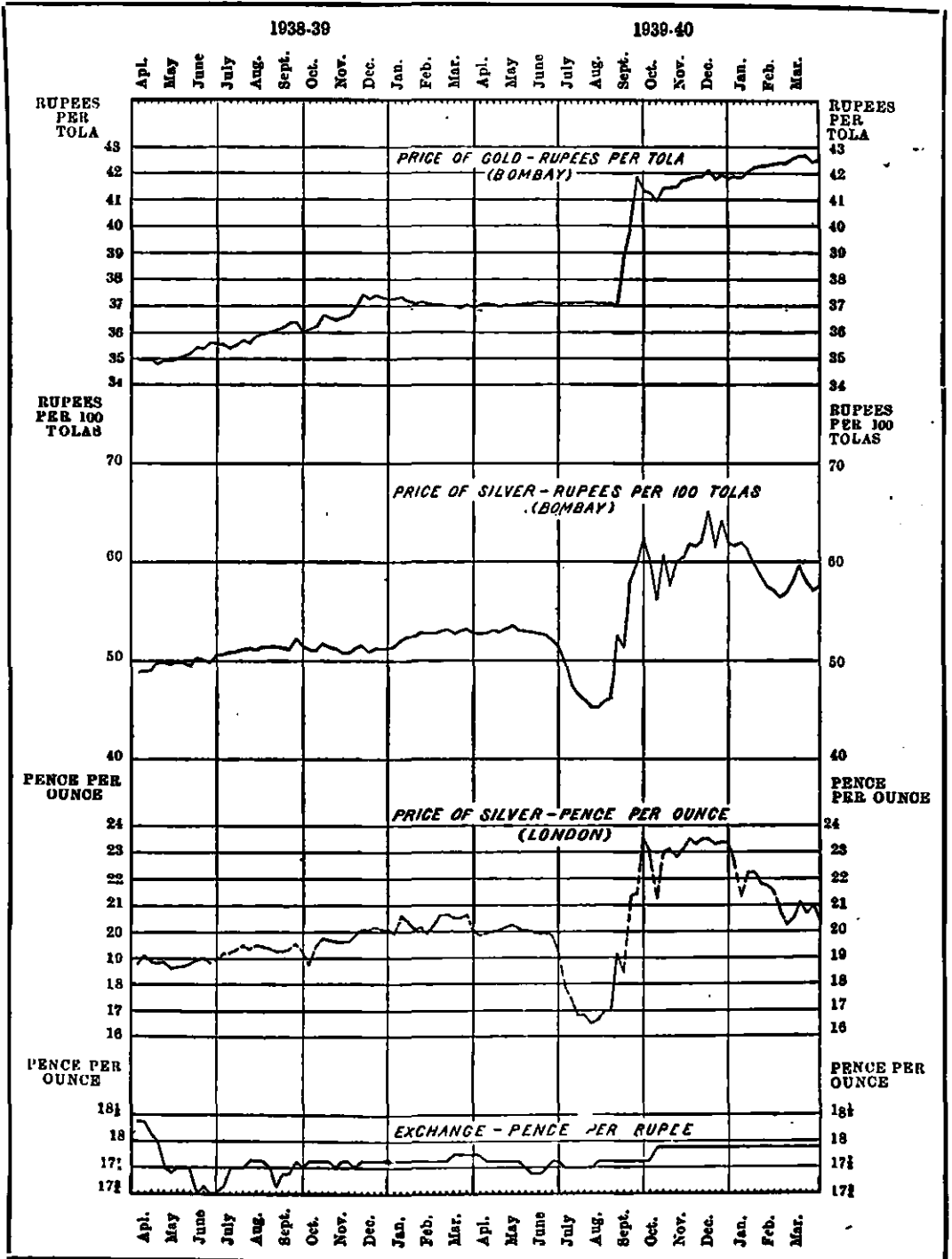
NOTE.—(i) The space after 1929-34 separates the several quinquennia and the annual figures.

(ii) The points starting from 1927-28 and ending in 1936-37 represent figures for India including Burma.

(iii) The points starting from 1935-36 represent adjusted figures excluding Burma for 1935-36 and 1936-37 and actual figures thereafter.

### CHART E

Price per tola of English bar gold in Bombay, price of silver in London per standard ounce, price of silver in Bombay rupees per 100 tolas and the telegraphic transfer rate in Calcutta on London at the end of each week during the years 1938-39 and 1939-40.



## NOTE.

Consequent upon the separation of Burma the foreign trade statistics of British India for 1937-38, 1938-39 and 1939-40 include the trade of British India with Burma but exclude the trade of Burma with foreign countries other than British India. Direct comparison with the figures recorded for the year prior to 1937-38 is therefore vitiated. With a view to remedying this defect attempts have been made to adjust the figures for the year 1936-37 so as to afford a comparison with those for 1937-38, 1938-39 and 1939-40 and the results are embodied in this Review. It should be distinctly understood that these adjustments have been carried out in so far as the available data permit and the figures for the year 1936-37, thus revised, are necessarily approximate, but sufficiently accurate to provide a basis for analysing the trade in essential details.

# REVIEW OF THE TRADE OF INDIA IN 1939-40.

## PART I—REPORT.

### CHAPTER I.

#### General.

The rapid sequence of events in the political sphere during the last seven months of 1939-40 has thrown the earlier history completely into the background and it seems as if a new chapter was opened in the history of mankind on the 1st September 1939 when Germany invaded Poland. The war has released forces which still remain to be controlled and which so far have engulfed the careers of several nations in their mighty sweep. The task of chronicling the events of this period may be easy, but the task of interpreting them is one of exceptional difficulty. At a time when so much is in the melting pot, almost anything that could be said about the significance of the past or current events is subject to the vital reservation of what might happen in the future. The natural human instinct of analysing the past with a view to the future is thus restrained at every stage by the unknown and incalculable elements in the situation.

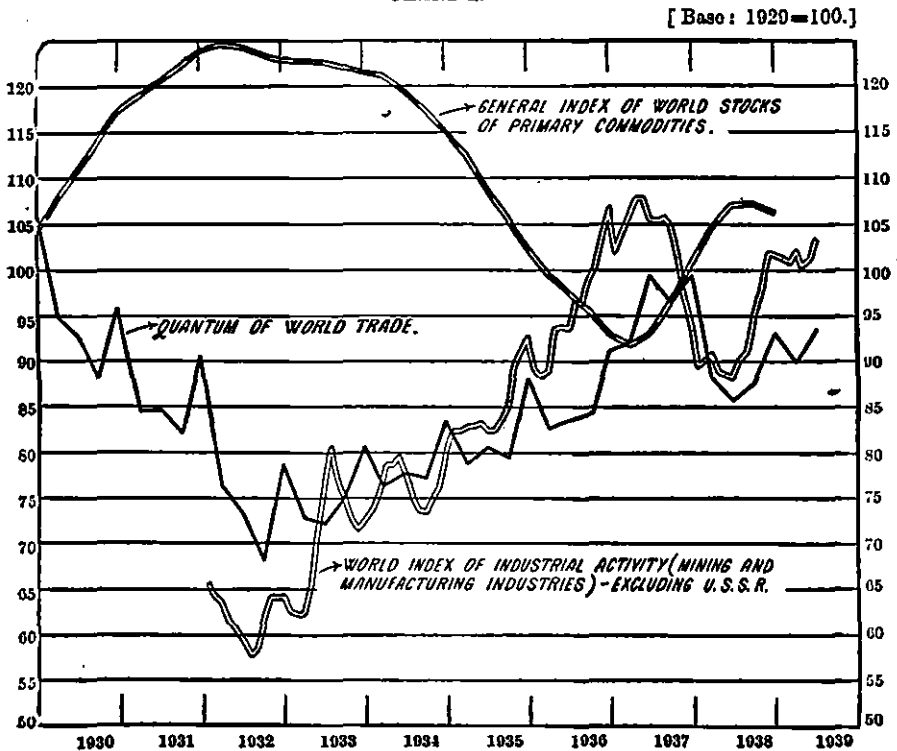
It may be useful to begin, as in the last year's Review, with a survey of the world situation. The recession which started in the autumn of 1937 had spent itself by the end of 1938 and in the early part of 1939, business activity in many countries was in a moderately rising phase. As pointed out in the last year's Review, the increase in armament activity was the principal factor which influenced business conditions during this period though there were also other factors in the situation. In Great Britain the Economist index of business activity (1935=100) which had fallen to 101 in December 1938 rose to 112½ in June 1939. The volume of employment in that country in the summer of 1939 was actually higher than at the peak of the boom in 1937, which showed that industrial production was running at a very satisfactory level during this period. In France, industrial production was making rapid headway as a result of the three-year national recovery programme initiated last year and the index number (1929=100) rose from 82 to 92 in the first half of 1939. This was the highest level attained in the last eight years. During this period Germany was mobilising her economic resources at a frantic speed, her problem of labour and foreign exchange being partially solved after the annexation of Czecho-Slovakia in March 1939. In the United States also, a moderate expansion of economic activity was noticeable in the pre-war months of 1939, but both the causes of expansion and its nature were different in that country. The trend of industrial production in the United States, unlike that in Great Britain, France or Germany was distinctly downward in the early months of 1939, the index number (1929=100) falling from 87 in December 1938 to 77 in May 1939—a fall which was shared by both consumption and investment goods except engineering the index for which rose significantly from 94 to 141 during that period. In America the motive force for economic activity during the pre-war months was not

## General.

provided by rearmament but by the expansion of private construction activity and the slight improvement in consumption due to the easing of prices. In Japan, industrial production showed wide fluctuations in the pre-war months, thus reflecting the strain which the country was undergoing on account of the "Chinese incident".

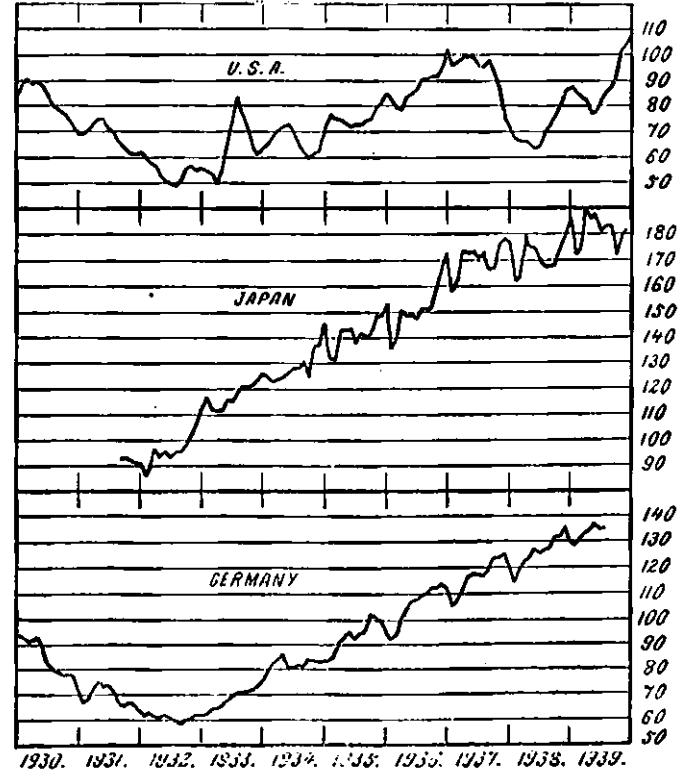
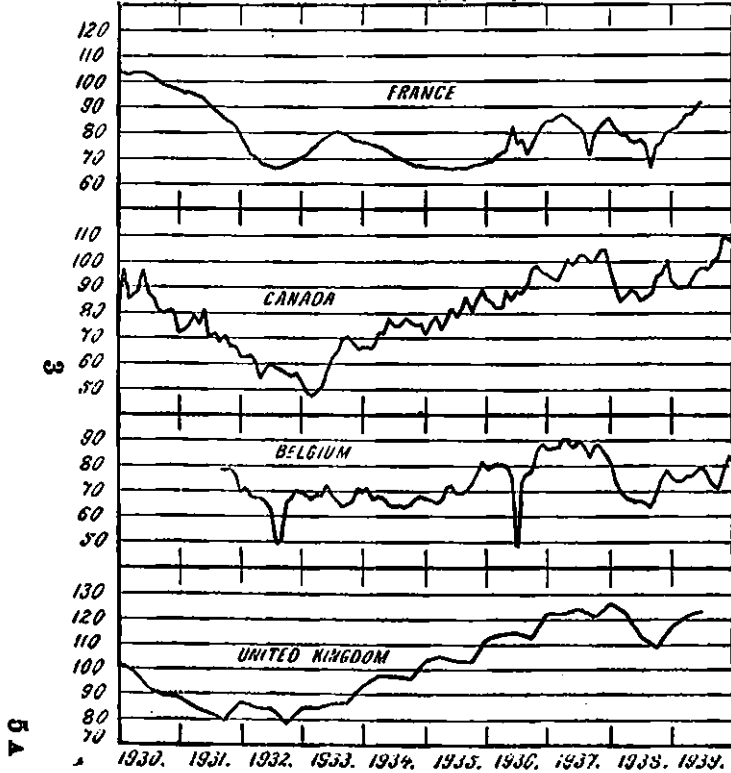
This general picture of industrial recovery in the first half of 1939 must not be construed as a logical precursor of the vigorous movement towards expansion which was seen in all countries after the outbreak of war. In the first place, the earlier recovery was considerably restrained by the threat of war which prevented any marked improvement in the price situation and which led to a deterioration of the values of industrial shares. Secondly, the forces which the war brought into being were of a radically different character. Economic conditions in many countries after the outbreak of war were largely shaped by the measures taken by Governments to mobilise national resources for purposes of war or defence, by the disorganisation of international trade and shipping which created severe shortages of certain commodities and surpluses of others, and the general dislocation of the financial system of the world. The entire economic life in countries which were engaged in war was being reshaped by these influences to such an extent that one might as well treat the first eight months of 1939 as belonging to a separate chapter in their economic history from the story which followed the actual outbreak of war.

CHART I.



General Indices of Industrial Production.

[Base: 1929=100.]



General.  
CHART II.



## General.

The problem of war economy which the Western nations are grappling with is of a diverse character and it is futile to seek to express it in a few words. Generally speaking, however, this ordering of the nation's life for purposes of war had to proceed along two lines. In the first place, the State had to direct its energies towards securing the diversion of a sufficient amount of productive resources from their normal channels to those in which they were to be used for purposes essential for the prosecution of the war. Secondly, the State had to induce the maximum effort at saving on the part of the individual so that, on the one hand, the needs of private consumption might be kept within what was currently available to satisfy those needs and, on the other hand, the money thus released from private consumption might be made available to the State either for providing for the consumption of the fighting forces or for the production of non-consumable goods required for the war, without resorting to inflation. In a capitalistic economy, the transference of productive resources from one line of production to another is normally secured through the ordinary mechanism of prices and profits, while the diversion of individual income from consumption to saving is induced by the manipulation of interest rates as also by a rise in the prices of consumption goods. In a war economy of the kind which has now come into existence, both these methods could be used only to a limited extent. The principles of *laissez faire* had perforce to give way before the imperative necessity of winning the war. Whatever the need for stimulating an increased effort on the part of the entrepreneurs, the State could not permit a rise in prices beyond a certain extent, nor could it allow an undue growth of private profits at a time of national emergency. Control of prices and profits was, therefore, a necessary part of war policy, but if this was to be consistent with the satisfaction of war needs, a direct interference with trade and industry was inevitable. The institution of the various controls in Great Britain shortly after the outbreak of war for the production and purchase of war materials and for controlling the prices of food-stuffs and raw materials was prompted by this obvious necessity. A large part of British trade and industry has been working under Government direction since the outbreak of war. The recent passing of the Emergency Powers Act in Great Britain which gives the Government complete control over private person and property is a further illustration of the inadequacy of *laissez faire* in times of stress. Apart from this aspect of control and interference, the State had also to assume an increased responsibility for securing an adequate supply of the necessary raw materials for its national industry. In a war in which blockade has played as important a part as any other weapon of warfare, the importance of this aspect of the problem cannot be over-estimated. This sudden change-over of industry from a peace-time to a war-time basis was, however, not achieved without some amount of friction. In fact, the outbreak of war resulted in a drop in business activity in Great Britain by at least five per cent. The speeding up of military preparations in the first few months of war was not sufficient to absorb all the resources freed from the various sectors of industry which were affected by the severe reduction in new capital investment for civil purposes and the fall in the volume of exports. The psychological effects of black-out and evacuation also added to the difficulties of the transition. These difficulties were gradually overcome as the production in engineering and munitions industries got into

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its stride. The export trade also showed some improvement towards the end of the year, while the textile trades enjoyed a remarkable recovery. The measures taken in France for the setting up of a war economy resembled those taken in Britain. Control of trade, industry, prices and exchanges and a determination to resist inflation were the main features of the French economic policy. To aid this policy, a monetary, financial and economic agreement was concluded between France and Great Britain. The Nazi economy was already on a war basis long before hostilities broke out, and yet the mobilisation of millions of men and the economic blockade imposed by the Allies caused considerable disorganisation. By the middle of November, the Nazis had to take further steps to re-organise their war effort. The collectivist system was established over a wide range of industry, and production was speeded up under the direction of a newly constituted Supreme Economic Council.

The other problem of a war economy, namely, restriction of private consumption, had also to be tackled along new lines. Rationing was of course an obvious method of keeping down consumption, but a general check on private consumption was provided by increased taxation and a vigorous campaign for saving. In Great Britain, taxation was carried to a record level and Government expenditure financed by both taxation and borrowing accounted for £2,667 million (the figure budgeted for 1940-41 in April 1940) out of a maximum national income of £5,000 million (maximum under conditions of full employment), thus leaving less than half the current national income for civilian consumption. The extent to which the individual's standard of living had to be adjusted and the capital resources of the country whittled away, to suit the needs of national defence under these circumstances could be easily imagined. It is easy to see that a check on private consumption serves a double purpose: to the extent to which it curtails private expenditure, it reduces competition between Government and private demand and thus checks the rise in prices, and to the extent to which it makes possible a flow of voluntary savings, it enables both the Government and industry to borrow at comparatively low rates of interest. This new technique of financing the war, thus, constitutes an immense advance over the traditional method of meeting war expenditure. So far as Great Britain was concerned, the success of the new technique was seen in the fact that, though the increased economic activity no doubt resulted in a substantial rise in prices, there was nothing like a runaway movement of prices and wages and that the rates of interest also did not rise very much above their peace-time level. The British Government floated its first Defence Loan in March 1940 at 3 per cent. and was able to convert its 4½ per cent. Loan, 1940-44 into another short term loan at 2 per cent. In Germany, restriction of private consumption was carried *à outrance*. Rationing was introduced long before the outbreak of war, after which rations were further reduced. Price equalisation funds were set up in which up to 90 per cent. of all profits in excess of standard profits were required to be paid. In addition forced loans in various forms were levied.

In its external aspect, the economic policy of the belligerent countries was influenced by a variety of considerations. The necessity of preventing

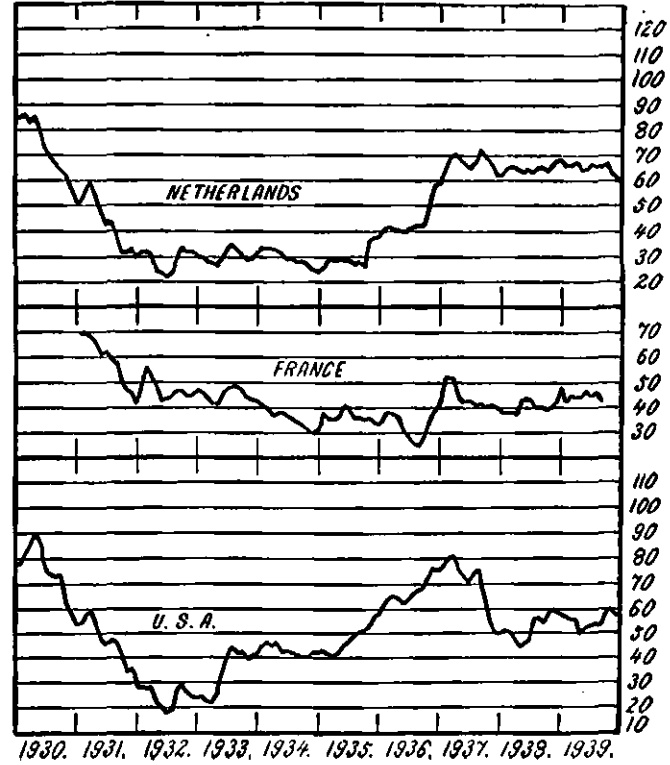
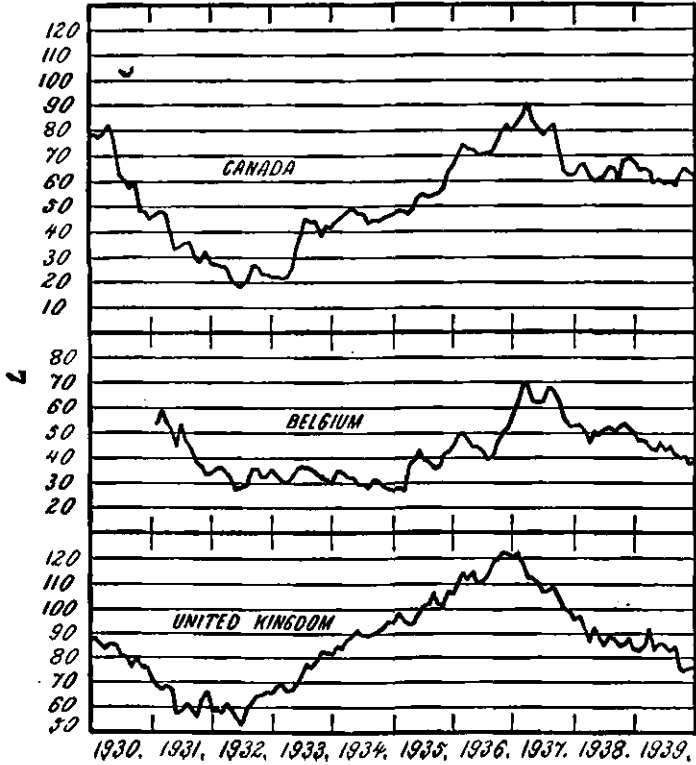
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goods from reaching the enemy and of conserving the supplies of essential commodities naturally led to restrictions being imposed on the export trade in all belligerent countries. Restrictions were also imposed on imports of non-essential articles and private remittances of funds with a view to conserving foreign exchange resources for the purchase of war materials. In the midst of this net-work of restrictions, the operation of the ordinary laws of demand and supply was interrupted over a wide area of commercial transactions. Owing to the dislocation of shipping and general disorganisation of the international credit system, the normal price-relationship between different markets was disturbed and prices of certain staple commodities could move independently in different markets for a considerable length of time without bringing the corrective forces into operation. In the monetary sphere, the introduction of exchange control was an important factor which influenced international prices. In Great Britain, the Sterling-Dollar rate remained pegged at \$ 4.68½ for nearly eight months before the outbreak of war. On the 25th August 1939 the peg was withdrawn, but from the 7th September, the authorities resumed control and fixed the rate at \$ 4.02-\$ 4.06. Later, the spread was narrowed to \$ 4.02-\$ 4.04 and later still, to \$ 4.02½-\$ 4.03½. The exchange control had left free such sterling assets as were owned by foreign non-residents and had placed at the same time definite obstructions to the conversion of these assets into foreign currencies except for certain approved purposes. This naturally led to the development of free markets in sterling, the most important of which was in New York. The British monetary authorities had, therefore, to tighten their restrictive measures to make the official rate effective and as a result of these measures, the volume of transactions in the free market was gradually reduced to negligible proportions. In order to acquire a sufficient supply of foreign exchange, the authorities had also to requisition foreign securities held by nationals and sell them abroad.

The course of events in the United States could hardly remain unaffected by these developments. From June 1939 onwards industrial production in that country assumed a sharp upward trend and by December 1939, it was probably running at a record level. The index of industrial production which, as said above, had shown a downward tendency in the preceding six months, rose from 85 in July to 108 in December. The expanded volume of production was largely based on forward buying for inventory purposes in anticipation of a rise in prices and a shortage of supplies that was expected to result from the war. This kind of inventory buying almost invariably brings about its own reaction. Consequently, in the first two months of 1940, as the rate of inventory accumulation slackened and the course of new capital accumulation also showed no encouraging response, industrial activity fell off sharply, the index coming down to 88 in March 1940 which was below the level in September 1939. The decline in industrial activity in these months in a country which was one of the principal recipients of war orders was rather surprising. The trend was, however, later reversed and with the increasing flow of orders from abroad and the intensification of defence preparations at home, industrial activity in America regained its former momentum.

*Indices of Market Values of Industrial Shares.*

[ Base : 1920=100. ]



General.  
CHART III.

## General.

**Capital markets.**—In spite of the moderate increase in economic activity which took place in many countries during the first eight months of 1939, the general industrial outlook was not viewed with confidence, as is seen from the fact that prices of industrial shares showed a declining trend during this period. The growing apprehension felt about the political situation in Europe was the principal factor which brought about a fall in share values. Even after the outbreak of war when industrial activity was raised to a high pitch and prices of almost all commodities assumed a sharp upward movement, the response of the industrial share market continued to be of a feeble and halting character in many countries. The weakness of share markets is not adequately explained by the severity of taxation or any uncertainty about the current earnings of industries—in fact, it is very likely that the increase in production combined with the rise in prices brought about a fair increase in industrial profits in many cases in spite of the simultaneous rise in costs during the latter half of 1939. It seems, however, that the industrial investor was not inclined to be guided by these current trends. The entire business outlook during this period was dominated by the political and military situation especially in countries which were directly engaged in war. In the United Kingdom, the index of share values (1929=100) rose to 91 in March 1939, but fluctuated between 83 and 86 during the next five months. On the outbreak of war it dropped to 76 and remained at or slightly below this level till March 1940 when it rose to 78. It will be seen, therefore, that in the United Kingdom industrial shares failed to derive any stimulus from war conditions. The index for the United States (1929=100) showed no great rise as compared with the remarkable improvement in industrial activity which took place in that country during the first four months of war. The index fell from 58 in January 1939 to 53 in August and though it improved to 60 within the first two months of war, it fell again from November onwards. In March 1940 it stood at 57 which was only 4 points higher than the pre-war level. Among other countries, the index for Belgium was 42 in February 1940 as compared with 47 in February 1939, for the Netherlands it was 60 in March 1940 as against 68 in March 1939, and for Canada, it was 61 in January 1940 as against 64 in January 1939 (1929=100 in every case). This widespread recession in share values is one of the most remarkable features of the year under review, as it showed that the apparent boom in the industrial sphere lacked the basis of business confidence. Both India and Japan were, however, an exception to the general trend, the index for India (1927-28=100) for March 1940 being 122 as compared with 101 in March 1939 and that for Japan (1929=100) being 152 in January 1940 as against 123 in January 1939.

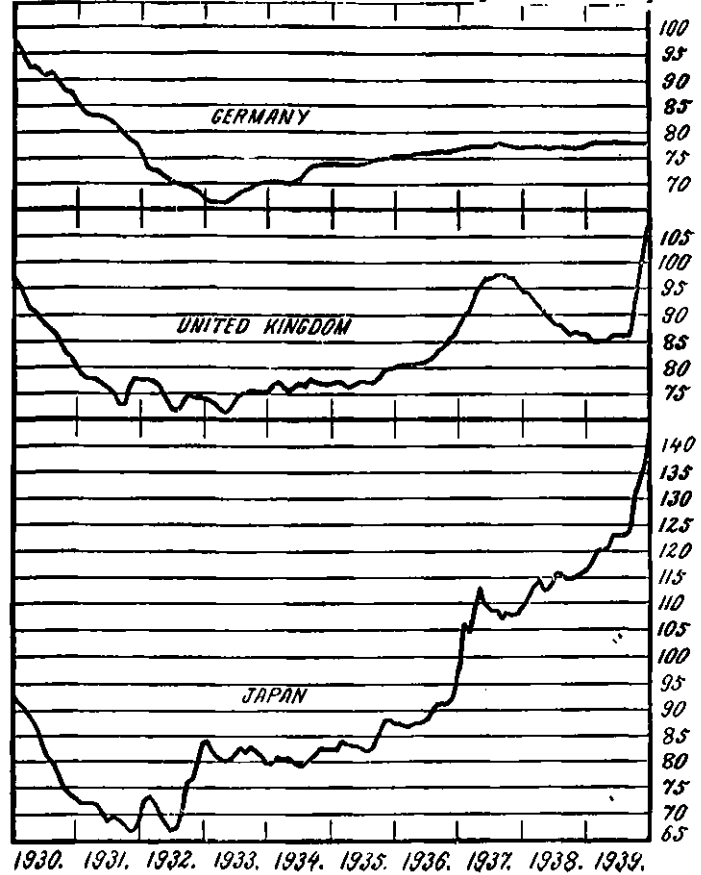
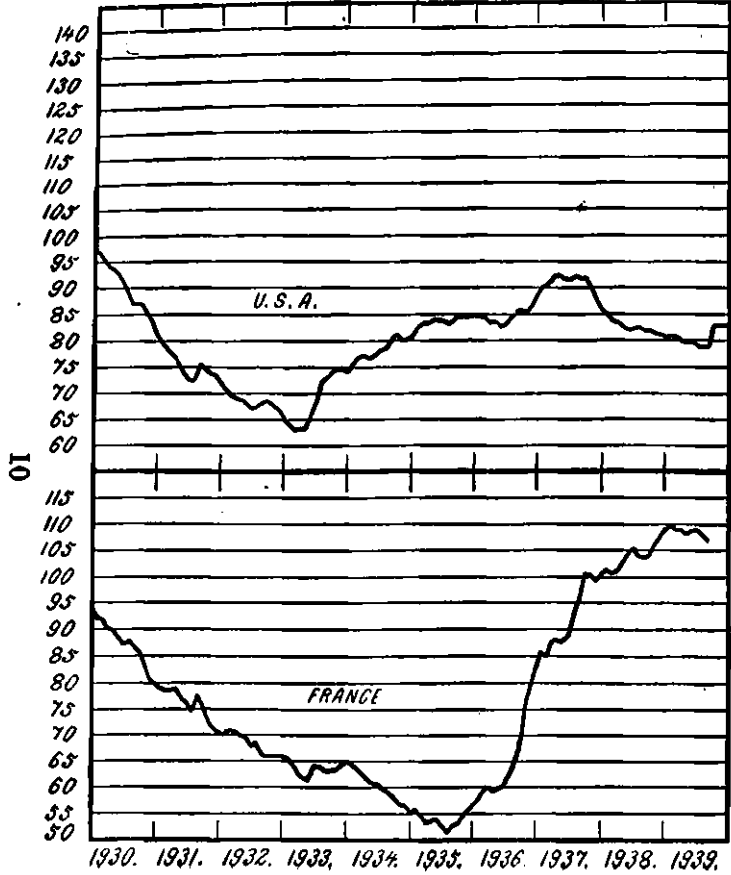
## General.

It was remarked in the last year's Review that the volume of new capital issues no longer provided a reliable index of business activity. That statement applies with greater force to the year under review during which capital markets were under the rigorous control of the monetary authorities. The control was remarkably successful in minimizing the competition between Government and private issues and in keeping down interest rates. The firmness with which the bank rate in the United Kingdom was maintained at 2 per cent, except for a short period, in the face of an enormous increase in public expenditure is a proof of this success. As a result, the usual belief that a crash in security prices is an inevitable concomitant of a political crisis was completely falsified during the present war. The setback in gilt-edged prices did not last for more than the first two months of war. From November 1939 onwards, prices of Government securities in London began to improve and maintained a steady rate of improvement throughout the rest of the year. The percentage yield of  $2\frac{1}{2}$  per cent. Consols which rose temporarily from 3.85 in August 1939 to 4.01 in the following September declined continuously in subsequent months, reaching 3.36 in February 1940 which was the lowest recorded during the year 1939-40. In March 1940, it rose again to 3.46. In the United States, the average percentage yield of all outstanding loans due or callable after 12 years showed a continuous downward trend from 2.65 in September 1939 to 2.30 in January 1940 after which it registered a slight increase to 2.32 in February. In short, the long term rate of interest in these two leading capital markets continued to remain almost at the peace-time level in spite of abnormal conditions created by the war.

Movements of Prices [ Charts IV, V, V(a) and V(b) ].

*Indices of Wholesale Prices.*

[Base: 1929=100.]



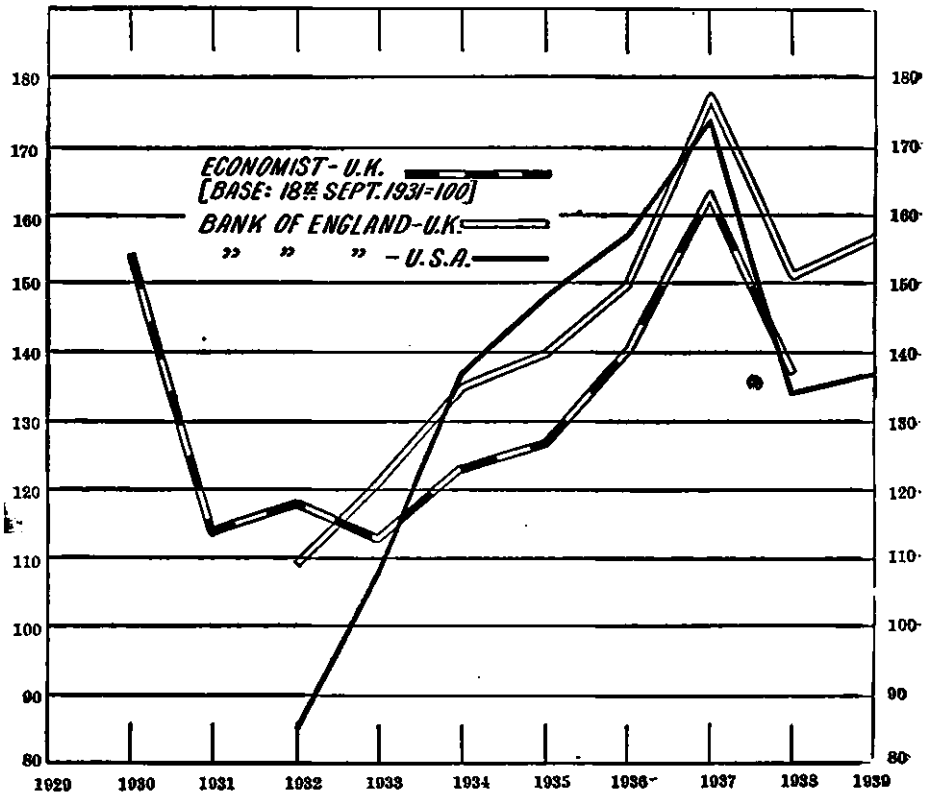
General.  
CHART IV.

# General.

## CHART V.

*Average Annual Index Numbers of Primary [Commodity Prices.*

[[ Base : 19th Sept. 1931=100.]

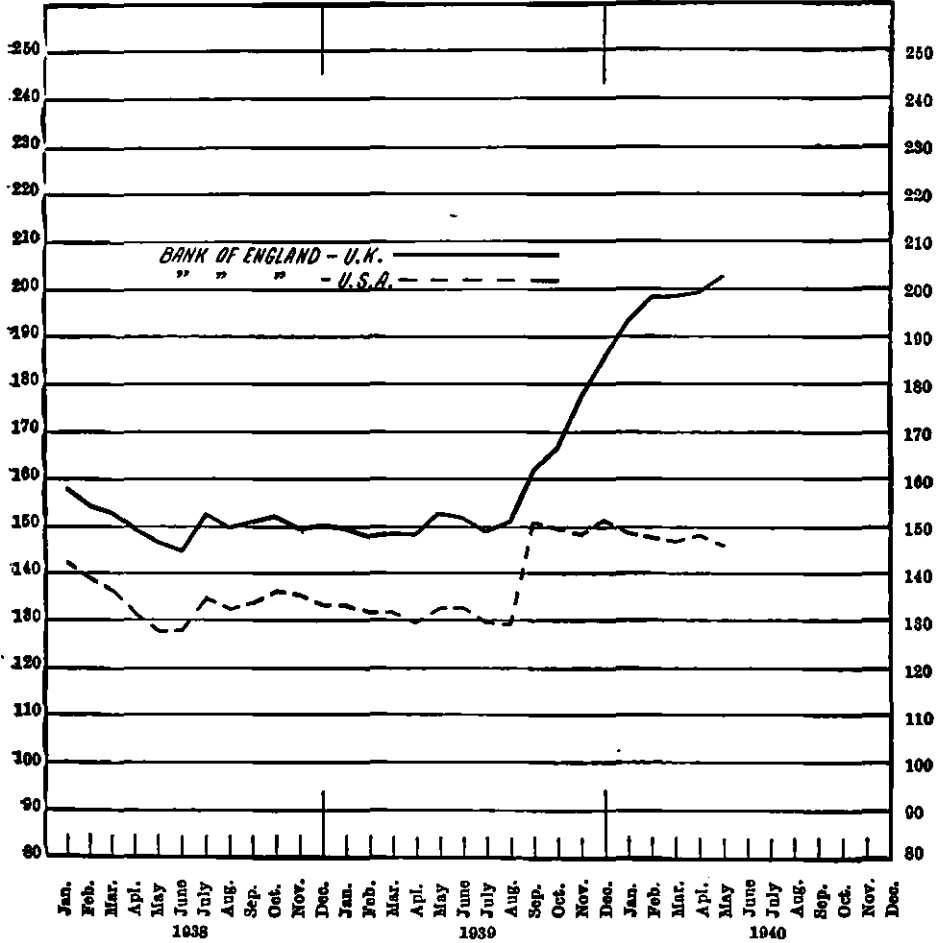




**General.**  
**CHART V(a).**

*Average Monthly Index Numbers of Primary Commodity Prices.*

[ Base : 19th Sept. 1931=100.]



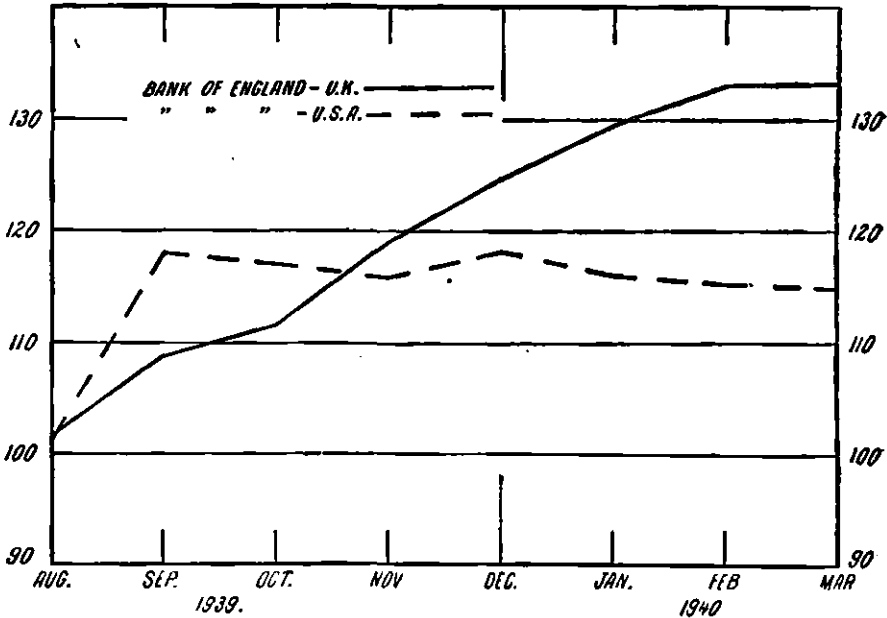
**S.F.B.**—Indices from September 1939 onwards are the figures (to the Base 10th August 1939) converted to the Base 19th September 1931.

## General.

### CHART V(b).

*Average Monthly Index Numbers of Primary Commodity Prices.*

[Base: 19th Aug. 1939=100.]



Like interest rates, prices were under the control of the monetary authorities in most countries. Some rise in prices was, however, inevitable in view of the tremendous pressure of war requirements on the available resources, though the extent of the rise differed according to the circumstances of each country. The increase in the cost of ocean transport due to the scarcity of shipping and the rise in the cost of insurance raised the prices of imports, but the effect of this on the general price structure depended on the importance of import trade in the economy of each country. Generally speaking, the curves of wholesale prices for most countries bent sharply upwards from September 1939. In the case of some countries this meant a direct reversal of the earlier trend of declining prices. Between August 1939 and March 1940, wholesale prices rose by 31 per cent in the United Kingdom, 41 per cent in Belgium, 50 per cent in Denmark, 24 per cent in the Netherlands and Switzerland and 21 per cent in India. Thus, a general rise in

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prices was a world-wide phenomenon during the first seven months of war. The United States, Japan and Germany, however, showed a divergence from the general trend. In the United States, wholesale prices rose by 4 per cent during the same period. The comparatively small rise in the case of the United States is partly explained by exchange factors. The American dollar appreciated by 14 per cent during this period in terms of sterling which represents one of the biggest buyers on the world market. In Japan prices had already risen to an abnormally high level in August 1939. Between August 1939 and February 1940, they rose by 16 per cent. Germany was in a class by herself. Wholesale prices in that country remained almost steady between August 1939 and March 1940. The German industry was feverishly active during this period, while the economic blockade must have also created a severe shortage of several vital raw materials. If in spite of this the price-level in that country could remain steady, the explanation is to be found in Germany's policy of direct control over private consumption and investment and canalization of such savings as were accruing exclusively for the purposes of the State. It is interesting to compare the price movements in these countries with the figures of currency circulation, because the latter are usually regarded as a more sensitive index of industrial activity. Between July 1939 (which is a better basis for comparison than August for this purpose) and March 1940 the note circulation increased by six per cent in the United Kingdom, 31 per cent in Belgium, 43 per cent in Denmark, 6 per cent in the Netherlands, 15 per cent in Switzerland, 7 per cent in the United States and 22 per cent in Japan. In Germany where prices showed little variation between these dates, the note circulation increased by as much as 35 per cent.

The prices of primary commodities also showed a remarkable rise since the outbreak of war. During the first quarter of 1939, the primary commodities index in the United Kingdom (based on 19th September 1931=100, compiled by the Bank of England) was at a lower level than in the first quarter of 1938, but in the second quarter, it showed a moderate improvement and after the declaration of war, it assumed a pronounced upward tendency, advancing month by month till it rose from 151 in August 1939 to 198 in March 1940, or a rise of 31 per cent. In America, the prices of primary commodities rose much sharper than the general price level. Between August 1939 and March 1940, a rise of 14 per cent was recorded in the primary commodities index (compiled by the Bank of England) as compared with a rise of only 4 per cent in the General Index (compiled by the United States Bureau of Labour). In normal circumstances a rise in prices to this extent would have considerably improved the position of primary producing countries, but its effects were largely neutralised during the year under review by the dislocation of international trade caused by the war. India as a predominantly

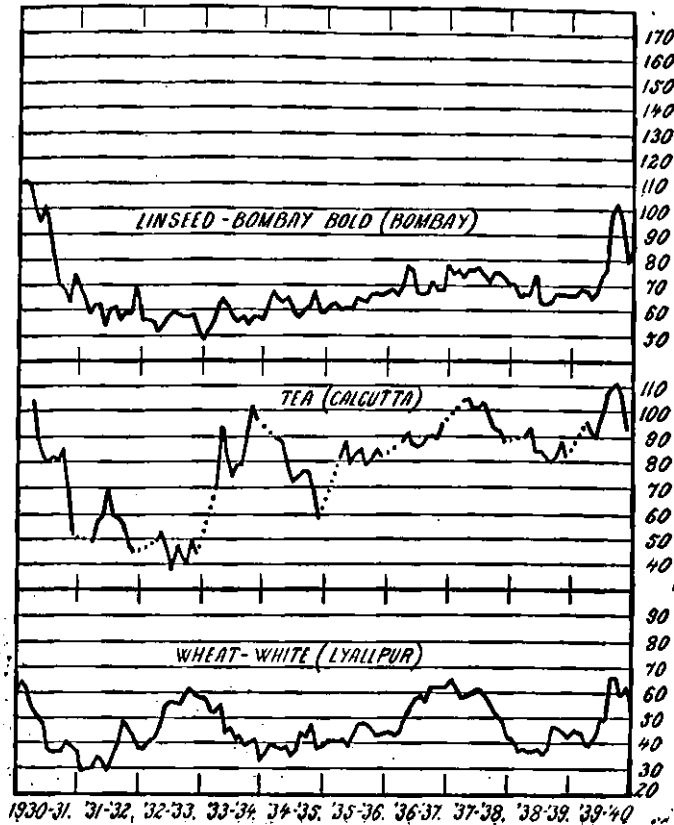
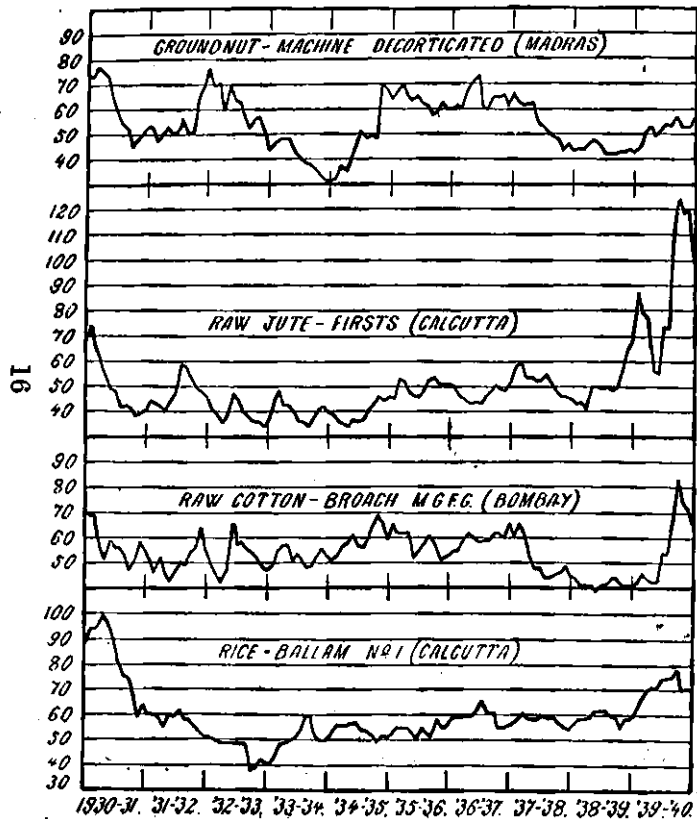
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agricultural country no doubt benefited by the rise in prices, but the outlook after the close of the year had become highly uncertain owing to the cessation of trade with a number of important countries. How the different agricultural commodities in India were affected by the impact of war is discussed below.

**Agricultural conditions.**—The war had begun to cast its shadow for several months before it actually broke out. The German occupation of Czecho-Slovakia in March 1939 had left an acute feeling of uneasiness in political circles and a belief was growing that another act of aggression would set Nemesis at work. The economic system too had begun to feel the shocks and jerks of the trouble that was brewing in the underworld long before the explosion took place. A period in which the chances of peace and war were so delicately balanced was hardly conducive to economic recovery. Business conditions, therefore, continued to be in the grip of the recession which had started in the latter half of 1937 and which was only temporarily interrupted in June 1938. Commodity prices in India no doubt showed a slight recovery in the first five months of 1939-40, but with the exception of a few commodities like jute, sugar and tea, the prices of agricultural produce in general still remained on a low level up to August 1939. The foreign trade position with regard to many staple articles of export was satisfactory as compared with the previous year, but its effect was largely nullified by the growing tension in the international sphere and the consequent deterioration in industrial conditions. The situation, however, was radically altered by the outbreak of war in September 1939, and the whole outlook was transformed from pessimism and nervousness into optimism. There was a sudden rise in prices accompanied by a spate of speculative activity in commodity markets. A slight reaction was noticeable in October, but by the end of November the upward movement again gathered force and by December the prices of many agricultural commodities reached levels which were untouched for many years past. This boom of the last quarter of 1939 was, however, largely an outcome of speculative influences and was, therefore, essentially of a temporary character. By the latter half of January, prices began to come down, as natural tendencies to reaction asserted themselves, aggravated by special circumstances including the announcement regarding the Excess Profits Tax, so that speculators began to unload their holdings. During the last quarter of 1939-40, the prices of many agricultural commodities assumed a sharp downward trend, thus wiping out a large part of the gain made in the preceding quarter, though the levels prevailing at the end of the year were still substantially higher than those before the outbreak of war. This can be seen from the chart below :

Index Numbers of Agricultural Prices of India.

[ Base : 1928-29=100.]



General.  
CHART VI.

## General.

It would appear that of all the agricultural commodities in India, raw jute experienced the most violent fluctuations during the year under review. The average price of jute, ready firsts, rose from R35-14-9 in 1938-39 to R62-7-8 in 1939-40 or a rise of 74 per cent. The price of jute reached its peak in December 1939 and remained generally on a high level in the next two months, but fell precipitously in March 1940 and yet the quotation in that month was R66-4-0 which was 40 per cent higher than what it was a year before. The price of raw cotton also fluctuated widely. By the beginning of January 1940, the quotation for Broach M. G. F. G., had more than doubled itself as compared with March 1939, though the gain was reduced to 60 per cent by the end of the year under review. Over the year 1939-40 as a whole, the price of raw cotton averaged 36 per cent higher than in the preceding year. In the case of wheat, the effects of war conditions were reinforced by the continued drought in the wheat growing areas in India till December 1939 when the quotation for white wheat at Lyallpur stood at R3-9-0 per maund as compared with R2-4-3 in March 1939, or a rise of nearly 57 per cent. The widespread rainfall in January 1940, however, changed the crop outlook and the bearish world situation also adversely affected the price of wheat. The quotation, therefore, dropped down to R3-1-3 in March 1940, still showing an advance of 36 per cent as compared with the same month of the preceding year. On an average, the price of wheat was 27 per cent higher in 1939-40 than in 1938-39. Oilseeds also participated in this general upward movement but the rise in their case was not so conspicuous as in the case of jute, cotton or wheat, because the severe reduction in exports acted as a constant drag on their price level. The average price of groundnuts rose from R24-8-10 per candy of 500 lbs. in 1938-39 to R29-5-4 in 1939-40 or a rise of 20 per cent and that of linseed from R7-1-3 per cwt. in the preceding year to R8-6-8 in the year under review or a rise of 20 per cent. Rice continued to be a steady market almost throughout the year. A gradual rise since the beginning of the year which was due to the short crop of 1938-39 took the quotation for Ballam No. 1 to R5-6-0 per maund in December 1939 as compared with R4-0-0 in preceding March and though it fell in the next three months, the closing level of R4-12-0 in March 1940 was still 19 per cent higher than what it was a year before. Thus, the war was responsible for a fairly general and substantial rise in the prices of agricultural produce in India, though it is difficult to say to what extent the actual tillers of the soil received the benefit of the rise in prices.

**Raw Cotton.**—Conditions in the raw cotton markets prior to the outbreak of war were largely a creation of the policies pursued by the American Government. The 1937-38 season in America had closed with a record carry-over, and the production for 1938-39, though smaller than in the previous season, promised no relief towards reducing the burden of stocks. Under these circumstances, if supply and demand factors alone had been allowed free play, the prices of cotton would have slumped heavily in all markets. The measures taken by the American Government were no doubt instrumental in preventing this development, because, by absorbing a large quantity of cotton in loans and Government owned holdings, they created an artificial scarcity in the market, with the result that although

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the total supply of cotton was approaching a record figure, the free supply could still be considerably smaller than in the previous year. The situation was, however, essentially artificial and though it was capable of postponing a major slump, the mere presence of huge stocks, whether free or bound, was a highly disturbing factor. The cost of carrying the huge stocks was increasing with the lapse of time and hence the problem of disposing of them at a satisfactory price was becoming increasingly difficult. So far as the domestic price of cotton in America was concerned, the bearish effects of this factor were offset by a remarkable increase in internal consumption. Owing to the expansion of industrial activity, the domestic mill consumption attained an unusually high rate during the year under review. The internal price of American cotton, therefore, remained fairly steady in the five months preceding the outbreak of war. But while the problem of maintaining the domestic price level was solved in this way, fresh difficulties arose with regard to the export markets. Indeed, an important feature of the cotton situation in America in the early months of the year under review was the remarkable shrinkage in the exports of cotton from that country. This was partly due to the artificial level at which the prices of American cotton were maintained as compared with those of outside growths and partly to the repercussions which the American proposal for an export subsidy produced in other countries. These repercussions were of two kinds: for one thing, the prospect of getting cheap subsidised cotton in a few months' time made consumers in other countries reduce their purchases of American cotton to a hand-to-mouth basis, and secondly, while the proposal for an export subsidy was interpreted as a bullish factor for American cotton and caused a further rise in its price, it exercised just the opposite influence on the prices of other cottons and caused a slight decline in them. The result was a further widening of parity between American and other cottons, to the detriment of the former. Consumers in other countries had thus every inducement to divert their purchases from American to other growths till the export subsidy became effective. Thus, so far as the supply position was concerned, the beneficial effects of the increase in internal consumption were completely offset by a fall in exports due to these factors, with the result that the carry-over on the 1st August 1939 was even larger than the previous record carry-over of 1st August, 1938. Besides, the production during 1939-40 was a little less than 12 million bales which was only 1 per cent less than the previous year. So far, the U. S. Government had relied on its own efforts to solve the problem of cotton surplus. But during the year under review, it endeavoured to secure international co-operation by convening a World Cotton Conference early in September 1939. The attempt, however, proved abortive as the Conference had to be adjourned *sine die* owing to the outbreak of war.

The introduction of an export subsidy by the American Government with effect from the 27th July 1939 and the outbreak of war in Europe in the following September brought about a complete change in the situation. No doubt, the depreciation of sterling in terms of the dollar partially nullified the advantages of the export subsidy in sterling-area countries while the shortage of shipping facilities for countries in the "war zone" and increases in freights and insurance charges created fresh handicaps for the

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export trade. Nevertheless, the prospects of an enormous expansion of industrial activity to meet the requirements of war brought about an increased demand for cotton both internally and for export purposes, and prices rose rapidly. The rise in prices made it possible for American farmers to re-possess a part of the cotton pledged with the Government by paying off the amount of the loan and the accumulated charges. Since the outbreak of war, large quantities of cotton were thus recovered from loan and sold. The mill activity which was already running at a fairly high rate, gained a further momentum on the declaration of war, thereby leading to a further increase in the internal demand for cotton. Exports also attained a satisfactory level, as the parity which was extremely unfavourable to American cotton in the first half of the year, now turned in its favour, partly due to the export subsidy and partly to the disproportionate rise in the prices of foreign growths. As the export subsidy had thus served its purpose, the authorities reduced it by successive stages from its original level of 150 cent points per lb. to 75 cent points on the 5th December, to 40 cent points on the 7th December and to 20 cent points on the 11th December and finally withdrew it on the 30th January, so far as raw cotton was concerned. Under the subsidy programme, America was able to sell cotton (including cotton products) to the extent of well over 6 million bales.

The prices of Indian cotton were on an average considerably higher during the year under review than in the preceding two years. The average price of M. G. F. G. Broach per candy of 784 lbs. was R212 in 1939-40 as compared with R153 in the preceding year and R187 in 1937-38. During the first five months of 1939-40, the quotation for M. G. F. G. Broach fluctuated between R152 and R175. The statistical position of Indian cotton during the season 1938-39 was much more favourable than that of American cotton, as is seen from the fact that the world carry-over of Indian cotton on the 31st August 1939 was estimated to be nearly 24 per cent smaller than on the corresponding date of the previous year. Stocks in India were also substantially depleted. Although the carry-over at the beginning of the season was large, the crop in 1938-39 was smaller than in the previous season and the total distribution through domestic and export channels was considerably in excess of the crop. The mill consumption of Indian cotton was at an exceptionally high level, while exports to foreign countries showed an appreciable rise during the season, 1938-39. Indian cotton took full advantage of the favourable situation created by the comparative dearness of American cotton and the general disinclination of foreign buyers to purchase the latter before the question of export subsidy was decided. There was, besides, a remarkable increase in the Chinese off-take of Indian cotton. As a result of the reduced production of cotton in China owing to the Sino-Japanese war, difficulties in getting cotton from interior ports to mill centres and comparatively large exports of Chinese cotton to Japan, imports of foreign cotton into China increased considerably during the year under review. Besides, the importers in China who anticipated the break in the Chinese dollar from 6½d. to 3½d. during the period from June to August 1939, purchased Indian cotton as a matter of investment and a hedge against the depreciating dollar. Towards the end of July, however, the American



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export subsidy came into effect and that changed the situation to some extent. The effect of the subsidy on Indian cotton was mitigated by the fact that India had already sold the bulk of her surplus from the 1938-39 crop before the subsidy came into force.

The statistical position of Indian cotton on the eve of the European war was, thus, extremely favourable for a general advance in prices. With stocks depleted at most centres and exports running at a much higher level than in the previous year, the only factors which had so far delayed the recovery in the prices of cotton were the uncertainty of the international situation and the continued depression in the mill industry. The outbreak of war in Europe seemed to remove these obstacles and set the stage for a marked rise in prices. Production in 1939-40 was also estimated to be smaller than in the preceding year and this combined with the smallness of the carry-over further improved the statistical position of the commodity. For a time the cotton markets in India degenerated into a hectic orgy of speculation and prices were pushed to levels which were out of all relation to internal demand or prices of foreign growths. The Calcutta operators who had made or hoped to make fabulous profits in jute markets sought for an investment in cotton and thus added to the speculative fury of the market. During the first four months of the war, the market was completely dominated by speculators and genuine consumers deferred their purchases. Both mill purchases and exports were considerably reduced during this period. On the 22nd September, the Government of Bombay issued an Ordinance declaring option dealings in cotton void. This Ordinance lapsed after six weeks but in December, the Government of Bombay made an Act incorporating the essential provisions of the Ordinance.

In September 1939, the quotation for M. G. F. G. Broach advanced to R208 and in spite of a slight reaction which followed, the month of October closed with a quotation of R198. Towards the end of November, the speculative forces again asserted themselves and the quotation was pushed up to R247. The prices of cotton attained their peak in December 1939 and early in January 1940 when the quotation rose as high as R337, or more than 100 per cent above the pre-war level. This was the highest price recorded since October 1929. By that time speculative purchases had become so top-heavy that a reaction was inevitable. The arrival of the new crop, diminished turnover in the cloth markets, stagnant demand for cotton and consequent accumulation of stocks made it difficult for prices to be maintained at their peak levels. Besides, the more or less simultaneous collapse of jute prices compelled the Calcutta operators to liquidate their holdings. The result was a sharp reversal in the prices of cotton from the middle of January 1940 which brought the quotation to R279 at the end of that month. In February, it fell further to R266 and in March to R243. In a way, this fall in prices proved beneficial inasmuch as the resulting widening of parity served to revive the export demand. Towards the close of the year, however, the market fell into an extremely dull state, because on the one hand the export activity was greatly hampered by the shortage of shipping space and stocks accumulated at the ports and on the other hand internal demand also fell to a low ebb owing to the general strike in the textile industry in Bombay.

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Nevertheless, as said above, prices of Indian cotton showed a net gain over the whole year.

As regards the prospects for the following year, much depends on the course of events in the political sphere. It is clear that the rapid extension of war and the consequent loss of markets have made the demand prospects extremely uncertain if not discouraging. The recent decision of the British Government to conserve its foreign exchange resources by confining its purchases as far as possible to sterling area countries is a favourable factor for Empire cotton, including Indian ;—already, that Government has taken steps to restrict the imports of cotton from the United States. The position about the Far Eastern markets remains obscure, but it is worth noting that in spite of the termination of the Protocol governing the Indo-Japanese trade in raw cotton and cotton piecegoods on the 31st March 1940, exports of cotton piecegoods from Japan to India are being regulated on a monthly basis and with regard to imports of raw cotton from India into Japan, as while the Protocol existed. The world situation, however, is far from satisfactory. The world supply of cotton for the coming year has been estimated to be not very much less than the record or near-record levels of the previous three years while consumption is estimated to be about the same as last year. America has still to liquidate her enormous holdings, but as the Government of that country has continued the loan scheme for the current season on terms more favourable to the grower than last year, it seems that the stocks in America are likely to be well held in the interests of the grower. However, in judging the prospects of Indian cotton, one must bear in mind the psychological effects of the war situation which are often out of all proportion to the actual changes in demand and supply.

**Raw Jute.**—The year under review opened with great promise for the raw jute trade. The steady improvement in prices which was noticed since September 1938 continued with a gathering momentum in the early months of 1939, and in April 1939, prices stood at a level which was never reached in the previous nine years. The quotation for jute, ready firsts, stood at R60-12-0 per bale of 400 lbs. in April 1939 as compared with R30-7-0 a year before—a rise of 100 per cent. This remarkable change in the position of raw jute was partly due to improved conditions in the jute mill industry. The enforcement of shorter working hours by an Ordinance issued by the Bengal Government in September 1938 and the subsequent adoption of a voluntary scheme of restriction by the mills had at last put an end to the chaotic state of affairs which so far prevailed in the industry and which threatened the well-being of both the growers and the mills. Besides, the receipt of a huge sandbag order in February 1939, inspired hopes of a greatly increased demand for jute manufactures on account of the war preparations in Europe. The effect of these developments was bound to be felt by the raw jute trade the prospects of which are ultimately governed by those of jute manufactures. It must be noted, however, that although the prices of raw jute derived most of their incentive from conditions in the mill industry, they often tended to outstrip the prices of jute manufactures and the reason for this is to be

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found in the superior statistical position of raw jute. As contrasted with the mill industry which still continued to be burdened with heavy stocks the supply of raw jute available in the market in the first half of 1939 was hardly enough to meet the growing requirements of mills and export trade. The jute crop for the 1938-39 season was a short one and yielded only 6·8 million bales as compared with 8·7 million bales in 1937-38.

The high level of prices prevailing in April 1939, did not, however, last long. By July, prices came down, the quotation for ready firsts falling as low as R39-8-0 per bale, partly owing to the arrival of the new crop and partly to the decision of jute mills to effect a further reduction in working hours from 45 to 40 per week. In order to prevent an abnormal fall in prices, the Government of Bengal issued an Ordinance fixing the minimum price in the futures market at R36 per bale. This was, however, a temporary phase, because the outbreak of war soon restored the earlier boom conditions and this time in an accentuated form. There was a vigorous demand for jute manufactures and the industry was flooded with orders. All the restrictions on output were taken off one after another and production was increased to capacity. This was sure to lead to an increased demand for raw jute and speculators in the futures market anticipated and exaggerated its effects. The quotation for ready firsts rose from R38-8-0 in August to R87-0-0 in December, showing a rise of 126 per cent. In September, mills tried to control the price of jute by making an informal agreement among themselves not to purchase it at more than a certain price. But the forces making for a rise in prices were so irresistible that the agreement had soon to be abandoned. The statistical position also was believed to be favourable for a pronounced rise in prices. The outturn of jute during the 1939-40 season was estimated to be 9·6 million bales which was 41 per cent higher than last year, but as the last year's crop was a short one, the carry-over was negligible, and it was feared that if mills continued to work 60 hours a week, the available supply of raw jute might not be adequate to meet the combined requirements of mills and the usual export markets. It was this strength of the statistical position which helped the prices of raw jute to remain at a comparatively high level even after the boom in jute manufactures had spent itself and their prices had begun to fall precipitously. In January, the jute mill industry suffered a severe setback when the British Government decided to postpone the date for the completion of the sandbag orders from the 30th April to the 31st August, and the prices of jute manufactures collapsed heavily. Raw jute could not escape being affected by this event, but the fall was less severe in its case and was shortly followed by recovery. The quotation fell to R82-8-0 in January 1940, but rose again to R84-0-0 in the following month. Towards the close of the year, however, the raw jute market also gradually lost its strength. This was partly due to the continued recession in the prices of jute manufactures and partly to the fact that the statistical position of raw jute, which was the principal source of its strength, was materially altered by later events. The previous estimates of the probable demand for raw jute had to be revised in the downward direction because the slowing down of sandbag deliveries

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made it necessary for mills to reduce their working hours from 60 to 54 per week. This naturally meant a reduction in the mill consumption of raw jute. Moreover, reports began to arrive that under the stimulus of high prices the jute growers had sown a much larger area this year than last year and that the weather conditions were also exceptionally favourable to the progress of the crop. It appeared, therefore, that the supply position in the coming season was likely to be relatively easy. Under these circumstances, the upcountry dealers who were so far withholding stocks in the expectation of higher prices had no inducement to do so and consequently the arrivals in Calcutta began to increase. As a result of these developments, the price of ready jute fell sharply to R66-4-0 in March 1940. The average price during the year worked out to R62-8-0 per bale as compared with R35-15-0 in the preceding year.

The crop regulation policy of the Bengal Government had a considerable influence on the course of events in the raw jute market. On the 17th October, the Bengal Jute Regulation Ordinance was issued in order to enable the Government to prepare an accurate record of lands on which jute was cultivated in the year 1939. Shortly after, the Government introduced a bill called the Jute Regulation Bill, 1939 in the Bengal Legislative Assembly. The object of this bill was "to secure to the grower a fair and steady price for his produce, adjusting as far as practicable the supply of raw jute to the estimated world demand for jute and jute products". This was intended to be done by prohibiting the growing of jute except under licence and fixing quotas of land on which it would be permissible to sow jute. The bill aroused considerable controversy and subsequently, the Government decided to postpone its consideration for some time. This, of course, made no difference to the Government's general policy of regulating the cultivation of jute from year to year. In February, they promulgated the Jute Regulation Ordinance, 1940, which provided that no person should grow jute unless his name or that of his predecessor in interest had been entered in the Government Record and that no grower should grow jute on an area in excess of that entered in the record. The intention was to limit the area to be sown in the 1940-41 season to that sown in the previous season. At the time when this Ordinance was issued, the statistical position of raw jute was believed to be strong, as the reserve stocks of jute in the hands of consumers both in this country and abroad had fallen to a very low level and it was expected that even a big crop would be absorbed at a satisfactory level of prices. The Government was, therefore, prevailed upon not to take the action contemplated by them.

**Oilseeds.**—The world situation in respect of oilseeds was fairly normal during the first five months of the year under review, the only factor which restrained activity being the uncertain political outlook. The downward trend of prices which characterised the year 1938 was checked and business continued on a steady level. Crops of cotton seed, groundnut, palm kernels, etc., were all satisfactory and sufficient to meet world requirements and consequently prices moved within narrow limits between April and September 1939. During the pre-war months, the United Kingdom was a good buyer of Indian linseed and purchased 86 per cent of her requirements from India.

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The high prices prevailing for Argentine linseed due to the short crop in that country combined with the duty of 10 per cent *ad valorem* turned the parity in favour of Indian linseed. The United Kingdom also increased her off-take of nuts and kernels during this period, but her imports of cotton seed and soya beans fell off. On the outbreak of war the Government assumed control of the entire trade in oilseeds in the United Kingdom and took over all stocks in the hands of importers and under contract, at fixed prices. On the 7th October, the Ministry of Food issued an order establishing complete control over all oil-crushing and oil-extracting industries in the United Kingdom with a view to safeguarding the supplies of raw materials. Since then maximum prices were fixed by the Ministry of Food for all oils and meals. These prices were revised from time to time as circumstances dictated. The trade in oilseeds, however, was left free and in November the prices of oilseeds soared, both Plate and Indian linseed leading the advance. Small exportable surpluses and the rise in shipping and war risk insurance rates contributed to the increase in prices. From the beginning of the new year, prices began to come down, partly in sympathy with the decline in the prices of agricultural produce and partly because of the discouraging outlook for exports. In April 1940, the Government of India imposed restrictions on the exports of linseed, castor-seed and rape seed to neutral countries. The announcement of this ban caused a certain degree of alarm in the market, but the Government of India promptly issued a Press Note stating that the object of this measure was not to depress prices, but to ensure that there should be no failure in meeting the requirements of Allied Governments. The Government had ascertained that these requirements were appreciably in excess of the amounts of these oilseeds that were likely to be available for shipment from India. The Government had also received certain assurances as regards the provision of shipping and prices to be paid for these oilseeds. The prices were to be based on the parity of prices prevailing in the Argentine for linseed and rapeseed and those prevailing in Brazil for castor seed, due account being taken of the normal premium, if any, which the Indian oilseeds enjoyed over the foreign varieties. Subsequently, however, in June 1940, the Government of India decided to relax these restrictions in view of the changed European situation. The war was responsible for a considerable amount of dislocation in the export trade in oilseeds. During the last seven months of the year under review, the exports of oilseeds from India declined by 44 per cent as compared with the corresponding months of the preceding year. The situation was further aggravated as the war progressed. The markets which are now closed to Indian oilseeds took nearly 56 per cent of the total exports of oilseeds in the pre-war year, 1938-39. In view of the loss of these markets, the future trend of oilseed prices has become highly uncertain.

**Groundnuts.**—The production of groundnuts in India during the crop season 1938-39 was 3,219,000 tons in shell as compared with 3,501,000 tons in 1937-38. Largely because of the smaller crop, the exports of groundnut seeds from India during the first five months of the year under review were smaller than in the corresponding period of the preceding year. They amounted to 312,000 tons as compared with 339,000 tons in the first five months of 1938-39. Prices also were generally on a higher level than in the preceding year. At the end of April 1939, the price of groundnuts, machine-decorticated,

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at Madras was quoted at R25-3-0 per candy of 500 lbs. It rose during the next two months and was quoted at R29-10-6 at the end of June 1939. Dull conditions prevailed in the market throughout July and prices sagged to R27-5-0, but this was a temporary phase. In August, prices improved to R29, rising further after the declaration of war to R30-2-0 in September and, after a slight reaction in the following month, to R31-12-0 in November. Thereafter, the quotation came down but moved narrowly between R29-7-0 and R29-10-0 till March 1940 when owing to the increased interest evinced by exporters, it improved to R32-4-0. The average price for the year under review was R29-5-4 as against the average price of R24-8-10 during the preceding year. In spite of the rise in prices, the general trading conditions cannot be said to have been favourable for groundnuts during the year under review. The export trade was severely affected by war conditions; the exports from India during the last seven months of 1939-40 amounted to 237,000 tons as against 496,000 in the same months of 1938-39.

**Linseed.**—The estimated production of Indian linseed during 1938-39, which came into the market during 1939-40, was 442,000 tons or 4 per cent lower than in the previous year, but 5 per cent higher than in 1936-37. Trading conditions were generally favourable to Indian linseed till the outbreak of war. The output of Argentine linseed which is an important factor in the world linseed situation, continued its declining trend from 1,905,000 tons in 1936-37 to 1,515,000 tons in 1937-38 and to 1,388,000 tons in 1938-39. The decline in Argentine production naturally meant less competition for Indian linseed in the world market. The increase in output in other linseed producing areas was not sufficient to offset the decline in the Argentine and consequently, the total world production (excluding the U. S. S. R.) also fell to 2,442,000 tons in 1938-39, showing a drop of 2·3 per cent as compared with the preceding year and of 13·6 per cent as compared with 1936-37. As a result of the smaller production combined with increased demand occasioned by rearmament, particularly the intensification of naval and aircraft construction for which linseed oil is an essential article, the prices of both Indian and Plate linseed were fairly steady during the first quarter of the year under review. The quotation for linseed, Bombay Bold, per cwt. rose from R7-0-3 in April to R7-6-0 in May, but declined to R7-3-6 in June. In July, however, the increased selling pressure in India caused a further fall in prices and the quotation came down to R6-15-9. The Plate linseed also shared in this fall owing to the competition of Indian linseed. In August, the United Kingdom was a large buyer and prices again appreciated to R7-3-0. The outbreak of war further stimulated the rising tendency and the quotation rose by successive jumps from R7-15-0 in September to R11-5-0 in December. Shortly after the declaration of war, the British Government requisitioned the linseed stocks in England and fixed prices for both Indian and Plate linseed and for linseed oil. The prices of linseed oil fixed in September were revised upwards in October and November, which further encouraged the bullish tone of the market. While, however, prices were rising in this way, the export trade in linseed was greatly hampered by shipping difficulties. The rise in prices was, therefore, largely anticipatory in character and was untenable without a recovery in export trade. The reaction came about in January and February 1940 when prices suffered a

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sharp break. The quotation for Bombay Bold fell from R11-5-0 in December 1939 to R8-7-0 in February 1940. Prices were slightly steadier towards the close of the year when the quotation rose to R9-3-0.

During the five months preceding the outbreak of war, the exports of linseed from India amounted to 149,000 tons as compared with 157,000 tons in the corresponding period of the previous year. The fall in exports during this period is largely explained by the smaller crop of the season. Even the reduced exports during this period were considerably higher than in the first five months of 1937-38 when they amounted to 102,000 tons. After the outbreak of war, however, the export trade in linseed was seriously disorganised, the total exports of linseed for the seven months September 1939 to March 1940 amounted to only 70,000 tons or 43 per cent of what they were in the same months of 1938-39. The decrease as compared with the corresponding period of 1937-38 amounted to 56 per cent. The total exports in 1939-40 were 219,212 tons as against 318,344 tons in the preceding year. The main reasons for the fall in the exports of linseed since the beginning of war were the shortage of shipping space and the loss of certain important markets on the Continent.

**Wheat.**—A general abundance of supply with only a moderate demand from importing countries was the principal feature of the world wheat situation in 1938-39. During the year under review, the supply position continued to be heavy, in spite of the peculiar conditions created by the war and the increased demand for building up reserves of foodstuffs. Wheat production in the world (excluding the U. S. S. R. and China) in 1939-40 was estimated to be 4,185 million bushels which, though smaller than the record crop of 1938-39, was still bigger than the crop of any other year. Besides, the carry-over was exceptionally large with the result that in spite of the smaller crop in 1939-40, the total wheat supplies of the world in that season exceeded the already high figure of the previous season. The stocks in the principal exporting countries on the 1st August 1939 amounted to 687 million bushels or more than double what they were on the corresponding date of the previous year. During the year under review, the Argentine and U. S. A. had short crops, while the European crop was adversely affected by war and unfavourable weather conditions; but these deficiencies were largely made up by the satisfactory crops in Canada, Australia, North Africa and to some extent India. The extent to which the statistical position of wheat in the world market was unbalanced in 1939-40 can be seen by a comparison of the total exportable supplies with the probable requirements of importing countries during the season. Including the exportable stocks of 687 million bushels at the beginning of the season, the total quantity available for export in 1939-40 was estimated to be 1,324 million bushels, as against which the estimated requirements of importing countries were only 610 million bushels. Thus, a large part of the exportable surplus amounting to 714 million bushels is unlikely to be absorbed by the demand of the importing countries and will probably have to be carried over to the next season. It has been remarked by competent observers that in spite of the demand created by the war, the abundant surpluses of the last two seasons will continue to exercise their bearish influence on the international wheat

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situation. It has been pointed out that in many respects the wheat position to-day is different from that of 1914. The United Kingdom is now less dependent on overseas supplies than she was at the time of the last war, having increased her domestic production in recent years. It may also be noted that during the year under review, Canada which is an important source of supply for the British market, had an export surplus which was more than double the requirements of the United Kingdom. Besides, the difficulty of obtaining adequate shipping space for distant markets is also likely to accentuate the bearish effect of the statistical position. The exports of Australian wheat to the United Kingdom and the Far Eastern markets were considerably hindered by this factor since the outbreak of war. Although the British Government have contracted to purchase a large quantity of wheat from Australia, the country is still left with a heavy export surplus which may act as a serious drag on the prices of Australian wheat.

The course of wheat prices in India during the year under review has to be viewed in the light of the world situation described above. The prices of wheat in India were fairly steady at the beginning of the year under review under the influence of the political situation in Europe. The quotation for wheat at Lyallpur which was R2-4-3 per maund in March 1939 rose to R2-7-0 in April. Thereafter for three months the market steadily deteriorated and in July the quotation fell to R2-1-9. During this period, wheat prices were on a low level in almost all countries, mainly because of the depressing influence of the large supplies from the 1938 crop and the expectation of a heavy carry-over at the end of the season. In India, the demand for ready wheat was very poor from May to July and stocks were accumulating at the ports. In August, however, prices displayed a steadier tendency owing to the revival of demand from consuming centres. With the outbreak of war, the market quickly firmed up and prices advanced by successive stages till they reached their peak in December. In December, the quotation at Lyallpur stood at R3-9-0 which was 58 per cent higher than the pre-war level. Several factors were responsible for this steep rise in prices during the last quarter of 1939. The prolonged drought in the wheat growing districts in Northern India was causing anxiety regarding the prospects of the new crop, at a time when the declaration of war had created high expectations of an increase in demand for wheat. There was also a seasonal increase in the offtake from consuming centres. Another factor which encouraged the buoyant tone of the Indian wheat market was the sharp rise in wheat prices which simultaneously took place in other countries as a result of the rapid decline in the prospects of the Argentine crop and the prevalence of drought conditions in the Western districts of the winter wheat belt of the United States. It must be noted, however, that the rise in wheat prices in India was greatly exaggerated owing to heavy speculative buying. Speculators completely ignored the bearish nature of the world wheat situation and even the reports of a bumper crop in Canada had little effect on the market. The only factors which, to some extent, restrained the activity of speculators during this period were the measures taken by certain Provincial Governments to control the prices of foodstuffs and the suspension of option dealings in certain markets. In the month of January 1940, however, there was widespread rainfall in the wheat growing districts and that changed the



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whole situation. The anxiety which was felt earlier about the new crop was set at rest and the Lyallpur quotation for wheat fell from R3-9-0 in December to R3-3-6 in January. The crash in jute markets which came about in the same month was also partly responsible for the fall. In February, the quotation showed a slight rise which was mainly due to the satisfactory demand for ready wheat ; but thereafter the prospects of a large wheat crop again depressed the market and prices declined to R3-1-3 in March 1940. Towards the end of the year, the market was considerably influenced by the generally bearish outlook of the world wheat situation and the estimates of the Indian wheat crop for 1939-40 which showed an increase of 12 per cent in yield as compared with the preceding year. (The All-India Final Wheat Forecast published in August 1940 estimates the increase at 8 per cent.) In spite of these fluctuations, however, the prices of wheat in India at the end of March were still 36 per cent higher than what they were a year before. It must be added that the import duty on wheat in India has the effect of keeping Indian prices at a higher level than what they would have otherwise been, while anticipations, however insecurely founded, of large scale Government purchases have a steadying influence on the market.

The outturn of wheat in India for the season 1938-39 was estimated at 9.96 million tons as compared with 10.76 million tons in the previous season—a decrease of 7 per cent. Owing to the low prices prevailing in the world market before the outbreak of war and the enormous supplies offered by other exporting countries such as Canada and Argentina, the exports of wheat from India fell to 7,760 tons in 1939-40 as compared with 279,181 tons in the previous year. Thanks to the import duty on wheat, which was imposed in December 1938, imports of foreign wheat into India were also reduced from 159,062 tons in 1938-39 to 85,506 tons in 1939-40.

The import duty on wheat was due to expire on the 31st March 1940. The statistical position of wheat had continued to be unfavourable owing to the presence of large exportable supplies in countries like Australia and Canada and it was possible that in the absence of the import duty the prices of wheat in India would have been depressed unduly. The duty was, therefore, continued for another period of one year from the 1st April 1940 at the existing rate of R1-8-0 per cwt.

Rice.—The Indian rice crop for 1938-39 was a poor one, giving an outturn of 23.9 million tons which was the smallest recorded in the previous nine years excepting 1935-36, when a yield of only 23.2 million tons was obtained. Consequently, India had to increase her imports of rice from Burma to make up the deficit in domestic supplies. The imports of rice not in the husk into India from Burma during 1939-40 amounted to 1,767,000 tons as compared with 1,281,000 tons in 1938-39, showing an increase of 38 per cent. The imports in 1937-38 were 1,198,000 tons only. The rice crop of the 1939-40 season is better than that of the preceding season, the estimated yield being 25.3 million tons or 6 per cent higher, but it is still relatively small as compared with the yield in 1937-38 which amounted to 26.7 million tons or that in 1936-37 which was 27.8 million tons. The outbreak of war has introduced new factors in the rice situation in the East. Owing to the general dislocation

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of trade caused by the war, Burma has been unable to maintain her exports to many of her customary markets. The country will, therefore, have surplus stocks of rice which may seek for an outlet in nearer markets. There are, however, certain off-setting factors which must be taken into account. In the first place, exports from Burma from the 1938-39 crop were so heavy that the country has only a small carry-over left from the last season. Secondly, there are indications of new or additional demand springing up from the Eastern countries. As a result of the reported heavy deficit in Chosen, Japan is likely to increase her imports of rice from other countries to a considerable extent. Other Eastern countries like British Malaya, Ceylon and the Netherlands East Indies, may also have to compete for the available surplus, because the rising prices of plantation and other products may have the double effect of reducing the area sown to rice and also raising standards of living and thus increasing the consumption of rice in those countries. The building up of emergency stocks of food may also absorb large quantities of rice while the war lasts. It is possible, besides, that the other exporting countries in the East may exercise increased control over their exports of rice in order to safeguard food supplies. The combined effect of all these factors may to some extent counter-balance the loss of trade with the European markets.

Prices of rice in India showed an appreciable improvement during the year under review. The average price of Ballam No. 1 in Calcutta was R4-13-9 per maund during 1939-40 as compared with R4-0-9 in the preceding year and R3-15-6 in 1937-38. While keeping pace with the oscillations in the general price level, rice was comparatively free from the violent fluctuations which characterised the other agricultural commodities. Prices generally showed an upward tendency since the beginning of the year, the quotation for Ballam No. 1 rising from R4-4-0 in April to R4-14-0 in August. After the outbreak of war, it rose to R5-2-0 and remained steady at about that level till December when in sympathy with the hectic advances which were noticed in the prices of almost all agricultural commodities in India, it spurted up to R5-6-0. This was, however, a temporary rise and in January 1940 the quotation fell again to R4-12-0 at which level it continued with slight fluctuations till the end of the year. Thus, the prices of certain varieties of rice lost the entire gain made during the first four months of war, though certain other varieties showed a rise on the whole.

**Industrial conditions.**—"The war of nerves" which was proceeding in Europe for several months before the actual outbreak of hostilities in September 1939 was the main depressing influence on economic conditions during the first five months of the year under review. A few encouraging signs were noticeable in certain parts of the industrial system, such as the rise in the prices of tea and jute, the increased activity in the iron and steel industry and the satisfactory trend of the export trade. But the effect of these was largely offset by the prevailing political uncertainty which stifled all industrial initiative and enterprise. The recession in the cotton mill industry had further deepened, with the continued weakness of demand and consequent accumulation of stocks. By July 1939, the stock position in the jute industry had also become unbearable and the optimism created earlier in the year by the receipt of the sandbag order was fast withering.

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Paper, coal and other industries were in a similarly unhappy position. With the outbreak of war, however, there was an almost instantaneous change in the situation. The memories of the last war which had given a strong impetus to the industrial development in the country inspired hopes that the same experience would be repeated and a feeling of extreme optimism took the place of the earlier pessimistic mood. There was a wave of speculative activity in all markets and prices rose precipitously. The boom reached its peak in December 1939, after which, however, a reaction set in. During the last quarter of the year under review, prices showed a declining trend and a generally cautious attitude characterised the share and commodity markets. On the whole, the outlook for Indian industries remained distinctly more hopeful at the end of the year than what it was before the outbreak of war. The different aspects of the industrial situation which are discussed below provide evidence of the increased activity which the war brought about in all parts of the industrial system.

**Industrial profits.**—Profits as the main motive force of economic activity should theoretically provide one of the best indicators of business conditions. In India, however, owing to the delay in the publication of accounts, profit figures relating to a year are often not available till long after the year is closed, and are, therefore, of little help in interpreting the economic conditions of the immediate past. Generally speaking, it is a safe assumption that profits declared in any particular year reflect in the main the conditions during the preceding year. Thus, profits declared during 1939 may be assumed to be mainly those earned during 1938 and the early part of 1939. Besides, different companies close their accounts on different dates, so that profits declared by them relate to different periods. A general index based on the sum total of such profits is, therefore, defective and can at best be used only as a rough index.

The following table gives the general profit index for all industries :—

### *Profits and Chain Index*

[Total for all industries.]

Year	No. of companies	Profits (R000)	Profits, same companies preceding year (R000)	Chain Index. (Base 1928 = 100)
1928 . . . . .	308	12,52,23	..	100·0
1929 . . . . .	308	9,76,19	12,52,23	78·0
1930 . . . . .	310	5,93,87	9,82,40	47·1

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Year	No. of companies	Profits (₹000)	Profits, same companies pre- ceding year (₹000)	Chain Index (Base 1928 = 100)
1931 . . . . .	317	3,58,11	6,06,98	27.8
1932 . . . . .	320	4,48,34	3,60,18	34.0
1933 . . . . .	324	5,73,21	4,48,91	44.2
1934 . . . . .	327	8,18,32	5,77,56	62.6
1935 . . . . .	335	9,25,02	8,36,52	69.2
1936 . . . . .	332	8,42,73	9,24,19	63.1
1937 . . . . .	334	8,34,90	8,62,86	61.1
1938 . . . . .	333	9,31,32	8,30,46	67.7
1939* . . . . .	135	8,26,19	6,72,94	83.1

\* Figures for 1939 are provisional, as balance sheets of only 135 companies are available for that year.

Industrial conditions in India were in a fairly prosperous state during the major part of 1937 and consequently profits declared in 1938 by most companies were higher than in the preceding year. The chain index, therefore, rose from 61 in 1937 to 68 in 1938. The rise in the chain index would have been more marked but for the fact that the jute industry, which is a major industry, was in the midst of a severe recession during that period and was actually making losses. In 1939, the index rose further to 83 which is the highest level attained since 1929. This figure, however, is based on the results of only 135 companies as compared with 333 companies the figures for which were used for the index for 1938. As said above, profits declared in 1939 were mostly earned in 1938 and in the early part of 1939, and as this was by no means a more prosperous period for Indian industries than the preceding period of 1937-38, the rise in the index number for 1939 above that for 1938 needs explanation. The explanation is to be found in the remarkable improvement which took place in the position of the jute industry early in 1939. It will be seen from the figures given on page 48 that 54 jute companies which declared a loss of ₹71 lakhs in 1938 were able to declare a profit of almost double the amount in 1939. Besides jute, the sugar industry also showed a moderate improvement during this period. Almost all other industries, on the other hand, were in a more or less depressed state during the major part of 1938 and early in 1939 and hence the profits declared by them in 1939 were smaller than those in the preceding year. From September 1939, however, industrial conditions in general took a decisive turn for the better, but the effects of this on the profits of industries will be seen only when figures for 1940 are available.

*Variable-yield securities.*—Perhaps the most sensitive barometer of industrial conditions is to be found in the movements of share values, because it is the function of the stock exchange to keep continually forecasting the

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prospective yield of shares and hence the prospects of the industries to which they relate. It is not always, however, that the stock exchange is able to perform this function properly, because there are times when the market is completely dominated by individuals who are incapable of any intelligent anticipation of economic tendencies. The movements of share values at such times merely reflect the changing moods of mass psychology. For this reason, it is unsafe to base any conclusion on the magnitude of price variations on the stock exchange. But it is at the same time useful to study the trend of such variations, because the trend can rarely be at variance with the intrinsic position of industries. A marked upward or downward movement in share prices over a period nearly always indicates an improvement or deterioration in business conditions. The experience of 1939 amply illustrates how a rising trend of share prices inspired by a genuine improvement in the industrial situation can develop into an unhealthy boom due to blind speculation. The following table gives the index number of variable-yield securities in India :—

### *Variable-Yield Securities.*

[Base: 1927-28=100.]

Months.	1927-28.	'28-29.	'29-30.	'30-31.	'31-32.	'32-33.	'33-34.	'34-35.	'35-36.	'36-37.	'37-38.	'38-39.	'39-40.
April	93.8	101.0	97.7	95.6	74.5	61.5	81.4	95.5	109.7	105.9	125.2	102.3	97.6
May	93.8	101.1	97.0	93.2	69.7	61.0	82.6	97.2	112.4	108.1	124.5	100.0	100.8
June	95.4	100.5	98.3	89.8	64.1	58.1	85.1	96.9	110.7	109.3	121.8	100.5	100.4
July	95.8	100.3	97.3	86.1	62.3	61.4	86.7	97.8	109.8	114.7	123.7	107.7	100.0
August	94.5	98.1	100.1	83.8	58.5	68.8	86.7	102.6	102.7	113.3	124.5	107.8	98.5
September	99.2	93.5	101.2	79.7	61.0	67.5	86.9	106.0	102.8	112.4	128.7	104.5	111.4
October	100.7	97.8	100.4	78.7	64.7	69.0	85.8	110.8	106.6	113.3	128.1	107.3	111.9
November	107.4	96.9	97.1	77.1	65.6	69.0	85.0	111.5	103.7	117.1	121.8	100.5	124.7
December	104.1	97.1	96.5	75.0	63.2	69.6	85.7	115.2	108.6	110.4	115.2	107.3	130.7
January	104.3	99.4	95.4	75.8	61.3	76.3	86.1	120.8	106.3	124.2	112.0	105.4	120.9
February	104.6	99.9	93.2	76.6	63.3	77.4	89.4	119.4	105.5	126.6	109.0	103.6	121.6
March	104.8	100.6	93.6	76.1	63.8	77.6	82.3	112.8	103.7	137.0	108.5	100.3	122.1

Prices of industrial securities in India showed a temporary recovery after the Munich Pact of September 1938, but from the following December, prices began to fall again and continued generally on a low level till the outbreak of war. In April and August 1939, prices of ordinary shares slumped heavily owing to the adverse political situation. The index number fell to 98 in August. From September, however, a marked improvement set in which later developed into a boom taking the index to 131 in December 1939 the highest level reached since March 1937. Thus, within the first four months of war, prices of industrial shares advanced by more than 31 per cent. A hectic rise of this nature was bound to be short-lived. In January 1940, the Excess Profits Tax was announced and the index number registered a sharp drop to 121, but it recovered to 122 in February and remained steady at that level in March. The net appreciation of share values at the end of 1939-40 as compared with the preceding year was 22 per cent. Steel shares, being the leading speculative counters on the stock exchange, showed these fluctuations in a more accentuated form. Between March 1939 and March

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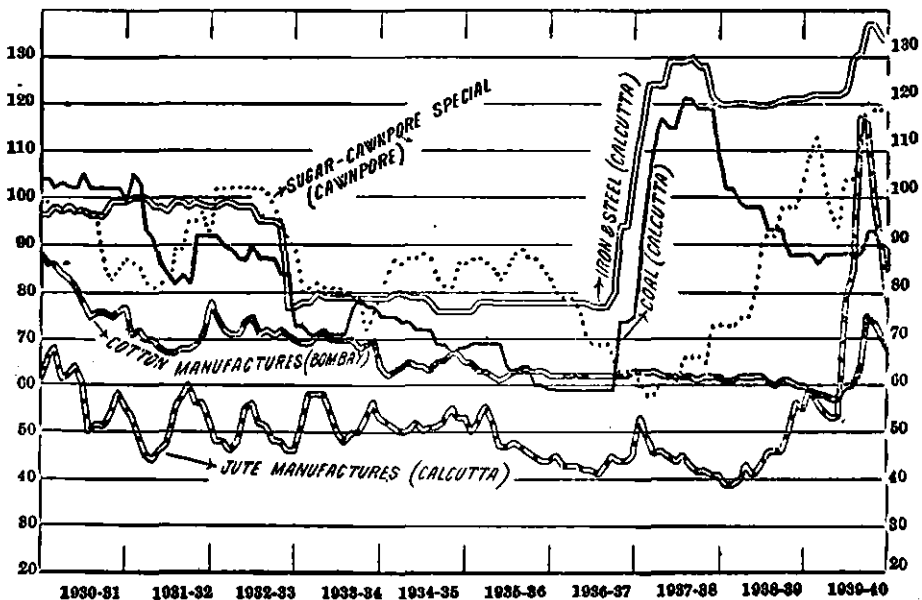
1940, the price of Tata Iron and Steel Ordinary shares rose from R247 to R392 and those of Deferred Shares from R1,135 to R2,110. During the same period, Indian Iron shares also improved from R28-6-0 to R36-8-0. The prices of steel shares registered a marked deterioration in the early months of 1939. Tata Ordinaries, for example, depreciated from R315 at the end of December 1938 to R247 at the end of March 1939. Tata Deferreds also came down from R1,516-4-0 to R1,135 during the same period, though Indian Irons were comparatively steady. Both Tata Ordinaries and Deferreds recovered in May 1939, the former rising to R289 and the latter to R1,382-8-0 and both remained fairly steady during the next three months. Indian Irons, on the other hand, declined to R23 in April 1939 and remained steady thereafter till the outbreak of war. After the outbreak of war, all the three shares showed a pronounced improvement which continued till December, Tata Ordinaries rising from R287-8-0 to R415-8-0, Tata Deferreds from R1,367-8-0 to R2,212-8-0 and Indian Irons from R24 to R44-12-0 during that period. With the general recession in commodity prices which came about in January and February 1940, prices of steel shares fell, but they recovered again in March. Over the year as a whole Tata Ordinaries appreciated by 59 per cent, Tata Deferreds by 86 per cent and Indian Irons by 30 per cent, which shows the distinct improvement in the general industrial outlook during the year under review.

**Industrial Prices.**—The following chart shows the course of prices of some of the important industrial products in India :—

CHART VII.

*Index Numbers of Prices of Principal Industrial Commodities.*

[ Base : 1928-29=100.]



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Prices of industrial products were generally on a higher level in the year under review than in the preceding year. With the adoption of a concerted plan for restriction of output by the jute mills in January 1939, the position of the industry greatly improved, and the receipt of a sandbag order in February and the expectation of further orders infused a buoyant feeling in the industry. Consequently, prices of jute manufactures rose substantially in the early months of 1939 and even after the boom had receded in July and August 1939, prices still maintained themselves at a higher level than in the corresponding months of the previous year. After the outbreak of war, there was a hectic rise in the prices of jute manufactures, prices reaching their record levels for many years. The causes of this rise in prices as also of the reaction which followed from January 1940 are explained in the section on Jute Mill Industry. Prices of iron and steel also recorded a substantial advance during the year owing to the shortage of steel in the world markets as compared with the heavy demand from the armament industries in all countries. Among other industrial products the prices of which rose even before the outbreak of war, tea and sugar deserve special mention. The statistical position of tea had greatly improved as a result of the reduction in the export quota at a time when the world demand for tea was increasing. The position continued to be favourable even after the quota was increased in October 1939, because of the emergence of war demand for tea from the United Kingdom and other countries. Prices of sugar showed a pronounced upward tendency in April and May 1939, which was mainly due to the short crop of the season, and though the increased imports from Java checked this tendency in the next three months, it was resumed after the outbreak of war and was further accentuated owing to the higher basic prices fixed by the Sugar Syndicate. On the other hand, the position of the cotton textile and coal industries was not satisfactory during the five months preceding the outbreak of war. The cotton mill industry was suffering from over-production and consequently the prices of cotton manufactures declined steadily till August 1939. The improvement which came about after the outbreak of war was also not fully maintained and towards the end of the year prices fell again, with the result that the average level of prices for 1939-40 showed only a small increase over that for 1938-39. The fall in the prices of coal was also due to over-production and consequent accumulation of stocks. Prices of coal, after falling almost throughout 1938, settled themselves on a lower level for eleven months up to November 1939. The index number of coal prices in November 1939 stood at 88 as compared with 93 in November 1938 and 121 in November 1937. It improved to 93 in December and January, but fell again to 90 and remained steady at that level till the end of the year. The average level of coal prices during 1939-40 was even lower than in 1938-39. On the whole, however, prices of industrial products were on a considerably higher level than in the preceding year, and it can be seen from the above chart that in the case of some of them, a part of the rise in prices was achieved even before the outbreak of war.

**Industrial Production.**—Changes in industrial production afford a good index of the state of economic activity in the country. A composite index

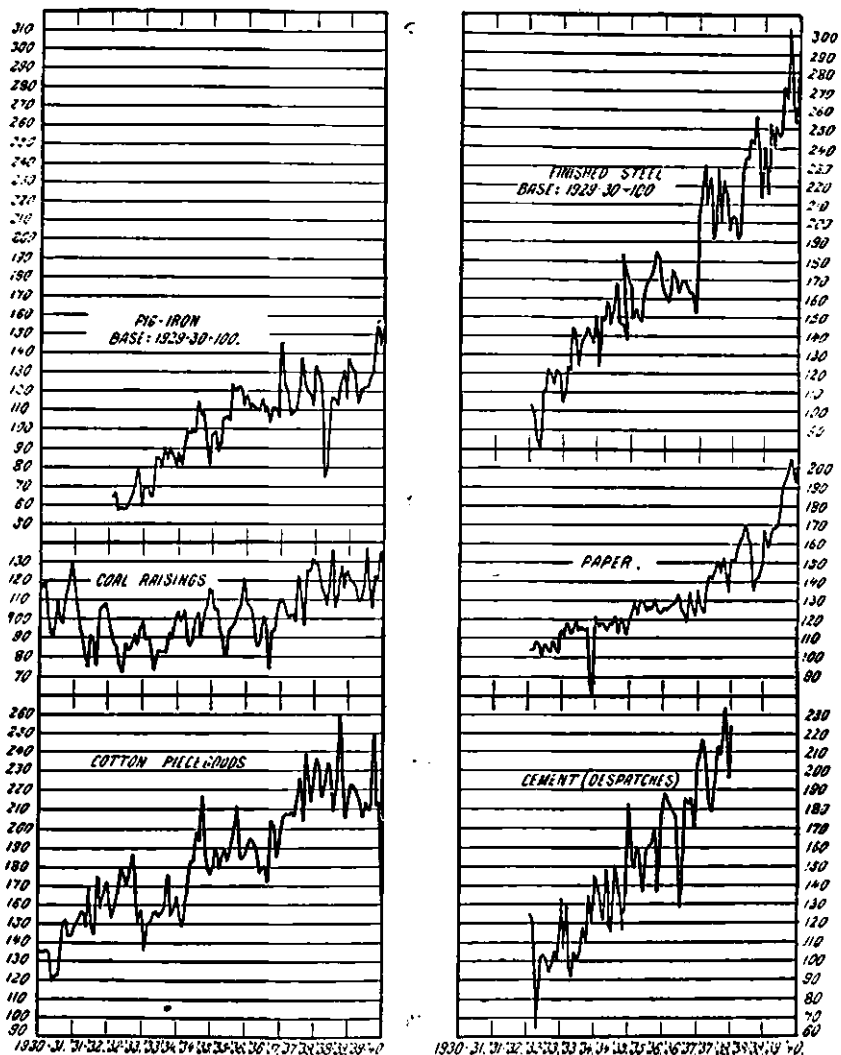
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of industrial production has not yet been constructed for India, but an idea of the trend of production in certain important industries could be had from the following chart :—

### CHART VIII.

#### *Indices of Industrial Production in India.*

[ Base : 1928-29=100.]



Industrial production in India was generally maintained at a much higher level during the year under review than in the preceding year. Under the stimulus of high prices, production was expanded in most industries after



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the outbreak of war. The output of jute manufactures increased by 5 per cent in 1939-40 as compared with 1938-39. The iron and steel industry was fully booked with orders resulting in a considerable increase in its output, the production of finished steel rising to 804,000 tons which was 11 per cent higher than in the preceding year. Production of paper attained a new record, amounting to 1,416,000 tons which exceeded the previous year's figure by 232,000 tons. Coal raisings increased to 25,056,000 tons, a level which was not reached during the past ten years. As a result of the larger crop of sugarcane, more than 13·70 lakhs tons of sugar of all kinds are likely to be produced in India during the 1939-40 season as compared with only 7·67 lakhs tons produced in the preceding season. The only important exception to this general trend towards expansion of output was cotton manufactures the production of which showed a decrease during the year. Owing to the record production of 1938-39, the industry was burdened with heavy stocks and had, therefore, no incentive to maintain its output at the expanded rate of the previous year. With this exception, however, it will be seen that the general tempo of industrial activity was maintained at a greatly accelerated rate during the year under review as compared with the preceding year.

Apart from the major industries mentioned above for which production statistics are available, a large number of other industries received a powerful impetus as a result of the conditions created by the war. The woollen mill and tanning industries are two important examples. The entire production of the woollen mill industry was taken over by the Government, while the exports of tanned hides and skins increased to 18·5 thousand tons during the period September 1939 to March 1940 as compared with 11·9 thousand tons in the corresponding period of the previous year—an increase of more than 50 per cent. Several articles which were never produced in India could now be produced either because their supply from abroad had completely ceased or because their prices had risen high enough to make their production economical. The work of the Supply Department of the Government of India is of great interest in this connection. This Department was set up immediately on the outbreak of war. Its chief function is to procure supplies necessary for the prosecution of the war which include supplies essential for firms engaged on war contracts, for the maintenance of the utility services and for concerns of national importance. The task of procuring these supplies which were enormous and of a varied character necessarily involved an intensive study of the industrial possibilities of India either for the production of new articles or for increasing the output of articles already produced. In addition to executing orders spontaneously received, the Department also did the more active work of securing orders for various kinds of articles which never figured in India's export trade before. In cases in which the industries executing these orders were handicapped by the difficulty of getting certain raw materials from the usual sources, the Department had to undertake a vigorous search for alternative sources of supply. Thus, the war has exerted a profound influence on the whole character and shape of India's trade and production. New markets have been developed and some of the existing markets expanded for both new and old products, the output of both new and old products has been increased to meet war demands and new sources of supply have been found for certain essential raw materials.

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During the first six months of its existence, the Supply Department handled orders to the tune of R 14½ crores. These orders covered a wide range of articles including hessian, cotton waste, a large variety of cotton and jute cloth (including water-proof covering and the newly produced cellular cloth called "Mock Leno"), cotton blankets and sheets, various products of iron and steel and engineering industries, telephone equipment, road-making plant and materials, electric fans, materials and fittings for military hospitals, field dressings, coal, cement, timber, various raw materials such as manganese ore, wool, hides, etc. and foodstuffs. The orders were received from the United Kingdom, Australia, South Africa, Ceylon, Hongkong, Malaya, Aden, Palestine and many other Empire countries and Egypt. The United Kingdom has placed an order for boots worth R 1 crore, which will require production at the rate of 125,000 pairs per month for several months. Handloom workers in villages have also had a share in these orders, since orders to the extent of 350,000 army blankets, to be supplied by the end of September 1940, have been placed with them.

In some lines of industrial production, India had already attained a high state of efficiency and was, therefore, in a position easily to meet large demands; but in other lines, the expansion of productive capacity has come about mainly under the stimulus of war requirements. It may be interesting here to give a few examples of the various directions in which Indian industry is being expanded to take advantage of the opportunities created by the war. Preparations are being made, for example, for the manufacture of aluminium with imported alumina and for the manufacture of caustic soda, soda ash, indigenous drugs and strips for piping, though some of these projects will necessarily take some time to materialise. A second factory for manufacturing oil engines is about to come into production. The War Supply Board has sanctioned the erection of a Government plant to produce supertropical and tropical bleaching powder. Proposals for the production of aero-lubricating oils are under consideration of the Supply Department. Already aviation spirit is being manufactured from certain Indian and Burman crude oils. Efforts are also being made to develop indigenous supply of waterproof packing and wrapping paper. A new industry, started for the first time in India, is grindery which is used for the manufacture of boots. Some items of grindery, viz., heel, toe and guards are now being manufactured by an Indian concern though the country is still dependent on imports for a large number of other items. It is expected that twelve important industrial chemicals for which India is at present dependent on imports are going to be produced in the country by the early months of 1941. The Department of Supply has already succeeded in interesting Indian manufacturers in indigenous production of bichromate and it is expected that a well-known Indian firm will be in a position to produce it early next year on a scale which will enable the whole of the normal Indian demand to be met. Reference has already been made above to the new product of the Indian cotton mill industry called "Mock Leno" which, it is said, can compete with the imported cellular cloth used for undergarments. Another opening for the Indian mill industry is provided by cotton canvas the production of which has increased, under the stimulus of war orders, to millions of yards per annum. As supplies of flax from Russia, the world's

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chief producer, were cut off, the enormous demand for materials for waterproof coverings and water-holding stores could not be met from the usual sources. The need was, however, met by Indian canvas which serves as a substitute for flax. India has also evolved a substitute for flax from a combination of cotton and jute; the substitute is known as "cotton-jute-union fabric". The expansion of productive capacity has been most marked in those sectors of industry which supply the needs of defence. It has been stated that India now manufactures within her own borders the major portion of her war requirements. The iron and steel and engineering industries will receive a further stimulus when the project for building ships materialises. The Supply Department has recently been reorganised for an intensified effort towards co-ordinating the maximum capacity of India's steel and engineering potentialities. One more example of the recent industrial expansion is magnesite the production of which is going to be expanded shortly from 1,200 tons to 1,600 tons as a result of two more kilns being added to the five already working in Salem. It will be seen from these instances that India's productive capacity is being augmented in several directions as a result of the conditions created by the war.

It has been remarked above that the Supply Department had to take steps to ensure an adequate supply of certain essential raw materials required by Indian industries. Bleaching powder was one such raw material the shortage of which created serious apprehensions in the first few months of war. As a result of the action taken by the Supply Department, however, the shortage was considerably relieved. Similarly, large quantities of sulphate of ammonia were obtained from the Continent as well as the United Kingdom. Wattle barks are indispensable for tanning; and in order that the leather industry may not be crippled by any possible shortage of these, the Supply Department has built up a reserve of wattle barks purchased from South Africa. Early in the war, a serious situation arose with regard to aluminium and copper which in peace time are required primarily for the manufacture of utensils. For both these metals India is mainly dependent on imports which were drastically reduced while the small indigenous production of copper was also requisitioned for defence purposes. The Supply Department, however, succeeded in obtaining a sufficient supply of blister copper from Rhodesia together with other materials required for the production of brass in India. Steps were also taken to collect scrap aluminium for re-rolling into sheets suitable for conversion into utensils. Owing to the control of Empire supplies of spelter, there was a possibility of supplies not being released at an early date for consumption in India. His Majesty's Government, however, promised the release of large quantities of spelter for consumption in India and also helped to obtain supplies for Indian industrial use from Mexico. As a result of such measures a great many of the difficulties experienced by Indian industries with regard to the supply of essential raw materials in the early months of the war were cleared away.

The problem of India's industrial development bristles with technical difficulties. The Government of India, therefore, set up a body called the Board of Scientific and Industrial Research. The Board is charged with the following functions, namely, to advise Government on proposals for instituting specific researches, secondly, to help specific institutions in scientific study of

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problems affecting particular industries and thirdly, to make proposals for the establishment of research studentships, scholarships and fellowships. Another factor which was likely to hinder the growth of new industries was the uncertainty of the situation which might arise after the end of the war. The Government of India, therefore, announced that they were prepared to consider the question of assuring specified industries, the starting of which was considered essential under conditions created by the war, of such measure of protection against unfair competition from outside India after the war as might be necessary to enable them to continue their existence. An assurance of this kind was given to a firm anxious to re-open a factory for the manufacture of a certain type of steel pipes and tubes.

**Industrial Disputes.**—In the absence of wage and unemployment statistics, an idea of the labour situation can be had from the statistics of industrial disputes. The following table gives the number of disputes, the men involved and the working days lost in India from 1928 :

Year	No. of disputes	Men involved	Working days lost
1928 . . . . .	203	507,000	31,647,000
1929 . . . . .	141	531,000	12,166,000
1930 . . . . .	148	196,000	2,262,000
1931 . . . . .	166	203,000	2,408,000
1932 . . . . .	118	128,000	1,922,000
1933 . . . . .	146	165,000	2,169,000
1934 . . . . .	159	221,000	4,776,000
1935 . . . . .	145	114,000	973,000
1936 . . . . .	157	169,000	2,358,000
1937 . . . . .	379	648,000	8,982,000
1938 . . . . .	399	401,000	9,199,000
1939 . . . . .	406	409,000	4,993,000

The total number of strikes during 1939 was 406, the highest figure on record for many years. The number of men involved was also higher than in the preceding year, being 409,000 as compared with 401,000 in 1938. The number of working days lost was, however, considerably less, being 4,993,000 as compared with 9,199,000 in 1938. The two industries to suffer most from strikes were cotton and jute. They accounted for 43·5 per cent of the strikes, 68·8 per cent of the workers involved and 49·2 per cent of the loss of working days. In 234 disputes, the chief demand related to wages or bonuses. The rise in the cost of living after the outbreak of war aggravated the labour unrest, and was responsible for a widespread agitation for dearness allowance. Towards the end of the year, the cotton mill industry in Bombay was

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Involved in a general strike which continued from the 4th March to the 13th April 1940. On the whole, the labour situation in India showed a distinct deterioration during the year under review.

**Cotton Mill Industry.**—During the five months preceding the outbreak of war, the cotton mill industry in India appeared to be heading towards a major crisis. With the prices of both yarn and piecegoods sagging continuously and stocks piling up month by month, the industry had fallen into a malaise from which only the outbreak of war could rescue it easily. A state of over-production with all its characteristic features had developed in the industry. In spite of the efforts of individual mills to curtail output by closing down night shifts, the total production of cotton manufactures was still maintained at a fairly high level. As against this, the home market was rapidly shrinking. The purchasing power of the agricultural classes, who are the main consumers of cotton manufactures, had fallen. And of this already shrunken market, a not inconsiderable share was captured by Japan. Since May 1938, the Indian mill industry again had to face severe competition with Japanese imports and the severity of the competition was felt not merely on account of the magnitude of the imports but also at the prices at which they were offered. The same Sino-Japanese war which in its initial stages had greatly hampered the export trade of Japan now provided a strong incentive to her to inaugurate an export drive in all Eastern markets in order to increase her supply of foreign exchange. In the meanwhile, a new competitor entered the Indian market—or rather an old competitor in a new guise. The imports of yarn and piecegoods from China, which were very small in the last few years, suddenly assumed large proportions during the year under review. It was suspected that the Japanese mills in the Japanese-controlled China were taking advantage of the absence of a quota arrangement between China and India to push forward their export trade with India through that channel. The collapse of the Chinese dollar further assisted this dumping of Chinese goods in the Indian market. The export trade also was not faring quite satisfactorily. Exports of cotton piecegoods from India in 1939-40, though higher than in the preceding year, were considerably reduced as compared with 1937-38. These amounted to 78 million yards during the first five months of 1939-40 as compared with 75 million yards and 108 million yards during the corresponding months of 1938-39 and 1937-38 respectively. The total exports for 1939-40 amounted to 221·4 million yards as compared with 177 million yards and 241 million yards in 1938-39 and 1937-38 respectively. The introduction of an export subsidy on cotton in the United States further added to the complexity of the situation, though it is a matter of considerable doubt to what extent it gave a competitive advantage to the foreign manufacturer. An important handicap for the export trade was the high protective tariff imposed by one of the important customers of the Indian cotton mill industry, namely, Egypt. In April 1938, the Egyptian Government enhanced the duties on cotton manufactures and this had a devastating effect on the imports of Indian cotton manufactures into that country. In 1937-38, Egypt took nearly 23·5 million yards of cotton piecegoods from India; in 1938-39, this figure fell to 3·1 million yards and in 1939-40 to 1·7 million yards. The Indian mill industry had to face this combination of adverse circumstances at a

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time when its competitive strength was seriously impaired by a steep rise in its cost of production. Wage increases which were granted early in 1938 had now become onerous. The tax burden on the industry had also increased owing to the imposition of the Property tax in Bombay. In contrast with this rising trend of costs, the prices of cotton manufactures were falling during the first five months of 1939-40. In short, a few days before the war broke out, the cotton mill industry of India was passing through a phase of acute depression. At this juncture, the Bombay Millowners' Association suggested a scheme for restricting production on an all-India basis, but the scheme failed to commend itself to certain sections of the industry who were placed in a slightly different position. The proposal, therefore, was on the brink of failure when the war broke out and the entire situation assumed a new aspect.

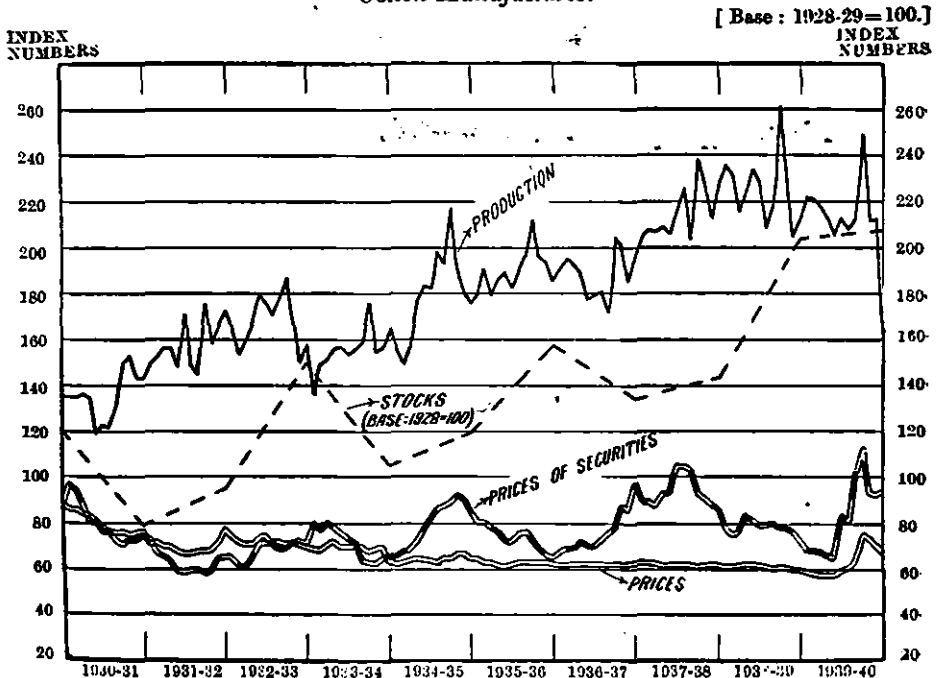
For an industry which had fallen into such a dull and inactive state the outbreak of war in Europe meant the infusion of a new life. Prices rose rapidly and clearances became quicker than before. There was intense speculative activity in all piecegoods markets and in the initial stage of panic, consumers also attempted to lay up stocks. During the first four months of war the index number of wholesale prices of piecegoods rose by successive stages till it reached its peak in December 1939. Subsequently, however, prices declined, because with the recession in commodity prices which set in from January 1940, the demand for piecegoods became sluggish. The index number (1928-29=100) which was 59 in April 1939 as compared with 61, a year before fell further to 57 in August, but rose to 61 in September, to 63 in November and 75 in December. Thereafter it steadily declined reaching the level of 68 in March 1940. The average index number for the year was 63 as compared with 61 for the preceding year. The war affected the position of the mill industry in several ways. In the first place, imports of foreign cloth were reduced and to that extent foreign competition became less severe. Exports of Indian cotton manufactures to Eastern markets which could no longer obtain their normal supplies from Lancashire, received a fillip. The mills received large orders from the Government for supply of various kinds of military requirements and it was expected that with the improvement in commodity prices private demand for cotton goods would also increase. It must be added that the war also produced certain adverse effects on the cost of production of the industry. There was a rise in the prices of certain essential materials such as bleaching powder and dyestuffs, owing to the failure of imports for some time. The position subsequently improved as arrangements were made to obtain an adequate supply of such materials from alternative sources. More important than this was the growth of labour discontent, due to the rise in the cost of living in the last four months of the war, which led to the declaration of a general strike in Bombay. Strenuous efforts were made to settle the dispute by conciliation. A Committee of Enquiry was appointed by the Government of Bombay which recommended that with effect from the 1st December 1939 a dearness allowance of 2 annas per day should be given to all employees drawing less than Rs 50 per mensem to cover the variations in the official cost of living index figure between 105 and 123. They also recommended the establishment of cost price grain shops by the mills and added that in the

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event of the index number falling outside the limit of 123 for any period of three consecutive months, further adjustments in the cash allowance would be necessary. The workers, however, insisted on their demands and went on strike from the 4th March 1940. Nearly 160,000 workers were involved and 51 mills were rendered idle. The strike, however, fizzled out owing to the firm attitude of employers and mills re-opened from the 13th April onwards. The increase in wages recommended by the Committee was granted, which meant a further rise in the cost of production of the industry. Thus, the end of the year did not find the industry in a very happy state, because, on the one hand, the internal demand for piecegoods had slackened and prices were falling, and on the other, the costs of production both on account of wages and materials had increased.

These *three* phases of the industry, depression up to August 1939, recovery from September to December 1939 and a period of difficult adjustments from January to March 1940 are clearly brought out in the following chart :—

**CHART IX.**  
**Cotton Manufactures.**



It will be seen that the production of cotton piecegoods showed a steadily declining trend from April to August 1939. This, as said above, was due to voluntary efforts of mills to restrict production by closing down night shifts. The reduction was, however, not adequate to meet the situation and consequently the industry continued to be depressed. Prices remained on a low level during this period, while the prices of cotton shares which reflect the market view of the position of the industry also deteriorated. In August 1939, the index number of cotton shares (1928-29=100) stood as low as 65 as

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against 82 a year before which by itself was a low figure as compared with the highest point of 105 reached in September 1937. With the outbreak of war, however, the position changed in every respect. Production showed a rising tendency in the next few months, the total for 1939-40 being 4,013 million yards, though it was still considerably less than in the preceding year when it amounted to 4,269 million yards. The average index of monthly production (1928-29=100) was 212 in 1939-40 as compared with 225 in 1938-39. Prices of piecegoods also improved, thus showing the increased demand caused by war conditions. The war also reversed the trend of cotton shares which began to rise from September onwards. By December 1939, the index number attained the level of 112, thus exceeding the previous peak of September 1937. From the beginning of 1940, however, the demand for piecegoods slackened and prices came down. Simultaneously the labour situation worsened and the industry had to pay higher wages. It will be seen that the share market also no longer took so optimistic a view of the future of the industry as it did in December 1939. The index number of cotton shares fell sharply from 112 in December 1939 to 93 in January 1940, at which level it continued, with slight fluctuations, till the end of the year. The industry was, however, able to tide over this short period of difficulty, because with the cessation of the general strike in April, conditions again showed signs of improvement.

The profit figures usually tell the story of a year preceding the one in which they are declared. In 1938, the cotton mill industry was able to declare the highest profits in recent years, the chain index (1928=100) rising to 210 in that year. This was due to the exceptionally favourable conditions which the industry enjoyed in 1937-38 due to the increased demand for its products and the weakening of Japanese competition. In the following year, both these trends were reversed and the industry had to face a combination of adverse factors such as over-production, fall in prices, revival of foreign competition and rise in costs. Consequently, the profit margin of the industry was reduced and the index number of profits fell to 164 (a provisional figure) which was still considerably higher than that for any year other than 1938.

### *Cotton Mill Industry.*

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index. [Base, 1928=100]
1929 . . . . .	58	1,23,02	..	100.0
1929 . . . . .	58	1,21,97	1,23,02	99.1
1930 . . . . .	58	46,68	1,21,97	37.0
1931 . . . . .	58	64,63	46,68	62.5
1932 . . . . .	58	1,01,85	64,63	92.8
1933 . . . . .	58	41,74	1,01,85	33.9
1934 . . . . .	58	1,10,85	41,74	90.1
1935 . . . . .	59	1,07,63	1,08,95	89.0
1936 . . . . .	59*	1,17,90	1,06,46	99.8
1937 . . . . .	59	1,64,57	1,17,90	137.9
1938 . . . . .	57	2,49,81	1,63,82	210.3
1939 . . . . .	29	1,22,16	1,56,19	164.5

\* Companies are not the same as in the preceding year.



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The price index used for the chart on (page 42) is defective in one respect in that it contains too many quotations for imported varieties of cotton manufactures, but no better series is available from 1928-29. A more representative selection of cotton manufactures was secured for both indigenous and imported varieties for a special index number compiled in the Statistical Research Branch, which is given below.

*Index Numbers of prices of Cotton Manufactures in India at the end of each month.*

Base : September 19, 1931=100.

	1937-38.	1938-39.	1939-40.	1940-41.
April . . . . .	96	95	89	105
May . . . . .	96	95	88	103
June . . . . .	96	94	88	..
July . . . . .	96	93	87	..
August . . . . .	95	93	86	.
September . . . . .	98	93	92	..
October . . . . .	98	93	92	..
November . . . . .	97	92	93	..
December . . . . .	96	92	116	..
January . . . . .	96	91	108	..
February . . . . .	96	91	106	..
March . . . . .	96	90	105	..

It will be seen that this index shows the same trend as the other index, though in a more accentuated form.

In the last year's Review, a detailed account was given of the cotton clause of the Indo-British Trade Agreement, 1939, the tariff changes under which were introduced from April 1, 1939. Under this clause a sliding scale of duties is fixed for cotton piecegoods of the United Kingdom origin which is linked up on the one hand with the exports of Indian cotton to the United Kingdom and on the other with the imports of cotton piecegoods from the United Kingdom into India. Owing to the abnormal conditions prevailing during the year under review, imports of piecegoods from the United Kingdom failed to come up to the minimum figure of 350 million yards laid down in the Agreement. The Agreement provides that under such

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circumstances, the duties charged after the end of that year and until the end of any cotton piecegoods year in which such imports exceed 425 million yards are to be reduced still further by  $2\frac{1}{2}$  per cent *ad valorem* with a proportionate reduction in the specific duty on grey piecegoods. The Government of India, therefore, effected the reduction by a Notification issued on the 16th April 1940.

**Jute Mill Industry.**—The year 1939 will probably rank as one of the most eventful years in the history of the jute industry. After a series of bad years the premier industry of Bengal emerged on a high plane of prosperity in 1939. The achievements of the industry in that year will be memorable by contrast with the utter misery which it had brought upon itself in the previous year. Over-production, falling prices and an alarming accumulation of stocks had brought the industry to the verge of a financial crisis and yet owing to internal differences it was unable for a considerable length of time to take the only step which could possibly save it from disaster, namely, restriction of output. In September 1938, the Government of Bengal promulgated an Ordinance enforcing a restriction of working hours and that served to check the rot for some time. It was not, however, till January 1939 when the mills were able to announce the voluntary Working Hours Agreement that the industry could really be said to have turned the corner. The Agreement constitutes an important landmark in the history of the industry, because it removed the two principal causes which were at the root of the industry's troubles, namely, the lack of internal organisation and the absence of a suitable machinery for adjusting output to demand. For the first time all the mills in Bengal with one exception and some outside Bengal were brought into the fold of the Indian Jute Mills Association and an elaborate machinery was set up for regulating output. The details of the Agreement were given in the last year's Review and need not be repeated here. Suffice it to say that the Agreement has placed the industry on a more stable foundation than any legislative measure could have ever done.

It must be added, however, that although the Working Hours Agreement played a great part in the recovery of the industry, it could not by itself have generated the boom conditions which were witnessed in the early months of the year under review. The credit for that development must primarily go to the huge order for 200 million sandbags which was received from the British Government in February 1939. It was this order which first brought home to the industry the part it might be called upon to play in case war broke out. The order was received at a time when the restriction of working hours to 45 per week having proved inadequate, stocks were accumulating and the mills were thinking of a further measure of restriction. The receipt of the order changed the entire outlook. Great expectations were raised about the prospects of the industry, and prices rose by leaps and bounds. Much of this rise in prices was purely anticipatory in character and took no account of the fact that the stock position of the mills had continued to be heavy and though the first sandbag order had

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eased it to some extent, it was bound to get out of gear if further orders were not received in time. Besides, the high prices checked private consumption. Actually, by the end of July, when the first sandbag order was nearing completion, the stock position again became unbearable and the mills decided to close down twenty per cent of hessian looms and seven and a half per cent of sacking looms. Subsequently, however, at the request of the Government of Bengal the mills modified the decision and reduced the working hours from 45 to 40 per week. The reduction came into effect from the 31st July 1939.

The new working arrangements were destined to be shortlived. The outbreak of war at the beginning of September created a feverish demand for all kinds of jute goods and the industry had soon to take off the various restrictions one after another to make the productive machine go ahead with the requisite speed. It is interesting to see how quickly the scene changed. The first few months of the war were crowded with events for the jute industry. In September 1939 the second order for sandbags was received and it was decided to unseal all looms and to increase the hours of work from 40 to 45 per week. Within a week or two another order followed and then in November came the largest order of all, 500 million to be delivered by April 1940. With all these orders to cope with, the industry had to accelerate its rate of output and even an increase of working hours to 54 per week, which is the maximum allowed under the Factory Act, proved insufficient. The Government had, therefore, to relax certain provisions of the Factory Act by issuing an Ordinance to permit the mills to increase the hours to 60 per week. This was the antithesis of the working hours agreement and showed the extent to which the position of the industry had changed as a result of war conditions. While the mills were trying to fulfil their commitments, the labour force had to be kept contented and the mills, therefore, decided to grant an increase of 10 per cent in wages with effect from the 10th November.

The reaction of all these developments on market psychology was anything but healthy. The markets behaved as if the war had ushered in the millennium for the jute industry. For a time, both raw and manufactured jute came in for aggressive buying and by the first fortnight of December prices reached the most spectacular heights ever witnessed in the recent history of the industry. Speculation was rampant in the jute markets and in their desire for immediate gain speculators paid no heed to the reactions which the high prices for jute were bound to produce on the ultimate demand for the commodity. Jute can hold its monopoly in the world market only so long as it is a comparatively cheap packing material, as there are a number of substitutes which can replace jute if its price rises above a certain limit. Actually, the fantastic prices quoted for jute and jute products had a damping effect on the demand for them. The use of substitutes in such large consuming countries as the United States was encouraged and even within the country a section of the cotton textile industry got busy trying to produce a kind of cotton bag which could effectively compete with jute sandbags at the prices then prevailing for jute and cotton. The

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speculation in jute markets had, moreover, a demoralising effect on almost all other important markets in India, because the speculators who made or expected to make fabulous profits in jute simultaneously indulged in forward buying of other commodities and thus provoked a boom in them. The jute markets had based their calculations on a continuous stream of sandbag orders, but very soon there were signs that their calculations had been too optimistic. On the 23rd January 1940, came the news that the British Government had decided to postpone the date for the delivery of the outstanding portion of the sandbag orders from the 30th April to the 31st August. At a time when private demand had fallen to a low ebb and the whole edifice of jute prices was being supported on hopes of further Government orders, the announcement of this decision to postpone the delivery of existing orders caused great disappointment. Prices began to tumble down from this time onwards. Shortly after this event, the Government of India announced the Excess Profits Tax Bill and this announcement was followed by a further confusion in the market. Private demand continued to be much below expectations and reports from North America spoke of a progressive decrease in the consumption of hessians in that area since the beginning of the new year. As a consequence of all these factors, the prices of jute manufactures fell precipitously from January 1940. Stocks of jute manufactures began to accumulate in the hands of mills and the Indian Jute Mills Association decided to curtail the working hours again from 60 to 54 per week with effect from the 8th April. This decision should have normally had the effect of supporting the market, but actually it depressed it still further, because by the end of March the stock position had become so heavy that a reduction in hours by ten per cent was regarded by many as inadequate to meet the situation. In March a Government order for 9 million yards of hessian cloth 40"/10½oz. for delivery by the 15th April and 43 million yards 40"/8oz. for delivery from the 15th April to the 15th June, was received but this had only a temporary effect on the market and prices declined again.

Thus, the close of the year, 1939-40, saw the jute industry in a comparatively depressed state. There is no doubt that the recent setback has served to inspire a spirit of caution and has on the whole given the industry a more subdued outlook than that of the earlier months. It is possible, however, that like the initial optimism the present pessimism also is overdone. The high prices which prevailed in the middle of December 1939 may not perhaps be repeated in the near future, nor is their repetition desirable because they are likely to cause permanent damage to the industry by encouraging substitutes. Nevertheless, the industry is now in a better position to meet changing circumstances mainly because of the machinery which it possesses for meeting fluctuations in demand. The recent extension of the enemy occupied territory no doubt means a loss of a number of markets, but the loss is not as serious in the case of jute manufactures as in the case of raw jute. The markets which are now closed to the industry accounted for only a small proportion of the total export trade in jute manufactures though, of course, the extent to which the loss can be easily made up by increased exports in other directions depends on the availability of shipping facilities.

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It has been remarked above that the year 1939 was a prosperous one for the jute industry. The following table which gives the profit figures of the industry confirms this view :

### *Jute Mill Industry.*

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index [Base, 1928=100]
1928 . . . . .	47	7,69,30	..	100.0
1929 . . . . .	47	6,58,17	7,69,30	85.6
1930 . . . . .	47	2,91,50	6,58,17	37.9
1931 . . . . .	49	68,60	2,99,90	8.7
1932 . . . . .	50	1,02,84	70,49	12.6
1933 . . . . .	52	1,61,92	1,03,66	19.8
1934 . . . . .	53	2,86,70	1,64,71	34.4
1935 . . . . .	53	3,31,99	2,86,70	39.8
1936 . . . . .	53	2,15,70	3,31,99	25.9
1937 . . . . .	56	94,57	2,19,62	11.1
1938 . . . . .	59	-87,45	96,00	-10.1
1939 . . . . .	54	1,40,51	-71,19	20.0

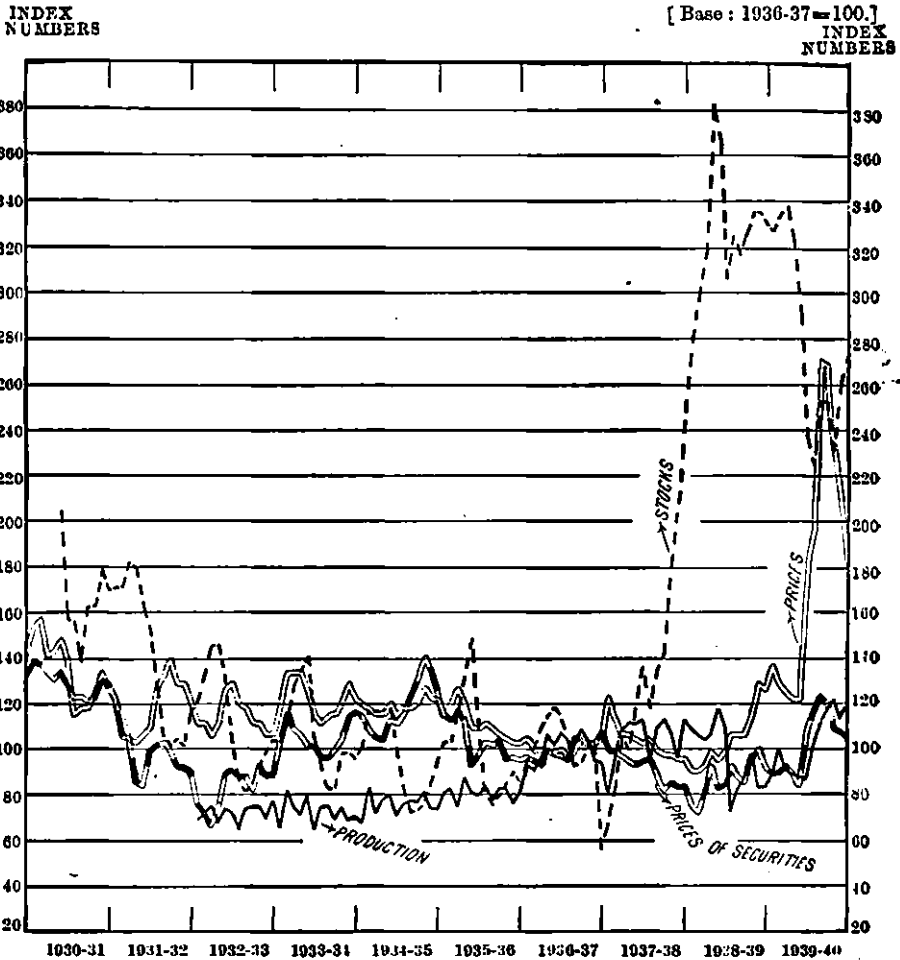
In 1938, the balance-sheets of fifty-nine jute companies disclosed a total loss of R 87 lakhs as against a profit of R 96 lakhs declared by the same companies in the preceding year. The index number for that year was thus a *minus* figure, being *minus* ten. In 1939, the position changed completely. Profit figures for 1939 are available for 54 companies, but the number is large enough to be representative of the industry. It would appear that these companies were able to declare a profit of R140 lakhs in 1939 as against a loss of R71 lakhs in 1938. This shows the remarkable improvement in the position of the industry during 1939. These figures, however, do not fully reflect the effects of the boom conditions which developed in the latter half of the year under review. For a fuller appreciation of the

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events during that period, the trends of production, prices, stocks and shares have to be examined. The following chart shows these trends at a glance :

### CHART X.

#### *Jute Manufactures.*



Production of jute manufactures during the first six months of 1939-40 was considerably lower than in the corresponding period of 1938-39. This was so, because, as stated above, the latter period was one of unchecked overproduction. From October 1939, as a result of the removal of the restrictions on output, production began to increase rapidly till it reached its highest level in January 1940. The rate of output in that month was the highest ever attained for many years past. Production continued to be high in the next two months, though at a slightly lower level. The figures of stocks and prices provide an indication of how far the rate of output was justified by current demand. During the first four months of the year,

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stocks had continued to be heavy in spite of the restriction of output. From the 31st July 1939, therefore, the mills decided to curtail production further by restricting the hours to 40 per week and this had a salutary effect on the stock position. In October, stocks showed a further reduction, in spite of the increase in output, because consumption was running ahead of production. In November and December, however, there was an increase in stocks due partly to the fall in private demand and partly to shipping difficulties. A slight improvement in the shipping situation led to a reduction in stocks in January 1940, but with the slowing down of sandbag deliveries from February, stocks again resumed the rising tendency. Prices of jute manufactures from April to August 1939 clearly showed the bearish effect of the stock position, the index number (1928-29=100) falling from 136 to 122. From September prices began to rise and by December the index number stood at 268 which was 120 per cent above the pre-war level. A sharp reaction set in from January which brought the index down to 180 at the close of the year. The movements in share prices were more or less parallel to those in the prices of jute manufactures except that the index number of the former reached its maximum in November 1939. Between March 1939 and March 1940 prices of jute shares recorded a rise of 14 per cent which may be taken as a rough measure of the extent to which the share markets believed the prospects of the industry to have improved during the year.

Tea.—The following table gives the profits of the tea industry with their chain index number since 1928 :—

*Tea Industry.*

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index [Base, 1928=100]
1928 . . . . .	130	98,85	..	100·0 <sup>a</sup>
1929 . . . . .	130	59,15	98,85	59·8
1930 . . . . .	130	14,75	59,15	14·9
1931 . . . . .	131	-19,09	14,37	-19·8
1932 . . . . .	132	-1,02	-19,00	-1·1
1933 . . . . .	133	99,70	-1,13	93·9
1934 . . . . .	134	53,55	1,00,21	50·2
1935 . . . . .	135	68,38	54,07	63·5
1936 . . . . .	132	76,00	68,10	70·8
1937 . . . . .	130	1,16,18	75,87	108·4
1938 . . . . .	128	78,01	1,15,74	73·1
1939† . . . . .	..	..	..	..

† Figures not available.

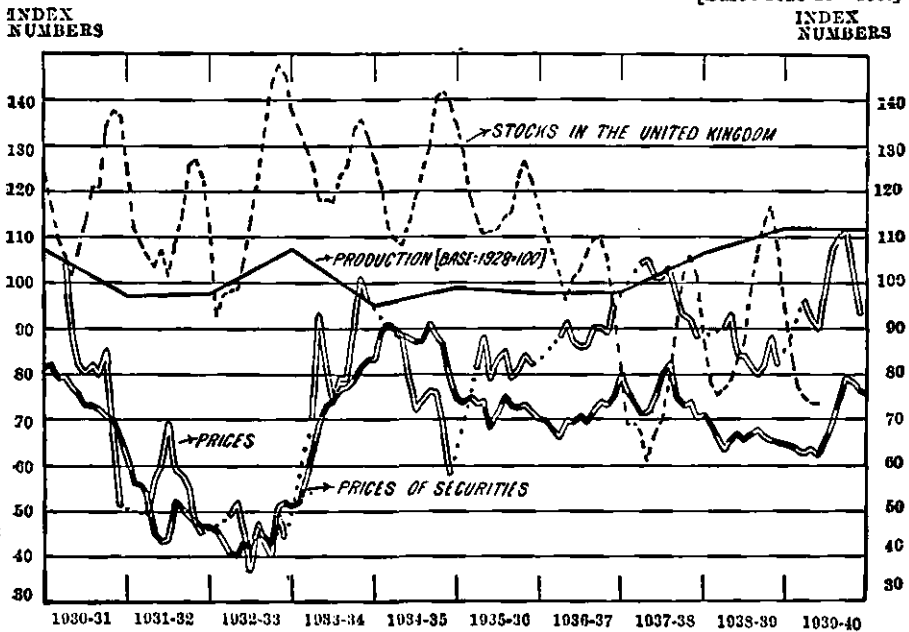
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The profit figures for a sufficiently large number of tea companies for 1939 are not yet available and the profits chain index of the tea industry for 1939 cannot, therefore, be worked out. In recent years 1937 was a prosperous one for the tea industry, but the prosperity was not maintained in 1938, and consequently the profits of the industry were considerably reduced during the year, the index number falling from 108 to 73 or approximately by 33 per cent. The year under review saw the tide turning again and it is expected that the results of the working of 1939 may be better than those of the preceding year. The following chart supports this view :—

CHART XI.

### Tea.

[Base: 1928-29=100.]



Since the introduction of the International Restriction Scheme in 1933, the production of tea is controlled year by year with due regard to the export demand and the needs of internal consumption. The industry has, consequently, been able to enjoy more stable conditions than would otherwise have been possible in the circumstances of the last six years. During the 1939 season, the industry was placed in a favourable position on the world market owing to the combined effects of a restriction of supply and an increase in demand. The export quota for 1939-40 was fixed in the first instance at a reduced figure of 90 per cent of the standard exports as compared with 92½ per cent in the previous season, and this combined with the rising tendency of world consumption resulted in a marked decline in stocks in principal markets during the first five months of 1939-40. The world outlook for tea was therefore, favourable during the year under review and consequently the export market generally evinced a steady tone even before the



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outbreak of war except in the month of July when an unfortunate dispute in London concerning a large quantity of tea upset the even tenor of the market. The export season of 1939 began with an innovation; the first sale was held on the 15th May instead of in the first week of June, the object being to expedite shipments of early teas to outmarkets. From the opening sale till the end of August, offerings met with keen competition and prices ruled steady. The price of tea with export rights was 10 as. 11 ps. per lb. at the end of June 1939; it fell to 10 as. 5 ps. in the next month and 10 as. 3 ps. in August, but still maintained itself on an average at a higher level than in the corresponding months of any year since 1933-34, except 1937-38.

The outbreak of war gave rise to entirely new conditions. In the United Kingdom, the entire tea trade passed under the control of the Government. It was announced that the Government had requisitioned all the bonded stock in that country and the quantities that might be subsequently imported. The London auctions were suspended indefinitely, and the re-export trade was closed for some time. So far as Indian tea was concerned, the Minister of Food announced his decision to enter into short-term contracts with the producers for the supply of tea to the United Kingdom for the rest of the year. A Tea Controller for India was appointed to administer the emergency tea control scheme. The selling prices were fixed on the basis of the market prices ruling in London during the period from 21st to 25th August. This basis was satisfactory to the trade, because, as has been remarked above, the market was fairly firm even before the outbreak of war. The export sales in India were suspended from the 26th September to the 16th October to allow a thorough examination of the situation. When the sales were resumed, they were restricted to 25,000 chests a week. Subsequently, it was announced that the Tea Controller for India would require 85 per cent of the export quota at the credit of individual estates as at the 15th September, together with a similar percentage of any subsequent allotments. Early in October, the International Tea Committee increased the export quota for 1939-40 from 90 to 95 per cent of standard exports.

Prices of tea assumed a marked rising trend after the outbreak of war. As the re-exports from London were suspended, the orders from out-markets were diverted to Calcutta where there was naturally a keen competition at the weekly auctions. Both America and the Colonies carried only light stocks on the eve of the war; and they hastened to replenish them. In addition Iranian interests were very active. Moreover, the depreciation of sterling reacted unfavourably against Java tea and some of the markets which were supplied by Java transferred a large part of their demand to Indian tea. Consequently, there was a strong demand for all kinds of tea (except Flaky broken and Fannings which are chiefly favoured by the United Kingdom), the demand for good liquoring teas being the best for many years. Prices showed a steep advance till they reached their peak at the beginning of December. The price of tea with export rights which was 10 as. 3 ps. in the last week of August rose to 12 as. 10 ps. in the first week of December. By the middle of January, however, prices began to sag and continued falling till the end of the season when pre-war levels were reached. The quotation at the end of February 1940 was only 10 as. 6 ps. This sharp reversal of prices was partly due to a slackening of demand

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from out-markets which had then filled their requirements and partly to the fact that the available supplies proved to be larger than had been anticipated. Nevertheless, the average auction price for the season worked out to 11 as. 5 ps. as compared with 9 as. 7 ps. in 1938-39 and was also higher than in any season since 1929-30.

The internal market fluctuated widely during the year under review. A peculiar feature of this market was the uneven distribution of offerings over the season. There was a relative scarcity of all grades except Dusts during the first half of the season, while in the second half large quantities came forward. Despite the smallness of supplies in the earlier period, however, demand was hesitant and hence prices remained at a low level. The price of tea for internal consumption at the end of June was 4 as. 6 ps. per lb.; it declined to 4 as. 3 ps. in the next month and improved slightly thereafter and was quoted at 4 as. 5 ps. at the close of September. The internal market was extremely sensitive to the prospects of export trade and this was natural because the industry is dependent on the export trade to the extent of more than 80 per cent of its production. The immediate effect of the war on the internal market was, therefore, highly depressing, owing to fears of a dislocation of the export trade and the consequent glut of tea for internal consumption. Subsequently, however, when it was known that the export quota was going to be increased to 95 per cent. prices recovered, because it was felt that the extra release might lead to a shortage of tea for the Indian market, unless extra crop could be produced during the remainder of the season, which appeared unlikely at the time. Besides, the supplies in the market were also meagre. By the middle of December the price rose to 5 as. 3 ps. as compared with 4 as. 4 ps. in August. Eventually the necessary additional crop was produced and the internal market was fully supplied with its requirements. Prices, therefore, gradually came down. By the middle of January 1940, the downward tendency became precipitous as the export market also fell heavily at the time. At the end of the season, prices fell below their pre-war level. The closing quotation of the season was 3 as. 6 ps. Nevertheless, the average price for the season was higher at 4 as. 4 ps. as compared with 4 as. in 1938-39.

Considering the state of the market both for export and internal consumption, it is clear that the tea industry enjoyed satisfactory conditions during the year under review. This improvement in the position of the industry was clearly reflected in the price index of tea shares which recorded an increase of 11 per cent between March 1939 and March 1940. During the first five months of the year, prices of tea shares showed a sagging tendency, the index number (1928-29=100) coming down from 64 in April to 62 in August. The uncertainties of the political situation and fears of a possible dislocation of export trade in the event of war were mainly responsible for this fall in share prices. These fears were soon set at rest and prices began to advance, particularly after the announcement of the short-term contract with the United Kingdom which followed shortly after the outbreak of war. In December 1939, the index number rose to 79, its highest level during the year. From January 1940, the fall in the prices of tea and the general recession in the prices of all scrips on the stock exchange caused a sympathetic decline in tea shares also but it was not so precipitous as in the

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case of other shares, which showed that the market still viewed the prospects of the industry with confidence. In March 1940, the index of share prices stood at 76 which, as said above, was 11 per cent higher than the figure for March 1939.

Production of tea in the 1939 season was estimated at 452 million lbs., which was the same as the revised figure for the previous season. It will be recalled that the International Committee had reduced the export quota to 90 per cent of the standard exports for 1939-40 but in October 1939, the quota was raised to 95 per cent in view of the increased demand created by the war. The quota for the next season was also kept unchanged at 95 per cent. This came as a surprise to the market as a higher quota was expected, but it must be remembered that the quota was the highest ever fixed since the introduction of the restriction scheme in 1933.

The short-term contract between the Ministry of Food in London and the tea producers in India which has been referred to above was only for the remainder of the 1939 season. A new long-term contract has been concluded for the 1940 season. Under this contract, out of the total quantity of 364 million pounds which India is allowed to export during 1940-41, being 95 per cent of her standard exports, the Ministry of Food will purchase 323 million lbs., of which 269 million lbs. will be supplied by North Indian plantations and 54 million lbs. by South Indian plantations. The contract provides for the re-export of 30 million lbs. to out-markets from the United Kingdom from the 323 million lbs. to be delivered from India. This will leave an amount of 41 million lbs. in India for direct export to out-markets. An important feature of the long-term contract is that a contracting estate or agency house must deliver teas equivalent to 90 per cent of its export quota and nothing less will be accepted. As regards the price to be paid by the United Kingdom, it is separately fixed for each contracting estate, being based on the average price obtained for teas sold in the United Kingdom and sold for export in India during the three years 1936, 1937 and 1938 *plus* an allowance of 1d. per lb. in respect of increased costs of production. The contract was found to be satisfactory by the interests concerned. Subsequently, in June 1940, the International Tea Committee reduced the export quota for 1940-41 from 95 to 90 per cent for all participating countries. As a result, India's tea export allotment for the year was correspondingly reduced from 364 to 345 million lbs. An ordinance amending the Indian Tea Control Act, 1938 was passed on the 6th August 1940 giving effect to the reduced export allotment. The quantity of tea which the Ministry of Food decided to purchase from India for 1940 remains unchanged and the reduction in export quota, therefore, affects only the quantity of tea available to out-markets. The internal quota for 1940-41 was kept unchanged at 15 per cent of the best crop basis, representing 73.8 million lbs. The industry proposes to keep the internal quota unchanged at this level until, as the Chairman of the Indian Tea Association stated at the Annual Meeting held on the 29th March 1940, "increasing consumption in India results in prices reaching levels which justify increased releases being made."

**Coal.**—The fortunes of the coal industry are considerably influenced by the ebb and flow of general industrial activity in the country. In recent years, 1937-38 stands out as one of the peak periods for the coal industry,

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both prices and profits being at a high level in that year. This was so, partly because the general trade and industry were also in a prosperous state during that period. But this temporary wave of prosperity began to recede in the closing months of 1938-39, and the first five months of 1939-40 saw the industry suffering from a rather severe relapse. The recession in certain major industries in the country resulted in a slackening of demand for coal and stocks began to accumulate at the pit-heads. With the outbreak of war, however, the outlook again brightened; demand for coal became brisk, and the surplus stocks accumulated at the collieries moved easily into consumption. Had it not been for the wagon shortage which became more acute this year, after January 1940, owing to the increased traffic thrown on the railways after the declaration of war, the off-take of coal from the coal fields would have continued to be brisk to the end of the year under review. Unfortunately, owing to the wagon shortage, stocks began to accumulate again from the beginning of 1940 and prices also came down very nearly to the level prevailing before the outbreak of war. On the whole, however, the general acceleration of industrial activity in the country and the satisfactory prospects for the export trade have created favourable conditions for the coal industry. The following table shows the profit figures for the coal industry for the last twelve years:—

### *Coal Industry.*

Year	No. of companies	Profits (R000)	Profits, some companies, preceding year (R000)	Chain Index (Base, 1928=100)
1928 . . . . .	58	80,47	..	100·0
1929 . . . . .	58	79,16	80,47	98·4
1930 . . . . .	58	98,24	79,16	122·1
1931 . . . . .	62	77,16	1,03,33	91·2
1932 . . . . .	63	63,59	77,25	75·0
1933 . . . . .	64	50,98	63,45	60·3
1934 . . . . .	64	50,48	50,98	59·7
1935 . . . . .	62	54,29	50,79	63·8
1936 . . . . .	61	53,05	54,16	62·5
1937 . . . . .	66	60,86	52,88	71·9
1938 . . . . .	55	1,17,81	63,17	134·1
1939 . . . . .	25	43,57	41,07	142·3

The profits declared in 1938 related to the working of the industry in 1937-38. It will be seen that they were then the highest on record for more than ten years. Complete figures for 1939 are not yet available, but the accounts of 25 companies which are published, show that they were able to declare even higher profits in 1939 than in 1938. This shows that the favourable conditions which the industry enjoyed in 1937-38 were maintained during the major part of 1938-39. It must be remembered, however, that the improvement in the position of the industry which came about after

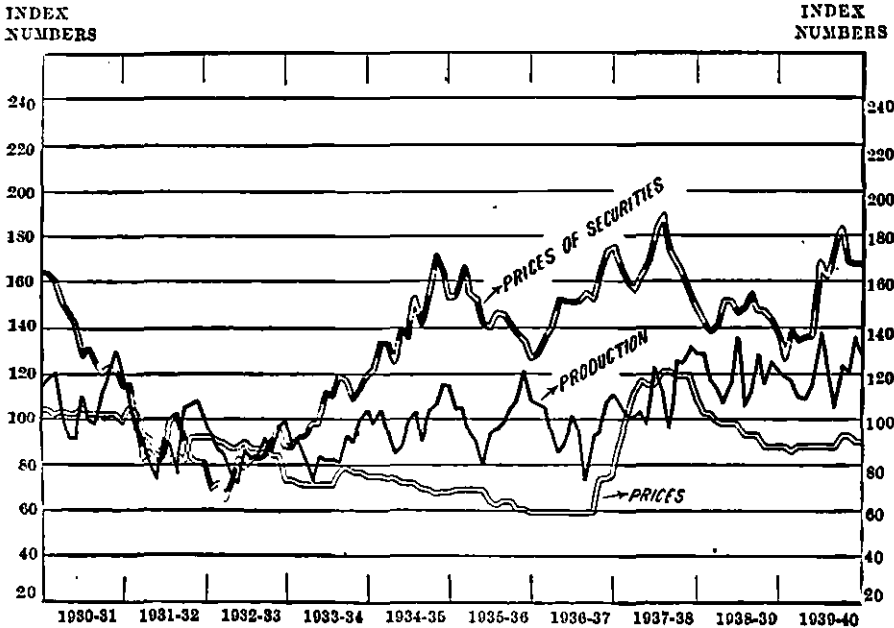
## General.

September 1939 will be fully reflected only in the profit figures for 1940 For the present, the impact of war conditions on the coal industry has to be measured by other indicators which are shown in the chart below.

CHART XII.

*Coal.*

[Base : 1928-29=100.]



The prices of ordinary shares provide a good index of the prospects of the industry. Coal shares were, on an average, on a much higher level in 1939-40 than in the preceding year. The last four months of 1938-39 saw a more or less steady depreciation of share values, with the index number (1928-29=100) falling from 154 in November 1938 to 137 in March 1939. The depression continued in the first five months of 1939-40 during which the prices of shares fluctuated round the low level reached in March 1939. In September, however, the market vigorously responded to war conditions and on the strength of highly optimistic expectations regarding the prospects of the industry, the shares were pushed up to high levels. The index number climbed up to 183 or nearly 34 per cent above the pre-war level. Then came the relapse and under the depressing influence of transport difficulties and the general deceleration of activity noticeable in the case of other industries, the quotations for coal shares were marked down again, the index number for March 1940 being 168. In spite of this set-back, however, the prices of coal shares revealed a net gain of 22 per cent over the twelve months between March 1939 and March 1940. As regards other factors affecting the position of the industry, it is interesting to observe that the prices of coal did not show a satisfactory trend. The previous year had been one of declining prices, and the low levels reached in that year continued during the major part of the year under review. The quotation for Jheria No. I which was R3-6-0 per

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ton from October 1938 to March 1939 continued at that level throughout 1939-40, while that for Desherghur remained at R4-8-0 per ton from January to November 1939. It rose to R5 in December 1939 and January 1940, but eased off again to R4-12-0 in February at which level it continued till the end of the year. The average index number of coal prices for 1939-40 worked out to 89 as against 95 for the previous year. The tenders for the supply of coal to the State Railways for the year 1939-40 were submitted in November 1938 when the industry was in the midst of a severe recession and consequently, the tenders showed a sharp fall in prices. The 1940-41 tenders, however, which were submitted in November 1939 when the trade was in a more optimistic mood revealed an average increase of 4 to 6 annas per ton on the 1939-40 tendered prices. A notable feature of the price situation was the wide disparity between good quality coals and the poor varieties. The disparity was due to the fact that the prices of better class coal were supported by the improved demand for export of coal of this quality, while the poorer qualities lacked such support.

The fall in the prices of coal during the last two years is accounted for partly by intense internal competition among producers and partly by the continuous increase in output since 1936-37. The production of coal in India in 1939-40 reached the record level of 25 million tons as against 24.8 million tons in the preceding year. It is felt in some quarters that the present rate of production is probably in excess of the country's normal requirements. Fortunately, the export demand for coal was very satisfactory. During the last three years, Indian coal has made remarkable headway in Ceylon, the Straits Settlements and the Far Eastern markets which it once held but which were practically lost to it in the early twenties. The Ceylon Railway contract was retained for another year. China usually raises her own coal, but owing to the Sino-Japanese hostilities, a number of Chinese mines were closed by the Japanese and the output of others was diverted to Japan, with the result that the country had to import large quantities of coal through the ports of Shanghai and Hongkong. India has taken full advantage of this new opening for her coal since the middle of 1938. Besides the export demand for coal received a strong impetus on the outbreak of war. Consequently the shipments of Indian coal during 1939-40 attained the unusually large figure of 2 million tons as compared with 1.3 million tons in the preceding year and 1 million tons in 1937-38. At no time in recent history was the export demand for Indian coal so consistently heavy almost throughout the year. On the export side, therefore, the industry made phenomenal progress and surpassed its previous records. It may be added, however, that the coal shipped for export is usually good quality coal and the increase in exports does not completely solve the problem of the excess of production of other varieties of coal over the demand for internal consumption. This explains why the average level of coal prices during 1939-40 remained lower than in the previous year, in spite of the remarkable increase in exports. On the import side, a declining trend has been in evidence in the last three years. The war accentuated the trend, with the result that imports of coal into India in 1939-40 amounted to only 16,000 tons or 36 per cent of what they were in the previous year. Imports of South

## General.

African coal were reduced from 37,000 tons in 1938-39 to 7,000 tons in 1939-40.

The war, however, has not been an unmixed blessing for the industry. While prices have recorded no marked improvement there has been a considerable increase in the cost of colliery stores and the industry may also have to foot an increased wage bill. The Bihar Labour Enquiry Committee which recently submitted its report has recommended increased wages for both colliers and surface labour. The Government of India have also appointed a Special Officer for carrying out an enquiry into the cost of living of labourers in relation to the level of wages in the coalfields. Besides, the costs of transport have also increased recently owing to the enhancement of the railway freight on coal with effect from the 1st March 1940. The surcharge on coal, coke and patent fuel was increased from that date from 12½ per cent with the maximum of one rupee per ton to 15 per cent without maximum till the 31st October 1940 and to 20 per cent from the 1st November to the end of the financial year. Under the Coal Mines Safety (Stowing) Act, 1939, the provisions of which were described in detail in the last year's Review, an excise duty has been imposed on coal and coke for the purpose of creating a fund for assistance towards stowing. The excise duty is levied at present at the rate of 2 annas per ton on coal and soft coke and three annas per ton on hard coke and came into effect from 1st December 1939. It is clear that as a result of all these factors, the profit margin of the industry has diminished, but on the other hand, there are prospects of an increased demand during the year under review. The acceleration of industrial activity within the country promises a higher consumption of coal, while the export trade is also likely to be maintained, provided the shipping problem does not become more difficult. War has increased the coal requirements of all countries. Germany had an export trade of about 24 million tons of coal a large part of which has been cut off by the British Navy. Germany's former customers have, therefore, to draw their supplies from other sources. The recent diversion of shipping from the Mediterranean to the Cape route is also expected to increase the demand for coal, as ships have now to cover a longer distance. Besides, the possibility of the Mediterranean being closed for a long time owing to the war between Britain and Italy is also considered to be a bull factor for the coal trade; because it is expected that ports lying to the east of Suez may now have to depend on Indian supply to a greater extent than before. On the whole, therefore, the present indications seem to be favourable for the continued progress of the industry during the coming year. The conditions created by the war are, however, essentially temporary and the industry can maintain healthy conditions only if it plans its production and controls its costs with due regard to this fact. The present prosperity of the export trade is dependent on certain temporary factors such as, for example, the Sino-Japanese war which has adversely affected the domestic production of China. It is also important to remember that while the present production of coal in India is 25 million tons, the normal demand for coal is of the order of 22 million tons. The excess output is being largely absorbed at present, because of the favourable conditions now prevailing;

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but if these fail to continue, the industry may have to face the prospect of either a drastic reduction in prices or the difficult and painful process of adjusting output to demand. These are considerations which affect mainly the long-term outlook.

The problem of wagon shortage continued to be as perplexing as ever. The problem arises because the despatches from the coalfields increase in volume mainly between January and April when the wagon congestion is at its height. It is found that in August a number of coal wagons remain idle. The problem was further aggravated during the year under review owing to the heavy increase in traffic created by the war and the necessity of moving large quantities of fodder for the relief of famine districts in certain areas. Consequently, there were complaints of an acute shortage of wagons available for the ordinary public consumers, after the requirements of the railways themselves and the concerns on the priority list of the Coal Wagon Supply Committee had been satisfied. The Railway Board took several measures to relieve the congestion including the appointment of a Transportation Advisory Officer whose function was to keep a close watch on the requirements of priority concerns with a view to releasing more wagons for public coal loading.

The Coal Mines Stowing Board was reported to have formulated a scheme for regulating the grant of assistance to the collieries from the Stowing Fund towards stowing operations. To enable the Board to carry out their plans, the Government of India sanctioned an interest-free advance of R10 lakhs. The Board has also been considering the steps that are required to be taken to reduce the danger to the coalfield from the very large fire areas which are at present active; and the Coal Mines Safety (Stowing) Act was amended by the Indian Legislature to enable the Board to finance from the Coal Mines Stowing Fund operations other than stowing in furtherance of the objects of the Act.

**Iron and Steel.**—An intense demand for iron and steel is a necessary feature of a war economy. The political crisis of September 1938 when a clash was narrowly averted, had left a feeling that war would be inevitable sooner or later. The race of rearmament, therefore, which was already in full swing was further speeded up, thereby creating a feverish demand for all kinds of iron and steel products. The volume of Government orders was so heavy that the requirements of private consumers had to be stinted or postponed. The congestion manifested itself in a continuous postponement of deliveries to private business and a complete lull in forward business. The outbreak of war naturally increased the scramble for iron and steel. Efforts were made in almost all steel producing countries to increase production to the limit of productive capacity, the only difficulties which hindered the realisation of this aim was the shortage of iron ore and fuel. Owing partly to these difficulties and partly to large domestic requirements, the exports of iron and steel from the Continental producers were seriously curtailed. The only country which was able to take advantage of the stringency in the world market was the United States. In the United States, steel production showed a slight decline in the first quarter of the year under review, but was



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gradually stepped up during the rest of the year. The Indian iron and steel industry also continued to be in a healthy state. Both the Tata Iron and Steel Company and the Indian Iron and Steel Company were fully booked with orders. The industry was placed in a very advantageous position owing to the reduction in imports during the last two years. Apart from the difficulty of obtaining supplies from abroad after the outbreak of war, buyers were unwilling to place orders with the Continental producers, in view of the possibility of war being spread to other parts of the Continent. Consequently, imports of iron and steel into British India amounted to 261,000 tons in 1939-40 as against 272,000 tons in 1938-39. The reduction was greater in the case of protected varieties, the imports of which fell from 162,000 tons in 1938-39 to 119,000 tons in 1939-40. The export demand was also satisfactory. During 1939-40, India exported 559,000 tons of pig iron valued at R284 lakhs as against 514,000 tons valued at R256 lakhs in the preceding year. The United Kingdom increased her offtake of Indian pig iron from 109,000 tons in 1938-39 to 223,000 tons in the year under review, but exports to Japan were smaller amounting to 289,000 tons as compared with 330,000 tons in 1938-39. The engineering section of the industry received large orders from Government for different kinds of war equipment to be supplied to overseas customers. The expansion of munition production within the country as well as the stimulus given to industrial activity by war conditions also created a strong domestic demand for all products of the iron and steel industry.

The following table which gives the profit figures since 1928 shows the remarkable increase in the profits of the industry in recent years.

### *Iron and Steel Industry.*

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index [Base, 1928=100]
1928 . . . . .	2	1,44,55	..	100.0
1929 . . . . .	2	26,86	1,44,55	18.6
1930 . . . . .	2	1,02,04	26,86	70.6
1931 . . . . .	2	1,12,77	1,02,04	78.0
1932 . . . . .	2	95,76	1,12,77	66.2
1933 . . . . .	2	1,30,50	95,76	90.3
1934 . . . . .	2	2,44,65	1,30,50	169.2
1935 . . . . .	2	2,78,80	2,44,65	192.9
1936 . . . . .	2	2,58,72	2,78,80	179.0
1937 . . . . .	3	3,12,06	2,63,94	211.6
1938 . . . . .	3	4,67,03	3,12,06	316.7
1939 . . . . .	3	4,30,10	4,67,03	291.7

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The boom of 1937-38 increased the profits of the three companies, figures for which are used in the above table, to the very large figure of R467 lakhs declared in 1938, as against R312 lakhs in the preceding year. In the following year, the condition of the industry continued to be satisfactory, though it was less buoyant than in the preceding year. The profits in that year amounted to R430 lakhs which though smaller than in 1938, were still considerably higher than in any other year. The Tata Iron and Steel Co. was able to wipe out the arrears of dividends on their second preference shares which had begun to accumulate as early as 1933. The 1939 figures, however, do not fully reflect the effects of war conditions, as they relate to the working of the industry during 1938-39. The following chart gives a better indication of the position of the industry since the outbreak of war :-

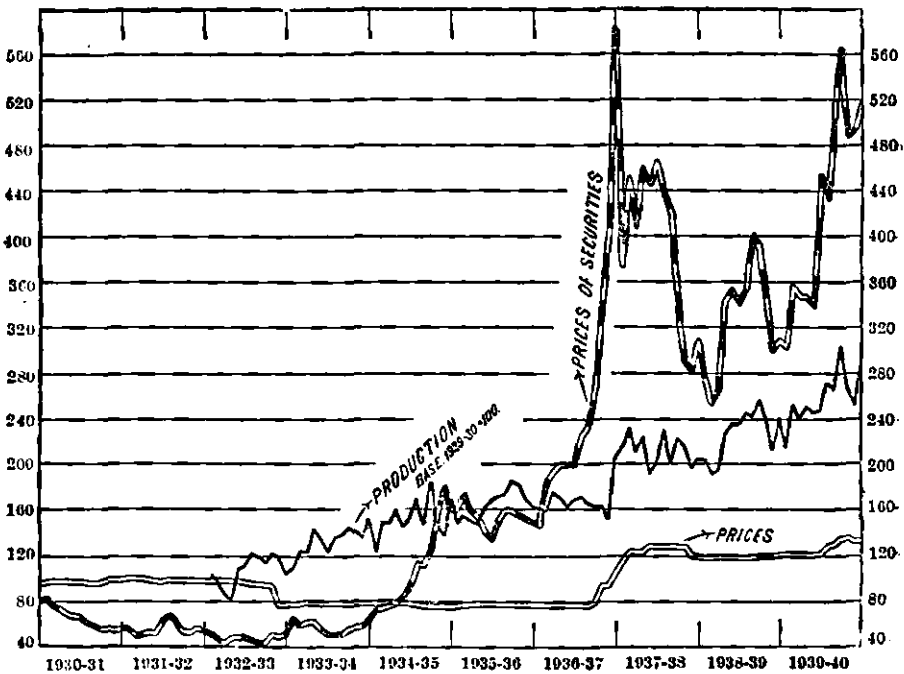
CHART XIII.

*Iron and Steel (Finished Steel).*

[Base: 1928-29=100.]

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NUMBERS

INDEX  
NUMBERS



The production of pig iron during the year under review exceeded the previous record of 1937-38. It amounted to 1,838,000 tons as against 1,576,000 tons in the preceding year and 1,644,000 tons in 1937-38. The output of both steel ingots and finished steel maintained their rising trends. As a result of a strong demand both for export and internal consumption, iron and steel products were able to command on an average a much better price during the year under review than in any of the previous ten years. The average index

## General.

number of iron and steel prices for 1939-40 (1928-29=100) worked out to 128 as compared with 120 for 1938-39. Higher output, increased demand and better prices naturally indicated an improvement in the profit-earning capacity of the industry, with the result that steel shares recorded substantial gains over the year. The index number of steel shares (1928-29=100) stood at 309 in March 1939. After a slight relapse to 303 in April owing to the discouraging trade outlook in the United States, the index number recovered sharply to 355 in May, as by that time the shortage of steel supplies in the world markets had begun to be keenly felt. From the middle of June, however, the political situation in Europe became extremely uncertain and this induced a cautious feeling in the market, with the result that there was a gradual decline in the prices of steel shares which brought down the index number to 338 in August. The outbreak of war removed the uncertainty and with the growing consciousness of the opportunities which the steel industry was bound to have in a war period, the prices of shares were pushed ahead vigorously, so that the index number rose from 338 in August to 562 in December. The speed with which prices had risen in the last two months of 1939 was too fast to be maintained. Towards the end of January 1940, almost all markets in India suffered a severe reaction and the prices of steel shares came down in sympathy. In that month the index number dropped by 72 points to 490. In February it recovered to 496 and in March it rose further to 515. Thus, between, March 1939 and March 1940, the index number of steel shares rose from 309 to 515 or a rise of 67 per cent. It may be added, however, that these scrips are the most popular speculative counters on the stock exchanges in India and that the fluctuations in their prices are often disproportionate to the changes in the intrinsic position of the industry.

India's productive capacity for iron and steel was further expanded during the year under review. The Steel Corporation of Bengal commenced operations in November 1939 and it is expected that it will not be long before the Corporation attains its full output. Steel produced by this new concern is reported to be of a satisfactory quality. During the year under review, the Tata Iron and Steel and the Indian Iron and Steel Companies also made large additions to their capital equipment. A new 'A' blast furnace was installed by the former Company with a daily productive capacity of 1,100 tons a day. It is expected that this will raise the Company's annual productive capacity of pig iron to 1½ million tons. With this expansion of productive capacity the industry should be able to meet the large demands which are likely to be made on it while the war lasts. Already it has been claimed that the steel industry is in a position to meet practically the whole of the requirements of the defence forces for steel.

With regard to its internal organisation also, the industry made considerable progress during the year under review. Early in the year there were complaints of uneconomic competition between the Tata Iron and Steel Company and the small rolling mills, and a conference was convened by the Government of India to discuss the issue. Subsequently, however, Tatas were reported to have made an amicable settlement with the rolling mills. It was also announced that the Company had undertaken to work the Nega-

## General.

patam Rolling Mills under a long-term profit-sharing arrangement. A still more important event was the conclusion of a selling arrangement between the Tata Iron and Steel Company and the Steel Corporation of Bengal under which all agents and distributors would be jointly appointed by the two companies and in the case of products which are produced by both, orders might be supplied from the works of either company. Thus, the possibility of uneconomic competition between different steel producing concerns in India has been largely eliminated as a result of these arrangements, and the industry has, therefore, been placed in a favourable position to make the best use of its opportunities.

It has been noted above that imports of steel into India during the year under review were much below the normal level. The United Kingdom, which is an important source of supply, was unable to keep up her exports of steel to India. In March 1940, it was announced that exports of steel from the United Kingdom to India would be subject to a rationing scheme covering all shipments from January 1, 1940. It was stated that the scheme did not involve a serious reduction in normal imports and that no undue hardships were anticipated. The quota allotted to India covered demands originating from the Defence Services, Railways, all Central and Provincial Government Departments and the Indian States, as well as from all branches of industry.

**Sugar.**—A review of the sugar industry during 1939-40 affords an interesting example of how a high level of prices can be consistently maintained in spite of a serious maladjustment between demand and supply. Prices of sugar in India during the year under review ruled on an average 24 per cent higher than in the preceding year and yet the position of the industry was far from healthy. While the high prices which prevailed before November 1939, were largely accounted for by the short crop of the previous season, it is interesting to observe that prices attained a still higher level after the beginning of the new season when the short supply had already become a thing of the past and its place was taken by high production and a heavy accumulation of stocks at the factories. The situation was essentially artificial and was responsible for a serious crisis which later developed in the industry.

The sugarcane crop proved disappointing for two consecutive seasons, 1937-38 and 1938-39. During the latter season, the total acreage under cane and the quantity of cane available to the factories were greatly reduced and the quality of cane also deteriorated owing to floods, adverse weather conditions and diseases. The duration of the cane crushing season was considerably curtailed, the season being the shortest on record. As a result of all these factors, the output of sugar was expected to be reduced during 1938-39 and this brought about a sharp rise in prices. The actual production of sugar directly from cane during the season 1938-39 was only 650,800 tons. During the early part of 1939-40, the rise in the price of sugar was further stimulated by unfavourable reports about the prospects of sugarcane crop for the next season. Reports were received of widespread damage to the crop

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in Eastern United Provinces and North Bihar due to diseases and insect pests. Prices rose very high in May 1939, the average price of first class Indian sugar exceeding R12 per maund. The high level of internal prices enabled large quantities of sugar to be imported from Java. Imports of sugar into British India during 1939-40 increased to 253,000 tons as compared with 34,000 tons in the preceding year and 14,000 tons in 1937-38. Of these, the imports from Java were 233,000 tons in 1939-40 as compared with 25,000 tons in 1938-39, and 10,000 tons in 1937-38. With the increase in imports from Java, prices gradually declined. Meanwhile, the Indian Sugar Syndicate issued instructions to its members to sell out all the sugar produced by them before the beginning of the next crushing season and this also served to bring down prices. With the outbreak of war, however, the whole situation assumed a new complexion. The prices of Java sugar began to rise, because the NIWAS, the sugar selling agency in Java, which had only limited quantities available for export, was withholding supplies. For sometime the prices ruling in Java were even higher than the export parity with Bombay and other Indian ports and consequently, large quantities of Java sugar were re-exported from India to certain near Eastern ports like Aden, Suez, and Port Said. Indian sugar also followed the upward trend of prices. There were complaints that as most of the Indian sugar which was being sold at this time was made from cane purchased at low prices, the sugar factories were making large profits. A Committee was appointed by the Provincial Governments of the United Provinces and Bihar to investigate the matter. The Committee met in June 1939 and unanimously recommended a sliding scale, adjusting the minimum price of cane to the price of sugar actually prevailing in the previous fortnight. When the new season commenced, the actual minimum price for cane was fixed lower than what was justified by the sliding scale on the basis of the price of sugar in the previous fortnight. The Indian Sugar Syndicate lodged a strong protest to the Governments of the United Provinces and Bihar and raised its basic price to R12 per maund which was R2 higher than the basic price fixed in the previous season. It was here that the so-called "vicious circle" started. With the rise in the market price of sugar, the minimum price of cane automatically went up. The high level of prices affected consumption, and despatches of sugar were greatly reduced. The supply situation had also completely changed by this time. The fears which were felt earlier about the prospects of the sugarcane crop were completely falsified by timely and plentiful rains during the winter months, with the result that an abundant crop was produced. Diseases and pests were also brought under control, thus leading to an improvement in the quality of cane. Further, owing to the high prices paid for cane by factories in the United Provinces and Bihar, a larger proportion of the cane crop in these two provinces found its way to the factories, than in previous years. All these factors resulted in an increase in the production of sugar which was beyond all expectations. Within hardly two months after the crushing season had begun there were signs of a state of over-production developing in the industry. Stocks began to accumulate at the factories at an alarming rate. As the demand continued to be disappointing, even the first selling quota issued by the Syndicate in December could not be sold out till the end of the year under review.

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And yet the Syndicate adhered to its basic price of R12 per maund and the member mills had no power to sell sugar at a lower rate than that fixed by the Syndicate under the Syndicate's Articles of Association. The production of sugar directly from cane during 1939-40 is estimated to be 1,241,700 tons as compared with the actual production of 650,800 tons last year. This, combined with the production of sugar of other kinds, is likely to leave a large surplus over consumption.

Some drastic measures were needed to cope with the situation and to avert the crisis which was facing the industry. At its meeting held on the 2nd April, therefore, the Syndicate decided first to request the Governments of the United Provinces and Bihar to abolish the cess and to reduce the minimum price for cane to As. 5 ps. 9 per maund, factory gate delivery, in respect of the cane supplied from the 10th April onwards, and secondly, to reduce the basic price of sugar to be produced on or after the 11th April 1940 to such levels as will correspond to the basis of R8-10-0 per maund for Nawabganj sugar, D. 24, which was taken as the basis for the season, 1939-40. The Governments of the United Provinces and Bihar agreed to remove the cess and also to reduce the cane prices to As. 6 ps. 3 from the 11th April on condition that the factories would crush all the available cane. The minimum price of cane was further reduced to As. 5 ps. 6 per maund from the 1st May. The reduction in cane prices is expected to give relief to the factories in two ways: it may help them to increase the sales of sugar by lowering the price and thus reduce the stocks and secondly, a reduction in the cost of production by itself means that a smaller capital will be required to carry over the stocks remaining at the end of the season. The Syndicate also took several vital decisions for the disposal of accumulating stocks regardless of loss. It decided to assume direct sales of sugar. Secondly, in order to combat the competition of Java sugar, the prices of Syndicate sugar were reduced by 6 annas per maund for delivery at Bengal ports and 10 annas per maund for delivery at other Indian ports. This concession was in force from 23rd April to 18th May 1940, only. Thirdly, the Syndicate announced its willingness to sell 2 lakhs of tons for export purposes at a heavily reduced price. Negotiations for the purchase of half this quantity were taken up by His Majesty's Government, but they did not materialise, as the Syndicate found itself obliged by financial considerations to withdraw its proposal. While the negotiations were proceeding, the Government of India applied for partial release from their obligations under the International Sugar Agreement so as to enable India to export to United Kingdom upto 2 lakhs tons of sugar during the year ending 31st December 1940. This application has been granted and it is therefore open to the sugar industry to resume the negotiations.

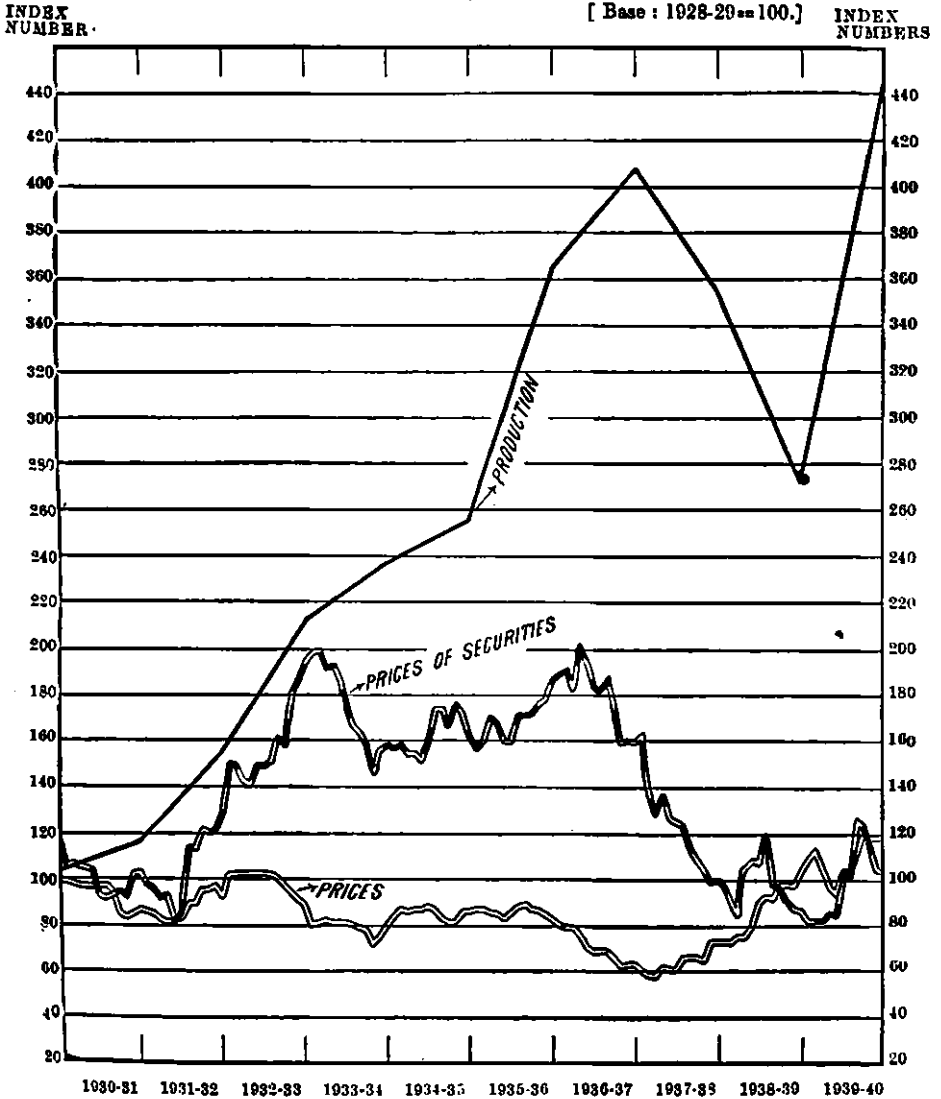
The excise duty on white sugar was enhanced from R2-0-0 to R3-0-0 per cwt. with effect from the 1st March 1940. Simultaneously, the rate of import duty was raised from R8-12-0 to R9-12-0 per cwt. Stocks held by factories on the 28th February 1940 were exempted from the increased rate of excise duty.

## General.

The following chart shows the trend of production and prices of sugar and prices of shares of sugar companies since 1929-30.

CHART XIV.

*Sugar.*



Prices of Indian sugar throughout 1938-39 and the early months of 1939-40 showed the cumulative effects of the short crops of two consecutive seasons. In May 1939, the quotation for Marhowrah Crystal No. 1 at Cawn-

## General.

pore rose to R12 per maund which was then the highest figure on record for many years. This high level of prices stimulated imports from Java with the result that prices gradually came down in the next three months, the quotation on the eve of the war being R9-13-0. From September, sugar prices resumed their rising tendency in sympathy with the general upswing of commodity prices, and at the beginning of October the price was quoted at R10-14-0. The new season began with practically no carry-over, as stocks of Indian sugar in most markets were completely exhausted. With the arrival of the new sugar in the market prices should have come down again, but instead they rose to a still higher level, because the Syndicate had raised its basic price by R2 over that fixed for the previous season. Throughout the rest of the year, the quotation ruled above R12, in spite of the fact that during this period demand for sugar had fallen off and stocks were accumulating at the factories. Thus, this artificial rise in prices concealed certain fundamental changes in the position and prospects of the industry. These were reflected in the trend of share prices, which, as will be seen from the chart above, moved independently of the prices of sugar. The prices of sugar shares fell precipitously from October 1938 to April 1939, the index number (1928-29 = 100) dropping from 119 to 81, in spite of the fact that this was a period of rising prices for sugar. The index number improved to 83 in May and after a slight fall in June, rose further to 85 in July and August, although during these two months prices of Indian sugar had begun to recede owing to increased imports from Java. After the outbreak of war there was intense speculative activity in these shares and the index rose to 125 in November and was maintained at 124 in December. From January, however, the prices of sugar shares began to fall because, with the continued slackness of demand and the consequent accumulation of stocks at the factories, the position of the sugar industry had considerably weakened by that time. In March 1940, the index number of share prices declined to 103. As compared with March 1939, however, the level of share prices still showed a rise of 20 per cent, which means that in spite of the set-back received during the last quarter of the year, the markets' estimate of the profit-earning capacity of the industry was still considerably higher than what it was at the end of the preceding year. The policy pursued by the Syndicate in controlling the sales and prices of sugar was mainly responsible for the result. The exact effect of this policy on the profits of the industry during 1939-40, will not be known till the profit figures for 1940 are available. But it will be seen from the following table which gives the profits of sugar companies that the industry was able to maintain its earnings during the year 1938-39 in spite of the fact that its position during that year was none too favourable.



**General.**  
*Sugar Industry.*

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index [Base: 1928=100]
1928 . . . . .	10	19,95	..	100·0
1929 . . . . .	10	15,88	19,95	79·6
1930 . . . . .	12	25,97	22,09	93·6
1931 . . . . .	12	40,11	25,97	144·5
1932 . . . . .	12	70,45	40,11	253·9
1933 . . . . .	12	70,54	70,45	254·2
1934 . . . . .	13	54,69	71,50	194·2
1935 . . . . .	20	56,62	69,71	157·7
1936 . . . . .	21	89,85	57,37	247·0
1937 . . . . .	26	50,06	1,01,14	122·3
1938 . . . . .	27	71,66	52,07	168·3
1939 . . . . .	22	63,88	53,69	200·2

Profits declared during 1939 were nearly 19 per cent higher than in the preceding year, the chain index being 200 as compared with 168 in 1938. Most of these profits were earned on the working of 1938-39.

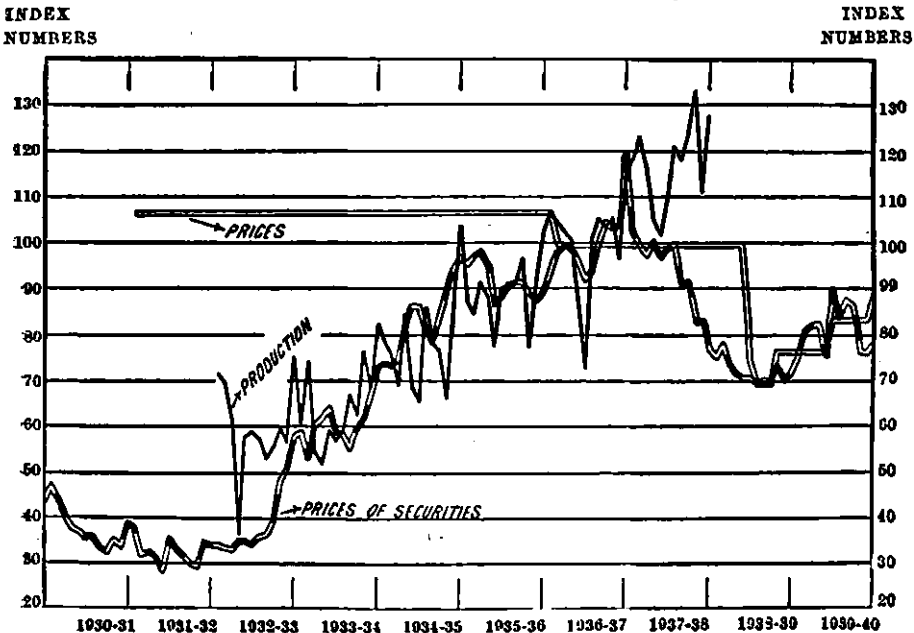
**Cement.**—The prospects of the cement industry showed a considerable improvement during the year under review as compared with the preceding year. The industry, however, still continued to be in the unhappy position created by its internal troubles. It is unfortunate that this industry which is one of the very few in India which have attained a high state of technical efficiency and are able to face foreign competition unaided, should hinder its own advance by severe internal competition and price-cutting. In 1939, the competition became intensified owing to several new works belonging to rival interests having come into production. There were prolonged negotiations between the Associated Cement Companies and the other cement producers with a view to bringing about some sort of integration in the industry, but without any result. In other respects, however, the position of the industry showed a noticeable improvement. Demand for cement continued to expand and the efforts of the marketing organisations of the industry to popularise new uses for cement were attended with a considerable measure of success. The growing preference for concrete roads constitutes a promising line of development for the cement trade. The report of the Associated Cement Companies for the year ended 31st July 1939 which was published in January 1940 spoke of the large contracts which the Company received from Government and public bodies during that year. In spite of keen competition, the Company was able to effect a considerable increase in sales. The increase, however, was achieved at the cost of severe price reductions, with the result that in spite of the larger volume of business, the net profit of the Company for the year amounted to only R71 lakhs as compared with R110 lakhs in the previous year. It will be seen, thus, that internal competition and the consequent low prices have prevented the industry from enjoying to the full extent the fruits of its own endeavours towards popularising the use of cement in the country. The high degree of integration which has been achieved in a large section of the industry has enabled substantial

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economies to be effected through avoidance of waste which usually arises from unnecessary duplication of productive or distributive machinery or uneconomic location of plants. The Associated Cement Companies, moreover, reported substantial savings in the use of coal and other materials and in selling and other charges. The new factories which the rival companies have started have, according to one point of view, aggravated the problem of over-production, but they have this point in their favour, namely, that being situated in the vicinity of the main consuming areas, they are able to supply their markets at considerably lower freight charges than what the markets would have had to pay if these factories had not come into existence. During the year ended 31st July 1939, the Associated Cement Companies made considerable addition to their productive capacity. Two new factories commenced operations. The factory at Rohri is ideally situated for meeting the demands of Baluchistan, Upper Sind and parts of the Punjab, apart from supplying the requirements of the reconstruction works at Quetta. The factory at Surajpur in Patiala State, which is also situated in a large consuming centre, reached its productive stage during the year. Recently, the other new project of the Company, the Kistna Cement Works, in Bezwada has commenced production. The Andhra Cement Company owns a small factory in the same district, but it is gratifying to note that the two companies have arrived at a working arrangement between them in order to eliminate unhealthy competition. The Associated Cement Companies' works at Okha have also been extended. The other available information about the position of the cement industry is shown in the chart below :

CHART XV.  
*Cement.*

[ Base : 1936-37=100.]



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Between March 1939 and March 1940, the price of cement recorded a rise of 16 per cent. The rise, however, was not sufficient to offset the severe reductions which had taken place in September and October 1938, owing to the rate war between the two rival cement producing concerns. The result was that the price in March 1940, though higher than what it was a year before, was still 10 per cent below the level prevailing in August 1938, while the average for 1939-40 also worked out 4 per cent lower than that for the previous year. In September and October 1938, the price of cement came down by as much as 30 per cent as compared with the price in August 1938. By the beginning of January 1939, the price rose by 10 per cent at which level it remained steady till the outbreak of war, when it registered a further rise of 11 per cent. In March 1940, the price was marked up further, but a large part of this rise was due to the increase in railway freight which came into effect in that month. The rise in prices reflected the relatively stable conditions prevailing in the industry during the year under review. The share market also had begun to view the prospects of the industry with increased confidence, as is seen from the fact that prices of cement shares were generally maintained at a higher level than in the previous year. Between October 1938 and March 1939, the index number (1936-37=100) of the Associated Cement Companies' shares declined from 100 to 72, thereby reflecting the marked deterioration in the prospects of the industry during that period due to the internecine warfare between the rival sections. Since the beginning of the year 1939-40, however, the shares gradually assumed a firm tone, the index number showing a rise from 72 in March 1939 to 82 in July. This recovery was due partly to the market expectations that the negotiations which were then proceeding between the two parties were likely to come to a successful conclusion. Besides, the satisfactory demand for cement at steady prices during this period also contributed to the improvement in these shares. The failure of the negotiations caused a relapse in August and the index number came down to 76. The outbreak of war created optimistic expectations about all industries and the cement shares participated in the speculative boom which followed in the next four months. The index number, consequently, rose to 90 in September and though it receded to 84 in the following month, it stood again at 87 in November and at 86 in December. The initial enthusiasm was, however, soon found to have been overdone and in sympathy with the declining trend of other scrips, the prices of cement shares came down from the beginning of 1940. The publication of the accounts of the Associated Cement Companies in January which revealed a large reduction in the

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profits of the Company as compared with the previous year made it clear that the evils of internal competition had still persisted in the industry. This further precipitated the fall in prices, which amounted to 10 per cent in January 1940. In March, the index number stood at 78, as compared with 86 in December, still showing a rise of 8 per cent over the index number in March 1939. The average index number for the year worked out to 81 as against 72 for the previous year, or an increase of 12 per cent, which shows the improvement in the prospects of the industry during the year under review.

As regards the outlook for the cement industry in the immediate future, it may be described as mildly optimistic. The war has introduced new factors in the situation. The rise in the prices of several raw materials and in freight rates has meant an increase in the costs of the industry. There are indications, moreover, that the activity in the building industry which had so far provided the main outlet for cement is on the wane. The building boom during the last few years in Bombay and other places was fostered mainly by the prevalence of low rates of interest and these have now shown a marked tendency to rise. The rise in the cost of materials also acts as a deterrent to further expansion of building activity. In Bombay, the Property Tax has introduced another adverse element in the situation. However, new factors have emerged which augur well for the cement industry. New ways for the use of cement are being increasingly exploited; for example, road construction has lately offered a promising line of development. The war has opened new markets and the export trade in cement which was of negligible proportions so far, is reported to be increasing in volume. The cement producers in India are said to have received large orders from foreign markets. It seems probable that these conditions will continue for the duration of the war.

**Paper.**—The transition from recession to recovery which was a prominent feature of other Indian industries during the year under review was equally marked in the case of the paper industry. During the first five months of the year, the industry experienced a severe setback followed by boom conditions during the rest of the year. The two phases, recession and recovery, are clearly indicated in the chart below which shows the trend of production and prices of securities during the year under review.

# General.

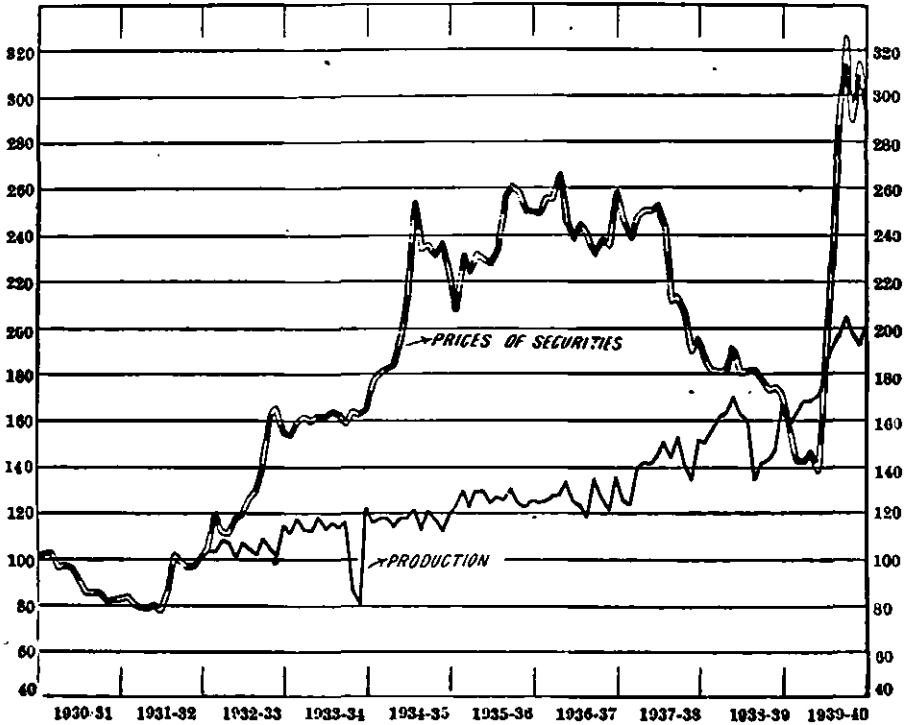
## CHART XVI.

### Paper.

[ Base : 1928-29=100.]

INDEX  
NUMBERS

INDEX  
NUMBERS



NOTE.—Production figures before 1932-33 are not available.

It will be seen that the production of paper in India followed a steep rising trend during 1939-40. It amounted to 1,416,000 cwts. as compared with 1,184,000 cwts. in the preceding year and 1,076,000 cwts. in 1937-38. It is interesting to observe that while in the earlier period of recession the increase in output was taking place in spite of a severe fall in prices and was partly responsible for it, in the later period the increase was further accelerated by the phenomenal rise in prices which took place after the outbreak of war. The setback in general economic conditions in the pre-war period had led to a slackening of demand for paper, and hence the increase in output served only to depress prices by intensifying internal competition. The tendency was further accentuated by the reduction in the protective duties on paper from the 1st April 1939. Prices of paper are not readily available, but it was stated that the rates quoted a few weeks before the outbreak of war were probably the lowest for many years. This general weakening of the position of the industry was visibly reflected in the prices of paper shares which depreciated heavily during this period.

## General.

It will be seen from the chart above that prices of paper shares were already on the down grade in the preceding two years. The index number (1928-29=100) of the securities of two leading paper companies had come down from 196 to 170 between March 1938 and March 1939. From that level it dropped to 142 in May and June and though a slightly steadier tendency was noticeable in the following month, August 1939 saw the index number falling to 139 which was the lowest quotation for any month since November 1932. With the outbreak of war, however, the scene quickly changed. The dislocation of trade with the Scandinavian countries and the consequent reduction in imports of paper gave the industry a respite from foreign competition and although the costs of materials also increased along with the prices of paper, the situation still left a substantial balance of advantage in favour of the industry. The older mills had a sufficient supply of bleaching powder and other essential materials to enable them to tide over the shortage for some time. Mechanical newsprint, which used to be imported mainly from the Scandinavian countries, and which is not made in India, could still be obtained from alternative sources such as Canada and the United States of America, but there was a large variety of other papers including fine papers for which consumers had now to depend entirely on Indian mills. Some of them were never produced in India and it is possible that there may be a serious shortage of such varieties till Indian mills are able to produce suitable substitutes for them. Under the stimulus of rising demand, mills started working at full pressure and the result was seen in the production figures for September 1939 to March 1940 which showed an increase of 30 per cent over the corresponding period of the preceding year. That the prospects of the industry greatly improved as a result of the war is further corroborated by the trend of security values which reflect the market opinion. As said above, the index number (1928-29=100) of share prices had fallen to the unusually low level of 139 in August 1939. It spurted up to 189 in September and continued to rise till it reached the record level of 325 in December which was 134 per cent above the pre-war figure of 139 recorded in previous August. The index number had not risen to this height even in the boom of 1937. No doubt, a part of this rise was of a purely speculative character and was, therefore, eliminated in the subsequent reaction in January 1940 when the index number receded to 290. It recovered to 315 in February but closed lower at 295 in March. Thus, between March 1939 and March 1940, prices of paper shares showed a rise of 74 per cent which clearly shows the renewed optimism of investors regarding the prospects of the paper industry. It is to be hoped, however, that the industry will not overlook the essentially temporary character

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of the conditions created by the war and will plan its expansion wisely and with due regard to the state of affairs which will arise after the war is over.

The following table gives the profits earned by certain leading companies during the last twelve years.

### *Paper Industry.*

Year	No. of companies	Profits (R 000)	Profits, same companies, preceding year (R 000)	Chain Index [Base, 1928 = 100]
1928 . . . . .	3	16,09	..	100.0
1929 . . . . .	3	15,00	16,09	93.2
1930 . . . . .	3	14,69	15,00	91.3
1931 . . . . .	3	13,93	14,69	86.6
1932 . . . . .	3	14,87	13,93	92.4
1933 . . . . .	3	17,83	14,87	110.8
1934 . . . . .	3	17,40	17,83	108.3
1935 . . . . .	4	27,31	21,65	130.4
1936 . . . . .	4	31,51	27,31	157.4
1937 . . . . .	4	36,60	31,51	182.8
1938 . . . . .	4	34,45	36,60	172.1
1939 . . . . .	2	25,97	26,15	170.9

Profits declared in 1939 were mainly earned in 1938-39 when the position of the industry had deteriorated. Besides, figures are available only for two companies. These show that the industry was working on a smaller margin of profit in 1938-39 than in the preceding year. The revised index for profits declared in 1938 also shows a fall of 6 per cent as compared with 1937 when the industry was able to declare the highest profits since 1928. It is not until the figures for 1940 are available that the exact effect of war conditions on the profits of the industry will be known.

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**Prices in India.**—The following table shows the index numbers of wholesale prices in Calcutta, Bombay, the United Kingdom, the United States of America, Japan, France, Canada and Australia.

*Index numbers of Wholesale Prices in India and some of the principal countries of the world.*

	India				United Kingdom (Board of Trade)	United States of America	Canada	Australia (Melbourne)	Japan	France
	Calcutta		Bombay							
	July 1914 =100	1929 =100	July 1914 =100	1929 =100						
					1929=100					
<b>Average—</b>										
1932 . . . . .	91	64	109	75	75	68	70	78	73	66
1933 . . . . .	87	62	93	68	75	69	70	78	82	64
1934 . . . . .	89	63	95	65	77	79	75	82	81	60
1935 . . . . .	91	64	99	68	78	84	75	81	84	54
1936 . . . . .	91	64	96	66	83	85	78	86	90	65
1937 . . . . .	102	72	106	78	95	91	88	92	103	98
1938 . . . . .	95	68	101	70	89	82	82	92	114	104
1939 . . . . .	108	77	109	75	90	81	79	92	126	..
<b>1939—</b>										
Jan. . . . .	96	68	100	69	85	81	77	94	118	110
Feb. . . . .	98	70	99	69	85	81	77	95	120	109
Mar. . . . .	97	69	99	69	85	80	77	98	120	109
Apr. . . . .	100	71	100	69	85	80	77	94	121	108
May . . . . .	101	72	101	70	86	80	77	90	123	109
June . . . . .	101	72	101	70	86	79	77	89	123	109
July . . . . .	100	71	100	69	86	79	76	89	123	108
Aug. . . . .	100	71	103	71	86	79	76	89	124	107
Sep. . . . .	114	81	120	88	92	88	82	91	131	..
Oct. . . . .	118	84	121	88	97	88	83	95	133	..
Nov. . . . .	131	93	133	92	104	88	84	93	136	..
Dec. . . . .	137	97	135	93	107	88	85	93	143	..
<b>1940—</b>										
Jan. . . . .	130	92	128	88	110	88	86	92	146	..
Feb. . . . .	126	90	124	86	113	82	85	91	144	..
Mar. . . . .	121	86	119	82	113	82	..	..	..	..

Prices are an outward index of the movements taking place within the economic system. The forces bringing about these movements and their repercussions are of a complex character and it is not always easy to judge whether an upward or downward trend of prices is desirable or otherwise. While the fall in the prices of agricultural produce since the boom of 1937



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came to an end was generally admitted to be an adverse feature of the economic situation and a reversal of that trend was welcome, the speed with which prices began to rise after the outbreak of war created a wide divergence of opinion as to the desirability of such a rapid rise in prices. It was perhaps inevitable that a conflict of interests should arise between the producer and the consumer in a period of violent price-changes. While a steep upward movement of prices necessarily implied a threat to the standard of living of classes with fixed incomes, the producers saw in it an opportunity to reimburse themselves for the losses suffered by them over a series of lean years. For these reasons, the movements of wholesale prices in India had an added interest during the year under review. Wholesale prices in Calcutta declined steadily from August 1937 when the index number (July 1914=100) stood at 105. During the period from September to December 1938, prices appeared to have stabilised themselves at 95. Thereafter a firmer tendency was noticeable and the index number rose by slow degrees to 101 in May 1939. The rise was mainly due to the firmness of sugar, tea, raw jute and jute manufactures. The index number declined to 100 in July when almost all markets in India were adversely affected by the uncertain political situation in Europe. There was no change in August, though the portents of an early outbreak of war had begun to appear in that month. In September, however, as soon as the news of the declaration of war was received, prices began to soar. At the end of the month, the index stood 14 per cent above the pre-war level. Prices continued to rise in the next three months till they reached their peak in December when the index stood at 137 or 37 per cent above the pre-war level. Rumours of the so-called "peace offensive" which arose at frequent intervals served at times to check the upward movement, but their effect was only temporary. Raw jute, jute manufactures, raw cotton, wheat, sugar and iron and steel were among the commodities which recorded the sharpest rise during this period. In January 1940, however, the trend appeared to be definitely reversed. The rise in prices during the first four months of war was largely sustained by heavy speculative buying which had created a very unhealthy position in commodity markets. A reaction was, therefore, inevitable. Besides, the disappointment caused in the jute markets by the postponement of the delivery date for sandbags accentuated the downward trend. At the end of January 1940, the index number fell to 130; it continued to decline in the next two months and stood at 121 in March. Thus, wholesale prices at the end of the year showed a net rise of 21 per cent over the pre-war level, though they were still 14 per cent below the level prevailing in 1929. Almost all commodities participated in the rise to a varying extent, the rise being particularly marked in the case of raw jute, jute manufactures, raw cotton, cotton manufactures, wool, silk, wheat and iron and steel. The only items in the index number which showed decreases in March 1939 as compared with the pre-war level were tea and mustard oil.

As said above, this rise in prices created a complex set of problems. In its initial stages it created a panic in commodity markets. The dealers found in it a great opportunity for profiteering, while the consumers, being alarmed at the prospect of a steep rise in the cost of living, attempted to lay up stocks of commodities. Thus, a vicious circle set in, in the form of rising

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prices and increased hoarding. The rise was particularly sharp in the case of imported articles like chemicals, patent medicines, tinned provisions, toilet requisites, etc., while commodities like meat, grain and sugar, which are derived mostly from domestic sources also recorded substantial increases. Under the Defence of India Rules, the Government had already taken powers to control the rise of prices. As a preliminary measure, the Central as well as the Provincial Governments issued warnings against profiteering and requested the public to refrain from buying excessive supplies. On the 8th September 1939, the Central Government delegated powers to the Provincial Governments to control the prices of such necessities of life as medical supplies, food stuffs, salt, kerosene oil and cheaper qualities of cotton cloth, subject to the condition that the maximum prices fixed should not be less than 10 per cent above the prices prevailing on the 1st September 1939. In pursuance of these powers, the Provincial Governments and States took immediate steps to check profiteering. In certain Provinces, Provincial Controllers of Prices were appointed and district officers were authorised to act as Controllers of Prices in their respective areas. Local Advisory Boards were formed to make the control effective in the districts. These measures served to allay the panic, while the threat of further action deterred any attempt at charging exorbitant prices. The situation was thus gradually brought under control.

The measures described above were essentially of a temporary character, being intended to meet the emergency created by the sudden rise in prices, but from a long-term point of view, they required further examination. As a first step, therefore, the Government of India issued a notification on the 29th September, 1939, making important amendments in the instructions issued to the Provincial Governments in the matter of price control under the original notification dated the 8th September. Under the revised instructions, the maximum price fixed for sales by the producers was to be so calculated as to make due allowance for all factors which might have increased the costs of production, and in the case of imports, the importer was to be allowed to charge his current cost of importation *plus* the margin which he used to get on the 1st September 1939. Further, in fixing prices at wholesale or retail stages, each Provincial Government or State was to have regard to the prices fixed for the producer or importer whether in the same Province or State or in another Province or State.

The next step was to convene a conference of representatives of Provinces and States to examine the working of the price control measures so far adopted and to consider the lines of future action. The conference, which met on the 18th and 19th of October, 1939, took the view that as agriculture in India had not yet fully recovered from the recent depression, it was undesirable to take further steps to check the rise in the prices of agricultural produce. In principle, they admitted the trader's right to fix his prices on the basis of replacement cost. There was also general agreement as to the inexpediency of utilising the powers of commandeering commodities except in the last resort. It was decided to hold such conferences at an interval of every three months, as they were likely to be of great help in securing uniformity of policy between different Provinces and States. The Second Price Control Conference was held in New Delhi on the 24th and 25th

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January. The experience of the first five months of war had revealed that isolated action by district officers or Provincial Governments to control prices was likely to lead to unsatisfactory results; and hence the Conference agreed to the desirability of instituting some machinery for co-ordination. The actual plan which was discussed at the Conference had two main features: one was the creation of a uniform administrative machinery in the Provinces and States, under which each Province and major State appointed a Controller of Prices at the headquarters to co-ordinate district action and with this officer there was associated an advisory body of persons concerned with the distribution and production of commodities, the whole organization being designed to be an intermediary, both within the Province and with other Provinces and the Centre. The second feature of this plan was a division of functions between the Centre and the Provinces. It was agreed that if and when the control of prices in the wholesale market became necessary, this task should be assumed by the Centre while the task of controlling prices in the secondary markets and at the retail stage should be left to the Provinces.

In January 1940, the Government of India announced their intention of appointing two Price Advisory Officers, one in Bombay and the other in Calcutta, to watch the situation in the cotton and jute markets. It was the duty of these officers to keep the Central Government fully and constantly informed as to the operations in these commodities so that the Government might have adequate data at their disposal at any time to determine whether or not control was desirable.

The methods adopted in different Provinces for controlling prices were widely different in character and varied considerably in scope. In some Provinces, maximum prices were fixed for articles considered essential for the life of the community, while in others, the Government issued warnings against profiteering from time to time and generally kept a close watch over the price situation. In most provinces, the Controllers of Prices published, for the guidance of the public, periodical lists of prices prevailing in their respective areas. Among the various experiments tried by the Provincial Governments for controlling prices, mention may be made of the cheap grain shops opened in Bombay and Surat by the Government of Bombay. Grains for these shops were purchased by the Controller of Prices from wholesale merchants in the city through the agency of a Purchase Sub-Committee. The selling price of grains at Government shops was obtained by adding to the purchase price of the grains the overhead charges incurred in running the shops. The retail prices so arrived at were less than the retail prices in the market.

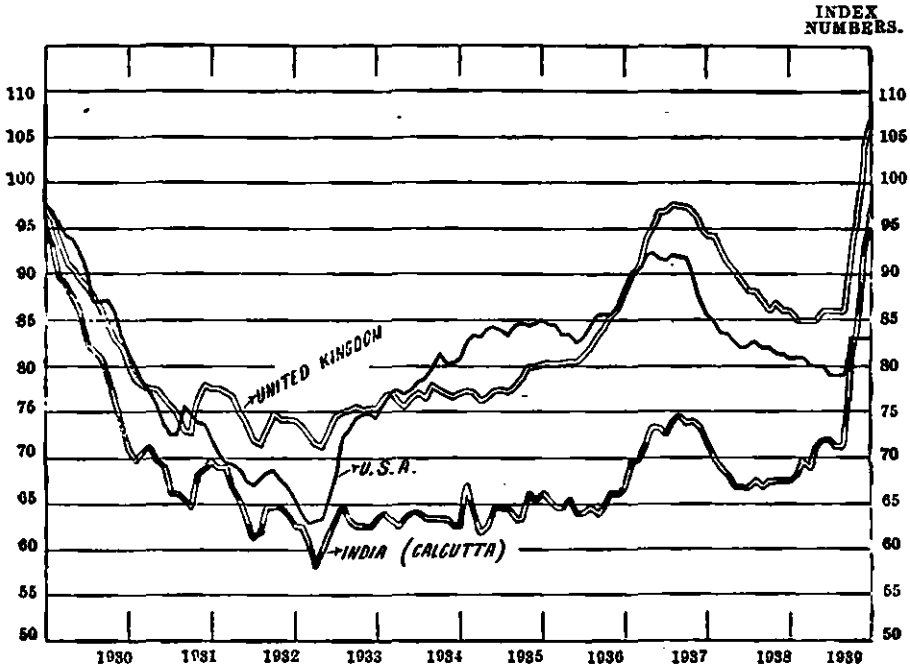
The following chart has been drawn to show the general movement of wholesale prices in India, the United Kingdom and the United States :—

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### CHART XVII.

#### *Index Numbers of Wholesale Prices.*

[ Base: 1929=100 ]



A comparison of the index numbers of wholesale prices (1929=100) for India, the United Kingdom and the United States of America, particularly for the period after the outbreak of war, reveals some important points of difference between the behaviour of prices in these three countries. During the first five months of 1939-40, wholesale prices were more or less stable in India as well as in the other countries, but after the outbreak of war till January 1940, prices rose at a much faster rate in India than either in the United Kingdom or the United States of America. In December 1939, the Calcutta index number, converted to the 1929 basis, showed a rise of 37 per cent above the pre-war level, while the United Kingdom index had risen by 24 per cent and the United States of America index by only 5 per cent. While in the United Kingdom prices followed a steady upward trend during this period, the American index after rising from 79 in August to 83 in September remained stationary at that level during the next four months. The steadiness of American prices is all the more remarkable in view of the huge purchases made by the Allied Powers in that country. After January 1940, the divergence between Indian and British prices became wider, because while Indian prices began to decline from that date, British prices continued their upward movement. The index number for India fell from 97 in December 1939 to 86 in March 1940 while the United Kingdom index rose from 107 to 113. The American index, on the other hand, registered a slight decline from 83 to 82 in February 1940 and

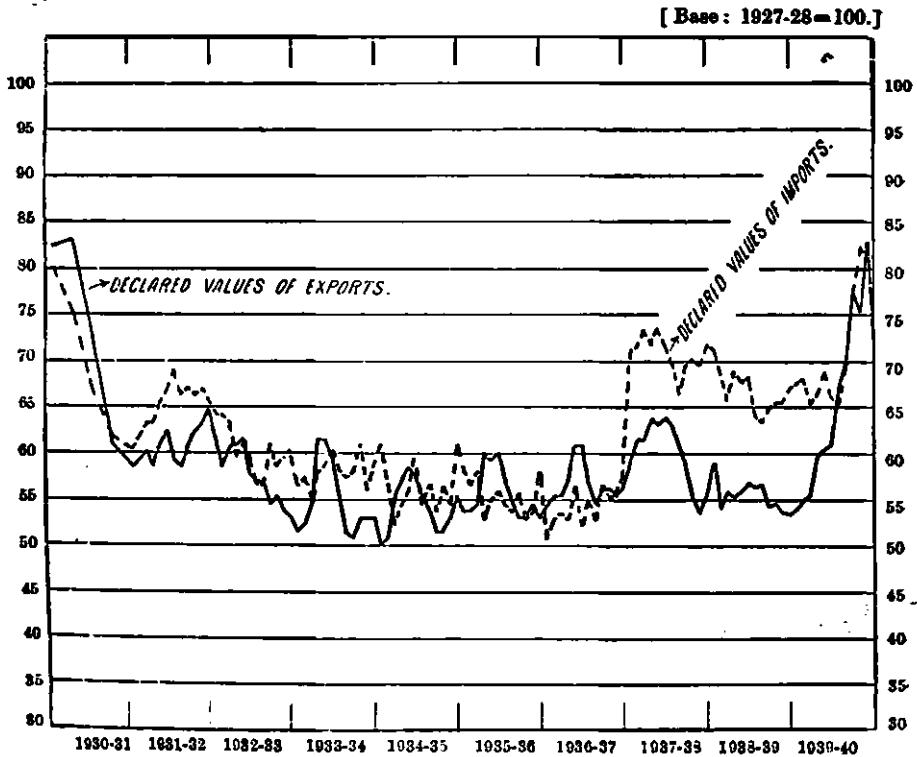
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continued at that level in March. At the end of the year, the net rise in prices above the pre-war level was 21 per cent in India, 31 per cent in the United Kingdom and 4 per cent in the United States of America.

It may be interesting to examine the trend of agricultural prices which are of more vital importance to an agricultural country like India than industrial prices. India's exports consist largely of agricultural commodities and her imports of manufactured articles and hence the indices of export and import prices may be roughly taken as representing agricultural and industrial prices respectively so far as India is concerned. The following chart shows the movements of these indices.

### CHART XVIII.

*Index Numbers of Declared Values of Exports and Imports.*



*N.B.—Figures from 1937-38 refer to British India excluding Burma.*

The index number of export values, with 1927-28 as the base, stood at 54 at the beginning of the year, as compared with 59 in April 1938. The preceding year had witnessed a marked deterioration of export values. During the first five months of 1939-40, however, the index number showed a noticeable improvement, reaching 60 in July and August 1939. This was mainly due to the rise in the prices of raw jute, jute manufactures and tea which took place in this period. The outbreak of war naturally

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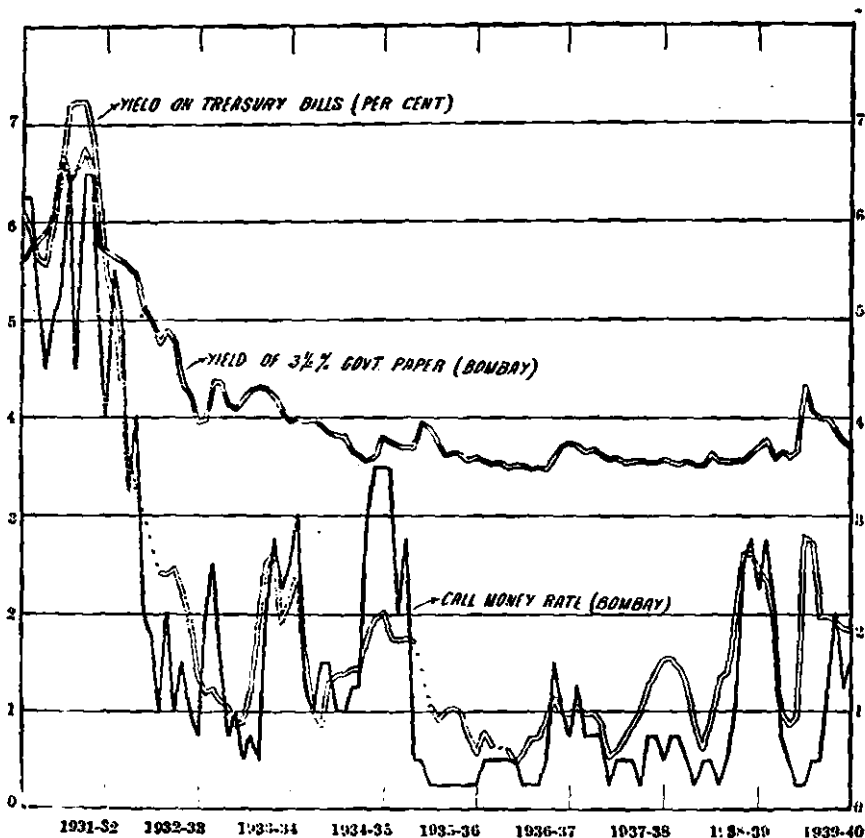
meant a heavy demand for various kinds of raw materials from India, but the effect of this on the declared values of exports was not revealed to the full extent in the first month of the war. This is explained by the fact that some of the exports during this month were probably in fulfilment of pre-war contracts and therefore at pre-war prices. However, in subsequent months export values showed a pronounced rising tendency. The index number rose continuously from 61 in September to 77 in December 1939 and after slightly receding to 75 in January 1940, advanced further to 83 in February, which was the highest level attained during the year. Here also, it will be seen that owing to the lag between wholesale prices and declared values, which arises because of the delay in the shipment of goods after their purchase, declared values of exports could show a rise in February in spite of the recession in Indian wholesale prices which had set in from January 1940. In March, however, the index declined to 72, which still meant a rise of 36 per cent as compared with the same month of the preceding year. The prices of imports, on the other hand, did not rise to the same extent as those of exports. During 1938-39, the spread between the two series had widened, because, as said above, India's imports consist mainly of manufactured articles and the recession which overtook primary commodities in that year did not affect manufactured articles to the same extent. Between March 1938 and March 1939, while export values fell by 10 per cent, the fall in import values amounted to 4 per cent only. During the year under review, however, the spread between the two series narrowed down considerably. The import index fell from 68 in April to 65 in June, and after improving to 69 in August fell again to 65 in October. In view of the rise in wholesale prices which took place during the first two months of the war in most of the countries exporting to India, the decline in import values in those months can be explained partly by the time lag mentioned above and partly by the natural tendency at such times to import cheaper varieties of goods in a greater proportion than expensive varieties the production of which within the country becomes possible and consumption is discouraged owing to the rise in prices. The index rose to 69 in November and to 77 in the following month. From January 1940, import values registered a sharp rise, the index rising to 82 in that month. It was slightly lower in February, but in March it rose again to 82. The rise in import values over the whole year (*i.e.*, between March 1939 and March 1940) amounted to 22 per cent as compared with the rise of 36 per cent in export values. Thus, the spread between the prices of exports and imports narrowed considerably during the year, which indicates an improvement in the terms of trade between India and other countries.

**Financial Conditions.**—In respect of the technique used for financing war expenditure, the present war differs fundamentally from the last one in 1914-18. A rigorous control over interest rates has been an essential feature of the new technique and its success has been abundantly proved by the way in which the monetary authorities both in Great Britain and India have been able to maintain cheap money in spite of the vastly increased scale of public expenditure and the expectation of colossal borrowing by Governments. The sudden shift from the peace to the war economy no doubt caused a temporary dislocation of the money market, but normal conditions were soon

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restored. The relatively steady tenor of the money market in the midst of the abnormal circumstances of the year under review can be seen from the chart below :—

CHART XIX.



The money market in India evinced a firm tone in the beginning of April 1939, when owing to the seasonal demand for money the inter-bank call-rate was quoted at  $2\frac{1}{2}$  per cent. Thereafter with the advent of the slack season the rate gradually receded to 2 per cent in May. Monetary conditions were fairly easy in the next three months during which the market was well supplied with funds, partly because of the reflux of money from the interior and the purchases of gold by the Reserve Bank. Towards the end of August when the Bank of England's discount rate was raised from 2 to 4 per cent, it was feared that the monetary authorities in India might take a similar action and lenders adopted a cautious attitude. The result was a slight rise in interest rates. The war scare in September which caused large current account withdrawals from banks accentuated the tendency, but the stringency was soon relieved when the market received large sums of money by way of proceeds of sales of sterling and gold to the Reserve Bank. Call money was available

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at  $\frac{1}{2}$  per cent even in September. The rate improved to  $\frac{1}{2}$  per cent in October, but the rise was due more to the psychological influence of the approaching export season than to any marked revival of trade demand. The Bank of England rate was reduced to 2 per cent on the 25th October. Demand for funds increased in the following month, but not sufficiently to offset the effect of the continued influx of money due to the excess of maturities over renewals of treasury bills and the purchases of sterling by the Reserve Bank. Towards the end of November, however, the boom in silver and other commodity markets which had led to large sums of money being locked up in speculative holdings began to affect the money market and the rates hardened. Gradually the export season came into full swing and with the increasing demand for funds for financing the movement of crops, the call-rate firmed up to  $1\frac{1}{2}$  per cent in December and 2 per cent in January 1940. The firmness was not maintained in February because the demand for funds soon slackened owing to the set-back in commodity prices and the general decline in speculative activity. In March, the seasonal factors again asserted themselves and the call-rate improved to  $1\frac{1}{2}$  per cent. As said above, an important factor which contributed to the easiness of credit conditions in India was the large acquisition of sterling by the Reserve Bank by open market purchases, while the excess of treasury bill maturities over renewals also gave occasional relief to the money market.

The discount on treasury bills was naturally influenced by the state of the money market described above. The average rate on treasury bills in April 1939 was R2.35 per cent per annum. This steadily decreased in the next three months as a result of the plentiful supplies of funds available in the market and the rate in July was as low as R0.86. In August, a slightly higher rate was paid. On the outbreak of war the short-term money market was temporarily disturbed and the effect of it was seen in the treasury bill rate which rose to R2.78 in September and remained at R2.72 in October. The market, however, gradually adjusted itself to war conditions and the rate came down to R1.98 in November, receding further to R1.96 in January, R1.86 in February and R1.83 in March. The fall in the treasury bill rate in these three months was significant, because it took place at a time when the busy season was in full swing. The total amount of treasury bills sold to the public by the Government of India by tender and by intermediaries was R120.43 crores at an average rate of R1.13.9 per cent per annum, in the year under review as compared with R97.49 crores at an average rate of R1.10.0 per cent per annum, in the preceding year. The amount of treasury bills sold in favour of the Issue Department of the Reserve Bank of India also increased from R100.12 crores in 1938-39 to R104.94 crores in 1939-40. During the year under review, six Provincial Governments issued treasury bills amounting to R11.80 crores as compared with R5.70 crores issued by four Provincial Governments in the preceding year. The average yield of Provincial treasury bills was 2.58 per cent per annum in 1939-40 as against 1.82 per cent per annum in 1938-39.

The yield on  $3\frac{1}{2}$  per cent Government Paper is a fair index of the long-term interest rates. Under the circumstances prevailing during 1939-40, it was inevitable that there should be a rise in the yield on irredeemable securities; but it is remarkable that the rise was so small as it was. In April 1939,



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a yield of 3.78 per cent was obtainable on 3½ per cent paper. In the next four months the yield fluctuated between 3.60 and 3.66 per cent. The sharp fall in the prices of Government securities which took place after the declaration of war raised the rate to 4.29 per cent in September and it remained at 4.06 per cent. in October. With the gradual restoration of confidence and the consistent firmness of the London security market, the rate declined to 3.99 in November and after remaining steady at that level for one month, fell rapidly in the next three months. In March 1940, the yield amounted to 3.70 which was the same as that obtainable a year before. The prevalence of low interest rates in the midst of the disturbing conditions of 1939-40 was one of the most encouraging features of the financial situation. It clearly reflects the confidence of investors in the future of gilt-edged prices and also the efficacy of the new technique of financing the war.

The Reserve Bank rate remained unchanged at 3 per cent throughout the year.

*Banking.*—The annual average position of the scheduled banks in India and Burma in 1939-40 and 1938-39 is given in the following table :—

### *Scheduled Banks' Consolidated Position.*

(In lakhs of Rupees.)

	1939-40.	1938-39.	Difference between 1939-40 and 1938-39.
Demand liabilities in India and Burma . . . . .	1,39,57	1,30,01	+ 9,56
Time liabilities in India and Burma . . . . .	1,06,00	1,07,86	—1,86
Cash in India and Burma . . . . .	7,06	6,65	+41
Balances with Reserve Bank . . . . .	17,49	15,95	+1,54
Advances in India and Burma . . . . .	1,25,66	1,15,78	+9,88
Bills discounted in India and Burma . . . . .	5,25	4,84	+41

An increase in industrial activity normally involves an expansion of bank credit. During the year under review, the average demand liabilities of the scheduled banks increased by Rs. 9.56 lakhs and though time liabilities declined to some extent, the total deposit liabilities still showed an increase of Rs. 7.70 lakhs. Cash in hand and balances with the Reserve Bank rose by Rs. 41 lakhs and Rs. 1.54 lakhs respectively, with the result that the ratio of these two items to total deposit liabilities rose from 9.5 per cent in 1938-39 to 10 per cent in 1939-40. As could be expected, advances by scheduled banks expanded by Rs. 9.88 lakhs, which shows the increased demand for funds during the year under review. Bills discounted continued to be a small item in the scheduled banks' balance sheets, absorbing only Rs. 5.25 lakhs of their resources, though this figure was higher by Rs. 41 lakhs as compared with the preceding year. It was pointed out in the last year's Review that one of the difficulties in the way of the Reserve Bank making advances to scheduled banks was that the latter do not hold a sufficient quantity of re-discountable assets. Inadequate development of the bill market is a weakness of the Indian banking system and in order, therefore, to encourage an

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increased use of inland bills of exchange, the Central Board of the Reserve Bank of India requested the Government in December 1938 to consider a reduction in the stamp duty on usance bills. The duty was reduced, with effect from 13th January 1940, to two annas for every one thousand rupees or part thereof, of the amount of usance bills payable not more than one year after date or sight. It is to be hoped that the reduction will encourage the growth of the bill market in the country.

The banking crisis in South India in June 1938 exposed certain vital defects in the Indian banking system and indicated the need for a comprehensive banking legislation. During the year under review, the Reserve Bank gave detailed consideration to the question and framed a banking bill which was circulated by the Government of India for the views of the public in January 1940. The object of the bill is to ensure proper working and financial soundness of banking institutions and to enable the Reserve Bank to co-ordinate the credit structure of the country and more fully to utilise the powers of extending credit provided by the Reserve Bank Act. The main features of this bill, as described in the Reserve Bank's Report on Currency and Finance for 1939-40 are as follows: In the first place, an attempt has been made to define banking in a simpler and clearer way than has been done in the Indian Companies Act. Secondly, the proposals seek to ensure that institutions calling themselves banks are started with sufficient minimum capital to enable them to operate on a scale large enough to make it possible for them to earn reasonable profits. Thirdly, the proposals visualise certain moderate restrictions on bank investments in order to protect the depositing public. Lastly, an endeavour has been made to expedite liquidation proceedings so that, in the event of a bank failing, the depositors may be paid off with the minimum delay and expense.

In 1939, the total number of scheduled banks (banks with a capital of Rs. 5 lakhs and above) increased from 56 to 59. Branch banking appears to be making steady progress. During the financial year 1939-40, the total number of offices, branches, pay offices, etc., of scheduled banks increased from 1,144 to 1,290, showing an increase of 146 offices. Under the Reserve Bank of India Act, the business relations of the Reserve Bank are confined to scheduled banks only. But a large part of banking business is carried on by non-scheduled banks which are outside the control of the Reserve Bank. On the 31st December 1938, there were operating in British India approximately 1,421 concerns which might be considered to be non-scheduled banks. Of these only 236 had paid-up capital and reserves of Rs. 50,000 or over. In their annual report for 1939, the Central Board of the Reserve Bank commented on the mushroom growth of banking companies in India which do not possess adequate resources to carry on their business successfully. During the financial year 1938-39, as many as 64 banks went into liquidation or otherwise became defunct. They had an authorised capital of one crore, but a subscribed capital of Rs. 23 lakhs and a paid-up capital of Rs. 18 lakhs only. During the previous two years a similar number of banks with poor capital and reserves likewise failed. The proposed banking legislation is intended to check this evil by ensuring the provision of an adequate capital structure for banking institutions.

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The increased trade activity during the year under review naturally created a heavy demand for currency. In 1939-40, the total absorption of rupee coin and currency notes amounted to Rs. 59·53 crores made up of an absorption of Rs. 10·08 crores of rupee coin and Rs. 49·45 crores of currency notes. During the first five months of the year, currency to the extent of Rs. 19·66 crores (Notes, Rs. 10·21 crores and Rupees, Rs. 9·45 crores) was returned from circulation, while in the following seven months, currency worth Rs. 79·19 crores (Notes, Rs. 59·66 crores and Rupees, Rs. 19·53 crores) was absorbed. It may be added that during 1914-15, the first year of the last war, there was a return of Rs. 12·71 crores from circulation as against the heavy absorption of currency during the year under review.

The combined average note circulation, excluding notes held in the Banking Department of the Reserve Bank, in India and Burma, amounted to Rs. 209 crores in 1939-40 as compared with Rs. 182 crores in 1938-39 or a rise of Rs. 27 crores. If average note circulation in India alone is taken, it amounted to Rs. 198 crores in the year under review as against Rs. 174 crores in the preceding year. In order to meet the increased demand for currency, the Reserve Bank expanded the total note issue from Rs. 211 crores in 1938-39 to Rs. 228 crores in 1939-40, or an increase of Rs. 17 crores, out of which the increase for India only amounted to Rs. 14 crores. The expansion was effected mostly against additional sterling securities which the Reserve Bank was able to purchase out of its accumulating sterling balances after the outbreak of war. Between September 1939 and March 1940, the Bank was able to add Rs. 53 crores to its sterling securities portfolio which had remained stationary at Rs. 59 crores during the preceding six months.

*Exchange.*—The table below gives the average rate of exchange from Calcutta on London for Telegraphic Transfers (selling rate) for each month since 1929-30 :

	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37	1937-38	1938-39	1939-40
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
April . . .	1 5½	1 5½	1 5½	1 5½	1 6½	1 6½	1 6½	1 6½	1 6½	1 6½	1 5¾
May . . .	1 5½	1 5½	1 5½	1 5½	1 6½	1 6½	1 6½	1 6½	1 6½	1 6½	1 5¾
June . . .	1 5½	1 5½	1 5½	1 5½	1 6½	1 6	1 6½	1 6½	1 6½	1 6½	1 5¾
July . . .	1 5½	1 5½	1 5½	1 6½	1 6½	1 6½	1 6½	1 6½	1 6½	1 6½	1 5¾
August . . .	1 5½	1 5½	1 5½	1 6½	1 6½	1 6½	1 6½	1 6½	1 6½	1 6½	1 5¾
September . . .	1 5½	1 5½	1 5½	1 6½	1 6	1 6½	1 6½	1 6½	1 6½	1 6½	1 5¾
October . . .	1 5½	1 5½	1 5½	1 6½	1 6	1 6½	1 6½	1 6½	1 6½	1 6½	1 5¾
November . . .	1 5½	1 5½	1 6½	1 6½	1 5½	1 6½	1 6½	1 6½	1 6½	1 6½	1 5¾
December . . .	1 5½	1 5½	1 6½	1 6½	1 6	1 6½	1 6½	1 6½	1 6½	1 6½	1 5¾
January . . .	1 5½	1 5½	1 6½	1 6½	1 6½	1 6½	1 6½	1 6½	1 6½	1 6½	1 5¾
February . . .	1 5½	1 5½	1 6½	1 6½	1 6½	1 6½	1 6½	1 6½	1 6½	1 6½	1 5¾
March . . .	1 5½	1 5½	1 6½	1 6	1 6½	1 6½	1 6½	1 6½	1 6½	1 6½	1 5¾
Average rate during the year.	1 5·53	1 5·74	1 5·91	1 6·06	1 6·02	1 6·05	1 6·09	1 6·10	1 6·09	1 5·90	1 5·92

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India's exchange position improved considerably during the year under review. A growing favourable balance of trade and consequent accumulation of sterling resources in the hands of the Reserve Bank were the principal features of the exchange situation during 1939-40. The weakness which characterised the exchange market towards the end of 1938 had disappeared by March 1939 and a high degree of confidence had been established in the future trend of the rupee-sterling rate. The confidence was maintained in succeeding months. Indeed, the exchange market was rather dull in the first four months of the year under review, and the T. T. rate receded from 1s. 5 $\frac{1}{2}$ d. in March 1939 to 1s. 5 $\frac{3}{4}$ d. in April and remained steady at the level of 1s. 5 $\frac{3}{4}$ d. in May, June and July. The slight decline in the first two months was, however, due to a seasonal shortage of merchandise export bills while the heavy remittance inquiry in connection with the import of silver in July was also partly responsible for keeping the rate at a lower level. In August the war began to cast its shadow, and merchants, being apprehensive of a possible dislocation of the foreign trade, expedited their shipments. The rate, therefore, immediately firmed up to 1s. 5 $\frac{3}{4}$ d. in August. The Reserve Bank was able to buy £5,790,000 worth of sterling during August as compared with a monthly average of £521,000 during the preceding four months. Forward deliveries which were quoted at a discount a few months before, now showed a substantial premium over the spot quotation, thus indicating the market expectation of a further improvement in the rate. Immediately after the outbreak of war, exchange control was introduced. The Central Government promulgated the Defence of India Ordinance, 1939, part XIV of which contained Financial Provisions, providing, *inter alia*, for (i) restrictions on purchases of foreign exchange, (ii) acquisition by the Central Government of foreign exchange, (iii) restrictions on purchases and export of securities and (iv) acquisition by the Central Government of foreign securities. On the 4th September, the Reserve Bank issued an explanatory memorandum to the public giving the general lines of the exchange control instituted in India. All foreign exchange transactions were required to be put through authorised dealers who were to carry out the Reserve Bank's directions regarding the purchase and sale of foreign exchange. No restrictions were placed on the purchase and sale of Empire currencies with the exception of Canadian, Newfoundland and Hongkong dollars, while the purchase and sale of non-Empire currencies was restricted to genuine trade purposes, travelling expenses and small personal remittances. Authorised dealers were informed that no business should be done by them except on the basis of the rates quoted by the London Control combined with the current rupee rate for sterling.

From October 1939 onwards, the monetary authorities in India had to make several important innovations in their technique of exchange management. Owing to the difficulty of obtaining cover in London for positions other than spot and the rise in discount rates there, banks were reluctant to do forward business in the first few days of war. The Reserve Bank, therefore, announced on the 3rd October that it would be prepared in future to purchase sterling for forward delivery extending over a period of 90 days at  $\frac{1}{4}$ d. per month higher than its spot buying rate. This practice was unique in the currency history of the country. Within a week after this

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announcement, the Reserve Bank raised its buying rates by  $\frac{1}{16}d.$  both for spot and forward transactions. Immediately, the open market rates also rose by  $\frac{1}{16}d.$  from  $1s. 5\frac{3}{4}d.$  to  $1s. 5\frac{5}{8}d.$  at which level they remained steady till the end of the year. In February 1940, the Reserve Bank decided to buy sterling at  $1s. 6d.$  up to six months forward. Owing to freight difficulties, the volume of export bills was not satisfactory during this period, but there was a fair business in connection with the export of gold which kept the exchange rates steady. Another indication of the broadening of the functions of the Reserve Bank was provided when on the 16th October the Bank announced that the exporters of gold from India to the United States must surrender at least 34 dollars for each fine ounce of gold exported. The Bank also announced its readiness to buy dollars for spot delivery whether or not they were the proceeds of gold exports.

From the 14th September 1939, the Exchange Control in London kept the sterling-dollar rate pegged at \$4.02 to 4.04. This rate was slightly altered to \$4.02½ to 4.03½ on the 8th January 1940. The Exchange Control in London was prepared to buy dollars in exchange for sterling in unlimited amounts at this rate but was not prepared to sell them except for approved purposes. The holders of sterling balances in London, therefore, who were unable to convert them into dollars in London, sold them in the New York market at a lower rate. Thus, the sterling-dollar exchange came to be quoted at different rates in London and New York. The Exchange Control in London had, therefore, to take measures to make the official rate effective. As the rupee is linked to sterling, the Reserve Bank had also to take similar steps to prevent evasion of Control regulations issued in England. On the 9th March 1940, the Bank announced its scheme for the control of the foreign exchange proceeds of certain exports to the "hard currency" countries. The expression "hard currencies" means those currencies which are based on gold or are linked to currencies which are based on gold. The commodities affected were jute, jute manufactures and rubber, the exports of which to the hard currency countries were permitted provided a certificate was furnished from an authorised dealer in India that the proceeds of the transaction had been disposed of in a manner approved by the Reserve Bank of India. The object of the scheme was to obtain control of the foreign currency proceeds of the exports and also to see that full export proceeds of the goods were received. It was laid down that these commodities when exported to the hard currency countries must be financed either (a) by bills drawn in the currency of the country of import, (b) if the goods were sold on a rupee basis, by rupees laid down by sales of hard currencies to authorised dealers in India or London at Control rates, or (c) if sold on a sterling basis, by bills drawn on London under a credit registered with the Bank of England and containing a clause that the sterling required to meet the acceptances would be provided by a sale of foreign currency to the Bank of England at Control rates. A fair proportion of India's export trade is financed by Indian shippers drawing bills on their London houses or agents and not under credits, and in order, therefore, that the rules might not interfere with long-established methods of finance, special arrangements were made whereby such London Houses were permitted to give general letters of guarantee to the Bank of England undertaking to deliver the foreign

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currency proceeds of all such shipments to the Bank of England at Control rates. As these new regulations were liable to lead to an increase in the practice of drawing bills in hard currencies, the Reserve Bank, in order to meet any possible difficulties that authorised dealers in foreign exchange might have in obtaining cover for their purchases of these currencies, agreed to purchase hard currencies, both ready and forward, on behalf of the Bank of England.

It has been pointed out above that sterling offerings to the Reserve Bank increased in volume from August 1939 onwards. From August 1939 to March 1940, the Reserve Bank was able to purchase sterling to the total amount of £70.5 million. For the whole year 1939-40, the Bank's purchases of sterling amounted to £72.6 million at an average rate of 1s. 5<sup>2</sup>/<sub>4</sub>d. as compared with £25.5 million at an average rate of 1s. 5<sup>1</sup>/<sub>4</sub>d. in the preceding year.

Movements in the exchange rate are closely related to the balance of trade and hence the improvement in the rupee-sterling rate during 1939-40 must be explained mainly with reference to the favourable balance which India enjoyed in her foreign trade during that period. As, however, for currency and exchange purposes, India and Burma form one unit, the balance of trade of both the countries together must be considered for a correct appreciation of the exchange position. The following table shows the combined balance of trade of British India and Burma with other countries.

*Statement showing the balance of trade in merchandise of British India and Burma with other countries.*

(In lakhs of Rupees.)

—	1937-38.	1938-39.			1939-40.		
		April to August.	September to March.	Total.	April to August.	September to March.	Total.
Exports and Re-exports of merchandise.	2,02.66	71.48	1,08.77	1,80.25	80.37	1,40.63	2,21.00
Imports of merchandise	1,59.47	53.97	83.07	1,37.04	60.85	83.69	1,44.54
Balance of trade in merchandise.	+43.19	+17.51	+25.70	+43.21	+20.12	+56.94	+77.06

The total balance of trade in merchandise of India and Burma together in the year under review amounted to R77.06 lakhs in favour of the two countries as compared with R43.21 lakhs in 1938-39, showing an increase of R33.85 lakhs. The increase in the balance of trade of India and Burma together was largely responsible for the favourable exchange position during the year under review.

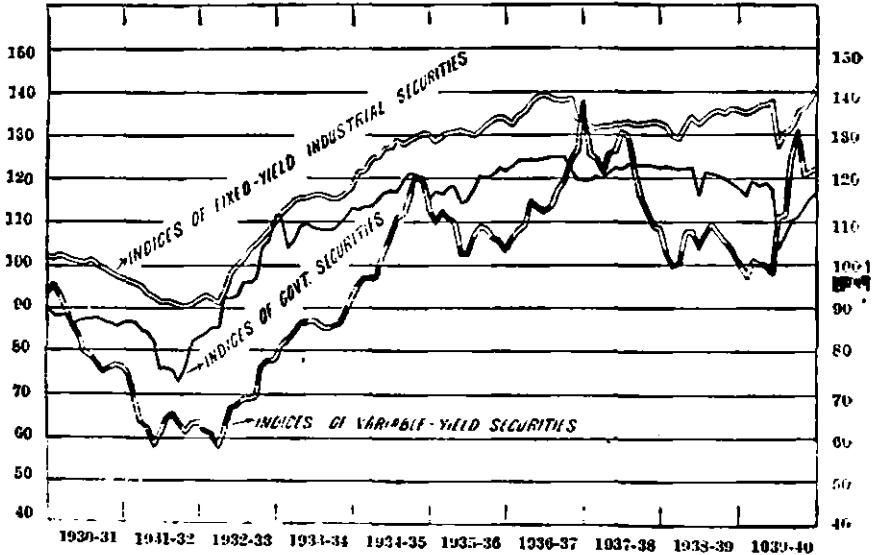
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**Security Markets.**—The following graph shows the movements of indices of Government securities, fixed-yield securities and variable-yield securities :—

CHART XX.

*Index Numbers of Indian Securities.*

[ Base : 1927-28 = 100. ]



*Government Securities*—One of the healthiest signs of the financial situation during the year under review was the steadiness of gilt-edged prices in the midst of most disturbing circumstances. Political events in Europe no doubt dominated the prices of Government securities throughout the year, but it is worth noting that the market showed remarkable powers of resilience after every set-back. The German occupation of Czechoslovakia in March 1939 and the occupation of Albania by Italy in the following month were the first shocks which the market suffered during the year. The prices of securities consequently deteriorated in March and April. 3½ per cent Government Paper was marked down to R95-13-0 in March and R93-4-0 in April. In May, the quotation recovered to R95-6-0 and thereafter for two or three months it fluctuated within narrow limits. The declaration of war and the nervousness and uncertainty which prevailed in its initial stages brought about a collapse of security prices both in India and England and very low levels were reached in September and October. The average quotation for 3½ per cent Government Paper stood at R84-15-0 and R84-10-0 in these two months. In England, the Bank of England fixed minimum prices for Government bonds. This was, however, a temporary phase. The Bank of England's discount rate was raised to 4 per cent on the 24th August, but the two reductions which soon followed, one on the 28th September and the other on the 26th October, restoring the rate to the original level of 2 per cent.

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clearly showed the determination of the monetary authorities in that country to maintain "cheap money" in spite of war conditions. This had a great psychological effect on the London security market which showed a smart recovery from November onwards. The minimum prices fixed by the Bank of England were soon exceeded. The Indian market also reacted to this stimulus and prices attained a higher level in every month from November 1939 to the end of the year. The quotation for 3½ per cent Paper advanced from R84-10-0 in October to R94-8-0 in March. Demand was equally keen for both long-dated and short-dated loans which showed the confidence of investors in the future of gilt-edged prices. On the 17th January, the British Treasury announced that the 4½ per cent Loan, 1940-44, would be repaid at an early date, the holders being offered as an alternative to repayment in cash, conversion of their holdings into a new Loan—a short-term loan carrying interest at 2 per cent and maturing in 1943-45. The announcement of this 2 per cent loan made a profound impression on the market. The first defence loan of £300 million, maturing in 1955-59, floated by the British Government in March 1940 was similarly at the peace-time rate of 3 per cent. The strength of the gilt-edged market was largely due to the resolute pursuit of the cheap money policy by the monetary authorities in England and India, in the face of the growing demands on the money market on account of State and private expenditure.

The accumulation of sterling resources in the hands of the Reserve Bank gave the Government of India an opportunity to repatriate a portion of its sterling debt. The methods by which the sterling debt was repatriated may be briefly described as follows. Under one method, which was used in 1937 and which was revived in 1939-40, the Reserve Bank is authorised to purchase Indian sterling non-terminable securities in the open market out of its surplus sterling balances and to transfer the securities so purchased to the Government for cancellation. In their place, additional rupee paper of the 3½ per cent and 3 per cent non-terminable loans is created, which is issued gradually by the Reserve Bank in accordance with the requirements of the market. Another method is to offer the holders of all sterling loans the option of converting their holdings into rupee securities. On the 22nd February, it was announced that the Governor-General in Council had sanctioned the creation of new rupee loans as counter-parts of six India terminable sterling loans and that, with effect from the 1st April 1940 and until further notice, the holders of these sterling loans would have the option of transferring their holdings from the books of the Bank of England to the Rupee registers of the Reserve Bank on terms to be announced by the latter from time to time. These terms allow a small margin, wherever possible, in favour of the transferer. Under the first method, the Reserve Bank has to use its sterling balances, as the sterling securities are purchased for cash, but the second method does not involve the use of sterling balances, as the holders are given the option of conversion. The combined use of these methods, therefore, enables the Government to repatriate more sterling debt than would have been possible if only the first method of cancelling sterling debt out of the accruing sterling balances of the Reserve Bank had been followed. By these means the Government hopes to bring about an appreciable substitution of sterling liabilities to non-residents by rupee liabilities to residents.



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which will provide a valuable relief to their remittance programme. The total amount of sterling loan repatriated during 1939-40 came to £17,092,500, the nominal value of the Rupee Paper created against the sterling debt cancelled being R22,79,00,000.

In July 1939, the Government of India invited subscriptions for the second issue of 3 per cent 1963-65 loan at R98 per cent. The total amount offered for subscription in the form of cash or conversion of 5 per cent 1939-44 loan was R15 crores. In addition, offers for the conversion of 5 per cent 1940-43 bonds into the new loan were invited for an unlimited amount. The loan was fully subscribed. On the 15th July, the outstanding portion of the 5 per cent Loan, 1939-44, amounting to a little more than R20 crores was repaid in full. During the year under review, three Provincial Governments, namely, Madras, Central Provinces and the Punjab raised loans amounting to R1,50 lakhs, R75 lakhs and R2,50 lakhs respectively. All the three loans carried interest at 3 per cent. Both the Madras and Central Provinces Loans were issued at R98-8-0, but the former is repayable at par in 1959 and the latter in 1949. The Punjab loan was issued at R98-0 repayable at par in 1949.

*Fixed-Yield Industrial Securities.*—The index number of these securities (1927-28=100) registered a gradual rise from 135 in April 1939 to 138 in August. The improvement was probably due to a diversion of demand from variable-yield securities which were declining during this period. In September, the index number declined to 128 in sympathy with the fall in gilt-edged prices, but recovered to 131 within the next two months. The recovery became more pronounced from December onwards and at the end of the year, the index number attained the level of 141 which is the highest figure on record since 1927-28.

*Variable-Yield Securities.*—The trend of these securities during the year under review has already been discussed when dealing with industrial conditions and here only a brief description of the movement of this index may be given. Under the influence of adverse political situation, the index number of variable-yield securities (1927-28=100) declined to 98 in April 1939 and though it recovered slightly in the next three months, it fell again to 98 in August. In September, however, the trend was reversed and share markets assumed a buoyant tone. The prospects of Indian industries looked bright owing partly to the additional protection which they were likely to derive from the reduction in imports and partly to the increased demand for their products. The index number, therefore, rose to 111 in September and continued to rise till it reached 131 in December. In January 1940, the setback in commodity prices and the announcement of the Excess Profits Tax brought about a sharp fall in share prices, and the index came down to 121 in that month. Subsequently, a steadier feeling prevailed, resulting in a slight rise in the index number to 122 in March 1940.

*Trading Conditions.*—India's foreign trade position showed a distinct improvement during the year under review, as judged by the total value of trade and the balance of trade. The total value of the foreign trade in private merchandise in 1939-40 amounted to R378 crores as compared with R322 crores in the preceding year and R363 crores in 1937-38. Thus, the total

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trade of India was the largest in the last three years. The export trade received a strong impetus owing to the heavy demand created by the war for various kinds of raw materials and foodstuffs, though the shortage of shipping prevented the country from reaping the full benefit of the situation. It is worth noting that the increased off-take of Indian goods by the Allied and Empire countries more than made up the loss due to the cessation of trade with the enemy countries.

The total value of India's exports to all countries including Burma in the year under review amounted to R203 crores as compared with R163 crores in the preceding year and R181 crores in 1937-38. The value of imports also increased, but not to the same extent as that of exports. It amounted to R165 crores as against R152 crores in 1938-39 and R174 crores in 1937-38. The increased pressure on productive capacity in the Western countries, the cessation of trade with the enemy and the shipping difficulties necessarily caused a dislocation of the import trade. The increase in the value of imports is, therefore, remarkable, though it is mainly due to the rise in prices. In respect of the balance of trade, the position was distinctly satisfactory. During the preceding two years, 1937-38 and 1938-39, the balance of trade in merchandise had been reduced to R16 crores and R17 crores respectively. During the year under review, it increased to R48 crores. Thus, in spite of the abnormal conditions created by the war, India was able to enjoy more satisfactory trading conditions during the year under review than in the preceding two years.

The following table shows the changes in India's export trade in the main commodities :—

### *Foreign trade of British India (excluding Burma) in respect of the principal commodities.*

(In crores of Rupees.)

Export of Merchandise.	1936-37	1937-38	1938-39			1939-40			Increase (+) or decrease (—) in 1939-40 as compared with	
			April-Aug.	Sept.-March	Total	April-Aug.	Sept.-Mar.	Total	1938-39	1937-38
1. Grain, pulse and flour.	6.57	0.49	4.70	3.04	7.74	1.91	3.16	5.07	—2.07	—4.42
2. Tea . . . . .	20.22	24.30	8.07	14.02	23.29	8.39	17.69	26.08	+2.70	+1.69
3. Hides and skins, raw.	4.28	5.04	1.56	2.29	3.85	1.61	2.48	4.09	+0.24	—0.95
4. Seeds (including nuts for oils).	16.00	14.19	6.59	8.50	15.09	6.20	5.70	11.90	—3.10	—2.29
5. Cotton, raw and waste.	43.93	29.77	9.28	16.39	24.67	14.67	16.37	31.04	+6.37	+1.27
6. Jute, raw . . . . .	14.77	14.72	3.81	0.50	13.40	4.79	14.94	19.73	+6.33	+5.01
7. Jute manufactures	29.10	29.08	10.60	16.60	26.26	13.84	34.35	48.69	+22.41	+19.61
8. Others . . . . .	47.58	54.24	18.78	29.71	48.49	22.22	34.62	59.84	+9.35	+2.60
<b>GRAND TOTAL</b>	<b>186.05</b>	<b>180.92</b>	<b>64.05</b>	<b>98.74</b>	<b>162.70</b>	<b>73.63</b>	<b>129.81</b>	<b>203.44</b>	<b>+40.05</b>	<b>+22.52</b>

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The total value of India's export trade rose by R40,65 lakhs in the year under review as compared with the preceding year. A considerable part of this increase was due to the rise in the prices of exported articles which came about since July 1939 and which was further accentuated after the outbreak of war. Exports of jute manufactures which rose by more than 85 per cent in value and those of raw jute which increased by a little less than 50 per cent in value as compared with the previous year accounted for more than 70 per cent of the increase in the total value of the export trade. The increase of 50 per cent in the value of raw jute exports is all the more remarkable, because in volume they were smaller by 17 per cent as compared with the preceding year. Raw jute and jute manufactures were the first among all the articles of export to reap the benefit of war conditions. The demand for both raw jute and jute manufactures would have been considerably higher than what it was but for the fact that the continuous stream of Government orders during the first three months of the war gave rise to hectic speculation and prices were pushed to levels which were out of all proportions to the intrinsic value of jute as a packing material. This had an injurious effect on the demand from overseas customers. Exports of raw cotton and waste showed a gain of R6,37 lakhs. Most of this was achieved during the first five months of the year when owing to the serious uncertainty created by the American export subsidy, exports of cotton from America fell off and the gap was filled by other growths. The next important increase was under tea, amounting to R2,79 lakhs. During the last four months of the year under review, exports of tea from India showed a considerable advance as compared with the corresponding period of the previous year, which was mainly due to the increase in the export quota to 95 per cent shortly after the outbreak of war and increased demand from the United Kingdom and other markets. The stocks of tea in London had fallen to a very low level on the eve of the war and the Ministry of Food had to take immediate steps to replenish them. Reference has already been made above to the short-term contract made by the Ministry of Food with the tea producers in India in October 1939 under which a large proportion of the exportable surplus of tea in India was purchased for the United Kingdom. Exports of raw hides and skins, though smaller in volume, were valued at R24 lakhs more than in the previous year, owing to the rise in prices. The only important items to show decreases were seeds and grain, pulse and flour. The decrease in the exports of oilseeds was due to the dislocation of trade with the European markets on which they were mainly dependent. The loss under grain, pulse and flour is explained by the fall in the exports of wheat and rice. Since November 1938 Indian wheat was practically excluded from the world market by the bumper supplies from Canada, the United States and the Argentine. Consequently, exports of wheat from British India during 1939-40 were reduced to only 3 per cent of their volume in the preceding year. Exports of rice also fell off to some extent owing to the short crop of 1938-39 season. Thus, it will be seen that with the exception of these two items, namely, oilseeds and grain, pulse and flour, Indian exports under most of the staple commodities recorded considerable increases in value in the year under review as compared with the preceding year.

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The following table gives the total value of the import trade under the important articles :—

(In crores of Rupees)

Imports of Merchandise.	1936-37	1937-38	1938-39			1939-40			Increase (+) or decrease (-) in 1939-40 as compared with	
			April-Aug.	Sept.-March	Total	April-Aug.	Sept.-March	Total	1938-39	1937-38
1. Provisions and oilman's stores.	2.27	2.60	0.90	1.58	2.48	0.98	1.67	2.63	+0.15	+0.03
2. Sugar . . .	0.20	0.19	0.07	0.39	0.46	1.98	1.34	3.32	+2.86	+3.13
3. Oils . . . .	16.16	13.70	6.35	0.27	15.62	7.16	11.46	18.62	+3.00	-0.08
4. Cotton raw and waste.	6.88	12.13	4.85	3.66	8.51	3.14	4.91	8.05	-0.46	-4.08
5. Chemicals, drugs and medicines.	4.87	6.06	2.02	3.60	5.62	2.73	4.77	7.50	+1.88	+1.44
6. Cutlery, hardware implements and instruments (excluding electrical instruments and apparatus).	5.46	6.34	2.21	3.60	5.81	2.63	2.94	5.57	-0.24	-1.27
7. Dyes and colours	4.01	4.99	1.35	2.68	4.03	2.35	2.32	4.67	+0.64	-0.32
8. Machinery including bolting for machinery.	13.86	17.98	7.92	11.80	19.72	7.62	7.75	15.37	-4.35	-2.61
9. Metals—iron and steel and manufactures.	5.26	8.20	2.44	4.22	6.66	2.93	3.14	6.07	-0.59	-2.13
10. Metals—other than iron and steel and manufactures.	3.33	5.16	1.89	2.27	4.16	1.94	2.80	4.74	+0.58	-0.42
11. Paper, pasteboards, stationery.	3.30	4.96	1.41	2.49	3.90	1.72	2.39	4.11	+0.21	-0.85
12. Vehicles . . .	6.22	8.92	2.34	4.34	6.68	2.92	3.95	6.87	+0.19	-2.05
13. Cotton yarn and manufactures.	15.57	15.55	5.35	8.60	14.15	5.67	8.38	14.05	-0.10	-1.50
14. Other yarns and textile fabrics.	9.35	11.74	2.44	4.64	7.08	2.95	5.80	8.75	+1.67	-2.99
15. Others . . . .	45.96	49.77	18.20	29.16	47.45	23.81	31.14	54.95	+7.50	+5.18
<b>GRAND TOTAL</b> . .	<b>141.70</b>	<b>173.79</b>	<b>59.83</b>	<b>92.50</b>	<b>152.33</b>	<b>70.51</b>	<b>94.76</b>	<b>165.27</b>	<b>+12.94</b>	<b>-8.62</b>

The principal articles under imports which registered declines during the year under review as compared with the preceding year were raw cotton, cutlery, hardware, implements and instruments, machinery, iron and steel and cotton yarn and manufactures. The decline in the imports of raw cotton and waste, amounting to R46 lakhs, is easily explained by the recession in the cotton mill industry in the earlier part of the year and the increase in the import duty on raw cotton. In the case of cutlery, hardware, implements

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and instruments the increased imports from Japan and the United States did not completely offset the reduction in imports from the United Kingdom, Germany and other Continental countries which were important sources of supply before the outbreak of war. Imports of certain classes of machinery from the United States showed a marked increase during the year, but those from other countries fell off heavily. Thus, the total imports of machinery were reduced by R4.35 lakhs at a time when the country required larger imports to meet the needs of industrial expansion. The reduction of R59 lakhs in the imports of iron and steel was mainly due to the increased domestic requirements of the United Kingdom and the Continental producers. The import trade in cotton piecegoods was severely hampered by the high replacement prices quoted by foreign manufacturers, though imports of cotton yarn, which came mainly from China and Japan, showed a substantial increase. Among the articles of import which recorded an increase in value, the increased imports of sugar were necessitated by the short crop of the 1938-39 season. Oils of all kinds were imported in larger quantities, as a result of the increased industrial activity in the country during the year under review. The increase in the imports of chemicals and dyes and colours by R1.88 lakhs and R64 lakhs respectively is noteworthy in view of the apprehensions felt in the first few months of war on account of the temporary shortage of these articles. Taking figures for the months, September to March only, imports of bleaching powder increased from 123,000 cwts. in 1938-39 to 145,000 cwts. in 1939-40; those of sodium carbonate from 851,000 cwts. to 927,000 cwts. and those of caustic soda from 329,000 cwts. to 454,000 cwts. Coal tar dyes used to be imported mainly from Germany and hence the imports of these dyes fell to 4.97 million lbs. during the seven months following the outbreak of war as against 7.99 million lbs. in the corresponding months of 1938-39. The United Kingdom, Switzerland, Japan and the United States largely filled the gap left by Germany. Imports of metals other than iron and steel increased by R58 lakhs in 1939-40. The increase of R21 lakhs under paper, pasteboard and stationery took place mainly before the outbreak of war, the imports since September 1939 being lower both in quantity and value than in the corresponding period of the preceding year, notably under the head "Old Newspapers". The increase under vehicles was due to larger imports of carriages and carts not mechanically propelled, motor omnibuses, air-craft and parts of mechanically propelled vehicles. As regards the imports of yarns and textile fabrics other than cotton, which increased by R1.67 lakhs, the increase was particularly marked in the case of raw wool and artificial silk yarn and piecegoods. Raw wool was in keen demand since the outbreak of war while imports of artificial silk yarn and piecegoods swelled owing to increased arrivals from Japan. As a result of these changes, the total value of India's import trade during 1939-40 increased by R12.94 lakhs as compared with the preceding year.

**Balance of Trade.**—In dealing with India's exchange position, the balance of trade was considered for India and Burma together as these countries form one currency and exchange unit. But in discussing India's trade position, it may be interesting to show the balance of trade of India (proper)

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excluding Burma. The following table shows the trade in merchandise and treasure (both private) for the last four years :—

	(In R lakhs)							
	1936-37	1937-38	1938-39			1939-40		
			April to August	September to March	Total	April to August	September to March	Total
Exports of Indian Merchandise (private).	+185,05	+180,03	+04,05	+98,74	+162,79	+73,63	+129,81	+203,44
Re-exports of Foreign merchandise (private).	+7,24	+8,28	+2,11	+4,31	+6,42	+3,50	+6,14	+9,64
Imports of Foreign merchandise (private) (a).	-141,10	-173,93	-59,57	-92,22	-151,79	-70,11	-94,64	-164,75
Balance of Trade in merchandise (private).	+51,19	+15,88	+6,59	+10,83	+17,42	+7,02	+41,31	+48,33
Gold (private)	+27,80	+16,34	+7,08	+5,38	+13,06	+7,13	+27,54	+34,67
Silver (private)	-14,30	-2,20	-89	-86	-1,75	-2,20	-2,54	-4,74
Currency Notes (private).	+24	+28	+18	+40	+58	+20	+14	+34
Balance of transactions in treasure (private).	+13,71	+14,36	+6,97	+4,92	+11,89	+5,13	+25,14	+30,27
<b>TOTAL VISIBLE BALANCE OF TRADE.</b>	<b>+64,90</b>	<b>+30,24</b>	<b>+13,56</b>	<b>+16,75</b>	<b>+29,31</b>	<b>+12,15</b>	<b>+66,45</b>	<b>+78,60</b>

NOTE.—The sign + means net exports and the sign — net imports.

(a) Exclusive of the value of railway materials imported direct by State Railways working under company management, which was not paid for in the ordinary way and was not therefore taken into account in arriving at the balance of trade.

The merchandise balance of trade in favour of India in the year under review increased to R48,33 lakhs as compared with R17,42 lakhs in the preceding year and R15,88 lakhs in 1937-38. During the year under review, India's net exports of gold amounted R34,67 lakhs as against R13,06 lakhs in the preceding year and R16,34 lakhs in 1937-38. Though imports of silver also increased, the balance of transactions in treasure still remained high at R30,27 lakhs as against R11,89 lakhs in 1938-39 and R14,36 lakhs in 1937-38. If these transactions in treasure are added to the merchandise transactions, the total visible balance of trade in favour of India amounts to R78,60 lakhs in 1939-40 as compared with R29,31 lakhs and R30,24 lakhs in 1938-39 and 1937-38 respectively. India's balance of trade position was thus distinctly better during the year under review than in the preceding two years. It may be added that the visible balance of trade of India in 1939-40 was the highest in the last four years.

**Shipping.**—The effects of war were nowhere more severely felt than in the case of shipping. The sinking of certain ships by enemy submarines just after the outbreak of war created serious apprehensions about the trade

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with European countries. Thanks to the valiant efforts of the British Navy, however, the submarine menace was soon checked and with the introduction of the convoy system aided by the air force, conditions gradually improved. Nevertheless, the shortage of shipping space and a great increase in freights

Foreign shipping (excluding Burma).

	Tonnage entered with cargoes. Tons (00)	Tonnage cleared with cargoes. Tons (00)
1935-36 . . . . .	9,212	9,702
1936-37 . . . . .	8,915	9,107
1937-38 . . . . .	9,040	9,511
1938-39 {	Apl.-Aug. 3,683	3,918
	Sept.-Mar. 5,748	5,741
Total . . . . .	9,431	9,637
1939-40 {	Apl.-Aug. 4,385	4,166
	Sept.-Mar. 4,847	4,893
Total . . . . .	9,232	9,059

and war risk insurance rates continued to hamper the export trade in many commodities. The marginal table gives the tonnage entered and cleared with cargoes in India (proper) excluding Burma. The figures for 1939-40, though smaller than those for the previous year, are still considerably better than could be expected under the abnormal conditions prevailing since the declaration of war. The tonnage entered amounted to 9,232,000 tons or 199,000 tons less than in 1938-39. Similarly the tonnage cleared was 598,000 tons less than in

the previous year. In April 1940 British shipping was diverted from the Mediterranean route to the route *via* the Cape of Good Hope which further increased the shortage of freight space.

**The Quantum of Trade of India.**—With the separation of Burma the figures of the quantum of trade which were calculated from 1927-28 to 1936-37 could no longer be used to illustrate the changes in the volume of trade with India proper. The labour involved in recalculating these figures for all the years from 1927-28 would be enormous and it has not been possible to undertake it. Figures on the basis of India proper have, however, been calculated for the last five years and for 1927-28 which was the base year of the earlier series and are given in the table below. These statistics are necessarily approximate, being estimates based on an examination of only a part of India's foreign trade.

Year	Quantum of	
	Exports	Imports
	R (crores)	R (crores)
1927-28 . . . . .	291.9 (100.0)	254.7 (100.0)
1935-36 . . . . .	261.0 (89.4)	232.6 (91.3)
1936-37 . . . . .	320.7 (109.9)	219.4 (86.1)
1937-38 . . . . .	301.0 (103.1)	243.7 (95.7)
1938-39 . . . . .	295.5 (102.2)	226.0 (88.7)
1939-40 . . . . .	308.1 (105.9)	230.5 (90.5)

The above statistics of the quantum of trade have an additional interest during the year under review in view of the wide fluctuations in prices which took place after September 1939. As far as can be judged from these approximate figures, it seems that India's exports and imports were higher in 1939-40 not merely in value but also in volume. The index relating to the

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quantum of exports was 105.9 in 1939-40 as compared with 102.2 in 1938-39. Similarly, the index showing the quantum of imports was 90.5 in 1939-40 as against 88.7 in 1938-39.

**Inland Trade.**—India's internal trade recorded a considerable increase in volume during the year under review. The following table shows the quantity of inland trade in certain important articles from 1933-34. Figures for earlier years are not available as the collection of inland trade statistics was only resumed in that year.

### *Inland Trade.*

(Figures in 000 mds.)

---	1933-34	1934-35	1935-36	1936-37	1937-38	1938-39	1939-40
Coal and coke . . . . .	345,964	378,184	386,792	397,864	464,286	449,354	496,513
Cotton, raw . . . . .	20,516	21,474	23,574	29,207	19,185	19,538	20,712
Cotton piecegoods . . . . .	9,441	9,898	10,132	10,521	11,190	11,077	11,294
Grain, pulse and flour . . . . .	107,108	125,270	115,333	129,235	131,900	131,272	143,356
Hides and skins, raw . . . . .	2,691	2,432	2,506	3,167	2,970	2,670	3,383
Jute, raw . . . . .	32,077	25,800	20,034	38,225	32,574	31,407	32,767
Gunny bags and cloth . . . . .	4,478	4,267	4,511	5,152	5,336	5,218	5,484
Iron and steel, bars, sheets, girders and other commercial forms of iron.	30,392	33,826	40,504	39,318	38,655	41,804	41,986
Oilseeds . . . . .	46,650	39,311	35,697	43,777	39,616	50,063	43,775
Sugar (including gur, rab, etc.) . . . . .	29,152	27,915	31,261	40,391	39,485	38,076	28,049
<b>TOTAL</b> . . . . .	628,464 (100)	667,967 (106)	670,344 (106)	736,847 (117)	785,227 (125)	781,168 (124)	828,210 (132)

The total quantity of inland trade in important commodities increased from 781 million maunds in 1938-39 to 828 million maunds in the year under review. All the commodities for which figures are recorded shared in this increase, except oilseeds and sugar. The increase was most marked in the case of coal and coke and grain, pulse and flour, amounting to 46 million maunds and 12 million maunds respectively. On the other hand, the inland trade in oilseeds declined by more than 6 million maunds and that in sugar by 9 million maunds. On the whole, the internal trade activity was distinctly better during the year under review than at any time in the preceding six years.



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The condition of internal trade can also be judged to some extent by the statistics of railway earnings and traffic published by the Railway Board. The following table shows these figures from 1928-29 :—

*Statement showing gross earnings and total wagons loaded from 1928-29 to 1939-40.*

Year	GROSS EARNINGS	Total wagons loaded*
	State-owned Railways. (excluding Burma Railways.)	
	R (crores)	(000)
1928-29 . . . . .	99.61	6,993
1929-30 . . . . .	97.53	6,898
1930-31 . . . . .	90.40	6,032
1931-32 . . . . .	82.54	6,098
1932-33 . . . . .	82.11	5,996
1933-34 . . . . .	84.64	6,489
1934-35 . . . . .	87.24	6,850
1935-36 . . . . .	88.36	6,962
1936-37 . . . . .	92.04	6,900
1937-38 . . . . .	94.85	7,161
1938-39 . . . . .	94.36	7,225
1939-40 . . . . .	98.44	7,509

\* These include Burma Railway figures upto 1935-36.

The gross earnings of State Railways during the year under review exceeded the total for the previous year by 4 crores and were higher than in any year since 1929-30. Similarly, the total number of wagons loaded in 1939-40 were the highest recorded in the last twelve years. The increase in internal trade activity which came about after the outbreak of war mainly accounts for this remarkable improvement in railway traffic during the year under review.

**Trade Restrictions.**—Soon after the declaration of war, the Central Government imposed restrictions on the export trade in a large variety of articles. Trading with the enemy was already an offence under the Defence of India Act, 1939, but in addition steps had to be taken to see that supplies did not reach the enemy by indirect channels. Steps had also to be taken to conserve supplies of all essential articles, whether for the requirements of this country or for those of the Allied countries. With these objects in view, an elaborate system of export restrictions was devised. Exports of certain articles were completely prohibited, and those of certain others were permitted only under licence. Export licences were issued for some articles by the Department of Supply and for others by the Export Trade Controller. In cases where the ruling considerations were those relating to economic warfare rather than to supply problems, it was provided that no licences were required if the articles were consigned to or destined for any part of the British Empire including Mandated Territories. Among the articles the exports of which were restricted mainly for conservation of supplies, raw wool and mica deserve special mention. Exports of black, grey and coloured wool were completely

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prohibited, while those of white and yellow wool were permitted only to the United Kingdom, subject to certain concessions in respect of consignments covered by firm contracts entered into before the restrictions were imposed. Mica is an important material for munition production. In order, therefore, that adequate supplies should be available for the requirements of the Allied forces, the Government of India prohibited the export of block mica to all countries other than those in which munitions were being prepared for the use of those forces. Other details regarding export restrictions will be found in the Notification No. 65-C.W. (9)-40, dated the 15th May 1940, as amended by subsequent notifications, up to 14th September 1940, which is given in the Appendix for reference.

The following table shows the exports of some important articles subjected to export restrictions during the period, September to March 1939-40 as compared with those in the corresponding period of 1938-39.

*Statement showing the exports from British India, of some important articles, subjected to export restrictions, during the periods September to March 1938-39, and 1939-40.*

Articles.	Quantity.		Value—R(000)		
	Unit.	September—March.		September—March.	
		1938-39.	1939-40.	1938-39.	1939-40.
1. Cordage and rope of vegetable fibre ( <i>excluding jute and cotton</i> ) .	Cwts. (000)	30	42	4,81	6,76
2. Wool, raw . . . . .	Lbs. (000)	39,487	29,659	2,13,45	1,94,32
3. Mica—all sorts . . . . .	Cwts. (000)	102	115	74,15	1,14,26
4. Myrobalans and extracts thereof . . . . .	" "	933	724	30,75	29,99
5. Hides and skins, raw . . . . .	Tons	20,401	18,025	2,26,03	2,48,64
6. Hides and skins, tanned or dressed . . . . .	"	11,769	18,450	2,60,16	4,30,83
7. Chromite (chrome iron ore) . . . . .	"	8,172	18,512	2,93	5,75
8. Iron ore . . . . .	Tons (000)	300	41	20,40	5,00
9. Manganese ore . . . . .	" "	275	427	67,20	1,10,80
10. Pig iron . . . . .	" "	351	331	1,74,90	1,65,40
11. Steel bars . . . . .	Tons	1,977	6,416	2,50	9,59
12. Iron—sheets and plates	Tons (000)	10	24	21,10	45,00

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Articles.	Quantity.		Value—R(000)		
	Unit.	September—March.		September—March.	
		1938-39.	1939-40.	1938-39.	1939-40.
13. Iron, old for re-manufacture . . . . .	Tons (000)	36	21	11,11	7,89
14. Vegetable oils, non-essential . . . . .	Galls. (000)	3,512	4,327	45,23	74,31
15. Oilcakes . . . . .	Tons (000)	295	169	2,00,93	1,21,37
16. Paraffin wax . . . . .	Tons	6,276	5,301	26,10	23,70
17. Rubber, raw . . . . .	Lbs. (000)	10,855	14,310	46,50	64,00
18. Rubber manufactures . . . . .	—	—	—	1,82	6,33
19. Seeds . . . . .	Tons (000)	668	369	8,32,60	5,46,25
20. Cotton, raw and waste . . . . .	" "	320	263	15,38,70	16,37,50
21. Cotton twist and yarn . . . . .	Lbs. (million)	23	19	1,00,70	1,04,50
22. Cotton handkerchiefs and shawls in the piece . . . . .	No. (000)	256	588	850	17,50
23. Hosiery . . . . .	—	—	—	87	3,69
24. Cotton piecegoods . . . . .	Yards (million)	102	144	2,78,70	3,92,70
25. Cotton manufactures other sorts . . . . .	Lbs. (000)	2,799	3,080	13,30	17,50
26. Hemp, raw . . . . .	Cwts. (000)	483	436	43,60	58,00
27. Jute, raw . . . . .	Tons (000)	478	381	9,58,70	15,05,60
28. Jute, twist and yarn . . . . .	Lbs. (000)	2,222	2,986	2,91	5,38
29. Gunny bags . . . . .	No. (million)	361	805	7,59,90	18,10,90
30. Gunny cloth . . . . .	Yds. (million)	880	985	7,75,20	16,34,20
31. Jute-rope and twine and manufactures—other sorts . . . . .	Cwts. (000)	152	213	21,17	39,81
32. Woollen manufactures Carpets and rugs . . . . .	Lbs. (000)	5,606	3,204	49,40	30,70
33. Lax . . . . .	Cwts. (000)	418	402	85,33	1,25,35
34. Coir-yarn mats and mattings, and coir manufactures,—other sorts . . . . .	" "	385	504	51,39	75,94
<b>TOTAL</b> . . . . .	—	—	—	69,00,04	96,69,46

## General.

**Trade Agreements.**—The Provisions of the Indo-British Trade Agreement, 1939, which came into effect from the 1st April 1939, were described in the last year's Review.

The Protocol to the Indo-Japanese Trade Convention of 1937 governing imports of Japanese cotton piecegoods into India expired on the 31st March 1940. Pending a new Protocol, the Japanese delegate announced his Government's intention of continuing to regulate exports of cotton piecegoods to India on a monthly basis and with regard to imports of raw cotton into Japan, as while the Protocol existed, but with the important modification that the calculations would be made on the basis of annual exports of 400 million yards of Japanese piecegoods instead of the former figure of 358 million yards. In announcing this, the Japanese Government added the proviso that if and when a new Protocol was drawn up, shipments made on the provisional basis would be re-calculated and readjusted with retrospective effect from April 1, 1940. The Government of India took note of this declaration but felt themselves unable to accord their formal agreement to the proposal, though they added that they had no present intention of taking any counter measure.

The Government of Burma gave notice on the 1st April 1940 to terminate the Trade Regulation Order governing trade between India and Burma with effect from the 1st April 1941. The Order which has been in operation since the 1st April 1937, when Burma was separated from India, provides for the maintenance of *status quo ante* in trade and tariff matters between the two countries.

Under the Indo-British Trade Agreement, 1939, Ceylon was to enjoy the Ottawa Schedule of preferences for a period of six months after the Agreement came into operation. The six months expired on the 15th February 1940 on which date the interim arrangement came to an end, and each country became free to abolish existing preferences in favour of imports from the other country. Neither country, however, took advantage of the liberty so re-gained.

**Tariff Changes.**—The changes in the tariff made under the various Acts passed during the latter part of 1938 and the earlier part of 1939 were dealt with in the preceding year's review. Since then four Acts have been passed introducing certain changes in the tariff.

As stated in the last year's Review, the revised protective duty on imported wood pulp came into force on the 21st April 1939, and all the other protective duties imposed or extended by the Indian Tariff (Second Amendment) Act, 1939, were brought into force with effect from the 1st April 1939, in virtue of a declaration made under the Provisional Collection of Taxes Act, 1931. The Indian Tariff (Fourth Amendment) Act, 1939, which received the assent of the Governor General on the 26th September 1939, made this declaration applicable to the import duty on wood pulp and also validated the duty levied and collected on the import of wood pulp during the period 1st April to 20th April 1939. It also added an alternative duty of 25 per cent *ad valorem* to the existing specific duty on perfumed spirits.

## General.

The Indian Finance Act, 1940, which received the assent of the Governor General on the 6th April 1940, raised the rate of excise duty on sugar other than *Khandsari* or palmrya sugar produced on or after the 1st day of March 1940, from R2 to R3 per cwt. which automatically increased the import duty by the same amount. The Act also raised the excise duty on motor spirit produced in a manufactory in British India from eight annas to twelve annas per imperial gallon but provided at the same time that the additional duty of 25 per cent which was so long leviable on motor spirit under section 5 of the Indian Finance (Supplementary and Extending) Act, 1931, should cease to have effect. The rate of import duty leviable on motor spirit was also changed to "the rate at which excise duty is for the time leviable on motor spirit". The changes mentioned above became effective from the 1st March 1940, under the provisions of the Provisional Collection of Taxes Act, 1931.

With a view to ensuring supplies for the important tanning industry the Government of India have decided to purchase a reserve stock of wattle bark. In order to safeguard Government against possible losses on the liquidation of this reserve, the Indian Tariff (Amendment) Act, 1940, which received the assent of the Governor General on the 10th April 1940, imposed as a temporary measure, a revenue duty of three per cent *ad valorem* on imports of barks for tanning which were so long admitted free of import duty.

As a result of a careful watch on the statistical position, the Government of India were satisfied that no change had taken place to justify the protective duties on wheat, wheat flour and broken rice being allowed to lapse at the end of March 1940. The Indian Tariff (Second Amendment) Act, 1940, which received the assent of the Governor General on the 10th April 1940, but came into effect on the 22nd March 1940, under the Provisional Collection of Taxes Act, 1931, therefore, extended the existing import duties on these commodities for a further period of one year, *viz.*, upto the 31st March 1941. Owing to war conditions, the prices of silk and silk manufactures had advanced sufficiently to satisfy the recommendations of the majority of the Tariff Board in their Report regarding the grant of protection to the Sericultural Industry and the Government of India found it impossible in the present position of uncertainty to form any decision as to a long term policy. This Act, therefore, extended for a further period of two years, *viz.*, upto 31st March 1942, the existing protective duties on silk and certain manufactures of silk assessable under Tariff items Nos. 46, 46(1), 47, 47(1), 48 and 48(4) of the Indian Customs Tariff.

As was explained in the last year's Review, the Indian import duties on cotton piecegoods were linked with the off-take of Indian cotton by the United Kingdom and of the United Kingdom cotton piecegoods by India. As the total quantity of cotton piecegoods imported from the United Kingdom and retained in India during the cotton piecegoods year 1st April 1939, to 31st March 1940, did not exceed 350 million yards as computed in accordance with Article 10 of the Trade Agreement between His Majesty's Government in the United Kingdom and the Government of India, signed in London on the 20th March 1939, the Government of India by Commerce Department Notification No. 20-T(17)/39, dated the 16th April

## General.

1940, reduced with effect from the 17th April 1940, the rates of duties on cotton piecegoods of British manufacture shown under item Nos. 48(3) and 48(9) of the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934) by  $2\frac{1}{2}$  per cent *ad valorem*. By the same notification the alternative specific duty on grey piecegoods (excluding bordered grey chadars, dhuties, saris and scarves) of British manufacture was reduced from  $2-5/8$  annas to  $2-3/16$  annas per lb.

Reference was made in the last year's Review to the Coal Mines Safety (Stowing) Bill, 1939, and the provision made therein relating to the creation of a fund by levying an excise duty on coal for assistance towards stowing. The Coal Mines Safety (Stowing) Act, 1939, which received the assent of the Governor General on the 21st April 1939, provides, *inter alia*, that there shall be levied and collected on all coal raised and despatched, and on all soft coke manufactured and despatched, from collieries in British India a duty of excise as may be fixed from time to time subject to a maximum rate of 3 as. per ton; similarly, there shall be levied and collected on such descriptions of hard coke as may be prescribed a duty of excise as may be fixed from time to time subject to a maximum rate of one and a half times the rate of excise duty for the time being in force in respect of coal and soft coke. In accordance with the provisions of this Act, Notification No. M-955(1) dated the 17th October 1939, issued by the Government of India in the Department of Labour, imposed with effect from the 1st December 1939, an excise duty of 2 as. per ton on coal and soft coke and 3 as. per ton on hard coke.

In order to place the Imperial Council of Agricultural Research in a more secure financial position and to provide for the steady development of research a larger and more stable income which would comparatively be unaffected by the financial vicissitudes of the Government of India was considered necessary. It was accordingly proposed to obtain funds from an export cess levied at the rate of  $\frac{1}{2}$  per cent on the value of certain agricultural commodities which were not already subject to an export duty or cess. The Agricultural Produce Cess Act, 1940, which received the assent of the Governor General on the 15th April 1940, was designed to implement this proposal and it imposed a cess by way of Customs duty at the rate of  $\frac{1}{2}$  per cent *ad valorem* on the following specified articles on exportation from British India.

Bones, bristles, butter, cereals other than rice and wheat, drugs, fibre for brushes, fish, fruits, ghee, hides (raw), manures, oilcakes, pulses, seeds, skins (raw), spices, tobacco (unmanufactured), vegetables, wheat, wheat flour and wool (raw).

## CHAPTER II.

### Imports of Merchandise.

The following table shows the comparative importance of the principal articles imported into British India :—

<i>Imports.</i>		(In thousands of Rupees)		
	1937-38	1938-39	1939-40	Percentage on total imports of merchandise in 1939-40
Cotton and cotton goods . . . . .	27,68.17	22,66.20	22,10.34	13.37
Grain, pulse and flour . . . . .	12,16.85	13,76.46	21,80.54	13.19
Oils . . . . .	18,62.99	15,62.41	18,62.31	11.27
Machinery and millwork . . . . .	17,14.93	10,04.78	14,06.95	8.88
Metals and ores . . . . .	13,39.34	10,86.52	10,87.30	6.58
Vehicles . . . . .	8,92.30	6,63.20	6,67.07	4.16
Instruments, apparatus and appliances . . . . .	6,13.36	5,55.31	5,57.70	3.37
Artificial silk . . . . .	4,87.49	2,23.02	4,58.08	2.78
Chemicals . . . . .	3,32.82	3,05.20	4,51.76	2.73
Dyeing and tanning substances . . . . .	3,94.06	3,11.20	3,60.86	2.18
Paper and pasteboard . . . . .	4,14.71	3,22.93	3,45.92	2.09
Sugar . . . . .	18.60	45.53	3,31.58	2.01
Wood and timber . . . . .	2,98.20	2,86.69	2,69.78	1.63
Provisions and oilman's stores . . . . .	2,60.32	2,48.41	2,63.48	1.59
Drugs and medicines . . . . .	2,36.17	2,20.53	2,61.21	1.58
Spices . . . . .	1,82.83	2,63.43	2,54.50	1.54
Hardware . . . . .	3,31.22	2,57.27	2,26.86	1.37
Liquors . . . . .	2,30.34	2,10.83	2,10.15	1.33
Wool, raw and manufactured . . . . .	4,14.87	2,81.00	2,16.30	1.31
Silk, raw and manufactured . . . . .	2,85.58	1,04.15	1,82.21	1.10
Rubber manufactures . . . . .	1,89.90	1,40.56	1,48.42	0.90
Manures . . . . .	79.67	1,05.17	1,25.15	0.76
Fruits and vegetables . . . . .	1,58.23	1,34.43	1,21.28	0.74
Tobacco . . . . .	85.48	1,04.55	1,16.97	0.71
Paints and painters' materials . . . . .	1,01.86	88.09	1,02.55	0.62
Glass and glassware . . . . .	1,51.88	1,25.12	1,01.77	0.62
Precious stones and pearls, unset . . . . .	1,24.47	1,15.03	87.80	0.53
Tea chests . . . . .	71.70	90.30	83.39	0.50
Stationery . . . . .	81.02	67.04	64.70	0.39
Toilet requisites . . . . .	67.85	66.06	64.50	0.39
Salt . . . . .	55.77	37.80	61.90	0.38
Building and engineering materials . . . . .	69.53	62.16	56.68	0.34
Books, printed, etc. . . . .	61.78	53.92	53.00	0.32
Belting for machinery . . . . .	60.17	49.11	52.88	0.32
Arms, ammunition and military stores . . . . .	1,27.78	50.17	48.99	0.30
Haberdashery and millinery . . . . .	63.51	46.52	43.40	0.26
Apparel . . . . .	67.69	47.50	37.95	0.23
Bobbins . . . . .	42.74	37.02	37.80	0.23
Clocks and watches and parts . . . . .	52.41	42.63	35.99	0.22
Earthenware and porcelain . . . . .	47.81	39.19	35.63	0.22
Toys and requisites for games . . . . .	44.05	37.80	32.62	0.20
Tallow and stearine . . . . .	38.43	32.10	32.38	0.20
Gums and resins . . . . .	27.42	30.13	27.23	0.16
Matches . . . . .	20.44	28.52	24.67	0.15
Soap . . . . .	24.46	22.44	23.67	0.14
Paper making materials . . . . .	18.35	27.39	23.64	0.14
Cutlery . . . . .	30.50	25.04	22.38	0.14
Umbrellas and fittings . . . . .	28.00	14.87	17.20	0.10
Tea . . . . .	18.40	15.73	15.06	0.10
Animals, living . . . . .	35.33	30.72	15.68	0.09
Flax, raw and manufactured . . . . .	22.47	17.06	14.44	0.09
Furniture and cabinetware . . . . .	21.35	15.95	12.71	0.08
Boots and shoes . . . . .	22.40	15.45	10.35	0.06
Jewellery, also plate of gold and silver . . . . .	5.00	8.25	8.82	0.05
Fish (excluding canned fish) . . . . .	6.70	6.89	7.30	0.04
Jute and jute goods . . . . .	6.41	5.93	6.79	0.04
Coal and coke . . . . .	16.65	8.05	2.64	0.02
All other articles . . . . .	9,28.43	7,08.58	8,52.71	5.10
<b>TOTAL VALUE OF IMPORTS</b> . . . . .	<b>173,78.57</b>	<b>152,32.75</b>	<b>165,27.40</b>	<b>100</b>

**Cotton manufactures (R14,05 lakhs).**—Imports of cotton manufactures into British India were valued at R14,05 lakhs during 1939-40 as compared with R14,15 lakhs in the preceding year and showed a decline of R10 lakhs. Particulars of the values of the different classes of cotton manufactures imported during the past three years are shown below :—

	1937-38	1938-39	1939-40
	R (lakhs)	B (lakhs)	R (lakhs)
Twist and yarn . . . . .	2,51	2,98	3,52
<b>Piecegoods—</b>			
Grey (unbleached) . . . . .	1,90	3,07	2,83
White (bleached) . . . . .	4,18	3,30	2,94
Coloured, printed or dyed . . . . .	5,61	3,90	3,98
<b>TOTAL PIECEGOODS</b>	<b>11,69</b>	<b>10,27</b>	<b>0,65</b>
Hosiery . . . . .	29	18	12
Handkerchiefs and shawls . . . . .	10	4	5
Thread . . . . .	52	46	43
Othersorts . . . . .	44	27	28
<b>GRAND TOTAL</b>	<b>15,55</b>	<b>14,15</b>	<b>14,05</b>

Imports of twist and yarn advanced in quantity from 36 million lbs. in 1938-39 to 41 million lbs. in 1939-40, or by 14 per cent, the corresponding increase in value being from R2,93 lakhs to R3,52 lakhs, or 20 per cent. The average declared value per lb. of imported twist and yarn rose from 12 as. 10 p. in 1938-39 to 13 as. 8 p. in the year under review. The following table shows the imports of twist and yarn and the production thereof in Indian mills, classified according to counts, in the past three years :—

	1937-38		1938-39		1939-40	
	Imports	Production	Imports	Production	Imports	Production
	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)
<b>Cotton twist and yarn—</b>						
Nos. 1 to 20 . . . . .	268	609,083	618	688,030	844	608,537
„ 21 to 25 . . . . .	41	160,350	58	190,900	86	178,006
„ 26 to 30 . . . . .	425	142,520	230	150,340	123	137,711
„ 31 to 40 . . . . .	2,582	152,455	5,948	167,747	3,199	157,130
Above No. 40 . . . . .	4,827	85,113	5,548	91,618	7,318	81,755
Two-folds (doubles) . . . . .	14,837	—	24,030	—	20,547	—
Unspecified descriptions . . . . .	18	11,105	18	14,547	15	15,458
<b>TOTAL</b>	<b>21,008</b>	<b>1,160,716</b>	<b>36,459</b>	<b>1,303,240</b>	<b>41,132</b>	<b>1,238,637</b>



## Imports.

It will be observed that imports consisted largely of two-folds (doubles), arrivals of which totalled 29·5 million lbs. and represented 72 per cent of the total quantity of twist and yarn imported during the year under review as against 24·0 million lbs. or 66 per cent in 1938-39. Imports of counts above No. 40 were also on a larger scale, while those of counts No. 31-40 were very much reduced. Imports of other descriptions of twist and yarn are comparatively small. The increase in Indian production, noticed in the preceding year's Review, received a slight set-back in 1939-40, the total output being 1,234 million lbs. as compared with 1,303 million lbs. in 1938-39. With the exception of unspecified descriptions of yarn, all other classes shared in this decline.

Of the total imports, Japan supplied 66 per cent as against 58 per cent in the preceding year, while the shares of China and the United Kingdom dropped from 29 and 13 per cent to 26 and 7 per cent, respectively. The following table shows the details :—

*Imports of cotton twist and yarn and percentage shares of the principal countries in the total imports.*

	QUANTITY			VALUE		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
From—	lbs. (000)	lbs. (000)	lbs. (000)	R (lakhs)	R (lakhs)	R (lakhs)
United Kingdom . . . . .	6,632 (30%)	4,681 (13%)	2,829 (7%)	76 (31%)	49 (17%)	32 (9%)
Japan . . . . .	14,644 (67%)	21,169 (58%)	27,164 (66%)	1,68 (67%)	1,77 (60%)	2,42 (69%)
China (including Hongkong) . . . . .	623 (3%)	10,579 (29%)	10,841 (26%)	4 (2%)	66 (23%)	75 (21%)
Other countries . . . . .	99 ..	30 ..	208 (1%)	1 ..	1 ..	3 (1%)
<b>TOTAL</b> . . . . .	21,998	36,459	41,132	2,51	2,98	3,52
Declared value per lb. . . . .	—	—	—	R.s.p. 1-2-8	R.s.p. 0-12-10	R.s.p. 0-13-8

## Cotton piecegoods.

Imports of cotton piecegoods into British India totalled 579 million yards in 1939-40 and showed a decrease of 68 million yards or 11 per cent as compared with the preceding year. The value of these imports declined by 6 per cent from R10,27 lakhs to R9,65 lakhs. The decrease was distributed over all the three main descriptions of piecegoods, the fall in white and grey goods being comparatively greater than in coloured goods. Imports of the three descriptions of piecegoods during the last three years, distinguishing the shares of the United Kingdom and Japan, together with the percentage variations of the imports in 1939-40 as compared with 1938-39 and 1937-38 are set forth in the following table :—

Imports of cotton piecegoods	Quantity			Percentage Increase (+) or decrease (-) in 1939-40 as compared with 1938-39	Percentage Increase (+) or decrease (-) in 1939-40 as compared with 1937-38	Value			Percentage Increase (+) or decrease (-) in 1939-40 as compared with 1938-39	Percentage Increase (+) or decrease (-) in 1939-40 as compared with 1937-38
	1937-38	1938-39	1939-40			1937-38	1938-39	1939-40		
	Yds. (Millions)	Yds. (Millions)	Yds. (Millions)			R (lakhs)	R (lakhs)	R (lakhs)		
<b>Grey.</b>										
From—										
United Kingdom	24	30	9	-70	-62	44	55	19	-65	-57
Japan	109	227	223	-2	+105	1,45	2,51	2,57	+2	+77
<b>Total</b>	<b>133</b>	<b>258</b>	<b>230</b>	<b>-9</b>	<b>+77</b>	<b>1,00</b>	<b>3,07</b>	<b>2,83</b>	<b>-8</b>	<b>+49</b>
<b>White.</b>										
From—										
United Kingdom	129	102	82	-20	-36	2,82	2,12	1,80	-11	-33
Japan	65	70	43	-39	-34	98	91	65	-20	-34
<b>Total</b>	<b>202</b>	<b>179</b>	<b>134</b>	<b>-25</b>	<b>-34</b>	<b>4,18</b>	<b>3,90</b>	<b>2,84</b>	<b>-14</b>	<b>-32</b>
<b>Coloured.</b>										
From—										
United Kingdom	114	73	54	-26	-53	3,16	1,98	1,54	-21	-51
Japan	132	128	127	-1	-4	2,15	1,71	1,91	+12	-11
<b>Total</b>	<b>256</b>	<b>210</b>	<b>209</b>	<b>-18</b>	<b>-18</b>	<b>5,01</b>	<b>3,90</b>	<b>3,98</b>	<b>+2</b>	<b>-29</b>
<b>Total Cotton piecegoods.</b>										
Share of—										
Bengal	157	249	240	-4	+53	3,03	3,56	3,54	-1	+17
Bombay	205	195	178	-9	-13	4,07	3,22	3,10	-4	-24
Sind	194	171	132	-23	-32	3,75	2,84	2,36	-17	-37
Madras	35	32	29	-9	-17	84	65	65	..	-23
<b>Total</b>	<b>591</b>	<b>647</b>	<b>579</b>	<b>-11</b>	<b>-2</b>	<b>11,69</b>	<b>10,27</b>	<b>9,65</b>	<b>-6</b>	<b>-17</b>

It will be observed that the United Kingdom sustained heavy losses in each of the main classes. The decrease in the case of imports from Japan was mostly confined to white goods. Expressed in percentages, imports of grey goods from the United Kingdom fell by 70 per cent over those in 1938-39, the corresponding decline in the case of Japan being only 2 per cent. In the case of white goods, which are largely imported from the United Kingdom, Japan reduced her supplies by 39 per cent and the United Kingdom by 20 per cent. Under coloured goods, imports from the United Kingdom fell by 26 per cent and those from Japan, by barely 1 per cent. The following table shows the declared values per yard, of grey, white and

## Imports.

coloured goods imported from the United Kingdom and Japan during the last three years :—

	GREY		WHITE		COLOURED	
	United Kingdom	Japan	United Kingdom	Japan	United Kingdom	Japan
	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.
1937-38 . . . . .	0 2 11	0 2 2	0 3 6	0 2 5	0 4 5	0 2 7
1938-39 . . . . .	0 2 11	0 1 9	0 3 4	0 2 1	0 4 4	0 2 2
1939-40 . . . . .	0 3 6	0 1 10	0 3 8	0 2 5	0 4 7	0 2 5

In each of the three main classes, the prices of the imports from Japan were relatively on a lower level than those from the United Kingdom.

Imports of the principal classes of grey, white and coloured goods are detailed below. The figures are in million yards :—

	1937-38	1938-39	1939-40
<b>Grey (unbleached)—</b>			
Dhuties, saris and scarves . . . . .	39·6	78·8	65·0
Jaconets, madapollams, mulls, etc. . . . .	7·6	5·5	2·9
Longcloth and shirtings . . . . .	84·1	170·0	165·4
Sheetings . . . . .	0·3	1·6	1·1
Drills and jeans . . . . .	0·3	0·7	0·3
Other sorts . . . . .	1·2	1·0	1·0
<b>TOTAL</b> . . . . .	<b>133·1</b>	<b>257·6</b>	<b>235·7</b>
<b>White (bleached)—</b>			
Dhuties, saris and scarves . . . . .	1·0	1·5	0·8
Jaconets, madapollams, mulls, etc. . . . .	121·0	109·2	75·4
Longcloth and shirtings . . . . .	54·6	52·6	44·0
Nainsooks . . . . .	4·0	1·5	1·0
Drills and jeans . . . . .	3·2	1·7	2·4
Checks, spots and stripes . . . . .	4·4	2·1	1·4
Twills . . . . .	4·8	4·3	2·9
Other sorts . . . . .	9·2	6·2	5·8
<b>TOTAL</b> . . . . .	<b>202·2</b>	<b>179·1</b>	<b>133·7</b>

## Cotton piecegoods.

	1937-38	1938-39	1939-40
Coloured, printed or dyed—			
Dhutios, saris and scarves . . . . .	16.3	15.8	8.4
Cambrics, etc. . . . .	26.8	17.0	15.3
Shirtings . . . . .	52.8	43.4	57.8
Prints and chintz . . . . .	8.0	6.2	4.7
Drills and jeans . . . . .	69.2	68.3	75.1
Checks, spots and stripes . . . . .	14.9	13.7	4.7
Twills . . . . .	12.1	8.5	11.4
Other sorts . . . . .	55.4	37.6	32.2
<b>TOTAL</b>	<b>255.5</b>	<b>210.5</b>	<b>209.6</b>

All the descriptions under grey and white goods, with the exception of a relatively unimportant item, drills and jeans under white, recorded decreases. In the coloured sections, however, there were appreciable increases under shirtings, drills and jeans and twills, while all other classes showed a decline. The following table gives the percentage shares of the United Kingdom and Japan in the imports of piecegoods during the last three years:—

	GREY		WHITE		COLOURED, ETC.	
	United Kingdom	Japan	United Kingdom	Japan	United Kingdom	Japan
1937-38 . . . . .	18.0	81.8	63.6	32.1	44.6	51.8
1938-39 . . . . .	11.6	88.0	57.0	39.1	34.8	61.0
1939-40 . . . . .	3.8	94.7	61.4	32.2	25.0	60.6

The United Kingdom retained the position as the leading supplier in bleached goods, but she lost considerable ground in grey and coloured goods, the two lines in which Japanese competition was more effective than in the other.

The quantities of cotton piecegoods, as well as the quantity *per capita* available for consumption in India in each year from 1937-38 are shown in the table below. In calculating *per capita* consumption, variations in population from year to year have been allowed for. It should be noted that in making these estimates, no account has been taken of the exports by land and stocks left over from year to year. It should also be remembered that the figures for handloom production are only estimates based on the quantity of yarn available for consumption each year.

## Imports.

*Consumption per capita of cotton piecegoods and handloom products in India.*

Year	NET IMPORTS		NET AVAILABLE MILL PRODUCTION		HANDLOOM PRODUCTION		NET AVAILABLE FOR CONSUMPTION	
	Actual	Per capita	Actual	Per capita	Estimated	Per capita	TOTAL	Per capita
	Yards crores	Yards	Yards crores	Yards	Yards crores	Yards	Yards crores	Yards
1937-38 . . .	58	1.61	384	10.67	140	4.14	591	16.42
1938-39 . . .	63	1.70	409	11.05	192	5.19	664	17.91
1939-40 . . .	56	1.52	370	10.24	181	4.59	616	16.65

Imports of fents declined from 4.9 million lbs. valued at R35 lakhs in 1938-39 to 4.1 million lbs. valued at R31 lakhs in the year under review. These consisted largely of cotton fents, imports of which totalled 4.0 million lbs. (20.2 million yards) as against 4.8 million lbs. (23.7 million yards) in 1938-39. Imports of fents of silk or artificial silk or mixture thereof were prohibited throughout the year 1939-40, while fents of other materials were imported to the extent of 74,000 lbs. as against 99,000 lbs. in 1938-39. Supplies of fents of all descriptions from Japan and the United States of America were on a reduced scale being valued at R14 lakhs and R6 lakhs as compared with R15 lakhs and R9 lakhs, respectively, in 1938-39. Imports from the United Kingdom, amounting to 1.2 million lbs., showed a small decline in quantity, the value remaining steady at R10 lakhs.

Imports of sewing thread declined in value from R40 lakhs in 1938-39 to R37 lakhs in 1939-40, of which the United Kingdom supplied to the value of R33 lakhs as against R32 lakhs in the preceding year. The remainder came chiefly from the Netherlands and Belgium.

Imports of hosiery, including knitted fabrics, receded further in value from R18 lakhs to R12 lakhs. Supplies from Japan were valued at R9 lakhs as compared with R14 lakhs in 1938-39. Imports from the United Kingdom were comparatively small being valued at R1 lakh as in the preceding year.

Imports of haberdashery and millinery, of which lace and embroidery and ribbons represented R11 lakhs and R2 lakhs, respectively, were valued at R43 lakhs in 1939-40 as compared with R47 lakhs in 1938-39. Imports from Japan advanced from R18 lakhs to R24 lakhs. Among other countries, the United Kingdom supplied to the value of R7 lakhs; Germany, R2 lakhs and Italy, R6 lakhs their respective contribution in the preceding year being R8 lakhs, R4 lakhs and R11 lakhs.

Artificial silk (R4.59 lakhs).—The total value of the imports of artificial silk and manufactures advanced sharply from R2.24 lakhs in 1938-39 to R4.59 lakhs in the year under review. Artificial silk yarn was imported to

## Wool.

the extent of 30·8 million lbs. valued at R2,12 lakhs as compared with 17·2 million lbs. valued at R96 lakhs in the preceding year, showing an improvement of 79 per cent in quantity and 121 per cent in value. Japan regained her leading position and supplied 21·9 million lbs. as against 6·5 million lbs. in 1938-39, while imports from Italy dropped from 10·5 million lbs. to 8·7 million lbs. The average declared value per lb. of imports from Japan and Italy during 1939-40 was 11 as. 5 p. and 9 as. 8 p., the respective figures for the preceding year being 10 as. 2 p. and 8 as. 1 p. Imports of piecegoods, made entirely of artificial silk, also rose from 28·6 million yards valued at R98 lakhs in 1938-39 to 54·3 million yards valued at R2,11 lakhs in the year under review. Of these, Japan supplied 51·6 million yards or 95 per cent (R1,95 lakhs) as against 26·3 million yards or 92 per cent (R87 lakhs) in the preceding year. The remainder came chiefly from the United Kingdom, imports from that country being valued at R7 lakhs as against R6 lakhs in 1938-39. The declared value, per yard, of imports from Japan was 6 as. 1 p. as compared with 5 as. 4 p. in 1938-39. Imports of goods of artificial silk mixed with other materials totalled 6·7 million yards valued at R28 lakhs as compared with 5·0 million yards valued at R22 lakhs a year ago. Japan increased her supplies to 5·9 million yards (R20 lakhs) from 4·3 million yards (R14 lakhs) in 1938-39. The remainder came mainly from the United Kingdom (R4 lakhs) and Germany and Italy (R1 lakh each). The average declared value per yard, of the imports from Japan was 5 as. 7 p. and of those from the United Kingdom, 12 as. 9 p., as compared with 5 as. 2 p. and 13 as. 2 p., respectively, in the preceding year.

**Wool, raw and manufactured (R2,16 lakhs).**—There was a decline of R66 lakhs in the imports of wool and woollens which were valued at R2,16 lakhs in 1939-40, as compared with R2,82 lakhs in the preceding year. Imports of raw wool, generally for consumption in Indian mills, totalled 7·7 million lbs. valued at R75 lakhs as compared with 7·3 million lbs. valued at R62 lakhs in 1938-39. Supplies from Australia advanced from 4·4 million lbs. (R36 lakhs) to 4·9 million lbs. (R49 lakhs), while those from the United Kingdom declined from 2·5 million lbs. (R25 lakhs) to 1·9 million lbs. (R23 lakhs). Yarn and knitting wool was, however, in less demand and imports fell from 3·4 million lbs. to 2·9 million lbs. Japan was the leading supplier in this line and sent 1·7 million lbs. of worsted yarn and 893,000 lbs. of knitting wool in 1939-40. Arrivals from the United Kingdom consisted mainly of 150,000 lbs. of knitting wool. Imports of woollen and worsted piecegoods declined to 2·3 million yards (1·1 million lbs.) valued at R35 lakhs from 2·5 million yards (1·4 million lbs.) valued at R45 lakhs in 1938-39. Receipts from Japan advanced from 1,254,000 yards to 1,535,000 yards, but the value of the consignment fell from R15 lakhs to R14 lakhs. There were reduced imports from the United Kingdom which amounted to 651,000 yards valued at R18 lakhs. Arrivals from other countries included R2 lakhs from Italy as against R4 lakhs in the preceding year, while German contribution fell from R2 lakhs to R½ lakh. Imports of woollen goods mixed with other materials also fell from 2·3 million yards valued at R32 lakhs to 1·2 million yards valued at R16 lakhs in the year under review, of which the United Kingdom supplied 698,000 yards valued at R9 lakhs as against 1·7 million yards valued at R22 lakhs in 1938-39.

## Imports.

Supplies from Japan and Italy were smaller than in the preceding year and were valued at R3 lakhs and R2½ lakhs, respectively, in the year under review. Imports from Germany were practically insignificant.

Imports of foreign carpets and floor rugs were valued at R2 lakhs in 1939-40 as in the preceding year. Of the total value of these imports in the year under review, the United Kingdom supplied to the extent of R1 lakh or 50 per cent. The remainder came mainly from Iran and France.

Imports of shawls and lohis numbered 148,000 valued at R4 lakhs as against 479,000 valued at R14 lakhs in the preceding year. Japan almost monopolised the trade in 1939-40 displacing Germany whose share fell from 28 per cent to 6 per cent in value.

Imports of blankets and rugs, other than floor rugs, declined sharply from 4.1 million lbs. valued at R32 lakhs to 1.7 million lbs. valued at R12 lakhs in 1939-40. Italy was, as usual, the largest supplier, consignments from that country being valued at R11 lakhs as against R30 lakhs in the preceding year.

Of the total imports of woollen hosiery valued at R10 lakhs in 1939-40 as against R13 lakhs in the preceding year, Japan supplied R5 lakhs and the United Kingdom, R4 lakhs.

**Silk, raw and manufactured (R1.82 lakhs).**—The total value of the imports of silk, raw and manufactured, receded further to R1.82 lakhs in the year under review. Imports of raw silk declined in quantity from 2.2 million lbs. in 1938-39 to 2.0 million lbs. in the year under review, but rose in value from R62 lakhs to R63 lakhs. China continued to be the principal source of supply and increased her contribution from 1.2 million lbs. (R32 lakhs) to 1.4 million lbs. (R42 lakhs). Japan was practically out of the market consignments from that country having been valued at R12 lakhs in 1938-39. As a result of the imposition of duty on the imports of raw silk from Burma referred to in the previous Review, arrivals from that country dropped from 418,000 lbs. to 3,000 lbs. Arrivals from other countries included 643,000 lbs. of raw silk valued at R21 lakhs from Hongkong as against 223,000 lbs. valued at R6 lakhs in the preceding year. There was a decrease in the imports of silk yarn which amounted to 910,000 lbs. (R24 lakhs) as compared with 1,120,000 lbs. (R32 lakhs) in 1938-39. Supplies from Japan fell from 588,000 lbs. valued at R22 lakhs to 257,000 lbs. valued at R11 lakhs. The remainder came chiefly from China (R9 lakhs) and Italy (R2 lakhs). Imports of silk piecegoods also declined from 16.9 million yards valued at R67 lakhs to 9.1 million yards valued at R54 lakhs in 1939-40 of which Japan supplied 4.9 million yards (R31 lakhs) as against 11.8 million yards (R45 lakhs). Imports from China were valued at R19 lakhs as compared with R17 lakhs in the preceding year. There were, however, increased imports of goods of silk mixed with other materials amounting to 8.1 million yards valued at R39 lakhs in 1939-40 as against 5.9 million yards valued at R31 lakhs in 1938-39. China increased her contribution from 1.6 million yards (R9 lakhs) to 5.0 million yards (R21 lakhs), while Japan reduced her supplies from 3.8 million yards (R18 lakhs) to 2.7 million yards (R14 lakhs) in 1939-40.

## Iron and steel.

**Iron and steel (R6.09 lakhs).**—In the beginning of the year 1939 the conditions in the iron and steel industry remained somewhat quiet, but with the growth of armament requirements, production of both pig iron and steel in the United Kingdom, as far as could be judged from available information, reached very high levels. At the outbreak of the war, the industry was placed under State control and deliveries to exporters were licensed. Production in Belgium, Luxemburg and in the United States of America also showed marked increases during the year.

The output of pig iron in India advanced from 1,576,000 tons in 1938-39 to 1,838,000 tons in 1939-40 or by 17 per cent and that of steel ingots from 977,000 tons to 1,070,000 tons or by 10 per cent. The production of finished steel, which excludes the production of some re-rolling mills using either imported or Tata's *semis*, also showed an increase from 726,000 tons to 804,000 tons, the improvement being noticeable in almost all the descriptions under this class. The following table shows the details for the last two years :—

*Production of pig iron and iron and steel manufactures in India during 1938-39 and 1939-40.*

(In thousand tons)

Description	1938-39	1939-40	Increase (+) Decrease (-)
Pig iron . . . . .	1,576	1,838	+262
Iron castings and manufactures . . . . .	88	129	+41
Steel Ingots . . . . .	977	1,070	+93
Semis . . . . .	791	872	+81
<b>Finished Steel—</b>			
Angles . . . . .	51	57	+6
Tees . . . . .	5	8	+3
Sheets { Galvanised . . . . .	95	103	+8
{ Black . . . . .	26	36	+10
Plates . . . . .	65	76	+11
Rails . . . . .	94	104	+10
Steel sleepers . . . . .	17	19	+2
Fish Plates . . . . .	4	4	..
Tin Plates . . . . .	46	61	+15
Bars, Beams and Channels . . . . .	287	305	+18
Others . . . . .	36	31	-5
<b>TOTAL FINISHED STEEL</b>	<b>726</b>	<b>804</b>	<b>+78</b>

Imports of foreign pig iron into India, mostly from the United Kingdom, declined from 2,800 tons valued at R3 lakhs in 1938-39 to 1,600 tons valued at R2 lakhs in the year under review. The declared value, per ton, of imported pig iron was R110 as against R124 in 1938-39. Imports of ferro-alloys rose from 4,200 tons valued at R10 lakhs to 4,800 tons valued at R14 lakhs in 1939-40. Manufactured iron and steel (excluding pig iron and old iron and steel) recorded a further decrease from 264,000 tons to 255,000 tons



## Imports.

in quantity and from R6,62 lakhs to R6,05 lakhs in value. The declared value, per ton, was R237 during 1939-40 as compared with R251 in the preceding year. The following table shows the quantities and values of the principal descriptions of iron and steel imported into British India during the last three years :—

	Quantity Ton (000)			Value R (lakhs)		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Steel angle and tee . . . . .	14.3	9.4	6.2	21.6	15.8	10.1
Steel bars (other than cast steel) . . . . .	51.2	17.0	21.0	96.7	43.6	41.7
Beams, channels, pillars, girders and bridgework. . . . .	26.4	18.7	10.0	40.7	30.6	16.0
Bolts and nuts . . . . .	10.5	8.8	5.7	35.1	31.7	22.0
Fencing materials (including fencing wire). . . . .	4.3	4.1	5.1	12.3	12.3	13.7
Hoops and strips . . . . .	48.5	24.4	33.2	85.7	48.5	73.2
Nails, rivets and washers . . . . .	15.3	11.2	8.9	45.6	34.4	37.8
Galvanised sheets and plates . . . . .	42.8	25.7	15.6	97.4	59.1	37.9
Tinned sheets and plates . . . . .	7.4	14.0	6.5	28.9	48.9	24.7
Sheets and plates not galvanised or tinned. . . . .	23.8	26.0	16.7	46.4	51.6	33.8
Rails, chains and fishplates . . . . .	7.5	11.5	10.0	11.1	14.7	11.5
Tubes, pipes and fittings, wrought . . . . .	41.4	34.3	32.5	1,07.0	1,03.8	1,01.0
Wire nails . . . . .	6.2	4.9	5.6	15.2	10.0	13.4
Wire rope . . . . .	4.8	3.2	3.3	23.7	20.7	22.1
Cast pipes and fittings . . . . .	1.4	2.5	2.5	7.0	9.0	8.5
Sleepers and keys of steel or iron for railways. . . . .	2.5	0.8	1.4	4.1	2.0	3.0

As regards the classes of iron and steel goods imported into India, the largest decreases were in beams, channels, pillars, etc., sheets and plates, nails, rivets etc., and bolts and nuts, while there were increases under hoops and strips and fencing materials. Galvanised sheets and plates were imported to the extent of 15,600 tons valued at R38 lakhs as against 25,700 tons valued at R59 lakhs in 1938-39. There was also a decrease in the imports of tin plates which amounted to 6,500 tons valued at R25 lakhs in 1939-40 as compared with 14,000 tons valued at R49 lakhs in the preceding year. Imports of sheets and plates, not galvanised or tinned, declined from 26,000 tons to 16,700 tons, the corresponding decrease in value being from R52 lakhs to R34 lakhs. Construction materials—beams, channels, pillars, girders and bridgework—came in smaller quantities, imports having totalled 10,000 tons valued at R16 lakhs in 1939-40 as compared with 18,700 tons valued at R31 lakhs in 1938-39. There was also a decrease in the imports of steel angles and tees which amounted to 6,200 tons valued at R10 lakhs as against 9,400 tons valued at R15 lakhs in the preceding year. On the other hand, imports of steel bars, chiefly from the United Kingdom, advanced from 17,000 tons in 1938-39 to 21,000 tons in 1939-40, but with a decrease in value from R44 lakhs to R42 lakhs. Imports of hoops and strips improved from 24,400 tons to 33,200 tons, an increase of about 36 per cent in quantity, the corresponding rise in value being from R49 lakhs to R73 lakhs or 49 per cent. Among other items,

## Other metals.

imports of bolts and nuts; nails, rivets and washers and rails, chairs and fishplates, showed decreases, while wire nails recorded an increase over the preceding year.

A feature of the year's trade is the very large importation of *semis*—ingots, blooms, billets and slabs—from Australia amounting to 37,000 tons as compared with 12,000 tons in 1938-39. As might be expected, there was a heavy reduction in the imports from the United Kingdom from 136,000 tons in 1938-39 to 96,000 tons in 1939-40 and concurrently her relative share in total imports dropped from 50·0 to 36·9 per cent. Imports from Germany and Belgium also fell from 30,000 tons (or 11 per cent) and 33,000 tons (or 12·1 per cent) to 17,000 tons (or 6·5 per cent) and 30,000 tons (or 11·5 per cent), respectively. France, on the other hand, increased her share from 10,000 tons (or 3·7 per cent) to 13,000 tons (or 5 per cent). Imports from the United States of America also rose from 9,000 tons in 1938-39 to 13,000 tons in 1939-40, her percentage share in the total trade having risen from 3·3 to 5·0. Among other countries, imports from Japan, consisting largely of galvanized sheets, rose from 17,000 tons to 24,000 tons. These imports represented 9·2 per cent of the total trade as against 6·2 per cent in 1938-39. The following table gives the particulars :—

	United Kingdom		Germany		Belgium		France		United States		Other countries		TOTAL
	Tons (thousand)	Share per cent	Tons (thousand)	Share per cent	Tons (thousand)	Share per cent	Tons (thousand)	Share per cent	Tons (thousand)	Share per cent	Tons (thousand)	Share per cent	
1937-38	168	45·5	50	13·5	54	14·6	14	3·8	27	7·3	56	15·3	369
1938-39	136	50·0	30	11·0	33	12·1	10	3·7	9	3·3	54	10·0	272
1939-40	96	36·9	17	6·5	30	11·5	13	5·0	13	5·0	92	35·1	261

**Other Metals (R4,74 lakhs).**—Imports of aluminium, consisting largely of circles, declined from 58,000 cwts. valued at R46 lakhs in 1938-39 to 32,000 cwts. valued at R26 lakhs in 1939-40, the decline being most noticeable in the second half of the year. Smaller supplies from the United Kingdom and Germany accounted for a decrease also in the imports of brass, chiefly in the form of mixed or yellow metal for sheathing which amounted to 195,000 cwts. valued at R73 lakhs as compared with 315,000 cwts. valued at R1,06 lakhs in the preceding year. On the other hand, imports of copper, chiefly wrought, advanced from 169,000 cwts. valued at R61 lakhs to 244,000 cwts. valued at R1,09 lakhs. All the principal sources of supply, with the exception of Germany, increased their contribution in the year under review. Lead was imported mainly in the form of pig lead from Burma, imports of which amounted to 229,000 cwts. valued at R35 lakhs as against 119,000 cwts. valued at R14 lakhs in 1938-39. Imports of lead, wrought (chiefly pipes and tubes), however, declined from 27,000 cwts. to 24,000 cwt., but the value remained fairly steady at R6 lakhs. The United Kingdom was the principal source of supply in this line. Imports of tin, consisting mainly of blocks, ingots, etc., improved from 56,000 cwts. valued at R71 lakhs to 76,000 cwts. valued at R1,21 lakhs in 1939-40. These imports were, as usual, consigned mostly from the Straits Settlements and, to a less extent, from Burma. Arrivals of unwrought zinc showed a

## Imports.

decrease in quantity from 505,000 cwts. to 427,000 cwts., the value remaining fairly stationary at R53 lakhs. There were increased supplies from the United Kingdom and, before the outbreak of war, also from Germany, while all other principal countries, *e.g.*, Australia, Belgium and the United States of America, reduced their contribution. Imports of wrought zinc amounted to 19,000 cwts. valued at R4 lakhs in 1939-40 as compared with 16,000 cwts. valued at R3 lakhs in 1938-39. Imports of German silver, including nickel silver, fell from 35,000 cwts. valued at R16 lakhs to 27,000 cwts. valued at R11 lakhs. Imports of quicksilver amounted to 198,000 lbs. valued at R9 lakhs as compared with 181,000 lbs. valued at R5 lakhs in the preceding year. A feature of the trade in 1939-40 was the importation of 43,000 lbs. of quicksilver from China and Hongkong, while the shares of Italy and Spain were further reduced.

**Machinery and Millwork (R15,37 lakhs).**—There was a sharp decline in the imports of machinery and millwork including beltings and printing machinery in 1939-40 which were valued at R15,37 lakhs as compared with R19,72 lakhs in 1938-39. The following table shows the details for the last three years :—

—	1937-38	1938-39	1939-40
	R (lakhs)	R (lakhs)	R (lakhs)
Prime-movers . . . . .	1,70	1,87	1,69
Electrical . . . . .	2,69	3,72	2,36
Agricultural machinery . . . . .	11	14	19
Boilers . . . . .	1,17	1,40	85
Metal working (chiefly machine tools) . . . . .	36	39	50
Mining . . . . .	17	25	48
Oil crushing and refining . . . . .	23	44	29
Paper mill . . . . .	45	28	13
Refrigerating . . . . .	28	14	21
Rice and flour mill . . . . .	9	7	6
Saw mill . . . . .	4	4	4
Sewing and knitting machines and parts . . . . .	82	57	73
Sugar machinery . . . . .	69	61	51
Tea machinery . . . . .	21	23	17
Cotton machinery . . . . .	2,92	2,67	1,96
Jute mill machinery . . . . .	1,06	71	46
Wool machinery . . . . .	3	2	3
Typewriters, including parts and accessories . . . . .	22	15	21
Printing and lithographing presses . . . . .	23	19	18
Belting for machinery . . . . .	60	49	53

The value of electrical machinery imported declined from R3,72 lakhs to R2,36 lakhs of which the United Kingdom supplied R1,56 lakhs and Germany, R21 lakhs as against R2,34 lakhs and R62 lakhs, respectively, in 1938-39. Consignments from the United States of America also declined in value from R21 lakhs to R18 lakhs. Imports of textile machinery receded further from R3,79 lakhs to R2,79 lakhs of which cotton machinery accounted for R1,96 lakhs in 1939-40 as against R2,67 lakhs in the preceding year. Supplies from the United Kingdom were valued at R1,56 lakhs or 80 per cent as compared with R1,96 lakhs or 73 per cent in

## Hardware.

1938-39, while German contribution fell from 12 per cent to 7 per cent. Imports of jute mill machinery also recorded a fall from R71 lakhs to R46 lakhs. There was also a decline in the imports of primemovers and boilers which were valued at R1,69 lakhs and R85 lakhs in 1939-40 as compared with R1,87 lakhs and R1,40 lakhs, respectively, in the preceding year. Increases were, however, noticeable in the imports of belting for machinery (valued at R53 lakhs); mining machinery (R48 lakhs); agricultural machinery (R19 lakhs); refrigerating machinery (R21 lakhs); sewing and knitting machines and parts (R73 lakhs); metal working machinery—chiefly machine tools (R50 lakhs); and typewriters and parts (R21 lakhs). On the other hand, imports of oil crushing and refining machinery (valued at R29 lakhs); sugar machinery (R51 lakhs); paper-mill machinery (R13 lakhs); tea machinery (R17 lakhs); rice and flour mill machinery (R6 lakhs) and printing and lithographic presses (R18 lakhs) showed decreases as compared with 1938-39. The following table shows the relative shares of the principal countries in the import trade in machinery and millwork :—

*Imports of machinery and millwork (including belting for machinery and printing machinery).*

—	1937-38		1938-39		1939-40	
	R (lakhs)	Per cent	R (lakhs)	Per cent	R (lakhs)	Per cent
United Kingdom . . . . .	11,38	63.3	11,60	58.8	9,37	60.0
United States . . . . .	1,51	8.4	2,24	11.4	2,64	17.2
Germany . . . . .	2,06	14.8	3,18	16.1	1,41	9.2
Belgium . . . . .	26	1.4	40	2.0	26	1.7
Other countries . . . . .	2,17	12.1	2,30	11.7	1,69	11.0
<b>TOTAL</b> . . . . .	17,96	100	19,72	100	15,37	100

With the exception of the United States of America, imports from all other principal countries were on a reduced scale. Imports from the United Kingdom were valued at R9,37 lakhs in 1939-40 as against R11,60 lakhs in the preceding year, but her percentage share in the total trade rose from 59 to 61. Smaller supplies from Germany and Belgium resulted in a decline in their percentage shares from 16 and 2.0 to 9 and 1.7, respectively; while the United States of America advanced her position and supplied 17 per cent of the total imports in 1939-40 as compared with 11 per cent in 1938-39.

**Hardware (R2,27 lakhs).**—Owing mainly to reduced imports during the latter half of the year under review, there was a decline of 12 per cent in the value of the imports of hardware which amounted to R2,27 lakhs as compared with R2,57 lakhs in 1938-39. The principal items included in this

## Imports.

group with figures for respective imports during the past three years are shown in the table below :—

	1937-38	1938-39	1939-40
	R (lakhs)	R (lakhs)	R (lakhs)
Agricultural implements . . . . .	3	3	3
Other implements and tools (except machine tools) . . . . .	59	50	50
Builders' hardware . . . . .	32	30	22
Domestic hardware . . . . .	9	10	5
Enamelled ironware . . . . .	16	12	12
Metal lamps . . . . .	56	31	25
Metal lamps, parts . . . . .	5	3	3
Stoves . . . . .	5	4	3
Gas mantles . . . . .	3	1	2
Other sorts . . . . .	1,48	1,13	1,02

Imports of agricultural implements, chiefly from the United Kingdom showed very little change and were valued at R3 lakhs. Imports of other implements and tools, except machine tools, also remained practically steady at R50 lakhs, to which the United Kingdom contributed 46 per cent (50 per cent); United States of America, 34 per cent (21 per cent); and Germany, 10 per cent (16 per cent); the figures in brackets representing the percentage shares in the preceding year. The number of metal lamps imported fell from 2·7 million valued at R31 lakhs to 2·5 million valued at R25 lakhs. These were consigned mostly from Germany before the outbreak of war and amounted to 1·7 million lamps valued at R16 lakhs as compared with 2·3 million valued at R25 lakhs in 1938-39. Imports from the United States of America advanced from 246,000 to 355,000 in quantity, the rise in value being from R3 lakhs to R4 lakhs. Supplies from Japan were comparatively small and amounted to 47,000 as in the preceding year, while those from Hungary totalled 166,000 lamps as against 15,000 in 1938-39. The value of the parts of metal lamps imported in 1939-40 remained fairly steady at R3 lakhs; the German contribution, however, fell from R2 lakhs to R1 lakh. As in the preceding year, the imports of enamelled iron ware were valued at R12 lakhs in 1939-40 of which Japan supplied to the value of R7 lakhs as against R5 lakhs in the preceding year. The value of the imports of builders' hardware declined from R30 lakhs to R22 lakhs in 1939-40, to which the United Kingdom contributed R5 lakhs and Germany, R9 lakhs—their respective shares in the preceding year being R6 lakhs and R16 lakhs. Imports from Sweden and Japan remained fairly steady at R5 lakhs and R2 lakhs, respectively. Among other specified items, there were decreases under domestic hardware, stoves, safes and strong boxes of metal and glass lamps.

## Motor vehicles.

Of the total imports of hardware, the United Kingdom supplied to the value of R86 lakhs as against R98 lakhs in 1938-39, but her percentage share remained steady at 38. Germany reduced her contribution from R75 lakhs or 29 per cent to R48 lakhs or 21 per cent. Supplies from Japan were valued at R25 lakhs or 11 per cent and those from the United States of America, at R32 lakhs or 14 per cent as compared with R21 lakhs (8 per cent) and R22 lakhs (9 per cent), respectively, in the preceding year. The following table compares these percentages with those for the preceding two years :—

### Imports of hardware.

	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent
United Kingdom . . . . .	34	38	38
Germany . . . . .	34	29	21
United States of America . . . . .	8	9	14
Japan . . . . .	9	8	11
Other Countries . . . . .	15	16	16
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

The value of cutlery imported declined further from R26 lakhs in 1938-39 to R22 lakhs in 1939-40, of which razors represented R13 lakhs, pruning knives, R2 lakhs and other cutlery, R7 lakhs. Of the total imports, the United Kingdom supplied to the value of R12 lakhs as compared with R9½ lakhs in the preceding year. Japan also improved her share from R1 lakh to R2 lakhs while the share of Germany fell from R14 lakhs to R6 lakhs.

Imports of electroplated ware in 1939-40 were valued at R2 lakhs as in the preceding year. These were, as usual, drawn chiefly from the United Kingdom.

**Motor Vehicles (R5,18 lakhs).**—In recent years the United Kingdom and the United States of America were the largest suppliers of motor vehicles to India, the former concentrating more on motor cars than on heavier motor vehicles. Despite expansion in military demand in the United Kingdom, imports of motor cars from that country into India showed no slackening during the year under review. The total number of motor cars imported into British India declined from 11,058 valued at R2,17 lakhs in 1938-39 to 9,972 valued at R2,07 lakhs in the year under review. The table below shows the

## Imports.

number of motor cars imported during the past three years indicating the principal sources of supply :—

*Number of motor cars imported.*

—	United Kingdom	United States of America	Canada	France	Italy	Other countries	TOTAL
1937-38 . . .	6,419	4,876	1,612	98	281	2,411	15,697
1938-39 . . .	5,117	3,170	972	66	232	1,601	11,058
1939-40 . . .	5,344	2,969	963	64	232	400	9,972

Imports from all the principal countries, with the exception of the United Kingdom, recorded decreases. Consignments from the United Kingdom, numbered 5,344 in 1939-40 as compared with 5,117 in the preceding year. Imports from the United States of America and Canada, on the other hand, fell from 3,170 and 972 to 2,969 and 963, respectively, in 1939-40. Arrivals from Italy, however, remained unchanged at 232 but, as might be expected, German supplies declined from 1,253 to 255. Imports from other countries included 64 from France as compared with 66 in 1938-39.

The number of motor omnibuses, vans and lorries imported during the year under review advanced from 7,808 in 1938-39 to 14,537 in 1939-40, the corresponding increase in value being from R1,18 lakhs to R2,05 lakhs. The growth in imports of these vehicles was stimulated to some extent by India's military requirements. These imports, consisting largely of chassis, are mainly consigned from the United States of America and Canada. Imports from these two sources numbered 10,362 and 3,531 in 1939-40 as compared with 5,095 and 1,958, respectively, in 1938-39. There was however, a decrease in the imports from the United Kingdom which numbered 563 as against 607 in the preceding year. The average declared value of chassis imported from the United Kingdom in 1939-40 was lower than in the preceding year and amounted to R2,048, the corresponding figures for the United States of America and Canada being R1,263 and R1,534, respectively. The following table shows the total number of motor omnibuses, vans, etc., imported during the past three years :—

*Imports of motor omnibuses, vans, etc.*

—	United Kingdom	United States of America	Canada	Other countries	TOTAL
1937-38 . . .	2,337	10,035	2,197	508	15,077
1938-39 . . .	607	5,095	1,958	148	7,808
1939-40 . . .	563	10,362	3,531	81	14,537

## Cycles.

Imports of motor cycles declined from 1,371 to 1,026 in number, the corresponding fall in value being from R4½ lakhs to R3½ lakhs. Germany sent—practically before the outbreak of war—602 cycles valued at R1½ lakhs as against 958 valued at R2½ lakhs in 1938-39. Imports from the United Kingdom fell slightly from 349 to 342 in number, the value, however, remaining fairly steady at R1½ lakhs. The following table shows the number of all classes of motor vehicles running in the different provinces of British India at the end of March, 1940 :—

Provinces	Motor cars including taxi cabs	Motor cycles, including scooters and auto-wheels	Heavy motor vehicles (lorries, buses, etc.)	TOTAL
	No.	No.	No.	No.
Bengal (excluding Calcutta and Howrah Town).	4,391	402	2,481	7,274
Calcutta including Howrah Town* .	18,030	737	3,700	22,467
Bombay . . . . .	18,350	1,638	7,969	27,957
Madras City . . . . .	5,126	468	846	6,440
Madras Province (excluding Madras City).	9,208	935	4,695	14,838
United Provinces* . . . . .	13,570	978	3,564	18,112
Punjab . . . . .	6,246	831	6,295	13,372
Bihar . . . . .	5,549	619	1,409	7,577
Orissa . . . . .	767	126	373	1,266
Central Provinces and Berar . . . . .	3,918	746	1,674	6,538
Sind . . . . .	3,450	462	914	4,826
Delhi Province . . . . .	(a)	(a)	(a)	(a)
North-West Frontier Province . . . . .	1,523	150	1,352	3,025
Ajmer-Merwara . . . . .	730	86	162	978
Assam . . . . .	3,427	209	2,155	5,791

\* As at 31st December, 1939.

(a) Figures not yet available.

Imports of cycles and parts thereof in 1939-40 were valued at R74 lakhs as compared with R96 lakhs in the preceding year. Cycles (R74 lakhs). Of these, cycles imported entire or in sections numbered 92,249 valued at R33 lakhs as against 138,036 valued at R48 lakhs in 1938-39. The United Kingdom was, as usual, the largest



## Imports.

supplier and sent 90,555 complete machines in 1939-40 or 46,278 less than in the preceding year. Imports from Japan numbered 1,333 in 1939-40 as against 830 in 1938-39, while the consignments from Germany fell to 69 from 196 a year ago. Imports of parts and accessories were valued at R41 lakhs as compared with R48 lakhs in 1938-39. Of the total value of all these imports in 1939-40, the United Kingdom supplied 77 per cent as compared with 80 per cent in the preceding year. The share of Germany also fell from 8 per cent to 7 per cent, while the contribution of Japan advanced from 9 per cent to 13 per cent.

Imports of rubber manufactures were valued at R1,48 lakhs in 1939-40 as compared with R1,41 lakhs in the preceding year. The table below summarises the trade under principal classifications :—

### *Imports of Rubber manufactures.*

—	1937-38		1938-39		1939-40	
	Number (000)	R (000)	Number (000)	R (000)	Number (000)	R (000)
Pneumatic motor covers . . .	256.9	1,22,91	218.3	91,80	214.0	1,05,59
Pneumatic motor cycle covers . .	1.0	22	1.4	14	1.6	12
Pneumatic cycle covers . . .	980.2	11,85	671.3	7,13	457.0	4,99
Pneumatic motor tubes . . .	206.2	11,51	161.7	8,03	144.2	8,50
Pneumatic motor cycle tubes . .	3.0	7	1.6	8	6.1	8
Pneumatic cycle tubes . . .	1,702.0	6,87	1,128.3	4,04	824.3	3,72
Solid rubber tyres for motor vehicles	2.1	2,31	1.1	91	0.6	34

Imports of pneumatic motor covers which represented 72 per cent of the total value of rubber manufactures imported during 1939-40, numbered 214,000 valued at R1,06 lakhs and showed a decline of 2 per cent in quantity, but, due to higher prices, advanced in value by 15 per cent as compared with the preceding year. The United Kingdom supplied 76,100 valued at R34 lakhs as against 159,500 valued at R70 lakhs in 1938-39. Imports from Germany also fell from 27,800 valued at R11 lakhs to 7,300 valued at R3 lakhs in the year under review. The share of the United States of America in these imports, however, advanced sharply from 9,900 valued at R4 lakhs to 87,700 valued at R52 lakhs. Imports of pneumatic cycle covers declined further from 671,300 valued at R7 lakhs to 457,000 valued at R5 lakhs, there being smaller supplies from Germany which totalled 169,900 valued at R2 lakhs as against 416,900 valued at R5 lakhs in 1938-39. The number of pneumatic motor tubes imported also fell from 161,700 to 144,200, but the value of the consignment showed an increase from R8 lakhs to R8½ lakhs. Imports of pneumatic cycle tubes and solid rubber tyres for motor vehicles also showed decreases as compared with 1938-39.

**Mineral Oils (R17,13 lakhs).**—No reliable statistics relating to production or consumption of mineral oils are available from any country, but it may be safely assumed that, despite higher prices, there was a

## Mineral oils.

moderate increase during the year under review in consumption of petroleum products which are so important in modern mechanised warfare. In Burma, which supplies the bulk of India's requirements, the production of kerosene and motor spirit (including aviation petrol), as far as could be judged from the figures up to February, 1940, was higher by 8 per cent and 5 per cent, respectively, than in 1938-39.

The total imports of mineral oils of all kinds into British India advanced from 439 million gallons to 463 million gallons in the year under review. The following table shows the details:—

### *Imports of mineral oils into India by sea from foreign countries.*

	1937-38	1938-39	1939-40
	Gals. (000)	Gals. (000)	Gals. (000)
Fuel oil . . . . .	128,048	136,788	140,448
Kerosene—			
In bulk . . . . .	201,433	181,896	193,330
In tins . . . . .	1,213	158	136
<b>TOTAL KEROSENE</b>	<b>202,646</b>	<b>182,054</b>	<b>193,466</b>
Lubricating oils . . . . .	30,970	32,761	35,191
Benzine, benzol, petrol, etc. . . . .	102,056	85,821	86,244
Paints, solutions and compositions . . . . .	164	156	195
Other kinds . . . . .	2,062	1,131	1,406
<b>TOTAL MINERAL OILS</b>	<b>474,946</b>	<b>438,711</b>	<b>462,950</b>

Imports of kerosene rose from 182 million gallons to 193 million gallons of which Burma supplied 112 million gallons or 58 per cent as compared with 114 million gallons or 63 per cent in 1938-39. Receipts from Borneo, Sumatra and Celebes, including consignments from the Straits Settlements, declined from 23½ million gallons to 18 million gallons and those from Iran, from 30 million gallons to 25 million gallons. Imports from the Bahrein Islands, a comparatively new source of supply, advanced from 11 million gallons to 34 million gallons. Arrivals from other countries in 1939-40 included 4 million gallons from the United States of America or 3 million gallons more than in 1938-39. The

Imports of Kerosene oil	1937-38	1938-39	1939-40
	Gals. (000)	Gals. (000)	Gals. (000)
United States of America . . . . .	3,100	1,305	3,016
Union of Socialist Soviet Republics . . . . .	20,903		
Iran . . . . .	11,401	30,273	25,235
Borneo, Sumatra and Celebes . . . . .	30,890	17,968	10,865
Burma . . . . .	132,880	114,973	112,115
Other Countries . . . . .	3,322	18,433	41,335
<b>TOTAL</b>	<b>202,646</b>	<b>182,054</b>	<b>193,466</b>

detailed figures are given in the marginal table. The average declared value per gallon of the imports from Burma in 1939-40 was 6 as. 3 p., which compares with 6 as. 0 p. for the Bahrein Islands and 6 as. 3 p. for Iran.

These prices were higher than the corresponding prices in 1938-39. The price of "Elephant" brand kerosene oil at Calcutta was R6-0-6 per 2 tins

## Imports.

in the first quarter of the year under review. By successive reductions effected in the second quarter, the rate touched R5-6-6 in September. From October the quotation began to rise. In October, the rate was increased by 8 annas to R5-14-6; and in November again by 4 as. to R6-2-6. In the last week of January, the price rose further to R6-10-6 and in March, to R6-13-6 at which rate it remained till the end of the year.

Imports of Diesel oils advanced from 43 million gallons in 1938-39 to

Fuel oil. 47 million gallons in 1939-40, and those of other fuel oils, from 94 million gallons to 99 million gallons.

Iran was, as usual, the chief source of supply of fuel oils and sent 106 million gallons out of a total of 146 million gallons as compared with 101 million gallons out of a total of 137 million gallons in the preceding year. The remainder came chiefly from Borneo (21 million gallons), the Bahrein Islands (7 million gallons), the Straits Settlements (4 million gallons) and Burma and Iraq (3 million gallons each).

Imports of lubricating oils amounted to 35 million gallons as compared

Lubricating oils. with 33 million gallons in 1938-39. Of the imports in 1939-40, batching oils represented 15 million gallons and other lubricating oils, 20 million gallons as against 16½ million gallons, each, in the preceding year. Batching oils were obtained in larger quantities from Burma and Borneo which supplied 8·8 million gallons and 4·1 million gallons as against 9·5 million gallons and 3·9 million gallons, respectively, in 1938-39. Imports from the United States of America totalled 2·2 million gallons or 0·2 million gallons more than in the preceding year. Imports of other lubricating oils were drawn from the United States of America (12 million gallons), Burma (7 million gallons) and the United Kingdom (1 million gallons).

The imports under the head " Petroleum, dangerous, flashing below 76° F.

Motor spirit. including petrol, benzine and benzol " amounted to 86 million gallons or almost the same as in 1938-39. Motor spirit, which forms the bulk of these imports, accounted for 84 million gallons in 1939-40 as compared with 74 million gallons in the preceding year. About 50 million gallons or 58 per cent of the total imports of petroleum came from Burma as against 51 million gallons or 59 per cent in 1938-39. Iran curtailed her supplies from 26 million gallons to 11 million gallons, while Sumatra and Roumania, which were practically out of the market in 1938-39, contributed 3·8 million gallons and 2·5 million gallons, respectively, in the year under review. Imports from the Bahrein Islands showed a steady advance and amounted to 12·4 million gallons as compared with 7·5 million gallons in 1938-39. Arrivals in 1939-40 from other countries included about 4 million gallons from British Borneo.

In Calcutta, petrol was sold at R1-2-0 per gallon, *ex-pump*, up to the 3rd week of June, when the rate was raised to R1-3-0. The selling rate was further raised to R1-4-6 in October and to R1-5-0 in January. The increase in the excise duty by 2 annas per gallon raised the selling price to R1-7-0 in March. In Bombay the trend of prices was similar to that in Calcutta, except that from October the selling price in Bombay was higher than in Calcutta by 1 anna per gallon.

## Chemicals.

**Chemicals (R4,52 lakhs).—**Prices of chemicals in 1939-40, specially after the outbreak of war, were generally higher than in the preceding year. The total imports of chemicals into British India advanced in value from R3,05 lakhs in 1938-39 to R4,52 lakhs in 1939-40. Sodium compounds represented 46 per cent of this total, imports of which were valued at R2,09 lakhs as compared with R1,34 lakhs in the preceding year. Imports of sodium carbonate and caustic soda, chiefly from the United Kingdom, rose from R61 lakhs and R45 lakhs to R78 lakhs and R72 lakhs, respectively. All other descriptions of sodium compounds also showed increases. Acids, as a class, of which acetic, citric, oxalic and tartaric are the most important, were imported to the value of R19 lakhs as compared with R11 lakhs in the preceding year. Imports of potassium compounds also improved from R11 lakhs to R23 lakhs ; of bleaching powder, from R12 lakhs to R18 lakhs and of magnesium compounds, from R3 lakhs to R5 lakhs. Calcium compounds, valued at R11 lakhs, showed an increase of R4 lakhs, while zinc compounds, at R7 lakhs, recorded a decrease of R5 lakhs as compared with 1938-39. Of the total imports of sulphur valued at R45 lakhs in 1939-40 as compared with R22 lakhs in the preceding year, the United States of America supplied 58 per cent and Japan 20 per cent as against 18 per cent each in 1938-39, while the contribution of Italy dropped from 55 per cent to 20 per cent. Among other chemicals, muriate of ammonia and copper sulphate showed increases, while copperas, glycerine and liquid chlorine recorded decreases. The following table gives the percentage shares of the principal supplying countries in the total imports of chemicals during the past three years :—

	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent
United Kingdom . . . . .	53.7	56.5	51.6
Germany . . . . .	14.7	13.1	4.9
United States of America . . . . .	5.1	6.5	18.6
Italy . . . . .	6.0	5.2	3.2
Kenya Colony . . . . .	1.5	1.6	1.5
Norway . . . . .	0.3	0.3	0.4
Japan . . . . .	6.9	5.2	8.2
Other countries . . . . .	11.8	11.6	11.6
<b>TOTAL</b> . . . . .	<b>100</b>	<b>100</b>	<b>100</b>

It will be observed that the share of the United Kingdom in the total imports receded from 56.5 per cent in 1938-39 to 51.6 per cent in the year under review. The participation of Germany and Italy also fell from 13 and 5 per cent to 5 and 3 per cent, respectively. On the other hand, the United

## Imports.

States of America and Japan considerably improved their position and supplied 18·6 per cent and 8·2 per cent as against 6·5 and 5·2 per cent, respectively, in 1938-39. The shares of other countries remained practically unchanged during the year.

**Drugs and medicines (R2,61 lakhs).**—The total value of imported drugs and medicines advanced from R2,21 lakhs to R2,61 lakhs in 1939-40. Imports of proprietary and patent medicines were valued at R89 lakhs as compared with R61 lakhs in the preceding year. The United Kingdom accounted for R49 lakhs ; Germany, for R9 lakhs and the United States of America, for R18 lakhs, their respective contribution in 1938-39 being R27 lakhs, R12 lakhs and R13 lakhs. Camphor came, as usual, in large quantities from Japan, which supplied 1,147,000 lbs. valued at R21 lakhs out of a total of 1,737,000 lbs. valued at R29 lakhs. Imports of quinine salts were valued at about R25 lakhs, almost the same as in the preceding year. The United Kingdom increased her share from R7 lakhs to R8 lakhs and Java, from R1 lakh to R5 lakhs ; while the contribution of Germany fell from R14 lakhs to R5 lakhs.

**Paper and pasteboard (R3,46 lakhs).**—Imports of paper and pasteboard declined in quantity from 3·1 million cwts. in 1938-39 to 2·7 million cwts. in 1939-40, but higher prices accounted for a rise in value from R3,23 lakhs to R3,46 lakhs. The total quantity of paper of all kinds imported fell by 12 per cent from 2·5 million cwts. to 2·2 million cwts., the value showing an increase from R2,78 lakhs to R2,89 lakhs, or by 4 per cent. Printing paper is always the chief item and recorded an increase from 922,000 cwts. valued at R93 lakhs to 934,000 cwts. valued at R1,06 lakhs. Sweden and Norway together supplied 409,000 cwts. or 83,000 cwts. more than in 1938-39, while the supplies from Germany declined from 305,000 cwts. to 206,000 cwts. Consignments from Finland also fell from 109,000 cwts. to 85,000 cwts. There were, however, increased supplies from Canada and Japan which amounted to 61,000 cwts. and 23,000 cwts. as against 5,000 cwts. and 4,000 cwts., respectively, in 1938-39. Arrivals from the United Kingdom also rose from 18,000 cwts. to 21,000 cwts. Imports of writing paper and envelopes declined from 181,000 cwts. (valued at R45 lakhs) in 1938-39 to 135,000 cwts. (valued at R34 lakhs) in the year under review, to which Norway and Sweden together contributed 66,000 cwts. ; the United Kingdom, 25,000 cwts. ; and Germany, 14,000 cwts. as against 60,000 cwts., 28,000 cwts. and 22,000 cwts. respectively, in 1938-39. Packing and wrapping paper was imported to the extent of 378,000 cwts. valued at R82 lakhs in 1939-40 as compared with 387,000 cwts. valued at R67 lakhs in the preceding year. Supplies from the United Kingdom, Sweden and Norway advanced from 39,000 cwts., 177,000 cwts., and 15,000 cwts. to 42,000 cwts., 214,000 cwts., and 20,000 cwts., respectively, while those from Germany fell from 64,000 cwts. to 55,000 cwts. Imports of old newspapers in bales and bags, chiefly from the United Kingdom, fell from 948,000 cwts. to 667,000 cwts., but the value remained almost steady at about R38½ lakhs. The value of paper manufactures, imported mainly from the United Kingdom, showed a decrease from R16 lakhs to R13 lakhs. Imports of pasteboard, millboard and cardboard including manufactures thereof, declined in quantity from 511,000 cwts. in 1938-39 to 512,000

## Provisions.

cwts. in 1939-40, but advanced in value from R45 lakhs to R56 lakhs. Of these, strawboards accounted for 307,000 cwts. valued at R26 lakhs as compared with 338,000 cwts. valued at R17 lakhs in the preceding year. The following table shows the percentage shares of the principal countries in the total value of paper and pasteboard imported into British India during the past three years :—

*Percentage shares of the principal countries in the imports of paper and pasteboard.*

	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent
United Kingdom . . . . .	25.0	27.6	22.3
Norway . . . . .	9.2	11.6	16.2
United States of America . . . . .	2.0	1.6	6.9
Sweden . . . . .	13.6	12.0	18.2
Netherlands . . . . .	4.3	4.7	4.6
Japan . . . . .	4.7	4.1	6.9
Germany . . . . .	20.7	19.7	11.6
Austria . . . . .	8.8	7.3	1.4
Other countries . . . . .	10.8	11.4	11.9
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

It will be noticed that while the shares of Norway and Sweden recorded increases, those of Germany and Austria declined sharply. The United Kingdom also reduced her participation, but the United States of America and Japan considerably improved their position in 1939-40.

In 1939-40 there were altogether 13 paper mills at work in India. The aggregate production of all the reporting mills in India amounted to 1,416,000 cwts. in 1939-40 as compared with 1,184,000 cwts. in 1938-39. Imports of woodpulp, mostly for the use of the Indian paper mills, amounted to 234,000 cwts. valued at R22 lakhs as compared with 277,000 cwts. valued at R26 lakhs in the preceding year. Norway and Sweden together supplied 152,000 cwts. in 1939-40 and the United States of America, 71,000 cwts. as compared with 140,000 cwts. and 121,000 cwts. respectively, in 1938-39. The remainder came chiefly from Finland.

**Provisions (R2,63 lakhs).**—The total value of imported provisions advanced from R2,48 lakhs in 1938-39 to R2,63 lakhs in the year under review. Imports of farinaceous and patent foods, by far the largest item under this group, rose in value from R77 lakhs to R85 lakhs. The figure for 1939-40 includes R24 lakhs being the value of farinaceous foods in bulk derived chiefly from the Straits Settlements and R23 lakhs and R38 lakhs the values of milk foods for infants and invalids and other patent foods, respectively, which are chiefly imported from the United Kingdom. Condensed milk was imported, chiefly from the Netherlands, to the extent of 76,000 cwts. in 1939-40 as compared with 62,000 cwts. in 1938-39, the increase in value being from R20 lakhs to R26 lakhs. Imports of biscuits and cakes, mainly from the United Kingdom, showed slight variations

## Imports.

and amounted to 28,000 cwts. valued at R25 lakhs. There were, however, smaller imports in the year under review of confectionery, mostly from the United Kingdom and of bacon and hams from the United Kingdom, Australia, Denmark and the Netherlands; while the imports of jams and jellies and butter showed increases. Among other commodities, imports of cheese remained almost steady, but those of tinned or canned fish declined as compared with the preceding year. The variations in the trade in some of the more important articles under provisions are shown in the table below :—

### *Imports of provisions.*

Articles	1937-38		1938-39		1939-40	
	Cwts. (000)	R (lakhs)	Cwts. (000)	R (lakhs)	Cwts. (000)	R (lakhs)
Bacon and hams . . .	17	12	17	13	13	12
Biscuits and cakes . .	30	27	29	25	28	25
Canned or bottled fruits	47	12	44	10	40	10
Tinned or canned fish.	13	6	13	6	11	6
Cheese . . . . .	10	7	10	7	10	8
Confectionery . . . .	28	19	24	17	22	14
Butter . . . . .	8	7	8	9	9	9
Milk foods for infants and invalids.	9	17	10	18	11	23
Farinaceous foods in bulk.	320	25	371	27	306	24
Jams and jellies . . .	19	7	18	7	22	8
Milk, condensed and preserved (including milk cream).	59	19	62	20	76	26
Other sorts . . . . .	—	1,02	—	80	—	98

The total imports of provisions from the United Kingdom fell slightly from R1,37 lakhs to R1,36 lakhs, her relative share in the trade being 52 per cent in 1939-40 as compared with 55 per cent in 1938-39. Imports from the Straits Settlements, consisting largely of farinaceous foods in bulk, also fell from R26½ lakhs to R23½ lakhs, and relatively her share in the trade dropped from 10 per cent to 9 per cent. The share of the Netherlands, however, remained practically steady at 8 per cent, while the participation of the United States of America advanced from 6 per cent to 8 per cent. Australian supplies consisting largely of butter, jams and jellies were valued at R25 lakhs and represented 10 per cent of the total trade in 1939-40 as compared with R13 lakhs or 5 per cent in 1938-39.

**Sugar (R3,32 lakhs).**—The area under sugarcane in India in 1939-40 was 3,618,000 acres as compared with 3,130,000 acres in the preceding year. The production in terms of *gur* in 1939-40 is estimated at 4,547,000 tons or 1,159,000 tons more than in 1938-39. The total number of sugar factories manufacturing direct from cane during the cane crushing season 1939-40 was 145 as against 139 factories, actually in operation, in the preceding year.

## Sugar.

The following table gives the production of sugar in Indian factories during the last ten years as published by the Director, Imperial Institute of Sugar Technology :—

Crop year*	Direct from Cane	Refined from Gur
	Tons	Tons
1930-31 . . . . .	119,900	29,700
1931-32 . . . . .	158,600	62,000
1932-33 . . . . .	290,200	78,000
1933-34 . . . . .	454,000	64,900
1934-35 . . . . .	578,100	43,500
1935-36 . . . . .	932,100	47,900
1936-37 . . . . .	1,111,400	25,600
1937-38 . . . . .	930,700	17,200
1938-39 . . . . .	650,800	15,800
1939-40 . . . . .	1,241,700	(a)31,700†

NOTE.—Figures from 1936-37 exclude production in Burma.

\* From November to October. The principal crushing period is from November to May.

† Estimated.

(a) Production during the calendar year 1940.

The increase in the imports of sugar, 16 D. S. and above, mentioned in the preceding year's Review, continued almost throughout the year under review and arrivals into India including the Kathiawar States totalled 332,000 tons valued at R4,26 lakhs as compared with 55,000 tons valued at R63½ lakhs in 1938-39, Java contributing 318,000 tons or 96 per cent as against 50,000 tons or 91 per cent in the preceding year. A feature of the trade in 1939-40 was that, world prices being above parity, a part of these imports was re-exported from India to the neighbouring territories in Africa and Asia, such as Egypt, Iran, Palestine, Arabia, Ceylon and the Straits Settlements. These shipments, which were mainly effected in the last quarter of 1939, amounted to 24,000 tons.

There was also an increase in the imports of beet sugar which amounted to 5,500 tons valued at about R7½ lakhs as compared with 4,400 tons valued at R5½ lakhs in 1938-39. The consignments in 1939-40 came almost entirely from the United Kingdom. According to the Director, Imperial Institute of Sugar Technology, the quantity of sugar available for consumption in India during the period 1st November 1938 to 31st October 1939 is estimated at 1,083,000 tons approximately, as against 1,159,000 tons in the preceding crop year.



## Imports.

The ex-factory quotation of a typical Indian sugar, crystal No. 1, at Cawnpore, was R10-14-0 per maund in the beginning of April, 1939. The price steadily increased to R12-6-0 on May 5. Thereafter, a declining tendency set in, carrying the quotation down to R10-2-0 on July 28, and further to R9-13-0 on August 18. After the declaration of war in September, there was a sudden jump to R11-8-0 on September 8. The market, however, settled down to R10-14-0 at the end of September. During the following three months, the usual quotation was not available. In the last week of December, the price was again quoted at R12-9-0. On January 5, the price declined to R12-8-0, and in the next week, to R12-7-0. After a slight decline in February, the rate remained steady at R12-6-0 till the end of the year.

**Liquors (R2,19 lakhs).**—The total imports of liquors declined in quantity from 4·7 million gallons in 1938-39 to 4·3 million gallons in 1939-40, but the value rose by R8 lakhs to R2,19 lakhs. Bengal took the largest quantity—1·6 million gallons (R79 lakhs) as against 1·5 million gallons (R68 lakhs) and was followed by Bombay with 1·4 million gallons (R71 lakhs) against 1·7 million gallons (R75 lakhs). The requirements of Sind and Madras were comparatively small amounting to 732,000 gallons (R46 lakhs) and 596,000 gallons (R24 lakhs) as compared with 863,000 gallons (R43 lakhs) and 682,000 gallons (R25 lakhs), respectively, in the preceding year. Nearly 72 per cent of the total quantity of imported liquors consisted of ale, beer, and porter, which showed a decline from 3·6 million gallons valued at R74 lakhs in 1938-39 to 3·1 million gallons valued at R67 lakhs in 1939-40. Imports from the United Kingdom totalled 1·9 million gallons or 100,000 gallons less than in 1938-39, but her percentage share rose from 56 to 61. Imports from Germany and the Netherlands were considerably reduced and amounted to 189,000 gallons and 319,000 gallons, respectively. Supplies from Japan also fell from 549,000 gallons to 514,000 gallons. Spirits accounted for 26 per cent of the total quantity of liquors imported and wines 2 per cent. There was an increase in the imports of spirits which amounted to 1·1 million gallons valued at R1,38 lakhs from 1·0 million gallons valued at R1,23 lakhs. The imports by classes are shown below :—

	1937-38		1938-39		1939-40	
	Gallons	R (lakhs)	Gallons	R (lakhs)	Gallons	R (lakhs)
Brandy . . .	108,800	17	86,500	13	90,800	16
Gin . . .	88,400	8	78,000	7	87,700	8
Rum . . .	2,100	..	1,700	..	1,900	..
Liqueurs . . .	12,900	3	9,800	2	5,400	1
Whisky . . .	309,600	53	283,800	49	347,000	61
Spirit, present in drugs.	133,200	37	135,100	30	128,100	37
„ perfumed . . .	6,700	7	5,800	5	4,300	4
„ denatured . . .	370,000	3	344,600	3	388,800	3
„ other sorts . . .	24,000	8	19,500	7	24,400	7

## Salt.

Imports of whisky, practically all from the United Kingdom, increased to 347,000 gallons in 1939-40 from 284,000 gallons in 1938-39. Imports of brandy—77 per cent French—also rose from 87,000 gallons to 91,000 gallons. Wines were imported to the extent of 106,000 gallons valued at R13 lakhs as compared with 118,000 gallons valued at R14 lakhs in 1938-39. Of the total imports of wines in 1939-40, France supplied 24,000 gallons or 23 per cent; Spain, 5,000 gallons or 5 per cent; Italy, 13,000 gallons or 12 per cent and Portugal, 6,000 gallons or 6 per cent. The contribution of the United Kingdom, including the re-exports of the products of these manufacturing countries, was 48,000 gallons or 45 per cent.

**Salt (R62 lakhs).**—Imports of foreign salt, chiefly for consumption in Bengal, advanced from 312,000 tons valued at R38 lakhs in 1938-39 to 314,000 tons valued at R62 lakhs in 1939-40. Aden continued to be the chief source of supply and her contribution rose from 157,000 tons to 225,000 tons. Imports from Egypt, however, declined from 78,000 tons to 30,000 tons and those from Germany, from 32,000 tons to 10,000 tons. Arrivals from other countries included 41,000 tons from Italian East Africa as compared with 17,000 tons in the preceding year. The production of Indian salt in 1939 amounted to 1,498,000 tons as against 1,538,000 tons in 1938. The coastwise imports of Indian salt into Bengal in 1939-40 totalled 306,000 tons, such imports in the preceding year being 194,000 tons. The following table shows the prices per 100 maunds at Calcutta at about the end of each month of Aden, German and Indian Salt :—

	IMPORTED		INDIAN
	Aden Fine ( <i>ex-ship</i> )	Hamburg Vaca ( <i>ex-golah</i> )	Bombay ( <i>ex-golah</i> )
	R a.	R a.	R a.
<b>1939—</b>			
April . . . . .	..	52 0	50 0
May . . . . .	42 8	..	55 0
June . . . . .	37 0	..	58 0
July . . . . .	36 0	54 0	58 0
August . . . . .	35 0	..	60 0
September . . . . .	70 0	..	..
October . . . . .	98 0	..	..
November . . . . .	98 0	..	..
December . . . . .	98 0	..	..
<b>1940—</b>			
January . . . . .	96 12	..	..
February . . . . .	95 0	..	..
March . . . . .	76 0	..	..

The above figures are exclusive of duty. The quotation for salt in May 1939 was R42-8 per 100 maunds *ex-ship* which declined by successive stages to R35-0 in August. After the declaration of war in September, the control rate for salt was first fixed at R70-0 and subsequently raised to R107-0, but by the middle of October it was lowered to R98-0. The market rate however declined to R96-12 in January 1940 and touching R95-0 in February, fell to R76-0 by the end of the year.

## Imports.

Other articles.—The following table shows the course of trade in some of the other articles of importance in imports :—

	1937-38	1938-39	1939-40
	R (lakhs)	R (lakhs)	R (lakhs)
Instruments, apparatus, etc. . . . .	6,13	5,85	5,58
Dyeing and tanning substances . . . . .	3,94	3,11	3,61
Spices . . . . .	1,83	2,63	2,55
Tobacco . . . . .	85	1,05	1,17
Glass and glassware . . . . .	1,52	1,25	1,02
Precious stones and pearls, unset . . . . .	1,24	1,15	88
Cement . . . . .	13	10	7
Coal and coke . . . . .	17	8	8

There was a setback in the imports of instruments and apparatus, which Instruments and ap- were valued at R5,58 lakhs in 1939-40 as compared paratus (R5,58 lakhs). with R5,85 lakhs in the preceding year. The value of electrical instruments and apparatus, the principal item under this group, declined from R3,31 lakhs to R2,87 lakhs, consignments from the United Kingdom and Germany in 1939-40 being valued at R1,64 lakhs and R23 lakhs as against R1,94 lakhs and R55 lakhs, respectively, in the preceding year. Expressed in percentages, the share of the United Kingdom dropped from 59 per cent to 57 per cent and that of Germany, from 17 per cent to 8 per cent. The United States of America and Japan, however, improved their position and imports from these sources were valued at R37 lakhs and R20 lakhs as against R29 lakhs and R10 lakhs, respectively. The shares of other important participating countries recorded decreases as compared with the preceding year. Details of imports under the various classes of electrical instruments during the past three years are given in the table below :—

	1937-38	1938-39	1939-40
	R (lakhs)	R (lakhs)	R (lakhs)
Electric fans and parts thereof . . . . .	31	25	19
„ wires and cables . . . . .	1,22	1,32	1,14
Telegraph and telephone instruments . . . . .	22	23	13
Electric lamps and parts thereof . . . . .	58	42	35
Batteries . . . . .	25	22	23
Carbons, electric . . . . .	3	3	4
Accumulators . . . . .	7	6	8
Electric lighting accessories and fittings, including switches. . . . .	8	7	7
Meters . . . . .	12	13	14
Electro-medical apparatus, including X-ray apparatus. . . . .	7	5	5
Switch boards (other than telegraph and telephone) . . . . .	5	5	3
Unenumerated . . . . .	47	48	42
<b>TOTAL</b>	<b>3,47</b>	<b>3,31</b>	<b>2,87</b>

Under photographic instruments, imports of raw films advanced from 1 million feet valued at R25 lakhs in 1938-39 to 83 million feet valued at

### Other articles.

R31 lakhs in 1939-40. Receipts of exposed films declined from 26 million feet to 24 million feet, but the value recorded a rise from R38 lakhs to R54 lakhs. Smaller imports from Germany were mainly responsible for the decline in the imports of cinema talkie apparatus which were valued at R8 lakhs in 1939-40 as against R14 lakhs in the preceding year. Imports of wireless apparatus recorded an advance in value from R41 lakhs to R50 lakhs which in 1939-40 were distributed among the United Kingdom (34 per cent), the United States of America (32 per cent) and the Netherlands (24 per cent). Imports of other classes of instruments generally showed a contraction in 1939-40 as compared with the preceding year.

There was an improvement in the imports of dyeing and tanning substances which were valued at R3,61 lakhs as compared with R3,11 lakhs in the preceding year. Imports of coal tar dyes, representing 80 per cent of the total value in 1939-40, advanced by R27 lakhs to R2,87 lakhs, the quantity imported being 13 million lbs. as against 12 million lbs. in 1938-39. The United States of America, Japan and Switzerland considerably improved their position at the cost of Germany, whose share in the quantity dropped from 66 per cent to 45 per cent. Imports from the United Kingdom also advanced. The following table shows the details of the imports of these dyes during the past three years:—

*Imports of coal tar dyes.*

	QUANTITY.			VALUE.		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	(lbs. (000))	(lbs. (000))	(lbs. (000))	R (lakhs)	R (lakhs)	R (lakhs)
Alizarine . . . . .	2,280	874	805	14	6	6
Congo red . . . . .	2,107	474	563	11	3	6
Coupling dyes of the naphthol group	3,398	2,573	2,172	71	60	56
Vats . . . . .	2,012	1,733	1,560	1,45	1,27	1,20
Sulphur black . . . . .	4,759	2,638	3,799	10	6	18
Others . . . . .	6,352	3,731	3,934	92	58	31
<b>TOTAL</b>	<b>20,888</b>	<b>12,023</b>	<b>12,833</b>	<b>3,43</b>	<b>2,60</b>	<b>2,87</b>
From United Kingdom . . . . .	2,193	1,471	1,799	37	32	47
.. Germany . . . . .	14,941	7,918	5,731	2,51	1,70	1,14
.. France . . . . .	433	348	305	8	8	10
.. Switzerland . . . . .	654	659	1,024	20	20	50
.. Japan . . . . .	990	294	1,568	10	5	28
.. United States of America . . . . .	762	746	1,642	8	8	23
.. Other countries . . . . .	915	587	764	9	8	15

There was a noticeable increase in the imports of barks for tanning (mostly from South Africa) which amounted to 698,000 cwts. (R44 lakhs) as against 342,000 cwts. (R23 lakhs) in 1938-39; while cutch and gambier (from Burma and the Straits Settlements) and saffron (from Spain) showed decreases.

## Imports.

Lower receipts of betelnuts in the year under review were mainly responsible for a decline in the imports of spices which fell from 2,069,000 cwts. valued at R2,63 lakhs in 1938-39 to 1,940,000 cwts. valued at R2,55 lakhs. Imports of betelnuts totalled 1,588,000 cwts. valued at R1,60 lakhs as against 1,840,000 cwts. valued at R1,96 lakhs in the preceding year. The bulk of these imports were, as usual, drawn from the Straits Settlements. Imports of cloves, on the other hand, advanced further to 92,000 cwts. valued at R47 lakhs from 70,000 cwts. valued at R37 lakhs in 1938-39. Kenya Colony, Zanzibar and Pemba and Madagascar are the three principal supplying countries. There was also a sharp advance in the imports of pepper from 24,000 cwts. (R5 lakhs) to 142,000 cwts. (R19 lakhs). Imports of nutmegs and ginger were small, amounting to 15,000 cwts. and 500 cwts., respectively, in 1939-40.

The total imports of tobacco amounted to 7.5 million lbs. valued at R1,17 lakhs in 1939-40 as compared with 7.9 million lbs. valued at R1,05 lakhs in the preceding year. Receipts of unmanufactured tobacco fell from 6.4 million lbs. to 5.8 million lbs., the value, however, showed an increase from R58 lakhs to R64 lakhs in the year under review. Imports from the United States of America totalled 3.7 million lbs., or 64 per cent as against 3.3 million lbs. or 51 per cent in 1938-39, while those from the United Kingdom, representing mainly the re-exports of American leaf tobacco, fell from 1 million lbs. to about  $\frac{1}{2}$  million lbs. Arrivals from Burma, consisting of cheaper varieties, also fell from 2.1 million lbs. to 1.5 million lbs. Imports of cigarettes recorded an advance from 1,218,000 lbs. valued at R40 lakhs to 1,371,000 lbs. valued at R46 lakhs. As usual, the United Kingdom was the largest source of supply and contributed 1,317,000 lbs. or 96 per cent in 1939-40. Of other descriptions of manufactured tobacco in the year under review, cigars accounted for 231,000 lbs.—Burma supplying 221,000 lbs., and tobacco for pipes and cigarettes, 56,000 lbs. of which the United Kingdom supplied 46,000 lbs.

The value of the imports of glass and glassware receded further to R1,02 lakhs from R1,25 lakhs in 1938-39. All the descriptions comprised within this group shared in the decline. Imports of glass bangles fell in value from R24 lakhs to R18 lakhs of which Japan and Czechoslovakia supplied to the value of R10 lakhs, and R4 lakhs as against R13 lakhs and R9 lakhs, respectively, in the preceding year. Receipts from Germany were valued at R3 lakhs. Imports of beads and false pearls also declined from 19,000 cwts. (R13 lakhs) to 12,000 cwts. (R8 $\frac{1}{2}$  lakhs). Imports of bottles and phials, mostly from Japan, numbered 639,000 gross valued at R21 lakhs in 1939-40, as compared with 982,000 gross valued at R28 lakhs in 1938-39. Glass sheet and plate came to the extent of 22 million square feet or 5 million square feet less than in the preceding year, the decline in value being from R24 lakhs to R20 lakhs. Belgium and Japan were, as usual, the chief source of supply. The values of the imports of tableware, funnels, globes, etc., and scientific glassware are comparatively small. Japan continued to occupy the leading position in the total trade and sent R54 lakhs worth of glass and glassware

## Coal.

in 1939-40 as against R60 lakhs in 1938-39. Imports from Germany, Belgium and Czechoslovakia declined by R4 lakhs, R2 lakhs and R12 lakhs to R13 lakhs, R8 lakhs and R6 lakhs, respectively. The value of the imports from the United Kingdom, on the other hand, remained practically unchanged at R10 lakhs. Expressed in percentages, the trade in 1939-40 was distributed as follows :—Japan, 53 per cent ; Germany, 13 per cent ; the United Kingdom, 10 per cent ; Belgium, 8 per cent ; and Czechoslovakia, 6 per cent.

The total value of the imports of precious stones and pearls, unset, fell Precious stones (R88 further to R88 lakhs in the year under review from lakhs). R1,15 lakhs in the preceding year. The value of diamonds imported declined from R1,02 lakhs to R64 lakhs, and that of other precious stones from R6 lakhs to R5 lakhs. Imports of pearls, real and culture, however, showed an improvement and were valued at R19 lakhs as against R7 lakhs in 1938-39. The shares of Belgium and the Netherlands in the total trade declined from 79 per cent and 6 per cent to 65 per cent and 3 per cent, respectively ; while that of the United Kingdom advanced from 4 per cent to 7 per cent. Consignments from Arabia and the Bahrein Islands, consisting of pearls only, were valued at R5 lakhs and R3 lakhs, respectively, in 1939-40.

Indian demand for cement is now generally met from local production and the imports, consisting mostly of specialised Cement (R7 lakhs). quality, further shrank from 21,000 tons valued at R10 lakhs in 1938-39 to 11,000 tons valued at R7 lakhs in the year under review. The bulk of these shipments came from the United Kingdom which accounted for 10,000 tons or 91 per cent.

Arrivals of foreign coal in 1939-40 shrank to 16,000 tons valued at R2 Coal (R2 lakhs). lakhs from 42,000 tons valued at R7 lakhs in the preceding year. There were practically no imports from the Portuguese East Africa in the year under review, and those from the Union of South Africa were also considerably reduced. The United Kingdom however, increased her consignments from 3,000 tons to 6,000 tons. The following table gives the principal sources of supply during the last three years :—

—	1937-38	1938-39	1939-40
	Tons	Tons	Tons
United Kingdom . . . . .	32,000	3,000	6,000
Union of South Africa (mainly Natal) . . . . .	29,000	37,000	7,000
Portuguese East Africa . . . . .	15,000	..	..
Japan . . . . .	1,000	..	..
Australia . . . . .	2,000	..	..

Of the total imports in 1939-40, Bombay took 2,000 tons (26,000 tons), Sind, 8,000 tons (15,000 tons) and Bengal, 6,000 tons (1,000 tons)—the figures in brackets representing those for the preceding year.

## **Imports.**

### **DUTIABLE BAGGAGE.**

The imports of dutiable baggage, which are not otherwise specified, were valued at ₹14 lakhs in 1939-40 as compared with ₹15 lakhs in the preceding year. The following classes of articles imported as baggages are, however, recorded under their respective heads and are necessarily excluded from this :—(i) fire arms, cartridges and other arms and ammunition, (ii) wireless sets and instruments, apparatus and appliances, (iii) liquors and spirits, (iv) furniture and carpets, (v) jewellery, silverware and plated ware, including silver and plated cutlery, and (vi) vehicles, including motor cars.

## CHAPTER III.

### Exports of Merchandise.

The following table shows the comparative importance of the principal articles exported from British India :—

#### *Exports.*

(In thousands of Rupees)

	1937-38	1938-39	1939-40	Percentage on total exports of merchandise in 1939-40
{ Jute, raw . . . . .	14,71,90	15,39,67	19,73,18	9.70
{ Jute manufactures . . . . .	29,07,76	26,26,11	48,68,78	23.93
{ Cotton, raw and waste . . . . .	29,77,26	24,66,65	31,04,15	15.26
{ Cotton manufactures . . . . .	0,29,30	7,11,79	8,57,58	4.22
Tea . . . . .	24,38,69	23,29,05	26,07,78	12.82
Seeds . . . . .	14,18,65	15,09,22	11,89,53	5.85
Leather . . . . .	7,25,42	5,27,58	7,69,13	3.78
Metals and ores . . . . .	6,12,60	4,91,04	6,45,25	3.17
Grain, pulse and flour . . . . .	9,48,89	7,74,12	5,07,37	2.49
Hides and skins, raw . . . . .	5,04,10	3,84,67	4,08,85	2.01
Wool, raw and manufactured . . . . .	3,72,37	3,84,95	4,04,34	1.99
Tobacco . . . . .	1,99,61	2,75,68	2,52,81	1.24
Fruits and vegetables . . . . .	2,08,19	2,28,86	2,36,94	1.16
Oilcakes . . . . .	2,42,58	3,01,20	2,02,92	1.00
Coal and coke . . . . .	98,07	1,36,25	1,93,35	0.95
Lac . . . . .	1,62,16	1,26,65	1,88,57	0.93
Mica . . . . .	1,48,40	1,14,12	1,72,57	0.85
Oils . . . . .	1,01,03	1,07,37	1,37,47	0.68
Coir . . . . .	1,04,44	96,01	1,28,24	0.63
Spices . . . . .	93,48	74,66	1,07,93	0.53
Rubber, raw . . . . .	83,83	71,58	93,70	0.46
Hemp, raw . . . . .	74,50	71,68	85,90	0.42
Coffee . . . . .	54,39	55,11	73,16	0.36
Dyeing and tanning substances . . . . .	66,87	59,11	70,76	0.35
Provisions and oilman's stores . . . . .	63,27	59,32	70,74	0.35
Fish (excluding canned fish) . . . . .	69,63	69,29	69,71	0.34
Manures . . . . .	68,96	37,22	47,91	0.24
Bristles . . . . .	31,61	26,32	36,15	0.19
Drugs and medicines . . . . .	27,51	27,83	33,19	0.16
Paraffin wax . . . . .	51,34	36,25	32,98	0.16
Building and Engineering materials other than of iron, steel or wood . . . . .	18,02	14,75	30,72	0.15
Bones for manufacturing purposes . . . . .	43,83	23,71	22,50	0.11
Wood and timber . . . . .	29,50	26,60	21,06	0.10
Saltpetre . . . . .	10,84	10,89	17,13	0.08
Apparel . . . . .	16,12	12,62	14,50	0.07
Fibre for brushes and brooms . . . . .	20,19	15,71	13,33	0.07
Cordage and rope . . . . .	9,16	8,12	10,61	0.05
Sugar . . . . .	39,73	24,18	7,96	0.04
Animals, living . . . . .	8,79	8,23	7,83	0.04
Slk, raw and manufactured . . . . .	6,74	4,26	7,73	0.04
Fodder, bran and pollards . . . . .	9,46	8,96	4,50	0.02
Tallow, stearine and wax . . . . .	3,61	3,27	3,22	0.02
Horns, tips, etc. . . . .	4,19	2,30	1,48	0.01
Candles . . . . .	3	2	2	..
Opium . . . . .	1	1	2	..
All other articles . . . . .	6,14,72	5,77,80	6,06,55	2.98
<b>TOTAL VALUE OF EXPORTS</b>	<b>180,92,42</b>	<b>1,27,0,16</b>	<b>203,43,54</b>	<b>100</b>



## Exports.

The conditions arising from the war exercised a profound influence on India's export trade. For a large number of her principal articles of export the war created a new and unparalleled demand, and shipments of such articles during the year attained very high levels; but behind these favourable developments was a sombre background, with deepening shadows, such factors as lack of adequate shipping facilities, loss of valuable Continental markets owing to enemy aggression, and the uncertainties attaching to trading with neutral countries adjacent to enemy territories, contributing to make the general trading position one of increasing difficulty. A brief survey of these special war-time factors and the disturbance caused by them to trade generally and in the more important commodities of special interest to India has been made in Chapter I, and the following paragraphs should be read in the light of that general analysis.

**Jute and Jute Manufactures (R68,42 lakhs).**—The total exports of raw and manufactured jute during the year under review amounted to 1,651,000 tons as compared with 1,647,000 tons in 1938-39, showing an increase of 4,000 tons or 0.2 per cent. There was, however, a greater increase in the value of these shipments which advanced from R39,66 lakhs to R68,42 lakhs or by 73 per cent. It may be noted that the prices of jute and jute manufactures during 1939-40, particularly in the latter half of the year, were much higher than in the preceding year. The following table shows the exports of raw jute and manufactured goods during the past five years:—

	Exports of raw jute	Percentage variation as compared with 1935-36	Exports of sacking bags and cloth	Percentage variation as compared with 1935-36	Exports of hessian bags and cloth	Percentage variation as compared with 1935-36
	Tons (000)		Tons (000)		Tons (000)	
1935-36 . . . . .	771	100	438	100	354	100
1936-37 . . . . .	821	106	510	118	483	136
1937-38 . . . . .	717	97	523	119	478	135
1938-39 . . . . .	690	89	488	111	451	127
1939-40 . . . . .	568	74	510	110	546	154

Exports of raw jute declined in quantity from 690,000 tons in 1938-39 to 568,000 tons in 1939-40, or a decrease of 18 per cent, while the value advanced from R13,40 lakhs to R19,73 lakhs, showing a rise of 47 per cent. The United Kingdom and France increased their purchases from 181,000 tons and 76,000 tons to 194,000 tons and 85,000 tons, respectively. Most of the other principal European countries reduced their takings in 1939-40. Exports to Germany, Belgium, the Netherlands and Italy fell from 132,000 tons, 51,000 tons, 13,000 tons and 46,000 tons to 35,000 tons, 33,000 tons, 7,000 tons and 28,000 tons, respectively; while the U. S. S. R. and Czechoslovakia were practically out of the market in 1939-40, their respective purchases in the preceding year being 19,000 tons and 21,000 tons. Shipments to Spain and Sweden, however, rose from 11,000 tons and 7,000 tons to 16,000 tons and 8,000 tons, respectively. There were also increased shipments to the American countries. The United States of America took 51,000 tons as against 31,000 tons; the Argentine Republic, 16,000 tons as against 10,000 tons and Brazil, 34,000 tons as against 25,000 tons in 1938-39.

## Jute.

Exports to Japan declined from 15,000 tons to 14,000 tons, while those to China and Australia rose by 2,000 tons and 1,000 tons to 8,000 tons and 3,000 tons, respectively. Manchuria, which was responsible for 13,000 tons in 1938-39, took only 1,000 tons in the year under review.

As might be expected from the withdrawal of restrictions on mill production coupled with war demand for sand bags, the consumption of raw jute in Indian mills recorded an improvement in 1939-40 as compared with the preceding season. The following table shows the exports and Indian consumption of raw jute during the last five seasons, July to June :—

Season	Exports of raw jute	Consumption in India*	Excess of consumption over exports (%)
	Tons (000)	Tons (000)	
1935-36 . . . . .	740	895	+21
1936-37 . . . . .	872	1,082	+24
1937-38 . . . . .	666	1,194	+79
1938-39 . . . . .	693	1,112	+60
1939-40 . . . . .	528	1,274	+141

\* Figures refer to mills in the membership of the Indian Jute Mills Association.

- It will be observed that during all these years consumption was higher than exports. In 1939-40, it was 141 per cent more than the exports, the corresponding increase in the preceding year being 60 per cent. The monthly production of jute manufactures is shown in the following table :—

*(In millions)*

	Hessian				Sacking			
	Cloth		Bags		Cloth		Bags	
	1938-39	1939-40	1938-39	1939-40	1938-39	1939-40	1938-39	1939-40
	Yds.	Yds.	No.	No.	Yds.	Yds.	No.	No.
April . . . . .	150	92	15	48	7	6	56	49
May . . . . .	157	108	12	53	8	9	52	51
June . . . . .	159	103	12	46	7	7	51	49
July . . . . .	159	110	12	30	6	4	55	49
August . . . . .	183	115	10	12	7	7	61	49
September . . . . .	172	110	9	24	8	7	55	47
October . . . . .	110	123	6	67	4	9	39	48
November . . . . .	126	121	7	104	5	10	42	47
December . . . . .	129	129	8	116	4	12	45	52
January . . . . .	139	134	9	115	6	12	54	56
February . . . . .	107	136	20	74	5	9	46	56
March . . . . .	102	146	45	70	5	9	52	62
<b>TOTAL . . . . .</b>	<b>1,702</b>	<b>1,427</b>	<b>165</b>	<b>759</b>	<b>72</b>	<b>101</b>	<b>608</b>	<b>615</b>

Under hessians, there was a striking increase in the number of bags manufactured in 1939-40, due mainly to defence orders for sand bags, though a part of this increase is attributable to the reduction in the average size of the bags in relation to that in the preceding year, while the output of cloth recorded a decrease. The production of both sacking bags and cloth showed

## Exports.

a moderate rise. The following table illustrates the prices of a typical grade of bags and two of the more important grades of hessians during 1939-40 :—

Date	B. Twills		Hessians, 40" × 8 oz.		Hessians, 40" × 10½ oz.	
	Ready	Near Forward	Ready	Near Forward	Ready	Near Forward
	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.
<b>1939—</b>						
April 4 . . .	27 7 0	27 8 0	9 4 6	9 5 6	11 7 6	11 8 6
.. 25 . . .	27 15 0	28 2 0	9 10 6	9 11 6	11 14 0	11 15 6
May 30 . . .	26 12 0	26 14 0	8 13 6	8 14 0	11 4 0	11 5 0
June 27 . . .	27 9 0	27 12 0	9 4 0	9 5 6	11 9 6	11 11 6
July 25 . . .	27 1 0	27 3 0	8 13 6	8 14 6	11 4 0	11 4 6
August 29 . . .	26 14 0	27 0 0	9 3 0	9 4 0	11 7 6	11 8 6
September 26 . . .	35 12 0	36 0 0	13 15 0	14 1 0	17 8 0	17 10 0
October 31 . . .	45 12 0	46 0 0	17 2 0	17 4 0	22 12 0	22 8 0
November 28 . . .	54 8 0	54 8 0	19 7 0	19 11 0	27 0 0	26 4 0
December 19 . . .	58 10 0	58 6 0	20 6 0	20 10 0	24 12 0	24 10 0
<b>1940—</b>						
January 30 . . .	49 0 0	48 12 0	15 4 0	15 6 0	18 12 0	18 13 0
February 27 . . .	48 4 0	48 4 0	14 3 0	14 5 0	17 7 0	17 8 0
March 19 . . .	41 12 0	38 12 0	12 14 0	13 0 0	15 14 0	15 15 0

Exports of jute bags and cloth in the past three years are shown in the

	1937-38	1938-39	1939-40
Bags (in millions) . . .	612	598	1,210
Cloth (in million yards)	1,643	1,550	1,560

marginal table. The number of gunny bags shipped more than doubled in 1939-40 and totalled 1,210 million as compared with 598 million in the preceding year. The value also showed a similar rise and amounted to R25,44 lakhs as against R12,46 lakhs in 1938-39. Of the exports in 1939-40, sacking bags accounted for 465 million

## Cotton.

valued at R16,77 lakhs and hessian gunny bags, 746 million valued at R3,66 lakhs. The United Kingdom, always the principal purchaser of gunny bags, multiplied its takings nearly tenfold to the colossal figure of 685 million (more than the usual total of exports to all countries combined) owing to the war demand for sand bags. Exports to other European countries taken together totalled 21 million in number as compared with 36 million in 1938-39. Next to the United Kingdom, the largest single purchaser of Indian gunny bags was Australia which took 71 million bags in 1939-40 as against 66 million in the preceding year. Burma came next with 52 million as compared with 62 million in 1938-39. Java, Thailand and Indo-China increased their takings from 23 million bags each to 30 million, 25 million and 26 million, respectively. The Straits Settlements required 11 million bags in 1939-40, or 5 million bags more than in the preceding year. Exports to the African territories were also higher than in 1938-39. The Union of South Africa took 38 million bags as against 28 million in 1938-39; Egypt 29 million bags as against 22 million; the Portuguese East Africa 20 million as against 16 million, and the West African territories, *e.g.*, Nigeria, Gold Coast, etc., taken together, required 21 million bags as against 13 million in the preceding year. Exports to the United States of America rose from 11 million bags to 12 million bags. There were also increased shipments to the West Indies, including Cuba, Peru, New Zealand and Hawaii, while those to Chile recorded a decline. Exports to the Argentine Republic remained fairly steady at 2 million bags.

The total exports of gunny cloth rose from 1,550 million yards valued at R13,34 lakhs in 1938-39 to 1,560 million yards valued at R22,40 lakhs, of which hessian gunny cloth represented 1,515 million yards valued at R21,53 lakhs as compared with 1,507 million yards valued at R12,83 lakhs in the preceding year. As usual, the United States of America was the best customer of gunny cloth but, owing to higher prices, she had to curtail her purchases from 841 million yards in 1938-39 to 764 million yards in 1939-40. Exports to the Argentine Republic also declined from 291 million yards to 217 million yards. There were, however, increased shipments to the United Kingdom and Canada which amounted to 260 million yards and 134 million yards as against 171 million yards and 89 million yards, respectively, in 1938-39. Australia took 41 million yards against 31 million yards; the Union of South Africa, 19 million yards against 10 million yards; Egypt, 16 million yards against 9 million yards and Uruguay, 14 million yards against 6 million yards in the preceding year. Exports to Eire, the Straits Settlements and New Zealand also recorded increases, while those to Norway and Turkey showed decreases. Table No. 32, appended to this Review, shows the details of exports of jute bags and cloths to which a reference may be made.

**Cotton (R30,11 lakhs).**—Shipments of raw cotton from British India advanced from 2,703,000 bales in 1938-39 to 2,948,000 bales in 1939-40, or an increase of 9 per cent. The value of the exports rose by 26 per cent from R23,86 lakhs to R30,11 lakhs. Japan, the best customer of Indian raw cotton, reduced her takings from 1,211,000 bales to 1,056,000 bales in 1939-40. The total imports of raw cotton into Japan from all sources, as

## Exports.

recorded in the Japanese trade returns, showed an increase from 553,000 tons in 1938 to 596,000 tons in 1939, of which India accounted for about 34 per cent as in the preceding year. There were, however, increased shipments of Indian cotton to China which totalled 681,000 bales in 1939-40 as against 193,000 bales in the preceding year. Exports to the United Kingdom also recorded an improvement and amounted to 472,000 bales as compared with 411,000 bales in 1938-39. France and the United States of America also increased their purchases from 169,000 bales and 58,000 bales to 229,000 bales and 122,000 bales, respectively. Shipments to Belgium, on the other hand, declined from 142,000 bales to 68,000 bales and those to Germany and Italy, from 192,000 bales and 92,000 bales to 52,000 bales each. Exports to other countries in 1939-40 included 41,000 bales to Korea, 38,000 bales to the French Indo-China and 25,000 bales to the Netherlands. The following statement gives the monthly exports of cotton from British India during the last three years :—

[ In bales of 400 lbs. each. ]

—	1937-38	1938-39	1939-40
April . . . . .	458,000	249,900	339,700
May . . . . .	415,400	201,600	404,100
June . . . . .	377,700	194,800	279,600
July . . . . .	277,300	207,400	336,500
August . . . . .	161,500	157,300	222,000
September . . . . .	93,500	176,400	143,500
October . . . . .	59,500	171,700	135,700
November . . . . .	49,200	203,000	127,300
December . . . . .	112,000	204,200	209,800
January . . . . .	193,400	275,100	245,100
February . . . . .	264,900	279,200	277,700
March . . . . .	261,100	322,300	226,900
<b>TOTAL</b> .	<b>2,731,500</b>	<b>2,702,900</b>	<b>2,947,900</b>

## Cotton.

The increase in exports of Indian cotton was, however, accompanied by a decrease in consumption by the mills in India. It is estimated that the Indian mills absorbed 3,040,000 bales during 1939-40 or 81,000 bales less than the high record of the preceding year. The table below shows the details :—

### *Consumption of Indian raw cotton in Indian mills.*

(In thousand bales of 400 lbs. each.)

	1937-38	1938-39	1939-40
Bombay Island . . . . .	739	799	641
Ahmedabad . . . . .	334	349	323
Bombay Province . . . . .	1,281	1,369	1,198
Madras . . . . .	412	464	487
United Provinces . . . . .	297	321	343
Central Provinces and Berar . . . . .	140	156	162
Bengal . . . . .	55	93	94
Punjab and Delhi . . . . .	92	115	143
Rest of British India . . . . .	39	52	47
<b>TOTAL BRITISH INDIA . . . . .</b>	<b>2,346</b>	<b>2,570</b>	<b>2,474</b>
<b>TOTAL INDIAN STATES . . . . .</b>	<b>524</b>	<b>551</b>	<b>566</b>
<b>TOTAL INDIA . . . . .</b>	<b>2,870</b>	<b>3,121</b>	<b>3,040</b>

Besides Indian cotton, fairly large quantities of foreign raw cotton are also used in Indian mills for the manufacture of finer fabrics. In the year under review, the total receipts of foreign cotton in British India amounted to 468,000 bales as compared with 540,000 bales in 1938-39. The British East Africa was, as usual, the principal source of supply and sent 202,000 bales as against 334,000 bales in the preceding year. Egypt and Anglo-Egyptian Sudan together supplied 211,000 bales or 35,000 bales more than in 1938-39. Imports from the United States of America also advanced from 26,000 bales to 52,000 bales.

## Exports.

**Cotton Manufactures (R8,58 lakhs).**—The position of the cotton industry during the year under review has already been reviewed in Chapter I. The production and exports of the different classes of piecegoods during the past three years are shown below :—

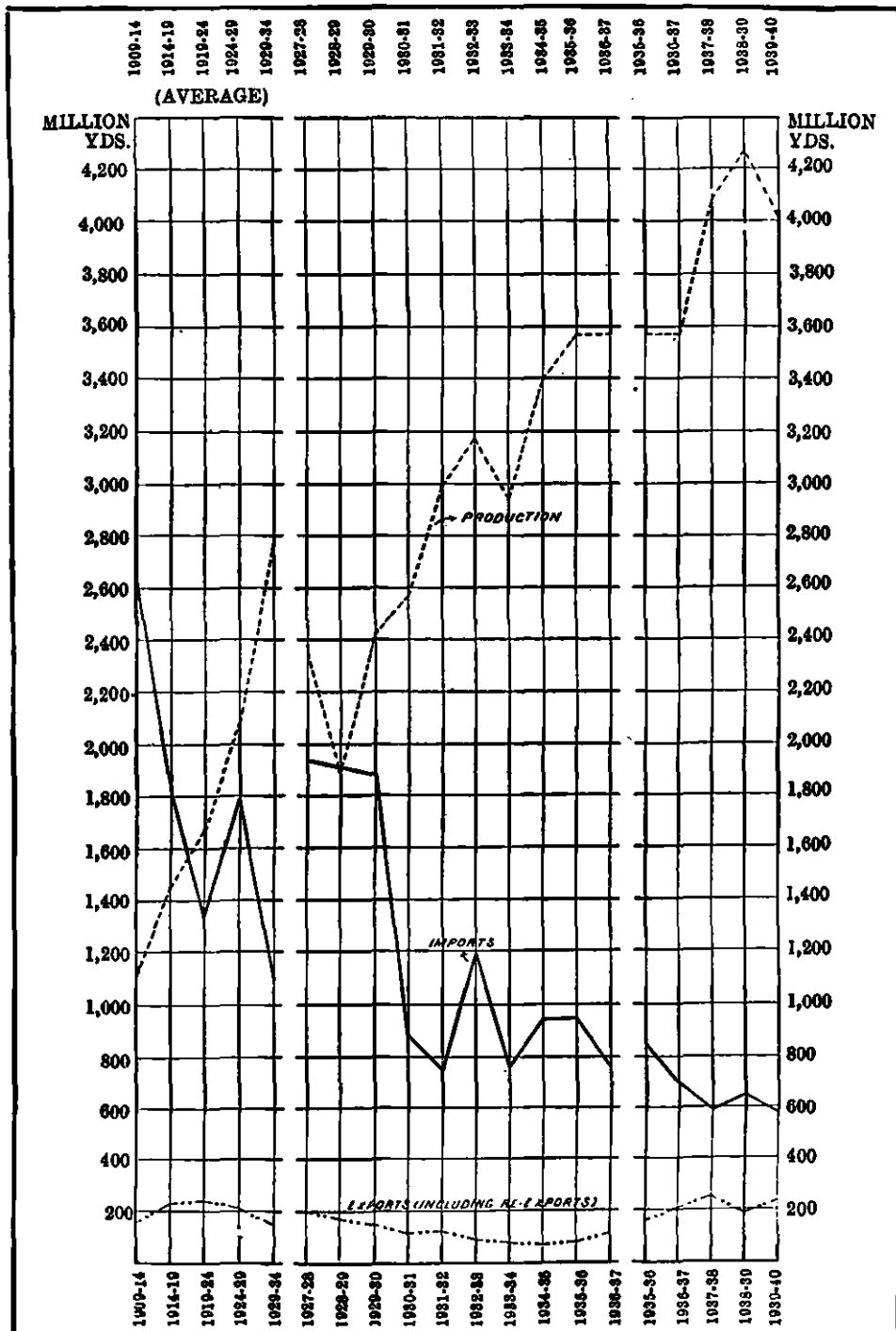
(In million yards)

	MILL PRODUCTION			EXPORTS		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Grey and bleached piecegoods—						
Shirtings and longcloth . . . . .	1,084.5	1,040.1	1,011.6	21.8	12.4	11.4
Chadars . . . . .	67.3	74.6	70.6	5.4	4.0	3.5
Dhuties . . . . .	1,215.4	1,454.8	1,230.3	..	..	0.1
T cloth, domestics and sheetings . . . . .	191.3	183.3	173.2	1.8	1.0	1.6
Drills and jeans . . . . .	152.9	135.2	122.3	76.9	61.4	76.8
Other sorts . . . . .	479.3	449.1	478.3			
TOTAL . . . . .	3,190.7	3,337.1	3,086.3	108.0	78.8	93.4
Coloured piecegoods . . . . .	893.6	932.2	926.2	135.2	98.2	128.0
TOTAL PIECEGOODS . . . . .	4,084.3	4,269.3	4,012.5	241.2	177.0	221.4

While cotton mill production showed a decline, exports of cotton piecegoods, which had reached the low level of 177 million yards in 1938-39, improved by 25 per cent to 221 million yards in 1939-40, the corresponding increase in value being from R4,79 lakhs to R6,11 lakhs, or 28 per cent. This increase was distributed over all the three principal categories; grey goods advanced by 11 million yards to 80 million yards; bleached goods, by 3 million yards to 13 million yards and coloured goods, by 30 million yards to 128 million yards. Of the total exports of piecegoods, 110 million yards or 50 per cent went to Burma as compared with 87 million yards or 49 per cent in the preceding year. Exports to Ceylon and the Straits Settlements also advanced from 19 million yards and 17 million yards to 23 million yards each. Exports to Egypt declined from 3 million yards to about 2 million yards. Shipments to Nigeria also fell by about 2½ million yards to 5 million yards, while those to the East African ports recorded an increase from 10 million yards to 14 million yards. There were increased shipments to Arabia, the Bahrein Islands, and the Federated Malaya States; while those to Iraq, Aden and Thailand showed decreases. Iran practically took nothing in 1939-40, though she had purchased about 2 million yards in the preceding year. Bombay as usual, had the bulk of the trade and accounted for 66 per cent of the total exports, while Madras had 31 per cent of the trade as compared with 70 per cent and 27 per cent, respectively, in the preceding year. The following table shows the average declared value, per yard, of exported piecegoods

## COTTON PIECEGOODS.

Chart showing the production, imports and exports of cotton piecegoods during the five quinquennia ending 1929-34 and the last thirteen years.



NOTE.—(i) The space after 1929-34 separates the several quinquennia and the annual figures.

(ii) The points starting from 1927-28 and ending in 1936-37 represent figures for India including Burma.

(iii) The points starting from 1936-37 represent adjusted figures excluding Burma for 1936-37 and actual figures thereafter.



## Raw Wool.

compared with the corresponding values of imported piecegoods during the last three years:—

	Exports						Imports											
	1937-38		1938-39		1939-40		1937-38		1938-39		1939-40							
	R	A.	R	A.	R	A.	R	A.	R	A.	R	A.						
Grey . . . . .	0	3	5	0	3	1	0	3	2	0	2	3	0	1	1	0	1	1
White . . . . .	0	3	8	0	3	7	0	3	9	0	3	4	0	2	1	0	3	5
Coloured . . . . .	0	5	0	0	5	4	0	5	3	0	3	6	0	3	0	0	3	1

As compared with the preceding year, the average declared values of grey and white goods exported increased during the year under review, while those of coloured goods showed a decrease. These values were, however, higher than those of the corresponding descriptions of imported piecegoods.

The figures of production of cotton twist and yarn in Indian mills are given in the table on page 267. Exports of cotton twist and yarn declined from 38 million lbs. to 37 million lbs. in quantity and from R1,88 lakhs to R1,79 lakhs in value. Shipments to Burma continued to advance and totalled 15 million lbs. as against 12 million lbs. in the preceding year. Exports to other principal countries generally showed decreases. Shipments to Hongkong and the Straits Settlements declined from 8 million lbs. and 6 million lbs. to 5 million lbs. and 3 million lbs., respectively. Exports to Syria also fell by 1 million lbs. to 2 million lbs. in 1939-40. Among other countries, Aden, Palestine and Turkey together required approximately 3 million lbs., each taking a little more than in 1938-39, while shipments to Siam fell from 1 million lbs. to the negligible quantity of 368,000 lbs.

**Raw Wool (R3,23 lakhs).**—Exports of raw wool declined in quantity from 55.4 million lbs. in 1938-39 to 53.2 million lbs. in 1939-40, but, due to a rise in prices, advanced in value from R2,99 lakhs to R3,23 lakhs. In Karachi, the price of Kandahar wool, cleaned basis, steadily rose during the year under review. During the first three months, the price was quoted at R32 per maund (82 lbs.). The price was stabilized at a slightly higher level of R34 during the following three months. From the latter part of October, prices began to rise rapidly. The quotation, which stood at R38 on October 24, reached R42 in the course of the next two weeks. By December 12, it touched R44, and on January 16, it rose still further to R48, at which level the price remained almost till the close of the year, when a slightly easier tendency set in. On March 26, the quotation fell down to R45.

Exports of raw wool to the United Kingdom declined from 45.0 million lbs. in 1938-39 to 33.3 million lbs. in the year under review. On the other hand, there were increased shipments to the United States of America which totalled 19.2 million lbs. as against 9.0 million lbs. in 1938-39. Exports to other countries were comparatively small. Re-exports of foreign wool showed an advance from 10.6 million lbs. valued at R31 lakhs to 16.4 million lbs. valued at R57 lakhs. As usual, the bulk of these shipments went to the United States of America which took 15.0 million lbs. (R54 lakhs) in 1939-40 as against 9.9 million lbs. (R29 lakhs) in the preceding year. The remainder

## Exports.

was shipped chiefly to the United Kingdom. The following table shows the exports of raw wool of Indian origin and imports of foreign wool by land into India and the corresponding re-exports by sea during the last five years :—

	Imports by land (Rail-borne trade at stations adjacent to land frontier routes)	Re-exports by sea	Exports by sea (Indian merchandise)
	Cwts. (000)	Cwts. (000)	Cwts. (000)
1935-36 . . . . .	140	101	440
1936-37 . . . . .	194	118	464
1937-38 . . . . .	130	77	339
1938-39 . . . . .	140	94	495
1939-40 . . . . .	207	146	475

The export trade in raw wool is confined chiefly to Sind and Bombay, the percentage shares of these provinces in 1939-40 being 65 and 29 as compared with 75 and 21 in the preceding year. In the case of re-exports, Sind had 19 per cent and Bengal, 81 per cent of the trade as against 33 and 67 per cent, respectively, in 1938-39.

Exports of carpets and rugs declined further from 8.9 million lbs. valued at R82 lakhs in 1938-39 to 8.3 million lbs. valued at R74 lakhs in the year under review. As usual, the United Kingdom was the chief customer taking 5.5 million lbs. with a total value of R44 lakhs as against 7.2 million lbs. valued at R61 lakhs in 1938-39. Exports to the United States of America and Canada were valued at R15 lakhs and R8 lakhs as compared with R7 lakhs each in the preceding year. Shipments to Australia were valued at R2 lakhs.

**Tea (R26,08 lakhs).**—The total production of tea in India in 1939-40 has been estimated at 452 million lbs. which is practically the same as in the preceding season. As usual, Assam contributed the largest quantity and produced 253 million lbs. or 56 per cent of the total Indian production in 1939-40 season. Production in the rest of Northern India amounted to 121 million lbs., or 27 per cent. Southern India accounted for 78 million lbs. or 17 per cent. The acreage and production for a number of years are shown in the following table :—

### Acreage.

	1906	1915	1924	1935	1936	1937	1938	1939*
	Acres	Acres	Acres	Acres	Acres	Acres	Acres	Acres
Assam . . . . .	339,200	382,600	435,900	437,200	438,600	440,000	439,100	438,200
East of Northern India . . . . .	153,900	181,300	391,500	232,200	234,100	232,400	231,000	232,000
Southern India . . . . .	37,600	68,000	158,900	162,900	161,200	161,900	162,000	162,400
<b>TOTAL</b>	<b>530,700</b>	<b>632,100</b>	<b>826,300</b>	<b>831,700</b>	<b>834,100</b>	<b>834,300</b>	<b>833,000</b>	<b>832,600</b>

\* Subject to revision.

**Tea.**  
*Production.*

	1906	1915	1934	1935	1936	1937	1938	1939*
	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)
Assam	182,468	245,752	232,835	225,417	223,326	241,527	261,037	252,920
Rest of Northern India	64,216	81,695	105,861	103,742	107,347	117,451	115,765	121,209
Southern India	14,281	31,610	60,555	64,270	64,508	71,272	75,119	77,730
<b>TOTAL</b>	<b>240,965</b>	<b>372,057</b>	<b>399,251</b>	<b>394,429</b>	<b>395,181</b>	<b>430,250</b>	<b>451,861</b>	<b>451,862</b>

\* Subject to revision.

The exports for the corresponding official years are shown in the table below :—

*Exports of tea by sea to foreign countries.*

	1906-07	1915-16	1934-35	1935-36	1936-37	1937-38	1938-39	1939-40
	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)
From Northern India (Calcutta and Chittagong).	217,031	301,403	276,453	265,531	259,505	282,757	291,507	208,589
From Southern India (Madras ports).	13,980	25,840	48,139	50,385	46,004	51,444	56,303	57,096
From Bombay and Sind.	1,743	11,227	241	65	67	24	240	1,010
<b>TOTAL</b>	<b>233,654</b>	<b>338,470</b>	<b>324,833</b>	<b>315,981</b>	<b>305,576</b>	<b>334,225</b>	<b>348,050</b>	<b>356,695</b>

Exports abroad rose in quantity from 348 million lbs. in 1938-39 to 357 million lbs. in 1939-40 or by 3 per cent, the corresponding increase in value being from R23,29 lakhs to R26,08 lakhs, or 12 per cent. The total quantity exported in the year under review represented 79 per cent of the total production as compared with 77 per cent in the preceding year.

The auction sales for invoices with export rights for the 1939-40 season opened at Calcutta on May 15 and, despite the suspension from September 26 to October 15, there were altogether 32 sales, while for internal consumption, there were 35 sales in the year. The number of chests of sound leaf sold with export rights was 617,446 as against 640,135 in the preceding season. Sales of sound leaf tea for internal consumption, however, rose from 356,564 packages to 380,094 packages in 1939-40. In all, the total number of packages of sound leaf sold was 997,540 as compared with 996,699 in the preceding season. The average price realised for tea sold with export rights improved to 11 as. 5 p. from 9 as. 7 p. in the preceding season, and that for internal consumption also rose from 4 as. 0 p. to 4 as. 4 p.

## Exports.

The following table shows the number of chests of sound leaf sold and the average price realised at the Calcutta auction sales since 1932-33, the season immediately preceding the International restriction scheme :—

Season	NUMBER OF CHESTS SOLD.			AVERAGE PRICE PER LB.		Total weighted average price per lb.
	With export rights	For internal consumption	Total	For teas with export right	For teas for internal consumption	
				As. P.	As. P.	
1932-33 . . . . .	—	—	772,843	—	—	5 2
1933-34 . . . . .	575,709	267,635	843,344	9 7	4 10	8 1
1934-35 . . . . .	506,834	282,901	849,825	8 9	5 2	7 7
1935-36 . . . . .	527,340	290,336	817,676	9 5	4 10	7 9
1936-37 . . . . .	384,918	322,913	907,831	10 1	4 8	8 2
1937-38 . . . . .	617,553	357,260	984,813	11 4	4 0	8 11
1938-39 . . . . .	640,135	355,584	996,699	9 7	4 0	7 7
1939-40 . . . . .	617,446	380,094	997,540	11 5	4 4	8 9

Taking 1932-33 as the base, the variation in the production in Northern India and in the total quantity of sound leaf tea sold at the Calcutta auction sales (including tea sold for internal consumption) and the average prices realised at these sales are set forth below :—

Season	Production	Total quantity sold (for both export and internal consumption)	Average price
1932-33 . . . . .	100	100	100
1933-34 . . . . .	87	109	156
1934-35 . . . . .	91	110	147
1935-36 . . . . .	89	106	150
1936-37 . . . . .	89	117	158
1937-38 . . . . .	97	127	173
1938-39 . . . . .	102	129	147
1939-40 . . . . .	101	129	169

Of the total exports of 357 million lbs., in 1939-40, the United Kingdom took 287 million lbs. or 80 per cent as compared with 304 million lbs., or 87 per cent of the total of 348 million lbs. in the preceding year. On the outbreak of the war, the Government of the United Kingdom took over

## Food grains.

all the bonded stock in that country and the re-export trade was practically closed for the time being. As a result, there were larger shipments from India direct to such markets as Canada and the United States of America which obtained their supplies also from the United Kingdom. Exports to Eire totalled 2·1 million lbs. or 1·3 million lbs. less than in 1938-39. Shipments to Canada and the United States of America advanced to 27·1 million lbs. and 13·4 million lbs. from 15·5 million lbs. and 8·1 million lbs., respectively, in the preceding year. All the principal countries in the nearer markets also took more than in the preceding year. Iran required 6·1 million lbs. as against 5·1 million lbs.; Ceylon, 7·0 million lbs. as against 3·9 million lbs. and Burma, 2·7 million lbs. as against 2·0 million lbs. in 1938-39. Exports to Australia rose from 1·3 million lbs. to 3·7 million lbs. in 1939-40. The share of Calcutta in the total exports of tea in 1939-40 was 59 per cent and of Chittagong, 24 per cent, the remainder being shipped mostly from Madras. Shipments from Calcutta in 1939-40 amounted to 212 million lbs. (206 million lbs.) and from Chittagong 87 million lbs. (88 million lbs.); while those from Madras totalled 57 million lbs. (56 million lbs.)—the corresponding figures for the preceding year being shown in brackets.

**Food grains and flour (R5,07 lakhs).**—The total exports of grain, pulse and flour declined from 742,000 tons in 1938-39 to 408,000 tons in 1939-40, or by 45 per cent in quantity, the corresponding fall in value being from R7,74 lakhs to R5,07 lakhs, or by 34 per cent. All the principal classes of food grains participated in this decline which was most noticeable in the case of exports of wheat. The statement below shows the exports of food grains during the past three years :—

	1937-38	1938-39	1939-40
	Tons (000)	Tons (000)	Tons (000)
Rice not in the husk . . . . .	227	282	202
„ in the husk . . . . .	1	3	4
Wheat . . . . .	460	279	8
„ flour . . . . .	62	61	50
Pulse . . . . .	56	81	73
Barley . . . . .	35	0	..
Jowar and bajra . . . . .	4	24	7
Other sorts . . . . .	3	3	4
<b>TOTAL . . . . .</b>	<b>878</b>	<b>742</b>	<b>408</b>
<b>VALUE R(lakhs)</b>	<b>9,49</b>	<b>7,74</b>	<b>5,07</b>

Despite large production in India, considerable quantities of rice are imported into the country mostly from Burma. Rice (R3,22 lakhs). Exports which formed only 1 per cent of Indian production, are destined chiefly to Ceylon, Arabia and certain African

## Exports.

territories having a large Indian population. The following statement compares the total outturn of rice in India and Burma with total exports from and imports into India during the past five years :—

(In thousand tons)

	PRODUCTION		EXPORTS		IMPORTS	
	Cleaned rice		Rice	Paddy	Rice	Paddy
	India proper	Burma				
1935-36 . . . . .	23,213	4,998	189	4	1,391	252
1936-37 . . . . .	27,828	4,721	235	1	1,419	121
1937-38 . . . . .	26,702	4,575	227	1	1,198	38
1938-39 . . . . .	23,915	5,360	282	3	1,282	84
1939-40 . . . . .	25,257*	4,663*	202	4	1,887	339

\* Subject to revision.

The production of cleaned rice in India in 1939-40 amounted to 25·3 million tons as compared with 23·9 million tons in the preceding year, the total area under the crop being 72·3 million acres as against 73·4 million acres in 1938-39. Exports of rice, not in the husk, declined in quantity from 282,000 tons to 262,000 tons, but higher prices accounted for an increase in value from R3,17 lakhs to R3,19 lakhs. The table below shows the direction of export trade in rice :—

*Exports of rice, not in the husk, to foreign countries.*

(In thousand tons.)

	1937-38	1938-39	1939-40
United Kingdom . . . . .	6	6	7
Rest of Europe . . . . .	7	4	2
Ceylon . . . . .	91	105	91
Rest of Asia . . . . .	62	81	79
Union of South Africa . . . . .	23	25	31
East Africa . . . . .	6	6	7
Other Countries . . . . .	32	55	45
<b>TOTAL</b>	<b>227</b>	<b>282</b>	<b>262</b>

Exports to Ceylon amounted to 91,000 tons in 1939-40 as compared with 105,000 tons in the preceding year. Among other Asiatic countries, Arabia and Aden and Dependencies took 45,000 tons and 11,000 tons as against 43,000 tons and 13,000 tons, respectively, in 1938-39. Exports to the Straits

## Wheat.

Settlements declined from 11,000 tons, to 9,000 tons, while those to the Bahrein Islands showed an increase from 8,000 tons to 10,000 tons. Shipments to the Union of South Africa amounted to 31,000 tons, or 6,000 tons more than in 1938-39, and those to East Africa totalled 7,000 tons as against 6,000 tons in the preceding year. The United Kingdom took 7,000 tons as compared with 6,000 tons, while the Netherlands required about 1,500 tons, or less than half of what she had taken in 1938-39. Exports to other European countries were comparatively small. It may be noted that the European countries draw their supplies more from Burma than from India. Imports of rice, not in the husk, into India almost entirely from Burma amounted to 1,887,000 tons in 1939-40, the corresponding figure for the preceding year being 1,282,000 tons. Besides these, 339,000 tons of rice, in the husk, were imported into India in the year under review as against 84,000 tons in 1938-39. Of these, Burma supplied 43,000 tons as compared with 59,000 tons in 1938-39. Arrivals from other countries included 262,000 tons from French Indo-China and 34,000 tons from Thailand their respective contributions in the preceding year being 15,000 tons and 8,000 tons.

The production of wheat in India in 1938-39 was estimated at 10 million tons, while in 1939-40 it has been put at 10·8 million tons. The world's production in 1939 was

good though not equal to the record crop of 1938, and supplies of wheat in Europe were sufficient to meet her demand. Exports from India shrank from 279,000 tons in 1938-39 to 7,800 tons in the year under review and were confined to nearer markets, Burma alone taking 3,500 tons as against 4,600 tons in 1938-39. The following table shows the production and exports of wheat during the past five years :—

—	Production	Exports
	Tons (000)	Tons (000)
1935-36 . . . . .	9,434	13
1936-37 . . . . .	9,752	235
1937-38 . . . . .	10,764	460
1938-39 . . . . .	9,963	279
1939-40 . . . . .	10,784*	8

\* Subject to revision.

Exports of wheat flour from India also declined from 61,000 tons valued at R78 lakhs to 50,000 tons valued at R68 lakhs.

Wheat flour (R68 lakhs). Shipments to Burma totalled 23,000 tons in 1939-40 as against 25,000 tons in the preceding year. Shipments to Arabia and Aden also declined from 13,000 tons and 8,000 tons to 10,000 tons and 6,000 tons, respectively. There was, however, an increase of 800 tons in the exports to Ceylon which amounted to 1,600 tons, but those to the Straits Settlements remained fairly steady at about 5,000 tons. The following table shows the production of wheat in India, the net imports or exports and the balance available for consumption in the country in the last three years. In

## Exports.

calculating the net imports and exports, the equivalent in wheat of flour imported or exported has been taken into account :—

Years	Production of previous crop year	Net imports(+) or net exports (-) during the year	Balance available for consumption during the year
	Tons	Tons	Tons
1937-38 . . . . .	9,752,000	-527,000	9,225,000
1938-39 . . . . .	10,764,000	-207,000	10,557,000
1939-40 . . . . .	9,963,000	+6,000	9,969,000

Among other food grains, exports of barley were insignificant, amounting to 500 tons valued at about R $\frac{3}{4}$  lakh in 1939-40. Other food grains (R1.07 lakhs). Exports of pulses, consisting largely of *dals* and lentils recorded a decline in quantity from 81,000 tons in 1938-39 to 73,000 tons in 1939-40, but the value rose by about R3 lakhs to R95 lakhs. Ceylon took the largest quantity of *dals* exported in 1939-40, viz., 15,000 tons out of a total of 33,000 tons, while the United Kingdom absorbed 18,000 tons of lentils out of the total of 22,000 tons. Ceylon was also the best purchaser of grams, she having taken about 52 per cent of total exports in 1939-40 as against 16 per cent in the preceding year. Of the total value of exports of pulses the United Kingdom accounted for R31 lakhs; Ceylon, R26 lakhs; the Straits Settlements, R8 lakhs; Mauritius, R7 lakhs; Burma, R5 lakhs and the Union of South Africa, R4 lakhs. Exports of jowar and bajra also declined from 24,000 tons valued at R26 lakhs in 1938-39 to 7,000 tons valued at about R7 $\frac{1}{2}$  lakhs. Of the shipments in 1939-40, Arabia took 700 tons; Aden, 500 tons; the Italian East Africa, 5,000 tons and the French Somaliland, 600 tons. There were practically no exports of maize and oats from India during the year under review.

**Oilseeds (R11.84 lakhs).**—The total exports of oilseeds, consisting largely of groundnuts and linseed, from British India declined by 29 per cent in quantity and 21 per cent in value and amounted to 849,000 tons valued at R11.84 lakhs as compared with 1,199,000 tons valued at R15.06 lakhs in 1938-39. Supplies were generally normal, but the war brought about a dislocation in the oilseed crushing industry of Europe and, as a result, exports were much smaller in the second half than in the first.

The Indian linseed crop of the season 1938-39 which was mostly marketed in the year under review was estimated at 442,000 tons as against 461,000 tons in the preceding season. Linseed (R3.18 lakhs). The Argentine crop of 1938-39 was smaller by 8 per cent than the preceding one, the official estimate of the outturn being 1,388,000 tons. Shipments from India dropped by 31 per cent in quantity from 318,000 tons in 1938-39 to 219,000 tons in 1939-40, and by 28 per cent in value from R4.40 lakhs to R3.18 lakhs. As usual, the United Kingdom was the best customer and took



## Rapeseed.

172,000 tons as against 271,000 tons in 1938-39. With the exception of the Netherlands, all the principal Continental countries reduced their purchases. Exports to Germany, France and Italy dropped from 10,000 tons, 9,000 tons and 900 tons to 6,000 tons, 2,000 tons and 400 tons; while Belgium, who had taken 700 tons in 1938-39, was practically out of the market in the year under review. The Netherlands required 1,300 tons—twice as much as in 1938-39, while Greece took 3,000 tons as in the preceding year. There was an increase in the shipments to Australia which amounted to 31,000 tons in 1939-40 as against 21,000 tons in the preceding year. American countries, viz., the United States and Canada, continued to show practically no interest in this trade. The exports in 1939-40 were divided among the provinces in the following proportion:—Bengal, 46 per cent (41); Bombay, 43 per cent (56) and Madras, 11 per cent (3), the figures in brackets representing the percentage share in 1938-39.

The production of groundnuts in 1939-40 has been estimated at 3,002,000 tons of nuts in shell as against 3,219,000 tons in the preceding season. Exports of groundnut seeds from British India totalled 549,000 tons valued at R7,19 lakhs in 1939-40 as compared with 835,000 tons valued at R9,93 lakhs in 1938-39. Shipments to the United Kingdom advanced from 96,000 tons in 1938-39 to 108,000 tons in the year under review. Exports to France declined from 150,000 tons to 99,000 tons in 1939-40 and those to Germany, from 115,000 tons to 53,000 tons. Belgium and the Netherlands together took 173,000 tons as against 297,000 tons in 1938-39, while Italy required 19,000 tons or 15,000 tons less than in the preceding year. Shipments to other countries included 6,000 tons to Portugal and 12,000 tons to Palestine, their respective takings in the preceding year being 5,000 tons and 8,000 tons. About 86 per cent of the total quantity shipped in 1939-40 was from Madras Province as compared with 92 per cent in the preceding year, the remainder being despatched almost entirely from Bombay.

Exports of castor seed rose sharply from 8,000 tons valued at R10 lakhs in 1938-39 to 40,000 tons valued at R71 lakhs in 1939-40. The United Kingdom and France increased their requirements from 1,400 tons and 200 tons to 12,000 tons and 2,000 tons, respectively, while the Netherlands curtailed her purchases by about 1,000 tons to 2,000 tons. Belgium and Italy, which had taken practically nothing in 1938-39, required 500 tons and 600 tons, respectively, in 1939-40. Japan and the United States of America also reappeared in the market with 7,000 tons and 13,000 tons, respectively, in the year under review.

There was an improvement in the exports of rapeseed which amounted to 22,000 tons valued at R33 lakhs in 1939-40 as against 12,000 tons valued at R16 lakhs in the preceding year. The United Kingdom took about 16,000 tons or 73 per cent as compared with 3,000 tons or 25 per cent in 1938-39. Among other important countries, the Netherlands and France reduced their purchases from 2,700 tons and 3,600 tons to 500 tons and 3,500 tons, respectively. Belgium, which had taken 1,200 tons in 1938-39, required only 30 tons in the year under review. The production of rape and mustard in India in 1939-40 was estimated at 1,097,000 tons as compared with 919,000 tons in 1938-39.

## Exports.

Exports of sesamum declined in quantity from 8,000 tons in 1938-39 to 4,000 tons in 1939-40 and, consequently, the value receded from R15 lakhs to R7 lakhs.

Sesamum (R7 lakhs).  
Burma continued to be the principal customer, although her purchases fell from 3,000 tons to about 2,000 tons. Ceylon and Arabia also reduced their takings from 1,000 tons and 500 tons to 400 tons and 200 tons, respectively.

Exports of other non-essential oilseeds, e.g., cotton, copra, etc., were negligible during the year under review. Shipments of essential oilseeds recorded a decline of 27 per cent in quantity from 11,000 tons in 1938-39 to 8,000 tons in 1939-40, and of 13 per cent in value from R23 lakhs to R20 lakhs. The principal descriptions were Coriander (R8 lakhs), Cummin (R6 lakhs), Fennel (R3 lakhs) and Fenugreek (R2 lakhs).

**Hides and Skins (R11, 07 lakhs).**—Exports of raw hides and skins declined by 10 per cent in quantity from 35,300 tons in 1938-39 to 31,700 tons in 1939-40, but due to a rise in the prices, the value advanced by 7 per cent from R3,81 lakhs to R4,06 lakhs. Of the total quantity exported in 1939-40, raw hides represented 23 per cent and recorded a decrease from 15,400 tons valued at R1,02 lakhs to 11,900 tons valued at R79 lakhs. Shipments in the year under review consisted of 10,200 tons of raw cow hides; 1,500 tons of buffalo hides and 200 tons of calf skins which are classified under raw hides. The following table shows the details for the past three years :—

	QUANTITY				VALUE	
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Tons	Tons	Tons	R(lakhs)	R(lakhs)	R(lakhs)
Raw cow hides	10,800	13,300	10,200	1,23	87	68
„ buffalo hides	4,400	1,800	1,500	30	12	10
„ other hides	400	300	200	4	3	1
„ goat skins	18,600	18,700	18,700	3,07	2,57	3,09
„ sheep skins	800	800	800	14	10	11
„ other skins	300	400	300	16	12	8
<b>TOTAL HIDES AND SKINS, RAW excluding cuttings</b>	<b>41,300</b>	<b>35,300</b>	<b>31,700</b>	<b>4,94</b>	<b>3,81</b>	<b>4,06</b>

Exports of raw cow hides fell from 13,300 tons valued at R87 lakhs in 1938-39 to 10,200 tons valued at R68 lakhs in 1939-40, of which the United Kingdom absorbed 3,500 tons or 34 per cent as against 1,100 tons or 8 per cent in the preceding year. Exports to other principal countries, however, recorded decreases. Shipments to Italy fell from 1,700 tons to 1,000 tons and those to Germany from 3,500 tons to 800 tons in 1939-40. Exports to the Netherlands and France were also smaller than in the preceding year and amounted to 200 tons each in 1939-40. Greece required 600 tons or 400 tons less than in 1938-39. Sweden, Norway and Finland together took 1,600 tons as compared with 2,300 tons in the preceding year. For price quotation, a reference may be made to table No. 54 appended to this Review.

## Hides and Skins.

Exports of buffalo hides declined from 1,800 tons valued at R12 lakhs in 1938-39 to 1,500 tons valued at R10 lakhs in the year under review. The United Kingdom and the United States of America, which had taken almost nothing in 1938-39, required 200 tons and 300 tons, respectively. There were, however, smaller shipments to Bulgaria and Germany which amounted to below 50 tons each as against 300 tons and 200 tons, respectively, in 1938-39. Exports to Greece also fell from 500 tons to 200 tons. Shipments of calf skins amounted to 200 tons valued at R1 lakh as against 300 tons valued at R2 lakhs in 1938-39. The principal customer was the United Kingdom.

Exports of raw skins declined from 19,900 tons to 19,800 tons in quantity, but the value rose from R2,79 lakhs to R3,27 lakhs. Goat skins formed the bulk of these shipments, exports of which remained practically unchanged at 18,700 tons, the value, however, showed a rise of 20 per cent from R2,57 lakhs to R3,08 lakhs. The United States of America was, as usual, the largest purchaser and was followed by the United Kingdom. The former increased her takings from 12,100 tons to 13,200 tons and the latter, from 3,100 tons to 3,300 tons. Germany, Czechoslovakia, the Netherlands, and Belgium together took 400 tons as against 1,300 tons in the preceding year, while France required 800 tons or 100 tons less than in 1938-39. Exports to Australia also declined from 800 tons to 700 tons. Exports of sheep skins amounted to 800 tons almost the same as in the preceding year, but higher prices accounted for a rise in value from R10 lakhs to R11 lakhs. Shipments to Sweden and Finland fell from 300 tons each to 200 tons and 100 tons, respectively. The participation of other countries in this trade was not of much importance. The average declared value per lb. of the exports was R0-10-5 as against R0-8-4 in 1938-39. For price quotations a reference is again invited to table No. 54.

There was an increase in the exports of tanned hides and skins in the year under review, which totalled 31,900 tons valued at R6,98 lakhs as against 20,200 tons valued at R4,76 lakhs in 1938-39. The following table shows the details for the past three years:—

	QUANTITY			VALUE		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Tons	Tons	Tons	R(lakhs)	R(lakhs)	R(lakhs)
Tanned cow hides . . . . .	13,800	12,200	20,000	2,54	1,82	3,54
.. buffalo hides . . . . .	1,300	1,200	3,000	21	16	39
.. other hides . . . . .	1,900	1,400	2,300	45	31	59
.. goat skins . . . . .	3,400	2,800	2,900	1,03	1,22	1,18
.. sheep skins . . . . .	3,300	2,600	3,100	1,60	1,25	1,45
.. other skins . . . . .	..	..	..	2	1	4
<b>TOTAL HIDES AND SKINS, TANNED</b> . . . . .	<b>23,700</b>	<b>20,200</b>	<b>31,000</b>	<b>6,45</b>	<b>4,76</b>	<b>6,98</b>

## Exports.

As a result of the war demand, exports of tanned cow hides showed a marked rise from 12,200 tons in 1938-39 to 20,600 tons in the year under review, representing an increase of 69 per cent in quantity and from R1,82 lakhs to R3,34 lakhs or an advance of 84 per cent in value. Almost the entire quantity was shipped to the United Kingdom. Exports of tanned buffalo hides amounted to 3,000 tons valued at R39 lakhs as compared with 1,200 tons valued at R15 lakhs. Shipments to the United Kingdom advanced from 700 tons to 2,000 tons. Tanned calf skins were also in better demand, exports of which, destined chiefly to the United Kingdom, amounted to 2,300 tons valued at R58 lakhs as compared with 1,400 tons valued at R31 lakhs in 1938-39.

Exports of tanned goat skins amounted to 2,900 tons valued at R1,18 lakhs as against 2,800 tons valued at R1,22 lakhs in 1938-39. Purchases by the United Kingdom remained fairly steady at 2,500 tons, while those by France declined from about 200 tons to less than 50 tons. Exports to the United States of America, however, advanced from about 100 tons to 400 tons. The United Kingdom also took the largest quantity of tanned sheep skins exported, viz., 3,000 tons out of a total of 3,100 tons as against 2,400 tons out of 2,600 tons in 1938-39. Japan was practically out of the market in 1939-40, her purchases in the preceding year being 120 tons. The average declared values, per lb., of tanned goat skins and sheep skins were R1-13-1 and R2-0-11, as against R1-15-4 and R2-1-11, respectively, in 1938-39.

**Metals and Ores (R6,45 lakhs).**—There was an increase in the exports of metals and ores, the total shipments of which amounted to 1,545,000 tons valued at R6.45 lakhs in 1939-40 as compared with 1,509,000 tons valued at R4.91 lakhs in the preceding year. Exports of manganese ore, representing 46 per cent of the total quantity shipped in 1939-40, rose from 456,000 tons to 719,000 tons or an increase of 58 per cent over 1938-39. The United Kingdom, was as usual, the largest purchaser and took 267,000 tons as against 115,000 tons in the preceding year. Japan came next, taking 194,000 tons, or 84,000 tons more than in 1938-39. Exports to the United States of America and Belgium also showed increases and amounted to 141,000 tons and 30,000 tons as against 67,000 tons and 10,000 tons, respectively, in 1938-39. On the other hand, shipments to France and Italy declined from 87,000 tons and 48,000 tons to 50,000 tons and 3,000 tons, respectively. There were no exports of ferro-manganese ore and those of ferruginous manganese ore amounted to 3,300 tons as against 3,500 tons in 1938-39.

**Exports of pig iron totalled 569,000 tons valued at R2,84 lakhs in 1939-40**  
as compared with 514,000 tons valued at R2,56 lakhs in 1938-39. Japan took the largest quantity, viz., 289,000 tons against 330,000 tons in the preceding year, and was followed by the United Kingdom which increased her purchases from 109,000 tons in 1938-39 to 223,000 tons in 1939-40. There was also a noticeable increase in the exports to the United States of America which amounted to 24,000 tons as against 8,000 tons in the preceding year. Shipments to other countries in 1939-40 included 10,000 tons to Sweden; 6,000 tons to China and 5,000 tons to France.

## Lac.

Exports of chromite also advanced from 15,000 tons valued at R5 lakhs to 30,000 tons valued at R9 lakhs in 1939-40. Chromite (R9 lakhs). Almost the entire quantity in 1939-40 went to the United States of America and the United Kingdom which took 19,400 tons and 9,900 tons as against 1,000 tons and 2,600 tons, respectively in the preceding year.

Exports of scrap iron or steel for re-manufacture during the year under review were valued at R17 lakhs as compared with R19 lakhs in 1938-39. These were almost entirely shipped to Japan. Scrap Steel (R17 lakhs).

**Lac (R1,89 lakhs).**—There was an improvement in the exports of lac total shipments advancing from 644,000 cwts. valued at R1,27 lakhs in 1938-39 to 755,000 cwts. valued at R1,89 lakhs in the year under review. The following table shows the details during the past three years :—

	1937-38		1938-39		1939-40	
	Cwts.	Per cent	Cwts.	Per cent	Cwts.	Per cent
Shellac and button lac . . . . .	433,200	65	401,200	63	454,200	60
Stick lac and seed lac . . . . .	188,000	28	208,000	32	268,800	36
Others . . . . .	43,500	7	30,700	5	32,100	4
<b>TOTAL . . . . .</b>	<b>664,700</b>	<b>100</b>	<b>640,900</b>	<b>100</b>	<b>755,100</b>	<b>100</b>

Exports of shellac rose by 12 per cent in quantity from 384,000 cwts. in 1938-39 to 430,000 cwts. in 1939-40 and by 42 per cent in value from R8 lakhs to R1,22 lakhs. Exports to the United States of America more than doubled those in the preceding year and amounted to 265,000 cwts. as against 128,000 cwts. in 1938-39. Brazil and Australia also required more than in the preceding year,—shipments to these countries totalling 7,000 cwts. each in 1939-40. The United Kingdom, on the other hand, curtailed her takings from 121,000 cwts. to 44,000 cwts. Exports to Germany fell from 34,000 cwts. to 16,000 cwts. There were also reduced shipments to Japan, France and Italy which amounted to 15,000 cwts., 8,000 cwts., and 2,000 cwts. in 1939-40 as against 25,000 cwts., 9,000 cwts. and 4,000 cwts., respectively, in the preceding year. Exports of seed lac also advanced from 206,000 cwts. (R33 lakhs) to 268,000 cwts. (R54 lakhs), of which the United States of America took 224,000 cwts. as against 147,000 cwts. in 1938-39. The United Kingdom and the Netherlands required 15,000 cwts. each as compared with 17,000 cwts. and 20,000 cwts., respectively, in 1938-39. Shipments to Germany also dropped from 17,000 cwts. to 9,000 cwts. Of the total exports of button lac amounting to 24,000 cwts. in 1939-40 as against 20,000 cwts. in 1938-39 the United Kingdom took 12,000 cwts. as in the preceding year. Exports to the United States of America, however, advanced by 3,000 cwts. to 4,000 cwts. Exports of other kinds of lac, including stick lac but excluding lac-dye, totalled 33,000 cwts. or 1,000 cwts. less than in the preceding year. The principal destinations were the Netherlands (13,000 cwts.) and Germany and the United States of America (8,000 cwts., each). The following table

## Exports.

shows the exports of stick lac from Bangkok and Singapore during the past three years :—

[ In cwts. ]

	1937	1938	1939
To United States of America . . . . .	..	95	..
.. Germany . . . . .	9,214	11,130	12,483
.. United Kingdom . . . . .	172	94	120
.. India . . . . .	64,214	58,070	176,861
<b>TOTAL (ALL COUNTRIES)</b> . . . . .	<b>77,221</b>	<b>74,785</b>	<b>224,010</b>

In Calcutta, the price of T. N. shellac was R13-0 per maund in the beginning of the year under review. After rising to R14-0 in May, it gradually receded to R12-12 in mid-June. During the next two months, the market improved and the quotation ranged between R14-0 and R14-8. In the middle of September, the price suddenly jumped to R19-0 and in the following week, it rose still further to R25-0. In October, a slightly easier tendency prevailed, but from the middle of November prices began to rise again. On November 17, the quotation stood at R26-0, at which level it remained for the following two weeks. Thereafter, the price suddenly soared high and was quoted at R36-0 on December 8, and at R38-0 on December 22. In January, however, this level was not maintained, and prices began to decline, reaching R26-0 on January 26. Except for a brief period in early March, when it reached R31-0, the price remained in the neighbourhood of this level till the end of the year.

**Other Articles.**—The following is a summary of the course of trade in the more important of the remaining articles of export :—

	1937-38	1938-39	1939-40
	R (lakhs)	R (lakhs)	R (lakhs)
Tobacco . . . . .	2,00	2,76	2,53
Fruits and vegetables . . . . .	2,08	2,27	2,37
Oilcakes . . . . .	2,43	3,01	2,03
Coal and coke . . . . .	99	1,36	1,93
Rice . . . . .	1,48	1,14	1,73
Oils . . . . .	1,01	1,03	1,37
Coar manufactures . . . . .	1,04	96	1,28
Spices . . . . .	93	79	1,08
Rubber, raw . . . . .	84	72	94
Hemp, raw . . . . .	74	72	86
Coffee . . . . .	55	75	73
Dye stuffs . . . . .	67	59	71
Provisions and oilman's stores . . . . .	63	59	71
Fish . . . . .	69	69	70
Manures . . . . .	69	37	48
Paraffin wax . . . . .	51	36	33
Drugs and Medicines . . . . .	28	28	33
Bones for manufacturing purposes . . . . .	44	24	22
Saltpetre . . . . .	11	11	17
Fibre for brushes, etc. . . . .	20	16	13

## Fruits.

Exports of total tobacco in 1939-40 amounted to 62·0 million lbs. valued at R2,53 lakhs. Though smaller than in 1938-39 when exports had jumped up to 65·1 million lbs. valued at R2,76 lakhs, they were still considerably higher than in 1937-38 when 52·1 million lbs. valued at R2,00 lakhs were exported. Of the total quantity shipped in 1939-40, unmanufactured tobacco represented 93 per cent, exports of which fell from 60·1 million lbs. valued at R2,01 lakhs to 57·6 million lbs. valued at R1,81 lakhs. There was a noticeable decline in the exports to the United Kingdom which amounted to 16·2 million lbs. as compared with 37·6 million lbs. in 1938-39. Japan was practically out of the market in 1939-40, her purchases in the preceding year being 1·1 million lbs. On the other hand, China increased her requirements considerably which totalled 19·6 million lbs. as against 4·0 million lbs. in 1938-39. Exports to Burma also advanced from 10·9 million lbs. to 13·1 million lbs. Aden and Dependencies took 4·3 million lbs. or about 1 million lbs. more than in the preceding year. Exports to other countries in 1939-40 included 824,000 lbs. to the Straits Settlements; 795,000 lbs. to Hongkong; 760,000 lbs. to the Federated Malay States and 577,000 lbs. to the Netherlands, their respective purchases in the preceding year being 727,000 lbs.; 493,000 lbs.; 886,000 lbs.; and 392,000 lbs. As regards manufactured tobacco, cigar is comparatively an unimportant item, exports of which were valued below R1 lakh as in the preceding year. Exports of Indian cigarettes, almost exclusively to Burma, further declined from 1·8 million lbs. valued at R61 lakhs in 1938-39 to 1·3 million lbs. valued at R55 lakhs. Exports of other manufactures of tobacco were valued at R16 lakhs or an increase of R3 lakhs over those in the preceding year.

The total reported production of cured coffee in India during the season 1938-39 amounted to 40·1 million lbs. as compared with 33·5 million lbs. in the preceding season. Exports from British India fell from 185,000 cwts. valued at R75 lakhs in 1938-39 to 168,000 cwts. valued at R73 lakhs in the year under review. Shipments to the United Kingdom amounted to 46,000 cwts., or 28,000 cwts. less than in 1938-39. Exports to France, Belgium and the Netherlands also declined from 38,000 cwts., 10,000 cwts. and 5,000 cwts. to 28,000 cwts., 7,000 cwts., and 4,000 cwts., respectively, while those to Norway and Iraq advanced from 23,000 cwts. and 7,000 cwts. to 37,000 cwts. and 11,000 cwts., respectively. Purchases by Australia were almost the same as in the preceding year and amounted to 6,000 cwts. in 1939-40.

Exports of fruits and vegetables advanced in value from R2,27 lakhs in 1938-39 to R2,37 lakhs in 1939-40, of which fresh fruits and vegetables accounted for R75 lakhs (R66 lakhs) and fruits and vegetables, dried, salted or preserved, R1,62 lakhs (R1,61 lakhs); the figures in brackets represent the corresponding value in the preceding year. Exports of onions, the principal item under the former group, totalled 1·6 million cwts. valued at R57 lakhs in 1939-40 as against 1·4 million cwts. valued at R53 lakhs in 1938-39. Shipments to Burma and Ceylon advanced from 439,000 cwts. and 632,000 cwts. to 472,000 cwts. and 677,000 cwts. and were valued at R20 lakhs and R19 lakhs, respectively in 1939-40, showing an increase of R1 lakh each over the preceding year. There was also an improvement in the exports to the Straits

## Exports.

Settlements which amounted to 315,000 cwts. as against 289,000 cwts. in the preceding year. Shipments in 1939-40 included 50,000 cwts. to the Federated Malay States. Coconuts were largely exported to Burma shipments of which were valued at R2 lakhs as in the preceding year. Under dried, salted or preserved category, exports of cashew kernels fell from 13,500 tons valued at R1,29 lakhs to 12,800 tons valued at R1,24 lakhs. The bulk of these shipments consisting of 10,200 tons valued at R97 lakhs went to the United States of America.

Expressed in percentages, the share of the United States of America in the total value of the trade in fruits and vegetables, all sorts, in 1939-40 amounted to 41 per cent; of the United Kingdom, 14 per cent and of Burma and Ceylon, 13 per cent each, their respective shares in the preceding year being 49, 7, 14 and 10 per cent.

There was a further improvement in the exports of oils which were valued at R1,37 lakhs in 1939-40 as compared with R1,03 lakhs in the preceding year. Animal and mineral oils form a very small proportion of this total and the trade is practically confined to essential and non-essential vegetable oils. Exports of non-essential vegetable oils advanced from 6.2 million gallons valued at R82 lakhs to 7.2 million gallons valued at R1,12 lakhs. The table in

*Exports of vegetable non-essential oils.*

	(In thousand gallons.)		
	1937-38	1938-39	1939-40
Castor oil . . .	1,584	1,103	1,251
Groundnut oil . . .	2,317	3,888	3,927
Mustard oil . . .	325	414	333
Coconut oil . . .	80	72	61
Other sorts . . .	446	608	1,051
<b>TOTAL</b>	<b>4,952</b>	<b>6,157</b>	<b>7,221</b>

the margin shows the details of these shipments. On the basis of values, the total trade was distributed in the following proportions: Burma, 33 per cent; The United Kingdom, 12 per cent; Mauritius and Dependencies, 7 per cent; the Union of South Africa, the United States of America and Canada, 5

per cent each; the Straits Settlements, 4 per cent; Ceylon, the Federated Malay States, Java, Switzerland and Egypt, 3 per cent each, and other countries 14 per cent.

Among essential oils, exports of sandal wood oil rose from 87,000 lbs. (R9 lakhs) to 100,000 lbs. (R11 lakhs). Purchases by the United Kingdom totalled 75,000 lbs. valued at R9 lakhs in 1939-40 as compared with 74,300 lbs. valued at R8 lakhs in 1938-39; while shipments to Japan receded to 700 lbs. valued at R10,000 only. Exports of lemongrass oil improved from 98,000 gallons to 100,000 gallons, but palmarosa oil recorded a further decline from 7,000 gallons to 4,000 gallons.

There was an improvement in the exports of spices, which amounted to 518,000 cwts. valued at R1,08 lakhs in 1939-40 as compared with 387,000 cwts. valued at R79 lakhs in the preceding year. Betelnuts and chillies represented 30 per cent and 52 per cent, respectively, of the total quantity shipped in 1939-40 and the balance was made up chiefly of ginger, pepper and cardamoms. Exports of chillies, mainly to Ceylon, advanced from 129,000 cwts. valued at R21 lakhs to 268,000 cwts. valued at R43 lakhs; those of betelnuts, on the other hand, declined from 170,000 cwts. (R19 lakhs) to 157,000 cwts. (R17 lakhs), there being smaller shipments to Burma which is, by far, the largest customer.



## Oil cakes.

There was an increase of 6,000 cwts. in the exports of cardamoms which totalled 17,000 cwts. valued at R31 lakhs in 1939-40. Exports of pepper also rose from 17,000 cwts. to about 19,000 cwts., while those of ginger remained fairly steady at 54,000 cwts.

Indian provisions and oilman's stores have only a limited market overseas, exports of which were valued at R71 lakhs in 1939-40 as against R59 lakhs in the preceding year. The principal item under this group is *gilt*, which is exported largely to Burma, the Straits Settlements and other neighbouring territories. Exports during the year under review advanced to 54,600 cwts. valued at R32 lakhs from 44,500 cwts. valued at R28 lakhs in 1938-39. Burma and the Straits Settlements took 20,000 cwts. and 19,000 cwts. as against 14,000 cwts. and 16,000 cwts., respectively, in 1938-39. Shipments to the Federated Malay States, however, remained fairly steady at 4,000 cwts. The United Kingdom was, as usual, the chief market for pickles, chutneys and condiments, exports of which were valued at R5 lakhs as in 1938-39. Exports of butter, mainly to Burma, rose from 6,500 cwts. valued at R6 lakhs to 6,900 cwts. valued at R7 lakhs. Shipments of confectionery were valued at R3 lakhs in the year under review.

Exports of fish (excluding canned) advanced from 336,000 cwts. valued at R69 lakhs in 1938-39 to 358,000 cwts. valued at R70 lakhs in the year under review. The chief item is dry fish of which the unsalted variety accounted for 202,000 cwts. and the salted, for 142,000 cwts. in 1939-40 as against 205,000 cwts. and 120,000 cwts., respectively, in the preceding year; while the exports of fish maws and sharkfins remained fairly steady at 6,000 cwts. Of the total exports in 1939-40, Ceylon and Burma took 237,000 cwts. (R36 lakhs) and 106,000 cwts. (about R26½ lakhs) as compared with 221,000 cwts. (R35 lakhs) and 104,000 cwts. (R27 lakhs), respectively, in the preceding year. Exports to Hongkong were valued at R2 lakhs as in 1938-39.

There was a recession in the exports of oilcakes which totalled 288,000 tons valued at R2,03 lakhs in 1939-40 as compared with 447,000 tons valued at R3,01 lakhs in the preceding year. Exports of groundnut cake, representing 81 per cent of the total quantity shipped in the year under review, recorded a decline from 365,000 tons to 232,000 tons or by 36 per cent. The United Kingdom reduced her purchases from 183,000 tons to 136,000 tons. Shipments to the Netherlands and Belgium also declined from 29,000 tons and 23,000 tons to 4,000 tons each; while those to Germany fell from 80,000 tons to 17,000 tons. Purchases by Ceylon, however, advanced from 6,000 tons to 18,000 tons. The United Kingdom is practically the only customer for Indian cotton and linseed cakes, shipments of which declined from 22,000 tons and 31,000 tons in 1938-39 to 6,000 tons and 30,000 tons, respectively, in 1939-40. Exports of coconut cake, mainly to Belgium, during the year under review, totalled 3,500 tons as against 9,700 tons in 1938-39. As to other oilcakes, Ceylon continued to be the only market for castor cake and rape and sesamum cake. Exports of the former remained almost steady at 1,000 tons; while those of the latter declined from 15,000 tons to 14,000 tons in 1939-40.

## Exports.

There was an improvement in the exports of manures *other than* oilcakes and saltpetre, which amounted to 71,000 tons valued at R48 lakhs in 1939-40 as compared with 53,000 tons valued at R37 lakhs in 1938-39. Shipments of manurial bones including bonemeal, which represented 73 per cent of the total quantity exported in 1939-40, advanced by 12,000 tons or 30 per cent to 52,000 tons. The United Kingdom, Belgium and Ceylon increased their respective takings from 8,000 tons, 15,000 tons and 12,000 tons to 15,000 tons, 19,000 tons, and 13,000 tons. There were no exports to the United States of America as in the preceding year. Exports of other manures also advanced both in quantity and in value as compared with 1938-39 and amounted to 19,000 tons valued at R17 lakhs.

Exports of saltpetre totalled 185,000 cwts. valued at R17 lakhs as against 135,000 cwts. valued at R11 lakhs in the preceding year. Exports to the United Kingdom more than doubled those in the preceding year and amounted to 65,000 cwts. in 1939-40. Shipments to Mauritius and Dependencies also advanced from 79,000 cwts. to 96,000 cwts., but those to Ceylon fell by 5,000 cwts. to 11,000 cwts.

Exports of raw hemp declined in quantity from 816,000 cwts. in 1938-39 to 741,000 cwts. in 1939-40, but due to a rise in the prices, the value advanced by R14 lakhs to R86 lakhs. Shipments to the United Kingdom amounted to 370,000 cwts. or 50 per cent of the total quantity exported in 1939-40 as against 205,000 cwts. or 25 per cent in the preceding year. Exports to the United States of America also advanced from 22,000 cwts. to 64,000 cwts.; while those to Belgium, which had been the principal market in previous years, fell from 257,000 cwts. in 1938-39 to 112,000 cwts. in 1939-40. France also reduced her purchases from 80,000 cwts. to 72,000 cwts. and Germany took only 24,000 cwts. as against 53,000 cwts. in the preceding year. Shipments to Greece and Italy declined from 48,000 cwts. and 31,000 cwts. to 36,000 cwts. and 15,000 cwts., respectively, in 1939-40.

Exports of coir manufactures, other than rope, from British Indian ports advanced from 692,000 cwts. valued at R96 lakhs in 1938-39 to 861,000 cwts. valued at R1,28 lakhs in the year under review. Coir yarn accounted for 77 per cent of the total quantity shipped in 1939-40, exports having amounted to 666,000 cwts. valued at R67 lakhs as against 602,000 cwts. valued at R60 lakhs in the preceding year. The United Kingdom displaced Germany as the foremost purchaser and took 196,000 cwts. in 1939-40 as compared with 86,000 cwts. in 1938-39. Exports to the Netherlands, France, Italy and the United States of America also rose from 75,000 cwts., 38,000 cwts., 29,000 cwts. and 27,000 cwts. to 94,000 cwts., 44,000 cwts., 31,000 cwts. and 33,000 cwts., respectively. Shipments to Germany, on the other hand, fell from 148,000 cwts. to 48,000 cwts. There were also reduced shipments to Burma which totalled 36,000 cwts. as against 53,000 cwts. in 1938-39. Exports of coir mats and mattings advanced from 59,000 cwts. to 123,000 cwts., of which the United Kingdom absorbed 91,000 cwts. or 74 per cent as against 39,000 cwts. or 66 per cent in the preceding year. Exports of other descriptions of coir

## Rubber.

manufactures, mainly to the United Kingdom, also improved from 32,000 cwts. to 72,000 cwts. Besides these, exports of coir manufactures from Travancore ports totalled 587,000 cwts. valued at R1.06 lakhs in 1939-40 as compared with 558,000 cwts. valued at R1.00 lakhs in the preceding year. These were, as usual, shipped chiefly to the United Kingdom.

Exports of fibres for brushes and brooms declined from 9,100 tons valued at R16 lakhs in 1938-39 to 5,300 tons valued at R13 lakhs in 1939-40. Shipments to the United Kingdom and the United States of America advanced from 1,100 tons and 600 tons to 1,900 tons and 1,300 tons, but those to Germany and Japan fell from 2,000 tons and 1,300 tons to 200 tons and 400 tons, respectively, in 1939-40. Purchases by the Netherlands and Belgium were on a smaller scale and amounted to 400 tons and 300 tons, respectively.

There was a marked improvement in the exports of coal which amounted to 1,990,000 tons valued at R1.89 lakhs in 1939-40 as compared with 1,321,000 tons valued at R1.32 lakhs in the preceding year, or an increase of 51 per cent in quantity and of 43 per cent in value. Ceylon and the Straits Settlements considerably increased their purchases from 255,000 tons and 7,000 tons to 407,000 tons and 162,000 tons respectively. Exports to China and Hongkong also advanced sharply from 364,000 tons and 71,000 tons in 1938-39 to 561,000 tons and 259,000 tons, respectively, in the year under review. Burma, however, curtailed her requirements from 561,000 tons to 474,000 tons. Exports to other countries in 1939-40 included 70,000 tons to the Philippines and 12,000 tons each to Sumatra and Japan. Besides these, there were 723,000 tons of Indian coal shipped for the use of steamers engaged in foreign trade in 1939-40 as compared with 632,000 tons in the preceding year. The provincial distribution of these exports were as follows :--

	1938-39.	1939-40.
	Tons.	Tons.
Bengal . . . . .	470,500	533,600
Bombay . . . . .	141,900	162,900
Sind . . . . .	13,800	19,300
Madras . . . . .	5,800	17,600

The production of coal in India during 1939 was estimated at 28 million tons, practically the same as in 1938. The price of Deshargarh coal, per ton into wagon, was R4-8 during the greater part of the year under review. In December, there was an increase to R5-0, at which level the price remained till the middle of February, when it declined by 4 as. to R4-12 and this rate continued to rule till the end of the year.

The permissible exports in 1939 had been fixed at 50 per cent of the basic quota for the 1st two quarters, which was subsequently raised to 60 per cent for the third and then again to 75 per cent for the last quarter, making an average of 58½ per cent for the whole year. The actual allotment for India in 1939 was 9,511 tons including a carry-over of 770 tons from the previous year. To this quota, the debitible exports amounted to 9,725 tons making an excess

## Exports.

shipment of 214 tons. For the first half of 1940 the quota has been further raised to 80 per cent. The average price of spot sheet in London during 1939 was 9d. as against 7  $\frac{1}{2}$ d. in 1938.

There was an improvement in recorded exports from British India which totalled 21.5 million lbs. valued at R94 lakhs in 1939-40 as compared with 17.2 million lbs. valued at R72 lakhs in the preceding year. Exports to the United States of America advanced sharply from 2.9 million lbs. in 1938-39 to 9.6 million lbs. Ceylon also considerably increased her takings from 1.8 million lbs. to 3.5 million lbs. On the other hand, exports to the United Kingdom declined from 6.9 million lbs. to 6.1 million lbs. Shipments to Germany also fell from 3.3 million lbs. to 1.5 million lbs., while there were no exports to Czechoslovakia in 1939-40, her purchases in the preceding year having amounted to 1.5 million lbs. Besides these, exports from Travancore amounted to 1.8 million lbs. valued at R9  $\frac{1}{2}$  lakhs in 1939-40 as compared with 2.8 million lbs. valued at R9 lakhs in 1938-39. The average declared value, per lb. of exports, including those from Travancore, was 7 as. 1 p. in 1939-40 as against 6 as. 5 p. in the preceding year. A fairly large quantity of raw rubber is also imported into British India mainly from Burma. These consignments, which were received almost entirely in Bengal, totalled 7.5 million lbs. (R19 lakhs) in 1939-40 as compared with 5.2 million lbs. (R11 lakhs) in 1938-39.

There was an improvement in the exports of mica which amounted to 217,000 cwts. valued at R1,73 lakhs as compared with 162,000 cwts. valued at R1,14 lakhs in 1938-39. Shipments during the year under review consisted of 29,000 cwts. of blocks, 112,000 cwts. of splittings and 76,000 cwts. of ground, scrap or waste mica. The United Kingdom and the United States of America were, as usual, the principal markets for Indian mica and took 65,000 cwts. and 106,000 cwts. in 1939-40 as against 47,000 cwts. and 39,000 cwts., respectively, in the preceding year; while Japan reduced her purchases from 28,000 cwts. to 25,000 cwts. Exports to Germany also declined considerably from 31,000 cwts. to 10,000 cwts. Shipments in 1939-40 included 1,000 cwts. to France.

Shipments of paraffin, exclusively from Bengal, recorded a further decline from 8,500 tons valued at R36 lakhs in 1938-39 to 7,600 tons valued at R33 lakhs in 1939-40. Exports to the United Kingdom, the principal customer, advanced from 4,600 tons to 5,700 tons; while those to China and the Union of South Africa declined by 100 tons each to 800 tons and 300 tons, respectively. Exports to Germany totalled 200 tons as against 800 tons in the preceding year. There were practically no exports to the Portuguese East Africa, the Netherlands and Belgium in 1939-40.

Exports of dyeing and tanning substances advanced from 1,377,000 cwts. valued at R59 lakhs in 1938-39 to 1,427,000 cwts. valued at R71 lakhs in the year under review. Shipments of myrobalans, the most important item in this group, fell slightly in quantity from 1,221,000 cwts. to 1,209,000 cwts., but higher prices accounted for an increase in value

## Postal articles.

from R40 lakhs to about R42½ lakhs. The United Kingdom and the United States of America increased their respective purchases from 545,000 cwts. and 223,000 cwts. to 633,000 cwts. and 322,000 cwts. Shipments to France also advanced from 41,000 cwts. to 44,000 cwts., but those to Germany, the Netherlands and Belgium shrank from 117,000 cwts., 45,000 cwts., and 40,000 cwts. to 9,000 cwts., 7,000 cwts. and 18,000 cwts., respectively. Exports of myrobalan extracts, mainly to the United Kingdom, rose from 44,000 cwts. (R4 lakhs) to 83,000 cwts. (R7 lakhs) in 1939-40. There was also an increase in the exports of turmeric which totalled 120,000 cwts. valued at R19 lakhs as against 73,000 cwts. valued at R10 lakhs in the preceding year. Exports of indigo have been insignificant in recent years, and those of cutch and gambier fell from 3,300 cwts. in 1938-39 to 2,800 cwts. in 1939-40.

Exports of drugs and medicines were valued at R33 lakhs in 1939-40 as compared with R28 lakhs in the preceding year. Exports of senna rose from 49,000 cwts. (R6 lakhs) to 60,000 cwts. (R8 lakhs). Shipments to the United States of America and France advanced from 8,000 cwts. and 7,000 cwts. to 21,000 cwts. and 8,000 cwts., respectively, but those to Germany fell from 14,000 cwts. to 10,000 cwts. Exports to the United Kingdom remained fairly steady at 6,000 cwts. Exports of nuxvomica were valued at R1 lakh as in the preceding year. Exports of unspecified drugs and medicines, advanced in value by R3 lakhs to R24 lakhs. The principal customers in the year under review were Hongkong (R9 lakhs), Burma (R5 lakhs) and the United Kingdom and Ceylon (R2 lakhs each).

Exports of bones for manufacturing purposes declined from 31,000 tons valued at R24 lakhs to 30,000 tons valued at R22 lakhs. Belgium was, as usual, the principal customer, but her purchases fell from 26,000 tons to 19,000 tons. Exports to Germany also fell from 600 tons to 200 tons, but those to France advanced from 2,000 tons to 5,000 tons.

## POSTAL ARTICLES.

### *Imports and Exports.*

The value of the imports of "Postal articles, not specified" amounted to R1,76 lakhs in 1939-40 as compared with R1,93 lakhs in the preceding year. Imports by post of (a) jewellery, (b) precious stones, (c) gold and silver thread, (d) cigarettes, (e) cinematograph films and (f) watches are not included in the above figures, but are recorded under the relevant heads.

The share of the United Kingdom in the total imports declined from R1,17 lakhs to R1,12 lakhs, but her percentage share rose from 61 to 63. The shares of Switzerland and France also advanced from 10 per cent and 6 per cent to 12 per cent and 7 per cent, respectively; while that of Germany remained almost unchanged at 4 per cent. The value of the articles exported by post also declined from R2,67 lakhs to R2,19 lakhs. The principal

## Exports.

destinations were the United Kingdom (R1.27 lakhs or 58 per cent), Ceylon (R51 lakhs or 23 per cent), Hongkong (R8 lakhs or 4 per cent) and Aden and Dependencies (R7 lakhs or 3 per cent).

## RE-EXPORTS.

The value of the re-export trade in private merchandise advanced by 50 per cent from R6.42 lakhs in 1938-39 to R9.64 lakhs in the year under review. Re-exports of skins, raw, which represented 47 per cent of the total trade as against 34 per cent in the preceding year, rose from R2.19 lakhs (227 tons) to R4.51 lakhs (639 tons). The United Kingdom raised her purchases from 222 tons (R2.17 lakhs) to 274 tons (R2.39 lakhs) and the United States of America, which had taken only 1 ton (R2 lakhs) in 1938-39, required 321 tons (R2.11 lakhs) in the year under review. About 41 tons (R1 lakh) went to Italy in 1939-40. The re-exports of wool, raw, mainly to the United States of America, also rose from 10.6 million lbs. (R31 lakhs) to 16.4 million lbs. (R57 lakhs). Fairly large quantities of foreign sugar, mostly of Java origin, brought into India were subsequently re-exported to neighbouring countries such as Aden, Arabia, Egypt, etc., these shipments totalling 24,000 tons valued at R55 lakhs in 1939-40. Exports of imported cotton piecegoods recorded an increase from 15.6 million yards (R30 lakhs) to 16.6 million yards (R33 lakhs). Increases were also noticeable in the re-exports of instruments, spices, vehicles and chemicals. On the other hand, re-exports of silk manufactures declined in value from R17 lakhs to R14 lakhs. Re-exports of metals and ores, chiefly iron and steel, also fell from 44,000 tons (R37 lakhs) to 34,000 tons (R33 lakhs). The values of apparel, fruits and vegetables and hardware re-exported in 1939-40 recorded decreases. The shares of the principal countries in the total trade in the year under review were: The United Kingdom, 30 per cent; The United States of America, 28 per cent; Burma, 12 per cent; Ceylon, 4 per cent and Arabia and Iraq, 3 per cent, each. As usual, the bulk of the trade passed through Bombay, which accounted for 73 per cent while Bengal had 15 per cent and Sind 11 per cent.

## GOVERNMENT STORES.

The total trade in merchandise on Government account during the last three years is given in the table below:—

(In lakhs of Rupees)

	1937-38	1938-39	1939-40
Imports . . . . .	3.44	3.10	3.67
Exports . . . . .	.42	.50	1.77
Re-exports . . . . .	.14	.12	.24

### **Government Stores.**

The turnover of the transaction in 1939-40 amounted to R5,68 lakhs as compared with R3,81 lakhs in 1938-39. The most noticeable increases under imports were: vehicles (+R41 lakhs); metals and ores (+R11 lakhs) and machinery and millwork (+R6 lakhs); while there were decreases under arms, ammunition and military stores (-R7 lakhs); chemicals (-R5 lakhs) and instruments, apparatus, etc. and flax (-R3 lakhs each). Exports of Indian merchandise on Government and military accounts rose from R50 lakhs to R1,77 lakhs. Re-exports were valued at R24 lakhs as against R12 lakhs in 1938-39.

## CHAPTER IV.

### The Direction of Overseas Trade.

The main features of the direction of India's trade in the year ended 31st March, 1940, are shown in the following tables. Tables A, B and C illustrate the shares of the various foreign countries in India's total trade and tables D and E analyse the trade in particular commodities distinguishing the shares of the principal participating countries. It should be noted that the details shown in the tables below are based on the values of trade as actually recorded in the periods stated, and do not take any account either of the changes in the aggregate values or of the variations in the volume of trade consequent upon alterations in the price level:—

TABLE A.

	1937-38			1938-39			1939-40		
	Ex-ports	Im-ports	Net Imports (-) or Exports (+)	Ex-ports	Im-ports	Net Imports (-) or Exports (+)	Ex-ports	Im-ports	Net Imports (-) or Exports (+)
	₹ Crores	₹ Crores	₹ (Crores)	₹ Crores	₹ Crores	₹ (Crores)	₹ Crores	₹ Crores	₹ (Crores)
United Kingdom . . . . .	64	82	+12	58	46	+12	75	42	+33
Burma . . . . .	11	26	-15	11	24	-13	13	31	-18
Other British Possessions.	24	17	+7	21	18	+3	31	20	+11
<b>TOTAL BRITISH EMPIRE.</b>	<b>99</b>	<b>95</b>	<b>+4</b>	<b>90</b>	<b>88</b>	<b>+2</b>	<b>119</b>	<b>93</b>	<b>+26</b>
Europe . . . . .	37	33	+4	32	28	+4	24	20	+4
United States of America	19	18	+6	14	10	+4	27	15	+12
Japan . . . . .	19	22	-3	15	15	0	14	10	-5
Other Foreign Countries .	15	11	+4	18	11	+7	20	16	+4
<b>TOTAL FOREIGN COUNTRIES</b>	<b>90</b>	<b>79</b>	<b>+11</b>	<b>79</b>	<b>64</b>	<b>+15</b>	<b>94</b>	<b>72</b>	<b>+22</b>
<b>GRAND TOTAL . . . . .</b>	<b>189</b>	<b>174</b>	<b>+15</b>	<b>169</b>	<b>152</b>	<b>+17</b>	<b>213</b>	<b>165</b>	<b>+48</b>

TABLE B.

#### *Imports.*

	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent
United Kingdom . . . . .	29.9	30.5	25.2
Burma . . . . .	14.9	16.0	19.0
Japan . . . . .	12.8	10.1	11.7
United States of America	7.4	6.4	9.0
Germany . . . . .	8.8	8.5	4.0
Iran, Arabia, Iraq, Asiatic Turkey and Sumatra	3.0	2.9	2.9
Straits Settlements	2.2	2.7	2.9
Kenya and Zanzibar	2.6	3.4	2.1
Java . . . . .	0.2	0.3	2.0
China . . . . .	0.6	1.1	1.6
Belgium . . . . .	1.9	1.9	1.5
Australia . . . . .	1.0	1.6	1.4
Italy . . . . .	1.5	1.8	1.2
Switzerland . . . . .	1.0	1.1	1.1
France . . . . .	0.9	0.9	0.9
Netherlands . . . . .	0.9	0.9	0.9
Ceylon . . . . .	1.0	0.8	0.9
Canada . . . . .	0.6	0.6	0.8
Union of South Africa . . . . .	0.3	0.2	0.4



## Direction of Trade.

TABLE C.

*Exports.*

	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent
United Kingdom . . . . .	33·3	34·1	35·4
United States of America . . . . .	10·1	8·5	12·0
Japan . . . . .	10·0	9·0	6·0
Burma . . . . .	5·7	6·2	6·0
China . . . . .	1·1	1·5	4·2
France . . . . .	2·9	3·8	4·0
Ceylon . . . . .	2·9	3·1	3·1
Australia . . . . .	1·7	1·8	2·7
Canada . . . . .	1·3	1·3	2·0
Argentina . . . . .	1·5	1·8	1·7
Belgium . . . . .	3·3	2·7	1·6
Union of South Africa . . . . .	0·8	0·9	1·5
Germany . . . . .	5·8	5·3	1·4
Iran, Arabia, Iraq, Asiatic Turkey and Sumatra . . . . .	1·4	1·6	1·3
Straits Settlements . . . . .	1·4	1·3	1·3
Netherlands . . . . .	2·1	2·7	1·2
Italy . . . . .	3·0	1·6	1·0
Spain . . . . .	0·1	0·1	0·4

TABLE D.

*Imports.*

N.B.—In Tables D and E dots (..) indicate that the trade is either *nil* or insignificant.

	IRON AND STEEL			MACHINERY			HARDWARE		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom . . . . .	50·8	55·8	45·8	63·6	53·8	60·9	34·1	38·1	37·9
United States of America . . . . .	5·4	3·7	6·9	7·9	11·1	17·0	7·9	8·6	14·1
Sweden . . . . .	1·9	2·1	2·5	1·6	2·3	1·8	5·4	6·2	6·6
Germany . . . . .	12·5	11·5	6·9	15·0	16·1	9·4	34·1	20·2	21·1
Belgium . . . . .	11·0	9·1	9·5	1·5	2·0	1·8	0·9	1·2	1·3
Japan . . . . .	7·6	6·3	10·3	2·9	1·0	1·3	9·1	8·2	11·0
France and Luxemburg . . . . .	5·4	3·1	3·9	0·2	6·2	0·5	0·0	0·8	0·9
Percentage of total trade represented by countries shown . . . . .	95·5	91·6	85·8	92·7	92·1	92·7	92·4	92·3	92·9
TOTAL VALUE OF TRADE R (LAKHS) . . . . .	8,21	6,68	6,09	17,15	19,05	14,67	3,31	2,57	2,27

## Direction of Trade.

TABLE D—*contd.*

	MOTOR VEHICLES			INSTRUMENTS		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom . . . . .	35.3	37.1	29.9	47.3	50.3	47.3
United States of America . . . . .	43.0	38.6	47.9	15.3	15.0	19.5
Germany . . . . .	8.2	8.2	1.9	16.6	17.6	8.6
Netherlands . . . . .	..	..	..	3.8	2.6	3.8
Belgium . . . . .	..	..	..	2.1	2.2	2.1
Japan . . . . .	0.6	0.2	0.3	6.0	3.2	5.2
France . . . . .	0.5	0.5	0.4	0.5	0.3	0.5
Italy . . . . .	0.8	1.2	1.0	1.5	1.4	1.6
Canada . . . . .	10.5	13.1	18.0	0.3	..	0.7
Percentage of total trade represented by countries shown . . . . .	98.8	98.9	99.4	93.4	92.6	89.3
<b>TOTAL VALUE OF TRADE R (LAKHS)</b>	6,12	4,28	5,18	6,13	5,85	5,58

	COTTON MANUFACTURES			SILK MANUFACTURES			ARTIFICIAL SILK		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom . . . . .	50.5	40.3	32.1	1.0	0.8	0.8	3.1	5.4	2.8
United States of America . . . . .	0.1	0.1	0.3	0.5	..	0.8	..	..	..
Germany . . . . .	0.3	0.3	0.1	1.6	1.5	0.8	1.0	1.8	0.4
Belgium . . . . .	0.1	0.1	0.1	..	..	..	0.2	..	..
Japan . . . . .	43.5	50.2	55.0	78.5	64.4	47.9	90.6	65.6	82.6
France . . . . .	0.3	0.2	0.2	0.5	0.8	0.8	0.2	0.4	0.4
Switzerland . . . . .	2.3	1.6	1.4	0.5	0.8	1.7	..	..	..
Italy . . . . .	0.5	0.4	0.4	3.7	3.8	2.5	4.3	24.6	11.8
Netherlands . . . . .	0.5	0.5	0.4	..	..	..	..	0.4	0.4
China . . . . .	0.2	4.6	7.5	11.0	22.7	41.2	..	..	0.7
Java and the Straits Settlements . . . . .	..	..	..	0.5	1.5	0.8	..	0.4	0.2
Percentage of total trade represented by countries shown . . . . .	98.6	98.3	97.5	97.8	90.3	97.3	99.4	98.6	99.3
<b>TOTAL VALUE OF TRADE R (LAKHS)</b>	15,55	14,15	14,05	1,91	1,32	1,19	4,87	2,24	4,59

# Direction of Trade.

## TABLE D—concl'd.

	LIQUORS			MINERAL OILS			PAPER AND PASTBOARD		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom . . . . .	60.4	61.1	68.5	1.9	2.4	1.2	25.1	27.6	22.3
United States of America . . . . .	6.5	6.6	6.8	7.1	5.9	8.5	2.9	1.5	6.9
Germany . . . . .	7.0	7.1	8.2	0.9	0.3	0.2	20.7	19.5	11.6
France . . . . .	13.0	11.4	9.1	..	..	..	0.2	0.3	0.9
Netherlands . . . . .	6.1	6.6	4.1	..	..	..	4.3	4.6	4.6
Iran . . . . .	..	..	..	18.0	22.9	16.8	..	..	..
Bahrain Islands . . . . .	..	..	..	1.1	5.2	11.3	..	..	..
Borneo, Sumatra, etc.* . . . . .	..	..	..	13.4	9.9	12.6	..	..	0.3
Norway . . . . .	..	..	..	..	..	..	9.2	11.8	16.2
Sweden . . . . .	..	..	..	..	..	..	13.5	12.1	18.2
Union of Socialist Soviet Republics . . . . .	..	..	..	4.0	0.7	..	..	..	..
Austria . . . . .	..	..	..	..	..	..	8.9	7.4	1.4
Burma . . . . .	..	..	..	56.0	52.1	48.4	..	..	..
Percentage of total trade represented by countries shown . . . . .	93.0	92.8	91.7	99.4	99.4	99.0	84.8	84.8	82.4
<b>TOTAL VALUE OF TRADE R (LAKHS)</b> . . . . .	<b>2,30</b>	<b>2,11</b>	<b>2,10</b>	<b>17,45</b>	<b>14,67</b>	<b>17,13</b>	<b>4,15</b>	<b>3,23</b>	<b>3,46</b>

\* Includes the Straits Settlements and Celebes and other Islands.

	PROVISIONS AND OILMAN'S STORES, ETC.			CHEMICALS, ETC.		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom . . . . .	57.7	55.2	51.7	53.8	56.7	51.5
United States of America . . . . .	7.3	6.5	7.6	5.1	6.6	18.6
Netherlands . . . . .	7.3	7.7	6.0	2.1	1.6	1.3
Straits Settlements . . . . .	9.2	10.5	9.1	..	..	..
Hongkong . . . . .	..	..	..	..	0.3	0.2
Commonwealth of Australia . . . . .	5.0	5.2	9.5	..	..	..
Germany . . . . .	0.8	0.8	0.2	14.7	18.1	4.9
Belgium . . . . .	1.2	1.2	0.8	1.8	1.3	1.3
France . . . . .	1.2	0.8	0.8	2.1	3.0	1.5
Italy . . . . .	0.8	0.8	0.8	6.0	5.2	3.1
Japan . . . . .	1.2	1.2	1.5	6.9	5.2	8.2
Percentage of total trade represented by countries shown . . . . .	91.7	89.0	90.0	92.5	93.0	90.0
<b>TOTAL VALUE OF TRADE R (LAKHS)</b> . . . . .	<b>2,60</b>	<b>2,43</b>	<b>2,63</b>	<b>3,33</b>	<b>3,05</b>	<b>4,52</b>

# Direction of Trade.

## TABLE E.

### Exports.

	TEA			JUTE (RAW)			JUTE MANUFACTURES		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom . . . . .	87.5	87.4	80.0	10.1	20.2	37.2	0.6	10.4	24.9
Canada . . . . .	4.1	4.2	7.0	0.3	0.1	0.5	8.3	3.0	3.6
Australia . . . . .	0.2	0.4	0.9	0.3	0.8	0.5	7.1	7.6	7.5
Union of Socialist Soviet Republics . . . . .	0.2	..	..	3.5	2.7	0.1	..	..	..
Iran, Arabia, Asiatic Turkey and Iraq . . . . .	2.1	2.2	2.6	..	..	..	0.9	1.0	0.3
United States of America . . . . .	1.6	2.0	3.1	12.6	5.0	10.2	29.8	26.4	22.8
Ceylon . . . . .	0.9	1.1	2.5	..	..	..	0.1	0.2	0.1
Union of South Africa . . . . .	0.1	0.1	0.2	..	..	..	2.9	3.0	3.6
Thailand . . . . .	..	..	..	..	..	..	1.0	2.1	2.0
Egypt . . . . .	..	0.1	0.2	0.6	0.2	0.2	2.0	2.4	2.3
Spain . . . . .	..	..	..	0.6	1.5	3.0	0.1	..	..
Germany . . . . .	0.2	0.4	0.2	10.4	10.0	4.8	0.1	0.2	..
France . . . . .	..	..	..	9.2	11.2	14.5	0.1	0.1	0.2
Italy . . . . .	..	..	..	10.3	8.9	5.1	..	..	..
Argentina . . . . .	..	..	..	1.0	1.3	1.8	8.7	10.2	6.5
Java . . . . .	..	..	..	..	..	..	3.0	2.4	2.5
Japan . . . . .	..	..	..	1.9	2.1	2.2	0.4	0.3	0.1
Belgium . . . . .	..	..	..	7.1	7.2	5.0	0.9	0.8	0.4
Percentage of total trade represented by countries shown . . . . .	98.9	97.0	97.6	85.9	83.7	84.9	70.0	70.1	77.0
TOTAL VALUE OF TRADE R. (LAKHS)	24,30	23,20	26,08	14,72	13,40	19,78	20,08	20,26	48,69

	COTTON (RAW)			OILSEEDS			FOOD GRAINS			HIDES AND SKIN (RAW AND TANNED)		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom . . . . .	14.7	14.0	17.4	32.3	33.1	37.2	25.3	27.8	7.9	63.4	59.0	69.1
Iran, Arabia, Asiatic Turkey and Iraq . . . . .	..	..	..	0.2	0.2	0.2	5.1	8.6	13.4	0.2	0.1	0.6
United States of America . . . . .	2.4	1.7	3.9	1.4	0.7	3.0	0.2	0.4	1.0	15.7	18.6	20.1
Ceylon . . . . .	0.2	0.3	0.2	0.8	0.6	0.7	14.5	19.3	28.0	0.1	0.1	0.1
Germany . . . . .	5.8	6.7	1.5	12.0	10.0	6.4	15.6	5.4	..	4.5	4.7	1.1
France . . . . .	3.2	6.1	8.7	9.0	13.1	12.2	1.4	0.8	..	2.2	3.4	2.2
Italy . . . . .	5.4	2.0	1.5	13.3	2.9	2.4	..	0.0	..	0.8	1.4	1.0
Japan . . . . .	50.9	47.2	35.7	1.1	..	0.9	..	..	..	2.3	0.7	0.1
Belgium . . . . .	7.2	5.2	2.1	4.0	5.4	5.5	1.6	1.0	..	0.6	0.7	0.3
China . . . . .	2.4	7.2	22.2	..	..	..	..	..	..	..	..	..
Netherlands . . . . .	1.6	1.6	0.7	15.7	19.0	13.8	0.6	0.4	0.4	1.4	1.1	0.3
Straits Settlements . . . . .	..	..	..	0.7	0.5	1.0	2.7	3.9	5.8	..	0.1	0.2
Spain . . . . .	..	..	0.4	..	..	0.1	..	..	..	..	..	..
Sumatra and Java . . . . .	..	..	..	0.1	0.1	0.1	..	..	..	..	..	0.1
Percentage of total trade represented by countries shown . . . . .	93.8	93.8	94.3	91.5	85.6	83.5	76.9	68.7	56.0	91.2	90.0	95.2
TOTAL VALUE OF TRADE R. (LAKHS).	29,03	23,86	30,11	14,16	15,06	11,84	9,49	7,74	5,07	11,39	8,57	11,04

## Direction of Trade.

Table A shows the total overseas trade of India in private merchandise in such a way as to indicate the trade balances with the United Kingdom, Burma, other British Possessions, European countries, the United States of America, Japan and other foreign countries. It will be observed that compared with the preceding year there was, in 1939-40, an increase of R17 crores in the exports to the United Kingdom; while the imports therefrom fell by R4 crores. As a result, the favourable trade balance, rose to the extent of R33 crores as against R12 crores each in the preceding two years. India also enjoys a favourable balance in her trade relations with the other British Possessions excluding Burma, which recorded an improvement from R3 crores in 1938-39 to R11 crores. As regards Burma, India had an adverse balance to the extent of R18 crores in 1939-40 as against R13 crores in the preceding year.

Tables B and C show the percentage distribution of India's import and export trade with the principal foreign countries arranged in order of their importance in the year under review. Comparing 1939-40 with 1938-39, the proportion of imports from the British Empire accounted for 56 per cent of the total import trade as against 58 per cent in the preceding year. As already mentioned, there was a contraction in the imports from the United Kingdom. Australia and East Africa also suffered losses, while there was an improvement in the contribution of Burma, the Straits Settlements, Ceylon, South Africa and Canada. The shares of France and the Netherlands in imports remained practically unchanged, but those of Germany, Belgium and Italy recorded decreases. Larger proportion was, however, received from the United States of America, Japan, China and Java. On the export side the increased shares taken by the United Kingdom, Canada, Australia and the Union of South Africa were sufficient to raise the percentage for the British Empire as a whole from 53 to 56. Among the principal European countries named above, France advanced her share in exports; while the four remaining countries—the Netherlands, Germany, Belgium and Italy reduced their participation. Decreases occurred also in the case of Japan, while China and the United States of America took larger proportion than in 1938-39.

Further analysis of the direction of trade in respect of selected commodities or groups of commodities in imports (Table D) shows that the decrease in the share of the United Kingdom in India's import trade concentrated largely on iron and steel, motor vehicles, cotton manufactures, chemicals, instruments, hardware, etc. In iron and steel, the shares of the United Kingdom and Germany fell, respectively, from 56 and 11.5 per cent to 46 and 7 per cent; while the proportion derived from the United States of America, France and Luxemburg, Belgium and Japan showed increases. Among other countries, Sweden also increased her participation. Under machinery, the United Kingdom and the United States of America contributed 61 and 17 per cent of the total trade, their respective percentages in the preceding year being 59 and 11. On the other hand, the shares of Germany, Belgium, Sweden and Japan recorded declines. In hardware, the decrease in the share of Germany was off-set by increased participation of the United States of America and Japan, while the share of the United Kingdom remained almost steady at 38 per cent. In motor vehicles, the

## Direction of Trade.

United Kingdom lost by about 7 per cent, but the United States of America and Canada improved their position from 39 and 13 per cent to 48 and 18 per cent, respectively. The shares of Germany and Italy recorded declines. Under instruments, all the important participating countries, except the United Kingdom and Germany, increased their contribution. The share of the United Kingdom fell from 50 per cent to 47 per cent and that of Germany, from 18 per cent to 9 per cent. The trade in cotton manufactures is largely controlled by the United Kingdom and Japan ; the latter, however, improved her position from 50 to 55 per cent at the expense of the United Kingdom, whose share dropped from 40 to 32 per cent. Japan continues to dominate the supplies of silk manufactures as well as artificial silk although her share in the former was considerably reduced from 64 per cent to 48 per cent. In the latter, however, she nearly regained the lost ground and her share amounted to 83 per cent as against 66 per cent in 1938-39. China also increased her share in cotton manufactures and silk manufactures from 5 and 23 per cent to over 7 and 41 per cent, respectively. In artificial silk, the participation of Italy dropped to 12 per cent from 25 per cent in the preceding year. Foreign liquors are chiefly imported from the United Kingdom, France and the United States of America (consignments from that country consist largely of spirits present in drugs), the Netherlands and Germany in the order named. The United Kingdom accounted for more than two-thirds of the total imports, while the shares of France, the Netherlands and Germany declined. Burma had a predominant share in the supplies of mineral oils and was responsible for 48 per cent of the total imports in 1939-40 as against 52 per cent in the preceding year. There were also decreases in the supplies from Iran, and those from the U. S. S. R. were practically stopped, while the Bahrein Islands, the United States of America and Borneo and Sumatra increased their shares. In paper and pasteboard, the United Kingdom lost by about 5 per cent of the trade and Germany, by 8 per cent ; while the United States of America gained by 5 per cent. Norway and Sweden together accounted for 34 per cent as against 24 per cent in 1938-39, but the share of the Netherlands remained unchanged. In provisions and chemicals, the United Kingdom was responsible for about 52 per cent each as against 55 and 57 per cent, respectively, in the preceding year. In the former, the shares of the United States of America, the Netherlands and Australia recorded improvements, while that of the Straits Settlements declined from 10·5 to 9·1. In chemicals, the participation of the United States of America and Japan advanced respectively from 7 and 5 per cent to 19 and 8 per cent, but that of Germany, Italy and France fell from 13 per cent, 5 per cent and 3 per cent to 5 per cent, 3 per cent and 1·5 per cent, respectively.

On the export side (Table E), the United Kingdom, which is by far the largest purchaser, slightly reduced her share in India's exports of tea in 1939-40, but there were increases in the proportion sent direct to Canada and the United States of America. Ceylon also raised her share. A marked increase was noticeable in the proportion of exports of raw jute to the United Kingdom, France and the United States of America, which absorbed 37 per cent, 15 per cent and 10 per cent as compared with 26 per cent, 11 per cent and 5 per cent, respectively, in the preceding year ; while Germany, Belgium and

## The British Empire.

Italy participated to a lesser extent in this trade. Under jute manufactures the United States of America further reduced her share to 23 per cent. The share of Argentina also fell from 10·2 per cent to 6·5 per cent, but the proportion sent to the United Kingdom advanced from 10 to 25 per cent. There were slight variations in the shares of Australia and Java. In raw cotton, Japan, by far the largest consumer of Indian raw cotton, accounted for 36 per cent of the total value of the exports as against 47 per cent in 1938-39, while the share of China advanced from 7 per cent to 22 per cent. The United Kingdom, France and the United States of America also took more, but Germany, Belgium and the Netherlands reduced their purchases. In oilseeds, all the principal European countries, with the exception of the United Kingdom and Belgium, reduced their shares. The United States of America, on the other hand, participated to a greater extent. Under food grains, the United Kingdom curtailed her purchases; while the share of Ceylon rose from 19 per cent to 28 per cent. There were also increases in the exports to the Straits Settlements and the territories like Iran, Arabia and Iraq. In hides and skins, the share of the United Kingdom advanced from 59 per cent to 69 per cent. The United States of America also took more, but other principal countries, viz., Germany, France and Italy, reduced their participation.

### The British Empire and Mandated Territories.

The imports from, and exports to, the United Kingdom and other British Possessions are shown in the following tables:—

#### *Imports.*

COUNTRIES	1937-38	1938-39	1939-40
	R(lakhs)	R(lakhs)	R(lakhs)
United Kingdom . . . . .	51,96	46,49	41,62
Ceylon . . . . .	1,66	1,18	1,46
Burma . . . . .	25,97	24,35	31,38
Straits Settlements . . . . .	3,74	4,13	4,82
Hongkong . . . . .	24	35	64
Union of South Africa . . . . .	48	35	60
Kenya Colony, Zanzibar and Pemba . . . . .	4,47	5,13	3,45
Canada . . . . .	1,00	91	1,37
Australia . . . . .	1,66	2,41	2,39
New Zealand . . . . .	16	16	13
Other Countries . . . . .	3,88	3,10	5,25
<b>TOTAL BRITISH EMPIRE</b> . . . . .	<b>95,22</b>	<b>88,56</b>	<b>93,11</b>
<i>British Empire other than Burma</i> . . . . .	<i>69,25</i>	<i>64,21</i>	<i>61,73</i>

## Direction of Trade.

*Exports (including re-exports).*

COUNTRIES	1937-38	1938-39	1939-40
	R(lakhs)	R(lakhs)	R(lakhs)
United Kingdom . . . . .	64.43	58.25	74.87
Aden and Dependencies . . . . .	1.25	1.11	.99
Ceylon . . . . .	5.59	5.36	6.74
Burma . . . . .	11.29	11.10	13.47
Straits Settlements . . . . .	2.05	2.17	2.74
Federated Malay States . . . . .	.46	.37	.49
Hongkong . . . . .	.87	.82	.99
Union of South Africa . . . . .	1.54	1.53	3.09
Mauritius . . . . .	.62	.87	.89
Kenya Colony, Zanzibar and Pemba . . . . .	.87	.69	.93
Canada . . . . .	2.32	2.14	4.12
Australia . . . . .	3.14	2.98	5.50
New Zealand . . . . .	.48	.43	.73
Other Countries . . . . .	3.61	2.46	3.50
<b>TOTAL BRITISH EMPIRE</b> . . . . .	<b>99.12</b>	<b>90.28</b>	<b>119.05</b>
<i>British Empire other than Burma</i> . . . . .	<i>37.33</i>	<i>79.18</i>	<i>105.58</i>

**United Kingdom (Imports R41,62 lakhs, Exports R74,87 lakhs).**—Negotiations carried on between the Government of India and His Majesty's Government in the United Kingdom for a new trade agreement between the two countries were brought to a successful conclusion towards the end of 1938-39 and legislative measures were taken in April, 1939 to give effect to the Agreement.

An examination of the tables given above shows that, compared with 1938-39, there was a decline of R4,87 lakhs or 10 per cent in India's imports from the United Kingdom; while her exports to the United Kingdom advanced by R16,62 lakhs or 29 per cent during 1939-40. The principal commodities imported from the United Kingdom in order of their importance are: machinery and millwork (R8,93 lakhs), cotton manufactures (R4,51 lakhs) and metals and ores, chiefly iron and steel (R3,77 lakhs) which together accounted for more than 40 per cent of the total value of imports from the United Kingdom in 1939-40. Compared with the preceding year, the imports of machinery and millwork dropped by R2,28 lakhs; and those of cotton manufactures and iron and steel, by R1,19 lakhs and R94 lakhs, respectively. Under cotton manufactures, twist and yarn declined from 5 million lbs. (R49 lakhs) to 3 million lbs. (R32 lakhs) and piecegoods, from 206 million yards (R4,63 lakhs) to 145 million yards (R3,62 lakhs). The decrease under piecegoods was shared by each variety; grey goods dropped from 30 million yards (R55 lakhs) to 9 million yards (R20 lakhs), white goods, from 102 million yards (R2,12 lakhs) to 82 million yards (R1,89 lakhs) and coloured goods, from 73 million yards (R1,96 lakhs) to 54 million yards (R1,54 lakhs). The value of imports of woollen manufactures also showed a decline of R21 lakhs and amounted to R46 lakhs. Imports of railway wagons, carriages and parts from the United Kingdom fell from R62 lakhs to R51 lakhs. The United Kingdom is the principal supplier to India of chemicals the imports of which from that country rose by R60 lakhs to R2,33 lakhs.



## The British Empire.

Instruments, apparatus, etc., fell by R30 lakhs to R2,64 lakhs. Imports of hardware were valued at R86 lakhs as against R98 lakhs in 1938-39. Compared with 1938-39, the quantity of liquors imported remained fairly unchanged at 2.5 million gallons, but the value advanced from R1,29 lakhs to R1,50 lakhs. The United Kingdom's supply of motor cars to India during 1939-40 rose from 5,117 to 5,334; while that of omnibuses declined from 607 to 563. Imports of rubber manufactures from the United Kingdom continued to decline and were valued at R47 lakhs as against R89 lakhs in 1938-39. Paper and pasteboard also recorded a fall from R89 lakhs to R77 lakhs.

The principal commodities exported to the United Kingdom were, as usual, tea (R21,11 lakhs), jute, raw and manufactured (R19,45 lakhs), hides and skins (R7,63 lakhs), raw cotton (R5,24 lakhs), seeds (R4,41 lakhs), metals and ores (R1,89 lakhs), raw wool (R1,81 lakhs), oilcakes (R1,16 lakhs) and food grains (R40 lakhs). These articles taken together represented 88 per cent of the total exports to the United Kingdom as against 85 per cent in the preceding year. Exports of tea amounted to 287 million lbs. as against 304 million lbs. in 1938-39, but rose in value from R20,36 lakhs to R21,11 lakhs. Shipments of raw jute advanced from 180,700 tons (R3,51 lakhs) to 193,600 tons (R7,34 lakhs). Owing to the increased demand for gunny bags necessitated by the war, the exports thereof advanced from 75 million (R1,10 lakhs) to 685 million (R7,97 lakhs). Similarly, the yardage of gunny cloth exported advanced from 171 million (R1,58 lakhs) to 260 million (R4,07 lakhs). In the case of hides and skins, the quantity of exports of tanned and dressed varieties advanced from 19,000 tons to 30,000 tons, the increase in value being from R4,45 lakhs to R6,63 lakhs. Raw hides and skins rose from 4,300 tons (R61 lakhs) to 7,300 tons (R1,00 lakhs). Exports of raw skins of foreign origin amounted to 274 tons valued at R2,39 lakhs as compared with 222 tons valued at R2,17 lakhs in 1938-39. Exports of oilseeds fell from 372,000 tons (R4,99 lakhs) to 311,000 tons (R4,41 lakhs). Shipments of linseed amounted to 172,000 tons (R2,42 lakhs) as against 271,000 tons (R3,75 lakhs). Exports of groundnuts and rapeseed advanced to 108,000 tons and 16,000 tons, respectively, from 96,000 tons and 3,000 tons, in 1938-39. As in the preceding year, there were no exports of cotton seed; while those of castor seed, which had fallen to a low level, rose to 12,000 tons. Despatches of raw cotton to the United Kingdom totalled 84,000 tons or 470,000 bales (R5,24 lakhs) as against 73,000 tons or 409,000 bales (R3,55 lakhs). Due to the absence of the shipments of wheat which in the preceding year totalled 206,000 tons valued at R1,82 lakhs, the total exports of food grains, consisting mainly of pulse and rice, to the United Kingdom amounted to 33,000 tons (R40 lakhs) as compared with 241,000 tons (R2,15 lakhs) in the previous year. Despatches of raw wool to the United Kingdom fell from 45 million lbs. (R2,41 lakhs) to 33 million lbs. (R1,81 lakhs). Under oilcakes, exports of groundnut cakes fell from 183,000 tons valued at R1,21 lakhs to 136,000 tons valued at R90 lakhs, while linseed cake remained stationary at 30,000 tons valued at R21 lakhs. Metals and ores accounted for a rise of R1,01 lakhs. Among other articles of exports, paraffin wax improved from 4,600 tons (R22 lakhs) to 5,700 tons (R27 lakhs), while those of lac dropped from 151,000 cwts. valued at R33 lakhs to 72,000 cwts. valued at R22 lakhs.

## Direction of Trade.

**Burma (Imports R31,38 lakhs, Exports R13,47 lakhs).**—The trade relations between India and Burma continued to be governed by the India and Burma (Trade Regulation) Order, 1937. The aggregate value of the trade between the two countries during 1939-40 amounted to R44,85 lakhs as compared with R35,45 lakhs in 1938-39. India's principal imports from Burma consist chiefly of rice, mineral oils and teak wood. These together represented 87 per cent of the total imports from Burma in the year under review. Imports of rice, not in the husk, during 1939-40 amounted to 1,767,000 tons (R16,65 lakhs) as against 1,281,000 tons (R11,36 lakhs) in 1938-39. Purchases of kerosene oil fell from 114 million gallons to 112 million gallons, but the value recorded a rise from R4,23 lakhs to R4,41 lakhs. Lubricating oils were imported to the extent of 15 million gallons as in the preceding year, but the value advanced by R14 lakhs to R1,09 lakhs, while imports of motor spirit rose from 40 million gallons (R 1,67 lakhs) to 48 million gallons (R2,41 lakhs). Imports of teak wood amounted to 154,000 cubic tons as against 152,000 cubic tons in the preceding year; the value, however, showed a decline from R2,00 lakhs to R1,95 lakhs. Imports of fruits and vegetables, chiefly potatoes, were valued at R31 lakhs.

On the export side, cotton and jute manufactures are the most important items, which taken together accounted for R5,92 lakhs or 48 per cent of the total exports of Indian merchandise (R12,30 lakhs) to Burma in 1939-40. Shipments of cotton piecegoods amounted to 110 million yards (R3,15 lakhs) as against 87 million yards (R2,39 lakhs) in the preceding year. Exports of cotton twist and yarn also advanced from 12·4 million lbs. (R63 lakhs) to 15·2 million lbs. (R74 lakhs). On the other hand, the number of gunny bags shipped fell from 62 million to 52 million, but the value advanced from R1,20 lakhs to R1,77 lakhs. Among other items of exports to Burma, mention may be made of iron and steel (49,000 tons valued at R88 lakhs); tea (2·7 million lbs. valued at R21 lakhs) and sugar including molasses (700 tons valued at R2 lakhs).

**Ceylon (Imports R1,46 lakhs, Exports R6,74 lakhs).**—Statistics of India's trade with Ceylon include, to some extent, goods in transit through Ceylon which are not separately recorded in the Indian trade returns. The value of imports and exports given above should not, therefore, be taken to indicate the exact trade balance between the two countries. In the year under review, the aggregate value of Indo-Ceylonese trade amounted to R8,20 lakhs as compared with R6,54 lakhs in the preceding year. The principal items of imports into India from Ceylon are copra, coconut oil and tea, which taken together represented 68 per cent of the imports from that country in 1939-40. Imports of copra amounted to 35,700 tons (R68 lakhs) as against 44,500 tons (R61 lakhs) in 1938-39. Imports of coconut oil, on the other hand, advanced from 1·7 million gallons (R 14 lakhs) to 2·6 million gallons (R29 lakhs). Arrivals of tea declined from 291,000 lbs. to 248,000 lbs.; the recorded value, however, remained stationary at R2 lakhs.

In the case of exports to Ceylon, rice not in the husk—by far the most prominent item—was valued at R1,11 lakhs showing a fall of R6 lakhs over the preceding year. Cotton piecegoods, the next principal item of exports, showed a slight improvement and amounted to 23·5 million yards

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(R68 lakhs) as compared with 18·9 million yards (R66 lakhs) in 1938-39. Exports of tea to Ceylon during 1939-40 totalled 7 million lbs., valued at R64 lakhs as against 4 million lbs. valued at R26 lakhs in 1938-39. Supplies of coal to Ceylon from India also showed an improvement, and amounted to 407,000 tons (R42 lakhs) as compared with 255,000 tons (R26 lakhs) in 1938-39. Out of a total of 358,000 cwts. (R70 lakhs) of fish, excluding canned fish, exported from India in 1939-40, 237,000 cwts. (R36 lakhs) were consigned to Ceylon. Other important items of shipments to Ceylon in 1939-40 were, fruits and vegetables (R30 lakhs), chillies (R29 lakhs), oilcakes (R28 lakhs), pulses (R26 lakhs) and manures, excluding oilcakes (R20 lakhs).

**Straits Settlements (Imports R4,82 lakhs, Exports R2,74 lakhs).**—The trade with the Straits Settlements showed an improvement during the year under review, the value of imports and exports having advanced from R4,13 lakhs and R2,17 lakhs to R4,82 lakhs and R2,74 lakhs, respectively. India's imports from the Straits Settlements consist largely of spices, oils and tin unwrought. The aggregate value of the imports of spices amounted to R1,48 lakhs, betelnuts alone being valued at R1,36 lakhs. Under oils, imports of coconut oil amounted to 7 million gallons (R74 lakhs) as compared with 5·2 million gallons (R40 lakhs) in 1938-39, while imports of mineral oils amounted to 14·1 million gallons (R50 lakhs) as against 7·3 million gallons (R25 lakhs) in 1938-39. Purchases of tin unwrought also advanced and amounted to 68,000 cwts. (R1,10 lakhs) as compared with 48,000 cwts. (R63 lakhs) in the preceding year.

The principal items of India's exports to the Straits Settlements consist of cotton piecegoods and gunny bags, both of which showed improvement. Exports of cotton piecegoods, chiefly coloured, totalled 23 million yards (R73 lakhs) as against 17 million yards (R52 lakhs) in 1938-39. The number of gunny bags exported rose from 5·6 million to 10·6 million, the value rising from R13 lakhs to R21 lakhs.

**Australia (Imports R2,39 lakhs, Exports R5,50 lakhs).**—Compared with the preceding year, the value of imports into India from Australia recorded a slight fall, while exports thereto improved to the extent of R2,52 lakhs. Wheat, the largest item of imports from Australia, declined from 151,000 tons (R1,10 lakhs) in 1938-39 to 85,000 tons (R61 lakhs). India imports a fairly large quantity of raw wool from Australia which during the year under review amounted to 4·9 million lbs. (R49 lakhs) as against 4·4 million lbs. (R36 lakhs) in the preceding year. Imports of tallow and stearine rose from 107,000 cwts. (R16 lakhs) to 141,000 cwts. (R22 lakhs); while those of zinc fell from 266,000 cwts. (R27 lakhs) to 214,000 cwts. (R23 lakhs). Among other important items of imports, provisions accounted for R25 lakhs as against R13 lakhs in the preceding year.

The principal items of India's exports to the Commonwealth consist of jute manufactures. Nearly 71 million gunny bags (R2,80 lakhs) and 41 million yards of gunny cloth (R80 lakhs) were exported as against 66 million gunny bags (R1,62 lakhs) and 31 million yards of gunny cloth (R37 lakhs) in the preceding year. Exports of tea continued to rise and shipments

## Direction of Trade.

amounted to 3·7 million lbs. (R24 lakhs) as compared with 1·3 million lbs. (R9 lakhs) in 1938-39. Similarly, shipments of linseed improved from 21,000 tons (R29 lakhs) to 31,000 tons (R51 lakhs).

**Canada (Imports R1,37 lakhs, Exports R4,12 lakhs).**—Compared with the preceding year, the trade between Canada and India rose by R2,44 lakhs. Canada is the third largest supplier of motor cars to India, and during the year under review 963 motor cars were imported as compared with 972 in 1938-39. There was, however, a phenomenal increase in the number of motor omnibuses imported which rose from 1,958 to 3,531. The total value of motor vehicles imported improved from R56 lakhs in 1938-39 to R93 lakhs. Arrivals of aluminium declined from 7,300 cwts. (R5 lakhs) to 1,700 cwts. (R1 lakh). Imports of carbide of calcium improved from 25,200 cwts. valued at R3 lakhs to 34,500 cwts. valued at R5 lakhs. The value of rubber manufactures imported during the year amounted to R2 lakhs as against R1 lakh in 1938-39.

India's principal exports to Canada are jute manufactures (chiefly gunny cloth) and tea. The exports of gunny cloth advanced from 89 million yards to 134 million yards in quantity and from R75 lakhs to R1,62 lakhs in value; and those of gunny bags, from R4 lakhs to R9 lakhs. Exports of tea recorded a considerable improvement, shipments having risen from 15·5 million lbs. valued at R98 lakhs to 27·1 million lbs. valued at R1,82 lakhs. Despatches of Indian carpets and rugs to Canada were valued at R8 lakhs.

**Union of South Africa (Imports R60 lakhs, Exports R3,09 lakhs).**—India's trade with the Union of South Africa during the year under review recorded a marked improvement, the total trade being valued at R3,69 lakhs as against R1,88 lakhs in 1938-39. The Union of South Africa is the sole supplier to India of tanning barks, imports of which advanced from 342,000 cwts. valued at R23 lakhs to 698,000 cwts. valued at R44 lakhs.

The principal items of India's exports to the Union consist of jute manufactures and rice, not in the husk. Shipments of jute bags rose from 28 million to 38 million in quantity and from R67 lakhs to R1,49 lakhs in value; and those of gunny cloth, from 10 million yards valued at R11 lakhs to 19 million yards valued at R35 lakhs. Exports of rice, not in the husk, also recorded an improvement from 25,000 tons (R31 lakhs) to 31,000 tons (R39 lakhs).

**East Africa (Imports R3,87 lakhs, Exports R1,21 lakhs).**—In this group of territories are included Kenya Colony, Zanzibar and Pemba, the Protectorates of Uganda and Nyasaland, Tanganyika and British Somaliland. The total value of the trade with these territories taken together declined from R6,37 lakhs in 1938-39 to R5,08 lakhs in the year under review. Imports from these countries are larger than exports thereto. Raw cotton and pices continued to be the principal items of imports. Compared with the preceding year, arrivals of raw cotton fell from 59,600 tons (R5,04 lakhs) to 36,000 tons (R3,24 lakhs), while the imports of spices, chiefly cloves, advanced from R21 lakhs to R40 lakhs.

The chief items of India's exports to East Africa are gunny bags, cotton piecegoods and food grains, which taken together accounted for more than 59 per cent of the exports during the year under review. Shipments of

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gunny bags rose from 7.2 million (₹16 lakhs) to 9.2 million (₹33 lakhs); and those of cotton piecegoods, from 6.3 million yards (₹12 lakhs) to 6.8 million yards (₹14 lakhs). Food grains, chiefly rice and wheat flour, exported declined from 8,700 tons (₹16 lakhs) to 7,700 tons (₹15 lakhs).

### FOREIGN COUNTRIES.

The following tables show the imports from and exports to the principal European and other foreign countries :—

#### *Imports.*

COUNTRIES	1937-38	1938-39	1939-40
	R(lakhs)	R(lakhs)	R(lakhs)
<b>European Countries—</b>			
Union of Socialist Soviet Republics . . . . .	73	20	19
Sweden . . . . .	1,41	1,36	1,48
Norway . . . . .	53	52	85
Denmark . . . . .	27	31	18
Germany . . . . .	15,31	12,93	6,69
Netherlands . . . . .	1,48	1,43	1,45
Belgium . . . . .	3,27	2,92	2,55
France . . . . .	1,57	1,40	1,44
Spain . . . . .	16	11	9
Switzerland . . . . .	1,70	1,60	1,83
Italy . . . . .	2,57	2,69	2,05
Austria . . . . .	78	47	10
Hungary . . . . .	21	25	17
Czechoslovakia . . . . .	1,52	1,03	58
Other Countries . . . . .	1,25	1,01	78
<b>TOTAL EUROPEAN COUNTRIES . . . . .</b>	<b>32,76</b>	<b>28,26</b>	<b>20,43</b>
<b>Other Foreign Countries—</b>			
Arabia . . . . .	34	27	34
Iraq . . . . .	52	46	68
Iran . . . . .	2,74	3,49	3,10
Java . . . . .	37	51	3,37
Borneo (Dutch) . . . . .	38	68	35
Thailand . . . . .	3	9	53
French Indo-China . . . . .	5	14	2,60
China . . . . .	98	1,73	2,61
Japan . . . . .	22,19	15,41	10,29
Egypt . . . . .	2,98	2,19	2,84
Portuguese East Africa . . . . .	41	34	24
United States of America . . . . .	12,88	9,78	14,88
Other Countries . . . . .	1,94	42	90
<b>TOTAL OTHER FOREIGN COUNTRIES . . . . .</b>	<b>45,81</b>	<b>35,51</b>	<b>51,73</b>

**Direction of Trade.**  
*Exports (including re-exports).*

COUNTRIES	1937-38	1938-39	1939-40
<b>European Countries—</b>	<b>R(lakhs)</b>	<b>R(lakhs)</b>	<b>R(lakhs)</b>
Union of Socialist Soviet Republics . . . . .	56	38	2
Sweden . . . . .	50	57	70
Norway . . . . .	41	56	87
Poland . . . . .	69	45	21
Germany . . . . .	10,53	8,70	2,98
Netherlands . . . . .	3,91	4,44	2,56
Belgium . . . . .	6,00	4,48	3,21
France . . . . .	5,29	6,23	8,15
Spain . . . . .	13	22	75
Italy . . . . .	5,45	2,64	2,08
Austria . . . . .	7	3	..
Hungary . . . . .	7	5	6
Greece . . . . .	54	45	41
Turkey, European . . . . .	51	19	16
Turkey, Asiatic . . . . .	31	21	11
Other Countries . . . . .	1,84	2,59	1,47
<b>TOTAL EUROPEAN COUNTRIES . . . . .</b>	<b>36,81</b>	<b>32,19</b>	<b>23,74</b>
<b>Other Foreign Countries—</b>			
Egypt . . . . .	1,49	1,26	1,78
Arabia . . . . .	1,13	1,22	1,35
Iraq . . . . .	76	67	89
Iran . . . . .	79	85	94
Java . . . . .	1,02	75	1,44
Siam . . . . .	47	70	1,04
China . . . . .	1,99	2,50	8,51
Japan . . . . .	18,51	14,82	14,16
Portuguese East Africa . . . . .	79	73	1,00
United States of America . . . . .	18,73	14,29	27,18
Cuba . . . . .	59	59	82
Argentina . . . . .	2,71	2,88	3,55
Chile . . . . .	24	20	29
Other Countries . . . . .	4,06	5,29	7,34
<b>TOTAL OTHER FOREIGN COUNTRIES . . . . .</b>	<b>53,28</b>	<b>46,75</b>	<b>70,29</b>

Japan (Imports R19,29 lakhs, Exports R14,16 lakhs).—Imports from Japan into British India during the year under review rose from R15,41 lakhs to R19,29 lakhs; while exports from British India to Japan declined from R14,82 lakhs to R14,16 lakhs. The principal articles of imports were cotton manufactures (R7,73 lakhs), artificial silk (R3,79 lakhs), wool manufactures (R71 lakhs), iron and steel (R63 lakhs), silk manufactures (R57 lakhs), glass and glassware (R54 lakhs), chemicals (R37 lakhs), hardware (R25 lakhs), paper and pasteboard (R24 lakhs), rubber manufactures (R22 lakhs), electrical instruments and apparatus (R20 lakhs), machinery and millwork and earthenware and porcelain (R19 lakhs each), toys and requisites for games (R18 lakhs), stationery (R11 lakhs), and paints and painters' materials (R6 lakhs). These together represented 83 per cent of the total imports in 1939-40 as compared with 84 per cent in the preceding year. Japan has since displaced the United Kingdom as the principal supplier of cotton piecegoods to India, and imports in 1939-40

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were valued at R5.13 lakhs, as in

(In million yards)			
	1937-38	1938-39	1939-40
Grey . . . . .	108.9	227.2	223.2
White . . . . .	64.0	69.0	43.0
Coloured, etc. . . . .	132.2	127.7	127.1

the preceding year. The table on the margin shows the quantities of the different descriptions of cotton piece-goods imported during the last three years. Imports of cotton twist and yarn advanced from 21.2 million lbs. (R1,77 lakhs) to 27.2 million lbs. (R2,42 lakhs). Imports of cotton hosiery, however, fell by R5 lakhs in value and

amounted to R9 lakhs. Imports of silk manufactures, which were valued at R57 lakhs, recorded a fall of nearly 33 per cent. Imports of artificial silk yarn and manufactures, on the other hand, rose sharply in value from R1,47 lakhs to R3,79 lakhs. Imports of iron and steel, rubber manufactures, electrical instruments, chemicals, paper and pasteboard and hardware together recorded an improvement of R77 lakhs or 68 per cent, while glass-ware, stationery, machinery and millwork, earthenware and porcelain and toys and requisites for games together recorded a decline of R24 lakhs or 17 per cent.

India's exports to Japan consist mainly of raw cotton, pig iron, manganese ore, jute (raw and manufactured), mica, shellac, etc. Shipments of raw cotton fell from 216,000 tons (R11,27 lakhs) to 189,000 tons (R10,77 lakhs). This represented 77 per cent of the total exports to Japan as in the preceding year. Exports of pig iron also declined from 330,000 tons to 289,000 tons in quantity and from R1,64 lakhs to R1,45 lakhs in value. Shipments of manganese ore improved from 110,000 tons (R23 lakhs) to 194,000 tons (R40 lakhs). Despatches of raw jute declined from 15,000 tons to 14,000 tons in quantity, but the value rose from R28 lakhs to R43 lakhs. Exports of gunny bags also fell from 2.8 million (R5 lakhs) to 0.6 million (R2 lakhs). Exports of mica fell from 28,000 cwts. to 25,000 cwts. in quantity, but the value rose from R29 lakhs to R42 lakhs. Despatches of shellac recorded a drop of 40 per cent in quantity from 25,000 cwts. to 15,000 cwts., the corresponding decline in value being from R6 lakhs to R4 lakhs or 33 per cent. Exports of castor seed amounted to 7,000 tons (R10 lakhs) in 1939-40, there being no shipments in the preceding year.

**United States of America (Imports R14,88 lakhs, Exports R27,18 lakhs).—** Compared with the preceding year, the trade with the United States of America recorded a remarkable increase, imports and exports advancing from R9,78 lakhs and R14,29 lakhs to R14,88 lakhs and R27,18 lakhs, respectively. The principal items of India's imports from the United States of America consist of machinery and millwork, motor vehicles, mineral oils, instruments, tobacco, unmanufactured and raw cotton. These items taken together represented 60 per cent of the total imports into India from the United States of America during the year under review, as compared with 65 per cent in the preceding year. Imports of machinery and millwork rose in value from R2,12 lakhs to R2,49 lakhs and those of motor vehicles and parts from R1,65 lakhs to R2,48 lakhs. The number of cars imported, however, declined from 3,170 to 2,969, while that of omnibuses advanced from 5,095 to 10,362. Imports of mineral oils, including lubricating oils,

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rose from R86 lakhs to R1,46 lakhs. Receipts of kerosene oil showed an improvement and amounted to 3.9 million gallons valued at R12 lakhs. The total value of instruments imported amounted to R1,09 lakhs as against R88 lakhs in the preceding year. Tobacco, unmanufactured, came to the extent of 3.7 million lbs. (R55 lakhs) as compared with 3.3 million lbs. (R46 lakhs) in 1938-39. Imports of raw cotton amounted to 9,000 tons (R89 lakhs) as against 5,000 tons (R37 lakhs) in 1938-39.

India's principal exports to the United States of America consist of jute, raw and manufactured, hides and skins, lac and raw wool. These items taken together represented 73 per cent of India's exports to the United States of America in 1939-40. Despatches of Indian raw jute during the year under review amounted to 51,000 tons valued at R2,02 lakhs as compared with 31,000 tons valued at R67 lakhs in the preceding year. Exports of jute cloth, however, fell to 764 million yards from 841 million yards in 1938-39, but due to a rise in prices, the value advanced by R3,71 lakhs to R10,41 lakhs. There was a greater demand for gunny bags, exports of which totalled 12.5 million (R35 lakhs) as compared with 10.9 million (R13 lakhs) in the preceding year. Shipments of lac also recorded an improvement from 279,000 cwts. to 501,000 cwts. in quantity and from R50 lakhs to R1,23 lakhs in value. Under hides and skins, despatches of raw goat skins, which formed the bulk of the shipments in this group, rose by 1,000 tons to 13,000 tons, the corresponding rise in value being from R1,48 lakhs to R1,94 lakhs. Exports of tanned and dressed hides and skins amounted to 1,068 tons (R16 lakhs) as against 439 tons (R8 lakhs) in the preceding year. Shipments of fruits and vegetables, consisting mainly of cashew kernels, were valued at R98 lakhs as compared with R1,11 lakhs in 1938-39. The value of raw wool exported showed an improvement of R88 lakhs over 1938-39 and stood at R1,38 lakhs. Exports of raw cotton totalled 21,800 tons (R1,18 lakhs) as against 10,400 tons (R41 lakhs). Direct shipments of tea to the United States of America also rose from 8 million lbs. to 13 million lbs., the corresponding rise in value being from R47 lakhs to R82 lakhs. As in the preceding year, there was no demand for Indian linseed but exports of castorseed, practically during the last quarter of the year under review, totalled 13,000 tons valued at R28 lakhs.

**Germany (Imports R6,69 lakhs, Exports R2,98 lakhs).—**The trade figures generally relate to the first six months of the year under review. After the outbreak of war in September, 1939, trade with Germany had practically stopped and the recorded figures since that date, though not appreciable, relate chiefly to cargoes of enemy vessels in the case of imports and in the case of exports to goods that had been shipped before the war, but not registered



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owing to full particulars not being known to Custom houses. The trade in the principal articles imported from Germany is shown in the following table:—

	Units	1937-38	1938-39	1939-40
Alizarine and other coal-tar dyes . . . . .	Lbs. (000)	14,941	7,918	6,731
	R (000)	2,50,58	1,70,33	1,13,77
Iron and steel . . . . .	Tons (000)	59	30	17
	R (000)	1,03,17	77,35	42,42
Brass and copper . . . . .	Cwts. (000)	198	216	113
	R (000)	78,32	71,23	39,48
Hardware . . . . .	R (000)	1,13,19	74,61	47,99
Machinery and millwork . . . . .	R (000)	2,57,72	3,00,07	1,37,65
Glass and glassware . . . . .	R (000)	20,76	16,00	12,81
Liquors—	Gallons (000)	424	403	189
Ale, beer and porter . . . . .	R (000)	11,41	11,36	6,28
Spirits . . . . .	Gallons (000)	14	14	5
R (000)		3,30	3,30	1,79
Gallons (000)		422	422	195
<b>TOTAL LIQUORS</b> . . . . .	R (000)	15,97	15,33	7,27
Paper and pasteboard—	Cwts. (000)	301	306	208
Printing paper . . . . .	R (000)	43,61	30,16	20,00
<b>TOTAL PAPER AND PASTEBOARD</b> . . . . .	Cwts. (000)	600	499	340
R (000)		85,64	68,10	40,50
Woolen manufactures . . . . .	R (000)	20,26	3,71	1,07
Salt . . . . .	Tons (000)	41	32	10
R (000)		4,58	4,73	1,09
R (000)		9,85	4,38	2,20
R (000)		58	58	24
Yds. (000)		352	351	150
R (000)		2,04	1,05	67
Lbs. (000)		158	53	
R (000)		46	15	1
<b>TOTAL COTTON MANUFACTURES, including</b> twist and yarn . . . . .	R (000)	4,58	3,77	1,71
Artificial silk manufactures, including yarn . . . . .	R (000)	4,60	3,77	1,96
Goods of silk, mixed with other mate- rials . . . . .	Yds. (000)	223	108	38
R (000)		2,87	1,44	49

The following table shows the principal articles exported to Germany as recorded in the Indian Sea-borne Trade Accounts:—

	Units	1937-38	1938-39	1939-40
Jute, raw . . . . .	Tons (000)	113	132	35
	R (000)	2,86,22	2,51,35	60,73
Grain, pulse and flour—	Tons (000)	148	48	..
	R (000)	1,47,34	41,24	..
Wheat . . . . .	Tons (000)	30	34	9
Cotton, raw . . . . .	R (000)	1,60,04	1,01,05	44,98
	Tons (000)	116	127	59
Seeds . . . . .	R (000)	1,70,49	1,50,72	75,85
	Tons (000)	6	4	1
Hides and skins, raw . . . . .	R (000)	50,28	31,67	12,17
	Cwts. (000)	89	67	34
Lac . . . . .	R (000)	20,57	12,29	5,45
	Tons (000)	8	7	2
Coal manufactures . . . . .	R (000)	15,76	14,98	4,60
	Tons (000)	6	1	..
Bones (for manufacturing purposes) . . . . .	R (000)	4,19	63	13
	Cwts. (000)	96	53	24
Hemp, raw . . . . .	R (000)	8,55	4,60	2,10

## Direction of Trade.

**Netherlands (Imports R1,45 lakhs, Exports R2,56 lakhs).**—The export trade with the Netherlands met with a striking set-back in 1939-40, while the imports recorded a slight improvement. Under imports, receipts of instruments and apparatus rose in value from R15 lakhs in 1938-39 to R21 lakhs of which over one-half related to wireless apparatus, while those of machinery dropped from R17 lakhs to R12 lakhs. Imports of provisions and oilman's stores, consisting mainly of condensed or preserved milk, were valued at R21 lakhs as compared with R19 lakhs. There were reduced imports of liquors, chiefly ale and beer, which were valued at R9 lakhs as against R14 lakhs in 1938-39. Imports of precious stones also showed a decline from R7 lakhs to R3 lakhs in the year under review. A small quantity of cotton piecegoods is usually imported from the Netherlands, the value of which amounted to R2 lakhs as compared with R3 lakhs in the preceding year.

The principal item of India's exports to the Netherlands is groundnuts, the shipments of which dropped from 232,000 tons valued at R2,76 lakhs to 126,000 tons valued at R1,53 lakhs. Exports of raw jute and oilcakes, the other important commodities, also recorded declines, the former from 13,000 tons (R25 lakhs) to 7,000 tons (R22 lakhs) and the latter from 30,000 tons (R18 lakhs) to 5,000 tons (R3 lakhs). Despatches of raw cotton fell from 9,000 tons to 4,000 tons in quantity and from R39 lakhs to R22 lakhs in value. Shipments of hides and skins, raw, were valued at R3 lakhs as against R9 lakhs in the preceding year.

**Belgium (Imports R2,55 lakhs, Exports R3,21 lakhs).**—The trade with Belgium during the year under review recorded a decline, imports and exports having dropped from R2,92 lakhs and R4,48 lakhs in 1938-39 to R2,55 lakhs and R3,21 lakhs, respectively, in 1939-40. The principal items of imports into India from Belgium are iron and steel (R58 lakhs), precious stones (R57 lakhs), machinery and millwork (R26 lakhs) and glass and glassware (R8 lakhs) all of which recorded decreases in the year under review. Other items of imports are railway carriages, wagons and parts (R8 lakhs) and cotton manufactures (R2 lakhs).

In the case of exports, raw cotton declined from 25,000 tons valued at R1,24 lakhs to 12,000 tons valued at R62 lakhs. Shipments of raw jute also declined and amounted to 33,000 tons (R98 lakhs) as compared with 51,000 tons (R96 lakhs) in 1938-39. Exports of raw hemp fell from 257,000 cwts. to 112,000 cwts. in quantity and from R22 lakhs to R14 lakhs in value. Despatches of Indian groundnuts dropped from 66,000 tons (R78 lakhs) to 47,000 tons (R63 lakhs). Decreases were also noticeable under cotton waste, fruits and vegetables, coffee and jute manufactures, while manganese ore and manures recorded increases.

**France (Imports R1,44 lakhs, Exports R8,15 lakhs).**—The trade with France recorded an improvement, the value of both imports and exports advancing from R1,40 lakhs and R6,23 lakhs to R1,44 lakhs and R8,15 lakhs, respectively. The principal articles of imports were, as usual, metals (R27 lakhs), liquors (R20 lakhs), dyeing and tanning substances (R11 lakhs), drugs and medicines and machinery and millwork (R8 lakhs each), chemicals (R7 lakhs) and oils and cotton manufactures (R3 lakhs each). All these

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articles taken together represented about 60 per cent of the total imports into India during the year from France.

India's principal items of exports to France were, as usual, groundnuts, raw cotton, raw jute, coffee, manganese ore, linseed and hides and skins. Exports of groundnuts declined from 150,000 tons worth R1,78 lakhs to 99,000 tons valued at R1,27 lakhs. Despatches of raw jute improved from 76,000 tons (R1,50 lakhs) to 85,000 tons (R2,86 lakhs). Shipments of raw cotton amounted to 41,000 tons valued at R2,63 lakhs as compared with 30,000 tons valued at R1,45 lakhs in 1938-39. Exports of raw hides and skins were valued at R22 lakhs as in the preceding year, while those of linseed fell from R12 lakhs to R4 lakhs. There was a smaller demand for Indian coffee and manganese ore exports of which were valued at R10 lakhs and R15 lakhs recording a fall of R2 lakhs and R3½ lakhs, respectively, in comparison with 1938-39.

**Italy (Imports R2,05 lakhs, Exports R2,08 lakhs).**—The imports from Italy declined by R64 lakhs to R2,05 lakhs. Similarly, exports thereto dropped by R56 lakhs to R2,08 lakhs. India's imports from Italy consist mainly of woollen manufactures, cotton piecegoods, artificial silk, machinery and millwork and instruments. The value of woollen manufactures imported fell by R28 lakhs to R18 lakhs. Imports of Italian blankets also declined from 4.0 million lbs. valued at R30 lakhs to 1.6 million lbs. valued at R11 lakhs. Receipts of woollen piecegoods also dropped from 167,000 yards (R4 lakhs) to 82,000 yards (R2 lakhs). Arrivals of cotton manufactures consisting mainly of coloured, printed and dyed piecegoods, were valued at R5 lakhs as in the preceding year. Imports of artificial silk yarn dropped from 10.5 million lbs. worth R53 lakhs to 8.7 million lbs. worth R52 lakhs; while goods of artificial silk mixed with other materials rose from 78,000 yards to 105,000 yards, but the value stood at R1 lakh, as in the preceding year. There were smaller imports of machinery and millwork, while instruments, etc., recorded an improvement.

The principal items of India's exports to Italy consist of raw materials such as raw cotton, oilseeds, raw jute and raw hides. Efforts are being made by Italy to increase cotton culture within her African empire and shipments of raw cotton from India declined from 16,000 tons (R69 lakhs) to 9,000 tons (R44 lakhs). Shipments of oilseeds declined further from 36,600 tons (R44 lakhs) to 20,500 tons (R28 lakhs). Exports of Indian raw jute fell from 46,000 tons to 28,000 tons, but the value rose from R92 lakhs to R1,01 lakhs. Purchases of raw hides from India amounted to 1,000 tons valued at R7 lakhs.

**China (Imports R2,61 lakhs, Exports R8,51 lakhs).**—India's trade with China during the year under review continued to improve, the value of imports and exports advancing from R1,73 lakhs and R2,50 lakhs to R2,61 lakhs and R8,51 lakhs, respectively. Under imports, the improvement was principally due to larger arrivals of cotton piecegoods and twist and yarn which amounted to 20 million yards (R31 lakhs) and 10.8 million lbs. (R75 lakhs), as against 8,000 yards (R3,000) and 10.4 million lbs. (R65 lakhs), respectively, in 1938-39. Imports of raw silk (1.4 million lbs. valued at

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R42 lakhs) rose by R10 lakhs and those of silk piecegoods (3·0 million yards valued at R19 lakhs), by R2 lakhs. Imports of tea also showed an improvement.

Larger shipments of raw cotton accounted for the improvement in exports; 122,000 tons of raw cotton valued at R6,68 lakhs were shipped to China as compared with 34,000 tons valued at R1,71 lakhs in 1938-39. Shipments of both gunny bags (R18 lakhs) and cloth (R5 lakhs) also improved.

South America (Imports R5 lakhs, Exports R5,80 lakhs).—There was a substantial improvement in the trade with the South American countries. The aggregate value of imports amounted to R5 lakhs as against R3 lakhs in 1938-39. In the year under review, India purchased fairly large quantities of nitrate of soda from Chile valued at R4 lakhs. Arrivals of mica from Brazil and Argentina totalled 1,200 cwts. valued at about R1 lakh.

On the export side, the principal items were, as usual, jute bags and cloth, exports of which were valued at R3,99 lakhs as compared with R3,13 lakhs in 1938-39. Argentina took 1·6 million gunny bags valued at R9 lakhs; Chile, 7·8 million bags valued at R20 lakhs and Peru, 8·3 million bags valued at R31 lakhs. Shipments of gunny cloth to Argentina amounted to 217 million yards valued at R3,05 lakhs as compared with 291 million yards valued at R2,62 lakhs in 1938-39. Exports to Peru and Uruguay were comparatively small and amounted to 3·6 million yards and 14·2 million yards, respectively. Brazil took 34,000 tons of raw jute as against 25,000 tons, while Argentina took 15,700 tons as against 10,500 tons in the preceding year. Chile took 21,000 lbs. of tea as against 8,000 lbs. in 1938-39.

## CHAPTER V.

### Foreign Sea-borne Trade of the Maritime Indian States.

The trade, so far dealt with in this Review, relates to that recorded at British Indian ports. This, no doubt, includes the overseas trade of most of the non-maritime Indian States, which are interlaced with British Indian territories. A fairly large volume of foreign trade also passes through the ports in the maritime States in Kathiawar, viz., Bhavnagar, Nawanagar, Morvi, Baroda, Porbandar, Junagadh and Jafarabad. Travancore, owing to her geographical situation, is also interested in sea-borne trade. The volume of the foreign trade of these States, however, bears only a small proportion to the volume of trade recorded at British Indian ports. The total imports into these States during 1939-40 formed only 3·6 per cent of the imports in the same year into British Indian ports as compared with 3·2 per cent in the preceding year; while the proportion of exports was 2·3 per cent as against 3·3 per cent in 1938-39.

#### 1. KATHIAWAR PORTS.

The table below gives a summary of the trade of the Kathiawar ports for the past three years :—

(In thousands of Rupees)

	1937-38	1938-39	1939-40
Total value of imports of foreign merchandise .	3,24,45	3,42,67	4,74,61
Total value of exports of Indian merchandise .	2,91,12	3,80,84	3,07,84
Total value of exports of foreign merchandise .	8,76	56	7,41

Generally speaking, imports into Kathiawar ports are greater than exports therefrom, and in 1939-40 imports exceeded exports by R1,67 lakhs. Re-exports from these ports are comparatively of little importance, being valued at about R7½ lakhs in 1939-40. It should be noted that a substantial portion of the imports of foreign merchandise into these States ultimately finds its way into British India across the Virangam-Dhandhuka land customs line. Imports into British India of foreign goods across the land customs line were valued at R1,53 lakhs and R1,70 lakhs during 1938-39 and 1939-40, respectively; while imports of foreign merchandise into the Kathiawar States during the respective years were valued at R3,43 lakhs and R4,75 lakhs.

#### *Imports.*

The following table shows the value of the principal articles of foreign merchandise imported by sea into the Kathiawar States during the years

## Trade of Kathiawar States.

1937-38, 1938-39 and 1939-40, together with the percentage share of each in relation to the total value of imports in those years :—

	1937-38	1938-39	1939-40	Percentage on total value of imports of merchandise in		
				1937-38	1938-39	1939-40
	R(000)	R(000)	R(000)			
Sugar . . . . .	7,95	28,55	1,09,48	2.4	8.3	23.1
Oils . . . . .	24,50	23,72	71,52	7.5	6.9	15.1
Grain, pulse and flour . . . . .	43,04	29,80	52,09	13.3	8.7	11.0
Cotton, raw . . . . .	3,43	3,52	9	1.1	1.0	
Cotton manufactures . . . . .	38,63	43,66	45,71	12.0	12.8	9.6
Metals and Ores . . . . .	32,99	38,90	40,90	10.2	11.4	8.6
Machinery and Millwork . . . . .	20,99	39,72	23,10	6.5	11.6	4.9
Chemicals . . . . .	23,48	21,22	21,21	7.2	6.2	4.5
Vehicles . . . . .	14,47	12,94	16,89	4.5	3.8	3.6
Instruments, apparatus and appliances . . . . .	10,67	10,99	14,26	3.3	3.2	3.0
Wood and timber . . . . .	17,23	13,79	12,26	5.3	4.0	2.6
Paper and Pasteboard . . . . .	16,25	11,76	11,04	5.0	3.4	2.3
Fruits and Vegetables . . . . .	10,17	9,97	8,64	3.1	2.9	1.8
Starch, Dextrine and Farina . . . . .	9,01	9,98	7,84	2.8	2.9	1.7
Hardware . . . . .	6,30	5,10	6,87	1.9	1.5	1.4
Silk manufactures . . . . .	2,27	1,00	1,65	0.7	0.3	0.3
Artificial silk . . . . .	2,18	1,40	1,12	0.7	0.4	0.2
All other articles . . . . .	40,69	36,65	29,94	12.5	10.7	6.3
<b>Total Imports</b> . . . . .	<b>3,24,45</b>	<b>3,42,67</b>	<b>4,74,61</b>	<b>100</b>	<b>100</b>	<b>100</b>

Some of the salient features of the import trade are briefly noted in the following paragraph :—

The principal feature of the year was the very marked increase in the imports of sugar, mainly 23 D. S. and above from Java, imports reaching the high level of 86,400 tons valued at R1,09½ lakhs as compared with 27,400 tons valued at R28½ lakhs in 1938-39. Taking the other articles in the order of their importance, the value of imports of oils improved from R24 lakhs to R72 lakhs of which mineral oils were valued at R70 lakhs as against R22 lakhs in the preceding year. Imports of grain, pulse and flour, consisting mainly of rice from Burma, increased from R30 lakhs in 1938-39 to R52 lakhs during the year under review. Cotton manufactures, which accounted for 9.6 per cent of the total value of the imports, rose from R44 lakhs to R46 lakhs. Of this, piecegoods (excluding fents) accounted for R45 lakhs as compared with R43 lakhs in 1938-39. The United Kingdom and Japan were, as usual, the principal sources of supply, their respective shares being 19 million yards (R34 lakhs) and 8 million yards (R10 lakhs). Metals and ores, with a total value of R41 lakhs, accounted for 8.6 per cent of the total value of imports as against 11.4 per cent (R39 lakhs) in 1938-39. Nearly 67 per cent of the imports represented iron and steel materials mainly from the United Kingdom, Germany and France—their shares being 49.1 per cent, 13.1 per cent and 12.2 per cent, respectively. Under vehicles, imports of carriages and wagons and parts for railways, mainly from the United Kingdom, advanced from R4 lakhs in 1938-39 to R10 lakhs. The number of motor cars imported, however, fell from 181 to 170, of which 99 were consigned from the United States of America and 58 from the United King-

## Trade of Kathiawar States.

dom. The number of motor omnibuses, lorries, etc., dropped from 70 in 1938-39 to 38, of which the United States of America supplied 33. Imports of machinery and millwork declined from R40 lakhs to R23 lakhs. Imports of chemicals were valued at R21 lakhs of which sodium compounds accounted for R12 lakhs and bleaching powder, R4½ lakhs. Imports of paper and pasteboard were valued at R11 lakhs as against R12 lakhs in 1938-39.

The following table shows the shares of the principal supplying countries in the total value of imports during the three years—1937-38, 1938-39 and 1939-40 :—

	1937-38	1938-39	1939-40	Percentage share in		
				1937-38	1938-39	1939-40
	R(000)	R(000)	R(000)			
United Kingdom . . . . .	1,11,10	1,21,70	1,21,85	34.2	35.5	25.7
Java . . . . .	7,59	26,50	1,08,36	2.3	7.7	22.8
Burma . . . . .	81,46	64,66	71,78	25.1	18.9	15.1
Germany . . . . .	42,52	53,47	28,85	13.1	15.6	6.1
Japan . . . . .	13,40	15,15	20,08	4.1	4.4	4.2
United States of America . . . . .	7,31	7,49	16,13	2.3	2.2	3.4
Belgium . . . . .	8,00	8,57	8,83	2.5	2.5	1.9
Netherlands . . . . .	12,65	9,60	6,19	3.9	2.8	1.3
Other Countries . . . . .	40,33	35,53	92,54	12.5	10.4	19.5
<b>TOTAL</b>	<b>3,24,45</b>	<b>3,42,67</b>	<b>4,74,61</b>	<b>100</b>	<b>100</b>	<b>100</b>

The following table shows the shares of the different States in the total value of the imports during these years :—

	1937-38	1938-39	1939-40	Percentage share in		
				1937-38	1938-39	1939-40
	R(000)	R(000)	R(000)			
Morvi . . . . .	69,83	72,04	1,30,87	21.5	21.0	27.6
Nawanagar . . . . .	99,13	88,85	1,11,03	21.3	25.9	23.4
Baroda . . . . .	55,56	60,74	95,19	17.1	17.7	20.1
Bhavnagar . . . . .	65,80	50,95	57,16	20.3	14.9	12.0
Junagadh . . . . .	35,99	42,03	46,43	11.1	12.3	9.8
Porbandar . . . . .	28,05	27,94	33,91	8.7	8.2	7.1
Jafarabad . . . . .	9	12	2	..	..	..
<b>TOTAL</b>	<b>3,24,45</b>	<b>3,42,67</b>	<b>4,74,61</b>	<b>100</b>	<b>100</b>	<b>100</b>

## Trade of Kathiawar States.

### Exports.

Exports during the year were valued at R3,08 lakhs as against R3,81 lakhs in 1938-39. The principal articles of exports were, as usual, seeds, raw wool, raw cotton, groundnut cake, *ghi* and groundnut oil, which together represented 89.9 per cent of the total exports during the year. The following table shows the shares of the principal articles exported during each of the three years ending 1939-40 :—

---	1937-38	1938-39	1939-40	Percentage on the total value of exports of merchandise in		
				1937-38	1938-39	1939-40
	R(000)	R(000)	R(000)			
Seeds . . . . .	1,40,47	1,93,88	1,16,03	48.3	50.9	37.7
Wool, raw . . . . .	40,81	60,41	97,08	14.0	15.9	31.5
Cotton, raw . . . . .	40,07	52,68	38,00	13.8	13.8	12.3
Groundnut cake . . . . .	26,35	34,17	19,11	9.0	9.0	6.2
Ghi . . . . .	6,23	6,77	5,85	2.1	1.8	1.9
Groundnut oil . . . . .	9,53	5,24	79	3.3	1.3	0.3
All other articles . . . . .	27,66	27,60	30,98	9.5	7.3	10.1
<b>TOTAL EXPORTS . . . . .</b>	<b>2,91,12</b>	<b>3,80,84</b>	<b>3,07,84</b>	<b>100</b>	<b>100</b>	<b>100</b>

It will be seen from the above table that seeds—the most important item—represented 37.7 per cent of the total exports in 1939-40 as compared with 50.9 per cent in the preceding year. Of the total exports of 87,000 tons of oilseeds (R1,16 lakhs) in 1939-40, groundnuts accounted for 85,000 tons valued at R1,13 lakhs as against 162,000 tons valued at R1,91 lakhs in 1938-39. The shipments were principally to the United Kingdom (51,500 tons) and Egypt (14,000 tons). Practically, all the shipments of raw wool were for the United Kingdom, these having represented 31.5 per cent (16 million lbs. valued at R97 lakhs) of the value of total exports during the year as against 15.9 per cent (12 million lbs. valued at R60 lakhs) in 1938-39. Exports of raw cotton, which formed 12.3 per cent of the total exports during the year, declined from 12,400 tons (R53 lakhs) in 1938-39 to 9,500 tons (R38 lakhs). Belgium took nearly half the quantity exported, which was valued at R17 lakhs. Among other countries, Japan and France took 1,900 tons and 1,600 tons respectively. The United Kingdom and Egypt were the principal purchasers of groundnut cakes, shipments of which totalled 43,300 tons (R19 lakhs) or 6.2 per cent of the total exports as against 54,400 tons (R34 lakhs) or 9 per cent of the total exports in 1938-39.



## Trade of Kathiawar States.

The table below shows the shares of the principal countries in the total value of the exports from the Kathiawar States during the three years—1937-38 to 1939-40:—

—	1937-38	1938-39	1939-40	Percentage share in		
				1937-38	1938-39	1939-40
United Kingdom . . . . .	R(000) 1,82,66	R(000) 2,10,91	R(000) 1,81,69	62.8	55.4	59.0
Belgium . . . . .	26,76	43,06	23,56	9.2	11.3	7.7
Egypt . . . . .	26,89	49,22	22,79	9.2	13.0	7.4
France . . . . .	4,81	13,34	9,89	1.6	3.5	3.2
Barma . . . . .	5,30	8,67	9,68	1.8	2.3	3.1
Japan . . . . .	6,19	5,64	7,05	2.1	1.5	2.3
Netherlands . . . . .	4,08	11,24	4,31	1.4	2.9	1.4
Germany . . . . .	11,82	14,46	2,26	4.1	3.8	0.7
Italy . . . . .	5,60	53	17	1.9	0.1	0.1
Other Countries . . . . .	17,21*	23,77*	46,44*	5.9	6.2	15.1
<b>TOTAL</b> . . . . .	<b>2,91,12*</b>	<b>3,80,84*</b>	<b>3,07,84*</b>	<b>100</b>	<b>100</b>	<b>100</b>

\* Includes R1,07,000, R11,91,000 and R12,67,000 the values of "for orders" cargoes during 1937-38, 1938-39 and 1939-40 respectively which remain to be adjusted.

The shares of the different States in the total value of the exports from Kathiawar ports during 1937-38, 1938-39 and 1939-40 are given in the following table:—

—	1937-38	1938-39	1939-40	Percentage share in		
				1937-38	1938-39	1939-40
Nawanagar . . . . .	R(000) 88,21	R(000) 1,44,23	R(000) 89,11	30.3	37.9	28.9
Morvi . . . . .	..	7,14	77,11	..	1.9	25.1
Junagadh . . . . .	90,30	1,06,32	63,39	31.0	27.9	20.6
Bhavnagar . . . . .	65,45	66,06	41,27	22.5	17.3	13.4
Porbandar . . . . .	46,22	52,53	25,50	15.9	13.8	8.3
Baroda . . . . .	88	4,56	11,46	0.3	1.2	3.7
<b>TOTAL</b> . . . . .	<b>2,91,12</b>	<b>3,80,84</b>	<b>3,07,84</b>	<b>100</b>	<b>100</b>	<b>100</b>

The total value of exports and re-exports from and imports into the Kathiawar ports during 1939-40 amounted to R7,90 lakhs as against R7,24

## Trade of Travancore.

lakhs in 1938-39, and represented 7·3 per cent of the value of trade of the Bombay ports in the same year.

### II. TRAVANCORE.

In the case of the foreign trade of Travancore, unlike the Kathiawar States, the export trade is of more importance than her imports. Imports into Travancore ports during 1939-40 were valued at R1,26 lakhs as compared with R1,40 lakhs in the preceding year. The total exports by sea during 1938-39 and 1939-40 were valued at R1,61 lakhs and R1,58 lakhs, respectively. The imports into and exports from the Travancore ports during the year under review represented, on the basis of declared values, only 0·8 per cent of the imports and exports in the same year into and from British Indian ports.

Direct imports into the Travancore ports, which are worth noticing, consist of a few articles only. The principal articles of imports during the year were, as usual, grain, pulse, etc., mainly rice from Burma (R91 lakhs); fruits and vegetables, dried, etc., mainly cashew nuts (R20 lakhs); tobacco, raw (R5 lakhs); machinery and millwork and instruments, chiefly electrical (R2 lakhs each) and metals, chiefly iron and steel (R1 lakh).

The principal items of exports from Travancore consist of coir manufactures, shipments of which during the year were valued at R1,06 lakhs. Of these, coir mats and mattings accounted for R40 lakhs, the United Kingdom's shares being R29 lakhs as against R37 lakhs in 1938-39. Exports of coir yarn were valued at R25 lakhs as in the preceding year; while shipments of other sorts of coir manufactures, mostly to the United Kingdom, accounted for R41 lakhs. Ilmenite comes next, and exports of the article during the year were valued at R21 lakhs as compared with R25 lakhs in 1938-39. The bulk of the shipments of ilmenite went to the United States of America. Exports of rubber, raw were valued at R9½ lakhs; while those of dried fruits and vegetables, chiefly cashew kernels, accounted for R4 lakhs. Despatches of fibres for brushes and brooms were valued at R3 lakhs. Shipments of tea were valued at R1 lakh as compared with R5 lakhs in the preceding year.

## CHAPTER VI.

### Frontier Trade.

#### I. TRADE AT STATIONS ADJACENT TO LAND FRONTIER ROUTES.

The existing system of registration of the Frontier Trade of India falls under two classes:—(1) Trade at stations adjacent to the land frontier routes and (2) Indo-Afghan Trade. Under the first, only the traffic in selected articles at certain railway stations adjacent to the more important trade routes across the frontier is registered. It may, however, be assumed that a high percentage of the traffic recorded relates to Frontier Trade. The following table shows the trade during the past three years:—

		<i>Imports.</i>		
Articles		1937-38	1938-39	1939-40
		(Maunds)	(Maunds)	(Maunds)
Wheat . . . . .		326,223	174,958	122,355
Gram and pulse . . . . .		471,584	375,050	186,938
Rice—				
Husked . . . . .		1,585,035	1,703,094	1,517,128
Unhusked . . . . .		436,795	402,915	326,338
Other grain and pulse . . . . .		1,125,189	1,088,920	909,198
Hides and skins . . . . .		176,410	136,647	139,820
Tobacco . . . . .		114,472	115,707	88,927
Wool, raw . . . . .		177,542	180,324	281,263
Jute, raw (from Nepal) . . . . .		221,023	206,905	151,235
Linseed (from Nepal) . . . . .		297,064	420,117	233,529
Mustard and rapeseed (from Nepal)		452,579	325,729	358,211
<i>Treasure</i>		<i>Ounces</i>	<i>Ounces</i>	<i>Ounces</i>
Gold . . . . .		2,142	3,644	4,719
Silver . . . . .		272,777	198,583	4,420,331

		<i>Exports.</i>		
Articles		1937-38	1938-39	1939-40
		(Maunds)	(Maunds)	(Maunds)
Cotton piecegoods (Foreign and Indian)		615,487	610,843	597,796
Wheat . . . . .		459,870	571,631	564,273
Rice, husked . . . . .		614,821	517,503	503,238
Other grain and pulse . . . . .		1,148,559	1,091,780	1,095,490
Iron and steel, including machinery, hardware and cutlery . . . . .		369,782	481,888	385,597
Petroleum . . . . .		510,453	553,422	490,234
Salt . . . . .		1,626,887	1,628,150	1,540,135
Sugar, refined and unrefined . . . . .		1,075,563	832,831	877,698
Tea . . . . .		169,695	154,328	175,775
Tobacco . . . . .		105,112	121,061	106,516
<i>Treasure</i>		<i>Ounces</i>	<i>Ounces</i>	<i>Ounces</i>
Gold . . . . .		601	11	91
Silver . . . . .		566,346	536,164	2,530,864

## Frontier Trade.

The figures represent the outward (in the case of imports) and inward (in the case of exports) traffic at the selected railway stations, the bulk of which relates to Frontier Trade.

### II. INDO-AFGHAN TRADE.

Separate statistics of trade between India and Afghanistan, which are available since 1937-38 only, are registered at Thal, Chaman and Torkham. One of the principal features of the trade between the two countries is the existence of a large volume of transit trade through India. While it has been possible to maintain a record of such trade through India to Afghanistan, it has not been found practicable to separately record the statistics of Afghan goods in transit through India to countries abroad. The aggregate value of Indo-Afghan trade, including transit trade, amounted to R6,66 lakhs in 1939-40 as compared with R4,64 lakhs in 1938-39.

The principal items of imports into India from Afghanistan are skins and furs, fruits, nuts and vegetables. These together accounted for 85 per cent of the imports in 1939-40, as compared with 87 per cent in the preceding year. It may be stated that almost the entire quantity of skins and furs, consisting mainly of Persian lamb skins, is intended for export to foreign countries. Similarly, a large portion of the quantity of fruits and nuts imported is ultimately sent abroad. In the case of exports to Afghanistan, foreign goods in transit accounted for 70 per cent of the total exports in the year under review, the value of such trade being R1,88 lakhs as against R81 lakhs, representing the value of goods not in transit. Among the principal items of exports, animals, living; boots and shoes; leather and cement were mostly of Indian origin, while there was keen foreign competition in such commodities as iron and steel, cotton manufactures and tea. In regard to exports of instruments, apparatus, appliances and parts thereof, machinery and millwork and sugar, India had only a small share. The tables below show the values of the principal items of trade as also the total values of imports and exports during the last three years:—

#### *Imports into India.*

Articles	Value in R (000)					
	Produce of Afghanistan			Produce of countries other than Afghanistan		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Animals, living . . . . .	10,43	8,99	11,18	..	..	..
Fruits, nuts and vegetables	98,46	1,06,28	88,57	..	..	..
Skins and furs . . . . .	2,38,62	1,11,49	2,49,63	..	..	..
Spices . . . . .	2,23	1,03	5,68	..	..	..
Cotton, raw . . . . .	2,96	3,85	20,36	..	..	..
Wool, raw . . . . .	6,75	1,45	6,60	..	..	..
Wool, manufactured . . . . .	7,55	11,50	6,36	..	..	..
All other articles of merchandise . . . . .	3,61	4,36	8,69	1	11	2
<b>GRAND TOTAL (Merchandise)</b> . . . . .	<b>3,70,61</b>	<b>2,48,95</b>	<b>3,97,07</b>	<b>1</b>	<b>11</b>	<b>2</b>
Treasure—						
Silver . . . . .	1,66	10	17	..	..	..

# Frontier Trade.

## II. INDO AFGHAN TRADE—*contd.*

### *Exports from India.*

Value in R (000)

Articles	Produce of India			Foreign Goods not in transit			Foreign Goods in transit					
							State Goods			Trade Goods		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Animals, living . . . . .	12,21	7,92	10,76	..	..	..	..	..	..	..	..	..
Boots and shoes . . . . .	2,24	1,70	2,34	3	21	2	..	..	..	26	13	12
Cement . . . . .	1,23	1,59	3,50	..	..	..	..	..	..	1	8	..
Instruments, apparatus, appliances and parts thereof . . . . .	2	1	12	21	27	56	2,53	1,78	2,46	34	1,53	1,54
Leather . . . . .	1,05	1,67	2,11	..	1	..	3	4	..	7	3	1
Machinery and mill-work . . . . .	20	3	28	1,17	1,40	2,20	4,12	7,54	4,11	2,35	10,07	27,84
Iron and steel . . . . .	1,22	90	1,75	27	33	51	91	2,07	40	2,33	5,10	3,85
Motor spirit . . . . .	..	..	7	4,73	51	91	..	..	..	15,56	22,74	20,68
Sugar . . . . .	00	41	39	..	..	..	..	..	..	11,56	5,54	10,26
Tea . . . . .	3,56	3,51	7,38	28	13	15	3	..	..	9,56	9,82	6,19
Cotton manufactures	28,25	26,31	32,39	88	68	30	4	..	..	50,12	44,21	54,04
Silk manufactures . . . . .	41	44	1,45	7	3	43	..	..	..	7,34	3,87	8,05
Motor cars, lorries, buses, etc. . . . .	..	..	..	1	..	..	3,04	3,52	2,67	9,75	6,74	8,47
All other articles of merchandise . . . . .	8,89	6,21	9,45	2,49	2,55	3,05	6,16	12,12	2,50	18,48	20,47	19,83
<b>GRAND TOTAL (Merchandise)</b>	<b>60,84</b>	<b>50,70</b>	<b>72,70</b>	<b>10,14</b>	<b>6,12</b>	<b>8,19</b>	<b>17,18</b>	<b>27,07</b>	<b>12,20</b>	<b>1,28,03</b>	<b>1,30,93</b>	<b>1,75,88</b>
<b>Treasure—</b>												
Gold . . . . .	..	..	..	51,01	..	..	..	..	..	..	..	..

## CHAPTER VII.

### Balance of Trade and Movement of Treasure.

The turnover of India's overseas trade in merchandise for the year 1939-40 recorded a substantial improvement as compared with the preceding year. There was an increase of R14 crores, or of 26 per cent in exports and of R13 crores, or 9 per cent in imports, resulting in an improvement of about R31 crores in the favourable balance of trade in merchandise in the year under review. The surplus of exports over imports in 1939-40 was nearly R48 crores as compared with about R17½ crores in 1938-39. A survey of the monthly figures given in the following table shows that, with the exception of April, 1939, exports in each month of the year under review exceeded imports.

(In lakhs of Rupees)

	PRIVATE MERCHANDISE		Excess Net exports+ Net imports —	Excess in the corresponding month of 1938-39
	Imports	Exports		
1939—				
April . . . . .	13,39	13,26	—13	—70
May . . . . .	14,56	15,34	+78	—35
June . . . . .	14,67	15,42	+75	+75
July . . . . .	13,63	16,71	+3,08	+3,68
August . . . . .	13,86	16,40	+2,54	+3,20
September . . . . .	11,28	15,61	+4,33	+4,92
October . . . . .	10,32	14,75	+4,43	+1,72
November . . . . .	12,50	17,54	+5,04	+2,03
December . . . . .	13,63	21,01	+7,38	+2,00
1940—				
January . . . . .	16,37	24,41	+8,04	—31
February . . . . .	15,80	22,40	+6,60	+64
March . . . . .	14,74	20,23	—5,49	—16
<b>TOTAL</b>	<b>164,75</b>	<b>213,08</b>	<b>+48,33</b>	<b>+17,42</b>

*N.B.*—Railway stores imported by State Railways are not paid for in the ordinary way and do not affect the monthly balance of trade figures. The cost of these stores has, therefore, been excluded from the import side.

In the first month of the year, imports exceeded exports by R13 lakhs. In the next two months, both imports and exports advanced, but, as exports rose to a much larger extent than imports, there was a credit balance of R1.40 lakhs during the first quarter. A recession in imports in the second quarter with a contrary movement in the case of exports raised the credit balance further to R9.95 lakhs. With the outbreak of war in September, both imports and exports declined, but as the latter recovered more rapidly than the former, the third quarter ended with a credit balance of R16.85 lakhs. In the last three months of the year, the surplus of exports over imports was still higher and amounted to R20.13 lakhs.

There was also an increase in the net exports of gold which were valued at R34.67 lakhs in the year under review as compared with R13.06 lakhs in

## Balance of Trade.

1938-39. The net imports of silver rose from R1,75 lakhs in 1938-39 to R4,74 lakhs in 1939-40. Taking gold, silver and also currency notes into account, the net exports of treasure during 1939-40 amounted to R30,27 lakhs as compared with R11,89 lakhs in the preceding year.

The visible balance of trade, as measured by statistics of merchandise and treasure, was in favour of India to the extent of R79 crores as compared with R29 crores in 1938-39. The balance of remittances of funds in the year under review was *minus* R97 crores as compared with *minus* R33 crores in the preceding year. The figures relating to remittances include the more important Government transactions, but do not take into account (a) net payments in India of British postal orders and of foreign money orders of countries which settle their accounts through London and (b) Government transfers on account of Iraq and Mauritius. The following table shows in detail the items entering into the balance of trade. Gold acquired by purchasers abroad and earmarked on their account is shown separately in this table. The invisible items that enter into India's balance of accounts, such as shipping services, private remittances and exports and imports of capital, insurances, tourists' expenditure, etc., are not included in the table, as these cannot be estimated accurately.

(In lakhs of Rupees)

	India excluding Burma			India including Burma		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Exports of Indian merchandise (private).	+180,93	+162,79	+203,44	+195,20	+174,72	+212,63
Re-exports of Foreign merchandise (private).	+8,23	+6,42	+9,64	+7,46	+5,53	+8,77
Imports of Foreign merchandise (private). (a)	-173,33	-151,79	-184,75	-159,47	-137,04	-144,54
Balance of trade in merchandise	+15,83	+17,42	+48,33	+43,19	+43,21	+77,06
Gold (private)	+16,34	+13,00	+34,67	+16,52	+13,06	
Silver (private)	-2,26	-1,75	-4,74	-1,48	-1,03	
Currency notes (private)	+28	+58	+34	+28	+58	
Balance of transactions in treasure (private).	+14,36	+11,89	+30,27	+15,12	+12,91	
Total visible balance of trade	+30,24	+29,31	+78,60	+63,31	+55,82	
Gold earmarked on account of purchasers abroad.	—	10,19*	-1,36	—	10,19*	(b)
Purchases of sterling by the Reserve Bank of India.	-29,51	-32,64	-94,57	-33,29	-34,03	
Sales of sterling by the Reserve Bank of India.	..	..	..	..	..	
Transfers of Government securities	-11	-9	-2,11	-11	-8	
Interest drafts on India in respect of Government of India securities.	-28	-28	-20	-28	-23	
Balance of remittances of funds	-29,90	-33,00	-96,88	-38,08	-34,42	

NOTE.—The sign + means net exports and the sign — net imports.

\* Figures relate to the period October, 1938 to March, 1939.

(a) Exclusive of the value of railway materials imported direct by State Railways working under company management, which was not paid for in the ordinary way and was not, therefore, taken into account in arriving at the balance of trade.

(b) Publication suspended.

## Movement of Treasure.

The following table shows the transactions in gold and silver on private account during the last three years :—

(In lakhs of Rupees)

	GOLD		SILVER		Gold and Silver. Net imports — Net exports +
	Imports	Exports	Imports	Exports	
1937-38 . . . . .	1,56	17,89	3,00	75	+14,08
1938-39 . . . . .	75	13,81	2,03	28	+11,31
1939-40 . . . . .	1,33	36,00	4,86	12	+29,93

NEW DELHI; }  
The 6th November, 1940. }

T. E. GREGORY,  
*Economic Adviser to the  
Government of India.*



# **PART II**

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## **TABLES.**

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## PART II—TABLES

NOTE (1).—As a result of the separation of Burma, the trade statistics from 1937-38 given in these tables include the trade of British India with Burma and exclude the direct trade of Burma with foreign countries. Unless otherwise indicated, figures for 1935-36 and 1936-37 have been adjusted, as far as the available data permit, so as to represent British India excluding Burma.

(2).—Throughout these tables "pre-war average" means the average of the five years, 1909-10 to 1913-14, "war average", the average of the five years, 1914-15 to 1918-19, and "post-war average", the average of the five years, 1919-20 to 1923-24.

### No. 1.—VALUE OF TOTAL FOREIGN SEA-BORNE TRADE

(In lakhs of Rupees)

		Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40	
<b>IMPORTS</b>								
Private merchandise		145.85	147.80	254.05	175.70	152.33	165.27	
Government Stores		5.82	11.45	13.00	3.43	3.18	3.68	
<b>TOTAL MERCHANDISE</b>		<b>151.67</b>	<b>159.25</b>	<b>267.05</b>	<b>177.22</b>	<b>155.51</b>	<b>168.95</b>	
<b>Treasure—</b>								
Private	Gold	32.79	10.80	21.57	1.56	75	1.33	
	Silver	10.88	4.56	14.14	3.00	2.03	4.86	
	Currency notes	—	—	1.00*	3	3	7	
Government	Gold	—	1.54	0.97	—	—	—	
	Silver	3.53	22.37	6.16	12	43	37	
	Currency notes	—	—	4.0*	—	—	1	
<b>TOTAL TREASURE</b>		<b>32.79</b>	<b>12.14</b>	<b>31.24</b>	<b>1.56</b>	<b>75</b>	<b>1.33</b>	
<b>TOTAL IMPORTS</b>		Gold	14.41	26.93	20.34	3.12	2.46	5.23
		Silver	—	—	1.56*	3	3	3
		Currency notes	47.20	30.07	58.16	4.71	3.24	6.64
<b>EXPORTS</b>								
Private merchandise—								
Indian produce		219.50	215.97	236.33	180.93	162.70	203.44	
Foreign goods (re-exports)		4.62	8.14	15.05	8.23	6.12	9.64	
<b>TOTAL PRIVATE MERCHANDISE</b>		<b>224.12</b>	<b>224.11</b>	<b>251.38</b>	<b>189.21</b>	<b>168.21</b>	<b>213.08</b>	
Government Stores		11	1.72	4.40	5.6	6.2	2.01	
<b>TOTAL MERCHANDISE</b>		<b>224.23</b>	<b>225.83</b>	<b>255.78</b>	<b>194.77</b>	<b>174.43</b>	<b>215.09</b>	
<b>Treasure—</b>								
Private	Gold	3.92	2.99	9.03	17.89	13.81	26.00	
	Silver	3.67	1.77	2.86	75	23	12	
	Currency notes	—	—	1.0*	31	61	41	
Government	Gold	72	1.27	1.22	—	—	—	
	Silver	—	1.27	10	81	50	4.26	
	Currency notes	1	—	15*	1	—	—	
<b>TOTAL TREASURE</b>		<b>4.64</b>	<b>4.26</b>	<b>10.25</b>	<b>17.80</b>	<b>13.81</b>	<b>26.00</b>	
<b>TOTAL EXPORTS</b>		Gold	3.68	3.04	2.70	1.56	78	4.38
		Silver	—	—	25*	32	61	41
		Currency notes	8.32	7.30	13.26	19.77	15.20	40.70
<b>TOTAL SEA-BORNE TRADE</b>		<b>431.42</b>	<b>431.45</b>	<b>630.35</b>	<b>391.47</b>	<b>343.78</b>	<b>431.47</b>	

\* Average for two years, 1922-23 and 1923-24.

No. 2.—VALUE OF MERCHANDISE AND TREASURE, AND GOLD SEPARATELY, DURING THE LAST FIVE YEARS WITH  
QUINQUENNIAL AVERAGES FOR THE PAST SEVENTY YEARS

(In lakhs of Rupees)

	MERCHANDISE			TREASURE			TOTAL OF MERCHAN- DISE AND TREASURE	GOLD		
	Imports	Exports	Excess of Exports over Imports	Imports	Exports	Net Imports		Imports	Exports	Net Imports
Quinquennial average—										
1864-65 to 1868-69 . . . . .	31,70	55,86	24,16	17,62	1,80	15,82	106,98	6,15	32	5,83
1869-70 to 1873-74 . . . . .	33,04	56,25	23,21	8,26	1,59	6,67	99,14	3,26	19	3,07
1874-75 to 1878-79 . . . . .	38,36	60,82	21,96	9,86	2,31	7,05	111,35	1,68	1,04	64
1879-80 to 1883-84 . . . . .	50,16	79,08	28,92	11,66	1,33	10,33	142,23	4,23	10	4,13
1884-85 to 1888-89 . . . . .	61,51	88,64	27,13	13,62	1,64	11,98	165,41	8,41	33	3,08
1889-90 to 1893-94 . . . . .	70,78	104,99	34,21	17,92	3,68	14,24	197,37	4,12	2,02	2,10
1894-95 to 1898-99 . . . . .	78,67	107,53	33,86	14,89	6,40	8,49	202,49	5,48	3,23	2,25
1899-1900 to 1903-04 . . . . .	84,63	124,92	40,24	26,01	11,65	14,36	247,26	13,00	6,82	6,18
1904-05 to 1908-09 . . . . .	110,85	165,44	45,59	35,15	9,90	26,25	331,34	16,85	7,50	9,35
1909-10 to 1913-14 . . . . .	161,67	224,23	72,56	47,20	8,32	38,88	431,42	32,79	4,44	28,15
1914-15 to 1918-19 . . . . .	159,25	225,83	66,58	39,07	7,30	31,77	431,45	12,14	4,26	7,88
1919-20 to 1923-24 . . . . .	267,05	306,33	39,33	53,16	13,26	39,90	639,85	31,24	10,25	20,99
1924-25 to 1928-29 . . . . .	251,02	353,51	102,49	53,68	4,14	49,54	662,35	32,68	18	33,50
1929-30 to 1933-34 . . . . .	161,14	196,60	37,46	13,38	42,26	-28,88*	415,38	6,54	37,26	-30,72*
In the year—										
1935-36 . . . . .	152,01	154,54	2,53	7,84	44,90	-37,06*	359,29	99	38,31	-37,32*
1936-37 . . . . .	144,08	192,41	48,33	10,40	30,00	-19,60*	382,80	1,61	29,46	-27,85*
1937-38 . . . . .	177,22	189,77	12,55	4,71	19,77	-15,06*	391,47	1,56	17,89	-16,33*
1938-39 . . . . .	155,51	169,97	14,46	3,24	15,20	-11,96*	343,02	75	13,81	-13,06*
1939-40 . . . . .	168,95	213,03	44,13	6,64	40,79	-34,15*	429,46	1,38	36,00	-34,62*

NOTE.—Government transactions are included in this table.  
\*Net exports.

No. 3.—MONTHLY SEA-BORNE TRADE (PRIVATE MERCHANDISE), IMPORTS AND EXPORTS IN 1939-40, AS COMPARED WITH THE TWO PRECEDING YEARS 1937-38 AND 1938-39, AND THE PRE-WAR, WAR AND POST-WAR AVERAGES, AND EXCESS OF EXPORTS OVER IMPORTS DURING THE SAME PERIOD

(In lakhs of Rupees)

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Months	IMPORTS						EXPORTS (INCLUDING RE-EXPORTS)						EXCESS OF EXPORTS OVER IMPORTS					
	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
April	11,77	11,77	20,16	15,73	13,43	13,44	19,84	17,23	24,70	17,58	12,85	13,26	8,07	6,46	4,54	1,91	-78	-18
May	10,95	11,33	19,29	14,88	12,45	14,63	18,70	20,01	25,25	16,64	13,02	15,34	7,76	8,68	5,96	3,26	-43	71
June	9,76	11,81	18,30	13,89	12,00	14,01	17,51	19,18	21,89	17,87	12,71	15,42	7,75	7,32	3,69	3,98	71	51
July	10,88	13,46	19,09	14,18	11,05	13,60	17,77	17,88	23,26	17,38	14,69	16,71	6,89	4,43	4,17	3,20	3,64	3,05
August	12,05	13,08	21,21	13,35	10,91	13,89	15,90	17,56	23,16	15,27	14,08	16,40	3,85	4,53	1,95	1,92	3,17	2,52
September	12,92	12,11	20,49	13,71	10,70	11,29	16,27	17,02	23,62	17,11	15,67	15,61	3,35	4,91	3,13	3,40	4,88	4,32
October	13,79	13,20	23,04	14,54	12,96	10,33	18,00	18,92	23,12	16,23	14,66	14,75	4,21	5,72	8	1,09	1,70	4,42
November	13,74	13,33	23,43	15,32	13,38	12,51	17,71	18,21	25,21	16,14	15,36	17,53	8,97	4,88	1,73	-63	1,98	5,02
December	11,60	10,71	21,38	14,35	12,62	13,68	16,67	17,99	25,55	14,01	14,61	21,01	5,07	6,38	4,17	-34	1,99	7,88
January	14,47	13,87	25,59	15,91	14,09	16,41	21,04	19,16	27,69	14,41	13,73	24,41	6,57	5,29	2,27	-1,50	-36	3,00
February	11,39	11,36	20,52	12,59	13,11	15,81	22,06	19,96	24,95	12,69	13,70	22,41	10,67	3,60	6,43	21	59	6,00
March	12,53	11,83	21,50	15,34	15,54	14,76	22,65	21,95	30,39	14,79	15,33	20,23	10,12	10,12	5,89	-55	-21	5,47
TOTAL	145,85	147,80	254,05	173,79	152,33	165,27	224,12	224,11	300,96	189,21	163,21	213,08	8,27	76,31	46,91	15,42	16,88	47,81

\* See Note (2) on page 203.

No. 4.—VALUE OF TRADE IN MERCHANDISE ONLY WITH THE BRITISH EMPIRE AND FOREIGN COUNTRIES

(In lakhs of Rupees)

COUNTRIES	PRE-WAR AVERAGE *			WAR AVERAGE * *			POST-WAR AVERAGE *			1937-38			1938-39			1939-40		
	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total
British Empire—																		
United Kingdom .	91,58	56,80	147,88	88,56	69,62	153,18	146,43	73,04	219,47	61,96	64,43	116,39	46,40	58,25	104,74	41,62	74,87	116,49
Burma . . .	—	—	—	—	—	—	—	—	—	26,96	11,29	37,25	24,35	11,10	35,45	31,38	13,47	44,85
Egypt (a) . .	—	—	—	88	9,86	10,24	(b)85	(b)3,34	(b)4,19	—	—	—	—	—	—	—	—	—
Ceylon . . .	72	8,24	8,96	1,66	9,69	11,29	1,71	12,32	14,03	1,06	5,60	7,26	1,18	5,36	6,51	1,46	6,74	8,20
Straits Settlements	3,08	7,78	10,61	4,37	6,28	10,60	4,85	8,20	13,05	3,74	2,85	6,39	4,13	2,17	6,30	4,82	2,74	7,56
Australia . .	1,01	3,14	4,15	1,11	5,03	6,14	3,19	4,99	8,18	1,66	3,14	4,80	2,41	2,98	5,39	2,39	5,50	7,89
Hongkong . .	98	9,26	10,24	1,30	4,43	5,78	1,86	6,98	8,79	24	87	1,11	35	82	1,17	64	99	1,63
Canada . . .	1	1,09	1,10	4	1,79	1,83	69	1,88	2,52	1,00	2,32	3,32	91	2,14	3,05	1,37	4,12	5,49
Aden and Depend- encies.	41	1,25	1,66	77	2,15	2,92	30	2,79	3,59	59	1,25	1,84	24	1,11	1,35	55	99	1,54
Kenya Colony and Zanzibar and Pemba.	36	69	1,25	1,15	1,32	2,47	1,99	2,14	4,13	4,47	87	5,34	5,13	69	6,82	3,45	93	4,38
Other Countries of the British Empire.	3,39	4,16	7,55	1,80	6,17	7,97	3,17	9,54	12,71	3,94	6,70	10,64	3,37	5,66	9,03	5,43	8,70	14,13
<b>TOTAL BRITISH EMPIRE.</b>	<b>101,54</b>	<b>92,06</b>	<b>168,60</b>	<b>96,64</b>	<b>115,78</b>	<b>212,42</b>	<b>165,64</b>	<b>125,12</b>	<b>290,66</b>	<b>95,22</b>	<b>99,12</b>	<b>194,34</b>	<b>88,56</b>	<b>90,28</b>	<b>178,84</b>	<b>93,11</b>	<b>119,05</b>	<b>212,16</b>

NOTE.—Exports include re-exports.

(a) Egypt included in British Empire from 1916-16 to 1922-23.

(b) Average for 4 years.

\* See Note (2) on page 208.

No. 4—continued

(In lakhs of Rupees)

COUNTRIES	PRE-WAR AVERAGE*			WAR AVERAGE*			POST-WAR AVERAGE*			1937-39			1938-39			1939-40		
	Im-ports	Ex-ports	Total	Imports	Exports	Total	Im-ports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total
<b>Foreign Countries—</b>																		
United States of America . . . . .	4,49	16,90	21,39	19,29	26,75	37,04	21,64	36,26	57,90	12,88	18,73	31,61	9,78	14,29	24,07	14,88	27,18	42,06
Japan . . . . .	3,64	16,86	20,50	15,41	25,26	40,61	17,48	40,31	57,79	22,19	18,51	40,70	15,41	14,82	30,23	19,29	14,16	33,45
France . . . . .	2,21	14,82	17,03	1,56	10,02	11,87	2,37	14,37	16,74	1,57	5,20	6,86	1,40	6,23	7,83	1,44	8,14	9,58
Italy . . . . .	1,45	7,08	8,53	1,73	8,77	10,50	2,47	9,08	12,10	2,57	6,45	8,02	2,09	2,04	5,35	2,05	2,08	4,13
Iran . . . . .	63	1,22	1,85	86	3,60	4,46	1,76	3,88	5,64	2,74	79	3,53	3,40	85	4,34	3,10	95	4,05
China (exclusive of Hongkong and Macao) . . . . .	1,58	3,74	10,32	1,93	4,56	6,49	3,14	10,98	14,12	98	1,00	2,97	1,78	2,50	4,23	2,01	8,51	11,12
Turkey, Asiatic . . . . .	50	2,40	2,90	40	3,29	3,78	1	11	12	8	31	39	1	21	22	1	11	12
Java . . . . .	9,85	2,91	12,26	11,56	2,55	14,11	17,18	3,18	20,36	37	1,02	1,39	51	75	1,26	3,37	1,44	4,81
Cuba . . . . .	..	41	..	..	1,66	1,65	1	2,30	2,31	..	69	69	..	59	59	..	82	82
Argentine Republic . . . . .	..	2,27	2,27	..	2,01	2,01	..	4,21	4,21	3	2,71	2,74	1	2,88	2,89	1	3,55	3,56
French Indo-China . . . . .	1	67	68	1	1,51	1,52	2	1,80	1,82	6	64	60	14	68	82	2,60	1,28	3,88
Chile . . . . .	..	87	87	1	1,42	1,43	1	1,04	1,05	..	24	24	..	20	20	4	59	58
Spain . . . . .	17	1,99	2,16	30	1,60	1,96	30	2,80	3,10	16	18	20	11	22	33	9	75	84
Union of Socialist Soviet Republics . . . . .	22	1,94	2,16	10	2,74	2,84	12	..	12	73	56	1,29	20	38	56	10	2	21
Netherlands . . . . .	1,27	3,34	4,61	86	40	1,26	2,18	3,16	5,34	1,48	3,91	5,39	1,43	4,43	5,86	1,45	2,56	4,01
Belgium . . . . .	2,76	11,97	14,73	38	1,10	1,48	4,64	17,25	15,89	3,27	6,00	9,27	2,92	4,48	7,40	2,55	3,21	5,76
Germany . . . . .	9,35	22,30	31,71	1,04	2,04	3,08	7,10	14,85	22,02	15,31	10,53	25,84	12,93	8,70	21,03	6,69	2,98	9,07
Austria (a) . . . . .	3,19	7,77	10,06	27	94	1,21	(c) 42	(c) 73	(c) 1,15	78	7	85	47	3	50	10	..	10
Egypt (b) . . . . .	26	1,90	2,16	—	—	—	(d) 52	(d) 2,08	(d) 8,50	2,98	1,48	4,46	2,19	1,26	3,45	2,84	1,78	4,62
Other Countries . . . . .	3,14	5,64	8,78	4,01	7,58	11,59	7,08	18,01	20,09	10,40	11,14	21,54	8,85	12,79	21,14	8,85	14,22	23,07
<b>TOTAL FOREIGN COUNTRIES.</b>	<b>44,31</b>	<b>132,06</b>	<b>176,37</b>	<b>51,16</b>	<b>108,33</b>	<b>159,49</b>	<b>88,51</b>	<b>176,86</b>	<b>266,37</b>	<b>78,57</b>	<b>90,09</b>	<b>168,66</b>	<b>63,77</b>	<b>78,98</b>	<b>142,70</b>	<b>72,16</b>	<b>94,03</b>	<b>166,10</b>
<b>GRAND TOTAL.</b>	<b>145,85</b>	<b>224,12</b>	<b>369,97</b>	<b>147,80</b>	<b>224,11</b>	<b>371,91</b>	<b>254,06</b>	<b>301,98</b>	<b>556,08</b>	<b>173,79</b>	<b>189,21</b>	<b>362,99</b>	<b>152,33</b>	<b>169,21</b>	<b>321,54</b>	<b>165,27</b>	<b>213,08</b>	<b>378,86</b>

NOTE.—Exports include re-exports.  
 (a) Figures prior to 1921-22 relate to Austria-Hungary.  
 (b) Egypt included in British Empire from 1915-16 to 1922-23.  
 \* See Note (2) on page 203.

(c) Average for 3 years.  
 (d) One year's figure.

No. 5.—PERCENTAGE SHARE OF THE PRINCIPAL COUNTRIES IN THE TOTAL TRADE IN MERCHANDISE ONLY

COUNTRIES	PRE-WAR AVERAGE*			WAR AVERAGE*			POST-WAR AVERAGE*			1927-28			1928-29			1929-30		
	Im-ports	Exports, Includ- ing Re-exports	TOTAL	Im-ports	Exports, Includ- ing Re-exports	TOTAL	Im-ports	Exports, Includ- ing Re-exports	TOTAL	Imports	Exports, Includ- ing Re-exports	TOTAL	Im-ports	Exports, Includ- ing Re-exports	TOTAL	Im-ports	Exports, Includ- ing Re-exports	TOTAL
<b>British Empire—</b>																		
United Kingdom . . . . .	62.8	26.1	40.0	56.5	31.1	41.9	57.6	24.2	39.5	29.0	34.0	32.1	30.5	34.3	32.5	25.2	35.1	30.8
Barma . . . . .	0.5	3.7	2.4	1.1	4.3	3.0	0.7	4.8	2.5	14.0	6.0	10.3	16.0	6.0	11.0	19.0	6.8	11.8
Ceylon . . . . .										1.0	3.0	2.0	0.8	3.2	2.0	0.0	3.1	2.2
Straits Settlements . . . . .	2.1	3.4	2.9	3.0	2.7	2.8	1.9	2.7	2.3	2.2	1.4	1.8	2.7	1.3	2.0	2.9	1.3	2.0
Australia . . . . .	0.7	1.4	1.1	0.8	2.2	1.7	1.3	1.7	1.5	1.0	1.7	1.3	1.0	1.8	1.7	1.4	2.6	2.1
Hongkong . . . . .	0.7	4.1	2.7	0.9	2.0	1.0	0.7	2.3	1.0	0.1	0.5	0.3	0.2	0.5	0.4	0.4	0.5	0.4
Mauritius and Dependencies	1.8	0.0	1.1	1.1	0.0	0.8	2.2	3.1	2.7	..	0.3	0.3	..	0.5	0.3	..	0.4	0.2
<b>TOTAL (INCLUDING OTHER</b>																		
<b>British Possessions) . . . . .</b>	<b>69.7</b>	<b>41.1</b>	<b>62.3</b>	<b>65.4</b>	<b>51.7</b>	<b>57.1</b>	<b>65.2</b>	<b>41.4</b>	<b>52.3</b>	<b>54.8</b>	<b>52.4</b>	<b>53.5</b>	<b>55.1</b>	<b>53.6</b>	<b>55.7</b>	<b>56.3</b>	<b>55.9</b>	<b>56.1</b>
<b>Foreign Countries—</b>																		
Japan . . . . .	2.5	7.5	5.5	10.4	11.2	10.9	6.9	13.3	10.4	12.8	9.8	11.2	10.1	8.8	9.4	11.7	6.6	8.8
United States of America . . . . .	3.1	7.5	5.8	7.0	11.9	9.0	8.5	12.0	10.4	7.4	9.9	8.7	6.4	8.4	7.5	9.9	12.7	11.1
Java . . . . .	6.4	1.3	3.3	7.3	1.1	3.3	6.8	1.0	3.7	0.2	0.5	0.4	0.3	0.4	0.4	2.0	0.7	1.3
France . . . . .	1.5	6.6	4.6	1.3	4.5	3.2	0.9	4.8	3.0	0.9	2.8	1.9	0.9	3.7	2.4	0.0	3.7	2.5
Italy . . . . .	1.0	3.2	2.3	1.2	3.9	2.3	1.0	3.2	2.2	1.5	2.9	2.2	1.8	1.5	1.7	1.2	1.0	1.1
China (exclusive of Hong- kong and Macao) . . . . .	1.1	3.9	2.8	1.3	2.0	1.7	1.2	3.6	2.5	0.6	1.1	0.8	1.1	1.5	1.3	1.6	4.0	2.9
Iran . . . . .	0.4	0.5	0.5	0.6	1.6	1.2	0.7	1.3	1.0	1.6	0.4	1.0	2.3	0.5	1.3	1.0	0.4	1.1
Union of Socialist Soviet Republics . . . . .	0.1	0.9	0.6	0.1	1.2	0.8	0.1	..	0.1	0.4	0.3	0.4	0.1	0.2	0.2	0.1	..	..
Netherlands . . . . .	0.9	1.6	1.3	0.6	0.2	0.3	0.9	1.5	0.9	0.9	2.1	1.5	0.9	2.2	1.0	0.9	1.2	1.1
Belgium . . . . .	1.9	5.3	3.9	0.3	0.5	0.4	1.3	3.7	2.9	1.9	3.2	2.6	1.9	2.5	2.2	1.5	1.5	1.5
Germany . . . . .	6.4	9.8	8.5	0.7	0.9	0.8	2.3	4.9	4.0	3.3	5.6	7.1	3.5	5.0	6.6	4.0	1.4	2.5
Austria (a) . . . . .	2.2	3.5	2.9	0.2	0.4	0.3	0.2	0.2	0.2	0.4	..	0.2	0.3	..	0.2	0.1	..	..
<b>TOTAL (INCLUDING OTHER</b>																		
<b>FOREIGN COUNTRIES) . . . . .</b>	<b>30.3</b>	<b>58.9</b>	<b>47.7</b>	<b>34.6</b>	<b>48.3</b>	<b>42.9</b>	<b>34.8</b>	<b>58.6</b>	<b>47.7</b>	<b>45.2</b>	<b>47.6</b>	<b>46.5</b>	<b>41.9</b>	<b>40.4</b>	<b>44.3</b>	<b>43.7</b>	<b>44.1</b>	<b>43.9</b>

(a) Figures prior to 1921-22 represent Austria-Hungary.

\* See Note (2) on page 203.

NO. 6.—VALUE OF TRADE WITH PRINCIPAL COUNTRIES, DISTINGUISHING PRINCIPAL ARTICLES.

(In thousands of Rupees)

ARTICLES	Pre-war average (a)	1937-38	1938-39	1939-40
<b>UNITED KINGDOM.</b>				
Imports therefrom—				
Animals, living . . . . .	5.02	0.32	6.66	4.36
Apparel . . . . .	69.29	17.69	13.97	10.00
Arms, ammunition, etc. . . . .	30.60	90.10	41.69	41.05
Artificial silk yarn . . . . .	—	8.77	7.5*	69
" other manufactures . . . . .	—	11.29	10.83	12.15
Asbestos . . . . .	—	9.68	10.91	11.61
Belting for machinery . . . . .	30.26	37.41	32.08	34.88
Bobbins . . . . .	—	26.39	18.72	23.54
Books and printed matter . . . . .	41.05	51.27	43.52	44.79
Boots and shoes . . . . .	51.33	4.34	2.98	2.74
Building materials . . . . .	59.89	18.49	17.39	14.68
Carriages and carts . . . . .	19.11	5.57	5.19	4.53
Chemicals . . . . .	69.55	1,78.63	1,72.74	2,35.17
China clay . . . . .	—	12.76	14.70	19.03
Coal and coke . . . . .	41.33	7.33	1.27	68
Cordage and rope . . . . .	4.39	4.71	3.57	2.83
Cotton—				
Raw . . . . .	58.67	1.52	9	9
Twist and yarn . . . . .	3,35.18	77.64	49.15	31.64
Piecegoods—				
Grey . . . . .	20,73.55	44.20	51.06	19.53
White . . . . .	10,87.38	2,82.18	2,11.92	1,89.59
Coloured, etc. . . . .	11,29.72	3,15.74	1,85.70	1,53.54
Other manufactures . . . . .	1,40.25	65.57	57.33	57.50
Cutlery . . . . .	10.63	87.95	76.42	67.02
Cycles and parts . . . . .	29.40	84.23	81.43	1,04.35
Drugs and medicines . . . . .	54.03	39.86	38.05	60.45
Dyeing and tanning substances . . . . .	6.90	10.94	13.66	14.63
Earthenware and porcelain . . . . .	30.59	21.24	16.70	13.83
Flax manufactures . . . . .	28.83	7.63	5.64	5.30
Furniture . . . . .	10.84	11.22	10.06	10.20
Glass and glassware . . . . .	22.20	9.62	7.78	7.28
Haberdashery and millinery . . . . .	61.21	1,13.06	97.65	86.83
Hardware . . . . .	1,88.61	2,89.85	2,03.50	2,64.25
Instruments, apparatus, etc. . . . .	1,04.68	16	64	15
Ivory . . . . .	11.33	4.17	3.93	3.06
Jewellery, etc. . . . .	14.31	65	46	37
Jute manufactures (including yarn). . . . .	10.09	32.47	28.98	34.90
Leather, including hides, tanned, etc. . . . .	38.59	—	—	—
Liquors—				
Ale, beer and porter . . . . .	45.04	43.02	41.67	42.87
Spirit . . . . .	69.47	89.40	81.23	98.47
Wines . . . . .	13.62	6.74	5.90	7.94
Machinery and millwork . . . . .	4,07.69	10,89.94	11,20.96	8,02.65
Manures . . . . .	1.83	51.43	70.49	69.10
Metals—				
Aluminium . . . . .	5.38	19.75	10.83	8.42
Brass . . . . .	6.13	30.80	41.42	30.34
Copper . . . . .	1,67.45	47.03	13.41	24.01
Iron . . . . .	28.86	3.01	4.04	1.92
Iron or steel . . . . .	6,96.13	3,53.85	3,19.57	2,41.95
Lead . . . . .	18.90	6.83	4.83	4.73
Lend . . . . .	42.02	60.15	49.13	34.71
Steel . . . . .	14.85	2.95	5.22	7.08
Zinc . . . . .	27.43	17.31	18.37	15.90
Others . . . . .	74.50	2,15.81	1,50.37	1,54.89
Motor vehicles and parts thereof . . . . .	22.31	34.17	34.89	19.31
Oils, mineral . . . . .	17.76	11.69	11.94	10.93
" vegetable, animal, etc. . . . .	4.98	3.60	3.82	4.20
Packing-engine and holler . . . . .	56.00	61.26	85.12	62.72
Paints and painters' materials . . . . .	73.44	1,03.54	89.23	76.02
Paper and pasteboard . . . . .	8.72	1.24	1.41	2.02
Pitch and tar . . . . .	0.48	21.89	21.18	22.60
Polishes . . . . .	1.4	4.66	5.48	6.64
Precious stones . . . . .	14.70	21.63	17.54	22.40
Printing materials . . . . .	1,34.15	1,49.53	1,36.90	1,36.35
Provisions . . . . .	5,64.48	—	—	—
Railway plant, etc. . . . .	16.45	1,17.22	89.50	47.33
Rubber manufactures, including tyres, etc. . . . .	23.44	84	1.96	1.89
Salt . . . . .	18.00	6.31	5.58	8.3
Ships, parts of . . . . .	19.07	2.11	1.10	0.7
Silk manufactures, including yarn . . . . .	66.52	16.75	14.83	16.04
Soap . . . . .	41.44	35.63	30.53	32.97
Stationery . . . . .	—	—	—	—

\* Exclusive of figures of Artificial Silk yarn mixed with other materials, etc.

(a) See Note (2) on page 203.



No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average (a)	1937-38	1938-39	1939-40
<b>UNITED KINGDOM—contd.</b>				
<b>Imports therefrom—contd.</b>				
Sugar	25.37	1.11	5.06	19.25
Tallow and stearins	10.43	2.56	1.05	1.76
Tea-chests	41.32	49.03	65.17	62.33
Tobacco	51.83	36.08	59.91	54.53
Toilet requisites	10.35	26.25	26.53	27.05
Toys and requisites for games	16.75	10.70	0.75	9.32
Umbrellas, etc.	24.71	2.40	2.77	1.16
Woolen manufactures, including yarn	1,85.24	1,04.02	66.63	45.73
Other articles	1,50.99	3,33.07	2,02.21	2,69.65
<b>TOTAL</b>	<b>91,58.01</b>	<b>51,95.75</b>	<b>46,48.91</b>	<b>41,61.87</b>
<b>Exports of Indian produce—</b>				
Barley	1,06.54	18.62	6.87	4
Bristles	12.74	30.77	21.10	35.10
Coffee	50.80	13.54	35.11	24.09
Colr manufactures	22.95	36.54	34.93	67.37
Cotton, raw	1,72.39	4,27.57	3,54.74	5,23.70
" waste	74	20.87	26.45	47.73
" twist and yarn	2.81	5.65	1.40	16.52
" manufactures	11.13	20.67	5.43	23.12
Drugs, medicines, etc.	5.47	3.72	3.44	3.42
Dyeing and tanning substances—				
Cutch and gambier	6.87	18	19	28
Indigo	6.52	17		24.00
Myrobalsans	23.46	19.59	18.47	
Fodder, Bran and Pollards	45.19	4.36	3.54	43.34
Hemp, raw (chiefly sann)	39.47	20.20	18.20	
Hides and skins—				
Raw	56.46	1,23.16	69.86	1,00.30
Dressed or tanned	3,67.03	5,99.04	4,45.46	6,62.97
Horn, tips and pieces of horn*	5.73	90	88	66
Jute, raw	8,98.52	2,80.80	3,67.76	7,33.81
" gunny bags	79.25	1,14.02	1,10.49	7,97.42
" cloth	55.57	1,59.84	1,54.13	4,09.55
Lac	56.67	33.63	33.25	21.90
Manures	10.30	10.32	6.71	10.40
Metals and ores—				
Lead	17.65	1	1	09.37
Manganese ore	30.66	60.81	25.97	1,19.54
Other metals and ores	7.13	1,12.75	63.02	67.96
Mica	20.80	69.95	40.56	25.96
Oils	18.34	30.27	22.05	1,15.89
Oilseeds	30.75	1,40.27	1,57.11	26.70
Paraffin wax	17.38	10.61	21.02	7.04
Provisions and oilman's stores	5.62	5.63	5.17	
Pulse—				
Beans			0	1
Gram		1.84	2.62	24.14
Lentils		6.75	9.33	7.12
Other pulses		6.70	6.76	8.77
Rice (not in the husk)	1,56.99	5.61	6.20	28.65
Rubber, raw	23.29	39.76	30.33	6.51
Saltpetre	6.55	2.35	2.86	
Seeds—				
Castor	78.39	18.65	1.74	21.24
Cotton	1,74.02	2.33		1,50.63
Groundnuts	2.06	1,39.42	1,17.12	2,42.46
Linsseed	2,85.01	2,73.05	3,74.65	23.34
Raps	35.17	22.89	3.45	3.72
Others	11.38	1.07	1.80	3.20
Shk, raw	6.93	1.07	69	6.05
Spices	10.68	1.22	3.10	1.72
Sugar	8.59	0.10	0.64	
Tea	9,51.37	21,33.08	20,36.48	21,10.63
Tobacco	1.48	76.05	1,55.78	67.69
Wheat	10,50.94	2,91.39	1,22.06	21
Wood (mainly teak)	53.71	1.55	69	1,80.80
Wool, raw	2,61.11	2,09.16	2,40.84	44.59
" manufactures	18.71	76.30	61.34	2,02.55
Other articles	1,18.62	3,20.06	2,71.42	
<b>TOTAL</b>	<b>55,04.99</b>	<b>60,26.78</b>	<b>55,51.13</b>	<b>71,09.21</b>

\* Figures prior to 1924-25 represent Hormonal.

(a) See Note (2) on page 203.

No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>UNITED KINGDOM—concd.</b>				
Exports of Foreign merchandise—				
Apparel (excluding boots and shoes)	5.66	4.12	5.35	2.98
Skins, raw		3,62.28	2,16.06	2,38.50
Sugar, 28 D. S. and above	32.56			
Wool, raw	37.55	1.01	48	2.00
„ manufactures	54	4.48	5.28	7.84
Other articles	48.21	41.52	46.20	35.43
<b>TOTAL</b>	<b>1,24.52</b>	<b>4,18.41</b>	<b>2,74.27</b>	<b>2,87.45</b>
<b>UNION OF SOCIALIST SOVIET REPUBLICS.</b>				
Imports therefrom—				
Mineral oils	19.86	69.20	9.68	1
Tea-chests		38	8	
Other articles	2.42	2.95	10.33	19.21
<b>TOTAL</b>	<b>22.28</b>	<b>72.53</b>	<b>20.04</b>	<b>19.22</b>
Exports of Indian produce—				
Cotton, raw	3.35			
Jute, raw	25.03	50.50	35.61	1.48
„ manufactures	1.43	6		
Rice (not in the husk)	4.98			
Tea	1,41.97	5.82	50	17
Other articles	13.72	3	1.60	45
<b>TOTAL</b>	<b>1,90.48</b>	<b>56.41</b>	<b>97.71</b>	<b>2.10</b>
Exports of Foreign merchandise—				
Miscellaneous articles	3.58			
<b>SWEDEN.</b>				
Imports therefrom—				
Hardware	2.57	17.94	10.43	15.28
Iron and steel	9.63	15.35	14.00	14.48
Machinery and millwork		27.30	44.34	26.21
Matches	28.08	72	15	24
Paper and pasteboard	3.00	50.25	88.89	62.81
Paper-making materials	4.21	8.02	8.86	8.52
Wood and timber		4.00	3.22	4.56
Other articles	2.03	11.54	10.17	10.35
<b>TOTAL</b>	<b>51.31</b>	<b>1,40.04</b>	<b>1,36.14</b>	<b>1,44.39</b>
Exports of Indian and Foreign produce—				
Cotton, raw	7.07	3.60	2.90	1.67
Hides, raw		4.68	4.34	3.25
Rice (not in the husk)	12.00		11	13
Wheat	8.66			
Other articles	4.23	41.39	40.43	64.76
<b>TOTAL</b>	<b>32.56</b>	<b>49.67</b>	<b>56.78</b>	<b>69.81</b>

\*See Note (2) on page 203.

No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>NORWAY.</b>				
Imports therefrom—				
Carbide of calcium . . . . .	68	51	67	1,52
Hardware . . . . .	64	62	29	17
Iron or steel—nails, rivets and washers . . . . .	2,50	4,61	1,72	6,17
Matches . . . . .	9,34	.. 13	.. 11	.. 16
Milk, condensed and preserved . . . . .	41	.. 13	.. 11	.. 16
Paper and paste-board . . . . .	4,40	38,33	37,50	55,87
Pulp of wood for making paper . . . . .	31	1,90	4,67	6,80
Toys, etc. . . . .	..	51	10	27
Wood and timber . . . . .	1,35	2,19	72	2,10
Other articles . . . . .	63	4,05	5,76	11,59
<b>TOTAL</b>	<b>20,85</b>	<b>63,35</b>	<b>51,63</b>	<b>84,63</b>
<b>Exports of Indian produce—</b>				
Coffee . . . . .	3	10,69	8,25	15,50
Cotton, raw . . . . .	55	.. 2	.. 2	.. 4
Hides and skins, raw . . . . .	20	4,10	3,47	3,40
Jute, raw . . . . .	..	1,80	2,01	6,68
.. manufactures . . . . .	92	12,08	20,46	21,23
Rice (not in the husk) . . . . .	94	..	..	.. 26
Seeds . . . . .	..	3,87	11,81	14,79
Other articles . . . . .	1,61	8,61	9,37	25,32
<b>TOTAL</b>	<b>4,25</b>	<b>41,13</b>	<b>55,30</b>	<b>67,31</b>
Exports of Foreign Merchandise—				
Miscellaneous articles . . . . .	28	16	15	6
<b>GERMANY.</b>				
Imports therefrom—				
Apparel . . . . .	14,87	6,44	5,51	1,59
Bobbins . . . . .	..	3,32	4,38	1,85
Building materials . . . . .	0,72	1,36	2,17	1,14
Buttons . . . . .	..	4,30	4,77	2,85
Carriages . . . . .	2,81	3,70	1,37	46
Chemicals . . . . .	10,32	49,00	39,79	22,10
Clocks and watches . . . . .	1,36	5,68	4,42	1,06
Cutlery . . . . .	7,95	17,10	14,27	6,42
Cycles . . . . .	1,75	10,31	8,43	5,03
Drugs and medicines . . . . .	6,19	76,03	65,14	34,60
Dyeing and tanning substances . . . . .	87,40	2,63,74	1,72,37	1,14,79
Glass and glassware . . . . .	23,99	20,76	16,00	12,81
Hardware . . . . .	57,24	1,13,19	74,01	47,99
Instruments . . . . .	13,57	1,02,34	1,02,58	48,26
Leather . . . . .	76	6,05	4,88	1,84
Liquors . . . . .	19,41	15,97	15,33	7,27
Machinery . . . . .	30,27	2,57,72	3,00,97	1,37,05
Manures . . . . .	2,20	2,04	97	1,00
Metals—				
Aluminium . . . . .	12,16	12,91	9,07	3,84
Brass . . . . .	1,56	40,76	57,80	27,07
Copper . . . . .	93,41	37,63	13,42	12,40
Iron . . . . .	2,86	3	30	..
Iron or steel . . . . .	86,97	98,04	71,96	39,58
Steel . . . . .	65,19	5,10	5,09	2,81
Zinc . . . . .	3,24	10,85	3,35	3,24
Motor vehicles and parts thereof . . . . .	5,04	50,50	34,78	10,10
Oil . . . . .	19,57	19,78	7,58	4,38
Paints and painters' materials . . . . .	5,68	11,18	9,05	5,40
Paper and paste-board . . . . .	21,82	85,04	68,49	40,50
Paper-making materials . . . . .	1,61	..	.. 24	..
Printing materials . . . . .	1,02	.. 6,85	11,73	.. 4,37
Provisions . . . . .	5,50	1,60	1,97	.. 53
Railway plant . . . . .	12,19	..	..	..
Rubber manufactures . . . . .	3,82	25,00	27,03	10,69
Salt . . . . .	6,46	6,53	4,73	1,09

\*See Note (2) on page 203.

No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>GERMANY—contd.</b>				
Imports therefrom—contd.				
Stationery . . . . .	5.04	18.24	14.02	7.11
Textiles—				
Artificial silk . . . . .	—	4.69	3.77	1.90
Cotton manufactures . . . . .	83.71	4.58	3.77	1.71
Haberdashery . . . . .	22.10	6.84	4.38	2.20
Silk manufactures . . . . .	16.81	3.04	1.71	52
Wool manufactures . . . . .	90.62	20.26	8.71	1.67
Toilet requisites . . . . .	2.93	3.62	4.07	1.77
Toys and requisites for games . . . . .	11.10	3.08	3.04	1.30
Umbrellas, etc. . . . .	7.66	6.27	3.62	2.65
Other articles . . . . .	67.18	96.04	78.04	32.32
<b>TOTAL</b>	<b>9,35.56</b>	<b>15,30.54</b>	<b>12,92.73</b>	<b>6,68.67</b>
Exports of Indian produce—				
Barley . . . . .	40.09	.. 89	.. 43	.. 6
Coffee . . . . .	4.72	15.74	14.08	4.60
Coir manufactures . . . . .	22.66	1,60.04	1,61.05	44.06
Cotton, raw . . . . .	4,45.06	31.14	21.60	7.79
" waste . . . . .	.. ..	.. ..	.. ..	.. ..
Dyeing substances . . . . .	14.49	8.69	4.66	38
Fodder, bran, etc. . . . .	22.84	.. ..	.. ..	.. ..
Fruits and vegetables . . . . .	2.87	30	31	12
Hemp, raw . . . . .	8.48	8.55	4.66	2.10
Hides and skins, raw . . . . .	2,53.97	50.28	39.67	12.17
Jute, raw . . . . .	4,90.40	2,86.22	2,54.35	90.73
" gunny bags . . . . .	15.38	4.07	4.48	1.32
" " cloth . . . . .	6.88	3	60	49
Lac . . . . .	37.67	20.57	12.29	5.45
Manures . . . . .	8.30	1.20	43	2
Metals and ores—				
Copper . . . . .	4	10	.. ..	.. ..
Others . . . . .	8.99	6.03	13.70	68
Oil . . . . .	12.29	5.73	3.05	1.95
Oleakes . . . . .	17.58	39.88	54.23	11.64
Paraffin wax . . . . .	3.59	1.31	2.64	70
Rice (not in the husk) . . . . .	3,41.37	9	6	.. ..
Seeds—				
Copra or coconut kernel . . . . .	30.25	.. ..	.. ..	.. ..
Groundnuts . . . . .	12.42	1,57.06	1,39.51	67.26
Linsed . . . . .	70.14	11.60	14.60	8.56
Mowra or Mowra . . . . .	29.01	.. ..	.. ..	.. ..
Poppy . . . . .	6.43	.. ..	.. ..	.. ..
Rape . . . . .	1,04.92	42	42	.. ..
Sesamum (oil or [in]oil) . . . . .	24.92	1	51	.. ..
Others . . . . .	27.84	50	1.05	3
Tea . . . . .	3.99	6.40	10.14	5.90
Wood . . . . .	15.06	60	20	24
Other articles . . . . .	66.35	2,12.26	1,02.01	21.88
<b>TOTAL</b>	<b>22,30.95</b>	<b>10,42.02</b>	<b>8,55.49</b>	<b>2,48.98</b>
Exports of Foreign merchandise—				
Miscellaneous articles . . . . .	5.98	10.55	14.60	9.91
<b>NETHERLANDS.</b>				
Imports therefrom—				
Artificial silk . . . . .	—	18	53	2.17
Building materials . . . . .	6	17	31	10
Cotton manufactures . . . . .	94.59	6.14	6.93	4.07
Dyeing and tanning substances . . . . .	30	2.80	2.39	4.15
Instruments . . . . .	9	22.76	14.55	20.59
Liquors . . . . .	1.84	14.19	13.52	6.63
Machinery . . . . .	24	7.44	17.00	12.35
Metals . . . . .	44	2.32	3.62	2.93
Paper and pasteboard . . . . .	2.81	17.07	15.08	13.97
Precious stones, etc. . . . .	.. ..	6.50	7.15	2.74
Provisions . . . . .	8.65	19.49	18.70	21.27
Starch and farina . . . . .	26	12.86	10.86	12.74
Sugar . . . . .	10	88	1.68	2.02
Wool manufactures . . . . .	3.20	15	8	3
Other articles . . . . .	14.88	32.60	30.47	34.40
<b>TOTAL</b>	<b>1,26.01</b>	<b>1,48.15</b>	<b>1,42.85</b>	<b>1,45.22</b>

\*See Note (2) on page 203.

No. 6—continued

(in thousands of rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>NETHERLANDS—contd.</b>				
<b>Exports of Indian produce—</b>				
Colr manufactures . . . . .	7,31	0,56	8,41	11,03
Cotton, raw . . . . .	7,83	44,80	38,77	22,27
Hides and skins, raw . . . . .	33,60	15,82	0,15	2,58
Jute, raw . . . . .	1,53	37,09	24,51	22,11
Lao . . . . .	6,08	6,33	4,35	2,88
Oilcakes . . . . .	14	10,20	17,80	3,15
Paraffin wax . . . . .	6	10	88	4
Rice (not in the husk) . . . . .	2,15,03	5,74	3,20	1,52
<b>Seeds—</b>				
Groundnuts . . . . .	26	2,11,05	2,75,74	1,67,80
Linseed . . . . .	20,96	79	07	1,72
Rape . . . . .	4,09	3,74	3,54	62
Wheat . . . . .	2,02	43,10	53,07	27,69
Other articles . . . . .	33,41			
<b>TOTAL</b>	<b>3,34,02</b>	<b>3,87,56</b>	<b>4,41,17</b>	<b>2,64,01</b>
<b>Exports of Foreign merchandise—</b>				
Miscellaneous articles . . . . .	21	3,08	2,44	2,09
<b>BELGIUM.</b>				
<b>Imports therefrom—</b>				
Arms . . . . .	26	84	1,26	2,58
Artificial silk . . . . .		93	13	8
Building materials . . . . .	4,04	1,30	1,87	1,42
Cotton manufactures . . . . .	42,12	2,48	2,10	1,70
Dyeing and tanning substances . . . . .	10,82	55	27	65
Earthenware and porcelain . . . . .	3,45	10	18	6
Glass and glassware . . . . .	10,02	13,74	10,23	8,23
Hardware . . . . .	5,58	2,79	1,55	2,06
Liquors . . . . .	1,50	04	32	13
Machinery and millwork . . . . .	1,76	20,19	30,00	25,67
Manures . . . . .	75	6,83	15,23	25,46
<b>Metals—</b>				
Brass . . . . .	37	65	1,50	40
Copper . . . . .	3,54	2,80	1,34	1,25
Iron . . . . .	15,95	17	55	4
Iron or steel . . . . .	45,46	74,10	52,02	47,20
Steel . . . . .	08,54	23,85	7,05	10,55
Motor vehicles and parts thereof . . . . .	4,15	1	0	7
Paints and painters' materials . . . . .	2,08	2	2,01	4,07
Paper and pasteboard . . . . .	5,00	4,05	4,74	4,14
Precious stones . . . . .	1	95,34	90,91	66,99
Provisions . . . . .	1,41	2,05	3,24	2,38
Railway plant . . . . .	4,28			
Sugar . . . . .	29	8	11	5
Woolen manufactures . . . . .	2,11	5,6	43	20
Other articles . . . . .	40,61	62,80	52,43	68,27
<b>TOTAL</b>	<b>2,76,00</b>	<b>2,26,70</b>	<b>2,01,90</b>	<b>2,54,88</b>
<b>Exports of Indian produce—</b>				
Barley . . . . .	34,65			
Cotton, raw . . . . .	3,68,24	2,10,09	1,24,26	62,29
" waste . . . . .		2,45	4,38	1,59
Dyeing and tanning substances . . . . .	7,76	2,30	1,54	75
Hemp, raw . . . . .	13,73	21,57	22,37	14,39
Hides and skins, raw . . . . .	10,00	5,13	4,75	2,14
Jute manufactures . . . . .	13,69	25,06	20,12	19,15
" raw . . . . .	14,42	1,05,25	95,50	97,69
Lao . . . . .	1,43	1,08	07	70
Lead . . . . .		1,6	3	1
Manganese ore . . . . .	25,84	22,66	3,31	7,20
Manures . . . . .	10,88	33,13	10,65	12,38
Oilcakes . . . . .	76	17,71	22,31	5,28
Paraffin wax . . . . .	1,43	1,08	32	5
Rice (not in the husk) . . . . .	41,51	6	10	
<b>Seeds—</b>				
Castor . . . . .	20,16	1,06		1,10
Copra or coconut kernel . . . . .	7,14			
Groundnuts . . . . .	26,78	58,10	77,70	68,01
Linseed . . . . .	1,55,71	8,05	79	
Mowra or Mowra . . . . .	7,97			
Poppy . . . . .	18,11			
Rape . . . . .	1,61,62	4,52	1,50	5
Sesamum (H or JnJH) . . . . .	58,40			
Others . . . . .	2,20	1,44	1,02	80

\*See Note (2) on page 203.

No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average (a)	1937-38	1938-39	1939-40
<b>BELGIUM—contd.</b>				
<b>Exports of Indian produce—contd.</b>				
Wheat . . . . .	1,46,22	13,41	6,91	.. 11
Zinc or spelter . . . . .	53	18	10	30,85
Other articles . . . . .	49,93	60,06	45,07	
<b>TOTAL</b>	<b>11,94,20</b>	<b>5,97,41</b>	<b>4,44,62</b>	<b>3,19,72</b>
<b>Exports of Foreign merchandise—</b>				
Miscellaneous articles . . . . .	2,61	2,88	3,04	3,16
<b>FRANCE</b>				
<b>Imports therefrom—</b>				
Apparel . . . . .	40,03	1,44	1,05	1,05
Artificial silk . . . . .	—	1,46	1,18	1,96
Chemicals . . . . .	47	6,94	8,73	6,80
Clocks and watches . . . . .	4,65	95	49	42
Cotton manufactures . . . . .	2,88	4,28	2,57	2,82
Drugs and medicines . . . . .	2,85	9,16	7,72	8,34
Dyeing and tanning substances . . . . .	6,02	5,93	8,78	10,67
Fruits and vegetables . . . . .	8,96	1,76	1,20	38
Hardware . . . . .	2,18	2,71	2,25	1,95
Haberdashery . . . . .	8,25	60	76	44
Instruments . . . . .	4,20	3,16	2,40	2,73
Liquors . . . . .	38,04	29,55	23,94	19,71
Machinery . . . . .	31	3,77	4,44	7,03
<b>Metals—</b>				
Brass . . . . .	16	5	33	29
Copper . . . . .	12,93	1,12	2	3,10
Iron or steel . . . . .	2,84	6,91	17,03	17,95
Steel . . . . .	20	13,24	78	2,34
Motor vehicles and parts thereof . . . . .	5,94	3,11	2,10	2,85
Oils . . . . .	82	3,42	2,93	3,11
Provisions . . . . .	3,07	2,50	3,14	1,75
Rubber manufactures . . . . .	1,78	27	22	4,00
Seeds . . . . .	51	4	3	75
Sugar . . . . .	43	..	..	.. 1,45
Silk manufactures . . . . .	27,18	1,27	1,05	73
Toilet requisites . . . . .	68	1,90	1,20	41
Woolen manufactures . . . . .	12,64	41	1,71	9
Umbrellas, etc. . . . .	31	16	8	41,04
Other articles . . . . .	31,87	48,88	44,41	
<b>TOTAL</b>	<b>2,20,50</b>	<b>1,57,49</b>	<b>1,40,14</b>	<b>1,44,11</b>
<b>Exports of Indian produce—</b>				
Coffee . . . . .	50,64	16,73	11,98	10,22
Coir . . . . .	6,91	3,95	3,75	4,39
Cotton, raw . . . . .	1,61,39	94,35	1,44,98	2,03,36
Dyeing and tanning substances . . . . .	5,22	3,21	2,84	3,25
Essential oils . . . . .	4,19	1,44	60	1,94
Hides and skins, raw . . . . .	33,68	19,61	22,47	22,09
Horns, tips and pieces of horn* . . . . .	9,27	39	5	..
Jute, raw . . . . .	2,25,21	1,35,18	1,50,47	2,86,05
„ bags and cloth . . . . .	2,56	2,40	1,88	11,03
Lac . . . . .	11,55	3,21	2,56	3,62
Manganese ore . . . . .	17,24	42,62	18,45	14,93
Manures . . . . .	10,47	1,56	3,59	86
<b>Pulses—</b>				
Gram . . . . .	29,82	12,25	5,95	35
Lentils . . . . .		9	..	..
Other pulses . . . . .		..	..	..
Rice (not in the husk) . . . . .	13,50	.. 35	.. 6	..
<b>Seeds—</b>				
Castor . . . . .	23,78	7,37	34	3,21
Groundnuts . . . . .	2,81,60	1,02,26	1,77,56	1,20,75
Linseed . . . . .	1,55,04	9,59	11,88	8,68
Mowra or mowra . . . . .	4,16	..	..	..
Poppy . . . . .	43,87	..	..	..
Rape . . . . .	96,17	4,58	4,64	5,20
Scamum (til or jinjili) . . . . .	35,36	5	61	H
Others . . . . .	21,25	2,93	3,32	6,70

\* Figures prior to 1924-25 represent Hornmeal.  
(a) See Note (2) on page 203.

No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>FRANCE—contd.</b>				
<b>Exports of Indian produce—contd.</b>				
Silk raw . . . . .	35.28	31	09	78
Wheat . . . . .	1,12.55	61.07	50.31	42.59
Other articles . . . . .	46.84			
<b>TOTAL</b>	<b>14,77.20</b>	<b>5,25.25</b>	<b>6,19.18</b>	<b>8,11.12</b>
<b>Exports of Foreign merchandise—</b>				
Miscellaneous articles . . . . .	4.68	3.74	4.05	3.40
<b>ITALY.</b>				
<b>Imports therefrom—</b>				
Apparel . . . . .	6.98	58	49	39
Art. works of . . . . .	45	45	1,12	33
Building materials . . . . .	2.57	3.44	2.05	1.98
Buttons . . . . .		1.90	1.38	1.51
Chemicals . . . . .	4.72	19.68	15.51	14.49
Dyeing and tanning substances . . . . .	1.49	2.26	2.85	6.54
Fruits and vegetables . . . . .	6.48	24.91	26.35	6.85
Glass and glassware . . . . .	4.36	3.79	3.40	2.70
Instruments . . . . .	1.70	9.32	8.34	9.45
Liquors . . . . .	78	1.00	98	1.06
Machinery . . . . .	1.44	15.86	24.16	18.87
<b>Metals—</b>				
Aluminium . . . . .	9	1.62	1.99	1.23
Brass . . . . .	1.09	4	1	12
German silver . . . . .		1.49	2.78	33
Quicksilver . . . . .		4.41	3.46	5.57
Others . . . . .	67	6.29	9.35	8.42
Motor vehicles and parts . . . . .	66	4.70	5.19	5.02
Paper and pasteboard . . . . .	79	5.19	3.44	5.77
Rubber manufactures . . . . .	13	32	76	53
Stone and marble . . . . .	2.48	7.34	6.72	7.46
Sugar . . . . .	23			
<b>Textiles—</b>				
Artificial silk yarn . . . . .		19.04	53.18	52.10
Cotton, raw . . . . .	11	6	5	6
" twist and yarn . . . . .	4.93	7.52	5.26	5.32
" manufactures . . . . .	45.22	6.32	11.07	6.11
Haberdashery and millinery . . . . .	4.32	6.32	5.03	2.59
Silk manufactures . . . . .	19.83	1.58	80	36
Goods of artificial silk mixed with other materials . . . . .				
Woolen manufactures . . . . .	4.07	58.00	46.01	17.81
Other articles . . . . .	27.80	43.60	25.99	21.25
<b>TOTAL</b>	<b>1,44.84</b>	<b>2,56.82</b>	<b>2,68.51</b>	<b>2,04.66</b>
<b>Exports of Indian produce—</b>				
Cotton, raw . . . . .	3,18.38	1,56.12	60.40	44.44
Hides and skins, raw . . . . .	35.93	8.91	12.54	10.68
Jute, raw . . . . .	1,14.89	1,51.57	01.80	1,00.67
Spices, pepper . . . . .	6.81	31	12	4
Rice (not in the husk) . . . . .	2.97			
<b>Seeds—</b>				
Castor . . . . .	16.05	11.22		98
Groundnuts . . . . .	1.71	1,66.70	41.04	26.44
Linseed . . . . .	51.86	2.32	1.16	47
Rape . . . . .	11.40	7.83	65	
Sesamum (oil or jinjili) . . . . .	27.30	70	91	
Others . . . . .	1.49			1
Silk, raw . . . . .	1.25	1.22	30	7
Wheat . . . . .	37.14		6.76	
Other articles . . . . .	21.38	36.49	37.43	18.46
<b>TOTAL</b>	<b>7,01.61</b>	<b>5,43.48</b>	<b>2,82.00</b>	<b>2,02.26</b>
<b>Exports of Foreign merchandise—</b>				
Miscellaneous articles . . . . .	6.03	1.72	1.94	5.70

\*See Note (2) on page 203.

No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average*	1927-28	1928-29	1929-30
<b>ADEN.</b>				
<b>Imports therefrom—</b>				
Cotton manufactures . . . . .	32	20	2	6
Salt . . . . .	12,04	45,27	18,54	45,07
Other articles . . . . .	28,10	10,24	5,63	7,03
<b>TOTAL</b>	<b>41,45</b>	<b>58,71</b>	<b>24,19</b>	<b>54,66</b>
<b>Exports of Indian produce—</b>				
Cotton, twist and yarn . . . . .	0,88	7,08	4,08	6,61
„ manufactures . . . . .	18,38	9,40	8,28	7,03
Grain, pulse and flour—				
Jowar and bajra . . . . .	10,77	3,21	14,65	61
Rice (not in the husk) . . . . .	24,86	13,22	15,51	13,34
Wheat flour . . . . .	12,25	10,00	9,35	7,00
Spices . . . . .	4,79	4,77	6,57	5,69
Tobacco . . . . .	9,39	17,73	9,23	10,40
Other articles . . . . .	16,01	23,79	24,17	20,86
<b>TOTAL</b>	<b>1,06,83</b>	<b>95,10</b>	<b>92,74</b>	<b>77,54</b>
<b>Exports of Foreign merchandise—</b>				
Cotton manufactures . . . . .	13,07	4,67	3,41	1,93
Other articles . . . . .	5,73	25,44	14,60	19,17
<b>TOTAL</b>	<b>18,80</b>	<b>30,11</b>	<b>18,01</b>	<b>21,10</b>
<b>IRAQ (a).</b>				
<b>Imports therefrom—</b>				
Dyeing and tanning substances . . . . .	—	84	56	1,42
Fruits and vegetables . . . . .	—	38,57	31,05	40,20
Grain, pulse and flour . . . . .	—	6,84	7,89	15,99
Hardware . . . . .	—	46	10	10
Hides and skins, raw . . . . .	—	2,02	1,38	84
Metals—Brass . . . . .	—	3	..	..
Seeds . . . . .	—	3	8	..
Wool, raw . . . . .	—	1,44	18	44
„ manufactures . . . . .	—	4	5	3
Other articles . . . . .	—	2,16	4,71	8,91
<b>TOTAL</b>	<b>—</b>	<b>52,43</b>	<b>46,00</b>	<b>68,07</b>
<b>Exports of Indian produce—</b>				
Coffee . . . . .	—	3,66	2,97	4,40
Cotton manufactures . . . . .	—	17,79	13,26	8,44
Grain, pulse and flour—				
Rice (not in the husk) . . . . .	—	4	3	6
Wheat flour . . . . .	—	2	2	..
Others . . . . .	—	41	31	41
Indigo . . . . .	—	3	3	1
Jute manufactures . . . . .	—	9,18	4,78	11,64
Tea . . . . .	—	34	1,01	1,47
Other articles . . . . .	—	20,82	27,60	33,23
<b>TOTAL</b>	<b>—</b>	<b>61,34</b>	<b>50,59</b>	<b>69,65</b>

(a) Included in "Turkey in Asia" prior to 1921-22.

\*See Note (2) on page 203.



No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>IRAQ (a)—contd.</b>				
<b>Exports of Foreign merchandise—</b>				
Cotton manufactures . . . . .	—	1.09	1.91	5.23
Provisions and oilman's stores . . . . .	—	3	3	5
Rubber manufactures . . . . .	—	1	1	1
Sugar . . . . .	—	2	3	33
Other articles . . . . .	—	13.73	14.53	23.72
<b>TOTAL</b>	<b>—</b>	<b>14.98</b>	<b>16.50</b>	<b>29.37</b>
<b>MASKAT TERRITORY AND TRUCIAL OMAN.</b>				
<b>Imports therefrom—</b>				
Fruits and vegetables . . . . .	13.84	12.30	9.28	9.97
Precious stones, etc. . . . .	13.72	4.45	3.93	4.61
Other articles . . . . .	9.19	7.07	7.28	9.97
<b>TOTAL</b>	<b>46.75</b>	<b>23.91</b>	<b>20.54</b>	<b>24.55</b>
<b>Exports of Indian produce—</b>				
Cotton manufactures . . . . .	5.28	8.68	5.53	3.01
Grain, pulse and flour—				
Jowar and bajra . . . . .	2.20	3	17	10
Rice (not in the husk) . . . . .	30.01	10.68	22.77	24.20
Other articles . . . . .	11.48	7.93	9.39	7.51
<b>TOTAL</b>	<b>49.97</b>	<b>36.32</b>	<b>37.66</b>	<b>35.72</b>
<b>Exports of Foreign merchandise—</b>				
Cotton manufactures . . . . .	21.23	3.01	2.00	1.22
Other articles . . . . .	10.93	9.23	6.73	4.73
<b>TOTAL</b>	<b>32.16</b>	<b>12.29</b>	<b>8.73</b>	<b>5.95</b>
<b>ARABIA, OTHER STATES.</b>				
<b>Imports therefrom—</b>				
Miscellaneous articles . . . . .	3.51	10.12	6.42	9.89
<b>Exports of Indian produce—</b>				
Cotton manufactures . . . . .	9.93	8.35	6.16	7.21
Grain, pulse and flour . . . . .	21.74	24.46	40.29	39.44
Tea . . . . .	95	2.70	1.99	6.51
Other articles . . . . .	10.91	11.75	16.36	20.03
<b>TOTAL</b>	<b>36.43</b>	<b>47.26</b>	<b>64.79</b>	<b>73.19</b>
<b>Exports of Foreign merchandise—</b>				
Miscellaneous articles . . . . .	13.84	16.78	10.00	20.61
<b>BAHRAIN ISLANDS.</b>				
<b>Imports therefrom—</b>				
Precious stones, etc. . . . .	50.47	4.51	2.52	2.79
Other articles . . . . .	2.52	21.86	70.37	1,00.47
<b>TOTAL</b>	<b>52.99</b>	<b>26.37</b>	<b>81.89</b>	<b>2,02.26</b>

(a) Included in "Turkey in Asia" prior to 1921-22.

\*See Note (2) on page 203.

No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>BAHREIN ISLANDS—contd.</b>				
<b>Exports of Indian produce—</b>				
Cotton manufactures . . . . .	4.48	9.12	5.82	6.64
Rice (not in the husk) . . . . .	25.42	9.99	8.80	11.57
Other articles . . . . .	12.34	11.92	12.92	18.89
<b>TOTAL</b> . . . . .	<b>42.24</b>	<b>31.03</b>	<b>27.54</b>	<b>37.10</b>
<b>Exports of Foreign merchandise—</b>				
Cotton manufactures . . . . .	18.18	2.69	1.23	93
Other articles . . . . .	9.07	12.17	7.02	14.72
<b>TOTAL</b> . . . . .	<b>27.25</b>	<b>14.86</b>	<b>8.25</b>	<b>15.65</b>
<b>IRAN.</b>				
<b>Imports therefrom—</b>				
Fruits and vegetables : dried, salted, etc..	18.08	8.56	4.13	4.67
Gums and resins . . . . .	3.74	1.74	1.69	1.52
Oils, mineral . . . . .	4.09	2,61.51	3,85.55	2,86.96
Precious stones, etc. . . . .	8.23	..	..	..
Wool, raw . . . . .	9.81	..	..	46
Other articles . . . . .	18.94	7.11	7.47	16.44
<b>TOTAL</b> . . . . .	<b>63.49</b>	<b>2,73.92</b>	<b>3,48.84</b>	<b>3,10.05</b>
<b>Exports of Indian produce—</b>				
Cotton, twist and yarn . . . . .	12.05	6	..	1
Manufactures . . . . .	13.73	11.61	2.72	26
Grain, pulse and flour—				
Rice (not in the husk) . . . . .	19.85	21	31	37
Others . . . . .	3.33	..	2	1
Tea, black . . . . .	1.67	43.60	46.84	57.88
Other articles . . . . .	13.60	18.98	25.48	20.92
<b>TOTAL</b> . . . . .	<b>55.13</b>	<b>74.46</b>	<b>78.37</b>	<b>79.45</b>
<b>Exports of Foreign merchandise—</b>				
Cotton, twist and yarn . . . . .	5.82	..	..	..
Manufactures . . . . .	37.60	2	22	99
Metals and ores . . . . .	3.28	88	1.88	2.55
Sugar . . . . .	5.63	..	..	5.38
Other articles . . . . .	13.81	3.37	4.67	6.00
<b>TOTAL</b> . . . . .	<b>66.76</b>	<b>4.27</b>	<b>6.77</b>	<b>14.93</b>
<b>CEYLON.</b>				
<b>Imports therefrom—</b>				
Grain, pulse and flour . . . . .	12	24	7	37
Hides and skins, raw . . . . .	3.43	3.84	3.38	4.06
Jute, gunny bags . . . . .	7.62	4.19	5.09	5.35
Machinery . . . . .	1.36	2.53	2.93	3.18
Metals . . . . .	1.41	86	1.18	1.70
Oils . . . . .	45	33.05	15.47	31.38
Rubber . . . . .	10	4.60	23	56
Seeds . . . . .	91	87.71	60.83	67.80
Spices . . . . .	29.01	9.32	9.01	10.89
Tea . . . . .	7.10	2.86	2.27	2.08
Other articles . . . . .	20.12	17.22	17.06	19.12
<b>TOTAL</b> . . . . .	<b>72.63</b>	<b>1,66.42</b>	<b>1,17.52</b>	<b>1,46.44</b>
<b>Exports of Indian produce—</b>				
Animals, living . . . . .	18.40	7.00	6.06	6.45
Coal and coke . . . . .	43.39	36.00	26.26	42.11
Coffee . . . . .	5.76	11	11	9
Cotton manufactures . . . . .	36.03	93.18	68.56	69.53

\*See Note (2) on page 208.

No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>Ceylon—contd.</b>				
<b>Exports of Indian produce—contd.</b>				
Fish (excluding canned fish) . . . . .	24.39	37.51	35.47	36.29
Fodder, bran, etc. . . . .	1.78	3.89	4.08	4.06
Fruits and vegetables . . . . .	13.55	21.64	23.13	29.04
Grain, pulse and flour—				
Rice (not in the husk) . . . . .	4,26.72	1,06.17	1,17.29	1,10.66
Other sorts . . . . .	48.80	31.44	31.43	31.62
Jute manufactures . . . . .	5.41	4.21	3.65	5.79
Manures . . . . .	10.87	10.87	13.98	19.36
Oilseeds . . . . .	38.54	18.05	18.35	28.06
Provisions and oilman's stores . . . . .	5.45	2.21	2.53	3.12
Rubber, raw . . . . .	14.15	8.51	8.18	16.74
Seeds . . . . .	12.21	12.56	9.45	7.51
Spices . . . . .	15.31	25.20	19.34	30.07
Tea . . . . .	26.00	23.03	26.20	64.06
Wood and timber . . . . .	2.32	11	9	12
Other articles . . . . .	52.37	79.67	94.95	1,31.03
<b>TOTAL</b> . . . . .	<b>8,02.35</b>	<b>5,28.26</b>	<b>5,09.11</b>	<b>6,37.13</b>
<b>Exports of Foreign merchandise—</b>				
Cotton manufactures . . . . .	8.26	1.85	6.07	6.42
Vehicles . . . . .	—	11.25	4.88	4.87
Other articles . . . . .	13.82	18.13	15.41	25.00
<b>TOTAL</b> . . . . .	<b>22.08</b>	<b>31.23</b>	<b>26.96</b>	<b>37.25</b>
<b>BURMA.</b>				
<b>Imports therefrom—</b>				
Candles of all kinds . . . . .	—	0.63	8.25	8.65
Cutch and gambler . . . . .	—	5.40	6.83	6.83
Fruits and vegetables . . . . .	—	21.16	10.51	30.70
Grain, pulse and flour—				
Gram . . . . .	—	6.07	5.43	18.71
Pulse . . . . .	—	36.34	32.65	51.63
Rice (in the husk) . . . . .	—	10.59	83.47	25.54
" (not in the husk) . . . . .	—	10,97.85	11,36.43	16,05.10
Hides and skins, raw . . . . .	—	5.47	8.63	6.22
Lac . . . . .	—	2.00	1.23	5.15
Matches . . . . .	—	20.03	23.21	34.13
Metals and ores—				
Lead . . . . .	—	20.61	14.35	34.95
Tin . . . . .	—	3.94	6.11	9.52
Oils—				
Kerosene . . . . .	—	5,33.34	4,22.00	4,40.58
Lubricating . . . . .	—	95.33	94.79	1,08.68
Petroleum, etc. . . . .	—	3,42.58	2,33.39	2,62.00
Rubber, raw . . . . .	—	15.08	10.24	18.88
Spices . . . . .	—	0.43	13.52	4.53
Teak wood . . . . .	—	2,06.44	1,09.54	1,95.33
Other articles . . . . .	—	1,44.93	1,09.88	2,20.32
<b>TOTAL</b> . . . . .	<b>—</b>	<b>25,06.51</b>	<b>24,34.91</b>	<b>31,38.01</b>
<b>Exports of Indian produce—</b>				
Boots and shoes . . . . .	—	7.08	6.26	0.39
Coal and coke . . . . .	—	52.53	62.20	48.42
Coffee . . . . .	—	2.92	1.58	1.23
Colr manufactures . . . . .	—	6.81	5.67	3.65
Drugs and Medicines, etc. . . . .	—	4.22	4.08	5.09
Fish, dry, unsalted . . . . .	—	24.04	20.44	25.28
Fruits and vegetables . . . . .	—	20.06	31.36	31.78
Grain, pulse and flour—				
Pulse . . . . .	—	7.67	7.36	5.43
Wheat . . . . .	—	5.43	4.83	4.12
Wheat flour . . . . .	—	30.98	32.01	31.18
Hardware, etc. . . . .	—	8.34	8.42	9.66
Metals—				
Brass, bronze, etc. . . . .	—	1.74	1.85	1.88
Iron and steel . . . . .	—	48.57	41.04	87.59
Oils—				
Groundnut . . . . .	—	22.08	37.05	29.33

\*See Note (2) on page 203.

No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>BURMA—contd.</b>				
<b>Exports of Indian produce—contd.</b>				
<b>Oils—contd.</b>				
Linseed . . . . .	—	1,01	1,03	1,06
Mustard or rape . . . . .	—	2,82	2,34	2,38
Paints and Painter's Materials . . . . .	—	7,82	6,23	6,23
Paper and Pasteboard . . . . .	—	9,12	9,43	11,75
Provisions and Oilman's stores . . . . .	—	32,74	27,65	31,68
<b>Seeds—</b>				
Groundnut . . . . .	—	7,36	12,77	12,35
Sesamum . . . . .	—	8,10	5,07	2,76
Spices—Betelnuts . . . . .	—	14,00	17,47	15,57
Sugar . . . . .	—	25,85	14,75	1,57
Tea . . . . .	—	32,36	11,14	20,53
<b>Textiles—</b>				
<b>Cotton—</b>				
Twist and yarn . . . . .	—	49,80	62,76	74,17
<b>Piecegoods—</b>				
Grey . . . . .	—	1,10,46	92,00	1,11,36
White . . . . .	—	12,07	7,04	7,44
Coloured, etc. . . . .	—	1,50,16	1,39,78	1,95,92
<b>Jute—</b>				
Gunny bags . . . . .	—	1,04,73	1,19,66	1,77,03
Gunny cloth . . . . .	—	2,56	2,76	2,56
<b>Tobacco—</b>				
Unmanufactured . . . . .	—	10,56	13,97	23,71
Cigarettes . . . . .	—	65,04	59,12	54,88
Other Sorts . . . . .	—	10,52	10,27	12,20
Other articles . . . . .	—	1,12,24	1,14,22	1,65,87
<b>TOTAL</b> . . . . .	—	10,37,15	10,03,37	12,20,64
<b>Exports of Foreign merchandise—</b>				
Instruments, etc. . . . .	—	10,92	15,62	22,56
Machinery, etc. . . . .	—	7,19	6,58	5,79
Cotton piecegoods . . . . .	—	0,11	5,94	8,88
Vehicles . . . . .	—	25,19	27,41	29,44
Other articles . . . . .	—	42,63	51,30	50,97
<b>TOTAL</b> . . . . .	—	91,94	1,06,85	1,17,64
<b>STRAITS SETTLEMENTS.</b>				
<b>Imports therefrom—</b>				
Canes and rattans . . . . .	4,51	4,05	3,89	3,65
Cotton manufactures . . . . .	8,01	9	45	17
Drugs and medicines . . . . .	2,75	1,00	1,07	1,31
Dyeing and tanning substances . . . . .	7,98	4,69	6,78	6,12
Fish . . . . .	22,63	—	—	1
Fruits and vegetables . . . . .	6,27	10	19	1
Gums and resins . . . . .	5,45	7,51	7,41	7,03
Lac . . . . .	1,51	4,09	4,47	8,58
Matches . . . . .	7,84	—	—	—
Metals, tin . . . . .	44,54	79,92	62,84	1,10,62
Oils, mineral . . . . .	15,52	12,07	24,61	49,89
“ vegetable . . . . .	89	59,55	44,10	76,79
Provisions and oilman's stores . . . . .	23,72	23,87	26,47	23,66
Rice (not in the husk) . . . . .	7,44	—	—	16
Silk, raw . . . . .	6,75	—	—	—
Spices, betelnuts . . . . .	85,73	1,29,19	1,32,30	1,36,50
“ others . . . . .	12,03	7,35	12,47	11,00
Starch and farina . . . . .	1,37	20,32	16,02	25,40
Sugar . . . . .	3,74	1	—	49
Other articles . . . . .	40,00	25,96	20,81	20,93
<b>TOTAL</b> . . . . .	3,08,48	3,73,67	4,13,06	4,82,32
<b>Exports of Indian produce—</b>				
Animals, living . . . . .	6,93	22	2	—
Coal and coke . . . . .	17,12	3,72	72	15,93
Cordage and rope . . . . .	3,35	2,31	1,97	8,02
Cotton, twist and yarn . . . . .	24,41	18,44	29,06	15,15
“ manufactures . . . . .	57,69	72,86	56,74	78,72
Fodder, bran, etc. . . . .	15,03	—	1	—
<b>Grain, pulse and flour—</b>				
Rice (not in the husk) . . . . .	8,24,33	0,78	13,34	12,00
Others . . . . .	18,80	10,60	10,20	14,05

\*See Note (2) on page 203.

No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>STRAITS SETTLEMENTS—contd.</b>				
<b>Exports of Indian produce—contd.</b>				
Hides and skins, raw . . . . .	25	1	8	8
Jute manufactures . . . . .	34,40	37,56	21,07	30,20
Opium . . . . .	1,48,73	..	..	..
Provisions and oilman's stores . . . . .	14,92	10,25	10,62	12,03
Rubber, raw . . . . .	84	..	..	..
Seeds . . . . .	8,23	10,13	7,61	11,00
Tin, ore . . . . .	2,03	..	..	..
Tobacco . . . . .	13,12	2,44	2,22	2,42
Other articles . . . . .	64,79	67,84	44,31	55,36
<b>TOTAL</b> . . . . .	<b>7,54,93</b>	<b>2,52,16</b>	<b>2,03,97</b>	<b>2,01,36</b>
<b>Exports of Foreign merchandise—</b>				
Cotton manufactures . . . . .	4,90	26	20	23
Spices, cloves . . . . .	1,91	..	13	4
Other articles . . . . .	11,44	12,46	12,34	12,20
<b>TOTAL</b> . . . . .	<b>18,25</b>	<b>12,72</b>	<b>12,67</b>	<b>12,47</b>
<b>SUMATRA.</b>				
<b>Imports therefrom—</b>				
Oils, mineral . . . . .	11,78	1,57,08	12,97	40,70
Other articles . . . . .	5	2,73	2,05	8,59
<b>TOTAL</b> . . . . .	<b>11,83</b>	<b>1,59,81</b>	<b>15,02</b>	<b>58,29</b>
<b>Exports of Indian and Foreign produce—</b>				
Coal and coke . . . . .	9,13	1,58	1,03	1,00
Rice (not in the husk) . . . . .	10,67	..	..	..
Other articles . . . . .	4,75	6,57	5,10	11,23
<b>TOTAL</b> . . . . .	<b>21,55</b>	<b>8,16</b>	<b>6,13</b>	<b>12,23</b>
<b>JAVA.</b>				
<b>Imports therefrom—</b>				
Farinaceous foods . . . . .	50	2,94	2,02	2,07
Liquors . . . . .	2,59	3,16	2,77	3,23
Sugar . . . . .	9,23,33	12,29	29,10	2,07,45
Tea . . . . .	81	..	..	..
Other articles . . . . .	7,80	18,69	17,19	33,58
<b>TOTAL</b> . . . . .	<b>9,35,03</b>	<b>37,07</b>	<b>51,08</b>	<b>3,37,23</b>
<b>Exports of Indian produce—</b>				
Jute, gunny bags . . . . .	45,29	83,99	59,52	1,17,53
Opium . . . . .	52,28	..	..	..
Rice (not in the husk) . . . . .	1,76,58	1	..	2
Other articles . . . . .	16,69	10,10	13,34	24,03
<b>TOTAL</b> . . . . .	<b>2,89,74</b>	<b>1,00,10</b>	<b>72,86</b>	<b>1,41,58</b>
<b>Exports of Foreign merchandise—</b>				
Miscellaneous articles . . . . .	1,12	2,33	1,84	2,35

\*See Note (2) on page 203.

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>BORNEO.</b>				
Imports therefrom—				
Oils, mineral . . . . .	53,76	64,23	1,06,95	1,16,11
Other articles . . . . .	2	1	20	27
<b>TOTAL</b> . . . . .	53,78	64,29	1,07,15	1,16,38
Exports of Indian produce—				
Miscellaneous articles . . . . .	62	5,44	3,77	8,32
<b>THAILAND.</b>				
Imports therefrom—				
Rice in the husk . . . . .	..	15	4,72	18,46
" not in the husk . . . . .	..	1,42	32	20,51
Wool, teak . . . . .	31,41	1,42	1,06	3
Other articles . . . . .	3,89	1,71	3,32	14,22
<b>TOTAL</b> . . . . .	34,80	3,28	9,42	53,22
Exports of Indian produce—				
Cotton manufactures . . . . .	10,75	14,20	11,73	3,60
Jute, gunny bags . . . . .	27,14	29,01	52,02	93,85
Opium . . . . .	18,84	..	..	..
Other articles . . . . .	6,21	3,66	5,20	6,72
<b>TOTAL</b> . . . . .	62,94	46,87	69,64	1,03,87
Exports of Foreign merchandises—				
Miscellaneous articles . . . . .	2,47	45	78	29
<b>FRENCH INDO-CHINA.</b>				
Imports therefrom—				
Rice . . . . .	97	1,84	8,61	2,54,71
Other articles . . . . .	4	3,14	5,32	6,51
<b>TOTAL</b> . . . . .	1,01	4,98	13,93	2,60,22
Exports of Indian and Foreign produce—				
Cotton, raw . . . . .	1,63	12,45	17,21	39,34
Jute manufactures . . . . .	32,57	50,62	49,75	83,50
Opium . . . . .	29,07	..	..	..
Other articles . . . . .	3,48	1,23	1,27	4,92
<b>TOTAL</b> . . . . .	66,75	64,32	68,24	1,27,76
<b>JAPAN.</b>				
Imports therefrom—				
Ale, beer and porter . . . . .	3	6,01	6,44	6,47
Apparel . . . . .	0,17	27,83	9,31	11,44
Artificial silk . . . . .	..	4,41,27	1,47,05	3,78,87
Bobbins . . . . .	..	11,30	13,58	11,32
Boots and shoes . . . . .	10	2,31	1,20	80
Brushes and brooms . . . . .	48	2,29	1,70	1,57
Buttons of all sorts . . . . .	..	10,94	6,80	7,28
Camphor . . . . .	11,48	10,77	12,49	20,92
Carriages . . . . .	11	82	65	37
Cement . . . . .	1	88	9	20
Chemicals . . . . .	93	23,43	16,10	30,89
Clocks and Watches . . . . .	1,38	8,38	3,42	4,95
Coal and coke . . . . .	7,02	8	..	..
Cotton raw . . . . .	9	21	1	..
"  hosiery . . . . .	65,23	23,09	13,60	8,69
"  piecegoods . . . . .	0,10	4,50,10	5,13,39	5,12,76
"  yarn . . . . .	6,16	1,68,25	1,76,90	2,42,11
"  other manufactures . . . . .	2,12	23,69	7,30	8,99
Cycles and parts . . . . .	..	16,52	8,95	10,03
Drugs and medicines (other than camphor) . . . . .	1,72	5,85	4,00	15,53
Earthenware and porcelain . . . . .	4,23	27,51	20,83	18,56
Furniture . . . . .	71	2,88	2,02	1,62
Glass and glassware—				
Bangles . . . . .	6	13,59	13,10	9,03
Beads and false pearls . . . . .	7,61	6,38	4,80	3,12

\*See Note (2) on page 203.

No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>JAPAN—contd.</b>				
<b>Imports therefrom—contd.</b>				
Bottles and phials . . . . .	1.00	10.00	17.00	13.58
Funnels, globes, etc. . . . .	53	81	71	80
Tableware . . . . .	1.41	4.73	4.26	5.08
Others . . . . .	3.35	25.35	19.50	21.03
Haberdashery and millinery . . . . .	10.88	35.60	17.96	23.75
Hardware . . . . .	3.50	30.26	20.31	24.00
Instruments . . . . .	85	36.65	19.30	20.17
Machinery and millwork . . . . .	03	49.17	30.33	18.05
Matches . . . . .	28.40	7	2	4
<b>Metals—</b>				
Aluminium . . . . .	..	11.35	3.71	3.34
Brass, bronze, etc. . . . .	7	12.27	1.03	4.42
Copper . . . . .	27.00	7.32	1.07	10.08
Iron or steel . . . . .	..	61.00	41.89	63.44
Paints and painters' materials . . . . .	..	7.47	5.32	5.20
Paper and pasteboard . . . . .	55	19.54	13.30	23.36
Provisions and oilman's stores . . . . .	1.57	2.62	2.90	3.71
Rubber manufactures . . . . .	..	17.53	12.20	21.76
Silk, raw . . . . .	1.15	57.24	11.75	..
" manufactures . . . . .	1,31.45	1,49.89	85.03	50.05
Spices, ginger . . . . .	3.40	3.06	27	..
Stationery (excluding paper) . . . . .	2.17	17.01	12.54	11.33
Tea-chests . . . . .	87	2.38	2.88	3.10
Toilet requisites . . . . .	1.31	11.73	8.08	0.02
Toys and requisites for games . . . . .	3.16	25.93	20.54	18.33
Umbrellas and umbrella fittings . . . . .	4.91	17.94	7.58	11.54
Wood and timber . . . . .	32	3.92	3.73	3.57
" manufactures . . . . .	71	6.15	4.47	2.74
Woolen manufactures . . . . .	8	1,32.91	82.10	70.83
Other articles . . . . .	0.16	1,65.08	1,05.55	1,58.79
<b>TOTAL</b> . . . . .	<b>3,64.36</b>	<b>22,19.23</b>	<b>15,41.84</b>	<b>19,29.00</b>
<b>Exports of Indian produce—</b>				
Cotton, raw . . . . .	14,50.70	14,78.02	11,27.06	10,76.50
Hides and skins, tanned or dressed . . . . .	12.79	17.85	5.82	65
Iron and steel . . . . .	15.24	1,50.36	1,83.27	1,01.66
Jute, raw . . . . .	10.84	28.28	28.40	43.34
" manufactures . . . . .	10.93	12.30	8.67	2.71
Lac . . . . .	2.17	10.91	5.03	3.78
Manures . . . . .	5.59	38	20	34
Oilcakes . . . . .	15.19	7.87	..	18
Opium . . . . .	9.79	..	..	..
Paraffin wax . . . . .	0.90	5	..	..
Pulse . . . . .	4.19	2	2	1
Rice (not in the husk) . . . . .	1,33.30	2	2	1
Other articles . . . . .	6.44	1,06.63	09.84	1,10.23
<b>TOTAL</b> . . . . .	<b>16,84.66</b>	<b>18,13.47</b>	<b>14,50.02</b>	<b>13,99.26</b>
<b>Exports of Foreign merchandise—</b>				
Miscellaneous articles . . . . .	1.66	37.41	28.03	17.17
<b>HONGKONG.</b>				
<b>Imports therefrom—</b>				
Apparel . . . . .	1.21	24	27	21
Cordage . . . . .	3.19	15	25	41
Cotton manufactures . . . . .	1.94	1.42	1.86	59
Drugs and medicines . . . . .	6.48	33	31	05
Fireworks . . . . .	5.00	38	40	1.25
Grain, pulse and flour . . . . .	4.58	1.05	5.12	3.87
Provisions . . . . .	3.85	30	25	38
Silk, raw . . . . .	23.69	2.97	5.82	20.07
" manufactures (including yarn) . . . . .	21.61	2.17	1.80	2.82
Sugar . . . . .	10.34	2.73	4.07	5.01
Other articles . . . . .	16.42	12.62	14.23	28.19
<b>TOTAL</b> . . . . .	<b>98.31</b>	<b>24.36</b>	<b>35.03</b>	<b>64.05</b>

\*See Note (2) on page 203.

No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>HONGKONG—contd.</b>				
Exports of Indian produce—				
Chemicals . . . . .	11,14	45	48	54
Coal and coke . . . . .	..	1,25	6,11	24,02
Cotton—				
Raw . . . . .	32,85	..	..	1
Twist and yarn . . . . .	3,86,40	37,18	41,50	25,70
Drugs and medicines . . . . .	4,02	2,70	7,00	9,07
Grain, pulse and flour . . . . .	12,70	19	14	17
Jadestones . . . . .	5,65	..	..	..
Jute manufactures . . . . .	7,42	23,94	8,10	13,15
Opium . . . . .	4,16,32	..	..	..
Other articles . . . . .	88,17	12,76	14,39	21,91
<b>TOTAL</b>	<b>0,12,86</b>	<b>83,50</b>	<b>78,27</b>	<b>94,57</b>
Exports of Foreign merchandise—				
Fish—				
Fishmaws and sharkfins . . . . .	4,67	99	85	28
Fruits and vegetables—				
Dried, salted or preserved . . . . .	2,13	12	21	18
Other articles . . . . .	6,62	2,78	2,50	3,82
<b>TOTAL</b>	<b>13,42</b>	<b>3,89</b>	<b>3,56</b>	<b>4,28</b>
<b>CHINA (EXCLUSIVE OF HONGKONG AND MACAO).</b>				
Imports therefrom—				
Cotton yarn . . . . .	5	3,00	64,63	74,53
Piecegoods . . . . .	20	3	3	89,76
Silk, raw . . . . .	83,44	31,09	82,37	41,73
" manufactures including yarn . . . . .	35,67	20,60	29,47	48,53
Spices . . . . .	97	4,50	5,11	8,43
Tea . . . . .	10,70	8,62	2,40	5,08
Other articles . . . . .	27,55	29,67	39,50	52,41
<b>TOTAL</b>	<b>1,57,98</b>	<b>97,71</b>	<b>1,73,46</b>	<b>2,61,47</b>
Exports of Indian produce—				
Cotton—				
Raw . . . . .	42,70	68,78	1,71,16	6,68,88
Twist and yarn . . . . .	4,10,64	1,23	2,84	1,35
Piecegoods . . . . .	2,70	18	19	11
Grain, pulse and flour . . . . .	12,32	3	4	6
Jute, raw . . . . .	10,84	27,33	10,89	23,94
" manufactures . . . . .	49,50	91,40	0,81	25,25
Paraffin wax . . . . .	1,22	4,90	3,15	2,80
Tea . . . . .	35,95	..	1	..
Other articles . . . . .	3,06,43	4,50	48,92	1,23,08
<b>TOTAL</b>	<b>8,72,39</b>	<b>1,08,42</b>	<b>2,47,00</b>	<b>8,40,97</b>
Exports of Foreign merchandise—				
Miscellaneous articles . . . . .	1,30	77	2,00	78
<b>EGYPT.</b>				
Imports therefrom—				
Building materials . . . . .	..	9,57	17,93	8,52
Cigarettes . . . . .	4,69	25	19	24
Cotton, raw . . . . .	4,45	2,83,49	1,87,10	2,64,84
Salt . . . . .	2,77	..	8,49	4,79
Other articles . . . . .	7,86	5,07	5,09	5,84
<b>TOTAL</b>	<b>26,17</b>	<b>2,98,38</b>	<b>2,18,80</b>	<b>2,84,28</b>

\* See Note (2) on page 203.



No. 6—continued

(In thousand of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>EGYPT—contd.</b>				
<b>Exports of Indian produce—</b>				
Cotton, twist and yarn . . . . .	10,12	6,25	1,49	3,05
Grain, pulse and flour—				
Rice (not in the husk) . . . . .	53,81	4	5	5
Wheat . . . . .	3,83	..	1,03	..
Wheat flour . . . . .	16,41	5,93	2,34	21
Others . . . . .	11,15	17	1	8
Indigo . . . . .	3,96	7	3	..
Jute, raw . . . . .	86	9,27	2,96	2,93
" gunny bags . . . . .	48,40	45,59	63,24	85,68
" cloth . . . . .	84	11,63	8,63	26,18
Feeds . . . . .	11,91	6,10	31,56	2,09
Other articles . . . . .	24,41	56,49	21,16	35,90
<b>TOTAL</b> . . . . .	<b>1,85,70</b>	<b>1,41,54</b>	<b>1,22,50</b>	<b>1,56,74</b>
<b>Exports of Foreign merchandise—</b>				
Miscellaneous articles . . . . .	4,84	6,96	3,41	20,92
<b>UNION OF SOUTH AFRICA.</b>				
<b>Imports therefrom—</b>				
Barks for tanning . . . . .	—	21,07	23,19	44,38
Coal and coke . . . . .	11,67	5,26	0,43	1,16
Other articles . . . . .	1,48	21,86	5,13	14,96
<b>TOTAL</b> . . . . .	<b>13,15</b>	<b>48,17</b>	<b>34,75</b>	<b>60,50</b>
<b>Exports of Indian produce—</b>				
Jute, gunny bags . . . . .	39,33	71,53	66,63	1,48,63
" cloth . . . . .	1,89	12,49	11,47	34,03
Oils, vegetable . . . . .	3,54	1,62	1,58	5,93
Paraffin wax . . . . .	5,16	5,04	1,49	1,21
Provisions . . . . .	3,27	28	25	42
Rice (not in the husk) . . . . .	32,08	28,30	31,03	38,82
Other articles . . . . .	14,92	32,12	36,82	74,16
<b>TOTAL</b> . . . . .	<b>1,02,19</b>	<b>1,51,38</b>	<b>1,49,22</b>	<b>3,03,79</b>
<b>Exports of Foreign Merchandise—</b>				
Miscellaneous articles . . . . .	2,72	2,47	3,68	6,30
<b>PORTUGUESE EAST AFRICA:</b>				
<b>Imports therefrom—</b>				
Coal . . . . .	4,86	2,68	..	..
Fruits and vegetables . . . . .	1	18,38	15,80	6,74
Sugar . . . . .	..	..	..	2,03
Other articles . . . . .	1,10	20,26	18,45	16,30
<b>TOTAL</b> . . . . .	<b>5,97</b>	<b>41,32</b>	<b>34,25</b>	<b>24,07</b>
<b>Exports of Indian produce—</b>				
Cotton manufactures . . . . .	9,08	9,04	9,08	16,21
Grain, pulse and flour . . . . .	14,85	4,55	5,01	6,41
Jute, gunny bags . . . . .	14,31	38,57	20,08	52,87
Oils . . . . .	36	15	14	39
Paraffin wax . . . . .	3,38	4,53	5,58	18
Other articles . . . . .	5,79	17,65	17,70	21,01
<b>TOTAL</b> . . . . .	<b>47,77</b>	<b>75,39</b>	<b>67,49</b>	<b>97,67</b>
<b>Exports of Foreign merchandise—</b>				
Cotton manufactures . . . . .	3,62	81	45	55
Other articles . . . . .	3,57	2,59	4,59	2,19
<b>TOTAL</b> . . . . .	<b>12,19</b>	<b>3,40</b>	<b>5,04</b>	<b>2,74</b>

\* See Note (2) on page 203.

No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>KENYA COLONY AND ZANZIBAR AND PEMBA.</b>				
<b>Imports therefrom—</b>				
Cotton, raw . . . . .	13	4,23,96	4,73,48	2,87,35
Hides and skins, raw . . . . .	7	56	81	38
Ivory, unmanufactured . . . . .	4,96	4,35	4,73	3,81
Sodium compounds . . . . .	—	4,66	5,19	6,64
Spices (mainly cloves) . . . . .	26,06	8,08	20,82	30,75
Other articles . . . . .	4,75	5,18	7,00	7,53
<b>TOTAL</b>	<b>35,97</b>	<b>4,40,70</b>	<b>5,12,03</b>	<b>3,45,36</b>
<b>Exports of Indian produce—</b>				
Cotton manufactures . . . . .	10,91	8,43	7,44	10,98
Grain, pulse and flour—				
Rice (not in the husk) . . . . .	32,72	4,98	0,16	5,66
Other sorts . . . . .	8,98	8,55	7,30	6,56
Jute manufactures . . . . .	4,00	20,88	17,69	34,79
Other articles . . . . .	12,47	17,20	15,05	18,52
<b>TOTAL</b>	<b>69,08</b>	<b>60,04</b>	<b>53,64</b>	<b>76,41</b>
<b>Exports of Foreign merchandise—</b>				
Cotton manufactures . . . . .	8,24	1,78	1,21	1,75
Other articles . . . . .	11,57	25,64	24,00	14,69
<b>TOTAL</b>	<b>19,81</b>	<b>27,42</b>	<b>15,21</b>	<b>16,44</b>
<b>MAURITIUS.</b>				
<b>Imports therefrom—</b>				
Sugar . . . . .	2,63,24	—	—	—
Other articles . . . . .	98	57	38	9
<b>TOTAL</b>	<b>2,64,22</b>	<b>57</b>	<b>38</b>	<b>9</b>
<b>Exports of Indian produce—</b>				
Grain, pulse and flour—				
Rice (not in the husk) . . . . .	74,20	21,01	41,61	36,61
Wheat flour . . . . .	8,73	18	13	9
Other sorts . . . . .	9,22	6,64	7,47	7,10
Jute manufactures . . . . .	8,13	11,55	11,11	12,31
Oils, vegetable . . . . .	6,03	3,80	6,36	8,27
Other articles . . . . .	16,88	18,20	19,53	23,74
<b>TOTAL</b>	<b>1,25,29</b>	<b>61,38</b>	<b>86,20</b>	<b>88,02</b>
<b>Exports of Foreign merchandise—</b>				
Miscellaneous articles . . . . .	4,77	93	93	50
<b>CANADA.</b>				
<b>Imports therefrom—</b>				
Motor vehicles and parts . . . . .	—	64,00	55,67	92,91
Paper and pasteboard . . . . .	—	7,61	70	6,74
Railway plant . . . . .	70	—	—	—
Rubber manufactures . . . . .	—	2,98	1,07	2,43
Other articles . . . . .	30	24,90	33,32	34,55
<b>TOTAL</b>	<b>1,00</b>	<b>99,56</b>	<b>90,76</b>	<b>1,36,68</b>
<b>Exports of Indian and Foreign produce—</b>				
Jute, gunny cloth . . . . .	40,29	91,22	74,58	1,02,21
Tea . . . . .	54,91	99,87	97,92	1,81,56
Other articles . . . . .	14,09	40,92	41,56	68,43
<b>TOTAL</b>	<b>1,09,29</b>	<b>2,32,01</b>	<b>2,14,36</b>	<b>4,12,23</b>

\* See Note (2) on page 203.

No. 6—continued

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>UNITED STATES.</b>				
<b>Imports therefrom—</b>				
Aluminium	4.26	12	12	84
Apparel	33	8,07	8,11	9,39
Arms	80	1,77	1,36	2,44
Bolting for machinery	1,11	9,43	8,63	10,53
Building materials	88	16,76	9,77	15,17
Carriages	72	1,31	44	1,35
Chemicals	22	17,01	19,98	81,11
Clocks and watches	3.82	2,08	1,22	1,30
Copper	..	25,97	16,10	34,82
Cotton, raw	27,72	2,20,01	37,47	69,72
.. piecegoods	26,44	1,00	43	1,96
Drugs and medicines	4,18	2,40	26,40	30,50
Dyeing and tanning substances	..	8,20	7,93	28,52
Furniture	1,44	1,01	1,41	63
Glass and Glassware	1,17	..	7,09	89
Hardware	24,72	20,16	22,41	32,19
Instruments	5,86	94,10	88,44	1,09,31
Iron and steel	43,56	43,07	25,27	41,89
Leather	..	19,48	8,72	6,79
Machinery	24,56	1,35,30	2,11,56	2,40,33
Manures	..	1,73	1,25	1,85
Motor vehicles and parts thereof	6.49	2,63,05	1,64,53	2,47,79
Oils, mineral	2,19,66	1,23,91	86,48	1,45,04
Paper and pasteboard	1,21	12,04	5,28	23,70
Provisions	3,80	19,44	16,38	19,80
Railway plant	5.4	..	..	..
Rubber manufactures	16	21,62	8,93	59,65
Spirit	5,34	14,90	13,56	14,83
Stationery	2,05	5,42	5,42	10,20
Sugar	18	..	..	..
Tobacco	5,90	41,81	48,31	57,66
Tollat requisites	2,22	20,48	22,92	28,12
Wood and Timber	0,58	10,79	8,20	10,64
Zinc	1	6,53	5,33	2,25
Other articles	16,12	92,08	96,31	1,13,65
<b>TOTAL</b>	<b>4,49,03</b>	<b>12,87,72</b>	<b>9,77,83</b>	<b>14,87,65</b>
<b>Exports of Indian produce—</b>				
Coke manufactures	5,29	6,65	4,47	6,16
Cotton, raw	8,10	71,12	41,04	1,18,11
Fruits and vegetables	1,73	1,15,11	1,10,04	98,38
Grain, pulse and flour	1,99	2,35	3,19	4,64
Gums and resins	1,36	14,29	16,08	22,57
Hides and skins—				
Raw	3,48,76	1,66,85	1,51,38	2,05,16
Dressed or tanned	29,59	11,00	7,74	10,32
Iron and steel	44	21,27	3,69	11,95
Jute—				
Raw	2,32,28	1,84,71	67,04	2,01,78
Gunny bags	91,73	23,95	12,82	34,71
.. cloth	6,92,16	8,26,55	6,70,12	10,41,41
Lac	93,77	67,71	50,45	1,32,83
Manganese ore	18,75	34,71	15,15	40,64
Manures	4,85	2,46	5	48
Mica	6,99	89,80	13,41	48,71
Myrobalsans	9,78	8,19	6,05	6,47
Oils, vegetable	9,10	12	2	5,98
Paraffin wax	3,48	25	22	9
Rubber, raw	11	14,02	11,13	38,08
Saltpetre	7,61	..	..	..
Seeds—				
Castor	17,62	..	..	27,74
Linseed	49,29	11,60	5	..
Spices	8,31	4,42	2,18	4,47
Tea	11,70	37,98	47,47	81,69
Wool, raw	4,52	49,09	40,91	1,33,04
.. manufactures	2,38	14,67	7,31	15,91

\* See Note (2) on page 203.

No. 6—concluded

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
<b>UNITED STATES—contd.</b>				
Exports of Indian Produce—contd.				
Other articles . . . . .	21.06	1,04.98	96.40	1,47.08
<b>TOTAL</b> . . . . .	<b>16,88.60</b>	<b>18,25.70</b>	<b>18,87.91</b>	<b>24,43.20</b>
Exports of Foreign merchandise—				
Miscellaneous articles . . . . .	6.67	47.33	40.61	2,74.76
<b>WEST INDIES.</b>				
Exports of Indian and Foreign produce—				
Jute, gunny bags . . . . .	44.32	91.15	84.64	1,27.10
Rice (not in the husk) . . . . .	18.56	6.87	7.06	8.00
Other articles . . . . .	3.71	14.07	10.32	18.57
<b>TOTAL</b> . . . . .	<b>66.59</b>	<b>1,12.09</b>	<b>1,02.02</b>	<b>1,48.67</b>
<b>ARGENTINE REPUBLIC.</b>				
Exports of Indian produce—				
Jute, raw . . . . .	1.03	15.46	17.23	35.51
„ twist and yarn . . . . .	28	4.44	1.49	3.61
„ gunny bags . . . . .	4.99	4.58	5.05	8.90
„ cloth . . . . .	2,08.57	2,43.73	2,61.81	3,04.07
Rice (not in the husk) . . . . .	11.52	—	1	—
Other articles . . . . .	76	2.86	2.70	2.38
<b>TOTAL</b> . . . . .	<b>2,27.18</b>	<b>2,71.09</b>	<b>2,86.34</b>	<b>3,55.32</b>
Exports of Foreign merchandise—				
Miscellaneous articles . . . . .	..	..	..	..
<b>AUSTRALIA.</b>				
Imports therefrom—				
Coal . . . . .	7.80	52	20.56	0.13
Horses . . . . .	30.00	25.11	13.34	24.74
Provisions and oilman's stores . . . . .	2.96	13.49	—	—
Railway plant, etc. . . . .	36.74	—	—	—
Steel . . . . .	..	..	0.73	37.94
Tallow and stearine . . . . .	1.30	18.03	15.03	22.33
Wheat . . . . .	..	21.06	1,18.25	61.27
Wool, raw . . . . .	3.71	50.22	35.54	48.97
Zinc . . . . .	..	27.74	27.02	23.41
Other articles . . . . .	18.56	8.78	8.91	11.26
<b>TOTAL</b> . . . . .	<b>1,01.16</b>	<b>1,65.84</b>	<b>2,41.28</b>	<b>2,39.05</b>
Exports of Indian produce—				
Rides and skins, raw . . . . .	4.42	20.74	17.30	18.60
Jute, bags and cloth . . . . .	2,05.07	2,04.71	1,99.11	3,60.69
Oils . . . . .	6.26	38	43	91
Rice (not in the husk) . . . . .	20.92	—	1	1
Seeds . . . . .	3.11	39.54	29.49	58.97
Tea . . . . .	40.81	6.36	9.22	23.80
Other articles . . . . .	32.76	41.06	41.74	80.55
<b>TOTAL</b> . . . . .	<b>3,13.36</b>	<b>3,12.79</b>	<b>2,97.30</b>	<b>5,49.62</b>
Exports of Foreign merchandise—				
Miscellaneous articles . . . . .	33	15	76	50

\* See Note (2) on page 203.

**No. 7.—TOTAL IMPORTS AND EXPORTS OF MERCHANDISE OF CERTAIN PRINCIPAL COUNTRIES AND BRITISH INDIA DURING  
THE CALENDAR YEARS 1937, 1938 AND 1939 WITH RESPECTIVE PRE-WAR AVERAGES\***

(In millions of £ sterling)

Countries	IMPORTS				EXPORTS (DOMESTIC)			
	Pre-war average (k)	1937	1938	1939	Pre-war average (i)	1937	1938	1939
United Kingdom . . . . .	599	958	859		406	521	471	
France . . . . .	305	341	270		253	192	179	
Egypt (e) . . . . .	26	39(d)	38 (d)		31	40 (d)	29 (d)	
Canada . . . . .	106	103	133		66	202(c)	170 (c)	
United States of America . . . . .	341	609	399		438	607	625	
Netherlands (a) . . . . .	(b)	173	159	Not available.	(b)	128	117	Not available.
Germany . . . . .	477	436(f)	447 (f)		406	470 (f)	432 (f)	
Switzerland . . . . .	71	83	74		63	60	62	
Italy (d) . . . . .	137	148	120		88	111	112	
Czechoslovakia (g) . . . . .	—	77	59		—	84	72	
Belgo-Luxemburg Economic Union . . . . .	155†	188	157		144†	172	140	
Denmark (d) . . . . .	(b)	75	73		(b)	70	69	
Sweden . . . . .	(b)	109	107		(b)	108	95	
Australia . . . . .	73†	102	105		67†	119	107	
British India (by sea) (h) . . . . .	193	126	118		148	152	122	

\* Compiled from the "Accounts relating to the Trade and Commerce of certain Foreign Countries and British Possessions" published quarterly by the Board of Trade, London.

† Triennial average.

(a) Excluding trade in diamonds and postal articles.

(b) Not available.

(c) Including silver contained in ore, concentrated, and gold bullion obtained from mining operations.

(d) Including silver bullion.

(e) Excluding trade with Sudan.

(f) Including silver bullion and specie.

(g) Including bullion other than for monetary purposes.

(h) Excluding Burma as from 1937.

(i) See Note (2) on page 203.

NOTE.—In the cases of Germany, the Netherlands, the Belgo-Luxemburg Economic Union, France, Switzerland, Italy, Czechoslovakia, the United States, Sweden, the Dominion of Canada and the United Kingdom the import figures given in the above summary represent imports for home consumption. In all cases except Australia the export figures are intended to represent exports of domestic produce. In most cases, however, they include a certain amount of "nationalized" goods, i.e., goods originally imported which, if dutiable, have been charged the duty but which are subsequently re-exported.

No. 8.—QUANTITY AND VALUE OF THE PRINCIPAL ARTICLES OF IMPORTS, ARRANGED IN THE ORDER OF THEIR IMPORTANCE

	QUANTITY (IN THOUSANDS)						VALUE (IN THOUSANDS OF RUPEES)					
	Pre-war average(a)	War average(a)	Post-war average(a)	1937-38	1938-39	1939-40	Pre-war average(a)	War average(a)	Post-war average(a)	1937-38	1938-39	1939-40
Cotton, raw . . . . . Tons	12	59	12	134	96	84	1,02,22	44,44	2,01,10	12,12,87	8,50,80	8,05,45
" waste . . . . . Cwt.	3 <sup>a</sup>	2	..	..	..	..	60 <sup>a</sup>	40	9	1	3	1
" manufactures—												
Plecooods, grey . . . . . Yds.	1,831,017	904,874	676,828	133,080	257,042	235,737	21,08,56	10,65,42	25,03,60	1,00,04	3,06,74	2,82,90
" white . . . . . "	654,255	518,890	373,560	202,203	170,135	133,673	11,20,33	12,33,42	10,10,00	4,17,90	3,30,26	2,83,53
" coloured . . . . . "	681,552	386,277	285,423	265,515	210,447	209,591	12,94,80	12,41,80	17,63,85	5,61,37	3,00,44	3,08,50
Twill and yarn . . . . . lb.	41,794	84,003	44,031	21,908	36,450	41,132	3,77,18	4,01,70	9,32,02	2,50,74	2,02,01	3,51,00
Hosiery . . . . . "	—	—	—	—	—	—	92,86	94,83	1,14,72	29,04	17,63	12,42
Handkerchiefs and . . . . . No.	24,014 <sup>a</sup>	8,070	5,618	9,454	4,007	3,600	52,20 <sup>a</sup>	22,92	22,58	10,03	4,23	4,50
shawls . . . . . "	—	—	—	—	—	—	—	—	—	—	—	—
Thread, sewing . . . . . lb.	1,668	1,782	1,208	1,618	1,439	1,220	30,10	49,65	70,93	43,21	30,83	37,13
Other sorts . . . . . "	—	—	—	—	—	—	1,35,66	1,35,61	1,47,68	52,87	33,54	39,85
TOTAL . . . . .	—	—	—	—	—	—	53,20,51	52,89,00	73,16,23	27,68,17	22,66,20	22,10,34
Grain, pulse and flour . . . . . Tons	15	34	136	1,336	1,603	2,451	19,08	53,30	2,60,56	12,16,85	13,76,46	21,80,54
Oils—												
Mineral, kerosene . . . . . Gals.	66,909	45,533	63,418	202,646	182,054	193,486	2,71,16	2,37,57	4,43,76	7,62,14	6,45,06	7,51,24
" other kinds . . . . . "	24,086	24,298	75,515	272,300	256,057	269,484	1,00,87	1,64,78	3,59,10	9,83,31	8,21,74	9,61,37
Mineral grease . . . . . lb.	—	—	—	6,573	6,022	8,173	—	—	—	11,75	11,66	16,32
Turkey red oil . . . . . Gals.	—	—	—	1	..	..	—	—	—	1	..	1
Animal . . . . . "	712	475	28	..	..	..	8,42	8,40	81	3,04	2,30	1,82
Vegetable . . . . . "	471	367	386	7,858	7,614	10,980	10,00	8,37	15,16	93,52	64,64	1,14,80
Essential . . . . . "	14	20	31	68	69	72	4,43	4,86	9,50	16,22	15,91	10,75
TOTAL . . . . .	—	—	—	—	—	—	3,04,89	4,23,93	8,28,33	18,69,99	15,62,41	16,62,31
Machinery and millwork —												
Metal working machinery . . . . .	—	—	—	—	—	—	1,49	88	35,08	36,12	38,05	49,08
(including machine tools) . . . . .	—	—	—	—	—	—	1,46,16	1,36,32	5,84,29	2,92,13	2,66,56	1,90,45
Textiles, Cotton . . . . .	—	—	—	—	—	—	1,15,06	83,05	2,84,71	1,06,15	70,94	45,02
" Jute . . . . .	—	—	—	—	—	—	3,95	8,78	37,56	52,31	40,97	29,42
" Other sorts . . . . .	—	—	—	—	—	—	70,20	45,94	1,09,59	1,69,84	1,87,00	1,08,87
Prime-movers . . . . .	—	—	—	—	—	—	39,39	39,60	2,43,97	2,69,03	3,71,92	2,35,53
Electrical . . . . .	—	—	—	—	—	—	8,06	4,29	19,15	44,89	27,07	13,36
Paper mill machinery . . . . .	—	—	—	—	—	—	—	—	—	—	—	—

\* Average for two years 1912-13 and 1913-14.  
(a) See Note (2) on page 203.

No. 8—continued

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	QUANTITY (IN THOUSANDS)						VALUE (IN THOUSANDS OF RUPEES)					
	Pre-war average(c)	War average(c)	Post-war average(c)	1937-38	1938-39	1939-40	Pre-war average(c)	War average(c)	Post-war average(c)	1937-38	1938-39	1939-40
<b>Machinery and millwork—contd.</b>												
Sewing and knitting machines and parts . . .	—	—	—	—	—	—	26.85	40.20	51.40	82.00	57.25	73.21
Boilers . . . . .	—	—	—	—	—	—	—	20.34	1,27.69	1,16.72	1,40.20	85.45
Tea . . . . .	—	—	—	—	—	—	19.57	16.05	30.65	20.87	22.03	17.21
Mining . . . . .	—	—	—	—	—	—	11.51	13.20	55.27	16.93	25.17	44.45
Typewriters . . . . . No.	5	6	10	21	13	15	2.75	10.92	18.97	19.55	13.67	18.12
Rice and flour mill machinery . . . . .	—	—	—	—	—	—	6.28	6.27	39.13	8.55	6.85	5.70
Sugar . . . . .	—	—	—	—	—	—	3.35	2.46	23.00	69.38	61.37	50.84
Other kinds . . . . .	—	—	—	—	—	—	1,02.32	90.51	1,01.55	4,10.21	5,73.33	4,31.39
<b>TOTAL</b>	—	—	—	—	—	—	5,61.14	5,13.87	21,64.84	17,14.93	19,04.78	14,66.05
<b>Metals—</b>												
<b>Iron and steel—</b>												
Sheets and plates—												
Galvanised . . . . . Tons	175	44	100	43	20	10	3,36.93	1,03.98	3,47.06	97.43	50.08	37.86
Tinned . . . . .	31	41	41	7	14	6	78.31	1,54.95	2,03.72	23.94	44.44	24.72
Not galvanised or tinned . . . . .	92	31	86	24	20	17	1,23.29	90.00	2,31.02	46.37	51.63	33.76
Bars (steel) . . . . .	140	40	139	51	17	21	1,33.29	87.69	2,02.46	96.74	43.67	41.68
Bars and channel (iron) . . . . .	26	11	16	1	1	1	31.50	30.84	45.17	2.74	2.45	1.50
Beams, channels, pillars, girders and bridgework . . . . .	71	18	65	26	10	10	82.01	26.88	1,03.29	40.66	30.00	16.04
Pipes and fittings, cast . . . . .	35+	16	19	1	3	2	53.29+	32.34	67.68	7.02	8.06	8.53
Tubes, pipes and fittings, wrought . . . . .	12+	22	34	41	34	33	29.55+	79.59	2,02.73	1,07.02	1,03.77	1,01.03
Hoops and strips . . . . .	26	27	25	49	24	33	34.94	90.02	70.77	85.71	48.55	73.22
Angle and spring . . . . .	31	14	25	15	10	7	31.46	35.46	66.46	22.81	16.84	11.56
Nails, rivets and washers . . . . .	20	18	10	15	11	9	41.48	89.82	56.27	45.43	34.35	37.64
Screws . . . . .	2+	1	1	3	3	2	10.55+	12.74	15.86	12.89	9.06	9.06
Rice-bowls . . . . .	6	2	1	—	—	—	11.63	3.96	2.04	1.16	—	—
Steel (cast) . . . . .	3	2	4	—	—	—	8.44	5.19	23.88	3.11	1.80	1.30
Other sorts . . . . .	188	133	95	92	84	104	2,41.57	1,63.78	3,47.43	2,21.18	2,04.44	2,09.70
<b>TOTAL</b>	808	422	601	369	272	261	12,46.51	10,11.04	21,38.94	8,21.88	6,67.70	6,08.70
<b>Tin</b> . . . . . Gwt.	38	40	49	60	56	76	61.87	44.61	69.03	85.46	70.86	1,21.30
<b>Brass</b> . . . . .	20	113	444	219	315	195	11.65	78.59	2,75.67	84.81	1,05.66	72.72
<b>Copper, wrought</b> . . . . .	532	69	191	265	192	188	2,75.37	52.44	1,49.84	1,16.83	89.69	87.32
“ other than wrought and ore . . . . .	61	27	69	51	67	56	31.63	19.27	41.66	20.96	21.72	21.54
<b>TOTAL COPPER</b>	593	96	260	316	199	244	3,07.00	70.71	1,91.50	1,37.79	111.41	1,08.86

Lead . . . . . Cwt.	128	102	67	156	149	254	18.41	30.18	19.30	28.87	20.34	40.65
Zinc . . . . . "	106	51	101	447	523	451	22.11	22.89	30.16	74.81	54.36	58.27
Aluminium . . . . . "	31	9	58	67	58	32	23.45	19.77	67.06	52.70	46.30	25.58
German silver . . . . . "	22	5	5	24	35	27	17.67	8.08	0.42	14.47	14.42	10.70
Others . . . . . Tons	41	1	1	5	7	5	6.74	17.11	10.23	31.12	38.57	35.52
<b>TOTAL OF METALS . . . . .</b>	<b>896</b>	<b>448</b>	<b>711</b>	<b>438</b>	<b>844</b>	<b>330</b>	<b>17,07.41</b>	<b>12,88.92</b>	<b>28,21.21</b>	<b>13,37.43</b>	<b>10,83.51</b>	<b>10,82.37</b>
<b>TOTAL OF ORES . . . . .</b>	<b>1</b>	<b>..</b>	<b>6</b>	<b>..</b>	<b>1</b>	<b>1</b>	<b>1.69</b>	<b>1.77</b>	<b>4.35</b>	<b>1.91</b>	<b>3.01</b>	<b>4.94</b>
<b>Vehicles—</b>												
Aircraft and parts . . . . .	—	—	—	—	—	—	—	—	6	42.52	22.06	21.80
Carriages and carts and parts thereof . . . . .	—	—	—	—	—	—	24.29	9.81	45.23	12.93	8.39	8.07
Carriages and wagons and parts for railways (a) . . . . .	—	—	—	—	—	—	—	—	—	99.90	1,03.64	93.28
Cycles and parts . . . . .	—	—	—	—	—	—	81.35	20.58	47.89	1,18.54	96.00	74.34
<b>Mechanically propelled vehicles—</b>												
Motor cars . . . . . No.	(b)3	2	8	16	11	10	(b)11,13,45	74.91	3,12,28	2,98,25	2,17,00	2,06,88
Motor cycles . . . . . "	(b)1	1	2	1	1	1	(b)10,68	4.36	19.43	4.68	4.46	3.49
Motor omnibuses, etc. . . . . "	..	..	1	15	8	15	(b)5,71	6.39	69.61	2,06.85	1,18.36	2,04.50
Tram cars . . . . . "	..	..	..	..	..	..	..	..	..	..	..	..
Parts and accessories . . . . .	—	—	—	—	—	—	81.30*	23.79	77.82	1,02.05	87.77	1,03.28
Ships and parts . . . . .	—	—	—	—	—	—	18.64	20.29	54.02	6.58	10.32	1.37
<b>TOTAL . . . . .</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,74.92</b>	<b>1,62.13</b>	<b>6,26.89</b>	<b>8,92.30</b>	<b>6,63.20</b>	<b>6,87.07</b>
<b>Instruments, apparatus and appliances—</b>												
Electrical . . . . .	—	—	—	—	—	—	70.27	1,09.31	2,44.29	3,46.75	3,31.29	2,87.48
Medical . . . . .	—	—	—	—	—	—	22.73	12.11	20.16	23.35	15.50	12.45
Scientific . . . . .	—	—	—	—	—	—	14.93	12.88	30.07	18.39	18.54	13.44
Photographic . . . . .	—	—	—	—	—	—	9.98	13.43	25.92	1,13.72	1,06.38	1,24.68
Other kinds . . . . .	—	—	—	—	—	—	17.91	17.93	31.32	1,11.15	1,13.60	1,19.84
<b>TOTAL . . . . .</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,35.82</b>	<b>1,65.66</b>	<b>3,91.76</b>	<b>6,13.36</b>	<b>5,86.31</b>	<b>6,57.79</b>
<b>Artificial silk . . . . .</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>71.94</b>	<b>4,87.49</b>	<b>2,28.62</b>	<b>4,58.68</b>
<b>Chemicals—</b>												
Soda compounds . . . . . Cwt.	531	826	903	2,304	2,077	2,708	24.30	74.44	65.71	1,42.42	1,83.90	2,08.86
Other sorts . . . . .	—	—	—	—	—	—	68.19	1,17.07	1,19.19	1,90.40	1,71.30	2,42.90
<b>TOTAL . . . . .</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>90.49</b>	<b>1,91.61</b>	<b>2,04.90</b>	<b>3,32.82</b>	<b>3,56.29</b>	<b>4,51.76</b>
<b>Dyes—</b>												
Alizarine . . . . . lb.	8,667	1,302	4,546	2,260	874	805	32.35	12.46	52.13	13.79	5.60	6.02
Coupling dyes of the naphthol group . . . . .	—	—	—	3,398	2,573	2,172	—	—	—	79.78	59.95	55.74
Vats . . . . .	—	—	—	2,012	1,733	1,560	—	—	—	1,44.92	1,29.81	1,20.33
Others . . . . .	—	—	—	—	—	—	1,00.66	93.96	2,39.01	1,64.62	1,18.75	1,78.77
<b>TOTAL . . . . .</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,33.01</b>	<b>1,06.42</b>	<b>2,91.14</b>	<b>3,94.06</b>	<b>3,11.20</b>	<b>3,64.86</b>
<b>Paper and pasteboard . . . . . Cwt.</b>	<b>—</b>	<b>—</b>	<b>1,299</b>	<b>3,633</b>	<b>3,073</b>	<b>2,701</b>	<b>1,27.07</b>	<b>2,92.47</b>	<b>3,49.73</b>	<b>4,14.71</b>	<b>3,22.98</b>	<b>3,45.92</b>

\* Average for two years 1912-13 and 1913-14.  
 (a) For figures prior to 1908-09 see under Railway plant, etc.  
 (c) See Note (2) on page 203.

† Average for four years 1910-11 to 1913-14.  
 (b) Figures for 1913-14.



No. 8—continued

	QUANTITY (IN THOUSANDS)						VALUE (IN THOUSANDS OF RUPEES)					
	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
<b>Sugar—</b>												
Sugar, 16 D. S. and Tons above (including beet)	624	469	443	14	33	252	12,33,90	14,07,55	12,03,06	17,60	40,91	3,25,28
„ others	10	3	1	..	1	1	17,07	7,47	1,69	99	1,20	2,98
Molasses	93	81	73	..	2	2	41,53	41,40	66,26	1	3,38	2,32
<b>TOTAL</b>	<b>727</b>	<b>553</b>	<b>517</b>	<b>14</b>	<b>36</b>	<b>255</b>	<b>12,92,50</b>	<b>14,50,42</b>	<b>19,71,00</b>	<b>18,60</b>	<b>45,59</b>	<b>3,31,59</b>
<b>Wood and Timber—</b>												
Teak wood C.tons	92	70	26	170	160	160	69,32	82,67	46,07	2,17,59	2,09,49	2,01,49
Others	—	—	—	—	—	—	10,07	19,62	63,05	80,67	78,20	68,24
<b>TOTAL</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>79,39</b>	<b>1,02,29</b>	<b>1,09,12</b>	<b>2,98,26</b>	<b>2,86,69</b>	<b>2,69,73</b>
<b>Provisions and oilman's stores—</b>												
Canned and bottled provisions Cwt.	86	100	109	162	134	124	40,16	55,99	83,11	62,87	52,44	63,06
„ biscuits and cakes	73	48	30	30	29	28	37,08	27,72	31,70	27,20	24,73	25,12
Confectionery	60	20	20	23	24	22	24,04	13,14	23,55	18,80	10,71	13,77
Farinaceous and patent foods	256	243	273	375	423	368	38,10	40,40	63,84	74,14	76,78	85,33
Milk, condensed and preserved	103	74	69	59	62	76	32,57	34,00	48,05	19,37	20,05	25,43
Other sorts	—	—	—	—	—	—	57,19	50,70	64,16	57,94	57,71	60,67
<b>TOTAL</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,29,14</b>	<b>2,27,95</b>	<b>3,19,50</b>	<b>2,60,32</b>	<b>2,48,41</b>	<b>2,63,48</b>
<b>Drugs and Medicines—</b>												
Gumpher lb.	1,417	1,632	707	1,771	1,869	1,737	15,65	24,37	24,71	22,33	21,86	20,22
Proprietary and patent medicines	—	—	—	—	—	—	24,74	21,87	24,70	73,73	60,75	89,06
Quinine salts lb.	119	76	81	105	98	83	11,61	17,89	27,58	20,20	25,37	24,87
Other sorts	—	—	—	—	—	—	42,11	59,71	93,02	1,13,82	1,12,53	1,18,16
<b>TOTAL</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>94,11</b>	<b>1,20,84</b>	<b>1,70,01</b>	<b>2,36,17</b>	<b>2,20,53</b>	<b>2,61,21</b>
<b>Spices—</b>												
Mustards Cwt.	1,156	1,175	1,107	1,473	1,840	1,538	1,03,24	1,36,35	1,60,48	1,42,84	1,95,86	1,60,03
Cloves	76	80	74	36	70	92	27,78	39,15	48,46	15,70	36,00	47,17
Others	97	100	84	133	159	200	28,26	30,53	28,05	24,29	30,97	47,30
<b>TOTAL</b>	<b>1,329</b>	<b>1,355</b>	<b>1,265</b>	<b>1,642</b>	<b>2,069</b>	<b>1,830</b>	<b>1,64,28</b>	<b>2,06,03</b>	<b>2,36,99</b>	<b>1,82,83</b>	<b>2,63,48</b>	<b>2,54,50</b>

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<b>Hardware—</b>														
Implements and tools . . . . .		—	—	—	—	—	—	28,47	38,76	79,08	58,55	49,71	49,86	
Lamps and parts . . . . .		—	—	—	—	—	—	49,42	31,26	63,61	61,17	34,53	28,04	
Bulldozers' hardware . . . . .		—	—	—	—	—	—	23,36	18,57	35,99	32,42	30,45	22,16	
Agricultural implements . . . . .		—	—	—	—	—	—	12,13	13,44	26,54	2,00	2,68	2,79	
Enamelled ironware . . . . .		—	—	—	—	—	—	22,81	13,65	29,43	15,87	11,66	11,66	
Domestic hardware . . . . .		—	—	—	—	—	—	18,63	7,59	13,50	9,15	6,61	5,42	
Other sorts . . . . .		—	—	—	—	—	—	1,62,22	1,56,18	3,30,06	1,51,46	1,18,73	1,04,93	
<b>TOTAL</b>		—	—	—	—	—	—	3,17,04	2,79,45	5,78,81	3,31,22	2,57,27	2,20,80	
<b>Liquor—</b>														
Whisky . . . . .	Gals.	1,644	1,537	1,747	1,085	965	1,078	1,14,00	1,59,70	2,43,02	1,36,69	1,22,83	1,38,28	
Wine, brandy and port . . . . .	"	4,405	2,546	2,784	3,082	3,024	3,078	59,43	53,06	87,71	75,20	73,54	60,64	
Wines . . . . .	"	337	268	282	154	118	107	27,95	26,23	40,76	17,82	13,89	13,49	
Cider . . . . .	"	15	13	12	16	14	13	49	56	79	63	67	74	
<b>TOTAL</b>	"	6,401	4,362	4,825	4,917	4,721	4,281	2,02,47	2,36,64	3,72,28	2,30,34	2,10,88	2,19,16	
<b>Wool, raw</b>		lb.	3,292	3,678	2,086	3,173	7,206	7,689	16,21	18,28	15,34	84,80	62,11	74,99
Manufactures—														
Piecegoods . . . . .	Yds.	22,420	8,300	5,451	6,723	2,408	2,324	2,06,70	1,37,63	1,83,71	1,12,52	45,08	34,84	
Goods of wool mixed with other materials . . . . .	"	—	—	—	3,610	2,321	1,210	—	1,37,63	1,83,71	51,06	31,74	15,83	
Shawls and hobbis . . . . .	No.	1,668	189	86	493	479	148	41,45	5,30	3,86	18,31	13,87	3,73	
Carpets and floor rugs . . . . .	lb.	1,400	636	397	157	144	112	16,20	9,57	13,58	4,05	2,42	2,40	
Hosiery . . . . .	"	440	257	156	377	368	272	11,98	11,33	12,06	13,08	13,47	9,68	
Yarn and knitting wool . . . . .	"	877	280	410	2,891	3,307	2,803	10,32	10,94	10,59	68,29	64,04	52,50	
Other sorts . . . . .	"	1,315	540	496	7,088	5,614	2,129	12,63	6,74	7,59	61,86	49,17	22,24	
<b>TOTAL</b>		—	—	—	—	—	—	3,24,68	1,99,99	2,61,61	4,14,87	2,81,00	2,16,30	
<b>Silk, raw and cocoons</b>		lb.	2,659	2,031	1,921	2,535	2,248	2,020	1,18,49	1,11,12	1,52,48	94,07	62,17	62,72
Yarn . . . . .	"	1,011	787	784	2,347	1,120	910	41,20	42,23	58,29	61,18	32,16	24,27	
Manufactures—														
Piecegoods . . . . .	Yds.	26,630	19,719	18,788	22,869	16,873	9,121	1,82,22	2,91,50	3,24,59	29,87	67,45	54,39	
Mixed goods . . . . .	"	6,476	3,158	1,419	7,032	5,889	8,141	51,50	33,36	25,15	37,90	30,91	39,49	
Other sorts . . . . .	lb.	55	65	60	20	16	17	1,13	4,91	10,42	1,56	1,46	1,40	
<b>TOTAL</b>		—	—	—	—	—	—	9,94,54	3,93,12	5,73,92	2,86,58	1,94,16	1,82,21	
<b>Rubber, raw and manufactured</b>														
								23,16	97,25	1,84,93	2,09,81	1,61,13	1,67,88	
<b>Railway plant and rolling stock—</b>														
Carrriages and wagons and parts . . . . .		—	—	—	—	—	—	2,44,07	1,54,92	5,93,67				
Locomotives . . . . .		—	—	—	—	—	—	1,04,46	89,37	3,11,71				
Materials for construction—														
Sleepers and keys of steel or iron . . . . .	Tons	50	21	37				49,25	24,00	77,87				
Sleepers of wood . . . . .	"	59	12	17				40,02	8,67	27,14				
Other kinds . . . . .	"	222	8	11				41,45	27,21	44,76				
<b>TOTAL</b>		—	—	—	—	—	—	4,80,15	2,98,17	10,54,95				

\* Discontinued from April, 1928.  
(a) See Note (2) on page 203.

No. 8—continued

	QUANTITY (IN THOUSANDS)						VALUE (IN THOUSANDS OF RUPEES)					
	Pre-war average(a)	War average(a)	Post-war average(a)	1937-38	1938-39	1939-40	Pre-war average(a)	War average(a)	Post-war average(a)	1937-38	1938-39	1939-40
Manures . . . . . Tons	5	3	6	78	99	108	5,17	5,28	9,76	79,67	1,05,17	1,25,15
Fruits and Vegetables— Dried, salted, or preserved—												
Dates . . . . . Tons	46	47	55	70	65	64	58,03	67,52	1,06,61	56,26	44,98	55,38
Almonds . . . . . "	3	3	5	3	3	1	23,78	25,81	46,96	21,23	21,39	8,16
Others . . . . . "	4	3	3	20	14	8	10,27	8,72	13,33	32,02	21,31	15,47
Fresh fruits and vegetables . . . . . "	—	—	—	—	—	—	15,64	8,45	9,01	48,72	46,77	42,27
TOTAL . . . . .	—	—	—	—	—	—	1,07,72	1,10,30	1,76,90	1,58,23	1,81,43	1,21,28
236 Tobacco—												
Cigarettes . . . . . lb.	1,731	2,623	4,129	893	1,218	1,371	52,74	1,12,79	1,70,08	34,87	49,27	46,02
Others . . . . . "	1,498	1,017	2,171	6,896	6,670	6,126	18,53	19,63	43,26	51,11	64,28	70,95
TOTAL . . . . .	3,229	3,640	6,300	7,889	7,888	7,497	71,07	1,32,42	2,22,94	85,48	1,04,65	1,16,97
Paints and painters' materials—												
Paints and colours . . . . . Cwt.	296	255	299	270	263	294	54,19	83,08	1,13,59	74,76	66,52	80,42
Painters' materials . . . . . "	—	—	—	—	—	—	16,81	15,91	30,11	27,10	23,47	22,13
TOTAL . . . . .	—	—	—	—	—	—	71,00	98,99	1,43,70	1,01,86	89,99	1,02,55
Glass and glassware—												
Banatics . . . . .	—	—	—	—	—	—	91,55	31,59	74,88	29,26	24,20	18,40
Bottles and phials . . . . . Gross	168	345	333	1,186	962	639	12,56	23,14	37,80	29,32	27,95	30,59
Beads and false pearls . . . . . Cwt.	29	13	22	22	19	12	24,67	17,05	37,12	18,86	13,38	8,50
Sheets and plates . . . . . Sq. ft.	16,187	8,329	15,509	21,014	27,065	21,797	17,46	20,09	42,98	25,42	23,70	19,94
Funnels, globes, etc. . . . .	—	—	—	—	—	—	12,44	14,21	18,75	6,90	5,17	3,78
Other glassware . . . . .	—	—	—	—	—	—	8,24	19,94	41,32	42,12	30,72	30,56
TOTAL . . . . .	—	—	—	—	—	—	1,61,92	1,28,02	2,53,05	1,51,88	1,26,12	1,01,77
Precious stones and pearls, unset . . . . .	—	—	—	—	—	—	92,61	46,83	1,18,73	1,24,47	1,15,03	27,81
Tea chests . . . . .	—	—	—	—	—	—	43,61	79,86	71,64	71,79	90,30	83,59
Stationery . . . . .	—	—	—	—	—	—	67,81	64,15	1,06,52	81,02	67,04	64,79

Toilet requisites	..	..	..	..	..	..	20,48*	24.56	41.95	67.85	66.06	64.59
Salt	..	..	..	..	..	..	70.1a	1,41.65	1,73.64	55.77	37.40	61.99
<b>Building and Engineering materials—</b>												
✓ Cement	..	..	..	..	..	..	52.77	38.22	1,10.22	12.03	10.05	7.29
Bricks and tiles	..	..	..	..	..	..	15.13	20.85	36.04	15.99	16.01	13.34
Others	..	..	..	..	..	..	10.12	45.23	20.10	40.61	36.12	36.05
<b>TOTAL</b>							<b>74.02</b>	<b>93.80</b>	<b>1,66.05</b>	<b>69.53</b>	<b>62.18</b>	<b>66.68</b>
Books, printed, etc.	..	..	..	..	..	..	43.06	40.12	53.04	61.78	58.02	53.69
Betting for machinery	..	..	..	..	..	..	39.53*	60.37	34.48	60.17	49.11	52.88
Arms, ammunition and military stores	..	..	..	..	..	..	33.78	32.85	59.72	1,27.78	50.17	49.90
Haberdashery and millinery	..	..	..	..	..	..	1,38.54	1,02.30	1,30.71	65.51	48.52	48.46
<b>Apparel—</b>												
Apparel	..	..	..	..	..	..	74.44	77.31	95.66	36.21	23.17	18.59
Gold and silver thread	..	..	..	..	..	..	43.40	36.66	82.91	4.21	2.30	78
Hats, caps and bonnets	..	..	..	..	..	..	14.46	15.05	21.10	12.06	7.87	7.14
Second-hand clothing	..	..	..	..	..	..	12.76*	7.12	9.72	11.06	10.02	9.16
Other kinds	..	..	..	..	..	..	1.32	7.30	10.24	3.55	4.14	2.28
<b>TOTAL</b>							<b>1,46.07</b>	<b>1,43.44</b>	<b>1,69.03</b>	<b>67.69</b>	<b>47.50</b>	<b>37.95</b>
Robbins	..	..	..	..	..	..	—	37.35	65.75	42.74	37.92	37.89
Clocks and watches and parts	..	..	..	..	..	..	22.78	19.19	24.09	52.41	45.63	35.99
Earthenware and porcelain	..	..	..	..	..	..	32.19	45.97	78.17	47.81	36.19	35.03
Toys and requisites for games	..	..	..	..	..	..	40.05	30.30	52.41	44.05	37.30	35.02
Tallow and stearine	..	..	..	..	..	..	16.08	15.93	23.15	36.43	39.10	32.33
Gums and resins	..	..	..	..	..	..	23.86	19.65	32.77	27.42	30.13	27.28
Pollaxes	..	..	..	..	..	..	10.27*	13.06	24.27	23.47	22.73	24.78
Matches	..	..	..	..	..	..	88.21*	1,53.31	1,76.68	20.44	23.52	24.67
Soap	..	..	..	..	..	..	61.87	90.45	1,71.16	24.46	22.44	23.67
Paper-making materials	..	..	..	..	..	..	11.31	18.13	80.83	18.35	27.30	23.64
Cutlery	..	..	..	..	..	..	21.78	15.22	80.14	30.59	25.64	22.33
Hides and skins, raw	..	..	..	..	..	..	13.66	15.67	13.10	10.71	16.26	10.49
Umbrellas and fittings	..	..	..	..	..	..	41.95	28.96	33.22	28.06	14.87	17.20
Tea	..	..	..	..	..	..	22.20	47.38	55.43	18.49	15.73	16.96
Animals, living	..	..	..	..	..	..	43.67	51.38	24.50	35.33	30.72	15.03
Flax, raw	..	..	..	..	..	..	6	3	1	..	..	..
Flax manufactures—	..	..	..	..	..	..	15.74	26.04	21.34	11.03	8.29	6.52
Canvas	..	..	..	..	..	..	8.35	5.40	3.72	2.06	1.42	1.01
Piecegoods	..	..	..	..	..	..	6.52	10.06	12.98	9.38	8.25	6.91
Other sorts	..	..	..	..	..	..	—	—	—	—	—	—
<b>TOTAL</b>							<b>30.67</b>	<b>42.19</b>	<b>33.55</b>	<b>22.47</b>	<b>17.96</b>	<b>14.41</b>

\* Average for two years, 1912-18 and 1913-14.  
(a) See Note (2) on page 203.

No. 8—concluded

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	QUANTITY (IN THOUSANDS)						VALUE (IN THOUSANDS OF RUPEES)					
	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
Furniture and cabinetware . . . . .	—	—	—	—	—	—	21,53	14,75	25,71	21,35	15,05	12,71
Boots and shoes . . . . . pairs	2,323	1,170	604	1,183	835	561	56,73	41,31	40,50	22,40	15,45	10,35
Jewellery also plate of gold and silver . . . . .	—	—	—	—	—	—	23,92	5,55	17,23	5,09	9,25	8,83
Fish (excluding canned fish) . . . . . Cwt.	205	129	119	76	94	101	30,98	20,14	22,47	6,70	6,80	7,30
Hides and skins, tanned . . . . . Tons	..	..	..	..	..	..	12,83	15,40	10,50	17,77	12,18	7,10
Jute, raw . . . . . Tons	..	..	..	..	..	1	12	60	26	9	12	55
„ manufactures . . . . . Tons	..	..	..	..	..	—	19,37	35,08	22,14	6,32	5,81	6,23
<b>TOTAL . . . . .</b>	—	—	—	—	—	—	<b>19,49</b>	<b>35,74</b>	<b>32,40</b>	<b>6,41</b>	<b>5,93</b>	<b>6,78</b>
Cordage and rope . . . . . Cwt.	23	25	15	10	10	10	9,90	15,07	11,64	8,74	7,85	6,71
Ivory . . . . .	—	—	—	—	—	—	25,62	23,55	34,65	7,68	9,77	6,66
Oil-cloth and floor-cloth . . . . . Sq. yds.	1,444	1,121	634	1,238	810	642	9,28	9,33	11,98	7,74	5,58	4,24
Coal and coke . . . . . Tons	455	133	630	84	44	18	80,89	30,41	2,35,30	16,65	8,05	2,64
Pitch and tar . . . . . Cwt.	290	219	103	46	57	50	11,84	12,46	8,16	1,73	2,09	2,38
Postal articles not specified	—	—	—	—	—	—	1,60,59	2,77,81	4,41,85	2,40,45	1,92,80	1,76,44
Dutiable baggage not otherwise specified. (c)	—	—	—	—	—	—	—	—	—	14,93	14,94	14,20
All other articles . . . . .	—	—	—	—	—	—	1,55,09	2,58,13	5,42,81	5,65,34	4,69,26	7,64,12
<b>TOTAL VALUE OF IMPORTS . . . . .</b>	—	—	—	—	—	—	<b>145,84,72</b>	<b>147,80,19</b>	<b>254,04,73</b>	<b>173,73,57</b>	<b>162,32,75</b>	<b>165,27,49</b>

Government Stores.

Railway plant and rolling stock—	—	—	—	} (b)	(b)	} (b)	1,10,86	58,01	1,81,63	} (b)	(b)	(b)
Carriages and wagons . . . . .	—	—	—				68,95	41,56	90,44			
Locomotive engines and tenders . . . . .	—	—	—				55,72	11,29	—			
Rails and fishplates (a) . . . . . Tons	55	10	6				44,03	14,12	8,77			
Materials for construction . . . . . „	—	—	—	—	—	—	—	—	—	—	—	—
<b>TOTAL . . . . .</b>	—	—	—	—	—	—	<b>2,70,59</b>	<b>1,24,98</b>	<b>2,80,84</b>	—	—	—

Arms, ammunition and military stores . . . . .	—	—	—	—	—	—	24,22	1,05,58	54,96	60,36	67,90	60,50
Metals and ores—												
Iron and steel . . . . . Tons	25	19	22	6	8	6	35,10	46,50	70,30	15,62	17,86	12,19
Copper . . . . . Cwt.	31	79	43	56	54	65	16,40	56,02	33,37	21,17	21,60	24,03
Others . . . . . Tons	2	8	2	1	1	3	10,00	32,74	26,82	17,71	10,02	23,88
<b>TOTAL</b> . . . . .	<b>28</b>	<b>26</b>	<b>28</b>	<b>10</b>	<b>12</b>	<b>12</b>	<b>62,10</b>	<b>1,41,86</b>	<b>1,36,49</b>	<b>54,50</b>	<b>49,48</b>	<b>60,10</b>
Machinery and millwork . . . . .	—	—	—	—	—	—	28,15	27,37	1,11,39	42,10	45,54	51,82
Instruments, apparatus and appliances	—	—	—	—	—	—	18,16	37,75	69,06	22,21	24,71	21,71
Textiles—												
Cotton manufactures . . . . .	—	—	—	—	—	—	4,78	51,34	23,93	4,06	2,36	2,41
Flax . . . . .	—	—	—	—	—	—	4,90	48,84	11,91	6,03	5,08	2,45
Wool manufactures . . . . .	—	—	—	—	—	—	6,56	1,12,63	24,57	9,01	3,10	2,26
<b>TOTAL</b> . . . . .	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>15,43</b>	<b>2,07,61</b>	<b>60,41</b>	<b>10,10</b>	<b>10,00</b>	<b>7,12</b>
Hardware and cutlery . . . . .	—	—	—	—	—	—	20,59	64,48	82,03	9,46	8,34	6,70
Chemicals . . . . .	—	—	—	—	—	—	5,39	22,39	10,33	5,05	11,49	6,64
Drugs and medicines . . . . .	—	—	—	—	—	—	7,08	15,13	22,05	2,47	4,22	4,51
Carriages and carts (excluding railway carriages and parts).	—	—	—	—	—	—	2,15	11,69	86,09	1,03	8	1,38
Stationery . . . . .	—	—	—	—	—	—	9,09	22,22	40,00	1,88	83	1,12
Ships, parts of (including launches and boats).	—	—	—	—	—	—	1,95	27,77	12,87	..	39	11
Telegraphs, materials for construction of Coal and coke . . . . . Tons	71	10	141	1	..	..	11,32	17,05	43,51	3	..	1
All other articles . . . . .	—	—	—	—	—	—	15,17	4,08	53,92	16	..	..
	—	—	—	—	—	—	71,70	3,14,27	2,30,53	1,24,23	95,03	1,45,72
<b>TOTAL VALUE OF GOVERNMENT STORES</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>5,82,23</b>	<b>11,45,13</b>	<b>19,00,27</b>	<b>3,43,52</b>	<b>3,18,61</b>	<b>3,67,39</b>

(a) Transferred to "Iron or Steel" from 1925-26.

(b) Discontinued from April, 1928.

(c) Separately recorded from 1926-27,  
\*See Note (2) on page 203.

## No. 9.—IMPORTS OF COTTON TWIST AND YARN FROM PRINCIPAL COUNTRIES.

(In thousands of lbs.)

COUNTRIES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
From United Kingdom . . . .	37,050	24,674	25,702	6,632	4,681	2,829
.. Hongkong . . . . .	25	19	198	96	174	49
.. Netherlands . . . . .	1,860	627	279	..	..	..
.. Switzerland . . . . .	1,182	359	604	15	8	11
.. Italy . . . . .	607	297	287	5	3	4
.. China . . . . .	15	214	537	527	10,405	10,792
.. Japan . . . . .	458	7,424	16,786	13,614	21,169	27,164
.. Other countries . . . . .	1,147	469	298	79	19	283
<b>TOTAL</b> . . . . .	<b>41,794</b>	<b>34,063</b>	<b>44,681</b>	<b>21,998</b>	<b>36,459</b>	<b>41,132</b>

## No. 10.—IMPORTS OF COTTON TWIST AND YARN BY COUNTS.

(In thousands of lbs.)

ARTICLES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40	Percentage of total in 1939-40
Nos. 1 to 20 . . . . .	1,375	2,191	6,987	268	618	841	2.1
.. 21 to 30 . . . . .	4,374	3,198	3,526	406	236	209	0.5
.. 31 to 40 . . . . .	23,213	17,580	20,580	2,532	5,048	3,199	7.8
Above No. 40 . . . . .	7,602	5,945	6,291	4,827	5,543	7,318	17.8
Two-folds (doubles) . . . . .	—	—	3,973	14,337	24,030	20,547	71.8
Unspecified descriptions . . . . .	5,280	5,199	3,324	18	18	15	..
<b>TOTAL</b> . . . . .	<b>41,794</b>	<b>34,063</b>	<b>44,681</b>	<b>21,998</b>	<b>36,459</b>	<b>41,132</b>	<b>100</b>

\* See Note (2) on page 203.

No. 11.—IMPORTS OF COTTON TWIST AND YARN FROM 1937-38 TO 1939-40  
BY CLASSES FROM THE PRINCIPAL SUPPLYING COUNTRIES.

(In thousands of lbs. )

	1937-38	1938-39	1939-40
<b>COUNTS 1-20—</b>			
From United Kingdom . . . . .	245	614	699
„ Japan . . . . .	..	..	17
„ China . . . . .	..	..	..
<b>TOTAL (all countries)</b> . . . . .	<b>245</b>	<b>618</b>	<b>744</b>
<b>COUNTS 21-30 . . . . .</b>			
	466	298	200
<b>COUNTS 31-40—</b>			
From United Kingdom . . . . .	2,232	1,864	700
„ Japan . . . . .	333	2,080	2,357
„ China . . . . .	10	1,596	132
<b>TOTAL (all countries)</b> . . . . .	<b>2,582</b>	<b>5,948</b>	<b>3,199</b>
<b>ABOVE 40—</b>			
From United Kingdom . . . . .	3,381	2,118	1,155
„ Japan . . . . .	856	1,648	3,940
„ China . . . . .	46	1,092	2,070
<b>TOTAL (all countries)</b> . . . . .	<b>4,327</b>	<b>5,548</b>	<b>7,319</b>
<b>TWO-FOLDS—</b>			
From United Kingdom . . . . .	309	287	67
„ Japan . . . . .	13,444	16,634	20,845
„ China . . . . .	472	7,117	8,572
<b>TOTAL (all countries)</b> . . . . .	<b>14,337</b>	<b>24,039</b>	<b>29,547</b>
Unspecified descriptions . . . . .	18	18	15
<b>TOTAL OF COTTON TWIST AND YARN . . . . .</b>	<b>21,098</b>	<b>36,459</b>	<b>41,132</b>



## No. 12.—IMPORTS OF COTTON PIECEGOODS.

(In thousands of yards)

COUNTRIES	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
<b>GREY.</b>						
From United Kingdom . . . . .	1,315,907	815,107	508,882	23,080	30,227	8,870
„ Japan . . . . .	2,559	81,171	96,727	108,022	227,227	223,234
„ United States of America . . . . .	10,405	7,356	7,094	118	57	80
„ Other countries . . . . .	2,056	1,150	3,225	60	131	3,585
<b>TOTAL</b>	<b>1,331,017</b>	<b>904,874</b>	<b>676,828</b>	<b>133,080</b>	<b>257,642</b>	<b>235,737</b>
<b>WHITE.</b>						
From United Kingdom . . . . .	642,871	510,036	363,444	128,672	102,229	82,050
„ Netherlands . . . . .	7,606	3,824	4,404	1,156	1,039	677
„ Switzerland . . . . .	2,606	762	1,736	6,058	4,116	3,694
„ Japan . . . . .	48	3,323	2,623	64,889	69,897	43,031
„ Other countries . . . . .	1,124	946	1,362	1,428	1,714	4,221
<b>TOTAL</b>	<b>654,255</b>	<b>518,891</b>	<b>373,569</b>	<b>202,203</b>	<b>179,185</b>	<b>133,678</b>
<b>COLOURED, ETC.</b>						
From United Kingdom . . . . .	590,462	350,826	254,563	118,956	72,080	53,633
„ Netherlands . . . . .	15,219	8,788	6,997	22	18	12
„ Belgium . . . . .	4,082	548	812	40	48	53
„ Switzerland . . . . .	2,655	1,734	1,580	8,278	1,616	777
„ Italy . . . . .	10,320	9,111	4,183	898	671	491
„ Straits Settlements . . . . .	1,458	686	1,353	5	68	10
„ Japan . . . . .	521	13,005	14,049	132,234	127,694	127,109
„ Other countries . . . . .	6,835	1,509	1,927	5,087	7,397	27,508
<b>TOTAL</b>	<b>631,552</b>	<b>386,277</b>	<b>285,423</b>	<b>266,515</b>	<b>210,487</b>	<b>209,593</b>
<b>TOTAL OF COTTON PIECE-GOODS.</b>						
From United Kingdom . . . . .	2,549,330	1,676,059	1,186,839	266,606	205,536	144,562
„ Netherlands . . . . .	23,748	12,765	11,460	1,177	1,102	689
„ Belgium . . . . .	4,122	551	821	44	48	53
„ Switzerland . . . . .	5,257	2,498	3,275	9,332	5,731	4,471
„ Italy . . . . .	10,517	9,162	4,207	1,292	1,063	829
„ Aden and Dependencies . . . . .	118	123	1,168	..	..	5
„ Burma . . . . .	—	—	—	8,665	7,218	13,973
„ Straits Settlements . . . . .	2,008	903	1,546	28	225	22
„ China . . . . .	708	892	2,368	8	8	19,077
„ Japan . . . . .	3,128	97,589	113,399	300,000	424,808	303,374
„ United States of America . . . . .	10,486	7,911	8,421	608	265	470
„ Other countries . . . . .	7,312	1,599	2,176	1,091	1,320	570
<b>TOTAL</b>	<b>2,616,824</b>	<b>1,810,042</b>	<b>1,335,820</b>	<b>609,798</b>	<b>647,284</b>	<b>579,003</b>

\* See Note (2) on page 203.

## No. 13.—IMPORTS OF WOOLLEN PIECEGOODS.

(In thousands of Rupees)

COUNTRIES	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
United Kingdom . . . . .	1,46,44	1,21,58	1,53,84	40,05	22,88	17,05
Germany . . . . .	39,93	3,02	7,18	5,42	2,00	43
Netherlands . . . . .	3,00	1,26	3,61	8	3	1
Belgium . . . . .	1,78	31	4,20	0	10	2
France . . . . .	10,85	3,35	7,80	20	10	13
Italy . . . . .	83	18	2,07	7,88	4,19	2,23
Japan . . . . .	2	6,30	8,16	56,68	14,66	14,10
Other countries . . . . .	3,64	1,54	1,90	1,10	1,00	23
<b>TOTAL</b>	<b>2,06,78</b>	<b>1,37,64</b>	<b>1,88,71</b>	<b>1,12,52</b>	<b>45,06</b>	<b>34,84</b>

\* See Note (2) on page 203.

## No. 14.—IMPORTS OF RAW SILK, SILK YARN AND SILK PIECEGOODS.

(In thousands of Rupees)

ARTICLES AND COUNTRIES.	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
<b>IMPORTS OF SILK, RAW—</b>						
China* . . . . .	83,44	82,92	1,19,57	31,09	32,27	41,73
Japan . . . . .	8	32	2,79	87,24	11,75	..
Hongkong . . . . .	23,69	16,83	21,13	2,97	5,82	20,07
Burma . . . . .	—	—	—	2,73	0,48	16
Other countries . . . . .	10,04	0,94	6,41	64	2,85	16
<b>TOTAL</b>	<b>1,17,26</b>	<b>1,10,01</b>	<b>1,49,00</b>	<b>94,07</b>	<b>62,17</b>	<b>62,72</b>
<b>IMPORTS OF SILK YARN—</b>						
United Kingdom . . . . .	4,27	3,98	1,95	46	3	..
France . . . . .	65	20	1,08	12	..	12
Switzerland . . . . .	57	29	31	..	9	1,48
Italy . . . . .	14,22	3,55	14,66	6,58	4,84	2,44
China* . . . . .	2,75	5,07	9,90	5,69	4,22	9,44
Japan . . . . .	17,38	20,11	30,29	47,77	22,61	10,55
Other countries . . . . .	1,85	3	20	77	97	24
<b>TOTAL</b>	<b>41,19</b>	<b>42,23</b>	<b>58,29</b>	<b>61,18</b>	<b>32,16</b>	<b>24,27</b>
<b>IMPORTS OF SILK PIECEGOODS—</b>						
United Kingdom . . . . .	3,86	4,13	5,19	39	17	18
France . . . . .	8,87	3,65	2,63	17	15	14
China* . . . . .	53,54	73,94	1,34,98	11,76	10,00	18,06
Japan . . . . .	1,13,57	1,17,93	1,77,68	73,00	45,02	30,71
Other countries . . . . .	2,38	1,86	4,15	4,47	5,21	4,04
<b>TOTAL</b>	<b>1,82,22</b>	<b>2,01,51</b>	<b>3,24,55</b>	<b>89,97</b>	<b>67,45</b>	<b>54,33</b>

\* Includes Hongkong prior to 1930-37.  
(a) See Note (2) on page 203.

No. 15.—IMPORTS AND DECLARED VALUES OF IRON AND STEEL.

(Quantities in hundreds of tons)

ARTICLES	1913-14			1927-28			1933-39			1939-40		
	Quantity	Value	Value per ton	Quantity	Value	Value per ton	Quantity	Value	Value per ton	Quantity	Value	Value per ton
		R (lakhs)	R		R (lakhs)	R		R (lakhs)	R		R (lakhs)	R
Sheets and Plates—												
Galvanised . . . . .	277,6	5,38	194	42,8	97	228	25,7	50	230	15,6	38	243
Tinned . . . . .	52,8	1,25	237	7,4	20	380	14,0	40	340	6,5	25	382
Not galvanised or tinned	100,0	1,23	123	23,8	46	105	20,0	52	100	10,7	34	203
Iron bars and channels . . . . .	20,7	35	130	1,1	8	240	8	2	318	5	2	205
Bars (Steel) . . . . .	204,6	2,07	101	51,2	97	180	17,0	44	256	21,0	42	199
Beams, channels, pillars, girders and bridgework.	80,0	1,16	120	26,4	41	154	18,7	31	164	10,0	16	161
Cast pipes and fittings . . . . .	50,2	91	181	1,4	7	403	2,5	9	352	2,5	9	343
Steel, angle tee and spring . . . . .	44,2	47	106	15,1	23	151	10,2	17	160	7,0	12	165
Wrought tubes, pipes and fittings . . . . .	13,4	40	253	41,4	1,07	250	34,3	1,04	303	32,5	1,01	311
Hoops and strips . . . . .	30,8	43	140	48,5	86	177	24,4	40	169	33,2	73	227
Nails, rivets and washers . . . . .	25,1	60	200	15,3	46	298	11,2	34	303	8,9	38	426
Rails, chairs and fishplates (excluding those for railways) (a).	17,8	19	112	7,5	11	140	11,5	16	128	10,1	11	115
Wire other than fencing wire . . . . .	9,8	24	246	8,4	22	259	0,2	24	258	10,1	25	252
Wironails . . . . .	—	—	—	6,2	15	244	4,0	11	221	5,6	13	240
Wire rope . . . . .	—	—	—	4,3	24	552	3,2	21	657	3,3	22	661
Bolts and nuts . . . . .	7,4	23	308	10,5	35	332	8,6	32	359	5,7	22	386
Other sorts . . . . .	55,6	1,14	201	57,2	1,32	234	40,8	1,15	235	71,3	1,26	176
<b>TOTAL</b>	<b>1,018,2</b>	<b>16,01</b>	<b>157</b>	<b>368,5</b>	<b>8,21</b>	<b>224</b>	<b>272,2</b>	<b>6,08</b>	<b>245</b>	<b>260,5</b>	<b>6,09</b>	<b>234</b>

(a) Figures for 1913-14 exclude rails, chairs and fishplates for railways.

## No. 16.—IMPORTS OF IRON AND STEEL BY PRINCIPAL COUNTRIES.

(In tons)

ARTICLES AND COUNTRIES	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
<b>(4) Pig-iron—</b>						
United Kingdom . . . . .	12,471	2,734	6,578	1,759	2,089	971
Continent . . . . .	32	9	3,839	100	888	99
Other countries . . . . .	378	8	86	..	1	536
<b>TOTAL</b>	<b>12,881</b>	<b>2,766</b>	<b>10,553</b>	<b>1,859</b>	<b>2,778</b>	<b>1,606</b>

(In lakhs of Rupees)

<b>(6) Manufactured Iron and Steel (excluding pig-iron and old for re-manufacturing)—</b>						
United Kingdom . . . . .	7.58	5.50	13.16	4.15	3.60	2.76
Continent . . . . .	2.91	.56	4.14	2.94	2.13	1.79
United States of America . . . . .	.39	2.83	3.43	.44	.25	.42
Other countries . . . . .	.20	.68	.11	.65	.55	1.08
<b>TOTAL</b>	<b>11.08</b>	<b>9.57</b>	<b>20.84</b>	<b>8.18</b>	<b>6.62</b>	<b>6.05</b>

## No. 17.—IMPORTS OF METALS (EXCLUDING IRON AND STEEL).

(In thousands of Rupees)

ARTICLES AND COUNTRIES	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
<b>COPPER (excluding ore)—</b>						
United Kingdom . . . . .	1,67.45	24.78	1,14.05	47.03	13.41	24.01
Japan . . . . .	27.99	30.21	8.31	7.32	1.07	10.93
France . . . . .	12.93	5.37	3.69	1.12	.2	3.10
Germany . . . . .	93.41	4.44	20.20	37.58	13.42	12.40
Belgium . . . . .	3.34	.66	1.52	2.80	1.34	1.25
Other countries . . . . .	1.68	5.25	43.72	43.94	32.16	58.03
<b>TOTAL</b>	<b>3,07.00</b>	<b>70.71</b>	<b>1,91.40</b>	<b>1,36.79</b>	<b>61.41</b>	<b>1,08.87</b>
<b>TIN—</b>						
United Kingdom . . . . .	5.73	2.73	4.12	1.10	.75	.67
Straits Settlements . . . . .	44.64	40.53	63.18	79.92	62.84	1,10.62
Burma . . . . .	..	..	..	8.94	6.11	9.52
Other countries . . . . .	1.60	1.35	1.73	.52	.96	.49
<b>TOTAL</b>	<b>51.87</b>	<b>44.61</b>	<b>69.03</b>	<b>85.48</b>	<b>70.66</b>	<b>1,21.30</b>
<b>ZINC—</b>						
United Kingdom . . . . .	14.85	5.34	21.60	2.95	5.22	7.68
Belgium . . . . .	3.75	.24	4.81	13.46	11.01	17.62
Japan . . . . .	..	12.03	.59	2.03	..	..
Germany . . . . .	3.23	.24	1.88	10.66	3.85	8.24
Other countries . . . . .	.28	5.04	1.78	47.71	30.78	29.73
<b>TOTAL</b>	<b>22.11</b>	<b>22.80</b>	<b>30.16</b>	<b>76.81</b>	<b>56.86</b>	<b>58.27</b>

\* See Note (2) on page 203.

No. 17.—IMPORTS OF METALS (EXCLUDING IRON AND STEEL)—continued.

(In thousands of Rupees)

ARTICLES AND COUNTRIES	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
<b>LEAD (excluding ore)—</b>						
United Kingdom . . . . .	18,90	19,50	14,56	6,88	4,98	4,78
Burma . . . . .	—	—	—	20,61	14,85	34,95
Other countries . . . . .	4,42	10,50	4,74	1,38	1,11	97
<b>TOTAL</b>	<b>18,41</b>	<b>30,18</b>	<b>19,30</b>	<b>28,87</b>	<b>20,34</b>	<b>40,65</b>
<b>ALUMINIUM—</b>						
United Kingdom . . . . .	5,38	2,51	23,80	19,75	16,88	8,42
Germany . . . . .	12,16	1,15	16,45	12,91	9,97	3,84
United States of America . . . . .	4,26	3,45	9,12	12	12	34
Other countries . . . . .	1,65	3,66	15,59	19,92	10,38	12,96
<b>TOTAL</b>	<b>23,45</b>	<b>10,77</b>	<b>67,96</b>	<b>52,70</b>	<b>46,30</b>	<b>25,56</b>
<b>BRASS—</b>						
United Kingdom . . . . .	6,13	27,28	1,93,42	30,60	41,42	36,84
Germany . . . . .	1,58	11,74	35,41	40,76	57,80	27,07
Other countries . . . . .	3,94	39,56	44,84	15,26	6,44	8,81
<b>TOTAL</b>	<b>11,65</b>	<b>78,58</b>	<b>2,75,67</b>	<b>86,81</b>	<b>1,05,66</b>	<b>72,72</b>
<b>OTHER METALS—</b>						
United Kingdom . . . . .	20,54	14,27	18,37	16,23	17,50	15,28
Burma . . . . .	—	—	—	2,52	2,52	1,05
Other countries . . . . .	3,37	5,87	10,38	23,84	34,98	29,87
<b>TOTAL</b>	<b>24,41</b>	<b>20,14</b>	<b>23,65</b>	<b>45,59</b>	<b>54,99</b>	<b>46,20</b>
<b>TOTAL METALS (excluding ores and Iron and Steel).</b>	<b>4,58,00</b>	<b>2,77,88</b>	<b>6,82,26</b>	<b>5,16,05</b>	<b>4,15,72</b>	<b>4,73,57</b>

No. 18.—IMPORTS OF MACHINERY AND MILLWORK.

(In thousands of Rupees)

COUNTRIES	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
United Kingdom . . . . .	4,97,60	4,20,86	17,60,27	10,80,04	11,20,96	8,92,55
United States of America . . . . .	24,56	66,81	8,10,76	1,36,80	2,11,56	2,49,33
Japan . . . . .	63	13,47	6,01	49,16	30,38	18,95
Italy . . . . .	1,44	2,37	4,27	15,36	24,16	18,87
Germany . . . . .	30,27	2,49	38,89	2,57,72	3,06,97	1,37,65
Other countries . . . . .	6,55	8,37	44,65	1,60,95	2,10,75	1,40,60
<b>TOTAL</b>	<b>5,61,14</b>	<b>5,13,87</b>	<b>21,64,84</b>	<b>17,14,93</b>	<b>19,04,73</b>	<b>14,66,95</b>

No. 19.—IMPORTS OF MINERAL OILS.

(In thousands of Rupees)

COUNTRIES	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
Burma . . . . .	—	—	—	9,77,78	7,04,08	8,28,95
United States of America . . . . .	2,19,60	2,54,31	4,81,84	1,28,91	86,47	1,45,94
Borneo . . . . .	53,76	62,84	1,24,31	64,28	1,06,96	1,10,11
Iran . . . . .	4,09	31,11	1,08,48	2,41,51	3,35,55	2,80,96
Straits Settlements . . . . .	16,52	18,84	29,15	12,07	24,82	49,89
United Kingdom . . . . .	22,31	26,13	33,21	34,17	34,89	19,81
Sumatra . . . . .	11,78	3,78	2,22	1,57,08	12,97	49,70
Germany . . . . .	17,80	3,48	6,87	16,21	4,77	3,05
U. S. S. R. . . . .	10,86	54	2,88			
Georgia . . . . .	—	—	11,92*	60,20	6,68	1
Other countries . . . . .	7,16	1,77	1,95	29,24	87,27	2,12,10
<b>TOTAL</b>	<b>3,72,03</b>	<b>4,02,80</b>	<b>8,02,86</b>	<b>17,45,45</b>	<b>14,07,40</b>	<b>17,12,61</b>

\* Average for 8 years ending 1923-24.

(a) See Note (2) on page 203.

No. 20.—IMPORTS OF MOTOR CARS, CYCLES, OMNIBUSES AND ACCESSORIES.

(In thousands of Rupees)

ARTICLES AND COUNTRIES	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
<b>Motor cars—</b>						
United Kingdom . . . . .	77,27	23,67	80,55	1,28,50	1,01,82	1,03,26
United States of America . . . . .	21,03	46,23	1,66,45	94,52	64,43	64,65
Canada . . . . .	..	..	35,20	27,94	18,24	19,37
Italy . . . . .	.. 29	1,89	9,47	4,26	4,31	4,44
France . . . . .	4,89	2,22	4,67	2,71	1,82	2,23
Other countries . . . . .	9,97	90	13,94	40,42	25,95	7,45
<b>TOTAL</b> . . . . .	<b>1,13,45†</b>	<b>74,91</b>	<b>3,12,28</b>	<b>2,98,25</b>	<b>2,17,10</b>	<b>2,06,88</b>
<b>Motor cycles—</b>						
United Kingdom . . . . .	10,28	5,10	13,47	2,63	1,80	1,71
Other countries . . . . .	40	1,26	5,95	2,05	2,06	1,78
<b>TOTAL</b> . . . . .	<b>10,68†</b>	<b>6,36</b>	<b>10,42</b>	<b>4,68</b>	<b>4,46</b>	<b>3,49</b>
<b>Motor omnibuses—</b>						
United Kingdom . . . . .	3,55	2,70	22,87	46,92	18,84	11,59
United States of America . . . . .	66	2,70	20,66	1,22,48	67,09	1,36,25
Italy . . . . .	..	84	5,21	..	1	5
Canada . . . . .	..	..	6,18	26,96	27,72	55,14
Other countries . . . . .	1,50	15	5,69	10,40	3,85	1,53
<b>TOTAL</b> . . . . .	<b>5,71†</b>	<b>6,39</b>	<b>69,61</b>	<b>2,06,85</b>	<b>1,18,41</b>	<b>2,04,56</b>
<b>Parts of motor cars and motor cycles, etc., and accessories—</b>						
United Kingdom . . . . .	22,74	13,20	30,05	37,76	36,07	33,35
United States of America . . . . .	1,08	9,45	37,73	45,85	31,96	46,79
France . . . . .	2,12	48	79	20	27	11
Other countries . . . . .	5,96	60	9,25	18,24	18,67	23,08
<b>TOTAL</b> . . . . .	<b>31,90*</b>	<b>23,79</b>	<b>77,82</b>	<b>1,02,05</b>	<b>87,77</b>	<b>1,03,28</b>
<b>Total motor cars, etc., and parts—</b>						
United Kingdom . . . . .	74,50	44,70	1,46,96	2,15,81	1,59,48	1,54,39
United States of America . . . . .	8,49	59,43	2,38,93	2,63,04	1,64,52	2,47,79
Italy . . . . .	66	2,84	15,32	4,70	5,19	5,02
France . . . . .	5,94	2,73	9,39	3,10	2,00	2,35
Germany . . . . .	5,84	..	4,89	50,80	31,78	10,19
Belgium . . . . .	4,15	36	9,53	1	9	7
Canada . . . . .	..	..	46,30	64,09	55,67	92,92
Other countries . . . . .	1,26	1,39	7,81	10,56	5,97	5,00
<b>TOTAL</b> . . . . .	<b>1,03,64</b>	<b>1,11,45</b>	<b>4,79,13</b>	<b>6,11,88</b>	<b>4,27,74</b>	<b>5,18,22</b>

\* Average for 2 years, 1912-13 and 1913-14.

† The figures represent those for 1913-14 only.

(a) See Note (2) on page 203.

**No. 21.—IMPORTS OF HARDWARE, EXCLUDING CUTLERY, ETC.**

(In thousands of Rupees)

COUNTRIES	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
United Kingdom . . . . .	1,88,61	1,50,00	8,12,04	1,13,06	97,05	85,88
Burma . . . . .	—	—	—	4,23	4,33	3,66
United States of America . . . . .	24,72	60,27	1,22,35	26,16	22,41	32,18
Japan . . . . .	3,59	46,68	46,00	30,26	20,81	24,60
Sweden . . . . .	2,57	4,56	13,03	17,94	16,43	15,28
Germany . . . . .	57,24	5,70	5,16	1,13,19	74,61	47,09
Austria . . . . .	27,28	2,25	4,51	3,00	2,15	1,21
Hungary . . . . .				95	99	1,16
Czechoslovakia . . . . .				8,73	6,71	1,39
Belgium . . . . .	5,58	51	2,74	2,79	2,55	2,06
Other countries . . . . .	7,45	0,43	18,09	10,01	8,63	10,00
<b>TOTAL</b> . . . . .	<b>3,17,04</b>	<b>2,79,45</b>	<b>5,78,82</b>	<b>3,31,22</b>	<b>2,57,27</b>	<b>2,26,86</b>

**No. 22.—IMPORTS OF SUGAR (EXCLUDING MOLASSES AND CONFECTIONERY).**

(In hundreds of tons)

COUNTRIES	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
United Kingdom . . . . .	7	4	7	3	4,2	13,5
Hungary . . . . .	..	..	11,3	..	..	..
Straits Settlements . . . . .	1,7	28,5	7,6	..	..	..
Hongkong . . . . .	4,4	5,7	6,5	2,0	3,0	2,4
Mauritius and Dependencies . . . . .	128,8	58,7	25,9	..	..	..
Java . . . . .	453,0	367,2	382,8	10,3	24,5	233,2
Japan . . . . .	2	5,7	4	5	..	..
Belgium . . . . .	1	..	4,4	..	1	..
Other countries . . . . .	44,6	8,1	6,0	1,8	1,7	2,8
<b>TOTAL</b> . . . . .	<b>633,5</b>	<b>472,3</b>	<b>443,5</b>	<b>14,4</b>	<b>33,5</b>	<b>251,7</b>

**No. 23.—IMPORTS OF CEMENT.**

(In hundreds of tons)

COUNTRIES	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
United Kingdom . . . . .	108,0	60,7	94,2	25,5	19,4	9,9
Japan . . . . .	..	14,8	6,6	4,9	4	4
Hongkong . . . . .	2,2	7,8	3,6	..	..	..
Italy . . . . .	1,8	7	9	3	1	1
Other countries . . . . .	16,8	2,9	13,6	1,2	1,3	9
<b>TOTAL</b> . . . . .	<b>130,3</b>	<b>95,4</b>	<b>118,9</b>	<b>31,9</b>	<b>21,2</b>	<b>11,3</b>

\* See Note (2) on page 203.

**No. 24.—QUANTITY AND VALUE OF THE PRINCIPAL ARTICLES OF EXPORTS, ARRANGED IN THE ORDER OF THEIR IMPORTANCE**

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	QUANTITY (IN THOUSANDS)						VALUE (IN THOUSANDS OF RUPEES)					
	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
<b>Jute, raw</b> . . . . . Tons	764	464	554	747	690	568	22,20,24	12,90,28	10,62,77	14,71,90	18,30,67	10,73,18
" manufactures—												
Gunny bags												
Hessian (b)	330,122	667,600	98,105	132,774	143,400	745,638	9,30,10	10,17,96	8,18,81	2,07,89	2,00,50	5,66,32
Sacking (b)			306,164	479,486	464,046	464,646			14,91,81	11,00,68	10,45,24	16,77,24
Gunny cloth—												
Hessian (b)	960,071	1,156,114	1,220,834	1,599,518	1,507,298	1,514,607	10,75,75	20,72,80	23,82,48	14,84,02	12,82,90	21,33,84
Sacking (b)			39,471	43,564	42,520	46,871			80,93	61,70	61,27	86,22
Rope and twine	64	76	82	168	176	202	9,82	19,65	16,06	19,64	22,31	34,31
Other kinds	—	—	—	—	—	—	40	8,81	27,59	34,34	23,80	51,35
<b>TOTAL</b>	—	—	—	—	—	—	42,45,11	52,99,59	62,68,44	43,70,66	30,65,73	68,41,90
<b>Cotton, raw</b> . . . . . Tons	480	391	521	488	483	526	33,27,63	33,63,19	64,73,89	20,02,97	23,85,39	30,10,80
" waste (c)	—	—	312	459	550	004	—	—	73,02	74,28	80,76	93,35
" manufactures—												
Piecegoods, Grey	47,414	74,576	42,515	90,342	63,609	79,804	73,84	1,43,11	1,66,32	1,01,78	1,31,40	1,60,01
" Coloured	42,334	80,377	121,243	135,212	94,209	128,017	1,33,37	2,76,41	6,72,18	4,22,84	3,25,09	4,19,88
Twist and yarn	192,844	129,635	82,166	40,124	37,960	36,943	9,13,45	7,18,63	9,05,70	2,02,54	1,87,81	1,79,40
Other sorts	—	—	—	—	—	—	19,67	29,26	76,25	1,12,15	67,49	98,29
<b>TOTAL</b>	—	—	—	—	—	—	44,68,39	45,80,90	82,69,30	30,00,50	31,78,44	30,61,73
<b>Tea</b> . . . . . lb.	266,407	322,691	321,169	334,225	346,050	356,695	13,06,76	17,54,57	20,92,42	24,38,69	23,29,05	20,07,78
<b>Seeds—</b>												
Essential . . . . . Tons	10	8	9	10	11	8	20,57	24,16	35,88	25,55	22,66	20,47
Non-essential—												
Linseed	379	270	251	227	318	219	7,99,90	4,94,94	7,57,72	3,56,80	4,40,45	3,17,61
Groundnut	212	119	195	610	835	549	3,52,57	1,91,17	5,61,97	8,93,80	9,02,72	7,19,01
Rapeseed	278	91	206	32	12	22	4,14,69	1,48,01	5,07,37	46,43	15,82	32,77
Sesamum (H) or (J) (H)	119	33	28	10	8	4	2,48,15	67,35	1,02,73	10,18	14,81	7,49
Castor	114	89	48	42	8	40	1,66,43	1,67,55	1,14,54	64,09	10,06	71,18
Copra	31	16	7	..	..	..	1,10,43	60,73	23,84	45	38	38

(a) Separately recorded from December, 1918.

(b) Separately recorded from 1916-17, but has been shown as such from the post-war period.

\* See Note (2) on page 203.



	QUANTITY (IN THOUSANDS)						VALUE (IN THOUSANDS OF RUPEES)					
	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
<b>Seeds—contd.</b>												
<b>Non-essential—contd.</b>												
Cotton . . . . . Tons	240	69	155	5	..	2	1,79.92	50.25	1,26.05	8.07	36	8.55
Mustard . . . . . "	4	3	2	3	3	3	10.08	9.10	9.76	4.39	4.17	6.65
Musa . . . . . "	29	2	8	..	..	..	42.58	3.04	12.79	4	7	..
Poppy . . . . . "	33	5	6	..	..	..	69.41	9.58	20.97	34	29	20
Other seeds . . . . . "	9	2	6	3	4	4	23.23	6.48	18.08	6.91	7.43	10.22
<b>TOTAL . . . . .</b>	<b>1,458</b>	<b>708</b>	<b>923</b>	<b>951</b>	<b>1,100</b>	<b>851</b>	<b>24,86.97</b>	<b>12,17.42</b>	<b>23,53.64</b>	<b>14,18.05</b>	<b>15,00.22</b>	<b>11,80.53</b>
<b>Leather—</b>												
Cow hides . . . . . Tons	(a)	10	10	14	12	21	(a)	4,15.98	2,54.00	2,54.50	1,81.54	3,34.28
Buffalo hides . . . . . "		1	1	1	1	3		21.43	16.02	21.26	14.62	38.06
Goat skins . . . . . "		3	1	8	8	3		1,42.53	1,03.69	1,03.19	1,22.20	1,17.00
Sheep skins . . . . . "		2	3	3	3	3		1,20.60	1,85.47	1,59.82	1,24.89	1,44.07
Other kinds . . . . . "		—	—	—	—	—		18.61	35.16	1,20.05	84.33	1,33.62
<b>TOTAL . . . . .</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>4,30.58</b>	<b>7,19.24</b>	<b>6,24.24</b>	<b>7,25.42</b>	<b>8,27.58</b>	<b>7,00.13</b>
<b>Grain, pulses and flour—</b>												
Rice (in the husk) . . . . . Tons	42	32	85	1	3	4	27.18	20.09	31.36	50	1.02	2.87
Rice (not in the husk) . . . . . "	2,398	1,685	1,462	227	282	202	25,66.55	18,98.25	24,33.66	2,01.24	3,16.53	3,19.05
Wheat . . . . . "	1,308	807	237	460	270	8	13,98.86	10,33.41	3,66.61	4,62.39	2,44.42	10.20
Wheat flour . . . . . "	66	57	56	62	61	50	86.09	1,13.20	1,60.26	39.46	77.60	63.19
Pulse . . . . . "	159	129	141	86	81	73	1,29.81	1,88.52	2,02.78	97.85	92.41	95.29
Barley . . . . . "	227	198	40	35	0	..	1,03.16	2,21.78	46.50	28.52	7.51	7.2
Jawar and bajra . . . . . "	41	41	11	4	24	7	37.60	44.15	17.39	5.06	25.60	7.45
Other sorts . . . . . "	181	192	27	3	3	4	1,42.96	2,32.45	84.03	4.07	4.17	3.60
<b>TOTAL . . . . .</b>	<b>4,411</b>	<b>3,141</b>	<b>2,009</b>	<b>878</b>	<b>742</b>	<b>408</b>	<b>46,81.11</b>	<b>37,41.80</b>	<b>32,82.65</b>	<b>9,48.89</b>	<b>7,74.12</b>	<b>5,07.87</b>

1915

METALS—												
Iron and steel . . . . . Tons	42	61	95	717	599	675	22,41	34,96	79,04	3,33,03	3,30,03	4,14,82
Other metals . . . . . "	10	11	38	7	6	4	31,81	47,42	1,36,41	25,39	21,75	19,10
TOTAL OF METALS . . . . . "	52	72	133	724	605	679	54,22	82,38	2,15,45	3,58,42	3,42,38	4,33,98
ORES—												
Manganese ore . . . . . Tons	607	474	648	1,001	459	719	98,64	88,94	1,45,19	2,31,29	1,07,25	1,82,74
Others . . . . . "	12	21	37	179	448	147	16,18	1,00,69	58,89	32,39	41,41	28,52
TOTAL OF ORES . . . . . "	619	495	685	1,180	904	866	1,14,82	1,89,63	2,04,08	2,54,18	1,48,66	2,11,26
HIDES AND SKINS, RAW—												
Cow hides . . . . . Tons	} (a)	24	24	17	13	10	} (a)	3,70,78	2,78,59	1,22,76	87,42	68,32
Buffalo hides . . . . . "		8	5	4	2	2		1,11,07	46,72	29,68	12,33	9,48
Goat skins . . . . . "		21	21	19	19	19		4,39,66	5,79,19	3,07,27	2,50,71	3,07,78
Calf skins . . . . . "		1	1	..	..	..		22,63	16,51	4,57	2,36	1,40
Other kinds . . . . . "		8	2	..	..	..		44,07	24,38	30,82	25,85	21,81
TOTAL . . . . . "	78	57	58	62	39	35	10,31,60	9,88,21	9,45,49	5,04,10	3,84,67	4,08,85
WOOL, RAW . . . . . lb.												
Wool, raw . . . . . lb.	54,573	49,688	30,208	37,989	55,410	53,208	2,08,39	3,89,61	3,28,07	2,64,56	2,93,98	3,23,34
Manufactures—												
Carpets and rugs . . . . . "	1,775	1,254	2,283	11,061	8,945	8,273	23,16	19,09	77,98	1,02,47	81,56	73,72
Other sorts . . . . . "	—	—	—	—	—	—	2,84	2,12	2,80	5,34	4,71	7,28
TOTAL . . . . . "	—	—	—	—	—	—	2,94,39	4,10,82	4,08,91	3,72,37	3,84,95	4,04,34
TOBACCO—												
Unmanufactured . . . . . lb.	20,427	24,045	25,934	42,460	60,143	57,027	23,27	41,56	73,47	1,17,62	2,00,87	1,80,08
Cigars . . . . . "	1,535	1,260	480	38	34	55	13,01	11,28	8,09	61	68	81
Others . . . . . "	384	611	952	9,564	4,966	4,290	69	3,44	5,34	81,33	74,03	71,92
TOTAL . . . . . "	22,346	25,917	27,366	52,062	65,143	61,972	36,91	56,28	84,90	1,99,61	2,76,58	2,52,81
FRUITS AND VEGETABLES—												
Fresh . . . . . Tons	—	—	—	—	—	—	24,81	34,68	41,08	59,80	65,74	75,11
Dried, salted or preserved . . . . . "	11	10	10	23	31	29	21,82	22,57	28,21	1,48,39	1,01,12	1,01,83
TOTAL . . . . . "	—	—	—	—	—	—	46,63	57,25	69,29	2,08,19	2,26,86	2,36,94

(a) Detailed figures not available.  
\* See Note (2) on page 238.

No. 24—continued

	QUANTITY (IN THOUSANDS)						VALUE (IN THOUSANDS OF DOLLARS)					
	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
Oleakes . . . . . Tons	140	117	136	367	447	288	1,06,37	94,95	1,60,61	2,42,58	3,01,20	2,02,02
Coal and coke . . . . . Tons	825	523	484	1,020	1,841	2,000	75,77	48,40	57,24	98,97	1,30,25	1,09,35
Lac . . . . . Cwt.	434	345	416	665	644	755	2,20,16	2,57,06	8,41,80	1,62,18	1,26,66	1,88,57
Mica . . . . . "	49	50	60	204	162	217	35,87	57,45	79,56	1,48,40	1,14,12	1,72,57
<b>Oil—</b>												
Essential . . . . . Gal.	46	51	77	116	118	124	11,88	22,84	47,00	25,61	20,13	25,18
Mineral . . . . . "	13,172	24,639	23,408	87	142	58	18,93	24,72	2,35,24	61	1,02	42
<b>Vegetable—</b>												
Castor . . . . . "	1,114	1,564	390	1,684	1,103	1,254	15,22	28,22	10,39	24,66	17,08	23,67
Coconut . . . . . "	1,737	3,259	1,720	80	72	51	31,15	65,38	50,93	1,31	1,13	90
Others . . . . . "	1,176	2,045	1,405	3,293	4,030	5,018	19,72	40,00	34,64	48,84	64,01	87,30
<b>TOTAL . . . . . "</b>	<b>17,244</b>	<b>31,559</b>	<b>27,001</b>	<b>5,160</b>	<b>6,421</b>	<b>7,405</b>	<b>91,00</b>	<b>1,87,22</b>	<b>3,78,29</b>	<b>1,01,03</b>	<b>1,03,37</b>	<b>1,37,47</b>
Coir . . . . . Tons	36	23	32	37	35	44	80,25	54,03	1,02,01	1,04,44	96,61	1,28,24
<b>Spices—</b>												
Pepper . . . . . Cwt.	117	123	96	17	17	19	33,53	53,52	35,61	3,92	3,30	3,02
Chillies . . . . . "	124	126	151	155	129	208	20,43	27,23	42,20	30,76	20,99	43,39
Ginger . . . . . "	75	55	59	31	54	54	19,95	12,61	18,88	9,81	12,99	12,43
Others . . . . . "	9	11	12	168	167	177	6,97	9,99	16,31	48,99	41,20	46,19
<b>TOTAL . . . . . "</b>	<b>325</b>	<b>315</b>	<b>318</b>	<b>366</b>	<b>337</b>	<b>518</b>	<b>85,88</b>	<b>1,03,35</b>	<b>1,12,30</b>	<b>93,48</b>	<b>78,66</b>	<b>1,07,93</b>

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Rubber, raw . . . . . lb.	1,120	7,728	13,111	17,765	17,218	21,544	38,70	1,58,13	1,17,80	83,83	71,58	98,76
Hemp, raw . . . . . Cwt.	509	561	455	830	810	741	78,27	1,17,87	90,44	74,50	71,08	85,00
Coffee . . . . . #	255	216	226	185	185	108	1,37,52	1,18,00	1,46,90	54,69	75,11	73,15
Dyeing and tanning substances—												
Indigo . . . . . Cwt.	15	81	19	..	..	..	29,02	1,57,35	52,46	72	41	17
Myrobalans . . . . . "	1,809	1,058	1,331	1,430	1,221	1,209	59,78	68,51	68,49	44,35	40,01	45,50
Turmeric . . . . . "	92	78	53	73	73	120	11,08	12,31	11,38	10,06	10,18	16,03
Others . . . . . "	107	94	106	123	83	98	14,13	14,90	18,39	11,74	8,51	9,46
TOTAL . . . . . "	1,613	1,261	1,503	1,826	1,377	1,427	1,14,01	2,41,07	1,51,71	66,37	60,11	70,76
Provisions and oilman's stores—												
Ghl . . . . . Cwt.	47	40	41	45	44	55	29,48	33,25	41,23	28,76	27,81	32,37
Other sorts . . . . . "	—	—	—	—	—	—	16,15	27,02	24,34	34,61	31,51	38,37
TOTAL . . . . . "	—	—	—	—	—	—	45,63	60,27	65,57	63,27	59,32	70,74
Fish (excluding canned fish)—												
Dry, salted . . . . . Cwt.	185	166	148	121	120	142	20,97	24,61	28,14	23,01	20,00	23,12
Fishmaws and sharkfins . . . . . "	10	8	10	5	6	6	12,38	10,65	16,44	5,04	5,16	6,40
Others . . . . . "	54	65	75	213	210	209	5,27	7,40	12,22	41,03	43,23	41,10
TOTAL . . . . . "	240	239	233	330	336	357	38,62	42,60	56,80	69,08	69,29	69,71
Manures—												
Bones . . . . . Tons	95	39	90	69	40	52	65,41	28,96	94,61	51,97	28,70	30,64
Other kinds . . . . . "	22	18	28	20	13	19	13,76	24,30	40,47	16,90	10,52	17,27
TOTAL . . . . . "	117	57	118	89	53	71	79,17	53,26	1,35,08	68,86	37,22	47,91
Bristles . . . . . Cwt.	94(a)	4	3	5	5	7	16,20(a)	14,20	15,11	31,81	26,32	39,15
Drugs and medicines . . . . . "	—	—	—	—	—	—	19,24	30,07	36,16	27,51	27,83	33,19
Paraffin wax . . . . . Tons	12	22	26	12	9	8	54,99	97,62	1,10,06	51,34	36,25	32,08

(a) Includes figures for "Fibre for brushes and brooms".

\* See Note (2) on page 203.

No. 24—concluded

	QUANTITY (IN THOUSANDS)						VALUE (IN THOUSANDS OF RUPEES)					
	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
<b>Wood and timber—</b>												
Teakwood . . . . . C. Tons	50	29	55	2	2	2	77,64	55,01	93,72	3,68	7,93	3,90
Sandal wood . . . . .	—	—	—	—	—	—	13,73	9,09	8,10	10,09	6,54	9,30
Other kinds . . . . .	—	—	—	—	—	—	9,05	4,44	10,18	15,73	9,19	7,80
<b>TOTAL . . . . .</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,00,42</b>	<b>71,34</b>	<b>1,12,00</b>	<b>20,50</b>	<b>23,66</b>	<b>21,00</b>
<b>254</b>												
Saltpetre . . . . . Cwt.	305	446	273	163	135	195	34,09	79,85	45,13	10,84	10,80	17,13
Apparel . . . . .	—	—	—	—	—	—	15,44	10,67	20,81	16,12	12,62	14,59
Fibre for brushes and brooms . . . . . Tons	—	4	8	8	9	5	—	15,36	21,08	20,19	15,71	13,33
Cordage and rope . . . . . Cwt.	59	55	55	55	48	65	8,43	10,83	13,40	9,16	8,12	10,61
Sugar . . . . . Tons	11	8	16	93	59	17	13,01	21,01	53,34	39,73	24,18	7,06
Animals, living . . . . . No.	451	274	238	230	179	135	23,04	22,18	30,41	8,70	8,23	7,83
Silk, raw . . . . . lb.	1,711	1,017	1,325	450	363	423	42,73	39,08	37,88	3,11	2,38	4,44
„ manufactures . . . . .	—	—	—	—	—	—	7,09	5,87	4,09	3,63	1,88	3,28
<b>TOTAL . . . . .</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>49,82</b>	<b>45,55</b>	<b>41,97</b>	<b>6,74</b>	<b>4,26</b>	<b>7,72</b>
Fodder, bran and pollards . . . . . Tons	223	129	211	16	17	10	89,73	41,86	1,20,27	9,46	8,96	4,30
Tallow, stearine and wax . . . . . Cwt.	17	13	29	9	11	8	9,48	7,03	12,06	8,61	3,27	3,22
Horns, tips, etc. . . . .	89	80	70	00	82	21	21,00	7,26	11,87	4,09	2,36	1,48
Candies . . . . . lb.	5,059	3,014	6,052	6	2	4	17,10	23,34	20,09	3	2	2
Opium . . . . . Cwt.	51	14	9	—	—	—	9,98,17	2,17,35	2,33,05	1	1	2
Postal articles . . . . .	—	—	—	—	—	—	90,76	1,32,15	2,62,34	2,04,33	2,60,53	2,19,09
All other articles . . . . .	—	—	—	—	—	—	1,05,33	1,00,37	1,60,51	3,81,74	3,52,72	4,10,19
<b>TOTAL VALUE OF EXPORTS . . . . .</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>219,49,78</b>	<b>215,96,70</b>	<b>236,83,39</b>	<b>180,92,32</b>	<b>161,79,16</b>	<b>203,43,03</b>

\* See Note (2) on page 203.

No. 25.—QUANTITY AND VALUE OF THE PRINCIPAL ARTICLES RE-EXPORTED, ARRANGED IN THE ORDER OF THEIR IMPORTANCE

	QUANTITY (IN THOUSANDS)						VALUE (IN THOUSANDS OF RUPEES)					
	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
Hides and skins, raw . . . Tons	—	..	..	..	..	1	—	2.87	60.86	8,65.73	2,10.13	4,70.55
Wool, raw . . . . lb.	6,580	13,673	12,008	8,610	10,556	10,357	42.50	1,02.06	99.03	27.06	31.20	57.41
“ manufactures . . . .	—	—	—	—	—	—	4.16	8.37	57.63	11.04	12.39	12.88
TOTAL . . . . .	—	—	—	—	—	—	46.66	1,10.43	1,55.66	30.00	43.65	70.29
Sugar . . . . . Tons	27	32	55	2	..	24	52.95	1,12.57	3,16.23	3.93	10	65.46
Cotton, raw . . . . Tons	—	..	3	1	3	3	14	66	66.54	8.63	16.58	13.09
“ manufactures—												
{ Grey . . . . Yds.	4,763	22,043	42,979	6,316	9,048	6,675	8.40	79.27	1,95.39	12.36	15.43	10.91
{ White . . . .	9,371	14,672	9,709	3,002	2,678	2,327	17.14	46.68	40.58	7.09	5.92	5.58
{ Coloured . . . .	59,706	37,888	19,060	3,074	3,817	7,593	1,16.79	1,36.19	1,12.20	0.32	8.73	16.06
Twist and yarn . . . lb.	926	1,045	1,365	206	1,293	509	8.05	12.77	20.47	1.84	12.33	4.96
Other sorts . . . . .	—	—	—	—	—	—	7.13	18.19	21.00	2.46	2.34	2.51
TOTAL . . . . .	—	—	—	—	—	—	1,57.05	2,93.06	4,65.87	37.62	60.33	63.01
Vehicles . . . . .	—	—	—	—	—	—	7.72	3.49	18.92	40.00	45.28	49.20
Metals and ores— Iron or steel . . . . Tons	19	5	7	72	42	33	10.20	10.02	14.23	40.16	20.13	20.13
Others . . . . .	1	..	2	2	2	1	9.85	8.18	17.33	17.02	16.96	13.96
TOTAL . . . . .	20	5	9	74	44	34	20.05	18.20	31.56	58.08	37.14	33.40

\* See Note (2) on page 203.

No. 25—continued

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	QUANTITY (IN THOUSANDS)						VALUE (IN THOUSANDS OF DOLLARS)					
	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
Hardware . . . . .	—	—	—	—	—	—	19,89	11,83	27,08	24,18	24,45	20,26
Machinery and millwork . . . . .	—	—	—	—	—	—	5,08	4,89	16,42	18,37	17,06	17,36
<b>Silk—</b>												
Raw . . . . . lb.	47	49	79	15	16	27	1,23	2,00	4,98	60	35	84
Manufactures— Piecegoods . . . . . Yds.	770	907	823	1,072	1,218	1,135	6,37	11,07	14,98	12,55	9,38	7,97
Other sorts . . . . .	—	—	—	—	—	—	66	2,41	3,04	9,51	8,10	6,29
<b>TOTAL</b> . . . . .	—	—	—	—	—	—	8,26	16,08	23,00	22,66	17,83	15,10
Fruits and vegetables . . . . .	—	—	—	—	—	—	13,11	42,13	53,65	15,30	11,37	9,07
Apparel (excluding hosiery, boots, and shoes) . . . . .	—	—	—	—	—	—	15,80	13,89	48,22	7,73	9,38	5,90
Gums and resins . . . . . Cwt.	53	43	51	21	25	23	10,54	13,50	23,04	4,27	4,35	4,76
Haberdashery and millinery . . . . .	—	—	—	—	—	—	—	3,95	8,12	5,63	5,35	3,80
Rubber manufactures . . . . .	—	—	—	—	—	—	1,12	90	3,81	5,29	3,39	3,24
Fatal articles . . . . .	—	—	—	—	—	—	16,24	23,85	45,16	1,62	1,57	1,53
All other articles . . . . .	—	—	—	—	—	—	92,12	1,41,75	2,76,45	1,68,82	1,41,08	1,71,24
<b>TOTAL VALUE OF RE-EXPORTS</b> . . . . .	—	—	—	—	—	—	4,01,88	8,14,38	15,04,74	8,23,13	6,42,36	6,64,41

\* See Note (2) on page 203.

**No. 26.—PERCENTAGE OF EXPORTS OF CERTAIN PRINCIPAL CROPS TO TOTAL PRODUCTION.**

	Pre-war average*	War average*	Post-war average*	1938-39	1939-40
Rice . . . . .	9	5	5	1.2	1.1
Wheat . . . . .	14	9	8	2.8	0.1
Tea . . . . .	96	80	95	77.0	78.0
Cotton, raw . . . . .	56	51	61	63.2	69.0
Jute, raw . . . . .	51	31	48	56.7	33.0
Linseed . . . . .	73	63	50	72.0	46.9
Rape and Mustard . . . . .	23	8	10	1.8	2.2
Sesamum . . . . .	25	8	6	1.9	0.8
Groundnuts . . . . .	35	12	10	25.0	18.3

**No. 27.—EXPORTS OF RAW COTTON.**

(In thousands of bales of 400 lbs.)

COUNTRIES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
United Kingdom . . . . .	122	212	152	305	411	478
Other parts of the British Empire . . . . .	30	21	18	28	23	26
<b>Total British Empire . . . . .</b>	<b>152</b>	<b>233</b>	<b>165</b>	<b>418</b>	<b>434</b>	<b>499</b>
Japan . . . . .	1,012	1,373	1,540	1,850	1,211	1,056
Italy . . . . .	233	249	268	151	92	52
France . . . . .	109	69	91	95	109	229
China (exclusive of Hongkong, etc.) . . . . .	31	48	289	60	193	981
Belgium . . . . .	277	44	217	196	142	68
Spain . . . . .	50	41	61	..	2	15
Germany . . . . .	351	69	198	106	192	52
Austria (a) . . . . .	187	33	32	..	..	..
Other countries . . . . .	25	31	61	277	208	296
<b>Total Foreign Countries . . . . .</b>	<b>2,255</b>	<b>1,957</b>	<b>2,752</b>	<b>2,313</b>	<b>2,269</b>	<b>2,449</b>
<b>TOTAL . . . . .</b>	<b>2,407</b>	<b>2,190</b>	<b>2,917</b>	<b>2,731</b>	<b>2,703</b>	<b>2,948</b>

(a) Figures prior to 1921-22 relate to Austria-Hungary.

**No. 28.—EXPORTS OF COTTON TWIST AND YARN.**

(In thousands of lbs.)

COUNTRIES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
Burma . . . . .	—	—	—	8,870	12,448	15,237
China . . . . .	169,958	110,284	62,751	248	683	349
Egypt . . . . .	2,188	6,458	4,720	1,189	289	562
Straits Settlements . . . . .	4,411	4,111	2,727	3,700	5,538	3,190
Iran . . . . .	2,030	2,677	2,725	14	1	2
Thailand . . . . .	395	623	1,183	1,004	1,006	268
United Kingdom . . . . .	683	1,240	474	1,030	182	2,660
Arabia other than Maskat . . . . .	144	1,061	71	210	241	232
Other countries . . . . .	13,135	8,325	7,515	23,168	17,377	14,343
<b>TOTAL (ALL COUNTRIES) . . . . .</b>	<b>192,844</b>	<b>129,085</b>	<b>82,166</b>	<b>40,124</b>	<b>37,900</b>	<b>86,948</b>

\* See Note (2) on page 203.



## No. 29.—EXPORTS OF COTTON TWIST AND YARN BY COUNTS.

(In thousands of lbs.)

ARTICLES	Pre-war average for two years 1912-13 and 1913-14	War average*	Post-war average*	1937-38	1938-39	1939-40
Nos. 1 to 20 . . . . .	100,430	124,097	70,310	31,023	27,628	27,450
" 21 to 40 . . . . .	4,384	4,274	2,395	5,820	7,639	6,076
Above No. 40 . . . . .	2	170	170	678	800	400
Two-folds (doubles) . . . . .	..	..	6,782	424	305	73
Unspecified descriptions . . . . .	125	514	2,500	1,231	1,579	2,035
<b>TOTAL</b> . . . . .	<b>200,070</b>	<b>129,085</b>	<b>82,100</b>	<b>40,124</b>	<b>37,080</b>	<b>36,043</b>

\* See Note (2) on page 203.

## No. 30.—EXPORTS OF INDIAN GREY AND COLOURED COTTON PIECEGOODS.

### (a) GREY (UNBLEACHED).

(In thousands of yard-)

COUNTRIES	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
Burma . . . . .	—	—	—	40,514	45,404	52,094
Iran . . . . .	4,009	9,826	3,117	..	..	..
Iraq* . . . . .	9,683	9,537	8,513	500	145	211
Straits Settlements . . . . .	667	1,008	933	2,033	3,520	3,823
Aden and Dependencies . . . . .	7,636	21,824	6,235	228	294	453
Kenya Colony and Zanzibar and Pemba . . . . .	4,158	8,026	7,292	619	738	432
Ceylon . . . . .	175	533	301	130	316	509
Portuguese East Africa . . . . .	4,914	5,266	4,457	1,969	1,349	3,597
Other countries . . . . .	16,172	17,052	11,687	34,060	16,880	17,875
<b>TOTAL (ALL COUNTRIES)</b> . . . . .	<b>47,414</b>	<b>74,576</b>	<b>42,515</b>	<b>90,342</b>	<b>68,609</b>	<b>79,894</b>

### (b) COLOURED, PRINTED OR DYED.

Burma . . . . .	—	—	—	39,254	37,871	53,909
Iran . . . . .	3,259	21,421	24,321	6,544	1,520	24
Iraq* . . . . .	2,757	12,188	29,486	4,067	3,630	2,257
Straits Settlements . . . . .	13,244	16,310	20,150	14,396	11,188	16,308
Aden and Dependencies . . . . .	2,534	3,147	4,346	2,290	2,067	1,386
Kenya Colony and Zanzibar and Pemba . . . . .	1,206	2,503	3,850	2,827	2,184	2,771
Ceylon . . . . .	9,320	9,618	16,400	26,538	18,325	21,871
Portuguese East Africa . . . . .	669	618	1,978	2,478	2,201	3,153
Other countries . . . . .	9,355	14,563	20,703	38,070	19,222	26,337
<b>TOTAL (ALL COUNTRIES)</b> . . . . .	<b>42,284</b>	<b>80,377</b>	<b>121,243</b>	<b>135,212</b>	<b>98,200</b>	<b>128,017</b>

\* Figures prior to 1921-22 relate to Turkey, Asiatic.  
(a) See Note (2) on page 203.

## No. 31.—EXPORTS OF RAW JUTE.

(In thousands of bales) -

COUNTRIES	Pre-war average (c)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
United Kingdom	1,601	1,295	952	811	1,012	1,084
Other parts of the British Empire	4	8	5	45	10	32
Total British Empire	1,095	1,303	957	856	1,031	1,116
United States of America	535	523	483	555	174	284
France	428	198	357	385	426	478
Italy	218	215	180	400	258	155
Brazil	15	60	70	143	158	103
Japan	17	30	60	84	83	76
Belgium	..	1	174	306	285	185
Spain	122	172	152	26	63	90
Germany	920	34	586	801	739	197
Austria	} 250	13	2	} 14	7	..
Hungary	} ..	..	..	} 16	9	..
Other countries	86	44	92	610	655	407
Total Foreign Countries	2,586	1,296	2,145	3,329	2,835	2,065
<b>TOTAL</b>	<b>4,281</b>	<b>2,599</b>	<b>3,102</b>	<b>4,185</b>	<b>3,866</b>	<b>3,181</b>

## No. 32.—EXPORTS OF JUTE GUNNY BAGS AND CLOTH\*.

### BAGS—HESSIAN.

(In lakhs of bags)

COUNTRIES	Average of 3 war years 1916-17 to 1918-19	Post-war average (a)	1937-38	1938-39	1939-40
United Kingdom	2,523	113	383	586	6,015
Australia	77	169	79	110	39
United States of America	323	314	178	100	58
Argentine Republic	84	16	3	3	..
Other countries	1,120	370	685	636	745
<b>TOTAL (ALL COUNTRIES)</b>	<b>4,127</b>	<b>981</b>	<b>1,328</b>	<b>1,435</b>	<b>7,456</b>

### BAGS—SACKING.

(In lakhs of bags)

COUNTRIES	Average of 3 war years 1916-17 to 1918-19	Post-war average (a)	1937-38	1938-39	1939-40
United Kingdom	102	305	234	167	237
Australia	933	470	560	547	667
Japan	134	166	46	20	6
French Indo-China	189	148	238	227	257
Java	213	305	342	232	301
United States of America	92	51	11	9	66
Chile	467	249	75	85	77
Peru	51	89	77	73	83
Cuba	210	235	199	189	197
Other countries	941	1,174	2,983	3,000	2,754
<b>TOTAL (ALL COUNTRIES)</b>	<b>3,029</b>	<b>3,062</b>	<b>4,795</b>	<b>4,549</b>	<b>4,645</b>

\* Gunny bags and cloth have been split in the Sea-borne Trade returns into Hessian and Sacking from the 1st April, 1916, and the war averages relate to the 3 years beginning from 1916-17.  
(a) See Note (2) on page 203.

No. 32.—EXPORTS OF JUTE GUNNY BAGS AND CLOTH—*contd.*

CLOTH—HESSIAN.

(In lakhs of yards)

COUNTRIES	Average of 3 war years 1916-17 to 1918-19	Post-war average*	1937-38	1938-39	1939-40
United Kingdom . . . . .	1,287	628	1,490	1,643	2,500
Canada . . . . .	501	508	1,016	884	1,337
Australia . . . . .	177	128	280	298	300
United States of America . . . . .	7,057	8,810	6,527	8,307	7,626
Argentine Republic . . . . .	1,134	1,750	2,303	2,632	2,065
Uruguay . . . . .	42	85	208	56	132
Other countries . . . . .	1,209	398	1,171	967	1,096
<b>TOTAL (ALL COUNTRIES)</b>	<b>11,467</b>	<b>12,808</b>	<b>15,095</b>	<b>15,072</b>	<b>16,140</b>

CLOTH—SACKING.

(In lakhs of yards)

COUNTRIES	Average of 3 war years 1916-17 to 1918-19	Post-war average*	1937-38	1938-39	1939-40
United Kingdom . . . . .	103	113	89	70	97
Australia . . . . .	74	52	28	17	22
United States of America . . . . .	29	128	13	16	18
Argentine Republic . . . . .	42	56	67	77	104
Other countries . . . . .	55	46	239	245	218
<b>TOTAL (ALL COUNTRIES)</b>	<b>303</b>	<b>395</b>	<b>436</b>	<b>425</b>	<b>459</b>

No. 33.—EXPORTS OF JUTE GUNNY BAGS AND CLOTH.

COUNTRIES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
	No. (lakhs)	No. (lakhs)	No. (lakhs)	No. (lakhs)	No. (lakhs)	No. (lakhs)
<b>BAGS</b>						
United Kingdom . . . . .	305	2,265	418	617	753	6,852
Europe ( <i>excepting</i> United Kingdom) . . . . .	206	688	209	351	365	211
Egypt . . . . .	119	355	102	172	220	238
South Africa ( <i>including</i> Rhodesia) . . . . .	110	243	177	304	282	385
East Africa ( <i>including</i> Mauritius) . . . . .	90	90	112	370	307	367
Australia and New Zealand . . . . .	628	787	720	809	788	871
Java . . . . .	130	206	205	346	284	303
Japan . . . . .	35	118	150	51	28	6
Far East ( <i>excepting</i> Java and Japan) . . . . .	393	436	584	1,567	1,919	1,591
South America . . . . .	431	632	335	214	218	188
Central America and West Indies . . . . .	130	220	208	358	320	335
Other countries . . . . .	798	747	607	914	550	705
<b>TOTAL (ALL COUNTRIES)</b>	<b>3,391</b>	<b>6,670</b>	<b>4,043</b>	<b>6,128</b>	<b>5,984</b>	<b>12,102</b>
<b>CLOTH</b>						
	Yds. (lakhs)	Yds. (lakhs)	Yds. (lakhs)	Yds. (lakhs)	Yds. (lakhs)	Yds. (lakhs)
United Kingdom . . . . .	423	1,333	741	1,570	1,713	2,597
Canada . . . . .	333	534	508	1,019	887	1,341
Australia . . . . .	209	253	175	308	310	412
United States of America . . . . .	6,639	6,085	8,038	9,540	8,413	7,045
Argentine Republic . . . . .	1,727	1,440	1,813	2,370	2,909	2,169
Other countries . . . . .	569	1,010	523	1,615	1,265	1,411
<b>TOTAL (ALL COUNTRIES)</b>	<b>9,700</b>	<b>11,561</b>	<b>12,708</b>	<b>16,431</b>	<b>15,497</b>	<b>15,605</b>

\* See Note (2) on page 203.

## No. 34.—EXPORTS OF INDIAN TEA.

(In thousands of lbs.)

COUNTRIES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
<b>BRITISH EMPIRE</b>						
United Kingdom . . . . .	194,461	252,338	279,777	287,089	303,781	286,981
Burma . . . . .	—	—	—	7,657	1,088	2,744
Canada . . . . .	10,195	10,663	10,165	15,369	15,471	27,144
Australia . . . . .	8,978	8,253	5,758	886	1,344	3,875
Ceylon . . . . .	4,162	3,403	3,107	3,368	3,033	6,992
Egypt (e) . . . . .	1,200	1,918	2,072	—	—	—
Iraq (a) . . . . .	—	—	2,382	—	—	—
Cape of Good Hope . . . . .	116	1,131	806	—	—	—
Other British Possessions . . . . .	2,023	2,906	2,526	5,052	4,935	5,896
<b>Total British Empire</b>	<b>221,169</b>	<b>279,912</b>	<b>306,593</b>	<b>320,021</b>	<b>331,402</b>	<b>333,432</b>
<b>Foreign Countries</b>						
Iraq (a) . . . . .	—	—	—	42	199	207
Egypt (e) . . . . .	—	—	—	66	356	519
United States of America . . . . .	29,614	18,390	4	647	75	35
United States of America . . . . .	2,439	6,346	5,587	6,295	8,096	13,414
China (exclusive of Hongkong, etc.) . . . . .	7,899	6,230	23	..	1	..
Turkey, Asiatic (b) . . . . .	3,324	3,000	2,018	485	223	223
Iran . . . . .	347	4,406	2,115	4,449	5,111	6,136
Chile . . . . .	41	1,733	1,490	8	8	21
Other countries . . . . .	1,661	2,674	3,339	2,212	2,579	2,708
<b>Total Foreign Countries</b>	<b>45,328</b>	<b>42,779</b>	<b>14,576</b>	<b>14,294</b>	<b>16,648</b>	<b>23,263</b>
<b>TOTAL</b>	<b>266,497</b>	<b>322,691</b>	<b>321,169</b>	<b>334,225</b>	<b>348,050</b>	<b>356,695</b>

## No. 35.—EXPORTS OF SEEDS.

### LINSEED.

(In hundreds of tons)

COUNTRIES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
United Kingdom . . . . .	139.5	293.5	141.9	174.6	270.5	172.5
France . . . . .	76.8	25.3	42.9	6.3	8.3	2.4
Italy . . . . .	26.6	19.6	16.1	1.2	9	4
Belgium . . . . .	67.8	4.9	23.1	2.0	7	..
Germany . . . . .	33.5	2.0	3.2	7.4	10.1	6.0
Australia . . . . .	1.6	11.1	11.4	22.1	21.0	30.5
Other countries . . . . .	42.2	7.0	12.9	12.9	6.3	7.4
<b>TOTAL</b>	<b>379.0</b>	<b>276.4</b>	<b>251.5</b>	<b>226.5</b>	<b>318.3</b>	<b>210.2</b>

### RAPE.

United Kingdom . . . . .	25.3	50.5	46.7	16.1	2.7	15.6
France . . . . .	63.5	19.6	17.0	3.2	3.6	3.5
Italy . . . . .	7.1	6.0	20.0	5.5	5	..
Belgium . . . . .	93.6	5.4	50.5	3.1	1.3	..
Germany . . . . .	68.2	1.6	38.4	3	3	..
Other countries . . . . .	10.0	7.6	21.2	3.7	3.3	2.6
<b>TOTAL</b>	<b>272.7</b>	<b>90.7</b>	<b>205.8</b>	<b>31.9</b>	<b>11.7</b>	<b>21.7</b>

(a) Shown as a foreign country from 1927-28.

(b) Figures prior to 1921-22 include Iraq.

(c) Shown as a foreign country from 1923-24.

\* See Note (2) on page 203.

No. 35.—EXPORTS OF SEEDS—*contd.*

SESAMUM (TIL OR JINJILI).

(In hundreds of tons)

COUNTRIES	Pro-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
France . . . . .	43.1	15.7	7.6	..	4	..
Italy . . . . .	13.0	4.1	8.7	3	0	..
Belgium . . . . .	26.2	1.1	2.1	..	..	..
Austria (a) . . . . .	20.2	8	8	..	..	..
Other countries . . . . .	16.8	10.0	8.4	0.8	0.7	3.5
<b>TOTAL</b> . . . . .	<b>119.3</b>	<b>32.0</b>	<b>27.6</b>	<b>10.1</b>	<b>7.7</b>	<b>3.5</b>

GROUNDNUT.

France . . . . .	160.1	87.5	126.8	72.8	140.8	99.4
United Kingdom . . . . .	1.0	8.3	13.8	01.6	96.4	108.2
Belgium . . . . .	15.3	6	14.0	43.7	65.8	47.2
Italy . . . . .	7	2.0	14.0	111.8	31.0	19.5
Germany . . . . .	7.4	8	12.2	108.0	115.2	63.0
Netherlands . . . . .	1	..	7.3	146.4	231.7	126.0
Other countries . . . . .	17.3	19.8	7.0	42.8	144.0	95.3
<b>TOTAL</b> . . . . .	<b>211.8</b>	<b>118.7</b>	<b>195.2</b>	<b>610.4</b>	<b>835.1</b>	<b>648.6</b>

COTTON.

United Kingdom . . . . .	238.2	66.6	152.1	3.6	..	..
Other countries . . . . .	6.8	2.6	2.7	1.4	5	1.8
<b>TOTAL</b> . . . . .	<b>245.0</b>	<b>69.2</b>	<b>154.8</b>	<b>5.0</b>	<b>5</b>	<b>1.8</b>

CASTOR.

United Kingdom . . . . .	53.0	47.1	10.5	12.7	1.4	12.0
United States of America . . . . .	11.8	14.7	13.8	..	..	13.3
Belgium . . . . .	13.7	1.1	4.1	1.2	..	5
France . . . . .	15.7	14.8	8.8	4.9	2	2.0
Italy . . . . .	11.0	7.1	4.3	0.8	..	7
Other countries . . . . .	7.5	4.0	1.8	10.5	0.0	11.0
<b>TOTAL</b> . . . . .	<b>113.6</b>	<b>88.8</b>	<b>48.3</b>	<b>42.1</b>	<b>7.0</b>	<b>40.4</b>

No. 36.—SHARES OF PRINCIPAL COUNTRIES IN THE TOTAL VALUE OF EXPORTS OF SEEDS.

(In thousands of Rupees)

COUNTRIES	Pro-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
United Kingdom . . . . .	5,67.83	6,34.83	8,28.61	4,58.36	4,98.76	4,41.30
Other parts of the British Empire . . . . .	35.20	69.05	72.27	99.23	99.05	1,47.55
France . . . . .	7,11.59	3,24.57	6,21.53	1,27.03	1,98.80	1,45.71
Belgium . . . . .	4,44.19	25.99	2,87.03	69.16	81.09	66.03
Italy . . . . .	1,12.87	64.84	1,94.33	1,88.86	43.76	27.90
Germany . . . . .	3,45.51	17,57.7	1,46.30	1,70.19	1,50.72	76.85
Netherlands . . . . .	20.61	2.74	70.71	2,21.06	2,85.64	1,63.10
Other Foreign Countries . . . . .	1,90.14	77.23	1,23.86	83.57	1,50.10	1,22.08
<b>TOTAL</b> . . . . .	<b>24,36.97</b>	<b>12,17.42</b>	<b>23,53.64</b>	<b>14,18.66</b>	<b>15,09.22</b>	<b>11,89.68</b>

(a) Figures prior to 1921-22 relate to Austria-Hungary.  
\* See Note (2) on page 203.

## No. 37.—EXPORTS OF WHEAT.

(In thousands of tons)

COUNTRIES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
<b>BRITISH EMPIRE—</b>						
United Kingdom . . . . .	985	340	102	290	200	..
Burma . . . . .	—	—	—	5	5	3
Egypt (a) . . . . .	4	268	0	—	—	—
Other parts of the British Empire . . . . .	3	22	2	2	2	3
<b>Total British Empire</b>	<b>992</b>	<b>630</b>	<b>173</b>	<b>297</b>	<b>213</b>	<b>6</b>
<b>FOREIGN COUNTRIES—</b>						
France . . . . .	106	84	18	..	..	..
Italy . . . . .	34	62	11	..	8	..
Belgium . . . . .	138	0	16	14	7	..
Germany . . . . .	10	..	8	148	43	..
Egypt (a) . . . . .	—	—	—	..	1	..
Other Foreign Countries . . . . .	22	25	11	1	2	2
<b>Total Foreign Countries</b>	<b>316</b>	<b>177</b>	<b>64</b>	<b>163</b>	<b>66</b>	<b>2</b>
<b>TOTAL (ALL COUNTRIES)</b>	<b>1,308</b>	<b>807</b>	<b>237</b>	<b>460</b>	<b>279</b>	<b>8</b>

## No. 38.—EXPORTS OF RICE NOT IN THE HUSK.

(In thousands of tons)

COUNTRIES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
<b>BRITISH EMPIRE—</b>						
United Kingdom . . . . .	159	325	96	6	6	7
Ceylon . . . . .	325	328	311	91	105	91
Hongkong . . . . .	13	3	50	..	..	..
Straits Settlements . . . . .	308	261	170	8	11	9
Mauritius . . . . .	36	50	60	20	40	31
Egypt (a) . . . . .	54	17	36	—	—	—
Other parts of the British Empire . . . . .	129	110	122	57	63	67
<b>Total British Empire</b>	<b>1,044</b>	<b>1,094</b>	<b>835</b>	<b>132</b>	<b>225</b>	<b>205</b>
<b>FOREIGN COUNTRIES—</b>						
China (exclusive of Hongkong, etc.) . . . . .	13	6	68	..	..	..
Germany . . . . .	345	23	207	..	..	..
Egypt (a) . . . . .	—	—	—	..	..	..
Japan . . . . .	123	52	52	..	..	..
Netherlands . . . . .	240	24	31	6	3	1
Turkey, Asiatic . . . . .	61	31	1	..	..	..
Arabia . . . . .	25	38	47	30	43	45
Java . . . . .	168	82	75	..	..	..
Sumatra . . . . .	10	33	33	..	..	..
Other Foreign Countries . . . . .	369	302	118	9	11	11
<b>Total Foreign Countries</b>	<b>1,354</b>	<b>591</b>	<b>627</b>	<b>45</b>	<b>57</b>	<b>57</b>
<b>TOTAL</b>	<b>2,398</b>	<b>1,685</b>	<b>1,462</b>	<b>227</b>	<b>282</b>	<b>262</b>

(a) Shown as a Foreign country from 1923-24.

\* See Note (2) on page 208.

## No. 39.—EXPORTS OF HIDES AND SKINS.

(In thousands of Rupees)

COUNTRIES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
<b>Raw hides—</b>						
United Kingdom . . . . .	30,57	1,09,41	59,96	21,49	9,17	26,01
United States of America . . . . .	68,73	1,65,15	85,53	6,08	2,82	9,01
Italy . . . . .	83,85	1,44,09	52,25	7,08	9,88	6,09
Spain . . . . .	46,85	20,04	26,23	..	..	..
France . . . . .	8,27	9,06	5,19	4,41	1,87	1,63
Belgium . . . . .	7,07	93	3,61	1,00	1,80	1,02
Germany . . . . .	2,43,48	24,99	75,37	36,53	27,63	5,87
Netherlands . . . . .	16,54	96	3,73	8,84	3,08	1,72
Austria . . . . .	} 1,29,77	} 9,95	} 44	14	4	..
Hungary . . . . .			} ..	12	52	1,33
Other countries . . . . .	22,96	18,51	29,67	70,72	45,02	26,10
British Empire . . . . .	34,15	1,16,46	68,41	22,71	9,54	26,36
Foreign Countries . . . . .	6,22,97	3,88,14	2,73,57	1,34,30	92,89	62,92
TOTAL . . . . .	6,57,12	5,04,60	3,41,98	1,57,01	1,02,43	79,28
<b>Raw skins—</b>						
United States of America . . . . .	2,79,90	3,93,36	4,79,94	1,60,78	1,48,56	1,96,15
United Kingdom . . . . .	25,75	38,91	50,41	1,01,67	51,69	74,29
France . . . . .	25,41	21,90	28,45	15,07	20,59	20,56
Other countries . . . . .	41,93	28,17	42,39	59,18	57,80	35,65
British Empire . . . . .	32,04	57,54	68,73	1,22,07	69,48	93,16
Foreign Countries . . . . .	3,40,95	4,24,80	5,32,97	2,14,08	2,09,22	2,33,49
TOTAL . . . . .	3,72,99	4,82,34	6,01,70	3,34,70	2,78,70	3,26,65

\* See Note (2) on page 203.

## No. 39.—EXPORTS OF HIDES AND SKINS—*contd.*

(In thousands of Rupees)

COUNTRIES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
<b>Dressed and tanned hides—</b>						
United Kingdom . . . . .	1,52,48	4,37,88	2,90,56	3,08,38	2,17,07	4,12,82
Other countries . . . . .	4,19	1,80	28,80	12,40	9,78	3,88
<b>Total British Empire . . . . .</b>	<b>1,53,44</b>	<b>4,38,93</b>	<b>3,02,82</b>	<b>3,10,05</b>	<b>2,20,19</b>	<b>4,18,70</b>
„ Foreign Countries . . . . .	3,23	81	16,54	10,38	7,21	15,18
<b>GRAND TOTAL . . . . .</b>	<b>1,56,07</b>	<b>4,39,74</b>	<b>3,19,36</b>	<b>3,20,73</b>	<b>2,27,40</b>	<b>4,31,88</b>
<b>Dressed and tanned skins—</b>						
United Kingdom . . . . .	2,15,45	1,98,57	2,13,83	2,90,71	2,27,79	2,50,15
United States of America . . . . .	29,19	58,82	24,74	1,88	2,05	6,87
Japan . . . . .	12,79	11,82	36,21	17,85	5,02	55
Other countries . . . . .	13,35	5,94	17,81	14,19	12,69	8,56
<b>Total British Empire . . . . .</b>	<b>2,21,15</b>	<b>2,02,35</b>	<b>2,25,82</b>	<b>2,96,20</b>	<b>2,32,81</b>	<b>2,56,34</b>
„ Foreign Countries . . . . .	49,63	72,60	60,77	28,43	15,34	9,79
<b>GRAND TOTAL . . . . .</b>	<b>2,70,78</b>	<b>2,74,95</b>	<b>2,92,59</b>	<b>3,24,63</b>	<b>2,48,15</b>	<b>2,66,13</b>

## No. 40.—EXPORTS OF MANGANESE ORE.

(In thousands of tons)

COUNTRIES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
United Kingdom . . . . .	193	336	245	234	116	267
Germany . . . . .	7	3	5	17	2	..
Netherlands . . . . .	19	..	15	5	..	..
Belgium . . . . .	150	15	194	85	10	30
Franco . . . . .	97	47	108	189	87	50
Italy . . . . .	8	12	12	43	48	3
Japan . . . . .	4	12	2	187	110	194
United States of America . . . . .	132	48	66	169	67	141
Other countries . . . . .	2	1	1	22	17	34
<b>TOTAL . . . . .</b>	<b>807</b>	<b>474</b>	<b>648</b>	<b>1,001</b>	<b>450</b>	<b>719</b>

\* See Note (2) on page 203.



No. 41.—EXPORTS OF LAC.

(In cwts.)

COUNTRIES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
<b>Shellec—</b>						
United Kingdom . . . . .	70,423	65,023	75,618	104,977	120,887	43,580
United States of America . . . . .	164,331	190,537	233,516	140,912	127,516	264,032
Germany . . . . .	60,658	4,051	11,076	49,845	34,343	15,832
France . . . . .	18,387	9,372	8,310	9,735	9,333	8,470
Japan . . . . .	3,552	11,859	10,302	36,982	25,068	15,271
Canada . . . . .	37	691	2,112	4,914	4,313	6,462
Australia . . . . .	1,763	2,608	2,375	3,991	3,775	6,527
Other countries . . . . .	28,290	17,130	12,038	57,870	59,040	69,148
<b>TOTAL</b>	<b>356,341</b>	<b>300,671</b>	<b>355,937</b>	<b>409,226</b>	<b>384,182</b>	<b>430,231</b>
<b>Button lac—</b>						
United Kingdom . . . . .	20,181	6,020	8,832	12,613	11,963	11,567
United States of America . . . . .	2,080	1,342	3,062	3,023	1,410	4,345
Other countries . . . . .	11,986	2,134	2,192	8,340	6,020	8,011
<b>TOTAL</b>	<b>34,756</b>	<b>9,505</b>	<b>14,086</b>	<b>24,012</b>	<b>20,002</b>	<b>23,923</b>
Seed lac (Total exports) . . . . .	9,748	15,666	5,765	187,484	206,051	267,005
Stick lac (Total exports) . . . . .	5,375	2,723	1,560	508	2,885	1,173
Other kinds (Total exports) . . . . .	28,131	16,811	38,902	43,441	30,728	32,132
<b>TOTAL (ALL KINDS)</b>	<b>434,351</b>	<b>345,376</b>	<b>416,251</b>	<b>664,671</b>	<b>643,848</b>	<b>755,064</b>

\* See Note (2) on page 203.

No. 42.—PRODUCTION, MILL CONSUMPTION AND EXPORTS OF RAW JUTE.

(In lakhs of bales)

Season July—June	Production	Mill consumption* July—June	Exports July—June
1930-31 . . . . .	112	46	34
1931-32 . . . . .	55	43	31
1932-33 . . . . .	71	44	35
1933-34 . . . . .	80	43	43
1934-35 . . . . .	85	46	44
1935-36 . . . . .	72	50	41
1936-37 . . . . .	90	61	40
1937-38 . . . . .	87	67	37
1938-39 . . . . .	63	62	39
1939-40 . . . . .	96	71	30

\* Represent figures for Association mills only.

No. 43.—PRODUCTION, IMPORTS, MILL AND OTHER CONSUMPTION, EXPORTS AND RE-EXPORTS OF RAW COTTON.

(In lakhs of bales)

Season sept. to Aug.—	Production	Imports	Mill consumption†	Estimated other consumption	Exports	Re-exports
	(a)	(b)	(c)	(a)	(b)	(b)
1929-30 . . . . .	52	1.6	24	7.5	39	..
1930-31 . . . . .	52	4.7	23	7.6	37	..
1931-32 . . . . .	40	5.5	23	7.5	16	..
1932-33 . . . . .	46	2.5	24	7.5	29	..
1933-34 . . . . .	51	2.4	23	7.5	34	..
1934-35 . . . . .	48	4.6	16	7.5	31	..
1935-36 . . . . .	59	3.1	27	4.5*	37	..
1936-37 . . . . .	62	5.0	26	4.5*	43	..
1937-38 . . . . .	57	7.9	30	4.5*	21	..
1938-39 . . . . .	51	4.1	31	4.5*	33	..

\* Estimate, as arrived at by the I. C. C. Committee, Bombay, on the basis of the results of enquiries conducted in selected areas.

† Represents figures compiled by the Indian Central Cotton Committee, Bombay.

(a) Prior to 1935-36 figures are inclusive of Burma.

(b) Prior to 1st April, 1935, figures are inclusive of Burma.

(c) Prior to 1st April, 1937, figures are inclusive of Burma.

No. 44.—PRODUCTION IN THE INDIAN MILLS OF COTTON-TWIST AND YARN BY COUNTS.

(In thousands of lbs.)

ARTICLES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40	Percentage of total in 1939-40
Nos. 1 to 20 . . . . .	478,538	466,952	447,157	609,083	688,030	668,537	54.2
" 21 to 30 . . . . .	146,363	174,069	195,368	302,870	341,310	310,807	25.2
" 31 to 40 . . . . .	18,699	20,987	16,920	152,455	167,746	157,130	12.7
Above No. 40 . . . . .	2,855	3,834	2,600	85,113	91,613	81,755	6.6
Waste . . . . .	502	333	375	11,195	14,547	15,453	1.3
<b>TOTAL</b> . . . . .	<b>646,757</b>	<b>666,227</b>	<b>662,510</b>	<b>1,169,716</b>	<b>1,303,246</b>	<b>1,233,687</b>	<b>100</b>

\* See Note (2) on page 203.

No. 45.—PRODUCTION IN THE INDIAN MILLS OF COTTON PIECEGOODS.

(In thousands of yards)

ARTICLES	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
Grey and bleached piecegoods . . . . .	854,141	1,065,855	1,209,084	3,190,647	3,337,129	3,066,318
Coloured piecegoods . . . . .	251,353	378,187	466,182	893,629	932,140	926,211
<b>TOTAL</b> . . . . .	<b>1,105,494</b>	<b>1,444,042</b>	<b>1,675,866</b>	<b>4,034,276</b>	<b>4,269,269</b>	<b>4,012,529</b>

\* See Note (2) on page 203.

No. 46.—TABLES ILLUSTRATING COMPETITION EXPERIENCED BY INDIAN PRODUCTS IN CERTAIN FOREIGN MARKETS.

*Imports of Linseed into the United Kingdom, France, Italy and Australia.*

(In thousand quintals)

	1913	1914	1935	1936	1937	1938	1939
<b>UNITED KINGDOM.</b>							
Total . . . . .	6,550	4,950	2,610	2,771	2,908	2,808	} (a)
Argentina . . . . .	2,250	2,090	1,990	475	928	451	
India . . . . .	1,360	2,390	595	2,251	1,955	2,326	
India's percentage . . . . .	21	48	23	81	67	83	
<b>FRANCE.</b>							
Total . . . . .	2,514	1,337	2,533	2,825	2,740	2,032	} (a)
Argentina . . . . .	1,143	546	2,326	2,520	2,473	1,775	
India . . . . .	1,026	617	56	117	81	64	
India's percentage . . . . .	41	46	2	4	3	3	
<b>ITALY.</b>							
Total . . . . .	454	324	} (a) {	542	811	526	} (a)
Argentina . . . . .	133	11		426	764	509	
India . . . . .	261	282		28	11	2	
India's percentage . . . . .	57	87		5	1	..	
<b>AUSTRALIA.*</b>							
Total . . . . .	35	46	361	345	296	323	} (a)
Argentina . . . . .	..	..	68	56	56	56	
India . . . . .	27	38	85	195	218	258	
India's percentage . . . . .	77	82	24	57	74	80	

*Imports of Rapeseed into the United Kingdom, Belgium, Italy and France.*

(In thousand quintals)

	1913	1914	1935	1936	1937	1938	1939
<b>UNITED KINGDOM.</b>							
Total . . . . .	530	620	309	233	239	215	} (a)
India . . . . .	190	210	24	..	..	..	
India's percentage . . . . .	36	34	8	..	..	..	
<b>BELGIUM.</b>							
Total . . . . .	94	..	54	44	58	51	24
Roumania . . . . .	14	..	1	..	4	6	2
Argentina . . . . .	3	..	19	1	2	..	..
India . . . . .	67	..	4	23	32	20	..
India's percentage . . . . .	72	..	7	52	55	39	..
<b>ITALY.</b>							
Total . . . . .	102	220	} (a) {	69	102	54	} (a)
India . . . . .	95	183		6	77	26	
India's percentage . . . . .	93	83		9	76	46	
<b>FRANCE.</b>							
Total . . . . .	538	404	103	106	137	128	} (a)
India . . . . .	482	303	44	50	79	69	
India's percentage . . . . .	90	75	43	47	58	54	

\* Figures for Australia, except those for 1913, relate to official years.

(a) Figures not available.

NOTE.—One quintal=220.46 lbs.

*Imports of Sesamum seed into France and Italy.*

(In thousand quintals)

	1913	1914	1935	1936	1937	1938	1939
<b>FRANCE.</b>							
Total . . . . .	278	261	22	19	2	1	} (a)
India . . . . .	228	251	..	..	..	..	
India's percentage . . .	82	96	..	..	..	..	
China . . . . .	10	2	..	..	..	..	
China's percentage . . .	4	7	..	..	..	..	
<b>ITALY.</b>							
Total . . . . .	} (a)	(a)	(a)	144	293	54	} (a)
India . . . . .				12	53	3	
India's percentage . . .				8	18	6	
China . . . . .				77	162	27	
China's percentage . . .				53	55	50	

*Imports of Groundnut into France.*

(In thousand quintals)

	1913	1914	1935	1936	1937	1938	1939
<b>UNSHELLED.</b>							
Senegal . . . . .	1,738	1,734	3,413	4,163	4,834	3,759	} (a)
West Africa (other ports) .	408	659	..	..	..	..	
India . . . . .	325	265	..	..	..	..	
Total . . . . .	2,034	2,742	3,490	4,222	4,915	3,884	
Corresponding total (shelled).*	1,976	2,057	2,617	3,166	3,686	2,913	
<b>SHELLED.</b>							
India . . . . .	2,442	2,700	1,736	1,990	1,153	2,111	} (a)
Senegal . . . . .	..	20	587	1,052	1,729	1,713	
Other countries . . . . .	245	262	1,085	657	1,170	766	
Total . . . . .	2,687	2,982	3,388	3,699	4,052	4,590	
Percentage of total supplied by India.	58	58	29	29	28	46	

(a) Figures not available.

\* These figures have been calculated on the basis of 100 tons unshelled = 75 tons shelled.

NOTE.—One quintal = 220.46 lbs.

## Imports of Tea into certain countries.

(In thousands of lbs.)

	Pre-war Average*	War Average*	1935	1936	1937	1938	1939
<b>UNITED KINGDOM—</b>							
India . . . . .	139,003	233,423	270,102	268,710	275,078	290,524	(d)
Ceylon . . . . .	111,706	100,563	141,041	145,193	141,164	167,100	
China . . . . .	19,652	17,082	8,427	8,962	13,011	6,062	
Java . . . . .	17,999	18,594	41,594	33,102	26,473	31,525	
<b>TOTAL</b> . . . . .	<b>349,150</b>	<b>377,142</b>	<b>470,540</b>	<b>481,031</b>	<b>487,815</b>	<b>526,691</b>	
<i>Percentage of India's share of total . . . . .</i>	<i>54.2</i>	<i>61.9</i>	<i>56.7</i>	<i>55.8</i>	<i>56.5</i>	<i>55.5</i>	
<b>FRANCE—</b>							
India . . . . .	1,515	2,957	221	193	231	274	(d)
China . . . . .	7,359	5,785	422	449	492	422	
<b>TOTAL</b> . . . . .	<b>9,601</b>	<b>11,093</b>	<b>2,603</b>	<b>3,167</b>	<b>3,053</b>	<b>2,801</b>	
<i>Percentage of India's share of total . . . . .</i>	<i>15.8</i>	<i>26.7</i>	<i>8.5</i>	<i>6.1</i>	<i>7.6</i>	<i>9.8</i>	
<b>CANADA (a)—</b>							
India . . . . .	13,850	13,610	22,387	22,398	21,184	21,514	27,681
Ceylon . . . . .	15,481	10,137	11,600	13,805	12,280	12,614	11,508
China . . . . .	2,772	1,763	351	666	642	310	210
Java . . . . .	4,128	5,556	2,500	2,408	2,394	2,235	2,761
<b>TOTAL</b> . . . . .	<b>36,753</b>	<b>38,930</b>	<b>37,149</b>	<b>40,221</b>	<b>37,980</b>	<b>37,501</b>	<b>43,394</b>
<i>Percentage of India's share of total . . . . .</i>	<i>37.7</i>	<i>33.4</i>	<i>60.3</i>	<i>55.1</i>	<i>55.8</i>	<i>57.2</i>	<i>63.7</i>
<b>UNITED STATES OF AMERICA (b)—</b>							
India . . . . .	6,640	10,722	14,063	12,277	10,124	12,173	15,707
Ceylon . . . . .	18,803	19,247	22,707	21,068	19,067	22,115	25,152
China . . . . .	22,130	18,902	7,326	4,613	4,621	8,307	3,510
Japan . . . . .	46,245	40,839	21,848	18,704	28,746	17,096	23,511
Java . . . . .	158	8,656	10,429	18,651	18,734	20,639	28,276
<b>TOTAL</b> . . . . .	<b>95,126</b>	<b>107,158</b>	<b>86,235</b>	<b>82,477</b>	<b>94,817</b>	<b>81,372</b>	<b>97,701</b>
<i>Percentage of India's share of total . . . . .</i>	<i>7.0</i>	<i>10.0</i>	<i>16.3</i>	<i>14.9</i>	<i>10.7</i>	<i>15.0</i>	<i>16.2</i>
<b>AUSTRALIA (c)—</b>							
India . . . . .	8,714	8,430	2,008	2,380	1,704	1,713	(d)
Ceylon . . . . .	19,073	23,406	13,080	11,025	10,772	11,694	
China . . . . .	2,897	1,082	924	1,582	1,732	1,159	
Java . . . . .	3,756	7,746	27,152	22,325	31,000	34,273	
<b>TOTAL</b> . . . . .	<b>35,442</b>	<b>41,937</b>	<b>44,667</b>	<b>48,655</b>	<b>45,907</b>	<b>49,531</b>	
<i>Percentage of India's share of total . . . . .</i>	<i>24.6</i>	<i>20.1</i>	<i>4.5</i>	<i>4.9</i>	<i>2.4</i>	<i>3.5</i>	
<b>NEW ZEALAND—</b>							
India . . . . .	651	857	144	259	316	220	625
Ceylon . . . . .	6,147	7,469	9,325	10,743	10,027	10,882	10,338
China . . . . .	39	58	96	170	167	61	61
Java . . . . .	..	342	..	1	..	..	..
<b>TOTAL</b> . . . . .	<b>7,543</b>	<b>9,236</b>	<b>9,970</b>	<b>11,242</b>	<b>10,681</b>	<b>11,174</b>	<b>11,492</b>
<i>Percentage of India's share of total . . . . .</i>	<i>8.6</i>	<i>9.3</i>	<i>5.6</i>	<i>2.3</i>	<i>3.0</i>	<i>2.0</i>	<i>4.0</i>

(a) Figures for the years 1935, 1936 and 1937 relate to the official years ending March, 1936, 1937 and 1938, respectively.

(b) Re-exports of Indian, Ceylonese, Chinese and Javanese tea from the United Kingdom to the United States of America are included in the figures of imports from India, Ceylon, China and Java, respectively, as far as information is available.

(c) Figures for 1935 relate to the official year ending June, 1936 and similarly for the subsequent years.

(d) Figures not available.

\* See Note (2) on page 203.

**NO. 47.—QUANTITY AND VALUE OF THE PRINCIPAL ARTICLES OF IMPORTS INTO THE KATHIAWAR PORTS (ARRANGED IN THE ORDER OF THEIR IMPORTANCE)**

	QUANTITY			VALUE (IN THOUSANDS OF RUPEES)		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
<b>Sugar—</b>						
Sugar 23 D. S. and above . . . . . Ton	8,916	26,627	85,580	7,90	27,36	1,03,00
" below 23 D. S. but not below 16 D. S. (including beet) . . . . . "	50	504	10	5	68	2
Sugar Candy . . . . . "	—	92	84	—	15	18
Molasses . . . . . "	..	215	760	..	39	1,19
<b>TOTAL</b> ..	<b>8,956</b>	<b>27,428</b>	<b>86,434</b>	<b>7,93</b>	<b>28,55</b>	<b>1,06,43</b>
<b>Oils--</b>						
Mineral, kerosene . . . . . Gal. (000)	2,100	2,235	8,248	13,34	13,17	36,57
" Petroleum . . . . . "	1,054	833	4,462	8,10	7,01	25,46
" Fuel oils . . . . . "	331	382	2,728	60	56	5,93
" other kinds . . . . . "	67	108	85	79	1,02	89
Vegetable . . . . . "	113	130	267	1,08	1,94	2,58
Others . . . . . "	—	—	—	4	2	4
<b>TOTAL</b> .	<b>—</b>	<b>—</b>	<b>—</b>	<b>21,50</b>	<b>23,72</b>	<b>71,62</b>
<b>Grain, pulse and flour—</b>						
Pulse . . . . . Ton	1,000	516	1,655	1,96	65	2,34
Rice not in the husk . . . . . "	39,705	29,394	37,522	40,52	28,69	38,06
Other sorts . . . . . "	531	515	13,899	56	46	11,69
<b>TOTAL</b> ..	<b>41,926</b>	<b>30,925</b>	<b>53,076</b>	<b>43,04</b>	<b>29,80</b>	<b>52,09</b>
<b>Cotton—</b>						
Raw . . . . . Ton	399	369	9	8,43	8,52	9
<b>Manufactures—</b>						
Fleecegoods, grey . . . . . Yd. (000)	3,953	5,334	5,442	5,09	6,99	7,18
" white . . . . . "	13,571	16,292	15,020	24,37	27,90	27,08
" coloured . . . . . "	4,197	4,140	5,320	8,67	8,02	10,75
Twist and yarn . . . . . lb. (000)	15	7	23	14	8	24
Thread, sewing . . . . . "	8	10	14	25	23	23
Other sorts . . . . . "	—	—	—	41	35	23
<b>TOTAL OF COTTON</b> .	<b>—</b>	<b>—</b>	<b>—</b>	<b>42,26</b>	<b>47,18</b>	<b>45,80</b>
<b>Metals and ores—</b>						
<b>Iron and steel—</b>						
<b>Sheets and plates—</b>						
Galvanised . . . . . Ton	1,331	1,076	1,215	2,62	2,26	2,78
Tinned . . . . . "	80	154	930	26	66	3,18
Not galvanised or tinned . . . . . "	178	867	1,132	30	1,74	2,16
Bars (steel) . . . . . "	3,479	1,108	1,692	4,01	1,60	2,26

No. 47—continued

	QUANTITY			VALUE (IN THOUSANDS OF RUPEES)		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
<b>Metals and ores—contd.</b>						
<b>Iron and steel—contd.</b>						
Angle, tee, bolt, rod, bars and channel (iron) Ton.	202	272	100	39	41	19
Beams, channels, pillars, girders and bridge-work „	1,956	1,850	801	2,60	2,33	95
Wire (other than fencing wire) and wire nails „	171	586	402	28	1,10	78
Balls, chains, and fish plates . . . „	215	98	73	51	31	16
Pipes and fittings, cast . . . . „	62	632	652	46	90	1,10
Sleepers and keys of steel or iron for „ railways.	987	46	..	1,15	16	..
Tubes, pipes and fittings, wrought . . „	1,871	2,036	1,703	3,41	4,93	4,02
Hoops and strips . . . . . „	1,965	1,529	2,139	3,57	2,94	3,62
Angle and spring . . . . . „	557	453	895	07	61	1,21
Nails, rivets and washers . . . . „	945	311	416	2,54	86	1,21
Screws . . . . . „	128	138	171	78	76	51
Bolts, nuts and fencing materials . . „	171	307	616	44	88	1,43
Steel (cast) . . . . . „	64	13	10	9	4	5
Other sorts of Iron and Steel . . . . „	407	1,500	692	1,57	5,03	1,58
<b>TOTAL OF IRON AND STEEL . . . . .</b>	<b>14,814</b>	<b>12,076</b>	<b>13,671</b>	<b>20,58</b>	<b>27,52</b>	<b>27,28</b>
<b>Tin . . . . . Cwt.</b>						
	1,147	1,853	579	84	43	32
<b>Brass . . . . . „</b>						
	13,565	29,135	31,506	4,41	8,72	10,05
<b>Copper . . . . . „</b>						
	3,236	1,725	4,450	1,00	74	1,87
<b>Zinc . . . . . „</b>						
	424	2,418	33	5	25	1
<b>Aluminium . . . . . „</b>						
	256	14	68	16	1	5
<b>German silver . . . . . „</b>						
	470	2,368	1,047	25	99	1,00
<b>Others . . . . . „</b>						
	718	1,477	1,552	22	24	32
<b>TOTAL OF METALS AND ORES . . . . . Ton</b>	<b>15,805</b>	<b>14,926</b>	<b>16,678</b>	<b>32,09</b>	<b>34,00</b>	<b>40,90</b>
<b>Machinery and millwork—</b>						
<b>Textiles, Cotton . . . . .</b>						
	—	—	—	4,88	10,79	8,23
„ Other sorts . . . . .	—	—	—	54	1,02	31
<b>Prime-movers . . . . .</b>						
	—	—	—	5,25	11,63	8,20
<b>Electrical . . . . .</b>						
	—	—	—	2,04	2,06	1,38
<b>Sewing and knitting machines and parts . . . . .</b>						
	—	—	—	52	53	21
<b>Boilers . . . . .</b>						
	—	—	—	16	42	21
<b>Other kinds . . . . .</b>						
	—	—	—	7,57	13,27	9,56
<b>TOTAL . . . . .</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>20,09</b>	<b>36,72</b>	<b>23,10</b>
<b>Chemicals—</b>						
<b>Bleaching Powder . . . . . Cwt.</b>						
	133,053	116,296	65,227	7,22	7,50	4,54
<b>Soda compounds . . . . . „</b>						
	196,716	155,713	100,768	12,96	9,48	12,32
<b>Other sorts . . . . .</b>						
	—	—	—	3,30	4,21	4,35
<b>TOTAL . . . . .</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>23,48</b>	<b>21,22</b>	<b>21,21</b>

	QUANTITY			VALUE (IN THOUSANDS OF RUPEES)		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
<b>Vehicles—</b>						
Carriages and wagons and parts for railways . . . . .	—	—	—	5,01	4,43	9,72
Cycles and parts of cycles . . . . .	—	—	—	2,03	2,38	1,83
Motor cars . . . . . No.	156	181	170	3,18	3,78	3,66
Motor cycles (including Scooters) . . . . .	65	51	30	13	24	7
Motor omnibuses, etc. . . . .	126	70	38	2,09	1,51	63
Parts and accessories of mechanically propelled vehicles, etc. . . . .	—	—	—	39	50	51
Ships, parts of . . . . .	—	—	—	1,00	..	36
Other kinds of vehicles . . . . .	—	—	—	4	3	11
<b>TOTAL</b> . . . . .	—	—	—	14,47	12,04	16,89
<b>Instruments, apparatus and appliances—</b>						
Electrical . . . . .	—	—	—	3,07	0,52	13,40
Musical . . . . .	—	—	—	54	36	23
Scientific . . . . .	—	—	—	29	42	7
Surgical . . . . .	—	—	—	41	11	8
Other kinds . . . . .	—	—	—	46	58	48
<b>TOTAL</b> . . . . .	—	—	—	10,67	10,99	14,20
<b>Wood and Timber—</b>						
Teak wood . . . . . Cu. ton	10,524	8,187	8,213	12,04	8,51	8,97
Other kinds of wood and timber . . . . .	—	—	—	5,17	5,10	3,23
Manufactures of wood . . . . .	—	—	—	2	9	6
<b>TOTAL</b> . . . . .	—	—	—	17,23	13,70	12,26
<b>Paper and Pasteboard—</b>						
<b>Paper—</b>						
Packing and wrapping paper . . . Cwt. (000)	30	18	29	4,32	2,36	3,49
Printing paper . . . . .	21	22	20	2,40	2,12	1,69
Writing paper and envelopes . . . . .	5	9	6	93	1,72	96
Old newspapers . . . . .	48	50	29	2,05	2,34	1,39
Others . . . . .	13	7	8	2,24	1,34	1,52
<b>TOTAL OF PAPER</b> . . . . .	112	116	92	11,94	9,88	9,04



No. 47—continued

	QUANTITY			VALUE (IN THOUSANDS OF RUPEES)		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
<b>Paper and pasteboard—contd.</b>						
Pasteboard, etc.—						
Straw boards . . . . . Cwt. (000)	70	33	36	3,81	1,45	1,64
Others . . . . . "	4	3	3	50	43	36
<b>TOTAL OF PASTEBOARD</b> . . . . . "	<b>74</b>	<b>36</b>	<b>39</b>	<b>4,31</b>	<b>1,88</b>	<b>2,00</b>
<b>TOTAL OF PAPER AND PASTEBOARD</b> . . . . . "	<b>186</b>	<b>151</b>	<b>131</b>	<b>16,25</b>	<b>11,76</b>	<b>11,04</b>
<b>Fruits and Vegetables—</b>						
Dried, salted, or preserved—						
Dates . . . . . Ton	27,656	18,266	12,072	9,97	9,64	7,87
Others . . . . . "	116	54	4	7	10	2
Fresh fruits and vegetables . . . . .	—	—	—	18	23	75
<b>TOTAL</b> . . . . .	<b>—</b>	<b>—</b>	<b>—</b>	<b>10,17</b>	<b>9,97</b>	<b>8,64</b>
<b>Starch, Dextrine and Farina</b> . . . . . Cwt. (000)	<b>106</b>	<b>132</b>	<b>108</b>	<b>9,01</b>	<b>9,98</b>	<b>7,34</b>
<b>Hardware—</b>						
Implements and tools . . . . .	—	—	—	42	50	64
Lamps and parts . . . . .	—	—	—	3,33	2,17	1,60
Builders' hardware . . . . .	—	—	—	78	66	46
Enamelled ironware . . . . .	—	—	—	10	15	14
Domestic hardware . . . . .	—	—	—	3	8	10
Stoves . . . . . No.	6,502	3,394	1,331	18	12	4
Other sorts . . . . .	—	—	—	1,46	1,42	3,89
<b>TOTAL</b> . . . . .	<b>—</b>	<b>—</b>	<b>—</b>	<b>6,30</b>	<b>5,10</b>	<b>6,87</b>
<b>Matches</b> . . . . . Gross (000)	<b>205</b>	<b>388</b>	<b>189</b>	<b>3,40</b>	<b>3,48</b>	<b>3,78</b>
<b>Paints and painters' materials—</b>						
Paints and colours . . . . . Cwt.	10,209	11,874	9,450	2,35	3,01	2,24
Painters' materials . . . . .	—	—	—	50	86	1,33
<b>TOTAL</b> . . . . .	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,85</b>	<b>3,87</b>	<b>3,57</b>
<b>Rubber, raw and manufactured</b> . . . . .	<b>—</b>	<b>—</b>	<b>—</b>	<b>7,19</b>	<b>5,19</b>	<b>2,40</b>
<b>Glass and glassware—</b>						
Bangles . . . . .	—	—	—	10	8	2
Bottles and phials . . . . . Gross	3,799	6,328	1,794	54	42	20
Beads and false pearls . . . . . Cwt.	663	442	473	23	21	17
Sheets and plates . . . . .	—	—	—	2,62	2,43	1,36
Funnels, globes, etc. . . . .	—	—	—	10	6	3
Other glassware . . . . .	—	—	—	42	34	38
<b>TOTAL</b> . . . . .	<b>—</b>	<b>—</b>	<b>—</b>	<b>4,01</b>	<b>3,57</b>	<b>2,16</b>

No. 47—continued

	QUANTITY			VALUE (IN THOUSANDS OF RUPEES)		
	1927-28	1928-29	1929-30	1927-28	1928-29	1929-30
<b>Building and Engineering materials—</b>						
Asphalt . . . . . Ton	1,496	1,029	1,100	1,22	86	90
Cement . . . . . "	2,921	3,104	2,074	1,12	88	54
Tiles . . . . . "	—	—	—	46	55	54
Others . . . . . "	—	—	—	21	0	7
<b>TOTAL</b> . . . . .	—	—	—	3,01	2,40	2,05
<b>Silk, manufactures—</b>						
Piecegoods . . . . . Yd. (000)	458	145	193	2,21	94	1,27
Other sorts . . . . . "	—	—	—	6	16	38
<b>TOTAL</b> . . . . .	—	—	—	2,27	1,00	1,65
<b>Spices—</b>						
Betelnuts . . . . . Cwt.	3,168	3,081	5,685	42	43	85
Others . . . . . "	804	1,298	2,260	18	20	79
<b>TOTAL</b> . . . . .	4,002	4,379	7,944	60	72	1,64
Apparel . . . . .	—	—	—	50	90	1,39
Artificial silk . . . . .	—	—	—	2,18	1,40	2,12
Earthenware and porcelain . . . . .	—	—	—	1,05	1,13	1,16
<b>Dyes obtained from coal tar—</b>						
Aniline . . . . . lb. (000)	45	62	39	15	22	12
Alizarine . . . . . "	96	52	49	63	60	51
Others . . . . . "	58	47	127	50	77	34
<b>TOTAL</b> . . . . .	199	161	215	1,42	1,50	97
<b>Liquors—</b>						
Spirit . . . . .	—	—	—	43	68	48
Ale, beer and porter . . . . .	—	—	—	50	49	47
Wines . . . . .	—	—	—	5	6	2
<b>TOTAL</b> . . . . .	—	—	—	98	1,23	97
Stationery . . . . .	—	—	—	1,11	1,00	80
<b>Drugs and Medicines—</b>						
Proprietary and patent medicines . . . . .	—	—	—	44	55	43
Other sorts . . . . .	—	—	—	83	45	26
<b>TOTAL</b> . . . . .	—	—	—	1,27	1,00	69
Manures . . . . . Ton.	550	408	730	38	44	69
Tallow and Stearine . . . . . Cwt.	231	438	5,245	4	13	68
China Clay . . . . . Cwt. (000)	..	43	30	..	1,02	65

	QUANTITY			VALUE (IN THOUSANDS OF RUPRES)		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
<b>Tobacco—</b>						
Cigarettes . . . . . lb. (000)	57	33	23	87	77	60
Others . . . . . "	22	26	3	10	15	2
<b>TOTAL</b> . . . . . "	<b>79</b>	<b>59</b>	<b>26</b>	<b>97</b>	<b>92</b>	<b>62</b>
<b>Provisions and oilman's stores—</b>						
Biscuits and cakes . . . . . Cwt.	336	277	405	30	22	34
Other sorts . . . . . "	—	—	—	19	22	18
<b>TOTAL</b> . . . . . "	<b>—</b>	<b>—</b>	<b>—</b>	<b>49</b>	<b>44</b>	<b>52</b>
Seeds . . . . . Ton	877	422	284	1,23	57	40
Printing and Lithographing Machinery and Materials	—	—	—	17	26	47
Belting for machinery . . . . . "	—	—	—	33	23	28
Fents . . . . . lb. (000)	89	58	42	66	39	28
Bobbins . . . . . "	—	—	—	11	26	28
Astestos . . . . . "	—	—	—	15	35	25
Leather . . . . . "	—	—	—	24	11	21
Polishes . . . . . "	—	—	—	18	24	17
Toys and requisites for games . . . . . "	—	—	—	26	18	17
Gums and Resins . . . . . "	—	—	—	7	19	17
Toilet requisites . . . . . "	—	—	—	13	23	16
Jewellery, also plate of gold and silver . . . . . "	—	—	—	70	1	12
<b>Wool manufactures—</b>						
Yarn and knitting wool . . . . . lb. (000)	35	..	..	72	..	..
Piecegoods . . . . . Yd. (000)	21	25	4	30	23	7
Other sorts . . . . . "	—	—	—	39	22	5
<b>TOTAL</b> . . . . . "	<b>—</b>	<b>—</b>	<b>—</b>	<b>141</b>	<b>45</b>	<b>12</b>
Clocks and watches and parts . . . . . "	—	—	—	8	10	10
Telephone materials . . . . . "	—	—	—	38	14	8
Furniture and cabinetware . . . . . "	—	—	—	22	38	8
Soap . . . . . Cwt.	1,112	375	163	25	12	6
Fireworks . . . . . "	—	—	—	34	25	5
Stone and Marble . . . . . Ton	499	4,465	9	48	54	2
Coal and coke . . . . . "	4,814	..	..	1,37	..	..
All other articles . . . . . "	—	—	—	2,62	2,53	1,70
<b>TOTAL VALUE OF IMPORTS</b> . . . . . "	<b>—</b>	<b>—</b>	<b>—</b>	<b>3,24,45</b>	<b>3,42,67</b>	<b>4,74,01</b>
<b>Treasure—</b>						
Gold metal and coin . . . . . Fine oz.	19	..	..	2	..	..
Silver bullion and coin . . . . . Std. Oz. (000)	50	50	1,077	70	89	14,81
<b>TOTAL</b> . . . . . "	<b>—</b>	<b>—</b>	<b>—</b>	<b>78</b>	<b>89</b>	<b>14,81</b>

No. 48.—QUANTITY AND VALUE OF THE PRINCIPAL ARTICLES OF EXPORTS FROM THE KATHIAWAR PORTS (ARRANGED IN THE ORDER OF THEIR IMPORTANCE).

	QUANTITY			VALUE (IN THOUSANDS OF RUPEES)		
	1927-28	1928-29	1929-30	1927-28	1928-29	1929-30
<b>INDIAN MERCHANDISE—</b>						
<b>Textiles—</b>						
<b>Cotton—</b>						
Raw . . . . . Ton	7,957	12,360	9,509	40,07	52,63	38,00
Waste . . . . . Cwt.	74,003	84,840	61,746	10,31	11,54	8,67
Twist and yarn . . . . . lb. (000)	..	275	712	..	1,07	2,78
Piecegoods . . . . . yd. (000)	5,107	4,518	4,193	7,46	6,98	6,62
Other sorts . . . . .	—	—	—	..	15	..
<b>TOTAL</b> . . . . .	—	—	—	57,84	72,42	55,47
Wool, raw . . . . . lb. (000)	5,315	11,994	16,184	46,61	60,41	97,06
Other Textiles, raw . . . . .	—	—	—	36	1	..
"    "    manufactured . . . . .	—	—	—	29	17	16
<b>Total of Textiles</b> . . . . .	—	—	—	99,30	1,33,01	1,52,71
<b>Seeds—</b>						
<b>Essential</b> . . . . . Ton	56	14	29	11	3	3
<b>Non-essential</b>						
Groundnut . . . . . "	91,097	162,004	85,144	1,37,93	1,90,63	1,13,27
Castor . . . . . "	2,163	3,082	2,195	2,41	3,20	2,67
Others . . . . . "	8	18	5	2	2	1
<b>TOTAL OF SEEDS</b> . . . . .	93,314	165,118	87,373	1,40,47	1,93,88	1,16,09
Oleakes . . . . . Ton	42,244	54,359	43,334	26,42	34,17	19,11
Building and Engineering materials . . . . .	—	—	—	11	16	8,72
<b>Provisions and offman's stores—</b>						
Ghi . . . . . Cwt.	8,758	9,548	7,976	6,23	6,77	5,85
Manures . . . . . Ton	4,672	4,079	2,067	3,18	2,76	1,27
<b>Oils—</b>						
Groundnut . . . . . Gal. (000)	649	523	61	9,53	5,24	79
Others . . . . .	—	—	—	8	16	6
<b>TOTAL</b> . . . . .	—	—	—	9,61	5,40	85
Bones for manufacturing purposes . . . . . Ton	599	265	500	32	34	53
Tallow and Stearins . . . . . Cwt.	757	776	694	58	55	44
Fresh Fruits and Vegetables . . . . .	—	—	—	44	70	41
Chemicals . . . . .	—	—	—	81	1,08	37
Wood and timber . . . . .	—	—	—	17	19	20

	QUANTITY			VALUE (IN THOUSANDS OF RUPEES)		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
<b>INDIAN MERCHANDISE—contd.</b>						
Grain, pulse and flour—						
Rice (not in the husk) . . . . . Ton	43	82	50	5	10	7
Other sorts . . . . . "	30	68	40	4	9	7
<b>TOTAL</b> ..	<b>73</b>	<b>150</b>	<b>90</b>	<b>9</b>	<b>19</b>	<b>14</b>
Metals . . . . . "						
Spices . . . . . Cwt.	251	438	322	4	6	7
Leather—						
Goat skins . . . . . Ton	6	1	..	54	4	..
Sheep skins . . . . . "	6	1	..	22	3	1
Other skins . . . . . "	38	15	..	1,19	32	1
Others . . . . . "	—	—	—	86	27	..
<b>TOTAL</b> .	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,81</b>	<b>66</b>	<b>2</b>
All other articles . . . . . "	—	—	—	79	68	99
<b>TOTAL VALUE OF EXPORTS</b> . . . . .	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,91,12</b>	<b>3,80,84</b>	<b>3,07,84</b>
<b>FOREIGN MERCHANDISE—</b>						
Sugar, 28 D. S. and above . . . . . Ton	7,327	..	6,111	7,20	..	7,28
Cotton, raw . . . . . "	258	34	..	1,42	16	..
All other articles . . . . . "	—	—	—	14	40	18
<b>TOTAL VALUE OF RE-EXPORTS</b> . . . . .	<b>—</b>	<b>—</b>	<b>—</b>	<b>8,76</b>	<b>56</b>	<b>7,41</b>
<b>TOTAL VALUE OF EXPORTS &amp; RE-EXPORTS</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,00,88</b>	<b>3,81,40</b>	<b>3,15,25</b>
<b>Treasure—</b>						
Gold metal and coin . . . . . Fine oz.	..	..	10	..	..	2
Silver bullion and coin . . . . . Std. Oz. (000)	..	25	..	..	20	..
<b>TOTAL</b> .	<b>—</b>	<b>—</b>	<b>—</b>	<b>..</b>	<b>20</b>	<b>2</b>

No. 49.—CHIEF IMPORTS INTO BURMA FROM INDIA AS RECORDED IN BURMA TRADE RETURNS.

ARTICLES	QUANTITY (IN THOUSANDS)						VALUE (IN LAKHS OF RUPEES)					
	Pre-war Average*	War Average*	Post-war Average*	1937-38	1938-39	1939-40	Pre-war Average*	War Average*	Post-war Average*	1937-38	1938-39	1939-40
Indian Merchandise—												
Coal . . . . . tons	418	342	370	291	340		51	66	1,00	45	55	
Cotton—Twist and yarn . lbs.	10,395	12,036	18,944	10,243	12,443		50	97	2,35	54	61	
Cotton piecegoods—												
Grey (unbleached) . . yds.	7,850	8,570	8,649	19,500	17,505		14	22	37	34	30	
White (bleached) . . . "	3,707	5,805	4,485	31,030	28,489		8	18	25	61	53	
Coloured, printed or dyed . "	12,100	21,312	18,122	40,054	30,436		27	60	95	1,18	97	
Jute bags . . . . . no.	38,948	39,822	40,123	62,097	53,548	Not available.	1,10	1,06	1,88	1,19	1,32	Not available.
Betelnuts . . . . . cwts.	311	279	294	152	165		60	56	64	24	25	
Tobacco—unmanufactured . lbs.	21,180	16,432	16,687	14,360	14,683		58	43	51	23	23	
Pulse . . . . . tons	14	12	15	6	5		20	20	26	10	8	
Wheat flour . . . . . "	10	12	18	25	27		28	27	52	41	30	
Iron and steel . . . . . "	1	—	1	28	26		1	—	3	65	57	
Cigarettes . . . . . lbs.	83†	—	262	1,400	1,080		1†	—	10	54	50	
Oils—groundnut . . . . gals.	1,227	750	1,167	1,895	3,126		23	14	28	25	30	
Tea . . . . . lbs.	997	1,279	1,052	7,741	1,917		7	9	18	33	11	
Butter . . . . . "	423	—	525	466	471		4	—	7	4	4	
Ghi . . . . . cwts.	39	30	31	14	14		25	22	34	10	9	
Boots and Shoes . . . . . pairs	43	—	210	1,925	1,221		1	—	8	10	8	

\* See Note (2) on page 203.

† Average of three years.

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No. 49.—CHIEF IMPORTS INTO BURMA FROM INDIA AS RECORDED IN BURMA TRADE RETURNS—contd.

ARTICLES	QUANTITY (IN THOUSANDS)					VALUE (IN LAKHS OF RUPEES)						
	Pre-war Average*	War Average*	Post-war Average*	1937-38	1938-39	1939-40	Pre-war Average*	War Average*	Post-war Average*	1937-38	1938-39	1939-40
Indian Merchandise—contd.												
Fruits and Vegetables—												
Fresh Vegetables . . . value	—	—	—	—	—		21	10	19	18	23	
Dried, salted or preserved . . . tons	5	4	1	7	8		10	9	17	12	12	
Foreign Merchandise—												
Carriages and carts . . . value	—	—	—	—	—		2	4	14	20	20	
Cotton piecegoods—												
Grey (unbleached) . . . yds.	3,009	3,116	5,496	370	1,436	Not available.	5	9	24	2	3	Not available.
White (bleached) . . . "	2,586	3,741	2,003	616	600		5	18	11	2	1	
Coloured, printed or dyed "	2,333	4,434	3,842	1,547	1,374		6	20	25	5	4	
Instruments, Apparatus, etc. value	—	—	—	—	—		3	2	1	14	16	
Machinery and Millwork . . . "	—	—	—	—	—		1	3	..	9	6	
Iron and steel . . . tons	2	3	..	2	..		3	13	16	4	1	
Dates . . . . . "	—	..	..	1	..		—	..	..	1	1	
Drugs and Medicines . . . value	—	—	—	—	—		2	2	..	3	3	
Coal tar dyes . . . lbs.	—	11	—	133	107		—	4	—	2	2	
Hardware . . . . . value	—	—	—	—	—		4	7	8	3	3	

\* See Note (2) on page 203.

No. 50.—CHIEF EXPORTS FROM BURMA TO INDIA AS RECORDED IN BURMA TRADE RETURNS.

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ARTICLES	QUANTITY (IN THOUSANDS)						VALUE (IN LAKHS OF RUPEES)					
	Pre-war Average(c)	War Average(c)	Post-war Average(c)	1937-38	1938-39	1939-40	Pre-war Average(c)	War Average(c)	Post-war Average(c)	1937-38	1938-39	1939-40
<b>Business Merchandise—</b>												
Rice in the husk . . . . . tons	214	168	93	50	96		1.54	1.12	80	32	47	
Rice not in the husk . . . . . "	383	406	700	1,287	1,175		4.18	7.04	10.03	9.50	10.50	
Pulse . . . . . "	19	19	46	30	60		17	10	64	33	40	
Gram . . . . . "	5	1	15	6	10		5	1	8	4	7	
Fresh vegetables . . . . . value	—	—	—	—	—		1	1	19	24	27	
<b>Oils, mineral—</b>												
Kerosene . . . . . gals.	97,570	110,821	110,290	131,338	126,329		3.82	3.72	4.10	7.12	6.84	
Lubricating . . . . . "	"	2,067†	2,100	6,957	5,165		"	21†	21	74	62	
Benzine and Petrol . . . . . "	"	4,215 (a)	14,371	54,059	50,888		"	6 (a)	2.01	2.36	2.14	
Other mineral oils . . . . . "	1,572	5,190	4,280	13,602	12,903		11	34	17	84	74	
Candles . . . . . lbs.	4,409	5,455	6,237	3,170	3,024		12	15	18	0	8	
Lac, stick . . . . . cwts.	—	—	—	13	15		3	6	43	2	1	
Matches . . . . . gross of boxes	(b)	(b)	(b)	1,246	1,375		(b)	(b)	(b)	12	12	
Tin . . . . . cwts.	1	2	3	4	6		2	3	5	6	8	
<b>Wood and timber—</b>												
Teakwood . . . . . C. tons	128	110	166	164	160		1.17	1.82	2.30	2.04	2.00	
Other timber . . . . . value	—	—	—	—	—		18	14	28	31	34	

\* Included with "Oils—Mineral—Other kinds" prior to April, 1915.

† Average of four years.

(a) Average of four years, representing "Petrol" only.

(b) Not available.

(c) See Note (2) on page 203.

Not available.

Not available.



## No. 51.—BALANCE OF TRADE OF INDIA\*.

(In lakhs of Rupees)

	AVERAGE OF 5 YEARS ENDING														
	1898-99	1898-94	1898-99	1903-04	1908-09	1913-14	1918-19	1923-24	1928-29	1933-34	1935-35	1936-37	1937-38	1938-39	1939-40
Exports of Indian Merchandise (private)	+84.09	+1,00.50	+1,08.26	+1,21.32	+1,61.85	+2,19.50	+2,15.97	+2,80.83	+3,42.04	+1,93.15	+1,49.55	+1,85.05	+1,80.93	+1,62.79	+2,03.44
Re-exports of Foreign Merchandise (private)	+8.59	+4.41	+4.19	+8.20	+3.46	+4.62	+8.14	+15.02	+9.87	+4.71	+4.70	+7.24	+8.28	+6.42	+9.64
Imports of Foreign Merchandise (private)	-58.52	-67.75	-69.79	-78.43	-1,11.85	-1,45.95	-1,47.80	-2,48.81	-2,39.11	-1,55.10	-1,40,14(c)	-1,41,10(e)	-1,73.33(c)	-1,51,70(c)	-1,64,75(e)
Balance of trade in Merchandise (private)	+30.06	+37,16	+37,66	+46,09	+53,46	+76,27	+76,31	+33,14	+1,42.80	+42,76	+5,11	+51,19	+15,69	+17,42	+46,33
Gold (private)	-3,08	-2,10	-2,25	-9,55	-12,88	-22,27	-7,81(a)	-13,03(a)	-33,51	+30,72	+37,31	+27,80	+16,34	+13,06	+34,67
Silver (private)	-8,06	-12,21	-6,26	-5,12	-8,11	-7,21	-2,99(b)	-11,79(b)	-16,78	-5,37	-2,19	-14,39	-2,26	-1,75	-4,74
Currency Notes (private)	—	—	—	—	—	—	—	-40	-13	+0	+29	+24	+28	+58	+84
Balance of transactions in treasure (private)	-12,94	-14,31	-8,50	-14,67	-20,99	-36,08	-10,80	-26,12	-59,41	+25,44	+35,41	+13,71	+14,36	+11,89	+30,27
Total visible balance of trade	+48,02	+22,82	+29,16	+31,42	+32,47	+42,19	+65,51	+27,02	+62,39	+68,20	+40,52	+64,90	+30,24	+29,31	+78,40
Gold earmarked on account of purchasers abroad	..	..	..	..	..	..	..	..	..	..	..	..	..	..	10,19(g)
Purchases of sterling by the Reserve Bank of India	-18,00	-21,61	-26,07	-27,76	-35,56	-41,85	(d)	-34,90	-15,45	-39,64	-37,77	-45,58	-70,87	-29,51	-32,61
Sales of sterling by the Reserve Bank of India	..	..	..	..	+2,41	+6	+5,50	+9,42	+38,8	+5,84	..	..	..	..	(f)
Transfers of Government Securities	+17	+49	-59	-88	-54	-87	-88	+38	-27	-11	-50	-18	-11	-8	-2,11
Interest drafts on India in respect of Government of India Securities	-87	-99	-83	-70	-56	-44	-30	-31	-36	-33	-31	-20	-28	-29	-20
Balance of remittances of funds	-18,70	-22,31	-27,43	-29,34	-34,25	-42,61	-30,14	-5,96	-40,09	-32,87	-46,45	-71,34	-29,90	-33,00	-56,88

NOTE.—Gold acquired by purchasers abroad and earmarked on their account is shown separately in the table, in these balances plus (+) signifies net export and minus (-) net import.

- \* All possible items in the Balance of Trade cannot be included in the table. † One-fifth of the amount for 1926-27 only, there being no transactions in other years.
- (a) Excludes transactions, such as gold imported or exported on behalf of the Bank of England, which do not enter into India's Balance of Trade.
- (b) Excludes *passives* coined at the Bombay Mint on behalf of the Egyptian Government valued at Rs.16 lakhs in 1916-17, Rs.77 lakhs in 1917-18 and Rs.4 lakhs in 1918-19. The value of old Straits dollars received at the Bombay Mint for recoinage (Rs.13 lakhs) and that of the export of the recoined dollars (Rs.12 lakhs) are also excluded in 1918-19. The value of 'silver—other coin' exported to Ceylon on account of the Ceylon Government (Rs.5 lakhs) and that to the Straits Settlements on account of the Straits Government (Rs.24 lakhs) have been excluded in 1919-20. In 1920-21 the following items have been excluded:—(1) the value of 'silver—other coin' imported from Ceylon on account of the Ceylon Government (Rs.3 lakhs), (2) the value of 'silver—other coin' exported to Ceylon on account of the Ceylon Government (Rs.10 lakhs) and to the Straits Settlements on account of the Straits Government (Rs.16 lakhs), and (3) the value of Straits dollars exported to the Straits Settlements on account of the Straits Government (Rs.6 lakhs). The items excluded in 1921-22 are:—(1) import of 'silver—other coin' from Ceylon on account of the Ceylon Government (Rs.3 lakhs), (2) export of 'silver—other coin' to Ceylon on account of the Ceylon Government (Rs.16 lakhs), and (3) export of Straits dollars to the Straits Settlements on account of the Straits Government (Rs.1 lakh). The value of Straits dollars exported to the Straits Settlements on account of the Straits Government (Rs.2 lakhs) has been excluded in 1926-27.
- (c) Exclusive of the value of railway materials imported direct by State Railways working under company management, which was not paid for in the ordinary way and not, therefore, taken into account in arriving at the Balance of Trade.
- (d) Includes Rs.5 lakhs being the funds supplied by Government to finance wheat purchases.
- (e) Figures for years prior to 1923-24 represent Council Bills and T. T. paid in India. Subsequent figures include Sterling purchases. From 1925-26 figures relate entirely to Sterling purchases. Figures for years prior to 1937-38 include Burma.
- (f) Figures in previous columns given against this item represent sterling transfers on London sold in India.
- (g) Represents figure for six months ending March, 1939.

No. 52.—STATISTICS OF MARITIME FREIGHTS from CALCUTTA, BOMBAY, KARACHI, MADRAS AND RANGOON to LONDON, MARSEILLES, ANTWERP, HAMBURG AND JAPAN.

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ARTICLES	Freights to	Rate per	1914	1935	1936	1937	1938	1939				1940		
			April	April	April	April	April	January	April	July	October	January	April	
			£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Calcutta— Jute	London	Ton of 50 c.ft.	1 0 0	1 17 6	1 17 6	2 2 6	2 7 6	2 7 6	2 7 6	2 7 6	2 7 6	2 7 6	3 11 3(c)	3 11 3(c)
	Marseilles	"	1 2 0	1 17 6	1 17 6	2 2 6	2 7 6	2 7 6	2 7 6	2 7 6	2 7 6	2 7 6	..	..
	Antwerp	"	1 0 0	1 18 9	1 18 9	1 18 9	2 2 6	2 2 6	2 2 6	2 2 6	2 2 6	2 2 6	..	..
Linseed	London	Ton	1 0 0	1 8 9	1 8 9	1 12 6	1 15 0	1 15 0	1 15 0	1 15 0	1 15 0	1 15 0	3 7 6(c)	3 7 6(c)
	Marseilles	"	1 2 6	1 8 9	1 8 9	1 12 6	1 15 0	1 15 0	1 15 0	1 15 0	1 15 0	1 15 0	..	..
	Antwerp	"	1 0 0	..	1 6 8	1 10 0	1 11 3	1 11 3	1 11 3	1 11 3	1 11 3	1 11 3	..	..
Bombay-- Cotton	London	Ton of 40 c.ft.	0 12 0	1 2 0	1 15 0	2 0 0	1 17 6	1 10 0	1 10 0	1 10 0	1 10 0	2 0 0	2 17 6	3 2 6
	Antwerp	"	0 11 6	1 0 0	1 15 0	2 0 0	1 17 6	1 10 0	1 10 0	1 10 0	1 10 0	..	..	3 2 6
	Hamburg	"	0 16 6	1 0 0	1 10 0	2 2 6	2 0 0	1 15 0	1 12 6	1 12 6	1 12 6	..	..	..
Seeds (16 cwt. and over)	London	Ton	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
	Marseilles	"	0 12 0	1 2 0	..	..	..	..	..	..	..	..	..	..
	Antwerp	"	0 11 6	1 0 0	..	..	..	..	..	..	..	..	..	..
Light seeds (18 cwt. and under)	London	"	0 10 0	0 18 0	1 0 0	{ 1 7 0 1 10 0 1 10 0	1 3 0	0 17 0	0 17 0	0 18 0	1 12 0	2 4 6	2 9 6	
	Marseilles	"	0 10 0	..	1 0 0	{ 1 7 0 1 10 0	1 3 0	0 18 0	0 17 0	0 18 0	..	..	2 9 6	
	Antwerp	"	0 10 0	..	1 0 0	{ 1 7 0 1 10 0	1 3 0	0 18 0	0 17 0	0 18 0	..	..	2 9 6	
Madrax— Groundnuts	Marseilles	"	1 2 0	0 18 0	1 5 0	2 5 0	1 5 0	(a)	1 5 0	1 0 0	2 10 0	{ 2 10 0 2 15 0(c)	5 15 0(c)	
	London	"	(a)	0 12 0	1 0 0	1 12 0	1 2 0	(a)	1 0 0	1 0 0	..	..	..	
Karachi— Barley (16 cwt.)	London	"	(a)	0 12 0	1 0 0	1 12 0	1 2 0	(a)	1 0 0	1 0 0	..	..	..	
Rangoon— Rice	United Kingdom.	"	1 3 3	1 2 6	1 7 6	1 12 6	2 5 0	1 7 6	1 7 6	1 7 6	2 5 0	2 12 6	2 17 6	
	Hamburg	"	..	1 0 0	1 7 6	2 2 6	1 10 0	1 7 6	1 10 0	1 7 6	..	..	5 2 6(d)	

NOTE—The rates quoted are those for the first week of each month.  
 (a) The rates since 1926 from Calcutta to London and Marseilles are subject to a rebate of 10 per cent not exceeding 5s. per ton.  
 † Plus 25 per cent.  
 (a) Rate for Liverpool. (b) Per ton of 40 c.ft. (c) Nominal. (d) Rate for Italy.

No. 53.—INDIAN SEA AND LAND CUSTOMS AND CENTRAL EXCISE REVENUE (EXCLUDING SALT REVENUE)

(In thousands of Rupees)

		1937-38	1938-39	1939-40	Increase (+) or decrease (-) in 1939-40 as compared with 1938-39
<b>SEA CUSTOMS—IMPORTS.</b>					
<i>I.—Revenue Duties.</i>					
284	1. Ale, beer, porter, cider and other fermented liquors . . . . .	80,38	86,20	28,77	-7,40
	2. Spirits and liqueurs . . . . .	1,01,89	1,48,28	1,65,25	+6,97
	3. Wines . . . . .	11,84	10,13	7,97	-2,16
	4. Spices . . . . .	10,71	19,02	27,75	+8,73
	5. Tea . . . . .	10,60	8,10	4,18	-4,08
	6. Tobacco . . . . .	1,85,08	1,53,00	1,67,86	+13,00
	7. Kerosene Oil . . . . .	3,31,26	2,55,73	4,01,75	+16,02
	8. Motor Spirit . . . . .	4,02,82	5,15,36	6,15,79	+1,00,43
	9. Oils, batching, fuel and lubricating . . . . .	46,75	40,46	45,67	+5,21
	10. Cotton, raw . . . . .	82,26	82,23	1,05,32	+23,09
	11. Boots and shoes . . . . .	6,01	4,45	2,84	-1,62
	12. Motor cars, cycles, scooters, omnibuses, chassis, vans, lorries and parts thereof . . . . .	1,68,11	1,27,89	1,52,60	+24,71
	13. Electric lighting bulbs . . . . .	17,61	12,05	13,07	+12
	14. Wireless reception instruments and apparatus . . . . .	15,95	14,88	21,19	+6,31
	15. Dyes derived from coal-tar and coal-tar derivatives . . . . .	87,60	20,11	23,16	-05
	16. Machinery . . . . .	2,16,70	2,30,00	1,85,17	-45,82
	17. Iron and Steel . . . . .	50,08	42,38	51,05	+8,67

18. Silver bullion, coin, sheets, plates and other manufactures . . . . .	30,51	20,67	1,48,07	+1,19,10
19. Tin, block . . . . .	9,62	7,10	11,42	+4,32
20. Metals, other than iron and steel, silver and block tin . . . . .	70,73	74,32	58,44	-16,88
21. Railway plant and rolling stock . . . . .	18,16	18,25	12,86	-5,39
22. Artificial silk yarn and thread . . . . .	62,92	41,28	72,46	+31,18
23. Yarns and textile fabrics, others . . . . .	1,31,43	91,52	67,09	-24,43
24. Cinematograph films . . . . .	14,91	18,10	14,79	+1,69
25. Portland cement excluding white Portland cement . . . . .	3,50	1,98	72	-1,26
26. Pneumatic rubber tyres and tubes . . . . .	32,92	24,93	29,44	+4,51
27. Toys, games and sports goods . . . . .	20,58	17,48	15,80	-1,68
28. Betelnuts . . . . .	60,23	77,07	73,49	-3,58
29. All other articles † . . . . .	10,68,69	9,37,41	8,99,68	-37,78
<i>II.—Protective Duties.</i>				
30. Wheat and wheat flour * . . . . .	..	12,52	10,72	-1,80
31. Broken rice . . . . .	..	1	6,42	+6,41
32. Sugar . . . . .	25,33	45,22	3,96,08	+3,50,86
33. Heavy chemicals . . . . .	16	15	5	-10
34. Iron and Steel . . . . .	77,16	58,83	44,13	-14,70
35. Silver wire, thread and other manufactures . . . . .	3,79	3,26	1,25	-1,93

No. 53.—INDIAN SEA AND LAND CUSTOMS AND CENTRAL EXCISE REVENUE (EXCLUDING SALT REVENUE)—*contd.*

(In thousands of Rupees)

		1937-38	1938-39	1939-40	Increase (+) or decrease (-) in 1939-40 as compared with 1938-39
<b>SEA CUSTOMS—IMPORTS—<i>contd.</i></b>					
<i>II.—Protective Duties—contd.</i>					
985	36. Paper and Stationery . . . . .	27,95	21,22	14,60	-6,72
	37. Raw silk . . . . .	38,09	20,38	30,80	+1,01
	38. Silk yarn and thread . . . . .	30,60	17,00	10,09	-6,91
	39. Cotton yarn and thread . . . . .	20,26	32,04	32,92	+88
	40. Cotton fabrics of British manufacture . . . . .	1,30,58	94,06	64,09	-30,87
	41. Cotton fabrics not of British manufacture . . . . .	2,20,31	2,61,08	2,87,82	+22,84
	42. Silk fabrics . . . . .	59,37	65,23	30,82	-24,41
	43. Cotton hosiery . . . . .	14,63	8,57	6,37	-2,20
	44. Artificial silk fabrics . . . . .	1,70,33	94,78	1,07,98	+13,20
	45. Fabrics of artificial silk mixed with other materials . . . . .	80,48	18,00	14,12	-3,88
46. Other textile manufactures . . . . .	38,67	34,71	36,75	+2,04	

+0.26	22.74	18.48	15.80
-1.08	5.58	6.66	5.82
+5,61.82	45,42.05	38,80.23	42,27.27
-3.08	3,94.54	3,98.82	4,83.02
+58	11.27	11.24	10.68
-3.45	4,06.01	4,10.06	4,13.08
+30.00	43.12	18.12	-
+86	38.00	35.14	-
+2	37	38	-
+80.88	70.49	48.01	48.22
+1.78	18.95	12.17	15.12
+7,01.03	50,42.10	44,51.07	47,44.20
+0.21	2,64.44	2,42.13	-
+5.80	1,56.88	1,49.94	(6) 1,24.78
+5,78.83	46,31.63	40,52.00	46,19.51

NET CUSTOMS REVENUE

TOTAL GROSS CUSTOMS REVENUE

TOTAL LAND CUSTOMS

LAND CUSTOMS.

SEA CUSTOMS—EXPORTS

TOTAL IMPORTS

Payments to Provincial Governments in respect of the export duties on rice

Islands and Drawbacks.

Miscellaneous

Other Frontiers

French and Portuguese India

States in Western India

4. Wood pulp

1. Machines, electrical plants and vessels

No. 53.—INDIAN SEA AND LAND CUSTOMS AND CENTRAL EXCISE REVENUE (EXCLUDING SALT REVENUE)—*concl.*

(In thousands of Rupees)

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	1937-38	1938-39	1939-40	Increase (+) or decrease (-) in 1939-40 as compared with 1938-39
<b>CENTRAL EXCISE DUTIES.</b>				
Motor spirit . . . . .	(b) 1,36,18	1,24,70	1,12,75	-11,96
Kerosene . . . . .	(c) 82,12	67,85	60,38	-17,47
Silver . . . . .	..	..	..	..
Sugar—				
Sugar other than Khandsari and Palmyra . . . . .	3,30,97	4,22,44	2,47,19	-1,75,25
Khandsari Sugar . . . . .	50	59	1,35	+ 70
Palmyra Sugar . . . . .	..	..	..	..
Matches . . . . .	2,07,62	(d) 2,17,90	(e) 2,25,31	+ 7,32
Steel Ingots . . . . .	36,53	38,15	41,86	+ 3,71
Miscellaneous . . . . .	15	16	12	-4
<b>TOTAL GROSS CENTRAL EXCISE REVENUE</b>				
	7,94,07	8,71,88	6,78,96	-1,92,92
Refunds . . . . .	—	0,57	0,24	+ 2,67
<b>NET CENTRAL EXCISE REVENUE</b>				
	—	8,65,31	6,69,72	-1,95,59
Tax on raw jute and jute manufactures . . . . .	13,15	11,97	11,04	- 33
Tea Cess . . . . .	41,68	42,08	47,04	+ 4,96

\* Liable to protective duty with effect from 7th December, 1938. *Vide* footnote marked † above against 29— All other articles.

† Includes figures representing revenue duty on wheat flour with effect from 1st April, 1937 to 6th December, 1938.

(a) Relates to Sea Customs only.

(b) Includes Rs. 48,42,000 collected as excise duty on oil issued from a manufactory in Burma prior to 1st April, 1937.

(c) " " Rs. 18,50,000

(d) Includes Rs. 6,78,000 being the amount of cash remittances from the Indian States to British India.

(e) " " Rs. 3,95,000

ARTICLES	Rate per	1913-14				1937-38				1939-39				1939-40				1940	
		April	July	October	January	April	July	October	January	April	July	October	January	April	July	October	January	April	
		R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.
<b>Tea—Sale Average* (Calcutta)—</b>																			
Assam	Lb.	0 7 3	0 8 10	0 7 11	0 7 10	0 10 9	0 12 2	0 12 0	0 10 9	0 10 7	0 11 6	0 9 9	0 9 11	0 9 5	0 12 9	0 12 5	0 13 3	0 10 3	0 10 3
Cochin	"	0 6 4	0 6 9	0 6 9	0 7 1	0 10 6	0 10 10	0 11 1	0 10 0	0 9 9	0 9 1	0 8 8	0 8 8	0 8 10	0 9 4	0 10 3	0 11 7	0 9 3	0 9 3
Sylhet	"	0 6 6	0 6 9	0 6 9	0 7 0	0 10 5	0 10 10	0 11 0	0 9 11	0 9 10	0 9 0	0 8 8	0 8 7	0 8 10	0 9 4	0 10 3	0 11 8	0 8 9	0 8 9
Darjeeling	"	0 8 9	0 11 7	0 9 11	0 10 8	0 18 5	1 0 0	0 12 6	0 14 7	0 14 5	0 13 10	0 10 9	1 0 4	1 1 1	0 14 2	0 12 6	0 13 4	0 11 8	0 11 8
Dooars	"	0 7 5	0 7 11	0 7 5	0 7 6	0 11 4	0 11 4	0 11 4	0 10 7	0 10 9	0 9 7	0 9 0	0 9 3	0 10 3	0 10 6	0 10 8	0 12 4	0 10 1	0 10 1
Teral	"	0 7 0	0 7 2	0 7 0	0 7 2	0 10 10	0 10 11	0 11 0	0 10 1	0 10 4	0 9 1	0 8 7	0 8 11	0 9 2	0 9 8	0 10 7	0 12 9	0 9 2	0 9 2
Chittagong	"	..	0 6 10	0 6 8	0 7 0	0 10 4	0 10 2	0 10 0	0 9 6	0 9 7	0 8 6	0 8 5	0 7 8	..	0 9 1	0 9 8	0 11 1	0 8 3	0 8 3
All other places	"	0 5 11	0 6 9	0 6 10	0 6 8	0 11 3	0 10 6	0 10 9	0 9 10	0 9 10	0 9 0	0 8 8	0 8 4	0 8 9	0 9 1	0 10 4	..	0 8 5	0 8 5
GENERAL AVERAGE	"	0 7 10	0 7 10	0 7 7	0 7 7	0 11 9	0 11 7	0 11 8	0 10 8	0 11 8	0 10 0	0 9 4	0 9 8	0 11 7	0 11 1	0 11 6	0 12 10	0 10 2	0 10 2
Sale average for tea sold for internal consumption.	"	..	..	..	..	0 5 7	0 5 5	0 5 1	0 4 4	0 4 10	0 4 4	0 4 2	0 3 11	..	0 4 3	0 5 0	0 5 1	0 5 1	0 5 1
<b>Jute raw—</b>																			
Jat and Dist. 3's (European)	Maund	..	..	..	..	7 5 0	7 6 0	7 4 0	6 8 0	6 2 0	6 2 0	6 12 0	7 3 0	(m) 9 0 0	(m) 8 4 0	(m) 9 3 0	(m) 17 5 0	(m) 13 0 0	(m) 13 0 0
Fibre (Calcutta)	400 lbs.	(f) 59 0 0	(f) 69 0 0	(f) 83 0 0	(f) 85 8 0	41 0 0	38 4 0	36 12 0	31 12 0	30 4 0	32 12 0	34 12 0	35 4 0	46 12 0	41 8 0	50 8 0	93 8 0	63 12 0	63 12 0
Lightnings (Calcutta)	"	(g) 54 6 0	..	(g) 76 0 0	(g) 73 0 0	39 4 0	37 4 0	34 12 0	30 0 0	28 8 0	30 12 0	32 0 0	32 0 0	43 4 0	38 8 0	48 0 0	90 8 0	56 12 0	56 12 0
<b>Jute manufactures—</b>																			
H. Twills, 2½-lbs. 44x2½, 6x8 (Calcutta)	100 bags	34 0 0	33 8 0	41 0 0	37 4 0	24 0 0	21 1 0	21 6 0	20 0 0	20 9 0	20 8 0	22 14 0	23 11 0	27 7 0	26 14 0	36 0 0	58 0 0	37 4 0	37 4 0
Hessian Cloth 8-oz. 40" (Calcutta)	100 yds.	12 14 0	13 0 0	16 8 0	13 14 0	9 4 0	8 3 0	7 8 6	0 12 0	0 13 0	0 11 6	7 10 6	7 15 0	9 4 6	8 15 0	13 11 0	10 10 0	12 7 0	12 7 0
Hessian Cloth 10½-oz. 40" (Calcutta)	"	17 0 0	17 0 0	21 10 0	17 0 0	11 2 0	9 15 0	9 10 0	8 14 0	8 11 0	8 11 0	9 5 0	9 10 0	11 7 6	11 3 0	17 10 0	24 1 0	15 2 0	15 2 0
Cotton, raw, M. G. F. G., Broach (Bombay)	Candy (784 lbs.)	317 0 0	287 0 0	..	292 0 0	250 0 0	218 0 0	168 0 0	175 0 0	163 0 0	148 0 0	156 0 0	161 0 0	153 0 0	160 0 0	186 0 0	331 0 0	231 0 0	231 0 0
<b>Cotton yarn (Indian)—</b>																			
Twist, No. 10s (Bombay)	lb.	(a) 0 7 14	(a) 0 6 10½	(a) 0 7 3	(a) 0 6 9	0 6 4	0 6 1	0 6 0	0 5 7	0 5 8	0 4 10	0 4 10	0 4 8	0 4 5	0 4 7	0 5 6	0 7 8	0 6 8	0 6 8
" No. 20s (Bombay)	"	0 8 3	0 8 1½	0 8 6	0 7 10½	0 8 1	0 7 11	0 7 8	0 7 3	0 7 4	0 6 10	0 6 8	0 6 5	0 6 3	0 6 3	0 7 2	0 9 10	0 8 11	0 8 11
Cotton yarn (Imported) Twist No. 40s (Bombay)	"	0 12 4	0 12 3	0 12 6	0 12 4	0 12 9	0 14 3	0 14 9	0 13 3	0 13 4½	0 11 9	0 11 0	0 9 9	0 9 10	0 9 6	0 11 3	0 13 9	0 12 9	0 12 9
<b>Cotton piecegoods (Indian)—</b>																			
Longcloths (standard quality) 37" x 37½ yds. 9 lbs. (Bombay)	"	(b) 0 10 9	(b) 0 10 9	(b) 0 10 3	(b) 0 10 0	0 10 1	0 9 10	0 9 8	0 9 6	0 9 8	0 9 6	0 9 6	0 9 1	0 8 11	0 8 9	0 9 5	0 12 8	0 11 0	0 11 0
Domestic 35" x 40 yds. 12 lbs. (Bombay)	"	(c) 0 10 6	(c) 0 10 3	(c) 0 10 0	(c) 0 9 9	0 8 3	0 8 5	0 8 0	0 7 9	0 7 11	0 7 10	0 7 10	0 7 8	0 7 2	0 7 0	0 7 8	0 10 9	..	..
Chadars 50" x 0 yds. 2½ lbs. (Bombay)	"	(d) 0 10 3	(d) 0 10 3	(d) 0 10 0	(d) 0 9 9	0 9 9	0 9 9	0 9 0	0 9 7	0 9 7	0 9 9	0 9 9	0 9 8	0 9 6	0 9 2	0 12 4	0 10 11	0 10 11	0 10 11
<b>Cotton piecegoods (Imported)—</b>																			
U. K. White shirtings; 1,500, 32" x 35" x 42 yds. (Bombay)	P'cco	(p) 10 6 0	(p) 10 5 0	(p) 10 8 0	(p) 10 8 6	12 14 0	12 14 0	12 14 0	12 8 0	12 6 0	..	..	13 0 0	13 0 0	13 0 0	14 4 0	15 14 0	15 12 0	15 12 0
Japanese Grey shirtings "Bow & arrow" 44" x 48 yds. (Bombay)	"	(q) 5 12 0	(q) 5 12 0	(q) 5 13 6	(q) 5 11 0	10 2 0	10 11 0	10 14 0	10 0 0	9 13 0	9 4 0	9 2 0	8 9 0	8 6 0	8 2 0	8 0 0	9 12 0	8 12 0	8 12 0
U. K. White mulls, 46" x 20 yds. No. 66666 (Bombay)	"	(r) 6 0 6	(r) 6 1 0	(r) 5 1 0	(r) 5 1 0	5 6 0	5 8 0	5 10 0	..	5 8 0	5 6 0	5 6 0	5 6 0	5 4 6	4 14 0	5 4 0	6 4 0	6 0 0	6 0 0
<b>Rice—</b>																			
Seota, No. 1 (Calcutta)	B. Md.	6 6 0	6 14 0	7 0 0	6 8 0	3 14 0	3 14 0	4 4 0	3 14 0	3 5 0	3 14 0	4 5 0	(f) 3 10 0	3 14 0	4 14 0	5 8 0	4 13 0	5 5 0	5 5 0
Balam, No. 1 (Calcutta)	"	5 7 0	6 4 0	5 14 0	5 8 0	(h) 3 14 0	(h) 4 3 0	(h) 4 2 0	(h) 4 2 0	(h) 3 11 0	(h) 4 0 0	(h) 4 4 0	(f) 3 12 0	(i) 4 2 0	(h) 4 12 0	5 2 0	4 10 0	4 13 0	4 13 0

NOTE.—The figures represent the maximum prices in the first week of each month, but where quotations are not available for that week, for the nearest period. The blanks indicate that no quotations were available. From 1935-36 the prices relate to teas sold with export right.

\*April prices relate to the first sale in June each year except for 1939 in which year the prices relate to first sale in May.

(a) Yarn, 10s.  
 (b) Longcloth 36" x 37½ yds., 9 lbs.  
 (c) T-cloths 28" x 24 yds., 5 lbs.  
 (d) Chadars, 54" x 0 yds., 2½ lbs.

(f) Group.

(g) Rod Group.

† Jat and Dist. R's.  
 ‡ " " " Tops.

(h) Shipment quality.  
 (i) Jat and Dist. 4's. (European).  
 (j) New Crop.  
 (m) Jat and Dist. Middles (European).  
 (n) 2-4's Japanese Grey Yarn, "Five Stars".  
 (p) Lelpman's shirtings 1,500 (Bombay).  
 (q) Grey shirtings Fari 2,000 (Bombay).  
 (r) White mulls, 6,000 (Bombay).



No. 54.—WHOLESALE PRICES IN INDIA—continued

ARTICLES	Rate per	1913-14				1937-38				1938-39				1939-40				1940																																					
		April		July		October		January		April		July		October		January		April																																					
		R.	A.	P.	R.	A.	P.	R.	A.	P.	R.	A.	P.	R.	A.	P.	R.	A.	P.	R.	A.	P.																																	
Wheat— Delhi No. 1, white Peasy (Bombay)	Cwt.	(d)5	7	0	(d)5	4	0	(d)5	9	6	(d)5	6	0	6	0	0	5	8	0	5	8	0	5	8	0	4	7	0	4	5	0	4	1	0	4	10	0	4	4	0	4	3	0	4	12	0	5	14	0	5	8	0			
Punjab white (Karachi)	Candy (556 lbs.)	31	8	0	30	4	0	29	6	0	29	12	0	34	0	0	31	6	6	30	7	0	28	3	0	23	4	0	22	12	6	20	6	0	24	2	0	22	2	6	22	2	6	25	7	0	33	1	0	27	0	6			
White (Lyallpur)	B. Md.	3	7	0	3	3	0	3	0	0	3	6	0	3	3	6	3	4	6	3	4	9	2	15	3	2	3	9	2	2	6	2	0	6	2	8	6	2	4	0	2	3	3	2	9	6	3	10	0	3	0	9			
Linseed— Bold (Bombay)	Cwt.	7	13	6	8	1	0	8	2	0	8	2	0	8	3	0	8	1	0	8	3	6	8	0	0	7	7	9	7	4	6	6	10	0	7	4	0	6	14	3	7	1	6	7	10	0	11	13	0	9	8	0			
Small grains 5% refraction (Calcutta)	Indian Md.	(b)5	3	6	(b)5	9	0	(b)5	11	0	(b)5	14	0	6	3	0	6	14	6	6	2	6	5	11	6	5	5	0	5	0	6	4	12	6	5	0	0	4	14	0	4	15	0	5	9	0	3	2	0	6	8	0			
Groundnuts— Machine decorticated (Madras)	Candy (500 lbs.)	(a)4	3	0	(a)4	6	0	(a)4	5	0	(a)4	2	0	37	3	0	35	1	0	30	13	0	26	6	0	23	5	0	26	6	0	23	5	0	24	8	0	24	4	0	23	12	0	30	2	0	30	2	0	31	12	0			
(Bombay)	Cwt.	10	6	0	..	10	1	6	9	15	6	8	12	0	8	0	0	6	12	0	5	15	6	5	6	0	5	15	0	5	8	0	5	12	0	5	5	0	6	2	6	6	9	0	7	15	0	7	7	0					
Rapeseed— Toris 9% (Karachi)	Candy (556 lbs.)	..	..	..	..	..	..	..	..	44	4	0	42	8	9	42	10	0	41	12	0	33	12	0	34	6	0	33	0	0	33	8	0	33	14	0	37	3	0	41	14	0	49	4	0	39	12	0							
Brown, Cawnpore (Bombay)	Cwt.	8	12	0	8	3	6	..	..	7	8	0	7	6	0	7	8	0	7	6	0	6	10	0	7	0	6	6	14	0	6	12	0	6	12	0	7	2	0	7	14	0	10	0	0	7	8	0							
Gingelly—White, Bold (Bombay)	..	12	6	6	..	12	6	0	12	0	0	9	11	0	9	7	0	8	12	0	7	13	0	7	10	6	8	1	0	7	12	0	7	10	6	7	7	0	7	13	0	8	6	0	9	2	0	9	10	0					
Castor seed—Ordinary F. A. (Bombay)	..	7	2	0	7	4	0	7	3	0	7	2	0	7	10	0	7	5	6	7	8	0	7	4	0	6	7	0	6	1	0	5	9	0	5	14	0	5	7	0	5	14	0	7	9	0	11	1	0	9	5	0			
Cotton seed—(Bombay)	..	3	11	0	3	10	0	3	10	0	3	8	0	3	0	0	2	13	0	2	3	0	2	11	0	2	0	0	2	13	0	2	12	0	2	2	0	3	6	6	3	11	0	4	8	0	3	13	0	3	8	0			
Castor oil— No. 1 Fine pale (Calcutta)	B. Md.	(a)19	8	6	(a)19	8	0	(a)20	8	6	(a)20	8	6	16	8	0	15	12	0	16	8	0	17	0	0	15	8	0	15	4	0	14	8	0	14	4	0	14	6	0	14	0	0	17	12	0	19	14	0	20	6	0			
(Madras)	Candy (500 lbs.)	80	0	0	81	0	0	79	0	0	80	0	0	73	10	0	69	2	0	76	2	0	72	2	0	63	2	0	63	2	0	61	2	0	62	2	0	52	2	0	53	10	0	75	0	0	90	0	0	84	0	0			
Coconut oil (Cochin)	Candy	..	..	..	..	..	..	..	..	120	0	0	96	0	0	91	0	0	76	0	0	61	0	0	43	4	0	65	0	0	65	0	0	58	8	0	66	0	0	77	0	0	103	8	0	73	0	0							
Groundnut Cake (Calcutta)	B. Md.	..	..	..	..	..	..	..	..	2	9	0	2	9	0	2	7	0	2	0	0	1	14	0	2	5	0	2	0	0	2	4	0	2	0	0	2	4	0	2	5	0	2	2	0	1	15	0							
Bonemeal— and Steamed (Calcutta)	20 cwts.	80	0	0	80	0	0	81	0	0	85	0	0	100	0	0	105	0	0	105	0	0	100	0	0	100	0	0	100	0	0	95	0	0	90	0	0	90	0	0	90	0	0	90	0	0	95	0	0	100	0	0	100	0	0
Unsteamed (Calcutta)	..	71	8	0	72	0	0	75	0	0	78	0	0	60	0	6	70	0	0	70	0	0	65	0	0	65	0	0	55	0	0	52	0	0	52	0	0	53	0	0	53	0	0	60	0	0	80	0	0	65	0	0			
Indigo—Bengal and Tirhoot, Midg. to good, 60 to 66% (Calcutta) nominal.	Fy.Md. (74-67 lbs.)	..	..	..	..	..	..	..	..	132	8	0	132	8	0	132	8	0	132	8	0	132	8	0	132	8	0	132	8	0	132	8	0	115	0	0	115	0	0	115	0	0	115	0	0	107	8	0	197	8	0				
Wool—Kandahar (Karachi)	Md. (82 lbs.)	26	0	0	27	0	0	27	8	0	29	0	0	35	0	0	33	0	0	29	0	0	40	0	0	36	0	0	26	0	0	32	0	0	32	0	0	32	0	0	23	0	0	34	0	0	44	0	0	45	0	0			
Shellac, T. N. (Calcutta)	B. Md.	42	8	0	46	8	0	50	0	0	43	8	0	23	8	0	18	0	0	18	8	0	17	8	0	15	8	0	13	12	0	14	8	0	16	8	0	13	0	0	13	8	0	20	0	0	36	0	0	23	0	0			
Coffee—(Bangalore)— Nilgiri Peaberry	Cwt.	70	0	0	66	0	0	69	0	0	62	0	0	60	0	0	60	0	0	60	0	0	64	0	0	66	0	0	56	0	0	60	0	0	60	0	0	60	0	0	64	0	0	63	0	0									
Native Peaberry	Md. of 28 lbs.	11	8	0	11	4	0	11	8	0	10	0	0	9	6	0	10	8	0	11	0	0	10	0	0	8	12	0	9	4	0	9	4	0	10	0	0	11	0	0	11	0	0												
Nilgiri Parchment	Cwt.	52	0	0	46	0	0	49	0	0	42	0	0	42	0	0	48	0	0	48	0	0	49	0	0	43	0	0	50	0	0	48	0	0	48	0	0	48	0	0	52	0	0												
Native flat	Md. of 28 lbs.	9	12	0	9	8	0	9	6	0	8	0	0	7	8	0	8	8	0	9	0	0	9	0	0	7	0	0	7	8	0	7	8	0	9	0	0	9	0	0															
Hides, Cow— Agras (Calcutta)	20 lbs.	22	0	0	18	12	0	..	22	8	0	11	0	0	10	8	0	10	8	0	10	4	0	9	4	0	8	8	0	8	8	0	8	8	0	8	8	0	8	8	0	8	8	0	9	0	0	9	0	0					
Durbhanga (Calcutta)	..	7	8	0	14	0	0	16	4	0	18	12	0	7	12	0	7	8	0	7	8	0	7	8	0	6	8	0	5	8	0	5	2	0	5	8	0	5	8	0	6	0	0	6	8	0	9	0	0	9	0	0			
Patnas (Calcutta)	..	18	0	0	11	0	0	13	0	0	13	0	0	7	8	0	7	4	0	7	0	0	7	0	0	5	8	0	4	12	0	4	12	0	4	12	0	4	12	0	5	0	0	6	0	0	8	0	0	8	0	0			
Salted (Calcutta)	..	14	0	0	11	0	0	13	0	0	12	8	0	7	12	0	7	0	0	7	0	0	6	0	0	4	8	0	4	0	0	4	8	0	4	8	0	4	12	0	4	12	0	6	0	0	7	8	0	7	8	0			
Hides, Buffalo, Arsenicated (Calcutta)	..	15	8	0	14	0	0	14	0	0	15	0	0	7	0	0	6	4	0	6	4	0	6	12	0	6	8	0	5	8	0	5	4	0	5	4	0	5	4	0	5	4	0	5	4	0	5	12	0	7	0	0	7	0	0
Skins, Goat (Calcutta)	100 pieces	150	0	0	125	0	0	180	0	0	150	0	0	130	0	0	135	0	0	140	0	0	125	0	0	115	0	0	100	0	0	100	0	0	105	0	0	115	0	0	110	0	0	135	0	0	140	0	0	135	0	0			
Sugar— Marhowrah, Crystal No. 1, ex-factory (Cawnpore)	Maund	7	7	6	7	7	6	6	15	0	6	12	3	6	8	6	6	2	6	6	6	6	6	13	0	7	0	3	7	13	0	6	12	0	10	0	0	10	14	0	10	12	0	10	14	0	12	8	0	12	6	6			
Java, T. M. O. (Bombay)	Cwt.	10	10	0	10	4	0	10	5	6	9	11	0	13	0	0	..	15	4	0	15	9	0	15	1	0	15	4	0	15	8	0	16	12	0	15	15	0	15	0	0	16	6	0	19	7	0	18	8	0					
Kerosene oil— White Rose (Calcutta)	Case	(k)5	14	0	(k)5	14	0	(k)5	14	0	(k)7	14	0	3	9	6</																																							

No. 55.—PRICES OF COTTON, RAW AND INDEX NUMBERS OF COTTON, RAW AND CLOTH IN LIVERPOOL.

(Compiled from F. W. Tattersall's Cotton Trade Review.)

		Prices of cotton, raw American Middling (Pence per lb.)	Index Numbers Basis—100 as Average price, 1930.	
			Cotton, raw American	Cloth
1939				
April	6	4.92	66	101
	14	4.93	66	100
	21	4.99	67	100
	28	5.00	67	100
May	5	5.28	71	101
	12	5.33	72	102
	19	5.54	76	103
	26	5.48	74	103
June	1	5.40	74	103
	9	5.77	78	104
	16	5.76	78	104
	23	5.66	76	104
July	30	5.62	76	104
	7	5.61	76	104
	14	5.52	74	104
	21	5.23	70	103
August	28	5.40	73	103
	4	5.28	71	103
	11	5.22	70	103
	18	5.14	69	103
September	25	5.52	74	104
	1	5.71	77	105
	8	7.03	95	138
	15	7.09	96	138
October	22	6.77	91	138
	29	6.74	91	140
	6	6.44	87	138
	13	6.27	85	135
November	20	6.36	86	134
	27	6.38	86	134
	3	6.22	84	134
	10	7.01	94	135
December	17	7.10	96	140
	24	7.51	101	143
	1	7.95	107	144
	8	8.19	110	146
1940	15	8.50	116	154
	22	8.78	118	155
	29	8.70	117	155
	5	9.29	125	156
January	12	8.98	121	143
	19	8.75	118	143
	26	8.30	112	145
	2	8.29	112	145
February	9	8.30	112	146
	16	8.12	109	148
	23	8.04	108	150
	1	7.99	108	151
March	8	8.03	108	154
	15	7.68	104	155
	21	7.55	102	156
	29	7.70	104	156

No. 56.—DECLARED VALUE PER UNIT OF PRINCIPAL IMPORTED ARTICLES

ARTICLES	Per	Pre-war	1937-38	1938-39	1939-40
		average*			
		£ s. p.	£ s. p.	£ s. p.	£ s. p.
1. Sugar, 16 D. S. and above . . . . .	Cwt.	9 14 4	6 7 7	6 4 3	6 7 4
Molasses . . . . .	"	2 3 7	7 15 1	7 13 0	8 15 10
2. Other articles of food and drink—					
(a) Liquors—					
Ale, beer and porter . . . . .	Gal.	1 5 7	2 0 8	2 0 5	2 2 8
Spirit—Brandy . . . . .	"	9 15 9	15 13 7	15 2 4	17 3 6
" Whisky . . . . .	"	6 8 2	17 2 2	17 6 3	17 9 7
" present in drugs . . . . .	"	17 9 3	28 0 6	26 13 1	29 3 0
(b) Provisions—					
Biscuits and cakes . . . . .	lb.	0 7 3	0 13 1	0 12 1	0 13 0
Farinaceous and patent foods . . . . .	Cwt.	14 14 2	19 12 1	17 14 10	23 2 9
Milk condensed . . . . .	lb.	0 4 6	0 4 8	0 4 7	0 4 10
Canned provisions . . . . .	Cwt.	46 10 3	38 13 2	30 4 6	42 8 10
(c) Spices—					
Betelnuts . . . . .	lb.	0 1 4	0 1 5	0 1 6	0 1 5
Cloves . . . . .	"	0 5 2	0 6 5	0 7 6	0 7 4
(d) Other articles—					
Salt . . . . .	Ton	14 8 5	16 0 11	12 1 9	19 11 8
3. Oils—					
Kerosene . . . . .	Gal.	0 6 6	0 6 0	0 5 8	0 6 3
4. Textile, Cotton—					
Cotton yarn . . . . .	lb.	0 14 5	1 2 3	0 12 10	0 13 8
" goods, grey . . . . .	Yd.	0 2 8	0 3 3	0 3 11	0 1 11
" " white . . . . .	"	0 2 9	0 3 4	0 2 11	0 3 5
" " coloured . . . . .	"	0 3 3	0 3 6	0 3 0	0 3 1
" handkerchiefs and shawl . . . . .	No.	0 8 6	0 1 8	0 1 4	0 1 11
5. Other textiles—					
(a) Silk, raw . . . . .	lb.	4 9 1	3 11 9	2 12 3	3 1 8
" goods, mixed . . . . .	Yd.	0 12 9	0 8 7	0 8 5	0 7 9
" piecegoods . . . . .	"	0 11 2	0 6 4	0 6 5	0 9 6
(b) Wool—					
" piecegoods . . . . .	Yd.	0 14 9	1 10 9	1 12 10	1 8 0
" shawls . . . . .	No.	2 7 9	3 11 5	2 14 3	2 8 2
6. Apparel—					
Boots and shoes . . . . .	Pair	2 7 2	1 14 3	1 13 7	1 13 7
7. Metals and manufactures—					
Copper, wrought . . . . .	Cwt.	51 12 1	44 12 9	39 1 3	46 7 2
Iron, bars and channel . . . . .	Ton	118 4 2	243 11 6	317 12 2	294 11 7

\* See Note (2) on page 203.

No. 56.—DECLARED VALUE PER UNIT OF PRINCIPAL IMPORTED ARTICLES—  
continued

ARTICLES	Per	Pre-war	1937-38	1938-39	1939-40
		average *			
		R a. p.	R a. p.	R a. p.	R a. p.
<b>7. Metals and manufactures—contd.</b>					
<b>Iron or Steel—</b>					
Beams, etc. . . . .	Ton	115 5 6	154 2 5	163 8 9	160 14 11
Nails, etc. . . . .	"	205 1 6	298 4 6	307 8 7	426 4 5
Pipes, etc. . . . .	"	150 10 9	492 10 0	351 13 1	342 11 5
Rails, chairs, etc. . . . .	Cwt.	3 11 6	7 6 10	6 5 9	5 12 1
Sheets, galvanised . . . . .	Ton	192 0 1	227 10 5	229 10 10	243 6 3
"    tinned . . . . .	"	236 15 1	388 8 1	348 12 0	382 6 6
"    not galvanised . . . . .	"	139 6 0	194 9 0	198 9 11	202 9 6
Tubes . . . . .	"	231 8 4	258 12 6	302 12 0	310 10 1
Steel, bars . . . . .	"	99 7 7	189 13 4	256 1 8	193 11 2
Tin, block, etc. . . . .	Cwt.	138 4 5	146 6 1	120 8 8	101 11 4
<b>8. Animals and other raw and manufactured articles—</b>					
(a) Animals, horses . . . . .	No.	455 6 3	838 15 0	878 0 4	674 0 7
(b) Fruits, coconuts . . . . .	"	0 0 10	0 0 0	0 0 5	0 0 4
(c) Dyes obtained from Coal tar—					
Alizarine . . . . .	lb.	0 7 9	0 9 9	0 10 5	0 11 9
Others . . . . .	"	0 12 4	1 12 3	2 4 7	2 5 4
(d) Chemicals—					
Sodium carbonate . . . . .	Cwt.	4 1 6	4 0 1	4 10 7	4 13 2
(e) Drugs, medicines—					
Quinine salts . . . . .	lb.	9 11 11	24 15 3	25 13 8	50 0 9
(f) Tobacco manufactures—					
Cigarettes . . . . .	"	3 0 9	3 7 5	3 4 11	3 5 8
(g) Gums and resins . . . . .	Cwt.	15 13 9	14 7 4	11 15 1	16 3 2
(h) Flax—					
Canvas . . . . .	Yd.	0 8 0	1 1 7	1 0 1	1 1 5
Piecegoods . . . . .	"	0 5 8	0 9 8	0 13 11	0 13 7
(i) Coal . . . . .	Ton	17 5 11	19 6 0	17 2 4	12 6 4
(j) Other raw materials—					
Tallow and stearine . . . . .	Cwt.	23 3 1	17 3 5	14 3 4	15 8 10
(k) Other manufactured articles—					
(i) Arms, etc.—					
Gunpowder . . . . .	lb.	0 11 7	0 11 13	0 10 4	0 10 7
(ii) Glass and glassware—					
Beads . . . . .	Cwt.	85 9 1	84 5 7	68 14 7	68 2 5
Sheet and plate . . . . .	Sq. ft.	—	0 1 11	0 1 5	0 1 6
(iii) Paints and colours . . . . .	Cwt.	16 1 2	26 13 6	26 4 4	27 5 9
(iv) Printing paper . . . . .	"	12 8 3	11 6 6	10 0 11	11 5 3
(v) Soap . . . . .	"	19 11 7	58 14 1	65 6 4	71 3 2
(vi) Umbrellas . . . . .	No.	1 1 1	0 6 8	0 8 4	0 9 11
(vii) Building materials—					
Firebricks . . . . .	"	0 1 6	0 4 0	0 6 2	0 5 7
Cement . . . . .	Cwt.	2 0 5	2 0 5	2 5 11	3 3 9
Pitch and tar . . . . .	"	4 1 4	3 12 1	3 10 4	4 11 8

\* See Note (2) on page 203.

No. 57.—DECLARED VALUE PER UNIT OF PRINCIPAL EXPORTED ARTICLES

ARTICLES	Par	Pre-war	1937-38	1938-39	1939-40
		average*	R s. p.	R s. p.	R s. p.
<b>1. Food grains—cereals—</b>					
Bloo (not in the husk) . . . . .	Cwt.	5 5 8	5 11 11	5 0 11	7 14 1
Wheat . . . . .	"	5 5 5	5 0 5	4 7 2	0 0 2
Wheat flour . . . . .	"	7 14 8	7 3 0	6 0 4	6 12 6
Barley . . . . .	"	4 4 2	4 0 11	4 2 2	7 0 1
<b>2. Food grains—</b>					
Pulse . . . . .	Cwt.	4 1 4	5 11 3	5 10 10	6 8 11
<b>3. Tea . . . . .</b>					
Coffee . . . . .	Cwt.	54 0 4	40 6 3	40 10 3	43 8 8
<b>4. Other articles of food and drink—</b>					
<b>(a) Spices—</b>					
Pepper . . . . .	lb.	0 4 8	0 3 2	0 2 10	0 3 0
Chillies . . . . .	"	0 2 4	0 2 10	0 2 4	0 2 4
<b>(b) Other articles—</b>					
Ghi . . . . .	"	0 9 0	0 9 1	0 8 11	0 8 0
<b>5. Seeds, oils and oilcakes—</b>					
<b>Seeds—</b>					
Castor . . . . .	Cwt.	7 5 2	7 9 10	6 9 7	8 12 10
Copra . . . . .	"	17 15 7	17 0 0	10 2 7	17 13 0
Cotton . . . . .	"	3 12 0	3 1 1	3 14 1	0 0 7
Groundnut . . . . .	"	8 5 1	7 3 5	5 15 1	0 8 10
Linseed . . . . .	"	10 8 8	7 14 0	6 14 8	7 3 11
Rapeseed . . . . .	"	7 9 8	7 4 4	6 11 10	7 8 10
Sesamum . . . . .	"	10 6 5	9 7 7	9 10 10	10 11 1
<b>Oils—</b>					
Castor . . . . .	Gal.	1 5 10	1 3 11	1 3 0	1 14 2
Coconut . . . . .	"	1 12 8	1 10 5	1 9 2	1 12 7
Oilcakes . . . . .	Cwt.	3 12 8	3 6 4	3 6 0	3 8 3
<b>6. Textiles, Jute—</b>					
Jute, raw . . . . .	Ton	200 7 4	100 15 7	104 0 0	347 5 3
Gunny bags . . . . .	No.	0 4 5	0 3 5	0 3 4	0 3 4
"  cloth . . . . .	Yd.	0 1 9	0 1 6	0 1 5	0 2 4
<b>7. Textiles, Cotton—</b>					
Cotton, raw . . . . .	Cwt.	38 11 3	29 12 2	24 11 0	28 9 7
"  yarn . . . . .	lb.	0 7 11	0 8 1	0 7 11	0 7 0
"  piecegoods, grey . . . . .	Yd.	0 2 5	0 3 5	0 3 1	0 3 2
"  "  coloured . . . . .	"	0 5 0	0 5 0	0 5 4	0 5 3

\* See Note (2) on page 203.

No. 57.—DECLARED VALUE PER UNIT OF PRINCIPAL EXPORTED ARTICLES—  
continued

ARTICLES	For	Pre-war	1937-38	1938-39	1939-40
		average *	R a. p.	R a. p.	R a. p.
<b>8. Other textiles—</b>					
Wool, raw . . . . .	lb.	0 7 10	0 11 2	0 8 7	0 9 9
<b>9. Hides and skins—</b>					
Hides, raw . . . . .	Cwt.	06 4 1	36 5 3	33 3 1	33 6 11
„ tanned . . . . .	„	85 10 10	94 0 0	77 1 11	83 10 0
Skins, raw . . . . .	„	08 0 6	85 4 0	00 15 0	82 0 4
„ tanned . . . . .	„	106 12 8	241 0 4	227 11 10	218 0 10
<b>10. Metals and Ores—</b>					
Manganese ore . . . . .	Ton	16 4 0	22 1 8	23 8 4	25 6 10
<b>11. Other raw and manufactured articles—</b>					
<b>(a) Dyeing substances—</b>					
Indigo . . . . .	Cwt.	194 6 6	170 4 2	120 5 5	110 9 6
Myrobalsams . . . . .	„	4 4 5	3 1 7	3 4 5	3 8 3
<b>(b) Chemicals—</b>					
Saltpetre . . . . .	„	11 7 6	6 13 7	8 1 0	9 3 10
<b>(c) Drugs, medicines, etc.—</b>					
<b>Tobacco—</b>					
Unmanufactured . . . . .	lb.	0 1 10	0 4 5	0 5 4	0 5 0
Cigars . . . . .	„	0 13 7	1 9 9	1 15 7	1 7 9
Opium . . . . .	Cwt.	1,945 10 10	..	..	..
(d) Hemp, raw . . . . .	„	13 12 0	8 15 8	8 13 1	11 9 6
(e) Lac, shell . . . . .	„	54 1 9	27 1 1	22 4 3	28 5 6
(f) Coal . . . . .	Ton	9 12 7	9 0 6	9 15 11	9 8 2
(g) Manures—Bones . . . . .	„	60 0 9	75 8 1	05 15 0	58 14 4
<b>(h) Other raw materials—</b>					
Rubber, raw . . . . .	Cwt.	36 15 5	52 14 2	46 8 11	48 11 11
Colc, unmanufactured . . . . .	„	10 11 0	10 4 5	7 14 1	6 7 2
Mica . . . . .	„	72 15 0	80 7 9	70 8 2	79 6 0
<b>(i) Other manufactured articles—</b>					
Candles . . . . .	lb.	0 4 6	0 8 7	0 12 8	0 9 0
Paraffin wax . . . . .	Cwt.	22 7 1	21 9 7	21 3 3	21 13 0
<b>12. Building materials—</b>					
Teakwood . . . . .	C. Ton	155 12 1	204 10 7	332 14 3	179 11 7

\* See Note (2) on page 203.

## APPENDIX.

Copy of Notification No. 65-C.W. (9)/40, dated the 15th May 1940 as amended by subsequent notifications up to the 14th September 1940, from the Department of Commerce, Government of India, Simla.

No. 65-C. W. (9)/40.—In exercise of the powers conferred by sub-rule (3) of rule 84 of the Defence of India Rules, and in supersession of the notification of the Government of India in the Department of Commerce, No. 65-C.W. (20)/39, dated the 25th November 1939, the Central Government is pleased to prohibit the taking by sea or by land out of British India to any place outside India or Burma of any goods of the description specified in the Schedule hereto Annexed, except the following, namely :—

- (a) any goods consigned to or destined for the French or Portuguese possessions in India and intended for use or consumption therein ;
- (b) any goods consigned by land to any other country contiguous to the land frontier of India and intended for use or consumption therein ;
- (c) any goods of the description specified in Part E of the Schedule and consigned to or destined for any part of the British Empire including Mandated Territories ;
- (d) any goods of the description specified in Part C of the Schedule and covered by an export licence issued by the Central Government in the Department of Supply ;
- (e) any goods of the description specified in Part B, D or E of the Schedule and covered by an export licence issued by or under the orders of the Export Trade Controller appointed in this behalf by the Central Government ;
- (f) any goods constituting the stores or equipment of an outgoing vessel or conveyance, or the *bona-fide* personal effects of the crew of, or of the passengers in, such vessel or conveyance ;
- (g) any goods transhipped at a port in British India after having been manifested for such transhipment at the time of despatch from a port outside British India ;
- (h) any goods exported under the orders of Naval, Military or Air Force Authorities for Naval, Military or Air Force requirements ; and
- (i) any goods exported under the orders of the Central Government or such officers as may be appointed by the Central Government in this behalf.

### SCHEDULE.

#### PART A.

(No Licences.)

1. Arms, Ammunition and Military stores (including explosives and fulminate of mercury).
2. Chemicals and chemical preparations, the following :—
  - (i) Chrome alum.
  - (ii) Potassium bichromate.
  - (iii) Sodium bichromate.
3. Instruments, Apparatus and appliances, and parts thereof, the following :—
  - (i) Optical glass, formed and unformed.
  - (ii) Surveying instruments and appliances.
  - (iii) Telescopes and binoculars.
4. Metals and Ores, the following :—

Antimony.
5. Textiles, the following :—
  - (i) Flax, raw.
  - (ii) Flax, Manufactures.

#### PART B.

(Licences issued by the Export Trade Controller.)

1. Bakelite and other synthetic moulding powders.

2. Chemicals and chemical preparations, the following :—
  - (i) Acid Nitric.
  - (ii) Ammonia and Ammonium compounds.
  - (iii) Bleaching powder and chlorine.
  - (iv) Copper sulphate.
  - (v) Glycerine.
  - (vi) Photographic chemicals all sorts.
  - (vii) Potassium carbonate.
3. Chemical manures.
4. Drugs and medicines, including camphor.
5. Instruments, Apparatus and Appliances, and parts thereof, the following :—
  - (i) Optical instruments (other than optical glass, formed and unformed, surveying instruments and appliances, telescopes and binoculars).
  - (ii) Photographic papers, plates and films (excluding those used in X-ray photography and excluding cinema films).
  - (iii) Surgical and veterinary instruments.
  - (iv) Wireless transmission and receiving sets and parts thereof.
6. Provisions, canned and bottled.

### PART C.

*(Licences issued by the Central Government in the Department of Supply.)*

1. Abrasives, manufactured, including grinding wheels.
2. Bolting for Machinery—
  - (i) of cotton.
  - (ii) of hair.
3. Chemicals and chemical preparations, the following :—
  - (i) Alcohol, Methyl.
  - (ii) Acetone.
  - (iii) Acid Acetic.
  - (iv) Acid Formic.
  - (v) Aluminium Oxide.
  - (vi) Aniline and alkylated aniline.
  - (vii) Calcium acetate (acetate of lime).
  - (viii) Caustic Potash.
  - (ix) Chlorinated hydrocarbons including carbon tetrachloride.
  - (x) Lead acetate.
  - (xi) Phosphorus.
  - (xii) Potassium Chlorate.
  - (xiii) Sodium hydrosulphite.
  - (xiv) Sodium Nitrite.
  - (xv) Tetra-ethyl-lead.
  - (xvi) Toluol (toluene).
4. Drugs and medicines, the following :—
  - Sera.
5. Graphite and graphite crucibles.
6. Hydraulic packing.
7. Instruments, Apparatus and Appliances, and parts thereof, the following :—
  - (i) Electric wires and cables.
  - (ii) Electrical insulating materials, all sorts.
  - (iii) Photographic plates and films used in X-ray photography.



8. Machinery and Millwork, including machine tools of all descriptions and parts thereof but excluding parts which—

- (a) if of foreign manufacture, are exported for purposes of repairs, or
- (b) if of Indian manufacture, are supplied to any country in the British Empire.

9. Metals and Ores, the following :—

- (i) Aluminium and aluminium alloys and manufactures thereof.
- (ii) Antimony alloys containing more than 10 per cent. of antimony.
- (iii) Copper ores ; copper wrought and unwrought ; copper plates and sheets ; copper wire, drawn ; copper scrap ; copper manufactures and alloys.
- (iv) Ferro-chrome ; ferro-manganese ; ferro-phosphorus ; ferro-silicon ; ferro-titanium ; ferro-tungsten ; and ferro-vanadium.
- (v) Gun metal ; gun metal manufactures ; gun metal scrap and borings.
- (vi) Iridium, osmiridium, iridosmine and concentrates containing iridium.
- (vii) Iron or steel :—
  - (a) High Speed Tool Steel.
  - (b) Plates, boiler, of acid quality steel.
  - (c) Sheets and plates, galvanised (corrugated and plain).
  - (d) Sheets and plates tinned.
  - (e) Tubes, pipes and fittings, cast or wrought.
  - (f) Wire Nails.
  - (g) Wire, plain barbed and stranded.
  - (h) Wire rope (Black and galvanised).
  - (i) Wood screws.
- (viii) Lead sheets ; lead pipes and tubes ; lead scrap ; pig lead and lead ore.
- (ix) Magnesium and magnesium alloys.
  - (a) Mercury (quicksilver) and its compounds.
  - (b) Molybdenum ; ferro-molybdenum ; molybdenum ores and compounds.
- (x) Nickel ; nickel ore and matte, nickel alloys in their various forms (including nickel oxide).
- (xi) Phosphor alloys.
- (xii) Platinum, crude and refined ; platinum alloys and compounds.
- (xiii) Radium ; radium ores and concentrates ; radium compounds.
- (xiv) Tin, wrought and unwrought.
- (xv) White metal, white metal manufactures, white metal scrap, white metal borings and white metal ash and dross.
- (xvi) Zinc or spelter, unwrought and wrought, zinc concentrates and zinc scrap.

10. Synthetic dyestuffs, including coal tar derivatives used in any dyeing process.

11. Textiles, the following :—

Cotton mosquito netting.

12. Vehicles (excluding old scrap parts), the following :—

- (i) Aircraft and parts of aircrafts.
- (ii) Motor cars, motor cycles and motor omnibuses, vans and lorries and parts thereof (excluding rubber tyres and tubes).

13. Coniferous timber, namely, *Pinus longifolia* (Chir), *Pinus excelsa* (Kail), *Picea morinda* (Spruce), *Abies pindrow* (Fir), and *Cedrus deodara* (Deodar) ; also chests, boxes, crates, and other containers made therefrom, when exported empty, and parts thereof including shooks.

14. Carbonised coconut shell.

#### PART D.

(Licences issued by the Export Trade Controller.)

1. Manila rope.

2. Metals and ores, the following :—

- (i) Beryl (Beryllium).
- (ii) Tungsten and Tungsten ore (Wolfram).

3. Mica.
- 3-A. Paper and pasteboard all sorts.
- 3-B. Pulp of wood for paper-making.
4. Quartz Crystals.
5. Wool, raw.
6. Diamonds.

PART E.

*(Licences issued by the Export Trade Controller.)*

1. Candles of all kinds.
- 1-A. Coffee.
2. Coir, unmanufactured and manufactured.
3. Hides and skins, raw, all sorts.
4. Hides and skins, tanned or dressed, all sorts.
5. Lac, all sorts.
6. Metals and ores, the following :—
  - (i) Aluminium ore (Bauxite and Laterite).
  - (ii) Chrome Ore.
  - (iii) Ilmenite, Monazite, Rutile, Zircon, Kyanite and Sillimanite.
  - (iv) Iron Ore.
  - (iv-a) Iron Pyrites.
  - (v) Iron or steel :—
    - (a) All rolled sections.
    - (b) Castings.
    - (c) Hoops and strips.
    - (d) Rivets, bolts, nuts and washers.
    - (e) Sheets and plates not specified in Part C.
    - (f) Scrap for re-manufacture.
    - (g) Steel ingots, blooms, billets and slabs.
  - (vi) Manganese ore and Manganese.
  - (vii) Pig Iron.
  - (viii) Vanadium and Vanadium Ores.
7. Myrobalans and other tanning substances.
8. Oilcakes, all sorts.
9. Oils, mineral, all sorts (including crude oil, kerosene, fuel oils, lubricating oils, greases petrol, benzine and benzol).
10. Oils, vegetable, non-essential, all sorts.
11. Rice and rice products.
12. Rubber, raw.
13. Rubber manufactures, the following :—
  - Tyres and tubes.
14. Seeds, oilseeds, non-essential, all sorts.
- 14-A. Spices.
15. Tallow and stearine, all sorts.
- 15-A. Tea.
16. Textiles, the following :—
  - (i) Cotton manufactures, all sorts not specified in Part C.
  - (ii) Cotton, raw and waste.
  - (iii) Hemp manufactures other than manila rope.
  - (iv) Hemp, raw.
  - (v) Jute manufactures.
  - (vi) Jute, raw.
  - (vii) Mesta-fibre.
  - (viii) Silk, raw cocoons, waste products (including Duppon) and handreeled.
  - (ix) Wool Manufactures.
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