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THE
BOMBAY INVESTORS'
YEAR BOOK
1940

The CHARTERED BANK of INDIA, AUSTRALIA and CHINA.

(INCORPORATED IN ENGLAND BY ROYAL CHARTER, 1853)
(Liability of Shareholders limited.)

WITH WHICH IS AFFILIATED THE ALLAHABAD BANK, LTD.

Capital - - - £3,000,000
Reserve Fund - - £3,000,000

Head Office :—**38, BISHOPSGATE, LONDON, E.C.2.**

London Branches :— **117/122, LEADENHALL STREET, E.C.3.**
14/16, COCKSPUR STREET, S.W.1.

AGENCIES AND BRANCHES:

Alor Star (Kedah).	Colombo.	Kobe.	Seremban.
Amritsar.	Delhi.	Kuala Lumpur.	Shanghai.
Bangkok.	Haiphong.	Kuching.	Singapore.
Batavia.	Hankow.	Madras.	Sitiawan (F.M.S.).
Bombay.	Harbin.	Manila.	Sourabaya.
Calcutta (2 Offices).	Hongkong.	Medan.	Taiping (F.M.S.).
Calicut.	Iloilo.	Peiping (Peking).	Tientsin.
Canton.	Ipoh.	Penang.	Tongkah (Bhuket).
Cawnpore.	Karachi.	Rangoon.	Tsingtao.
Cebu.	Klang.	Saigon.	Yokohama.

Also at

NEW YORK AND MANCHESTER

Current Deposit Accounts *opened* and Fixed Deposits *received* and interest allowed on terms which may be ascertained on application.

The Bank issues Travellers' Cheques and Letters of Credit and grants Drafts payable at the above Agencies and Branches and also by its Correspondents in the principal cities of the World; buys and receives for collection approved Bills of Exchange; undertakes the purchase and sale of East India Securities and Stocks and Shares on behalf of Constituents. It also undertakes for its Constituents the Safe Custody of their Securities and the collection of Interest or Dividends thereon as they become due.

RECOVERY OF BRITISH INCOME-TAX.

The London Office of the Bank undertakes the recovery of British Income-Tax overpaid, the preparation of Super-Tax, Schedule D and other Income-Tax Returns and advises upon all matters relating thereto.

EXECUTOR AND/OR TRUSTEE UNDER A WILL.

The London Office of the Bank will act for its British domiciled Constituents as Executor or Trustee or both and either alone or jointly with others. Full particulars may be had on application at any Branch.

Office hours :—10 a.m. to 3-30 p.m.; Saturdays, 10 a.m. to 1-30 p.m.

Bombay Agency:—**Esplanade Road.**

D. LAIDLAW,
Agent.

Life Assurance is the only means whereby one can, by easy periodical payments, provide with certainty, an amount one considers sufficient to ensure FINANCIAL INDEPENDENCE for oneself in one's old age and/or for one's dependents.

Every Year thousands of discerning persons lay the Foundation Stone of ECONOMIC INDEPENDENCE for themselves in their old age and/or for their dependents after them by insuring their lives with the

"Oriental"

the strongest and most popular Indian Life Assurance Company

DO NOT DELAY

Take out an "ORIENTAL" Policy Today.

Write for particulars to :—

ORIENTAL

GOVT. SECURITY LIFE ASSURANCE Co. Ltd.

ESTD. 1874. —— Head Office : BOMBAY.

The
MERCANTILE BANK OF INDIA, LTD.

INCORPORATED IN ENGLAND

Authorised Capital	£3,000,000
Subscribed Capital	£1,800,000
Paid-up Capital	£1,050,000
Reserve Fund	£1,075,000

London Bankers :

BANK OF ENGLAND & MIDLAND BANK, LD.

Head Office :

15, GRACECHURCH STREET, LONDON, E. C. 3.

Branches & Agencies :

Calcutta
Howrah
Delhi
Simla
Bombay
Madras
Karachi
Rangoon
Jaffna (Ceylon)
Colombo
Kandy
Galle
Penang
Singapore
Ipoh (F.M.S.)
Kuala Lumpur (F.M.S.)
Kuala Lipis (F.M.S.)
Kuala Trengganu
Kuantan (Pahang)
Kota Bharu (Kelantan)
Bangkok
Hong-Kong
Mauritius
Shanghai
New York, U.S.A.

CURRENT ACCOUNT

opened and interest allowed at ½ per cent. per annum on daily balances up to one lakh of rupees. Other terms by arrangement.

FIXED DEPOSITS

Deposits are received for fixed periods on terms which may be ascertained on application.

The Bank undertakes Trusteeships and Executorships.

Esplanade Road,
BOMBAY.

G. J. H. WALLS,
Manager.

EMPIRE OF INDIA

LIFE ASSURANCE CO. LTD.

ESTABLISHED 1897.

BRANCHES or CHIEF AGENCY OFFICES at :—

Aden
Ahmedabad
Ajmer
Allahabad
Bangalore
Calcutta
Calicut
Delhi
Hyderabad (Deccan)
Hyderabad (Sind)
Karachi
Lahore
Lucknow
Madras
Nagpur
Poona
Rangoon
Surat

INCOME
Rs. 86,49,000

NEW ASSURANCES
Rs. 1,57,65,000

ASSURANCES IN FORCE
Rs. 14,51,47,000

ASSETS
Rs. 5,42,03,000

APPLICATIONS FOR AGENCIES INVITED.

HEAD Office: EMPIRE OF INDIA LIFE BUILDING

BOMBAY

THE BANK OF INDIA LIMITED

(ESTABLISHED 1906)

Capital Subscribed - Rs. 2,00,00,000
Capital Paid-up - - Rs. 1,00,00,000
Reserve Fund - - - Rs. 1,13,00,000

HEAD OFFICE :—ORIENTAL BUILDINGS, BOMBAY.

BOMBAY LOCAL BRANCHES :— BULLION EXCHANGE, COLABA, KALBADEVI, MALABAR HILL.

OTHER BRANCHES :

AHMEDABAD: Bhadra Office, Station Branch.
ANDHERI (Near Bombay).
BANDRA (Near Bombay).
CALCUTTA :
Clive St. (Main Office),
Bara Bazar,
Chowringhee Square.
JAMSHEDPUR.
NAGPUR : Kingsway, Itwari Bazar.
POONA.
POONA CITY.
RAJKOT.
SURAT.

LONDON AGENTS : **Westminster Bank, Limited.**

DIRECTORS :

Sir Chunilal V. Mehta, K.C.S.I., *Chairman.*

Mr. Ambalal Sarabhai,
Mr. A. Geddis,
Mr. Dinsha K. Daji,
Sir Joseph Kay, Kt. (on leave),
Sir Cowasji Jehangir, Bart., K.C.I.E., O.B.E.,
Mr. Ramniwas Ramnarain,
Mr. R. L. Ferard.

CURRENT ACCOUNTS — Interest is allowed on daily balances from Rs. 300 to Rs. 1,00,000 at the rate of ½% per annum. No interest is allowed which does not amount to Rs. 5 in a half year.

FIXED DEPOSITS — Received for one year or for shorter periods.

SAVINGS BANK — Interest allowed at 1½ % per annum on minimum monthly balances.

GENERAL BANKING BUSINESS TRANSACTED.

Rules on Application.

EXECUTOR AND TRUSTEE DEPARTMENT :

The organization and experience of this Department are at the service of our constituents.

The Bank is prepared to act as Executor and Trustee under Wills and Settlements and undertakes Trustee business of every description.

Continuity of management is thereby assured and fees have been fixed at most reasonable rates. To those contemplating forming a Trust of any nature, however small, we recommend an enquiry to this Department.

Information will gladly be given and literature is available on request.

A. G. GRAY,
Manager.

The

Industrial & Prudential

Assurance Co., Ltd.

INDUSTRIAL ASSURANCE BUILDING, OPP.
CHURCHGATE STATION, FORT, BOMBAY

(ESTD—1913)

BOARD OF DIRECTORS

SIR CHIMANLAL H. SETALVAD, K.C.I.E., (*Chairman*).
SIR HUKUMCHAND SARUPCHAND (Banker & Mill Owner).
SETH VELJI LAKHAMSI (Chairman, Grain Merchants' Assen.)
SIR GHULAM HUSSAIN HIDAYATULLAH, K.C.S.I.
MANGALDAS B. MEHTA, Esq., Solicitor, High Court.
MAGANLAL C. GHIA.
CALIAN D. VAIDYA, Esq., J.P.
JIVANLAL C. SETALVAD, Esq. (*Ex-Officio.*)

Bonuses :

Rs. 16 on Endowment	Rs. 20 on Whole Life	Per thousand per year

NEW BUSINESS COMPLETED DURING 1939 ABOVE

Rs. 95,42,000

LIFE FUND AT THE END OF 1939 ABOUT

Rs. 1,17,47,000

For further particulars write to :—

General Manager:—KESHAVPRASAD C. DESAI, Esq., B.A., LL.B.

ALLAHABAD BANK, LTD.

Established 1865

Affiliated to the Chartered Bank of India, Australia and China.

Authorised and Subscribed Capital	Rs.	40,00,000
Capital Paid-up	„	35,50,000
Reserve Fund	„	54,00,000

Head Office :

6 & 7, ROYAL EXCHANGE PLACE, CALCUTTA.

General Manager: **W. LOTHIAN BROWN.**

Branches and Sub-Agencies :

Agra
Ahmedabad
Aligarh
Allahabad
Allahabad City
Amritsar
Bareilly
Bareilly City
Benares
Bombay
Bombay, City Office, Kalbadevi Road
Calcutta
Calcutta (Burra Bazaar)
Cawnpore
Cawnpore City
Chandausi
Dehra Dun
Delhi
Fyzabad
Gorakhpur
Hapur
Hardoi
Hathras
Jhansi
Jubbulpore
Jullundur City
Lahore
Lahore City
Lucknow
Lucknow City
Aminabad Park (Lucknow)
Lyallpur
Meerut
Moradabad
Moradabad City
Mussoorie
Muttra
Muzaffarnagar
Nagpur
Nagpur City
Naini Tal
Patna
Rae Bareli
Raipur
Shahjahanpur
Sitapur

Pay Offices:

Auraiya
Bindki
Dibai
Etawah
Firozabad
Gadarwara (C. P.)
Ghaziabad
Kalpi
Kosi Kalan
Kunch

London Bankers :

THE CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA

Current, Fixed Deposit and Savings Bank Accounts opened; full particulars, interests rates and copies of rules will be given on application.

Banking business of every description transacted.

Apollo Street,
BOMBAY.

W. R. BERRY,
Agent.

THE

NEW INDIA

ASSURANCE COMPANY, LTD.

(ESTABLISHED 1919.)

PAID-UP CAPITAL	-	Rs. 71,21,055
OTHER FUNDS	-	,, 2,25,63,179
TOTAL FUNDS	-	Rs. 2,96,84,234

HEAD OFFICE:

ESPLANADE ROAD, FORT, BOMBAY.



LARGEST INDIAN COMPOSITE INSURANCE COMPANY TRANSACTING

ALL CLASSES OF INSURANCE

LIFE, FIRE, MARINE,

ALL CLASSES OF ACCIDENT INSURANCE, WORKMEN'S COMPENSATION, AVIATION, ETC., ETC.

THE CENTRAL BANK OF INDIA, LTD.

Established December 1911.

Authorised Capital	.. ..	Rs. 3,50,00,000
Subscribed Capital	.. ..	Rs. 3,36,26,400
Paid-up Capital	.. ..	Rs. 1,68,13,200
Reserve & other Funds	.. ..	Rs. 1,12,37,000
Deposits as at 30-6-40	..	Rs. 30,44,93,000

Head Office :

ESPLANADE ROAD, FORT, BOMBAY.

130 Branches and Pay-Offices throughout India.

Directors :

SIR H. P. MODY, K.B.E., Chairman.
The Right Hon'ble Nawab Sir AKBAR HYDARI, Kt., P.C.
ARDESHIR B. DUBASH, Esq.
HARIDAS MADHAVADAS, Esq.
DINSHAW D. ROMER, Esq.
VITHALDAS KANJI, Esq.
NOORMAHOMED M. CHINOY, Esq.
BAPUJI D. LAM, Esq.
DHARAMSEY MULRAJ KHATAU, Esq.
Sir ARDESHIR DALAL, Kt.

London Agents :
BARCLAYS BANK, LTD.
MIDLAND BANK, LTD.

New York Agents :
THE GUARANTY TRUST Co., OF NEW YORK.

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

H. C. CAPTAIN, Manager.

SUPPORT SWADESHI INSURANCE COMPANIES.

Telephones: 22636 22638 Telegrams: "VULINCO"

THE VULCAN INSURANCE COMPANY LIMITED.

Head Office: - - - Fort, BOMBAY.

FIRE, MARINE, ACCIDENT AND EMPLOYERS' LIABILITY INSURANCE BUSINESS TRANSACTED.

Managing Agents:

J. C. Setalvad & Co.

Branches:

The Mall, - - - -	LAHORE.
62, Phayre Street, Randheria Building,	RANGOON.
135, Canning Street, - -	CALCUTTA.
East Street, - - -	MOMBASA (B. E. Africa).

Chief Agencies:

AT ALL IMPORTANT TOWNS IN INDIA.

Bank of Baroda, Ltd.

(Incorporated in Baroda State—Liability of Members Limited.)

UNDER THE PATRONAGE OF AND LARGELY SUPPORTED BY THE GOVERNMENT OF H. H. THE MAHARAJA GAEKWAR OF BARODA

Authorised Capital	.. ..	Rs. 2,40,00,000
Issued and Subscribed Capital	.. .. ..	„ 1,20,00,000
Paid-up Capital	.. ..	„ 48,00,000
Reserve Fund	.. ..	„ 55,00,000

Head Office :—BARODA

Branches :—

Ahmedabad (Bhadra) and Ahmedabad (Panchkuwa), Bilimora, Bombay, Surat, Navsari, Kapadwanj, Karjan, Dabhoi, Mehsana, Patan, Petlad, Port Okha, Kalol, Kadi, Sidhpur, Bhavnagar, Amreli, Dwarka and Harij (N.G.), Visnagar (N.G.), Calcutta, Vyara.

London Agents :—

The Eastern Bank, Limited.

Current Accounts.—Fixed, Short Savings Bank and Savings Bank Deposits received on terms which may be ascertained on application.

Loans, Overdrafts and Cash Credits.—The Bank grants accommodation on terms to be arranged against approved securities.

Safe Deposit Vault at Baroda with Lockers of different sizes available. Rates on application.

W. G. GROUNDWATER,
General Manager.

The

JUPITER GENERAL INSURANCE

COMPANY, LIMITED

HEAD OFFICE: **BOMBAY**

The 'Jupiter General' undertakes all classes of insurance business, such as Fire, Marine, Accident, Workmen's Compensation, Life, etc.

The 'Jupiter General' is the leading Indian Insurance Company with branches and agencies throughout the country.

The 'Jupiter General' will always be prepared to render insurance service to its clients in all branches of insurance.

Messrs. LALJI NARANJI & CO.,
Managing Agents.

Mr. N. M. CHOKSHI,
Secretary.

for Reliability

Bank with

THE

Punjab National Bank

LIMITED

(*Established* 1895)

R. B. DIWAN BADRI DASS, M.A., LL.B., Advocate, Lahore, *Chairman.*

LALA YODHRAJ, *Secretary* (H. O., Lahore).

Capital Authorised	.. ..	Rs.1,00,00,000
Capital Issued	.. ..	Rs. 50,00,000
Capital Subscribed	.. ..	Rs. 50,00,000
Capital Paid-up	.. ..	Rs. 31,46,422
Reserve Fund	.. ..	Rs. 14,00,000
Reserve for provision Income-tax		Rs. 1,65,825

Head Office :—47, THE MALL, LAHORE.

Branches and Offices as on the date of the Balance-Sheet :

Abbottabad.
Abdullapur (Saharanpur).
Abohar.
Agra.
Allahabad.
Ambala Cantt.
Ambala City.
Amritsar.
Bijnor.
Bombay.
Calcutta—Canning Street.
Calcutta—New Market.
Cawnpore.
Chakwal.
D. I. Khan.
Dehr- Dun.
Delhi—Chandni Chouk.
Delhi—S. B.
Delhi—New.
Ferozepore City.
Gujranwala.
Gujrat (Pb.).
Hafizabad.
Hoshiarpur.
Hyderabad (Sind).
Jammu.
Jaranwala (Lyallpur).
Jhang Maghiana.
Jhelum.
Jullundur City.
Karachi.
Karnal.
Kartarpur (Jullundur).
Kasur.
Lahore City.
Lahore (Shahalmi Gate).
Lala Musa (Gujrat).
Lucknow.
Ludhiana.
Lyallpur.
Malakwal (Sargodha).
Mandi Bha-ud-Din.
Meerut City.
Moga.
Montgomery.
Moradabad (Lucknow).
Multan Cantt.
Multan City.
Mussoorie.
Muzaffarnagar (U.P.)
Najibabad.
Okara.
Panipat (Karnal).
Patiala.
Peshawar Cantt.
Peshawar City.
Qila Sheikhupura.
Quetta.
Rawalpindi Cant.
Rawalpindi City.
Saharanpur.
Sargodha.
Sialkot City.
Sitapur (Lucknow).
Srinagar (Kashmir).
Simla.
Sukkur.

Agencies :

In Ahmedabad, Madras, Rangoon (Burma), LONDON, NEW YORK AND KOBE (JAPAN).

Banking Business of all descriptions, including foreign exchange, transacted at most favourable rates.

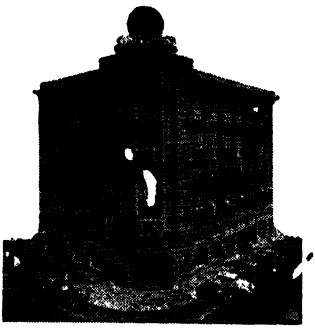
For rules and other terms of business apply to Head Office or Branch Managers.

N. C. KHORANA,
Bombay Manager.

The

Universal

FIRE & GENERAL



INSURANCE COMPANY, LTD.

ONE of the leading composite offices of India transacting Life, Fire, Motor, Marine, Native Craft, Burglary, Consequential Loss, Workmen's Compensation Insurances. Universal Life Policies comprise the generous features in modern life contracts and a UNIVERSAL Life Agency is a highly promising proposition.

Further particulars from :

M. KANJI & Co.,

Managing Agents.

- UNIVERSAL INSURANCE BUILDING, -

Sir PHEROZESHAH MEHTA Rd., Fort, BOMBAY.

The Union Bank of India Ltd.

(ESTABLISHED IN BOMBAY, 1919)

Head Office: **APOLLO STREET, FORT, BOMBAY.**

Branches:—Cotton Exchange Building, Kalbadevi Road, Bombay; Katha Bazar, Mandvi, Bombay; and Rajkot (Civil Station).

Capital paid up	**Rs.**	**39,90,000**
Reserve Fund	**Rs.**	**8,75,000**
Dividend Equalisation Fund ...	**Rs.**	**60,000**
Deposits on 31-12-1939	**Rs.**	**1,44,00,000**

DIRECTORS:

M. S. CAPTAIN, ESQ., CHAIRMAN.
LACHHMANDAS HARKHCHAND DAGA, ESQ.
K. R. P. SHROFF, ESQ.
VITHALDAS KANJI, ESQ.
B. N. KARANJIA, ESQ.
RAMDEO ANANDILAL PODAR, ESQ.
HARIDAS MADHAVDAS, ESQ.
DINSHAW D. ROMER, ESQ.

SAFE DEPOSIT VAULT

East India Cotton Exchange Building,
Kalbadevi Road, **BOMBAY.**

YEARLY RENT **Rs. 4/- only**

Business Hours:

Daily from 9 a.m. to 7 p.m. (S.T.). Sundays and holidays from 10 a.m. to 12 p.m. and from 5 p.m. to 7 p.m. (S.T.)

Current Deposit Accounts opened and interest allowed at ¾ per cent. per annum on daily balances upto Rupees two lakhs.

Fixed Deposits for long and short periods received on favourable terms.

Savings Bank Accounts:—Interest allowed at 1½ per cent. per annum on minimum monthly balances, upto Rs. 10,000. Withdrawals allowed twice a week. Operations by cheques allowed.

Advances made on approved securities.

All kinds of Banking business transacted.

B. M. BHARGAVA,
Secretary.

EVERY YEAR A STEP AHEAD

Resources multiplied

FIVE TIMES

during the last decade as evidenced by the following figures of Total Assets

Year			Assets
1930	-	-	Rs. 33,00,000
1931	-	-	Rs. 39,00,000
1932	-	-	Rs. 46,00,000
1933	-	-	Rs. 59,00,000
1934	-	-	Rs. 69,00,000
1935	-	-	Rs. 81,00,000
1936	-	-	Rs. 96,00,000
1937	-	-	Rs. 1,12,00,000
1938	-	-	Rs. 1,32,00,000
1939	-	-	Rs. **1,52,00,000**

Ensure maximum stability by insuring with

BOMBAY LIFE

ASSURANCE COMPANY LIMITED

45-47, CHURCHGATE STREET, FORT, BOMBAY.

THE INDIAN BANK LTD.

ESTABLISHED 1907

	Rs.
Issued and Subscribed Capital	47,92,800
Paid-up Capital	12,79,280
Reserve and other Funds	19,20,096
Deposits	4,16,41,918

Head Office:—North Beach Road, MADRAS.

BRANCHES:—

ADONI
ALLEPPEY
BANGALORE
BANGALORE CANTT.
BEZWADA
BOMBAY
CALICUT
COCHIN
COIMBATORE
COLOMBO
ERODE
GUNTUR
KARAIKUDI
KUMBAKONAM
MADURA
PUDUKOTTAH
QUILON
SALEM
TIRUNELVELI
TIRUPPUR
TIRUVARUR
TRICHUR
TRICHINOPOLY AND TUTICORIN.

SUB-OFFICES:—

GUDIVADA
TENALI
BHIMAVARAM
REPALLI
TANUKU
DUGGIRALA
NARASARAOPET
DEVAKOTTAH
UDUMALPET AND MARUTERU

Bank offers exceptional facilities for banking business of every description.

Withdrawals by Cheques in Savings Bank Accounts.

Bank's 3-year Cash Certificates yielding 2¾% compound interest available in sums of Rs. 50 and multiples thereof.

Invest Rs. 46-2-0 and get Rs. 50 after 3 years.

UNITED INDIA LIFE BLDG.,
Sir Phirozshah Mehta Road,
Fort, BOMBAY.

R. S. KODANGE,
Cert. A.I.B. (London), Agent.

THE

BOMBAY FIRE & GENERAL INSURANCE CO., LTD.

(Incorporated in India 1935)

HEAD OFFICE :

United India Life Building, Sir Pherozshah Mehta Road, Fort, BOMBAY.

All kinds of Insurance Business Transacted (except Life)

Board of Directors :

A. GEDDIS, Esq. (James Finlay & Co., Ltd.) Chairman.
R. W. BULLOCK, Esq. (Forbes, Forbes Campbell & Co., Ltd.)
SHAPOORJI PALANJI MISTRY, Esq. (Shapoorji Palanji & Co.)
MANOOBHAI DOONGURSEE, Esq. (Doongursee & Sons, Bombay and Karachi.)
MAHOMED AKBAR A. FAZALBHOY, Esq. (Fazalbhoy Ltd.)
FARROKH E. BHARUCHA, Esq. (Phiroze Sethna & Co.)
FRAMROZE SHAPOORJI MEHTA, Esq. (Phiroze Sethna & Co.)
Manager, HEAD OFFICE: M. M. Mundkur, Esq.
Chief Agents, BOMBAY:
Messrs. FAZALBHOY Ltd., 16, Apollo Street, Fort, Bombay.
NAGPUR Branch: Dhantoli, Nagpur.
DELHI Branch: Bombay Life Building, Connaught Circus, New Delhi.
LAHORE Branch: 26, The Mall, Lahore.

CONSTRUCTIVE BANKING

An understanding of how a modern Bank can operate to make itself useful to the individual, to business, and to the public has enabled the CANARA BANK to have thousands of depositors and to build resources of a CRORE.

And this is but the beginning. We are a progressive Bank, with plenty of enthusiasm for our work, plus plenty of solid experience with which to tackle the work successfully.

Estd. 1906

CANARA BANK LIMITED.

FIVE OFFICES IN THE CITY.

1. Fort—Bombay. 2. Mandvi—Bombay. 3. Girgaum—Bombay.
4. Kalbadevi—Bombay. 5. Parel—Bombay.

THE
BANK OF INDORE, LTD.,
INDORE.

UNDER THE PATRONAGE OF THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA HOLKAR.

(Incorporated in Holkar State, 1920.)

★ HEAD OFFICE:—INDORE. ★

Branch:—Sanawad ★ *Sub-Office:*—Tarana

Authorised Capital	.. .. ..	**Rs. 50,00,000**
Subscribed Capital	.. .. ..	**„ 20,61,300**
Paid-up Capital	.. .. ..	**„ 10,30,650**
Reserve Fund	.. .. ..	**„ 6,70,000**

DIRECTORS:

(1) Rao Raja, Rajya Ratna, Rai Bahadur Sir Hukumchand, Kt. (*Chairman*).

(2) Musahib-i-Khas Bahadur M. A. Rashid, B.A. (Oxon.), Bar-at-Law, Home Minister, Holkar State.

(3) Muntazim-i-Khas Bahadur A. G. Sharma, Accountant-General, Holkar State.

(4) D. C. Sahni, Esq., M.A., Commissioner of Customs, Commerce and Industry, Holkar State.

(5) Rai Sahib Seth Nathulal Shewchand.

(6) Seth Fateh Chand Kaniram.

(7) Seth Bhanwarlal Sethi.

(8) J. D. L. Arathoon, Esq., Manager (*ex-officio*).

CURRENT ACCOUNTS

Interest is allowed on daily balances from Rs. 500 up to Rs. 50,000 at the rate of 1 per cent. per annum from 1st December to 31st May. No interest will be allowed which does not amount to Rs. 5 in a half-year.

FIXED DEPOSITS

Are received for 12 months and shorter periods at rates which can be ascertained on application.

SAVINGS DEPOSIT ACCOUNTS

Are opened and interest allowed at 2½ per cent. per annum. Copy of Rules can be had on application.

FIRE

THE BRITISH INDIA GENERAL INSURANCE COMPANY LIMITED

INCORPORATED IN INDIA 1935

MOTOR ★ MARINE ★

WORKMEN'S COMPENSATION

"ALL RISKS". BURGLARY,

FIDELITY : PLATE GLASS, ETC.

THIRD PARTY & PASSENGERS' RISKS

Head Offices:—35-43, Churchgate Street, BOMBAY

General Manager : ALBERT SMITH.
Chairman & Managing Director : SIR HOMI M. MEHTA, J.P.

London Managers:—
Messrs. A. J. COLLINS & Co., Ltd., Regina House, 5, Queen's Street, London, E.C. 4.

BRANCHES: **CALCUTTA** - Norton Buildings, Old Court House Corner.
MADRAS - - 113, Armenian Street.
KARACHI - - Central Bank Building.

CHIEF AGENCIES:
NORTHERN INDIA: GOVAN BROS., LTD. NEW DELHI.
BURMA - - INDO-BURMA UNDERWRITERS, LTD., 73-77, Mogul Street, Rangoon.
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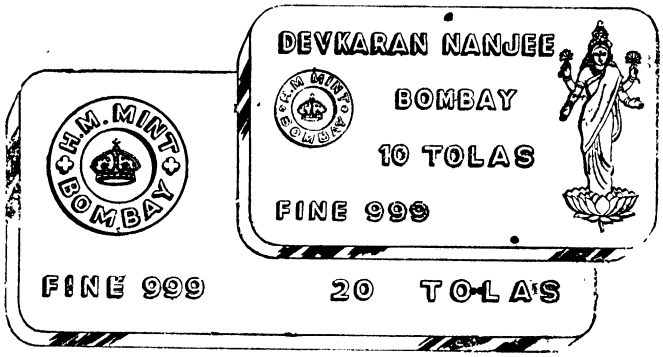
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Shareholders' Liabilities	"	9,00,997-8
Premium Income	"	9,49,523-0
Funds	"	5,26,690-0
Total Claims Paid Upto 1939	"	14,99,053-0
Total Assets as at 31st Dec., 1939	"	11,65,700-0

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Enquiries may be addressed to the Secretary.

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THE
BOMBAY INVESTORS' YEAR BOOK
1940

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FIRST EDITION

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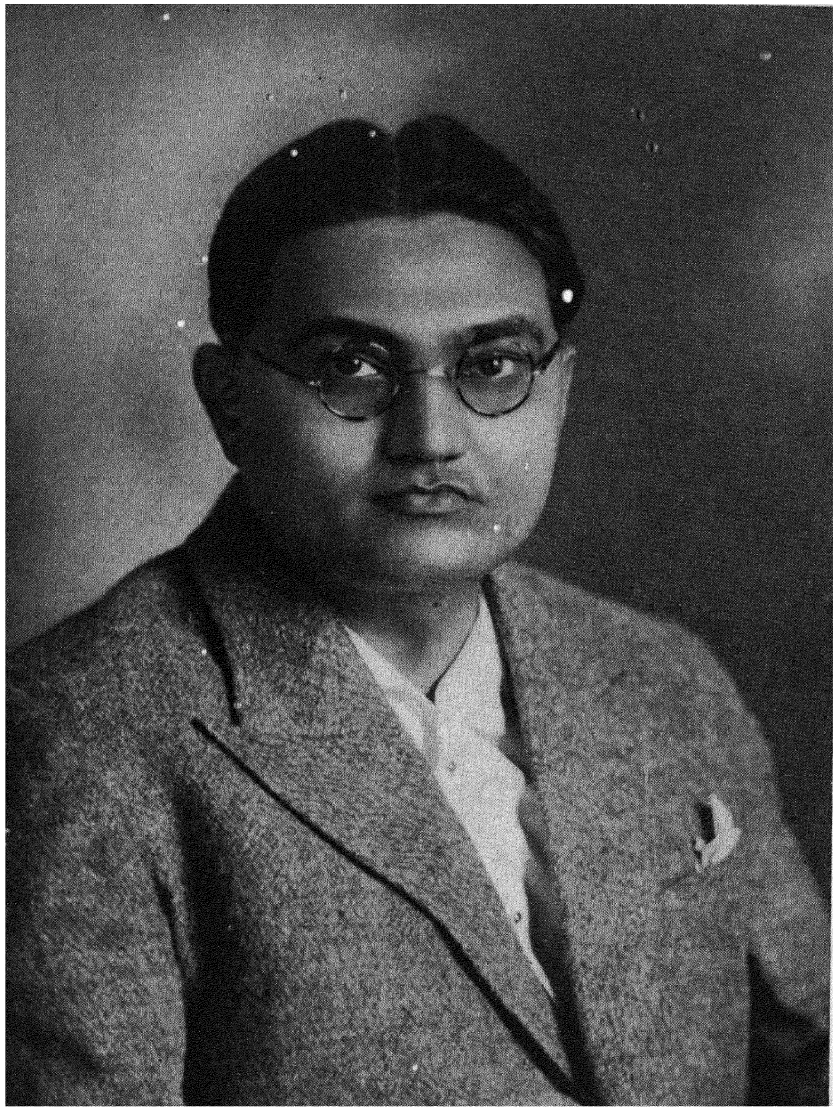
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Devkaran Nanjee Buildings, Elphinstone Circle, Fort, Bombay.



THE LATE Mr. MANOO DEVKARAN NANJEE

Born : 21st October 1903 Died 5th January 1936

This Book is Dedicated to the Late Mr. Manoo Devkaran Nanjee

The late Mr. Manoo Devkaran Nanjee was born on the 21st October 1903. *He was educated at the Esplanade High School and St. Xavier's College, Bombay, and joined his father's firms on the* 19*th April* 1923. *Very soon it was noticed that he had extraordinary qualities of head and heart, which he used in very successfully and greatly expanding the business of his firms, Devkaran Nanjee & Sons, Chugondas & Co. and Messrs. Devkaran Nanjee. Next to the late Mr. Devkaran Nanjee who founded these firms, the present position and esteem in which these firms are held is due to him. He was one of the Senior Partners in these firms and was, at the time of his premature death which occurred on the* 5*th January* 1936, *the Managing Partner of Chugondas & Co. who have been Dealers in Government Securities since* 1879. *As a Securities man, Mr. Manoo made his mark everywhere and it was truly said when he died that few men equalled him in that sphere. His intelligence, foresight, unceasing diligence and ever smiling and courteous disposition left an indelible impression on every one that came in contact with him. A leading financier of Bombay remarked on hearing of his death: "My young friend Manoobhai was able, nay brilliant, but I, as one who has come in almost daily contact with him, say that I have seen few men more honourable and noble than he was." This "Year Book" owes its existence to his idea and is therefore dedicated to him with affection and reverence.*

Foreword

BY PRANLAL DEVKARAN NANJEE, ESQ., J.P.

(*Chairman*, Devkaran Nanjee Printing & Publishing Co., Ltd.)

IT is some years ago now, since my dear brother, the late Mr. Manoo Devkaran Nanjee, conceived the idea of a Bombay Investors' Year Book. He was deeply alive to the necessity of such a publication for the use and benefit of all those who are interested in investment on the Bombay Stock Exchange, but unhappily, his idea could not be put into practical shape owing to his much lamented and sudden death in 1936. His wish that our firm should have the privilege and distinction of publishing such a book, however, always remained prominent in the thoughts of my brother Mr. Choonilal and myself, but it was not possible for us to put these thoughts into practical execution at an earlier date. It is a matter of great satisfaction to us now to see our late brother's desire realised in the publication of this First Edition of the Bombay Investors' Year Book.

The Devkaran Nanjee Printing and Publishing Co., Ltd., who it will be seen are the publishers of this Year Book, was formed *inter alia* for this purpose. I am indebted to my friend Mr. K. R. P. Shroff, President of the Native Share and Stock Brokers' Association, for his suggestion which enabled us to obtain the co-operation, as compiler, of Mr. Paul Pry whose name is a household word with investors in this country and who for many years was the contributor of 'Investment Gossip' in the "Illustrated Weekly" in India.

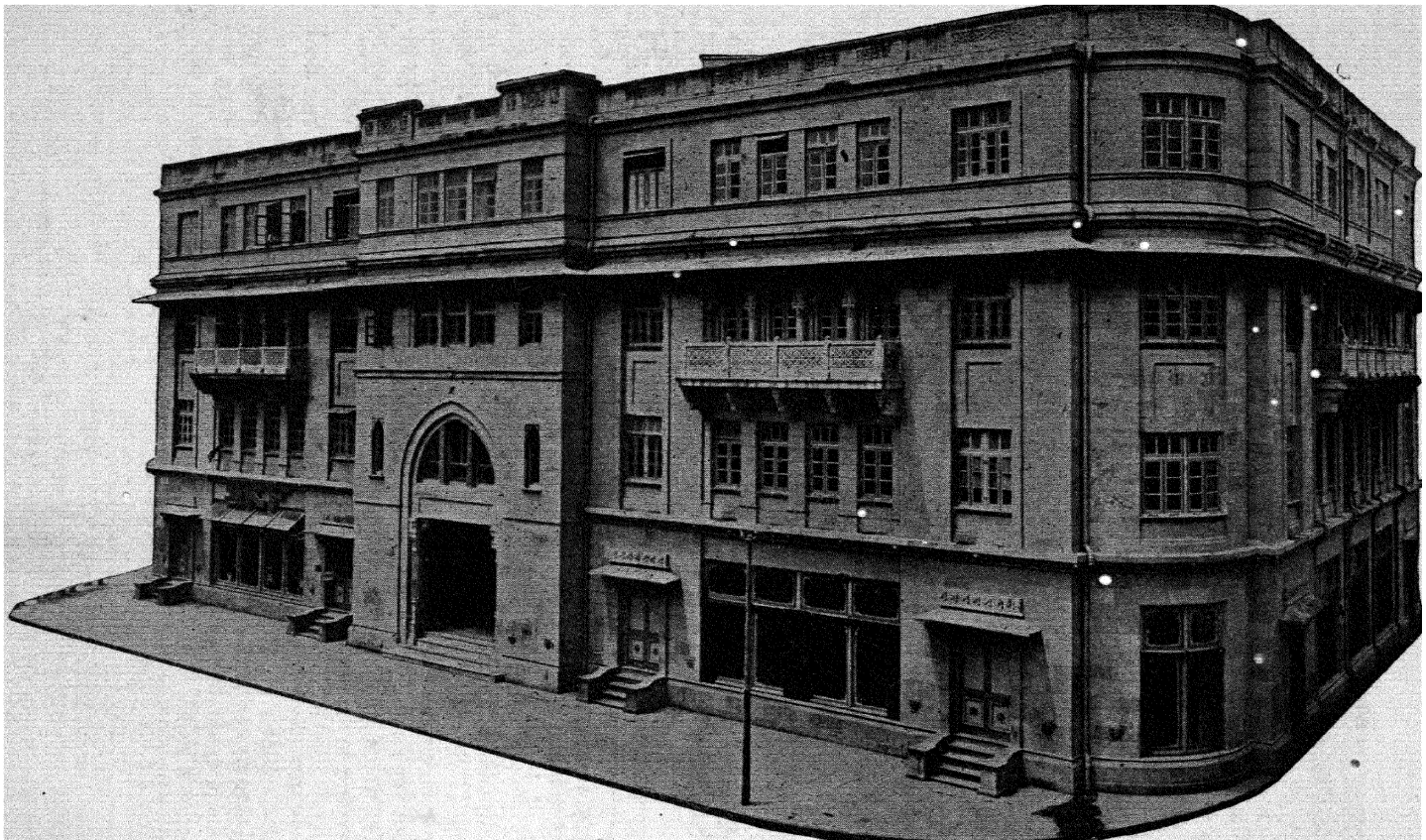
The Compiler has endeavoured to give, in as concise and handy a form as possible, all the essential details concerning the various companies in which the Bombay market is interested. In order that investors should have a fuller idea of how the various companies are progressing and in order that a truer comparison can be made, the balance sheets for the last two years have been given, except in a few instances where balance sheets were not obtainable. I have to extend my very best thanks to the various companies for their help in providing us with the Balance Sheets and relevant data.

In addition to the details and statistics regarding companies, we were able to obtain 21 Special Articles from gentlemen eminent in their respective spheres and industries, and we have no doubt that these will add considerably to the usefulness of this publication. I offer my sincere and grateful thanks to these esteemed contributors who are all extremely busy men, and I deeply appreciate their courtesy in responding to my request and sparing their valuable time in penning the articles.

In conclusion, I crave the indulgence of all those who may read this Year Book for the mistakes or errors that may have, despite the great care of the Compiler, inadvertently crept in. In a first essay of this description, it is natural that there may be shortcomings, but it is hoped that succeeding volumes will remedy all these and experience gained will show us what further improvements are necessary in order to make the publication fully worthy of Bombay, the *Urbs Prima in Indis*.

Pranlal Devkaran Nanjee

Bombay, 30th August 1940.

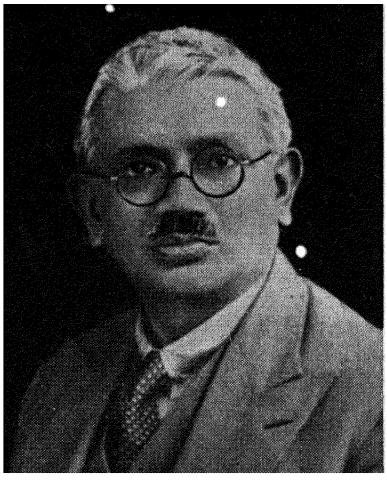


The Bombay Stock Exchange Building.

The History of the Bombay Stock Exchange.

By K. R. P. SHROFF, Esq.

(President, The Native Share and Stock Brokers' Association.)



K. R. P. Shroff, Esq.

Mr. K. R. P. Shroff was born on July 28, 1878 and was educated at the Bharda New High School. He was one of the first batch of students in the Byramjee Jeejeebhoy College of Commerce, to pass out with distinction in Commercial Arithmetic, Accountancy and Machinery of Business examinations of the London Chamber of Commerce. He began his career at the age of 22 as a teacher of Mathematics but in 1903 he joined his father in his Stock Exchange business and his assistance was instrumental in making Messrs. R. P. Shroff & Sons one of the most eminent firms in the Bombay Market. He became a Director of the Stock Exchange in 1920 and has been a Trustee since 1924. He was Honorary Secretary and Treasurer in 1921 and 1922 and in 1923 he became President, an office he has filled with distinction ever since. In 1939, in accordance with the recommendations of the Morison Enquiry Committee, he was appointed paid President and resigned from the firm of R. P. Shroff & Sons. He was nominated a Justice of the Peace in 1927 and amongst his other activities must be mentioned the Vice-President of the Bombay Shareholders' Association since 1929, Chairman of the Zoroastrian Co-operative Credit Bank Ltd., Director of the Union Bank of India, the Bombay Central Co-operative Land Mortgage Bank Ltd. and the Indian Mercantile Insurance Company Ltd. He was the recipient of both the Silver Jubilee and Coronation medals.

ALTHOUGH the Share Bazar was founded in 1875, the business of dealing in Securities was well established long before that date. History tells us that as early as 1840, there were about six persons, who called themselves Share Brokers. As such they were fully recognised by the then existing Banks and Mercantile Firms. This number sufficed for the limited business then available at tnat time, in the shares of Banks and Presses and their meeting place was on the Cotton Green where Elphinstone Circle is now situated.

By the year 1860, their number had swelled to 60, of whom the leader was the late Mr. Premchand Roychand. He was the first broker, who could speak and write English. His education, his courteous and engaging manners, his deep insight and quick mental arithmetic, as well as his advice, brought them into great prominence. Indeed, it is no exaggeration to observe that he led captive the imagination alike of Native and European merchants. As such he was deemed captain of the local Share Bazar though there was no regular organised security market with an elective membership until July 1875. In its early years, there was no restriction placed upon any one, who wished to engage in business of share broking, and each conducted it as he pleased. As a body they were without a name. There was also no Governing or Managing Committee in those days, nor there were any rules.

During the eventful period of the American Civil War (1861-65) there was a colossal influx of wealth in India estimated at about 85 crores, by reason of the unheard of profits of trade in cotton with Lancashire. The supply of cotton to Europe from the United States was totally stopped. Lancashire had almost wholly to depend on India for its full annual supply. "Lancashire absorbed," writes the late Sir Dinshaw Wacha, who was one of our most able and experienced experts in Practical Finance, "Every ounce of the raw staple—good, bad and indifferent,—was exported. There is an amusing tradition, not ill founded, that even old mattresses were put into requisition to get the cotton, new beds being made out of coir fibre. This would show

how deep was the cotton famine in Cottonopolis, and how eager were people of all sorts and conditions in Bombay to turn a penny by pouncing upon any kind of cotton, even rubbish, and realising the shining rupees for it. King Cotton was the great deity at whose shrine between 1862-65, the merchant and the trader, the rich and the poor, high and low, master and servant, all paid pooja."

" Surat cotton, which prior to 1863 was sold in the Liverpool market at 3 to 5 pence per lb. with an exchange of 2 shillings, began to fetch as much as 20 to 24d. Surat or Dhollera descriptions, which were sold on the Green at Rs. 120 to Rs. 180 per candy, rose to Rs. 600 and even Rs. 700. Aye, such were the feverish expectations at the very beginning of 1865, that it was only a question of time that this might mount up to Rs. 1000. The recorded exports of cotton in 1864-65 were 19 lakhs bales valued at Rs. 29 crores against 7 lakhs of bales valued at Rs. 5 crores in 1861."

" Cotton thus brought vast wealth into Bombay. A speculative mania, the first in the history of the city, sprung up among all classes of the community, official and non-official, rich and poor, young and old, male and female."

This huge inflow of capital coupled with the want of legitimate means of investment, came to be invested at this time in an unprecedently large number of all sorts of joint stock companies, mostly banks, financial corporations, trading institutions, great land reclamation companies and the like, which led to a feverish and unhealthy speculation known at the time as the " Share Mania," which later on was the ruin of so many families. It was just like the South Sea Bubble and Dutch Mania for Tulips of the eighteenth century in England.

From 1861 to the beginning of 1865, there was nothing, however wild, that was floated but had reached an inflated premium. The Back Bay shares, Rs. 5,000 paid up, were at Rs. 50,000 premium. The Port Canning share, Rs. 1000 paid up, was at Rs. 11,000 premium. The Mazagon Land Reclamation share was at Rs. 9,000 premium. The Elphinstone Land share was more than 500 per cent. premium. Yet, none gave a chance of return within 10 years. Some of the shares of banks and financial institutions had risen from 50 to 100 per cent. premium without rhyme or reason. Colossal speculative business was daily transacted, involving crores of rupees, mostly at a fictitious price.

Thus did the mania gallop wildly along and people indulged into a mad orgie from which they only woke up when the war unexpectedly came to an end and the inevitable panic began to set in. The result was simply terrific and disastrous. Then, everybody who a day before looked upon the bundles of scrip, neatly tied up and lying snugly in a safe or cash box, as representing undoubted wealth, was madly eager to get rid of them and rushed to sell them at any price that was obtainable. But, there were no buyers, and all the immense wealth received during the Civil War was represented only by a huge mass of unsaleable paper. Mr. Premchand and his brother brokers were anathematized. Insolvency and bankruptcy followed on a scale of magnitude unknown, in any other crisis of modern share speculation, and the merciful Act 28 of 1865 passed early by the sagacity of Sir Bartle Frere quickly cleared the Augean Stable. An authentic account of this speculation and its aftermath may be read with interest in the pages of the book styled " A Financial Chapter in the History of Bombay City " by the late Sir Dinshaw Edulji Wacha, to which I have already referred. It was the first financial crisis of great magnitude in this country and the most disastrous that has ever occurred, of which there is any authentic record.

That feverish speculation attracted a large number of persons to become share brokers and increased their number to 250. All of them continually grew in power and under their leader Mr. Premchand acquired great influence and wealth. They were looked upon as sure guides to fortune. Their advice and recommendations were implicitly followed and no wonder. All sorts of reports and rumours were as plentiful then as now. In spite of such a large number of brokers, the share transactions of these feverish days involving crores of rupees were carried out in the open air as they had no premises of their own. Naturally, that large number dwindled down to a

reasonable proportion soon after the crash that overwhelmed Bombay on that Black Friday, *viz.*, the 1st July 1865. The sudden and unforeseen disaster caused an entire stoppage of all speculation. A large number of schemes had to be abandoned.

As soon as normal conditions set in again, brokers increased rapidly in number despite the effects of the Share Mania collapse. Naturally, the leaders recognised the desirability of some organization, accommodation and facilities for carrying on business.

So it was on Wednesday the 9th of June 1875 that a meeting was held, whereat, it was decided to institute a properly regulated Association for protecting the character, status and interest of native share and stock brokers and for providing a suitable Hall or Building for the use of the members of such an association. An elementary association came for the first time into existence from that day and was known as the "Brokers' Association," having on its list about 300 members.

On the 23rd June 1877, it was resolved to take as security 4 per cent. Government Paper for Rs. 500 from a new candidate.

On the 18th January 1878 it was resolved not to admit as a member any person who was a merchant.

The Annual Subscription was fixed at rupee one, which was subsequently increased to Rs. 3 in 1876 and finally in 1877 to Rs. 5.

The entrance fee was Rs. 15 only, which was raised to Rs. 20 in 1877 and Rs. 51 in 1886.

At a meeting held on Saturday the 5th February 1887, the brokers formally established themselves as a society, called the "Native Share and Stock Brokers' Association" and decided to execute a proper deed for the purpose. This brings us to the present constitution of our Association. The Deed and the declaration of Trust were subsequently drawn up by the late Mr. Jamsetjee Cursetjee Cama, Solicitor, and were executed on Saturday the 3rd of December 1887. Thus, the present Share Bazar was formally established and constituted from that date with its own rights and regulations.

The annual subscription and entrance fee were fixed at Rs. 5 and Rs. 51 respectively. The entrance fee has since been raised considerably from time to time. The record price paid for a Card, as the membership is commonly called on the Bombay Market, was Rs. 48,111 in the year 1920.

Prior to the opening, in 1899, of the present Stock Exchange Hall,* the initiation of which is due to the liberal donation of the late Sir Dinshaw Petit, (1st Baronet) as I have already stated, share transactions were carried out in the open air, as the brokers had no fixed business place of their own. Their meeting place between 1840 and 1855 was somewhere on the Cotton Green, where Elphinstone Circle now is. It provided a convenient open space. During the American Civil War they seem to have considered themselves a privileged class, creating as much noise as they pleased and obstructing the particular streets, where they did their business. After 1855 they made their market place under the shade of some wide spreading trees, which stood

* AND WHEREAS the said Native Share and Stock Brokers' Association is possessed of Rupees Thirty-eight thousand deposited with the Manockjee Petit Manufacturing Company Limited, to run at interest at six per cent per annum, being made up of monies realized by sale of Twenty-five shares, in the Victoria Manufacturing Company Limited, given to the Native Share and Stock Brokers' Association by Sir Dinshaw Manockjee Petit for building a Brokers' Exchange Hall in consideration of the members of the said Association having got several shares subscribed to a joint stock company, promoted by the said Dinshaw Manockjee Petit under the name of the Victoria Manufacturing Company Limited, and which with interest amounted to Eighteen thousand eight hundred and eighty Rupees and of Seven thousand Rupees collected by the members of the Native Share and Stock Brokers' Association and a sum of Rupees Twelve thousand one hundred and sixteen, Annas fourteen, given as a donation by Sir Dinshaw Manockjee Petit, on the condition that all the above moneys be vested by the Native Share and Stock Brokers' Association in the names of Trustees for the purpose of being used towards building at Bombay, a suitable Hall, on a suitable site and to be for ever called the Sir Dinshaw Petit Native Brokers' Exchange Hall, which the Native Share and Stock Brokers' Association agreed to do.

near the old " Rampart Row " West, renamed the Esplanade Road, after pulling down the Old Fort walls and giving ample vacant space for new buildings which now stand there, such as the handsome Central Bank of India, the Mercantile Bank and other similar architectural buildings. Brokers were thus forced to seek some other quarters for a meeting place. It was soon realised that they should have their own permanent building to transact, with great convenience and facility, the growing business in buying and selling of securities and shares. Eventually in the year 1874, a suitable place was selected on a monthly rent of Rs. 130 in the very street, where their business was previously carried on in the open. A quarter of a century later, there was acquired a more suitable building where the business is carried on at present. The street is now appropriately named " Dalal Street " after their name.

The admission fee derived from the enrolment of new members and the judicious investment of their funds increased year by year, till 1894, when they amounted to Rs. 71,649. On the 23rd January 1895, it was resolved to buy a building, belonging to Mr. Kawasji Dady Limji, which was in the occupation of Messrs. Framji Sands & Co., for the sum of Rs. 97,000. As the funds were not sufficient to pay the full purchase price of the building it was resolved on the 13th February 1895 to raise a sum of Rs. 21,000 by the issue of 210 debentures of Rs. 100 each bearing interest at 4½% repayable at the end of three years. They were all taken up by the brokers and were repaid on the 30th September with interest for six months as per resolution of 23rd September 1895 out of the income derived from the entrance fee of new members.

The building was thereafter renovated at the cost of Rs. 15,000 and still remains on the whole as originally constructed. The Exchange Hall was kept open practically without restriction to the public. Any person could enter the Hall throughout the whole of the day's session.

The chief feature of the building remains as originally constructed. In the large Hall brokers are accommodated, mostly those who are without any office of their own. Each has his own table for settlement of his contracts. There are also a Committee Room, Office of the Association and a Reading Room and Library bearing the name of the first President, the late Mr. Choonilal Motilal. There is also a Clearing House and a Tea Room.

For many years after the Share Bazar was comfortably established, a crowd of dealers in Government Securities remained outside.

On 18th January 1899, the late Mr. Bomanji Dinshaw Petit performed the inaugural ceremony of opening the Hall in the presence of a large gathering of the European and Indian Commercial communities. This ceremony was to have been performed by his esteemed and venerable father Sir Dinshaw, but owing to his sudden illness he could not take part.

The function was marked by enthusiasm and confidence in the future of Bombay which confounded the pessimists, who two years before had predicted general ruin. The late Sir Shapoorji Broacha (then Mr.) the President of the Association, recalled the vicissitudes of business during and after the " Share Mania " when everyone was a millionaire. The great reclamations on which so much of the present City stands, were then rescued from the sea and were handed over to the Government in lieu of vast sums promised as the price of permission to reclaim them, the share capital disappearing for ever. Sir Shapoorji warned the new Improvement Trust not to incur the fate of these ruined shareholders and spoke with scorn of the ignorant scribblers who were said to approve of the doctrine of " rafters not rents " when the value of the houses required by the Trust were in question.

Mr. James M. Maclean, formerly the brilliant Editor and Proprietor of the *Bombay Gazette* and later, M.P. for Cardiff, was specially invited to honour the function. He took part in the proceedings by addressing the assembly with verve and vigour, matured by some years experience in the House of Commons.

This old building was just sufficient for the requirements of those days. During the Post-War boom it became inconveniently crowded ; and the want of a more spacious Exchange Hall was greatly felt.

The business had then increased to such an extent as to render the existing Trading Hall too small for its convenient conduct. It was necessary to enlarge the Hall for the transaction of the increasing volume of business.

Accordingly, the adjacent property, which had been sold in 1913 for Rs. 73,000 was bought in April 1920 at a cost of Rs. 10,30,000. The price paid is an illustration of the great inflation then prevalent in almost every kind of property, especially the value of house property.

Money was obtained for the purchase of the property just mentioned, by the admission of thirty two new members paying an entrance fee of Rs. 40,000 to Rs. 48,000.

It was the intention of the Association to erect forthwith a new building on the sites acquired. Plans were prepared, but before anything practical could be done, the Post-War boom collapsed. A destructive deflation naturally followed. The construction of the new building had to be postponed. Eventually, the building on the sites purchased was demolished, the Association thereby suffered a loss of Rs. 22,000 a year in the rent of offices demolished, and in its place a new commodious market place was erected in 1924, to which the public was and is still refused permission.

In 1928, the Association purchased a vacant plot of land measuring 1,455 square yards belonging to the Municipality adjacent to its present buildings, for the sum of Rs. 5,04,662 on which a new building was erected at the cost of Rs. 4,60,000.

The first foundation stone of this new building was laid on Thursday, the 28th March 1929, the ceremony having been performed by me as the President of the Association. It was also my good fortune to perform on Monday, the 1st day of December 1930 at 7-30 a.m. the auspicious ceremony of opening the building for use.

This handsome building, known as the Stock Exchange Building is most admirably situated in close proximity to the Imperial Bank of India. It stands at the junction of three of the oldest streets, *viz.*, Apollo, Hummam and Dalal. It is a handsome addition to the many stately offices to be seen in the Fort and when connected with the new Hall and market place to be constructed hereafter on demolition of the old building, and on the land west of the old building which was purchased in 1938, for Rs. 1,45,000, it will be more worthy of the Stock Exchange as a public institution and will greatly add to the prestige of the Bombay Share Bazar as the most important in this vast country of ours and which plays such a great part in our economic life.

May 1940

Gilt-Edged Market Review for the Year April 1939-March 1940.

By MERWANJEE BOMANJEE DALAL, Esq.



Merwanjee Bomanjee Dalal, Esq.

Mr. Merwanjee Bomanjee Dalal after being educated at the London School of Economics and Political Science, joined the leading Stock Broking firm of Messrs. Merwanjee & Sons and was one of the two active partners of the firm during a decade of its career. After the dissolutio of that firm by mutual consent of the partners, Mr. Merwanjee is running a similar business under his own name.

FOR the purpose of review the twelve months ending 31st March 1940 are best divided into three periods corresponding to the three clear-cut phases through which the market passed.

There was first the period of recurring political crisis, a veritable war of nerves waged by the German Führer with the consummate cunning of a Machiavelli or a Kautilya and utilising every known device of applied psychology. This period ended in the declaration of war on September 3, 1939.

The second period barely covers three weeks and comprises all those movements in the financial markets which were the direct result of the disorganization and the need for adjustment which followed owing to the sudden change to a war economy. But the throes of adjustment did not last long and within a remarkably short period the markets had started off upon a period of recuperation.

This getting back to pre-war levels constitutes the third period from October 1939 to March 1940. This period may be characterised as a stalemate in hostilities wherein there was no resounding clash of steel, no important gains or reverses of the combatant forces, and no interminable lists of casualties. The reports that came in spoke rather of the showering of leaflets by Allied planes over Germany, the affirmation of the Neutrality of Italy and Soviet Russia and of the 'peace plans.' Helped by these factors and under the influence of strong official control the market made an almost complete recovery in six months from October 1939.

I shall now take up in greater detail the history of these three phases,—the first a period of extreme political uncertainty lasting for about six months, the second a short interlude of less than a month and the last a period of almost equal duration to the first. The first period, characterised by fluctuation and uncertainty, was itself the outcome of yet another year of almost endemic political crisis in Europe. Before this period can be satisfactorily reviewed it is necessary to get some idea of the extraordinary political background which directly made it what it was. This background will also serve to obtain a better perspective where events of a whole period are under review.

BACKGROUND OF POLITICAL EVENTS LEADING UP TO THE FIRST PERIOD UNDER REVIEW.

Going back for a space of seven months one comes to those series of efforts made by Mr. Chamberlain to avert war which ended in the momentous Four-Power Conference where Mr. Chamberlain, Signor Mussolini, Monsieur Daladier and the German

Chancellor set their hands to a document which, however, from the very moment of its execution, was powerless to stop the heaping up of events that led to the disastrous climax of 3rd of September 1939. Mr. Chamberlain's policy of appeasement had failed and the war which broke out was a war of ideals. On the one side were ranged all the forces of those Sovereign States who put some value on the liberty of the individual, on the other the marshalled forces of the old Prussianism now revived as a tribalistic politico-religious movement indulging in the deification of the State and of its temporal god, the Führer.

The unbearable tension which existed previous to the four Power Conference had hardly given place to the extreme relief which followed its apparently successful conclusion, when ominous rumblings again put Europe on tenterhooks. The question of the right of self-determination of the Germans in Czecho-Slovakia now began to take a more serious shape. At opportune moments the German Chancellor delivered truculent speeches which were calculated to add fuel to this fire. They were awaited the world over with apprehension and used to such effect that they formed the hub on which events turned as phase after phase of this psychological offensive developed. In the month of November 1938 came the barbaric purge of the Jews in Germany. Passions and fears were further roused and rendered the situation hourly more dangerous. Czecho-Slovakia was annexed by Germany. The Calvary of Munich had been in vain. Hardly had the Czechs been swept off the map of Europe when Germany sent an ultimatum on 20th March 1939 to Lithuania demanding Memel Territory. The demand, backed by the threat of irresistable force, was granted and speaking at Memel three days later Hitler said " I believe that to a great extent we have come to the end of this unique reparation." The declaration, however, deceived no one, and, as later events proved, Germany was just beginning to satisfy her plans for aggrandizement. The British Prime Minister, realising at last that his policy of appeasement had failed, announced that the British Territorial Force would be doubled and conscription was introduced in Britain soon after. It became evident that the basis of international confidence was lost and that force had become the determining element in the policies of the totalitarian States. This diagnosis of the European political situation was confirmed by the Italian invasion of Albania during Easter. It is from this point of time that I have to take up the review of the gilt-edged market in detail.

THE PRE-WAR PERIOD FROM 1st APRIL 1939 TO 3rd SEPTEMBER 1939.

The quotation for 3½% Government Paper stood around Rs. 94 in the beginning of the month of April. The atmosphere was charged with uncertainty. Mr. Chamberlain had given an unequivocal assurance of assistance to Poland in case of aggression. Under different circumstances perhaps such a guarantee would have acted as a stabilising force and, in fact, the first reaction to this news was bullish, 3½% Government Paper touching 94-10. But, it was soon realised that such a firm assurance might just as well serve to precipitate a crisis. Herr Hitler could no longer play at his old game of violating the independence of a nation and explain his action to the world afterwards. It was evident that if Poland was invaded, Great Britain and France would at once take up arms against the aggressor. Germany, it seemed, would at last be forced to choose between peace and war. The gilt-edged market reflected this uncertainty and owing to the pressure of selling by bears, prices began to decline.

Throughout those five months there were sharp fluctuations engendered by recurrent crises, the result of the stage-managed " war of nerves " alternating with strong doses of the " peace-offensive." In the month of April, President Roosevelt made one of his earlier efforts at averting war, but it proved abortive, and so far as its effect on the fluctuations of the market was concerned it caused as much disturbance as any of the well-planned peace campaigns of Herr Hitler. However, by the end

of the month the market showed a definite set-back as a result of the combined effect of the British Budget proposals, which revealed a heavy borrowing programme, and the introduction of conscription in England.

As the zero hour for the Budget proposals approached, the market had been showing increasing apprehension and the fear had been expressed that the year's borrowing programme under the pressure of an ever-increasing burden of armaments, would perhaps force up interest rates and bring about a fall in the gilt-edged market. Finally when the Budget was presented to Parliament it was revealed that there was no increase in the income-tax but the announcement that the Government's borrowing programme would have to be increased from £350 to £380 million depressed the market. The decline, however, was arrested as the Chancellor of the Exchequer affirmed the Government's determination to follow an easy money policy in spite of the difficulties of the position. In the diplomatic sphere the Anglo-Soviet negotiations were of major importance. Signor Mussolini's speech at Turin in the month of May, affirming his conviction that the political tangles of Europe could be solved without the use of the sword, helped recovery. Locally there was a rush to cover bear positions and the price which had declined at the end of April to Rs. 92-12 rose steadily to Rs. 96-12 by the end of May.

This was the first definite up-swing since the Munich Crisis. From this point onwards, a certain trend put in an appearance which is worth remarking upon. It appeared as if the market was becoming gradually more inured to the violent shocks which had become its daily bread, and it is worth observing that the curve which prices henceforth plotted was, with minor set-backs, an upward one. Political events, however, did not justify this upward trend. War clouds were gathering over Europe and there were ominous signs that the storm would burst in all its fury over the question of Danzig. Herr Hitler had found for the German imagination another word to conjure with. Astute observers of the European political scene noted, however, that Danzig was not the real cause but would be made merely the occasion for a quarrel with Poland. With the Führer's constant exhortations to the German citizens of Danzig to be prepared and Poland's declaration that any attempt to alter the status of the Free City by force would be regarded as an infringement of her territorial rights, all the elements for a first class crisis were discernible. But the gilt-edged market once again failed to grasp the dangerous potentialities of the situation and when, in the second week of July, Mr. Chamberlain reiterated the British guarantee to Poland, 3½% Government Paper curiously enough registered a rise from Rs. 95-7 to Rs. 96-4.

In this disturbed background, just as the vexed question of the Polish Corridor was being raised again in a new form, the Provincial Governments of the Central Provinces and Berar and the Government of Madras offered two new loans of Rs. 75 and Rs. 150 lacs respectively. The loans, issued on 21st June 1939, were both 3% loans, offered at Rs. 98-8 per cent. The C. P. Government Loan was repayable in 1949 and the Madras Loan was repayable 10 years later. The shorter issue, as was to be expected, was an immediate success and the result was an allotment of only 66%. For the Madras Loan, repayable in 1959, the underwriters had to be called upon to take up a portion.

Although the recrudescence of the German-Polish question in an acute form was undoubtedly responsible for the failure of the Madras loan, it is questionable if, under the prevailing circumstances, an altogether best possible moment for the flotation of such loans existed and if it were at all possible to hit upon the exact time for the issue. The loans were floated under the Reserve Bank of India Under-writing Scheme for Provincial Loans and the operations of the scheme in regard to the approaching of underwriters and the fixing of the issue price could not, of course, have taken into account the minute to minute changes in the European political situation.

Soon after the two Provincial Governments had tapped the market, subscriptions were invited by the Central Government on the 5th of July for the second issue of the 3% 1963-65 Loan at Rs. 98 per cent. The Government offered to receive cash or 5 per cent. 1939-44 or 5 per cent. 1940-43 Loans in conversion. The amount in cash or 5% 1939-44 in conversion were to be accepted to the extent of Rs. 15 crores only while no limit was set to the conversion of the 1940-43 bonds. The prices offered in the conversion for the 1939-44 and 1940-43 bonds were Rs. 100-6-0 and Rs. 104 respectively. This issue was received by the market without any particular reaction. The amount of the loan offered being comparatively modest and well adjusted to the needs of the market at that time, when a dearth of long-dated investment standing at a discount was being felt, the issue offered little difficulty in spite of the situation created by the political boil-up in Europe.

The result of this issue was as under :

Cash	Rs.	1,34,58,400
5% Loan 1939-44	,,	8,23,58,800
5% Loan 1940-43	,,	6,13,90,800
	Rs.	15,72,08,000

For six weeks after the flotation of the loan there was gradual improvement encouraged by the absence of any adverse political news. At the time of the flotation of the Central Government loan the quotation for 3½% Government Paper was around Rs. 96; by the middle of August Rs. 97-8 was touched.

At this juncture, on the 16th August, seizing a favourable opportunity, the Government of the Punjab issued a 3% loan at Rs. 98 per cent. repayable in the year 1949. The amount offered was comparatively large—about Rs. 250 lakhs—but the loan was a definite success. There was only a 90% allotment and it was over-subscribed within a couple of hours. This was a most fortunate issue. No sooner had the results been announced than the political situation took on an altogether menacing aspect. However inured their attitude had become to these alarms and excursions operators were hardly able to withstand the unnerving effects of the next fifteen days of tension. The price of Government Paper fell from Rs. 98-1 to Rs. 95-0.

During this fateful second fortnight of August the psychological tension began to rise until it culminated in the declaration of war on 3rd September. Incidents on the Polish-German frontier created a situation of the utmost gravity and Parliament was hastily recalled.

In the City of London the important event was the rise in the Bank of England rate from 2% to 4% on 24th of August. Minimum prices for various British and Indian Stocks were fixed by the London Stock Exchange as a precautionary measure. 3½% Government Paper fell from Rs. 96-5 on 24th August to Rs. 92-14 just before the outbreak of war. Gilt-edged values collapsed completely, the long-dated issues registering a fall proportionate to the decline in Government Paper.

On Thursday the 31st August business on the London Stock Exchange was suspended.

THE DECLARATION OF THE WAR AND THE MARKET DURING MONTH OF SEPTEMBER.

In the early hours of the morning of the 1st of September Germany invaded Poland. Later in the day Mr. Chamberlain addressing Parliament said "We shall stand at the bar of history knowing that the responsibility for this terrible catastrophe lies on the shoulders of one man—the German Chancellor."

On the same morning the British and the French Ambassadors in Berlin handed over a last warning to Germany to withdraw her troops from Poland.

The ultimatums, due to expire on the 3rd of September, were unheeded by Germany who continued with the invasion. Consequently Great Britain and France declared war on Germany,—for the second time in 25 years.

When the market reopened on Monday the 4th September, 3½% Government Paper was quoted at Rs. 89-7. The quotation was altogether nominal. The authorities of the Stock Exchange suspended forward trading in Government Paper from 4th to 12th September. In London, also, the same conditions prevailed, quotations were nominal and showed no continuity with pre-war quotations. The prices then fell to the officially fixed minima. It was possible, however, to transact some business from time to time but difficulty increased and soon sellers at minimum levels had literally to 'take their turn.' The difficulties were so great that even minimum prices became altogether unreal. But there was little doubt that the fixing of minimum prices in London had served its purpose in staving off successfully the evil effects of panicky selling and of so letting the market deteriorate that easy recovery would become difficult. With the war situation developing step by step this symptom showed up in an exaggerated form and the market was completely frozen. Marketability was as good as lost for the time being and complete stagnation followed. To such an extent did this characteristic develop that the troubles of the market for industrials in London were blamed to a large extent on to this development in this gilt-edged market.

At the end of the first month of the war, however, conditions began to show a rapid change and liquidity which had been transferred to the industrial market from the gilt-edged, where it primarily belonged, passed once again to Governmentals. The crisis passed in the nick of time, as a matter of fact just as the fixed minima appeared to be getting into insurmountable difficulties.

With this welcome change appearing on the scene the market was inclined to overdo the recovery and prices advanced sharply as soon as the contents of the British Supplementary Budget were known and the Bank of England rate was reduced to 3% on the 28th of September.

In the local gilt-edged market there had been a precipitous fall in 3½% Government Paper. On the 2nd day of September the quotation had stood at Rs. 89-8. In the last week of September the quotation steadily declined from Rs. 83-12 to Rs. 81-12. From the quotation of Rs. 94-14, where it stood at the commencement of the session on the 1st day of the month, this was a spectacular decline within so short a period.

Accompanying this collapse in gilt-edged prices, came the usual symptoms of financial malaise—a withdrawal of bank deposits and an advance in money market quotations. Although these tendencies were marked enough, nothing like the upheavals of 1914 were experienced. Control was altogether more complete and timely. The thorough control, admirable in the adequacy of its detail, reduced fluctuations to the very minimum. The Reserve Bank of India rate remained unchanged throughout this period. Fixed deposit rates only showed a slight improvement following discount rates in London. The call rate which advanced to 1¼% had returned to its pre-war level of ½% in three weeks.

In the absence of violent fluctuations recovery followed almost immediately.

THE PERIOD FROM 1st OCTOBER 1939 TO 31st MARCH 1940.

The all-round recovery which started at the end of September continued steadily, interspersed with only minor reactions, till the market had, at the end of this third period of the review, regained the greater part of the losses sustained during September.

This recovery was made possible to a very great extent by the Reserve Bank promptly supplying 60 crores of additional currency by expanding the note-issue against sterling securities and by heavy purchases of Central Government Treasury Bills and short-dated rupee securities. This expansion was spread over the first three months of the war during which the strain on the money market was chiefly in evidence.

One cause for the upward movement early in October was the belief that the fall in the price of Government Paper during the first month of the war had been over-done and as a simple reaction the quotation tended to rise. But, a report from Copenhagen that Hitler would put forward terms for peace lent substantial support to this upward trend. These factors were responsible for the improvement in the quotation of 3½% Government Paper from Rs. 82-6 to Rs. 84. With the publication of the peace proposals, however, it was clearly felt that they could not satisfy the Allies and all hopes of an early settlement were shattered. But, for the first few months, the market continued to be under the influence of 'peace offensives' and the sins of German aggression had to mount up considerably before the conviction grew that stage had been reached when Germany, whatever the temptation she held out, could not be forgiven her transgressions. With the laying of this banshee of sudden peace, at least one weapon in the technique of Germany's "Total War" was rendered innocuous.

In the instance of this particular peace move the effect did not evaporate by mere passage of time as on most previous occasions but it was definitely countered by a immediate rebuff dealt by England and France. The result was a drop in the price from Rs. 85-14 to Rs. 83-8.

The market, however, soon took up its trend of gradual improvement and the level of Rs. 85-12 was restored by the end of October. Gilt-edged values in London were also recovering in spectacular style. Greater freedom of trading was continually on the increase. Long-dated loans were again coming into prominence and there was even a definite demand for them. By the end of October prices had moved above the official minima in London and conditions were reminiscent of a boom in gilt-edged with a marked shortage of stock in evidence.

The climax was reached when the Bank of England rate was reduced for the second time since the war on the 26th October. This reduction brought the rate down to the pre-war level, namely 2%.

Improvement in dated stocks pointed to the solid basis of the recovery. And so the month of October completed the thawing of the markets frozen by the impact of the outbreak of war.

At the time of the second reduction in the Bank of England rate the authorities there had also taken supplementary measures such as, for example, allowing Clearing Bank balances to accumulate rapidly and with these measures being enforced gilt-edged prices gathered a momentum which continued to drive up the level.

During November the quotation for 3½% Government Paper gained two and a half points. During this month there was a stalemate in war conditions and technical considerations absorbed the interest of the market. The absence of any disturbing war news, the prevailing opinion that a British War Loan was imminent and that energetic measures would be taken to ensure its success were the factors which encouraged a bullish sentiment. But the market completely failed to make a correct guess as to the details of the time of the flotation. The only confirmation available that the bazar had been guessing to some extent correctly the intentions of the authorities was an announcement in Parliament in mid-month that a bill was to be presented to obtain fresh borrowing powers. The market continued to discuss the possibilities of the flotation right up to the end of November. The close of the month saw a beginning made with the borrowing programme. The British Government announced

an issue of New National Saving Certificates and Defence Bonds of small denominations at rates considered favourable for small investors. But as the terms of the issue were considered somewhat generous it produced a measure of dullness.

On 30th November Russia invaded Finland. This invasion, although of considerable political importance as it might have led to grave repurcussions and to an extension of the sphere of hostilities, had little or no effect on the gilt-edged market. As it turned out, however, from every point of view this campaign was to a very great extent futile. Although in its design as treacherous as the Soviet's earlier attack on Poland, it was evident on this occasion that the aggressor's gain in territory was too small in comparison to the loss in men and material which he was deemed to have suffered.

During December this trend continued and lethargic dealing was the rule throughout the month. Prices locally would have had a sagging tendency during these weeks had it not been for the firm and unflagging tone of the Indian Sterling Stock market in London. Fluctuations in 3½% Government Paper were confined during this month between the high and low of Rs. 88-0 and 87-5.

There was, however, a complete change in the tone of the market during the New Year. During the months of January, February and March, 3½% Government Paper advanced by no less than seven points. In strong contrast to conditions in December many remarkable features now put in an appearance.

Throughout this period the London market provided the optimism and the inspiration for local trading. The atmosphere in London was charged with bullish excitement and the watchword in some quarters was " Par for the War Loan before a new issue." On 11th January the War Loan was quoting at £96½.

The market was anticipating a large Treasury flotation in the near future and it was felt that it would take the form of a dual issue to meet the investment needs of private individuals, institutions and finance houses.

In the third week of January, the repayment on the 1st July of the 4½% British Conversion Loan was announced. Holders were given the option of taking against their holding a new 2% issue. This announcement had a bullish effect on that market. Just around this juncture the terms of the British Excess Profits Tax Bill were made public and this had a quietening effect on gilt-edged sympathetically through the deleterious effect it had on industrial scrip generally. The quietness, however, soon passed away and the market resumed its steady advance.

In the second week of February Sir John Simon announced the result of the 4½% Conversion Loan offer. Holders of £236,000,000 accepted the offer. The dissented part of the loan totalled £94,000,000. This result was considered satisfactory.

At the end of February the Reserve Bank of India initiated a scheme " to accelerate the repatriation of India's Sterling Debt."

Rupee Loans as counterparts of six India Sterling Loans of various maturities were floated. The communique said that " with effect from 1st April, 1940, holders of the several Sterling Loans are given the option of transferring their holdings from the books of the Bank of England to the Rupee Registers to be opened and maintained in India by the Public Debt offices of the Reserve Bank of India at Bombay, Calcutta, Delhi and Madras." Investors availing themselves of this facility had to take out a licence from the Reserve Bank paying a negligible fee on the face value of the stock and on presentation of this licence to the Public Debt Office an identical rupee loan converted at 1*s.* 6*d.* to the rupee was to be issued as soon as advice of cancellation of its sterling counterpart was received from the Bank of England. This announcement, coupled with the improvement in 3½% India Sterling Stock, had a favourable reaction on the gilt-edged market. There was a substantial demand for conversions under the Reserve Bank Scheme.

The Market thus received the scheme favourably. "Capital" in its issue of 29th February 1940, expressed the opinion that the Conversion Scheme marked an important phase in the march to financial Swaraj. Recalling that the decision to eliminate extra-Indian borrowing was taken under the regime of the late Sir Basil Blackett, the paper concluded that from whichever angle the proposals were viewed they will liquidate India's debt to Britain.

During the month of March the market continued to make progress and advanced from strength to strength.

The main impetus during the month was the flotation during the first week, of a New War Loan by the British Government —a 3% Loan at par repayable in 15 to 19 years. The loan was well received by the London market and with the prices of British Reserve Funds bearing out this view the local market moved up in sympathy. Late in the month there was a slight set-back due to the feeling that the visit of Mr. Sumner Welles to Europe might lead to peace negotiations. One other bear factor was the rather sudden decision taken by the authorities of the London Stock Exchange to fix a new level of minimum prices for gilt-edged. As at the time of this fixing no new factor in the war situation was apparent, operators locally took the view that the authorities in London were expecting an intensification of hostilities. One would expect, however, that there was a good technical reason for announcing the new minima at that time.

However, the quietness brought on by both these factors was merely a passing phase and by the end of the month the price had again touched Rs. 95, which was practically the same as the opening quotation on the first of September 1939.

FUTURE PROSPECTS

The sponsors of this volume have asked me to write about the future prospects of the gilt-edged market. This section of the review if it had been written at the end of March 1940, and if it had been written even with the greatest amount of perspicacity, could hardly have anticipated present conditions,—*blitzkrieg* in all its war horror would have intervened.

Those who claim under prevailing conditions to forecast the future of the gilt-edged market could not be seriously included in the category of men of business. They would necessarily have to invoke to their aid the obscure sciences of the Dark Ages. The calculations of modern Economic Science no longer hold good when, as now, the whole fabric of civilization appears to be profoundly endangered. To talk of the future prospects of gilt-edged securities can only be persiflage. Conclusions if they could be drawn at all would be of so broad a nature that they could provide little guidance to the investor.

One does not have to doubt in any way the ultimate victory of the Allies, to say that the future of gilt-edged must for some time to come sail dangerously close to the wind. It appears to be inextricably bound up with the manner in which the war will be paid for. It is certain that the cost of the war will be unprecedented. Financial panaceas furthermore are notoriously dangerous and the pharmacopœia extensive. With the best of intentions the result of the cure will rest in the laps of the Gods.

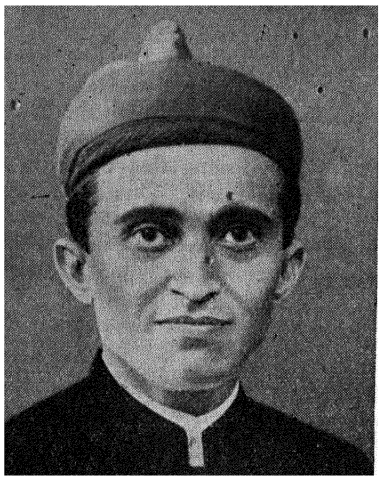
No situation is all gloom, however, and investors might justifiably draw cheer from the behaviour of the gilt-edged market since the outbreak of war. That the market can be controlled to the extent of producing movements which the 'laissez, faire' economists and the backers of 'the Economic Man' would have considered paradoxical, can be but an augury of good for the time when we shall be confronted with the problem of handling a difficult post-war situation. Meanwhile let us content ourselves in patience, so as not to embarrass a situation unparalleled in its gravity, and wish for a complete and speedy victory of the British Commonwealth upon which single fact depends the whole structure of our gilt-edged markets.

June 1940

Money, Exchange and Bullion in 1939.

By CHUNILAL B. MEHTA, Esq., J.P.

(President, Indian Merchants' Chamber, Bombay.)



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He travelled round the world in 1927 and again to America in 1930.

He was a Director of the East India Cotton Association for a number of years but recently owing to his varied activities, did not offer himself for re-election. He was also a Member of the Imperial Council of Agricultural Research (1935-38).

THE year 1939 should pass down into history as one which blended peace-time finance into war-finance without any mishap, causing little, if any disturbance to the financial structure of the country.

Unlike the 1914 war when money rates soared sky-high for want of economic preparedness, and investment and commodity markets suffered severe shake-downs, the 1939 war opened with the least disturbance to the financial markets of U.K. and India. The whole financial machine was so well-nursed, oiled and kept so well-trimmed that the actual declaration of hostilities turned it into a first-class shock absorbant which could cause no perceptible dislocation of economic conditions.

During the first eight months of the year, the financial markets were overshadowed by the political situation and gilt-edged securities, in particular, were subjected to sharp fluctuations with a softening tendency. Early in 1939 the resources of the British Exchange Equalisation Fund were strengthened by the transfer of £ 200 million worth of gold from the Bank of England. Then, the Bank's gold stocks were revalued under the Currency and Bank Notes Act of February, 1939. Record defence expenditure was provided for in the U.K. budget. Thus, British economy was gradually transforming itself from a peace to a war-time footing months before hostilities actually commenced. With the declaration of war against Germany, sterling was devalued and officially pegged to the U.S. dollar at 4·02 to 4·06 and subsequently at 4·02½ to 4·03½. Unlike 1914, war-controls on exchange and other markets were imposed with the least delay and the bank rate which was raised from 2 to 4 per cent., immediately after the commencement of hostilities was reduced to 3 per cent. towards the close of September and then to the pre-war level of 2 per cent. towards the end of October. At the end of the year the whole monetary machine looked so efficient that there was a tendency to style the present war as a genuine three per cent. war.

In the Indian financial markets, the declaration of war led to a sharp break in gilt-edged prices, a certain amount of withdrawals of deposits from banks and a slight hardening of money rates in the first few days. But, later, markets adjusted themselves to the requirements of the new situation, gilt-edged prices and bank deposits showed improvement and money rates tended to attain peace-time equilibrium.

Compared with the corresponding period of the previous year, monetary conditions during the first four months of 1939 were generally firmer and call money went as high as 2¾ per cent. Conditions were slack in May and June and later on night as well as time money rates tended to ease, which tendency was accentuated by the repayment of the Government of India 1939-44 bonds on 15th July. Call rate dropped to ¼ per cent. in August 1939. Consequent on the declaration of hostilities in September, however, money was again in increased demand obviously for financing the public purchases of silver, industrial shares and commodities. Although the supply of money was plentiful, bankers generally appeared hesitant to lock up their funds far ahead. The tendency to maintain balances in a liquid form found natural reflection in the increased but temporary withdrawals from the scheduled banks. The consolidated return of scheduled banks as of 8th September 1939 revealed a decline of Rs. 5·11 crores in their demand and time liabilities and of Rs. 7·80 crores in their balances with the Reserve Bank. The situation, however, underwent a constructive change as the war proceeded and confidence was restored. Deposits began to swell and money rates also began to cheapen. The progress marked until the year-end can be apparent from the following table :—

SCHEDULED BANKS.

	Dec. 30, 1939	Sept. 1, 1939	Sept. 8, 1939	Dec. 29, 1939
		(in crores of rupees)		
Total Liabilities	238·6	248·4	242·7	251·3
Total advances and bills discounted	118·9	109·5	113·1	147·8
Cash held	19·1	32·5	25·6	25·6

Once the shock of war was absorbed, call money eased to ½ per cent. The reduction in the Bank of England rate from 4 to 3 per cent. on 28th September and again to the pre-war level of 2 per cent. on 26th October further tended to ease the situation. During the last two months of the year, however, call rates again firmed up. At the end of the year night money was quoted at 2¼ per cent. apparently due to the seasonal demand for financing large stocks of silver and commodities at the higher prices then prevailing. The Calcutta index of wholesale prices recorded a rise from 100 in August 1939 to 137 in December, the price of raw cotton was almost double of what it was prior to the war, while the index for cotton manufactures also rose from 97 to 135. Raw jute and jute manufactures showed an even greater rise owing to the war demand for sandbags. In fact, it was a boomlet which caused a substantial rise both in the commodity and other industrial investment markets. This involved increased use of funds and hence the rise in the call and deposit rates at the year-end.

Meanwhile, currency was freely supplied by the Reserve Bank both in the form of bank notes and rupee coins and with the help of large sterling purchases, the Bank expanded its note issue against sterling securities to the extent of Rs. 48 crores between September and the end of December. To add to the plentitude of money, the Reserve Bank made substantial purchases of treasury bills and the total in its portfolio in the Banking Department amounted to Rs. 10·11 crores at the year-end. It also added to its portfolio in the Issue Department one crore of short-dated rupee securities purchased in the market. As compared with 1938, the position was as under at the year-end :—

RESERVE BANK OF INDIA.

	Dec. 30, 1938	Sept. 1, 1939	Dec. 29, 1939	Change over the year
		(in crores of rupees)		
Notes held in the Banking Department	18·44	35·04	18·55	·11
Notes in circulation	187·99	182·13	235·92	48·07
Sterling securities	59·50	59·50	107·50	48·00
Silver coin	70·19	75·87	64·22	5·97

Despite the temporary rise and fall in the Bank of England's discount rate following the war, it is interesting to note that the Reserve Bank of India rate remained unchanged at 3 per cent. throughout the year.

The boomlet and the increased financial activity in India which followed the outbreak of the war were well reflected in the clearing house returns which totalled Rs. 852·90 crores in the four months, September to December 1939, compared with Rs. 655·03 crores in the corresponding four months of 1938.

Treasury bills sold to the public on behalf of the Central Government and the provincial governments were as under with previous comparisons :—

	Central Government's Bills (In crores of Rs.)	Average rate of interest (Rupees %)	Provincial Governments' Bills (In crores of Rs.)	Average rate of interest (Rupees %)
1939 - -	118·95	2 0 1	10·95	2 9 4
1938 - -	88·70	1 4 10	4·75	1 10 2

The market for gilts kept fluctuating mainly in accordance with the alternating trend of international politics. The year 1939 opened with Rs. 99-5 for 3½ per cent. Rupee Paper. With the German occupation of Czech districts in March, and the Italian invasion against Albania in April, it receded to Rs. 92-12-0. Talks of peace in May caused a rally to Rs. 97-3-0 but with Poland in the news it fell to Rs. 95-3-0 in July. With the payment of the 1939-44 Bonds it shot up to Rs. 98-4-0 on 14th August. With the declaration of war against Germany, business was suspended and Paper at once slipped to Rs. 86-12-0 and again to Rs. 80-7-0 on 28th September for cash. This rate attracted institutional investment-demand and the policy of cheap money having been pursued by the authorities, the quotations registered a rise to Rs. 87-12-0 at the year-end. Compared with the previous year the position was as follows :—

GILT-EDGED PRICES.

	December 30, 1938	December 30, 1939		Change over the year
London :	£	£		£
2½% Consols - - - -	70½	68¼	—	2¼
3½% War Loan - - - -	98	93½	—	4½
	December 23, 1938	December 23, 1939		
Bombay :	Rs.	Rs.		Rs.
3½% G. P. Notes - - -	98⅛	87¾	—	10⅜
5 % Loan 1940-43 - - -	105	102⅛	—	2⅞
4 % Loan 1960-70 - - -	111¼	102½	—	8¾

The year 1939 closed with comparatively brighter conditions than at any time during the past decade. There is nothing in the situation to warrant a high price for credit, and if the Government will it, they have ample resources at their command to infuse more credit in the market without in any way disturbing the requirements of law.

EXCHANGE.

Money rates having hardened and there being seasonal export activity, the rupee-sterling exchange remained steady during the first four months of 1939 and the quotation for ready T.T. varied between 1*s.* 5 $\frac{29}{32}$*d.* to 1*s.* 5 $\frac{1}{16}$*d.* At the beginning of May, exchange began to sag and touched 1*s.* 5$\frac{27}{32}$*d.* on the 20th owing to easy money conditions. Subsequently, the Reserve Bank decided to discontinue sterling tenders until further notice. Thereafter, the quotation was maintained at just under 1*s.* 6*d.* until the end of August. On the outbreak of the war, however, the entire outlook was changed. Large amounts of sterling were on offer. Thus, while the

total sterling purchases during the five months, April to August 1939, amounted hardly to £7,875,000, purchases during the first four months of the war, *i.e.*, from September to December, 1939 totalled £35½ million. Owing to war several restrictions were imposed on foreign trade and foreign exchange operations by the Government of India. The Central Government delegated authority to the Reserve Bank to administer the regulations relating to the control of dealings in coins, bullion, securities and exchange. Exchange rates were fixed and controlled. The policy of the Exchange Control was to ensure that all foreign exchange transactions in India were done on the basis of the rates quoted by the London Exchange Control combined with the current rupee-rate for sterling and that no business be done outside these rates. Licences for gold exports were granted freely, provided, that the gold was consigned to the Bank of England or, if consigned to U.S.A., the relative dollar proceeds were sold to the Federal Reserve Bank on behalf of the Bank of England. In October 1939, the Reserve Bank entered the forward exchange market with a view to provide cover for exports and intimated its willingness to purchase sterling. The tap rate was raised the same month to 1*s.* 6*d.* and the market rate for ready T.T. improved to 1*s.* $5\frac{31}{32}d.$ In addition to direct purchases, the sterling holdings of the Bank were augmented by transfers from the Secretary of State for Government purchases of war commodities and the proceeds of silver sales. The total amount acquired by the Reserve Bank during 1939 was over £63 million at the average rate of 1*s.* 5 $\frac{31}{32}d.$, compared with hardly £19 million at 1*s.* 6 $\frac{1}{16}d.$ in 1938. The surplus of sterling resources was so large that Government were reported to have employed a part of it for the purchase and partial repatriation of India's Sterling debt.

GOLD.

The year 1938 had closed with the £ at $4·64 13/16. Owing to persistent flight of refugee capital to U.S.A., the £ depreciated to $4·32 on 31st August, 1939. From 25th August to 16th September, 1939 there were violent fluctuations in the free Sterling-dollar cross-rate following the declaration of hostilities and the decision to unpeg the £. The cross-rate slipped in New York to $3·75 on 16th September when the price of Rs. 43-8 per tola was touched for spot gold in Bombay. This was the record high touched for the past many decades. After the war broke out, sterling was devalued and officially pegged to the $ at 4·02 to 4·06 and subsequently at 4·02½ (lower limit) and 4·03½ (upper limit). The price of London gold had already been fixed at £ 8-8 per oz. On the declaration of hostilities, the Government of India issued an Ordinance prohibiting the import or export of gold except on the authority of a licence granted by the Reserve Bank of India. Owing to the general uncertainty, the local gold market was closed for three days between the 4th and 6th September. Later on, it opened and improved. The price of spot gold during the last quarter of 1939 averaged about Rs. 41-11-0 per tola. The high and low prices for Bombay gold for each month in 1939 have been given below :—

SPOT PRICE OF GOLD PER TOLA IN BOMBAY.

1939	High			Low		
	Rs.	a.	p.	Rs.	a.	p.
January	37	8	6	37	1	0
February	37	1	3	36	13	9
March	37	1	0	36	14	9
April	37	1	0	36	15	3
May	37	2	3	36	15	9
June	37	2	6	37	1	0
July	37	2	0	37	1	3
August	39	2	0	37	1	3
September	43	8	0	38	12	0
October	41	11	3	40	11	3
November	42	4	0	41	3	3
December	42	7	0	41	11	6

Gold exports from India throughout the year 1939 were valued at Rs. 24·34 crores, as compared with Rs. 15·60 crores in 1938. The Reserve Bank of India continued to buy gold in India on behalf of their correspondents abroad. Such purchases amounted approximately to Rs. 14·81 crores at the current rates of exchange, compared with only 3·40 crores in 1938. World's production of gold during 1939 has been estimated at 40·4 million ozs., compared with 37·8 million ozs. in 1938.

As the war advanced, the publication of all statistics pertaining to the movement of treasure to and from India has been prohibited.

SILVER.

Practically, the first half of the year 1939 elapsed without any major change in the price of spot silver in India. Price fluctuations ranged between Rs. 53-10-0 and Rs. 51-12-0 per 100 tolas until the end of June 1939. This steadiness was the result mainly of the U.S. Treasury's buying price which remained constant till 26th June, 1939 at 43 cents per oz. Then the market began to ease owing to the uncertainty about the future policy of the U.S. Treasury with regard to the purchase of foreign silver. On June 26th, amendments were voted in the U.S. Senate which increased the Treasury's purchase price for newly-mined domestic silver from 64·64 cents to 77·57 cents, and prohibited further purchases of foreign silver. As a result of this, the spot price in Bombay fell to Rs. 48-4-0 at the end of June. On 28th June, the U. S. House of Representatives voted against the Senate amendments and ultimately decided to accept the conference committee's report reducing the price to be paid for domestic silver to 71·11 cents and reinstating the authority to purchase foreign silver. On 30th June, the House voted the acceptance of the Conference Committee's report but a filibuster in the Senate prevented action being taken by that body before midnight, at which time the existing powers had expired. After a delay of five or six days the Senate passed by a narrow margin the revised legislation and it was signed by the President on 6th July. This delay caused a violent decline in the spot price of silver in the London market. Following this, the U.S. Treasury dropped its buying rate below London parity from 43 cents to 40 cents the same day and again to 36¾ cents on the following day, thus precluding the opportunity for profitable arbitrage operations. It appeared as if the U.S. authorities intended to permit the world price of silver to seek its own level. This fear caused an accumulation of speculative selling orders which broke the London market on 10th July to the lowest point of the year 16 1/16*d.* (Sterling) which in terms of gold was the lowest ever recorded (all-time low was 12*d.* gold touched in February, 1931) for spot and 15 5/8*d.* for forward. In Bombay, also, the year's lowest level was touched on 10th July, 1939 at Rs. 44-7-6 per 100 tolas for spot. On this day, the U.S. Treasury unexpectedly renewed its support by fixing its buying rate at 35 cents per oz. which fact encouraged investment purchases of silver in Bombay and the price began to look up.

The danger of the U.S. Silver Purchase Act being repealed having passed, and there being an actual shortage of spot metal, the bears of silver lost confidence and covered. The imminence and actual outbreak of the war and the consequential sharp break in the dollar value of the £ lent further support to quotations. Insurance rates jumped, exchange restrictions limiting shipments from America were enforced and a regular squeeze developed which was relieved only by making silver available from the Bombay mint. London silver touched the year's peak at 23½*d.* an ounce on 20th September. Indian spot silver also improved to Rs. 63-12-0 on 21st September owing to heavy buying both of spot and forward silver. Sales of silver by the Government of India in London against deliveries from the Bombay Mint arrested the rising trend for the time being. But on the 26th October the British Board of Trade issued an order prohibiting silver imports into Great Britain except under licence. Four days later the Government of India, also, took a similar step. These bans created two independent silver markets each one governed by different factors. Prohibition of

silver imports encouraged bull speculation and the year's high level of Rs. 66-4-0 per 100 tolas was touched on 1st December 1399 on the basis of rumours that the Government of India intended to suspend the sale of silver for delivery at the Bombay Mint. The excitement caused being great, the market remained closed for three days and then a modest price-reaction was recorded.

Later on, the Reserve Bank of India announced that with effect from 14th December, the sales of silver for delivery ex-Bombay Mint, which till then had been conducted through London brokers, would be conducted by the Bombay office of the Bank. As the Reserve Bank was also a seller of standard rupee-silver of 916 fineness, the Bombay Bullion Exchange, by a resolution accepted such silver as good delivery from the May settlement at a discount of Rs. 2-4-0 under silver of 999 fineness. On 18th December the Reserve Bank, in exercise of the authority delegated by the Government of India, introduced the silver-imports-licensing scheme on a profit-sharing basis and fixed the minimum and maximum prices for the sale of imported fine silver covered by licence at Rs. 62 and Rs. 64 per 100 tolas respectively. With this, the speculative activity was restrained in the silver market and the year closed with the price of spot silver at Rs. 60-12-0 per 100 tolas.

According to available data, which is palpably incomplete owing to war-conditions, world production of silver in 1939 has been estimated by Messrs. Handy and Harman (New York) at about 266 million ozs. or the same as last year. Adding other supplies, namely, through demonetization, the total world supply of silver in 1939 has been estimated at 403 million ozs., compared with 600 million ozs. in the previous year. The sales by the Government of India have been estimated at around 65 million ozs. against hardly 2·3 million ozs. in 1938.

After 5½ years of silver purchases by the U.S. Treasury and after more than 2,200 million ozs. of silver have been bought, the goal set by the Silver Purchase Act is actually 291 million ozs. farther away than it was when the legislation was passed in June, 1934.

April 1940

Central Banking in India.

By MANILAL B. NANAVATI, ESQ., B.A., LL.B. (Bombay), M.A. (Penn, Pa, U.S.A.)

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IN recent years in India as in other countries there has been in evidence a considerable difference of opinion both among laymen and economists as to the scope of central banking activity and the potentialities of central banks for the economic development of the community. This divergence of views is marked especially in India where owing to a variety of reasons the Reserve Bank has for some time past been the target of criticism from a section of the public. Such criticism when based on an intelligent appreciation of the possibilities and difficulties of central bank action is always welcome and in fact it is one of the best safeguards to ensure that the powers vested in central banks are utilised by them in the best interests of the country. Central banking technique is of comparatively recent growth—dating only from the latter half of the nineteenth century—and nothing perhaps can be more inimical to its progress than an indifferent attitude on the part of the community. But, when the criticism offered by individuals or interested parties is based upon a misconception of the nature of the functions of a modern central bank, it tends to cloud rather than solve the points at issue and thus to defeat its own purpose.

The types of criticism that often appear in India may be divided into two main groups. The first group of critics consists of those who believe that a central bank is a panacea for all economic evils—that it can prevent booms and depressions, control prices, and supply unlimited credit for the finances of trade and agriculture, and their discontent and impatience arise from the fact that the Reserve Bank has not been able in the short span of the last five years to bring about the sudden transformation in India's credit structure they had expected of it and which they imagine that the Bank is still capable of bringing about if its authorities proceed in the manner advocated by them. The second group comprises those who hold the opposite view that the functions of the Reserve Bank as expressed in its present constitution are unduly narrow and that the Act should therefore be radically altered so as to expand the Bank's powers. Both these types of criticism, however, have one thing in common in that they arise from a misunderstanding of the objectives and functions of modern central banks and the manner in which they are expected to achieve them. Some of the

critics also seem to ignore the fact that the success of central bank or for that matter the degree of control exercised by it over the money market is conditioned by the limitations of the environment in which it operates. Some others again suggest the adoption of central banking methods which have proved a success in other countries without taking into account how far such methods might prove suitable to the special requirements of India.

Critics who support the view referred to above that the Reserve Bank should prove a remedy for all economic ills over-estimate the contribution that monetary measures can make towards economic progress. In the years immediately following the World War of 1914, as a result mainly of the experience of the control measures adopted during the war period, there was no doubt an exaggerated belief among a certain section of bankers and economists regarding the ability of central banks to control prices, industrial activity, business cycles, etc., but many countries realised during the great depression of 1929-33 that monetary measures alone could not accomplish economic stability. As a result, the limitations of monetary technique have been recognised all the world over and to expect that the Reserve Bank alone will be able to cure the economic ills of the country is to misconceive the nature of its functions and to ignore the importance of a number of other factors vitally affecting our economy.

The second group of critics who feel that the scope of the Reserve Bank Act is unduly narrow also evince a lack of appreciation of the nature of functions of a central bank. Some of these critics appear to believe that all that is required to stimulate the commerce and agriculture of the country is that the Reserve Bank should place unlimited credit at the disposal of the scheduled and co-operative banks irrespective of either the position of the banks or the legitimate requirements of trade and agriculture. In other words, they imagine that the Reserve Bank should act as a sort of a commercial bank with large resources, lending continuously to co-operative and scheduled banks at cheap rates to enable them to lend freely to tradesmen and agriculturists. They, however, ignore the essential nature of central bank credit which is meant to be extended only in seasonal stringencies or other emergencies when the ordinary pool of savings deposited with the commercial banks or co-operative societies is insufficient to meet the increased requirements. In other words the basic concept of central banking is that it is a ' lender of last resort ' extending credit when the ordinary resources of the market have already been utilised to the fullest extent.

To evaluate the activities of the Reserve Bank during the last five years it is thus necessary to bear in mind the basic functions of central banking as expressed in the Bank's constitution and the manner in which it has attempted to fulfil them. As stated in the preamble to the Act, the Bank has been organised for the purpose of regulating the issue of bank notes and the keeping of reserves with a view to securing monetary stability in British India and generally to operate the currency and credit system of the country to its advantage. In other words the primary function of the Reserve Bank is to regulate the currency and credit system of the country in the national interest. The Bank transacts its business not primarily for the purpose of making profit but for the sake of the ulterior effects of its policy upon the money market and the banking structure in general, and though it is technically a shareholders' bank on the joint stock basis, its surplus profits after the payment of a limited dividend to the shareholders accrue to Government. To enable the Reserve Bank to exercise its control over currency and credit, the Bank is entrusted with a monopoly of note issue, with the holding of reserves against notes, the duty of maintaining the stability of the external value of the monetary unit, the holding of the cash balances of commercial banks and the carrying out of the banking transactions of the Government. In addition it has the power of making loans and advances within the limitations placed by the Act to scheduled banks or joint stock banks having paid up capital and reserves of Rs. 5 lakhs or above, as also to provincial co-operative banks at rates determined by it in the light of the financial conditions of the country. It is also empowered to transact open market operations to enforce its credit policy. Besides this, it carries

out a number of service functions such as tendering advice to Government, the co-operative movement, and banks on financial matters and the collection and dissemination of financial and in particular banking statistics. The Bank also keeps in touch with foreign central banks for the purpose of obtaining information about economic conditions abroad and co-ordinating monetary policy in so far as it is beneficial to this country. Finally, the Bank formulates its own credit policy in the light of the information received from sources within and outside the country and also through personal contacts maintained by it with the leading personalities in the domestic and foreign money markets.

The manner in which the Reserve Bank has endeavoured to carry out in practice the functions enumerated above may now be described briefly. To take first its function of note issue, the Bank has been entrusted under Section 21 of its Act with the sole right of issuing notes in British India and Burma. The cover against the notes consists, in accordance with the Act, of gold coin, gold bullion, rupee coin, rupee securities of the Government of India and such bills of exchange as are eligible for purchase by the Bank. The Act has provided that not less than 40 per cent. of the total assets against note shall comprise of gold coin, gold bullion and sterling securities, although in practice the Bank has maintained a much higher proportion, the present percentage being 63·69. The Bank started issuing its own notes at the beginning of 1938 including distinctive designs for Burma since under the Burma Monetary Arrangement Order the Bank continues to be the central bank for that country in spite of its political separation from India.

Under Sections 40 and 41 of the Act the Bank is required to buy and sell sterling within certain fixed limits with a view to maintaining the exchange stability of the rupee with that currency. It is also obliged to provide the sterling requirements of the Government and for this purpose it generally purchases sterling from the scheduled banks either by tender or at an intermediate tap rate. With the outbreak of the war in September 1939 the Bank was entrusted by the Central Government with the authority under the Defence of India rules to administer dealings in foreign exchange, and movement of bullion and since then it has organised a special Exchange Control Department to deal with this work. The Bank's responsibilities and activities in this sphere have been considerably enlarged on this account. After the outbreak of the war the Bank was able to purchase large amounts of sterling from the scheduled banks and these purchases have facilitated the scheme for the repatriation of the Government of India's sterling debt.

The third function of the Reserve Bank is the carrying out of the banking transactions of the Government with which it has been entrusted under sections 20 and 21. The Bank maintains the accounts of the Central and Provincial Governments, and of the Government of Burma and transacts their exchange, remittance and borrowing operations. In the floatation of treasury bills and loans the Bank endeavours as far as possible to mitigate the effects of such operations on the money market and at the same time to enable Governments to borrow at the best available rates. In a large measure the co-ordination of the borrowing programmes of the various governments enables them to borrow more favourably than would have been the case otherwise. The Bank has also developed a system of underwriting loans with the co-operation of the larger scheduled banks and leading brokers which may be said to have accounted for the success of a number of loans issued by Provincial Governments in the last few years. During war times when the Government requirements are on the increase the scope of activitity of the central banks to render such services is vastly increased.

The next aspect of central banking activity outlined above is its relations with the banking system. Under Section 42, every scheduled bank has to maintain with the Reserve Bank a minimum balance equal to 5 per cent. of its demand liabilities and 2 per cent. of its time liabilities. The accumulation of these reserves in the hands

of the central bank makes it possible for it to use them in emergencies to support the liquidity of the banking system when the commercial banks resort to it as a lender of the last resort. The Reserve Bank has also another instrument for the control of credit in the bank rate at which it will rediscount bills or make advances and through which it can attempt to influence the structure of interest rates in the Indian money market. In discounting for or making advances to scheduled banks, the Reserve Bank has to see firstly that it advances only against sound and liquid assets such as commercial bills and Government securities, and secondly that it does not compete as far as possible with other banks for commercial business, and that in general confines its advances to occasions when the supply of funds in the money market as a whole is insufficient for the requirements of trade or agriculture or is not available at reasonable rates. In India there has been a strong demand that the Reserve Bank should lend to banks in difficulties irrespective of their financial position, but it is obvious that the Reserve Bank as the guardian of the liquidity of the banking system cannot lock its funds in illiquid assets. The Bank however always stands ready to help sound banks in emergencies or panics occurring for any reason and in fact such assistance must be regarded as one of the primary objects for which the Bank was established. Furthermore, in accordance with the usual practice of central banking, the Reserve Bank when making advances, takes into consideration not only the type of the security offered but also the general character of the assets of the borrowing bank and the manner in which it conducts its business. Besides this, under the Act the Bank is authorised to lend only for short periods, the maximum period being only nine months, so that any finance from the Reserve Bank is intrinsically of a temporary nature.

No aspect of the Reserve Bank's activities has perhaps been debated more hotly in recent years than the relations between the Bank and agricultural finance. Here again the expectations of a number of critics appear to be that the Reserve Bank should act more or less as a state agricultural bank lending large amounts continuously to the cultivators to meet their manifold requirements and placing, so to say, unlimited credit at their disposal. The Reserve Bank Act, however, definitely circumscribes the field of the Bank's operations in this sphere and provides for assistance to agriculture on orthodox central banking principles. In the first place the Bank cannot advance to agriculturists direct and can operate only through a scheduled bank or a provincial co-operative bank, and secondly the maximum period for which it can make advances is limited to nine months so that it is authorised to lend only for short periods for tiding over a temporary shortage of funds.

Another important power which has been given to the Reserve Bank is that of conducting open market operations. Originally these operations were conducted by the central banks mainly for the purpose of making the bank rate effective or to offset the effects of Government expenditure and taxation. In recent years, however, they are utilised more for regulating the international movement of funds and for supporting the security markets. This power is specially useful during war time when prices of securities are subject to sharp fluctuations.

The rendering of advice to Government and banks on financial matters is yet another important branch of the Bank's activities. In its Agricultural Credit Department the Bank possesses an organisation which is continuously engaged in the study of problems on rural finance and which renders advice to Governments and the co-operative movement when consulted. The Reserve Bank also maintains close contact with the position of scheduled and non-scheduled banks and offers them advice when required. The Bank recently submitted to the Central Government its proposals for the reform of banking legislation which have since been issued to the public for opinion. It is a part of the Reserve Bank's policy to encourage the growth of a sound banking tradition and the proposals for legislation which it has formulated aim at the maximum protection of the depositors with the minimum legal interference.

From the foregoing brief review it will be seen that the establishment of the Reserve Bank has made it possible to remedy a number of defects which formerly beset the Indian money market. In the first place the lack of co-ordination between currency and credit which was responsible for many years past for undue stringency of credit during the busy season has been removed. Secondly, the Reserve Bank has provided a suitable machinery for the Central and Provincial Governments to co-ordinate their borrowing programmes. Thirdly, a considerable amount of control over the banking system has been established by the provision for the maintenance of compulsory deposits by the scheduled banks with the Reserve Bank. The Bank has also made seasonal advances to scheduled and co-operative banks and rediscounted treasury bills for them. It has also placed its advice at the disposal of Governments, banks and co-operative institutions whenever consulted. The Bank has also devoted a great deal of attention to the improvement of the banking machinery of the country. Nevertheless new problems are constantly arising and the outbreak of the war has created a number of special problems which are engaging the attention of the Bank. It is a part of the policy of the Reserve Bank to encourage among the public a better knowledge of its purposes and functions since such knowledge is vital to a proper understanding by the public of the services the Bank performs for the country. In-as-much as a large number of problems confronting central banking in the several countries of the world have a striking resemblance, central banking is not merely a national but a world problem, and has constantly to adapt itself to the changing influences of national and international economy.

May 1940.

Bombay Municipal Finance

By MATHOORADAS TRICAMJEE, Esq., B.A.

(*Mayor of Bombay.*)



Mathooradas Tricamjee, Esq.

Born 31st August 1894. Bachelor of Arts in History and Economics, Bombay University, 1914. Took to Social Service under Mahatma Gandhi and the Congress. Worked in the Satyagraha Office established for resisting the Rowlatt Bills, 1919. For some time Treasurer and then Secretary, Bombay Provincial Congress Committee, 1920-21 and onwards. Secretary, Swaraj Sabha. Secretary and one of the Trustees, Tilak Swaraj Fund. Entered the Corporation, 1923. Resigned, 1925, owing to ill-health. Member of the Congress Working Committee for some time, 1930. Sentenced to imprisonment twice in the Civil Disobedience Movement, 1930 and 1932. One of the organizers of the Congress Session held in Bombay, 1934. Re-entered the Corporation, 1935. Chairman of the Rent Enquiry Committee of the Provincial Government, 1938. Leader of the Congress Municipal Party, 1939-40. Fellow of the Bombay University. Mayor of Bombay, 1940-41. Published in Gujerati "Mahatma Gandhini-Vichar Srishti," the first book on Gandhiji in Gujerati, 1919. Author of Marukunj—a T. B. patient's hand book.

THE Bombay Municipal Corporation is entrusted with the duty of running the Municipal Government of the City of Bombay. It is regulated by the "City of Bombay Municipal Act "of 1888 which is continually amended and modified to meet the changing circumstances and the new requirements. The scheme of the Act, however, remains the same as it was originally visualised. The Corporation is the supreme municipal authority. It enunciates policies and lays down programmes. It has the supreme control over the finances of the Municipality. It sets out in the form of budget estimates the expenditure that may be incurred in the ensuing year and fixes the taxes that may be levied for meeting the proposed expenditure. While the Corporation takes decisions, the Municipal Commissioner gives effect to them. The entire executive power of the Corporation vests in him ; but his actions are in many ways regulated by the Act itself as also by the Standing Committee whose sanction and approval are essential in stated matters to enable him to act. There is thus a balancing of power and a happy blending of democracy and autocracy. The annual expenditure and income of the Corporation is in the vicinity of Rs. 350 lakhs which is met from the revenues raised by means of taxation and fees and miscellaneous imposts permissible under the Act. A large expenditure running into several lakhs is also incurred from the funds raised by means of loans. The budgeted income and expenditure for instance, for the year 1940-41, are 348 lakhs and 364 lakhs, respectively; the deficit of well nigh 16 lakhs, is proposed to be provided for from available surplus cash which is the saving of previous years. The duties of the Corporation are prescribed in the Act ; they affect every possible aspect of civic life. Water supply and drainage, streets and roads, their cleansing and lighting, hospitals and maternity homes, primary education and city improvement are some of the matters that require the Corporation's attention. The taxes which are expected to give revenue to the Corporation are definitely stated in the Act. It is not open to the Corporation to levy taxes other than those that are specifically mentioned. They are property-taxes, town duty on scheduled articles and tax on vehicles and animals. Property taxes consist of (*a*) a

general tax ; (*b*) a fire tax ; (*c*) a water tax and (*d*) an halalkhore tax. These taxes are obligatory in the sense that the Corporation has to impose them. They are levied in the form of certain percentage on the rateable value of buildings and lands in the City. The general tax may vary between 8 and 17 per centum ; the fire tax between $\frac{1}{8}$ and $\frac{3}{4}$ per centum ; the water tax is determined with reference to the expenses for providing a water supply and the halalkhore tax has not to exceed 3 per centum. The general tax, the fire tax, the water tax and the halalkhore tax for the year 1940-41 are fixed at 11, $\frac{1}{2}$, $3\frac{3}{4}$, and 3 per centum, respectively, making the total of $18\frac{1}{4}$ per centum of rateable value. The Town Duty is levied at varying rates on articles consumed locally such as grains and flours of all sorts, wines and spirits and beers, sugar, molasses, gur and ghi, timber and firewood. The tax on vehicles and animals is, as the name suggests, a tax on vehicles that ply in the City and on horses and bullocks and other animals which are used as service animals. Of these three taxes, the group of property taxes forms the mainstay of the municipal finance. It is calculated to fetch over 260 lakhs out of 348 lakhs of income budgeted for the current year. The Town Duty brings to the Municipal Fund 14 lakhs and the Wheel Tax a little over $13\frac{1}{2}$ lakhs. The remaining amount of over 60 lakhs is made up from receipts from Markets and Slaughter Houses, sale proceeds of surplus land, license fees, educational grant from Government and miscellaneous sources. The expenditure is incurred on various items and services. Water Works, Roads, Drains and Sewers, and Primary Education require nearly 69 lakhs, 68 lakhs and 43 lakhs respectively. Improvement Schemes, Medical Relief and Education and Public Health need nearly 36 lakhs, 26 lakhs and 11 lakhs, respectively. Mechanical Department and Provident Fund, etc., Markets and Slaughter Houses and Fire Brigade claim nearly 15 lakhs, 11 lakhs, 6 lakhs and 5 lakhs, respectively. The total expenditure can also be classified under three heads : Establishment Charges, including Labour : Debt Charges, and other charges. They are 80 lakhs, 127 lakhs and 157 lakhs, respectively. These are staggering figures for annual expenditure and difficult to follow ; but they are real and inevitable. The City of Bombay has not been what it is today from its very inception. It has grown from a tiny place and insignificant position to its present magnificence in course of years at heavy expenditure. Its main water supply comes from a distance of 55 miles and to build up that has meant an expenditure of over $9\frac{1}{2}$ crores of rupees. A net work of complicated drainage system and miles of dust-proof and fine roads have needed nearly 7 crores of rupees. Many of the slums that existed in the City are cleared and new houses are constructed at a heavy expenditure. The City has required, therefore, crores of rupees to reach its present grandeur. And revenue from taxation as such cannot cope with such requirements. It is a recognised policy of public finance that works of a permanent nature involving a large outlay are to be financed from loans. It means that the expenditure is spread over a number of years and the annual revenue contributes towards payment of interest on loans and sinking fund which is ultimately utilised for repayment of loans. In this way, the burden of gigantic expenses is made tolerable, at the same time the benefit of amenities is made obtainable immediately. The Bombay Municipal Corporation is authorised to raise loans with the sanction of the Provincial Government. The Municipal Act prescribes some of the major conditions under which loans can be floated. A definite provision has to be made for setting aside annually such sums as will accumulate to the full amount of the loan on the date of repayment. Another important restriction that is put on the borrowing powers of the Corporation is in the form of fixing the maximum total amount of the loan that may be outstanding from year to year. The amount of the current loans cannot exceed twice the rateable value of buildings and lands in the City. This provision coupled with the provision for Sinking Fund bridles the ambitious programme of the Corporation. The outstanding loans of the Corporation on 31st March 1940 were Rs. 15,83 lakhs and the rateable value for the year being 13,49 lakhs the margin for fresh borrowing is still to the tune of 11,15 lakhs. The Sinking Fund also is regularly maintained at the level prescribed by the Act and is never allowed to fall below the legal requirements. The figures cited here refer to the loans raised by the Corporation. There is however, another section of loans. The improvement

Trust functioned for years together independently of the Corporation ; but about 7 years ago it was amalgamated with the Corporation, although its accounts are still maintained separately. The Trust Account has also large amounts of outstanding loans to show ; and the Trust loans are also governed by the same conditions and restrictions as govern Corporation loans. The current loans of the Trust Account amount to 16,42 lakhs.

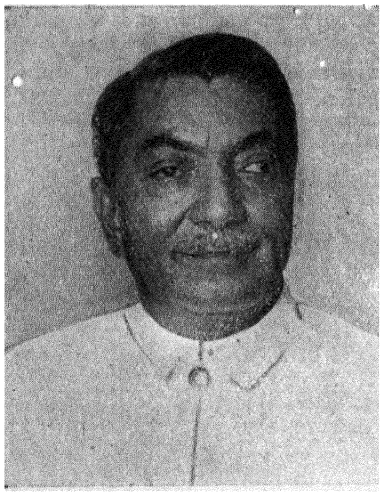
This too short an account of Municipal Finance will reveal its stupendousness and yet the annual wheel of administration of finance turns regularly and correctly. It is no exaggeration to say that the Bombay Municipal Corporation stands second to none in efficiently managing vast revenue and loan resources that are at its disposal. It is due to well-manned service, to the constant vigilance of the Corporation and to the sense of public service that pervades the organisation.

May 1940.

Conditions in the Bombay Cotton Market from January 1939 to March 1940

By HARIDAS MADHAVDAS, ESQ., J.P.

(Vice-President, East India Cotton Association Ltd.)



Haridas Madhavdas, Esq.

Director of the East India Cotton Association since its inception and also of the previous body, the Cotton Contracts' Committee. Several times President of Association and for many years Vice-President. Is a recognised authority on cotton selection and senior partner of the well-known firm of Messrs. Amersey Damoder, who have been dealing in the cotton trade for over 85 years in all its branches. For many years Assessor of Indian and Foreign Cotton on the Survey, Appeal and Standard Committees of the East India Cotton Association, as Chairman and serving in the same capacity on the Standard Committee of the Indian Central Cotton Committee. Director on the Boards of the following companies: Bharat Spinning and Weaving Company, Ltd., The Union Bank of India, Ltd., the Central Bank of India, Ltd., the Associated Cement Companies, Ltd., the Tata Hydro-Electric Supply Company, Ltd., and several others. Is non-official adviser to the Government of India, regarding the Indo-Japanese trade agreement since its inception. Justice of the Peace and Hon. Presidency Magistrate, for the City and Island of Bombay.

THE year 1939 opened with feelings of trepidation on account of the uncertainties which were constantly cropping up in the international political situation. Also, perplexity regarding the American Farm Programme was another important factor. However, whilst trading in the New York Cotton Market was restricted, an optimistic feeling prevailed in Bombay on rumours of a cessation of hostilities in China. As a result of this, active speculative covering and option buying caused Broach April/May 1939 to rise to Rs. 164/2 on the 3rd January, but by the end of the month it had declined to Rs. 151½ on persistent bearish overseas market advices and increasing arrivals of cotton into Bombay from up-country. Despite the favourable parity, the export demand was negligible and the decline was accentuated further by a proposal to levy a sales tax on mill-made cloth and silk fabrics by the Government of Bombay. The result was that Broach April/May receded to Rs. 147½ on 16th February 1939. Thereafter, a slight improvement was seen subsequent to the report that there was to be an increase in the import duty on foreign cloth and so we found the price for this delivery appreciate to Rs. 152¼ on the night of the Budget on the 28th February. After this, prices fluctuated within narrow limits on fears of an early release of the U.S.A. Loan cotton and because of the Government's plans for an export subsidy. About the middle of May, prices began to firm up on account of the broadening of demand from the Far-East, especially from China, and in the belief that the export subsidy plan might be postponed by the American Government until after the International Cotton Conference which was to be held in Washington in September. Broach July/August which had been quoted around Rs. 154 and Rs. 159½ between the 1st and 12th May 1939, then rose to Rs. 171⅜ on the 25th May whilst the peak point of the 1938/39 season was reached on the 12th June 1939, when the quotation had reached Rs. 175¾. However, this rise was somewhat overdone and on the settlement maturity date Broach July/August receded to Rs. 160, the contributory factor to this fall being

an easing off in the demand, following the collapse of the Chinese Dollar and so resulting in Chinese purchases in many cases being resold to Indian merchants. Also, the unfavourable political developments in the Far-East and the announcement by the American Government of a flat rate of 1½ cents subsidy per lb. were additional influences. However, the 1938/1939 season ended on a note of excitement owing to the worsening of the political situation in Europe, and consequently Broach April/May 1940 closed at Rs. 158/2 on the 31st August 1939.

On the declaration of the War between the Allies and Germany on the 3rd September 1939 we witnessed violent and rapid fluctuations in the Bombay market and in sympathy with a rise in prices in Liverpool and New York, heavy short-covering, speculative and option buying brought about a hectic advance with the result that by the 15th September Broach April/May had touched a level of Rs. 224½. The Government authorities at this stage viewed matters with a good deal of misgiving, so much so that on the 22nd September all option dealings in cotton were prohibited. In addition to this, fears of a large American crop and the great difficulties experienced by shippers in obtaining freight had a weakening effect upon the market with the result that by the 5th October the price had dropped to Rs. 184½. In November large purchase of Jute and Hessians by the British Government, the weakness of sterling in relation to the dollar, the reported threat by the American Government to Japan to place an embargo on all exports to that country and the lapse of the ordinance prohibiting dealings in options were collectively factors which led to feverish short-covering and speculative buying not only by local interests but by Calcutta, and the result was that April/May Broach advanced sharply again to Rs. 289½ on the 30th November.

In December, however, quite a different tale has to be told. The month opened with Broach about Rs. 305, but subsequently weakness in Jute and Silver caused heavy unloading which brought about a decline to Rs. 267 on the 7th December. But, at this level the market found good support from Japanese Houses and as this coincided with firm advices from Liverpool and New York, there was again a very sharp rise, despite the Government's ordinance prohibiting option business, so much so that by the 18th of December the quotation reached a high point of Rs. 338½. This very rapid and hectic advance, however, was soon to be followed by the usual profit-taking, liquidation and nervous unloading which was accentuated by the weakness in Jute and other commodity markets. The result was that by the 22nd of December the April/May quotation had receded to Rs. 292½. At this stage there was renewed speculative buying principally by Calcutta operators, and these purchases coupled with short-covering caused the price again to jump up to Rs. 333 by the 5th January. At this juncture further support from the trade was lacking, there were heavy arrivals from up-country, and stocks were mounting up, with the result that this advance was short-lived and the rate dropped to Rs. 316 on the 6th January 1940. Despite the fact that the parity between Bombay and Liverpool widened considerably at the time, it still attracted but a mediocre demand for export. Then, President Roosevelt's peace hopes, combined with a further collapse in Jute prices brought about heavy realisation and by the 24th January, the rate had receded further to Rs. 262. The market by this time was well liquidated and the sentiment veered towards constructive operations so that a recovery appeared to be indicated, But, on the 22nd January 1940, the announcement of a proposed Excess Profits Tax, resulted in an all round slump in every market and Broach April/May encountered heavy liquidation and option selling, so that by the end of the month the rate had declined to Rs. 248½. Luckily, the next two or three days showed firmer foreign advices and there were reports of steadier Jute and other commodity markets. Calcutta operators and exporters again took a hand in the game and the result of their operations was another spurt with the quotation reaching Rs. 279½ on the 3rd February. Hopes of a further rise, however, were restricted by renewed peace talks, slump in Silver and other markets and the threat of a strike in the textile mills on the question of dearness allowance. In consequence

of these adverse factors there was another setback and the April/May price receded to Rs. 255 on the 12th February. At this level it was possible to find offerings being readily absorbed by exporters and commission houses so that the downward trend was checked and the market again firmed up on an improved spot demand despite the unsettled labour situation. The quotation at the end of the month was Rs. 278¾.

In March 1940 an easier tendency prevailed in the market mainly on account of the incidence of the Mill strike and because of an easier trend in other commodity markets, particularly Jute. The accumulation of large stocks of Cotton on account of freight difficulties also had their effect with the result that Broach April/May had dropped to Rs. 251 on the 13th March. A further decline to Rs. 240 was registered on the 19th March but at this level support was forthcoming on account of the weakness of sterling in relation to the dollar and there was a slight recovery, to Rs. 254½ on the 21st March. Bullish hopes were again dashed to the ground however, by rumours of restrictions on exports and so there was another small reaction with the result that we had to submit to a quotation of Rs. 237½ on the 30th March.

There was a general fear in the trade that the fortnightly settlement clearings of the East India Cotton Association would not go through smoothly during the critical periods of wide and rapid fluctuations experienced between September 1939 and January 1940, but it must be said to the credit of the members that all these clearings materialised without one default and an all time record since the institution of the Cotton Clearing House in 1918 was the settlement clearing of the 29th January 1940, when an amount of Rs. 1,97,40,157 was paid out. It may be of interest to note that the total amount cleared through the Clearing House from 1st September 1939 to 31st March 1940 was Rs. 10,30,93,418.

As mentioned above, the periodical settlement of differences due on open contracts through the Clearing House, is a feature which was introduced in the Cotton Trade in 1918, from which period its control has come to be vested in one body. The regulation of the Trade at first started with the establishment of the Cotton Contracts Committee set up by the Government of India, under the Defence of India Rules. This Body was superseded by the Cotton Contracts Board under the Bombay Cotton Contracts Act No. I of 1919, which was also a temporary measure. With the eventful decontrol of the trade by the Cotton Contracts Board with effect from 1st June 1922, the East India Cotton Association Ltd., a company registered under the Indian Companies Act, 1913, took over the regulation and control of transactions in cotton in Bombay, and the Government of Bombay vested necessary powers in the Association by enacting the Bombay Cotton Contracts Act No. XIV of 1922.

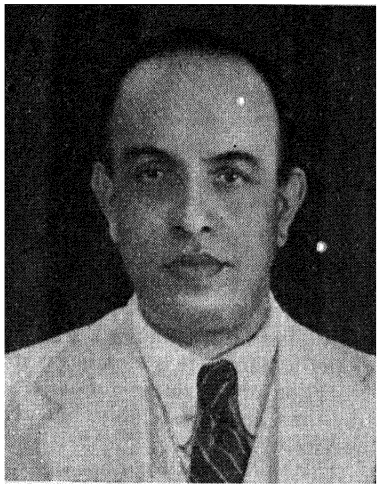
This Act remained in force until 31st October 1932 when it was replaced by the Bombay Cotton Contracts Act No. IV of 1932. The Association is at present functioning under this latter Act which declares it as the only recognised Cotton Association. The Act provides that any contract which is not in accordance with the by-laws of this Association shall be void. It further provides that not less than one fourth of the total number of Directors on the Board shall be growers of cotton. For purposes of administrative facilities members of the Association are classified into three electoral panels, namely, Buyers, Sellers and Brokers ; but all members are entitled to attend and vote at general meetings of the Association. The Board of Directors consist of 20 Directors. The Buyers' and Sellers' Panels elect four Directors each and the Brokers' Panel elects six Directors. The fourteen Directors so elected co-opt one Director from any of these panels to represent the general body of members of the Association on the Board. There are also five representatives of growers of cotton on the Board, three of whom are nominated by the Indian Central Cotton Committee from amongst the growers' representatives on that Committee and two by the Government of Bombay.

May 1940.

The Indian Cotton Mill Industry

V. N. CHANDAVARKAR, ESQ., B.A. (CANTAB.), BARRISTER-AT-LAW.

(Chairman, Millowners' Association, Bombay.)



V. N. Chandavarkar, Esq.

Vithal Narayan Chandavarkar, B.A. (Cantab.); Maths. Trip. Pt. I. (1909); Nat. Sc. Trip. Pt. I. (1911); Hist. Trip. Pt. II. (1912); Barrister-at-Law of Lincoln's Inn. 1913; Chairman, Millowners' Association, Bombay eldest *s.* of the late Sir Narayan Ganesh Chandavarkar; Mg. Director, N. Sirur & Co., Ltd., Cotton Mill Agents. *b.* 26 Nov. 1887. *Educ.*: Aryan E. S. High School and Elphinstone High School, Elphinstone College, Bombay; and King's College, Cambridge; Advocate, Bombay High Court, 1913-20; Acting Professor of History, Elphinstone College, Bombay, July to October, 1915; joined the firm of N. Sirur & Co., 1920; Member, Bombay Municipal Corporation, 1926-1939; Chairman, Law Committee, 1928-29; Chairman, Standing (Finance) Committee, 1929-30; Chairman, Revenue Committee 1930-31; Mayor of Bombay, 1932-33. Elected Deputy Chairman, Millowners' Association, Bombay, March, 1935; Chairman in 1936 and 1940; Vice-Chancellor, Bombay University, 1933-39; Chairman, Bombay City Branch Indian Red Cross Society. *Address*: 41, Pedder Road, Malabar Hill, Bombay.

THE year 1939 will long be remembered in the annals of the history of the Indian Cotton Mill Industry for the marked contrasts which it presented in the position and prospects of the Industry. The low commodity prices which obtained for the greater part of the year prior to the outbreak of the war in Europe had a deleterious effect on the Piece-goods and Yarn Markets throughout the country, which remained more or less stagnant owing to poor demand; and the prices of yarn and cloth continuously fell until the end of August. The war, however, brought into play a different set of conditions and an entirely new situation, and although it would be idle to prophesy the ultimate effects of the war, it can be said that the outlook for the Industry towards the end of the year was somewhat more hopeful.

The Industry in the Province of Bombay continued to smart under the unjustified wage increases, amounting to over a crore of rupees per annum, granted as a result of the Interim Recommendations of the Textile Labour Inquiry Committee, although the assumptions on which that Committee had based their recommendations had shown signs of being falsified within a few months of the publication of their Report. As though the burdens already borne by the Industry were not sufficient, the Industry in the City of Bombay was mulcted to the tune of about Rs. 6½ lakhs per annum by the Urban Immoveable Property Tax imposed by the Congress Ministry in order to facilitate the inauguration of an ambitious programme of prohibition. The Sales Tax on manufactured cloth, proposed with the same object in view, was intended to raise an additional revenue of Rs. 25 lakhs per annum. The proposal to levy a sales tax on manufactured cloth had a very disquieting effect on the fortunes of the Industry in Bombay, since it was feared that, unless adequate safeguards were devised, and the stage and manner of the tax precisely determined, the tax would eventually be passed back to the manufacturer, thereby increasing still further the cost of manufacture of his products. Although licenses under the Act were taken by mills by the middle of the year, it is satisfactory to note that the difficulties of collecting the tax have since been realized and Government have decided not to proceed with the levy of the tax.

As though not to lag behind the Provincial Government in their solicitude for the "welfare" of the Industry, the Central Government imposed an additional duty of half an anna per lb. on imported raw cotton, with effect from the 1st March, in order to balance their budget. Apart from its direct effect of increasing the cost of production of indigenous manufactures, this additional imposition was calculated to encourage greater imports of yarn and piece-goods from Japan and Lancashire. In the case of yarn, including wastage, it was estimated that the duty on raw cotton alone would completely nullify the existing duty and that, in the case of cloth, the duty would give an indirect subsidy to competition from Japan and Lancashire to the extent of 10 per cent., thereby reducing the protection accorded to the Industry. The duty, moreover, was likely to hamper the diversification of the production of Indian mills on the lines recommended by the Tariff Board of 1927, and to which increasing attention had been paid by Indian mills in recent years. Mention might also be made of the surcharge of 12½ per cent. on railway freight rates, effected from March 1st, 1940, which is bound to handicap the free transit of goods from one part of the country to the other.

The additional duty on raw cotton was soon after followed by a reduction of the import duties on Lancashire cotton piecegoods following the conclusion of the Indo-British Trade Agreement. The Agreement provided for a 5 per cent. reduction in the then existing duties, to be followed by a further 2½ per cent. if imports from the United Kingdom did not exceed 350 million yards per annum. It is significant that both the additional duty on raw cotton and the reduction of the duties proposed by the Indo-British Trade Agreement were rejected by the Central Assembly, but were given effect to by certification by His Excellency the Viceroy.

The successive burdens imposed by the Provincial and Central Governments weighed down the Industry considerably, with the result that stocks accumulated, the prices realized proved unremunerative, double shift working was drastically curtailed, and competition with cheap imported goods became more and more difficult. In the case of Bombay City, for instance :—

(1) Stocks of cloth with mills increased from 74,000 bales at the end of March 1938 to 179,000 bales in August 1939—a record high figure for the last six years ;

Yarn stocks also increased from 20,000 bales to 24,000 bales during the same period, but it is noteworthy that the volume of unsold goods held by mills at the end of August 1939 was more than double that in March 1938 ;

The orders booked by mills for forward delivery at the end of March 1938 were 325,000 bales. At the end of August, 1939, this figure was reduced by over one half to 157,000 bales, and this figure further declined to 142,000 bales in September.

(2) In March 1938, there remained 3,780 looms and 283,000 spindles idle in Bombay City mills. At the end of August 1939, these figures had gone up to 8,700 and 606,800.

Similarly, in March 1938, 38,800 looms and 1,710,557 looms worked double shifts in Bombay. These figures came down to 25,725 and 1,094,290 in August 1939.

(3) Extensive closure of productive machinery resulted in large numbers of workers being thrown out of employment, as will be seen from the following figures :—

	No. of operatives employed.		
	Day Shift.	Night Shift.	Total.
31-3-1938 - - -	107,712	48,102	155,814
14-7-1939 - - -	100,706	32,597	133,303
Difference -			22,511

(4) The price of standard longcloth produced in Bombay, which ruled at Ans. 9¾ per lb. in March 1938, came down to less than As. 9¼ in March 1939, and fell as low as As. 8½ in August. Similarly, the wholesale quotations of 24s and 32s count Bombay mill-made yarns fell from As. 8 and As. 9-4 ps. per lb. respectively in March 1938 to As. 6-11 ps. and As. 8-2 ps. in March 1939 and to As. 6-8 ps. and As. 8 in August 1939.

The imports of foreign piece-goods into British India, which amounted to 395 million yards in the first eight months of 1938, rose to 411 million yards in the corresponding period of 1939. In the same period, the arrivals of cotton yarn shot up from 16.0 million lbs. to 26.6 million lbs. This heavy acceleration of cotton yarn imports was materially assisted by the additional import duty on raw cotton, which proved a great handicap to the fine spinning section of the Indian Industry. The seriousness of the problem presented by cheap imports from Japan and China on the position of the Indian spinning industry will be apparent from the fact that the Bombay Yarn and Silk Merchants' Association felt compelled to suspend all c.i.f. transactions in cotton yarn, mercerised yarn and staple yarn imported from China and Japan for two months from the 1st June 1939.

The production of cotton yarn by Indian mills rose from 842 million lbs. in the first eight months of 1938 to 852 million lbs. in the corresponding period of 1939. In the case of piece-goods, the output declined from 2,855 million yards to 2,719 million yards.

Exports of Indian made cotton yarn to foreign markets (including Burma) were more or less maintained at about 27 million lbs. in the first eight months of 1939, but shipments of cotton piece-goods showed a small shrinkage. It may be noted, however, that Egypt and Iran, which formerly were two of the best customers for Indian mill productions practically ceased to take Indian goods, owing to quota and tariff restrictions.

The consumption of Indian cotton by mills in India rose from 2,994,000 bales in the year ended 31st August 1938 to 3,120,000 bales in the year ended 31st August 1939. The total consumption of all types of cotton by Indian mills during the year ended 31st August 1939 amounted to 3,810,734 bales.

It will be seen from what has been stated above that, in spite of curtailment in production on a fairly extensive scale, the stocks of cloth with mills in Bombay continued to rise until they reached nearly 180,000 bales by the end of August. The position in other centres of the Industry was no better, and there were informal talks of concerted restriction of production by mills all over India.

The declaration of the European war on 3rd September changed the entire situation. With memories still fresh of the effects of the 1914-18 war, a speculative demand sprang up both in the cloth and yarn markets. Cloth and yarn prices did not, however, respond to the rise in the price of cotton, with the result that the margins for manufacturers showed little or no improvement. There were heavy inter-bazaar dealings in the cloth markets on a speculative basis, and at one time 20/20s calendered shirtings changed hands at about 13 annas a lb. With the fall in cotton prices towards the end of the year, speculative activity in the cloth markets also decreased, transactions between merchants for 20/20s shirtings passing at about 11¾ annas a lb. As a result of the abnormal speculative activity due to the war there were heavy deliveries from mill godowns, and stocks at the end of the year were about half the maximum stocks reached towards the end of August; and this brought welcome relief to the mills. These stocks, however, remained mostly with the merchants, consumers' demand not having been sufficiently brisk to take up fully the extra deliveries. Owing to the rise in prices not only of cotton but of all stores used by the Textile Industry, and particularly

dyestuffs and chemicals, manufacturing costs increased to an extent not compensated for by the increased prices, and mills were, therefore, not anxious to sell, preferring to wait till prices improved further.

The war brought in its train an orgy of wild speculation in the cotton market, resulting in violent fluctuations in prices. Apprehending the possibilities of crises in the market, and as a measure of protecting the producer in whose interests it is necessary to maintain a high but steady price, Government felt compelled to issue an Ordinance prohibiting option trading, which had been one of the most important factors responsible for the violence of these fluctuations. The provisions of the Ordinance were later extended by a Governor's Act issued soon after the resignation of the Congress Ministry in November.

One of the most important problems which confronted the Industry soon after the outbreak of the war was the rise in the prices of foodstuffs and the measures necessary to protect the cost of living of the textile worker. The matter was carefully examined by the Millowners' Association, Bombay, who decided to meet the situation by the establishment of cheap shops selling grains and other necessaries of life to the workers on credit at pre-war prices. By the middle of January 1940, more than 50 such shops were working in mills in the City of Bombay, and it was felt that, if full advantage had been taken of them by the workers, the purchasing power of their wages would be brought back approximately to pre-war levels. The establishment of these shops was not, however, acceptable to the communist leaders, who, unfortunately, control the workers' organizations in this City. Unsupported by any statistical facts, they put forward a demand for a 40 per cent. increase in cash wages at their Mahagai conference on January 1st, and at scores of meetings before and after that date. This figure was subsequently reduced to 25 per cent. and again to 15 per cent. during the proceedings before the Conciliation Board which was specially appointed by the Government of Bombay early in February this year. The recommendations made by the majority of the Board for the grant of a cash allowance of 2 annas per day of full work, equivalent to 10 per cent. of the average wage bill of the Industry, combined with the establishment of cheap grain shops selling at cost prices—although they did not agree with the recommendations—were accepted by the Millowners' Association, Bombay, with retrospective effect from 1st December 1939, but in utter disregard of the real interests of the workers—let alone the position of the Industry—these intransigent leaders called out a general strike of operatives from 4th March, which resulted in untold suffering and misery to thousands of textile workers and their families. From the very beginning the strike was sustained by wild promises and by resort to violence and intimidation, on an extensive scale at workers' residences ; and in consequence, innumerable willing workers were prevented from leaving their homes for work. The anxiety of the general body of workers to resume work, if left free to do so, was testified by the fact that, despite the earnest exhortations of the strike leaders to the contrary, many workers accepted not only their wages for the month of February but also the dearness allowance for the months of December, January and February on the pay-day for March. The generosity of the quantum of the allowance granted by the Bombay Industry in comparison with the grants made in other centres and by other industries in India, and the date from which it was granted, was unfortunately not realized earlier, and the wanton strike was called off after the lapse of nearly forty days and after it had inflicted a loss in wages to the workers of no less than Rs. 60 lakhs.

One result of the war was that it created opportunities for the expansion of Indian mills' export trade with foreign markets. During the five months ended January 1940, India's exports of cloth rose to 99 million yards from 67 million yards in the corresponding period a year ago. It is too early to say whether, and if so, to what extent, these war time markets will permanently remain in Indian hands ; much will depend upon the ability of the mills and merchants to supply the specialized needs of these

markets. It may be stated, however, that it would be difficult to retain these markets so long as Indian mills have to pay heavy duties on cottons which could not be economically grown in India.

The Indo-Japanese Protocol, which regulated the imports of cotton piece-goods from Japan to India on the basis of exports of Indian raw cotton to Japan, was due to expire at the end of March 1940, and representatives of the Governments of the two countries have for some time been engaged in the task of negotiating the terms of a new Protocol. Despite the unanimous opinion of industrial and commercial organizations throughout the country, the Government of India did not give notice of termination of the Indo-Japanese Trade Convention, in view of assurances that the Government of Japan had not the least intention of taking advantage of an interval that might arise between the termination of the Protocol and Convention, by tolerating heavy shipments of Japanese goods to India. A new problem has since arisen, and Japan has latterly been enabled, by virtue of the control which she has come to exercise over the major portion of the Chinese Cotton Industry, to ship unlimited quantities of cheap goods through China, where labour standards are known to be lower than in Japan. It is to be hoped that, in the negotiations, which will shortly be resumed, a satisfactory solution would be found to stop this growing menace to the Indian Industry. Such a hope, however, appears to be a forlorn one at the moment, if regard were had to the fact that the Government of India have, on the conclusion of the last Protocol, agreed to an increase of the maximum limit for the import of Japanese cotton piece-goods to 400 million yards.

In accordance with the terms of the Indo-British Trade Agreement, the duties on British cotton piece-goods were reduced, with effect from 17th April 1940, by a further 2½ per cent., since imports of cloth from the United Kingdom in the year 1939-40 did not exceed 350 million yards.

To sum up: with a total import of cotton piece-goods from all countries of 650 million yards per year, and with a production of 4,250 million yards, of which only a hundred million yards are exported, the Indian Industry today supplies more than 80 per cent. of the country's needs of mill-made cloth. The consumption of piece-goods in the country itself may slightly increase if the cultivator continues to obtain the better prices now prevailing for agricultural products generally. There may also be some improvement in the offtake of piece-goods for war purposes. On the other hand, must be set the tendency to reduce consumption as the prices of piece-goods rise following the steep increase in cotton prices and the rise in the cost of manufacture brought about by higher taxation, both Central and Provincial, and the higher prices which have to be paid for stores of all kinds. Taking every relevant factor into consideration, it would perhaps be safe to say that, provided no major political upheaval takes place within the country in the near future, and also provided industrial relations are maintained in the coming months on a cordial basis, without being marred by ill-judged strikes brought about by enthusiastic leaders of the labour movement, there is no reason why the Indian Cotton Mill Industry should not confidently face the future in a spirit of subdued optimism.

May 1940.

APPENDIX.

TABLE 1—DETAILS OF THE INDIAN COTTON MILL INDUSTRY AS ON 31-8-1939.

	Number of Mills.	Paid-up Capital.	Number of Spindles installed.	Number of looms installed.	Average number of hands employed. *
		Rs.			
1. Bombay City and Island - -	68	12,56,36,492	2,850,774	67,235	113,338
2. Ahmedabad - - -	77	4,78,30,395	1,901,872	46,853	77,859
3. Rest of Bombay Presidency (including Sind) - -	62	5,06,56,250	1,263,651	26,852	63,541
Total -	207	22,41,23,137	6,016,297	140,940	254,738
4. Rajputana - - - -	6	40,34,390	88,524	2,134	4,820
5. Berar - - - -	4	29,75,000	68,312	1,437	4,070
6. Central Provinces - - -	8	2,50,93,195	323,502	5,759	18,683
7. Bihar & Orissa - - -	2	22,49,018	27,500	269	..
8. Hyderabad (Nizam's Dominions)	6	1,00,14,515	124,140	2,157	6,918
9. Central India - - -	16	2,72,67,710	389,118	10,972	25,767
10. Bengal Presidency - - -	30	2,39,95,740	444,196	9,940	22,112
11. Punjab - - - -	8	22,14,750	111,264	2,647	6,568
12. Delhi Province - - -	6	1,69,57,050	108,634	3,112	5,030
13. United Provinces - - -	26	2,53,54,902	724,688	11,532	26,720
14. Madras Presidency (including Cochin State) - - -	58	4,89,25,828	1,368,309	6,712	51,660
15. Travancore - - -	1	2,49,725	12,000	300	590
16. Mysore - - - -	8	89,17,800	165,062	2,607	9,033
17. Pondicherry - - -	3	57,56,233	87,824	1,946	5,240
Grand Total -	389	42,81,28,993	10,059,370	202,464	441,949

The grand total of paid-up capital does not include the figures for 46 mills which made no returns as to capital.

*Does not include numbers employed on night shift.

TABLE II.

TOTAL IMPORTS OF FOREIGN COTTON YARN AND PIECE-GOODS BY SEA INTO BRITISH INDIA, EXCLUDING BURMA.

(000's omitted)

	Cotton Yarn. lbs.	Cotton Piece-goods. yards.
1929-30	42,698	1,774,602
1930-31	27,904	785,397
1931-32	30,057	676,786
1932-33	43,038	1,084,937
1933-34	30,485	629,606
1934-35	31,901	863,375
1935-36	42,524	847,678
1936-37	27,000	690,547
1937-38	21,997	590,798
1938-39	36,459	647,264
1939-40 (10 months)	33,030	499,645

TABLE III.

TOTAL EXPORTS OF INDIAN COTTON YARN AND PIECE-GOODS BY SEA TO FOREIGN COUNTRIES, EXCLUDING BURMA.

(000's omitted)

	Cotton Yarn. lbs.	Cotton Piece-goods. yards.
1929-30	24,568	133,426
1930-31	23,473	97,714
1931-32	22,043	104,629
1932-33	15,108	66,442
1933-34	16,361	56,461
1934-35	12,789	57,691
1935-36	9,668	71,250
1936-37	12,137	101,635
1937-38	31,255	147,248
1938-39	25,517	90,361
1939-40 (10 months)	16,592	82,472

TABLE IV.

PRODUCTION OF COTTON YARN AND PIECE-GOODS IN INDIAN MILLS.

(000's omitted)

	Cotton Yarn. lbs.	Cotton Piece-goods. yards.
1929-30	853,560	2,418,981
1930-31	867,278	2,561,133
1931-32	966,407	2,989,891
1932-33	1,016,418	3,169,898
1933-34	921,061	2,945,052
1934-35	1,001,420	3,397,456
1935-36	1,058,297	3,570,859
1936-37	1,050,636	3,571,987
1937-38	1,160,716	4,084,276
1938-39	1,303,246	4,269,269
1939-40 (8 months)	835,485	2,705,367

May 1940.

The Textile Industry with Particular Reference to Ahmedabad

By HARIDAS ACHARATLAL, Esq.
(President, Ahmedabad Millowners' Association.)



Haridas Acharatlal, Esq.

Sheth Haridas Acharatlal was President of the Ahmedabad Millowners' Association for the year 1939, and is one of the most prominent mill owners in that city. This can be seen from the fact that he is a Director of the following companies in Ahmedabad and Gujarat :—

(1) The Maneklal Harilal Spg. & Mfg. Co., Ltd., Ahmedabad. (2) The Vijay Mills Co., Ltd., Ahmedabad. (3) The Gopal Mills Co., Ltd., Broach. (4) The Hariwallabhdas Mulchand Mills Co., Ltd., Ahmedabad. (5) The Shrinagar Wvg. & Mfg. Co., Ltd., Ahmedabad. (6) The Baroda Spg. & Wvg. Co., Ltd., Baroda (7) The New Baroda Spg. & Wvg. Co., Ltd., Baroda. (8) The Dinesh Mills Ltd., Baroda.

Additionally he bought the Gopal Mills at Broach, formerly known as the Whittle Mills Ltd., and has placed this concern on a profit-making basis.

He has been a Member of the Managing Committee of the Ahmedabad Millowners' Association for the last ten years and in August 1939, when Sheth Kasturbhai Lalbhai resigned from the Presidentship and when the Association was threatened with a split, he shouldered the responsibility and carried out the administration in a very capable manner. Further still, he was a Member of the Committee of Management appointed by the Government of Bombay for managing the civic affairs of the Ahmedabad Municipality, for about five years. He is also a Director of the Motor House (Gujarat) Ltd., Ahmedabad, and on the Local Advisory Board of the Central Bank of India. He has recently handed over the office of Presidentship to his eldest son, Sheth Nanddas Haridas, who can be expected to carry out this onerous duty in an equally capable manner.

THE first cotton mill in India was started at Fort Gloster near Calcutta and it was not until 1851 that Bombay also commenced to manufacture cotton goods by means of power machinery. The initial venture was followed by other mills in Bombay and also Ahmedabad, and as they made good profits, they were followed by numerous others, so that towards the end of the last century we had something like 150 mills with a capital of Rs. 14,90,00,000 and equipped with 36,000 looms and 4,000,000 spindles.

The Swadeshi movement in 1906 gave a great impetus to the cotton textile industry and by 1914 this number had increased to 239 mills with a capital of Rs. 20,00,00,000 equipped with 90,000 looms and 6,200,000 spindles. With the various ups and downs of Indian political movements and the adjustment of the Tariff position by the Government of India, the industry has developed to a great extent and the position as it stands to-day in 1939, is that in this country there are 370 mills with 10,000,000 spindles and 200,000 looms producing 4,300 millions of yards of cloth, consuming 3,300,000 bales of Indian cotton and employing about 500,000 persons.

The first mill in Ahmedabad was started in the year 1859 and along with the expansion elsewhere, this centre has also made steady progress. The following table will show the change which has taken place in Bombay and Ahmedabad during these years :

	1919 % in mills.	1927 % in mills.	1937 % in mills.
Bombay - - -	32·9	24·7	18·6
Ahmedabad - - -	19·8	19·6	21·9
The rest in India - -	47·3	55·7	59·5

Cloth produced in millions of lbs.

	1919	1927	1937
Bombay - - -	177	265	251
Ahmedabad - - -	71	105	170
The rest in India - -	102	169	361

The progress of the mill industry elsewhere was also rapid owing to various reasons. In spite of all the Indian expansion, Bombay and Ahmedabad have kept up their own quota of production.

Ahmedabad has a population of something like 500,000 persons, of which 110,000 are textile mill workers. Geographically situated, Ahmedabad as such, has many disadvantages, *viz.*, no high water way, distributing centres of cloth at a very great distance and the source of supply of coal at an even greater distance. The only advantage it possesses is the proximity of cotton producing districts. But, as there are no competitive railways and no water transport it has the disadvantage of high freight rates as compared to Bombay. Since the inception of the mill industry in Ahmedabad it has made slow but steady growth, due to the low cost of living, high business acumen and the perseverance of persons who have been at the helm of affairs. Labour was also cheap which additionally helped the industry in its initial stages.

As a result of that slow but steady growth, to-day it involves large capital and other resources. There are now 68 mills with 19,340,000 spindles and 46,000 looms, with a paid up capital of Rs. 4,38,68,900, with Rs. 11,57,00,000 as Reserves and Depreciation and a total Block Account of Rs. 19,00,00,000 (19 crores). The total cotton consumption by the Ahmedabad industry was worth Rs. 7,42,87,000 in the year 1938 and the cloth sold reached a figure of Rs. 19,53,63,563.

In common with the mentality of the rest of India, in this centre capital is also shy and it was equally so in the past. In the beginning of the century, the banking system was quite in its infancy and hence the financing of the industries rested on a limited class of enterpreneurs (Managing Agents), who were unwilling to pioneer new enterprises unless chances of high profits were bright. In the opinion of several leading businessmen 10 per cent. to 15 per cent. on the investment was the minimum return required to attract money into new fields. It is also the opinion of the Indian Tariff Board that there should be a minimum profit of 10 per cent. on capital invested in protected industries.

In Ahmedabad the system which characterises the Indian method of raising capital has developed and the burden of financing the mills was thrown mainly on these enterpreneurs (Managing Agents). Their resources, when combined with those of their friends who subscribed to the capital of a company, were sufficient for its initial needs, but when expansion took place which called for more money, it had to be obtained by public deposits or by borrowings from the Managing Agents. For this reason the mill industry in Ahmedabad still remains uncapitalised.

The capital of a mill in Ahmedabad ranges from Rs. 5,00,000 to Rs. 10,00,000 in shares of the denomination of Rs. 500 to Rs. 1000. Only recently has there been a tendency to split them up in scrips of lower dimensions. An average mill requires Rs. 20,00,000 to Rs. 25,00,000 for the Block Account, so the Agents and the Promotors raise Rs. 5,00,000 to Rs. 10,00,000 by deposits for a long period of 5 to 7 years. Thus, from the share capital of the mill and from long term deposits the Managing Agents obtain the sum required to start a mill. As already stated the working capital is mostly obtained by means of the deposits from the Managing Agents and the public. So, as shown above, the Managing Agents have a two fold duty, *viz.*, one of financing the concern and the other of managing its daily working. The remuneration in Ahmedabad is mostly 3½ per cent. commission on the sales of the goods. Even this is given up wholly or partly if the company has not earned sufficiently either for depreciation or

for dividends to the shareholders. The Managing Agents do not charge any office allowance as is the case in Bombay or elsewhere.

This kind of system gave an impetus to start more mills. The average mill agent commenced with a small concern and expanded it from the earnings of the company which made it self-sufficient. After any expansion naturally the earning capacity increases considerably and that creates confidence with the public in the particular mill.

By their wise disbursement of profits after allowing for the requisite depreciation, which is so essential for the healthy growth of the industry ; by good dividends to the shareholders and by the creation of reserves and various other funds, the Agents have not only maintained their credit, but by installing up-to-date machinery they have retained the competitive position of the mills. Thus, all have contributed their own quota towards financing the concern. This sort of under capitalisation had its day but with changes in all spheres, the economic sphere also required adjustment and those who are at the helm of affairs have also changed their system. Those mills which wanted further funds either for the installation of new machinery or for changing their old plant have issued new shares, mainly preference, and thus added to the existing capital. Also, some of the Agents have converted their loans to the mill into share capital and some concerns have issued bonus shares out of profits, thus avoiding any financial uncertainty.

Along with this economic adjustment, mills in Ahmedabad have maintained a very high standard of equipment, with good technical staff. They have already introduced the latest type of High Draught machinery in place of the old mule or ring system in the Spinning Department. They have also introduced High Speed Winding and Warping machinery in place of the old system of winding and warping machinery and have installed High Pressure Steam Turbines in place of their old Steam Engines.

The climatic conditions of Ahmedabad are changeable, thus creating a very bad effect on the production of yarn but this too has been well met by the installation of humidifying plants which have considerably reduced the evil effects of these climatic changes. Thus, both from humanitarian and economic viewpoint, Ahmedabad has adjusted itself to new conditions.

Also, the fine count production which was once considered to be out of the question for Ahmedabad, has been resorted to and the mills are now producing cloth which can compete with that produced anywhere in the world. In recent years some of the mills have installed automatic looms producing absolutely faultless cloth. The progress has not stopped here but the owners have always kept abreast with the times, which is essential for manufacturing a high standard of cloth. Nearly all the mills have installed Bleaching, Finishing and Dyeing plants for processing their cloth. Some of them have installed Mercerising and Cloth Printing plants. Thus Ahmedabad to-day is producing up-to-date cloth both in fashion and technique.

The labour problem has been solved in an efficient manner by setting up proper arbitration machinery, for solving industrial disputes. The owners have always studied the well-being of the labourers and worked for the peaceful solution of industrial problems. Naturally there have been a few strikes but they were not of very long duration. Thus the evil effect resulting from disputes between capital and labour has been eliminated. In recent years Government have enacted several measures governing the relation between the workers and owners which have fulfilled the function of Ahmedabad's voluntary arbitration machinery. Even this voluntary arbitration machinery necessitated changes from time to time to coincide with new theories of both a social and political nature. Industrial relations call for consideration on all sides, not the least of which appertain to the economic aspect and, even in future, further changes will necessarily have to be made. But, Ahmedabad has always shown its willingness to conform to any new circumstances which have arisen in the past and it will continue to do so in future.

May 1940.

Indian Iron And Steel Industry.

By SIR ARDESHIR DALAL, KT., I.C.S. (Retd.)

(Special Director, The Tata Iron and Steel Co., Ltd.)



Sir Ardeshir R. Dalal.

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THE Iron and Steel industry in India is of modern origin. Although the art of making iron and steel was known in India in ancient times, as is evidenced by the iron column at the Kutub Minar near Delhi and the Damascus blades made from Indian steel, it did not keep pace with the times and became subsequently lost altogether.

India possesses many natural advantages for the production of iron and steel. The three most important raw materials required for the steel industry are iron ore, coking coal and limestone or dolomite for fluxing purposes. India possesses rich iron ore adequate for the steel requirements of the country for nearly a thousand years. The Indian ore is richer in iron content than the ores found in many parts of Europe or America. Although India's reserves of coking coal are not adequate for smelting all its iron ore reserves, there are sufficient supplies for coking coal to meet the needs of the Indian industry for a long period. Increasing attention has been paid during recent times to the importance of conserving the best kinds of coal for metallurgical purposes. The coal-fields and the iron ore deposits are situated within a short distance of one another. Ample supplies of limestone and dolomite are also found within a reasonable distance of the other raw materials. There is an abundant supply of labour which, though not as efficient as European or American labour, has shown itself capable of being trained. The steel industry in India need have no anxiety regarding markets in view of the large consumption of iron and steel within the country. The increasing industrialisation of the country renders it inevitable that the demand will increase rather than decrease in the future.

Jamshedpur in Bihar, Hirapur in Bengal and Bhadravati in Mysore are the principal centres of iron and steel industry in India. There have sprung up in Jamshedpur and Hirapur numerous Works based on the iron and steel produced by the Tata Iron and Steel and the Indian Iron and Steel Companies. The progress of these companies in recent years is an indication of the potentialities of industrial developments in the country.

The Tata Iron and Steel Company was registered in 1907. Its Works are situated at Jamshedpur, where the prouduction of steel commenced in 1912. The original plant consisted of two blast furnaces and steel plant with rolling mills whose capacity was 120,000 tons of pig iron and about 80,000 tons of rolled steel. There has been continuous development since then and the output has greatly increased during this

period. In 1939-40, the production was 1,140,000 tons of pig iron and 762,500 tons of rolled steel and in 1940-41 the production is expected to be 1,250,000 tons of pig iron and 800,000 tons of rolled steel.

THE INDIAN IRON AND STEEL COMPANY.

About 1918 the Indian Iron and Steel Company was started in Hirapur, a few miles from Kulti. In 1936 it acquired the Bengal Iron Company and the amalgamated Company possesses four blast furnaces of modern type, necessary coke ovens, auxiliary plant, etc. The combined capacity is 850,000 tons of pig iron per annum. Their foundries can produce cast iron pipes, sleepers and general iron castings amounting to 100,000 tons per annum.

THE STEEL CORPORATION OF BENGAL.

The Indian Iron and Steel Company played the chief part in the promotion of the Steel Corporation of Bengal which has recently built its Works adjacent to the blast furnaces of the Indian Iron and Steel Company and has commenced the manufacture of steel within the last few months. Their immediate objective is to produce 200,000 to 250,000 tons of steel per year.

THE MYSORE IRON WORKS.

About the year 1920 the Mysore Government started the Mysore Iron Works with a capacity to produce 28,000 tons of charcoal pig iron per year. Out of this 7,000 tons are absorbed by cast iron pipes. Mainly with a view to dispose of the surplus pig iron a steel plant has been added by the Mysore Government intended to produce about 15,000 tons of bars and small sections and 5,000 tons of hoops.

In addition to these plants producing iron as well as steel, there are one or two small plants which make steel by melting scrap in electric furnaces.

The largest re-rollers in India are the Tinplate Company of India and the Indian Steel and Wire Products, Ltd. Their Works are situated at Jamshedpur close to the Steel Works of the Tata Iron and Steel Company, from which they draw their supplies of sheetbars and billets. The Tinplate Company has been producing over 50,000 tons of tinplates per annum during recent years. The Indian Steel and Wire Products has produced about 45,000 to 50,000 tons of steel rods, small bars, black and galvanised wire, etc., every year.

During the last ten years or so a large number of small re-rolling mills have sprung up all over the country working with scrap sold by the Railways and with steel billets either imported or purchased locally. These re-rolling mills produce chiefly bars and light sections.

The total capital invested in the iron and steel industry in India is estimated to be about Rs. 25,00,00,000. About 150,000 men and women are employed directly and indirectly by the Indian iron and steel industry, the re-rolling mills and the auxiliary enterprises. Including their dependants the total number of people depending on the iron and steel industry in India is about 600,000.

THE TATA IRON AND STEEL COMPANY'S PROGRAMME OF EXTENSIONS AND CAPITAL EXPENDITURE.

A new 1000-ton Blast Furnace in place of the old "A" Blast Furnace, the third unit of the Sheet Mill Extension, a Magnesite plant for making pea size magnesite and magnesite bricks and two Sandberg Ovens for controlled cooling of rails were all completed during the year 1939-40. Numerous other items of work are in progress such as extensions to the Power Plant and the third battery of Simon-Carves coke ovens which is expected to push coke within the next few months.

The Company's programme of extensions includes a plant for manufacturing wheels, axles and tyres, a new steel plant to increase the output of ingots and to make acid steel and a Billet Mill for small and medium forgings. A Benzol plant is being erected

for the use of Government. The installation of a Hoop and Strip Mill and Tube Mill in conjunction with Messrs. Stewarts and Lloyds has been kept in abeyance for a time.

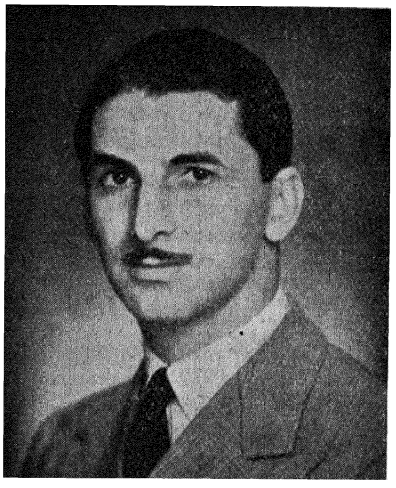
When the Company's programme of extensions has been completed, it will be able to produce 1,250,000 tons of steel ingots and 900,000 tons of rolled steel.

Side by side with the installation of new plant, arrangements have also been made for additional water supply to the Works and the Town of Jamshedpur, extension of the sewerage and sewage disposal system, construction of additional quarters to the workmen, mass electrification of the lower rented quarters as well as the provision of additional schools and extended hospital and medical facilities.

During the five years ending 1938-39 the Company has incurred a Capital expenditure of about Rs. 5½ crores. In 1939-40 there was a further expenditure of nearly Rs. 1·6 crores which is part of a programme of Capital expenditure of Rs. 7¾ crores sanctioned in 1939. It will thus be seen that, during the next two or three years more than Rs. 6 crores will be spent in additions and improvements to the Jamshedpur Works.

FINANCIAL POSITION OF THE TATA IRON AND STEEL CO., LTD.

Including the colliery properties, the gross block value of the Company at the end of 1938-39 was Rs. 26·69 crores. After deducting Rs. 12·56 crores on account of depreciation, the nett block expenditure stood at Rs. 14·13 crores.



J. R. D. Tata, Esq.
Chairman, Tata Iron & Steel Co., Ltd.

The balance of the 7 per cent. First Mortgage Debenture stock of Rs. 3·35 crores issued in 1922 was paid off in 1938-39. The Company has obtained a loan of Rs. 2 crores from the Imperial Bank of India at a very low rate of interest against the security of 4 per cent. First Mortgage Debenture stock. The arrears of dividends on the Second Preference shares which together with interest had amounted to Rs. 249 lakhs on 31st March 1936 were gradually reduced until they were finally paid off in 1939. Against a nett payment on account of interest charges of Rs. 32½ lakhs in 1931-32 there was a nett receipt of Rs. 3·8 lakhs from interest in 1938-39. The cash balances and investments of the Company which were Rs. 31 lakhs on 31st March 1932 had improved to more than Rs. 2 crores on 31st March 1940.

After providing for income-tax, super-tax, depreciation, increased railway freight and other charges, the Tata Iron and Steel Company has during the last few years distributed the following dividends :—

	1st Pref. shares	2nd Pref. shares	Ordinary shares	Deferred shares	Total.
	(Rs. in lakhs.)				
1934-35	4·5	156·10	- -	- -	160·60
1935-36	4·5	121·42	21·00	3·66	150·58
1936-37	4·5	104·94	35·00	17·66	162·10
1937-38	4·5	143·10	54·25	36·91	238·76
1938-39	4·5	153·51	63·00	45·65	266·66

GOVERNMENT ASSISTANCE.

As in other countries, large fluctuations in its fortunes were experienced by the Indian Steel Industry and in 1924 it became necessary for the Government of India to grant the industry fiscal protection partly by import duties and partly by subsidies.

Subsidies were removed after less than three years and have not been re-instituted. The protective duties were revised in a downward direction in 1927 and again in 1934. In 1934 the Tariff Board came to the conclusion that the expected reduction in costs had been achieved, that no protective duty was required on materials sold by the Tata Iron & Steel Company in competition with British materials and that the duties required on continental materials were more in the nature of anti-dumping duties than protective duties. At the present time duties on British steel are only ten per cent. *ad valorem* equal to revenue duties and those on non-British steel vary between Rs. 25 and Rs. 43 per ton. A special feature of the situation is that since the end of 1934 the Government have levied an excise duty of Rs. 4 per ton on all steel ingots produced in India and an excise countervailing duty of Rs. 5 1/3 per ton is added to the import duty on finished steel of the protected kind. Billets are free from import duty and the excise countervailing duty is only Rs. 4 per ton.

The present period of protection expires on 31st March 1941. Addressing the shareholders of the Tata Iron & Steel Company, Ltd., on May 25th 1937, the Chairman, late Sir Nowroji Saklatvala, declared :—

> " We have made much progress in efficiency during the first three years of the extended period of protection and we expect to make more during the remainder of the period. If we are able, in addition to this, to strengthen our financial reserves substantially, we expect that, short of an unforeseen economic set-back, we would be able to inform Government and the public of India in 1940 that we can face the future without protection, if reserve powers are maintained to meet dumping, should it arise."

The progress since the declaration was made is such that the Tata Iron & Steel Company, and with it the Indian Iron and Steel industry, can look to the future with courage and assured prospects arising out of successful accomplishment in the past through increased and diversified production and decrease in cost.

LABOUR SITUATION IN 1939.

A regular profit-sharing scheme was introduced by the Tata Iron & Steel Company in May 1937 enabling the employees to receive in good years a share of the profits on a definite scale. Somewhat similar schemes were introduced by other concerns as a result of labour agitation and the profit-sharing system is now in force in a number of concerns comprising the steel industry. Notwithstanding such schemes the labour situation in the industry was full of anxiety in the first half of 1939. The tension among the labour of the Tata Iron & Steel Company eased only after the arbitration award given by Pandit Jawaharlal Nehru and Dr. Rajendra Prasad and the declaration of a 3½ months' pay as bonus under the profit-sharing scheme.

IMPORTANT EVENTS IN 1939-40.

By far the greatest event of importance to the Indian steel industry during the year was the outbreak of war in September 1939 which has once again brought to the forefront the extreme importance of the industry in the national economy, which was demonstrated over and over again during the last war.

The services rendered by the Tata Iron & Steel Company during the Great War were recognised on all hands. Lord Chelmsford, the late Viceroy of India, when he visited Jamshedpur in 1919 said, " I can hardly imagine what we should have done during these years if the Tata Company had not been able to give us steel rails, which have been provided for us not only for Mesopotamia, but for Egypt, Palestine and East Africa."

On the outbreak of the present War in September 1939, the Tata Iron and Steel Company immediately placed all its resources at the disposal of the Government of India up to the full extent of Government's requirements and promised full collaboration between the Steel Industry and the Ordnance Department for making and rolling special steels. The Steel Industry is giving priority over commercial orders for

steel required for war purposes, for Indian Railways and for the Engineering Firms in India who are supplying War requirements. Not until the conclusion of the present war could the full extent of the part played in it by the Indian Steel Industry be revealed.

The other outstanding events for the industry in India in 1939-40 were the large extensions completed by the Tata Iron & Steel Company which have been already mentioned and the starting of operations in December 1939 of the Steel Corporation of Bengal, who are now producing Billets, bars, structurals and sheets. A working arrangement has already been reached between the two Companies in respect of the sale of bars and structurals.

FINANCIAL BURDENS IMPOSED.

Of the financial burdens imposed on the industry in 1939, the most important was the increase of 33 1/3 per cent. in the railway freights on raw materials and finished steel by the B. N. Railway from 1st April 1939. The freights had been previously increased by the same Railway from 1st July 1933 which involved a burden of Rs. 27 lakhs on the Tata Iron & Steel Company. This increase was taken into account in recommending revised rates of protection from 1934 by the Tariff Board who even then uttered a note of warning about the importance of low transportation charges on raw materials required by the Industry. The Tariff Board stated that the total transportation charges paid for raw materials to the Railway by the Tata Iron & Steel Company per ton of metal were higher than similar charges paid by several Works situated in England, the Continent and the United States in spite of the fact that many of these Works were using about double the quantity of ore and 25 to 50 per cent. more coal per ton of steel than the Tata Iron & Steel Company. Owing to the high quality of the Indian ore and the low cost at which Iron ore and coal were being mined, there was a balance in favour of the Tata Company, but this advantage would be seriously diminished or wiped out by an increase in the transportation charges which were already an important item in the costs.

Nevertheless the B. N. Railway, with the knowledge of the Government of India, increased the freight rates on Iron ore, coal and other raw materials required by the Tata Iron & Steel Company from 1st April 1939 to the extent of about Rs. 21 lakhs per year and the freight on finished steel by a further amount of Rs. 21 lakhs.

The Railway rates have been further increased from 1st March 1940 by the imposition of a surcharge of 12½ per cent. as a war measure. This will impose a further burden of Rs. 22 lakhs on the Tata Iron & Steel Company.

Excise duties have been levied under the Coal Mines Rescue Rules from May 1939 and under the Coal Stowing Act from December 1939 on despatches of coal of which several lakhs of tons are used by the steel industry every year. These duties are conceived in the interests of the coal industry and the latter of the two in particular is meant to help in stowing coal mines and thereby conserving the coal resources of the country—an object in which the steel industry is vitally interested.

Like all other industries in India, the steel industry also will be greatly affected by the new rates of depreciation based on the written down value of the plant, etc., and the Excess Profits Tax levied from 1st October 1940.

CONTRIBUTIONS TO GOVERNMENT REVENUES.

The Tata Iron & Steel Company alone has contributed to the Government and public revenues about Rs. 3 crores in 1938-39 and over Rs. 3½ crores in 1939-40 by way of Excise and Customs duties, income and super-taxes, rents, royalties and railway freights.

IMPORTS AND EXPORTS AND FUTURE PROSPECTS.

Up to 1910 the country was dependent on imports from the United Kingdom, the Continent and, to a smaller extent, the United States for its requirements of steel for industrial and commercial purposes.

The imports of all kinds of iron and steel into India (including Burma) were highest in 1927-28 amounting to 1,450,000 tons, but graduallly came down to only 400,000 tons in 1936-37 before the separation of Burma. Not more than 300.000 tons were imported into India, excluding Burma, in 1938-39.

Imports of protected steel by the public, which were as high as 915,000 tons in 1927-28, had come down to 217,000 tons in 1936-37 before the separation of Burma. In 1938-39 imports into India only were 162,000 tons.

Side by side with the decline in the imports of steel the total production within the country has gone up from 429,000 tons in 1927-28 to 935,000 tons in 1938-39 and nearly 1,000,000 tons in 1939-40.

Indian consumption of steel is mainly in the form of sheets, bars, rails, structural sections, plates, tinplates, hoops, tubes, wires and rods. No other form of steel is consumed to an extent reaching 20,000 tons a year. Since 1923 India's aggregate consumption has averaged about 1,000,000 tons a year and within the next few years nearly the whole of this quantity will be produced by the Indian industry.

For many years India has been one of the major exporters of pig iron in the world market. For basic steel and for certain kinds of foundry work Indian pig iron has established a high reputation. Indian pig iron is mainly exported to Japan and the United Kingdom and the United States. Pig iron exports from India which totalled 569,000 tons in 1929-30, declined to 218,000 tons in 1932-33 during the period of depression. Since then the exports have gone up to 629,000 tons in 1937-38 and 514,000 tons in 1938-39.

The dependence of India on the United Kingdom and the Continent for large supplies of steel has passed and is not likely to return. On the other hand, in the not distant future, in times of low local demand, the Indian steel industry will attempt to make an effective entry in the world export market. Indian exports of pig iron to Japan are, however, likely to be affected in the future owing to the expansion of the industry in Manchukuo.

RAPID GROWTH OF THE INDUSTRY.

Thirty years ago there was no production of steel in India for commercial purposes. Today by far the greater part of the Indian requirements are supplied from within the country. Within two or three years' time the Indian steel industry will be able to supply practically the whole of its requirements of steel in both ordinary and special qualities. The Indian steel industry is an outstanding example of the ability of the country to take up a highly developed and mechanised industry and develop it within a short period to the stage of practical self-sufficiency.

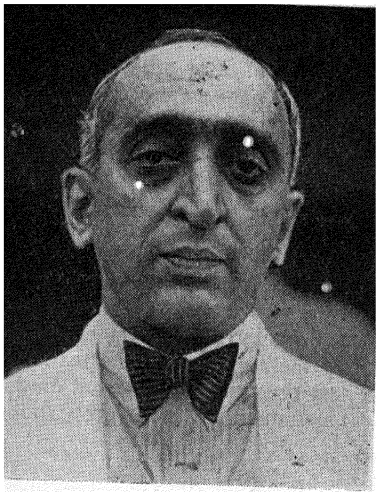
This has been rendered possible by help given in the form of protective tariff and subsidies by the Government of India and the Indian Legislature. The assistance rendered by the B. N. Railway to the Tata Iron & Steel Company in the form of low rates of freights both on raw materials and on finished steel up to 1933 should also be gratefully acknowledged ; but all these would have been useless but for the long period of planning and investigation carried out by the late Mr. J. N. Tata, India's great industrial pioneer, and his sons and associates both before and after the formation of the Tata Iron & Steel Company. The loyal and able assistance rendered by the expert officers from England, the Continent and the United States whose services were enlisted by the Indian Industry should also be mentioned.

The Iron & Steel industry in India is a vital national basic industry, essential in times of peace and indispensable in times of War.

The Cement Industry.

By SIR H. P. MODY, K.B.E.

(*Chairman, Associated Cement Companies, Ltd.*)



Sir H. P. Mody, K.B.E.

Sir Hormasji Peroshaw Mody, M.A. (1904), LL.B. (1906), K.B.E. (1935), Advocate, High Court, Bombay (1910), *b.* 23rd September, 1881. *Educ.*: St. Xavier's College, Bombay. Member of Bombay Municipal Corporation since 1913 and President, 1923-24; Chairman, Bombay Millowners' Association, 1927 and 1929-34; President, Indian Merchants' Chamber, 1928; President, Employers' Federation of India since 1933; Member, Indian Legislative Assembly since 1929; Member, Round Table Conference and Reserve Bank Committee; Director, Tata Sons, Ltd.; Delegate, International Labour Conference, Geneva, 1937; Chairman, Associated Cement Companies; Chairman, Central Bank of India; President, Cricket Club of India. *Publications*: The Political Future of India (1908); Life of Sir Pherozeshah Mehta (1921). *Address*: Cumballa Hill, Bombay.

INDUSTRIAL development in India started a long time ago with the Textile industry, but the growth was very slow, and the rise of most of our large-scale industries has been the work of only the last 25 years. Cement was practically unknown at the beginning of the century, except to a few trained engineers; the ordinary artisan and 'mistry' was ignorant of its use as a building material.

When the industry was started, it had more than its share of teething troubles and the first venture soon came to grief. The total consumption in the country was only 150 thousand tons, most of it imported from Great Britain and other countries. Cement was a new product trying to enter into competition with other building material known to this country for centuries, and its use required a degree of technical skill not called for in the case of other products. A considerable amount of propaganda had to be done to make India cement-minded, and its success may be judged from the fact that today she consumes ten times the figure of 1914. Indian manufacture, in this instance, has not merely replaced the imported articles but created a demand which has led to the establishment of a large-scale industry, fully capable of supplying all the country's needs.

The credit for this position must be given to the pioneering concerns which are now merged in the A.C.C. They had to face many difficulties until they realized that without some form of Rationalization, it was idle to hope for the stabilization of the industry. They took active steps accordingly for the purpose of regulating production, prices and marketing, undertook a country-wide propaganda and set up an efficient technical service. A flourishing industry was thus established which was an outstanding example of what Rationalization could achieve.

Ill-planned and ill-regulated competition has recently overtaken the industry, and for the time being at any rate, supply is greatly in excess of demand, creating a dislocation which might well have been avoided. The position, however, of the A.C.C. as the largest single organization in the industry, with a network of factories in all the principal consuming centres, is very sound. Its products maintain a high standard and command a ready market, and its technicians are at the disposal of every consumer, large or small. A.C.C. cement has gone to the making of bridges and canals, roads and buildings, wells and drains and scores of other objects throughout the country.

The War has brought about a temporary check to the normal expansion of demand. Building activity has slowed down, and public works programmes have been held up. In Bombay, which is a large consuming centre, the Urban Immoveable Property Tax has aggravated the tendency towards a decline of consumption. As against these adverse factors must be set down a large export demand, and a growing appreciation of the use of cement for purposes other than building. In the result, so far as the A.C.C. is concerned, the position is not expected to be different from that of last year.

The future must depend a great deal upon the continuance or otherwise of the unhealthy competition which has overtaken the Industry. There are certain pointers, however, which must not be ignored in any consideration of the question. In spite of the development of the last few years, Indian consumption per head of population is ridiculously low compared to Western standards, and it is obvious that there is an enormous scope for expansion. The demand for better roads, to mention only one line of development, has been accounting for some time for a rapidly increasing consumption, and any one who knows the country can readily imagine what possibilities there are in this direction. There are other uses for cement which are less well-known, such as providing for lining for canals, which might some day account for a large demand. It is interesting to note, besides, that the A.C.C. has been carrying on its educative campaign into the country-side, and demonstrating to the agriculturist the manifold uses to which cement can be put. Altogether, a vast potential development exists, and in time to come I am confident the industry will assume much larger proportions than it has done.

Development must proceed on scientific lines, however, if cement is to escape the periodic slumps which have overtaken most industries. While enterprise and vision have to characterise all planning for the future, production must not be allowed to run too far ahead of consumption. Sites have to be carefully chosen, and a great deal of prospecting must precede the establishment of factories. So far as the A.C.C. is concerned, it may be legitimately claimed that the future is safe in its hands ; it has the resources, the men and the technical direction which go to the building up of a great industry.

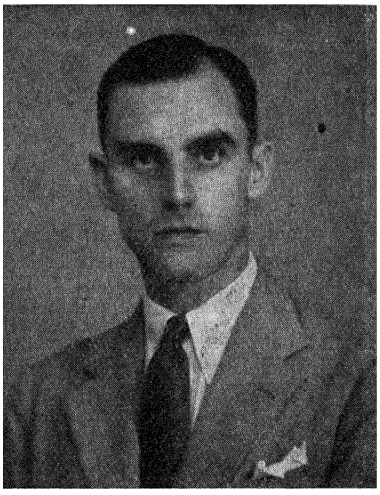
May 1940

Hydro-Electric Power Development in Western India

THE TATA HYDRO-ELECTRIC COMPANIES

By W. S. NELSON, Esq.

(*Managing Director, Tata Hydro-Electric Agencies, Ltd.*)



W. S. Nelson, Esq.

Mr. W. S. Nelson is Managing Director of Tata Hydro-Electric Agencies, Ltd. and also is a Director of the United Eastern Agencies, Ltd., the Karachi Electric Supply Corporation, Ltd., the Poona Electric Supply Co., Ltd., the Nasik-Deolali Electric Supply Co., Ltd., and the Broach Electric Supply and Development Corporation, Ltd.

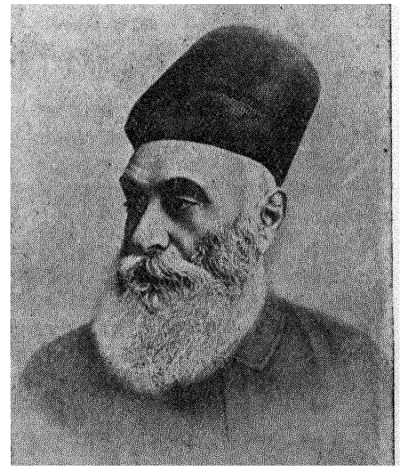
INTRODUCTION.

THERE is great fascination in contemplating the generation of power at the great Hydro-Electric Works of the Western Ghats which are the largest in India and one of the most important in the world. Rivers the world over and waterfalls of every description have been harnessed and their energy turned to the account of man; but it required the instinct and unfaltering faith of the true pioneer to visualise the possibilities that remained unavailed in the riotous and torrential storm waters of the periodic Indian monsoon, playing on the almost vertical sides of the Western Ghats. The rain waters of raging monsoons conserved in reservoirs constructed just behind the escarpment of the Ghats have now been turned into a mighty agency to provide a reliable and efficient source of electric energy to a wide area in the Province of Bombay available for lighting and the many other benefits of electricity in the home, commercial establishment and factory, as well as an economical source of power supply to the important industries of Bombay and for the electrification of the Railways.

HARNESSING THE MONSOON.

The conception of hydro-electric power first arose in the late Mr. J. N. Tata's mind when he was prospecting for his textile mills in Central India, for in 1875 he considered the famous Marble Rocks Falls at Jubbulpore as a possible source of energy. In 1897 he joined a Syndicate, the purpose of which was to harness the Doodh-Sagar Falls in Portuguese India. One of the members of the Syndicate, Mr. David Gostling, another man of wide vision, proposed that their activities be transferred to the hinterland of Bombay where unlimited potential energy was available as a result of the heavy rainfall on that section of the Western Ghats.

Mr. Tata by his enthusiasm had, prior to his death in 1904, made plans for a Public Utility on a large scale. He proposed to



Late Mr. J. N. Tata.

transform Bombay and Poona as well as the surrounding and intervening districts by an adequate supply of electric light and power. He visualised Bombay as a smokeless industrial centre. He also foresaw that electric traction on both the Railway Systems serving Bombay would revolutionise the convenience and cost of transport. The thoroughness of Mr. Tata's plans and the wealth of detail he had assembled enabled his successors to make these dreams come true.

ORIGINAL PROBLEM SOLVED.

Most water power schemes are suggested by visible potential energy in the form of a waterfall or the rapidly flowing section of a river. In the case of the Tata Hydro-Electric project, water had to be impounded during the monsoon for use throughout the entire year. The mountains of Western India rise between 2,000 and 4,000 feet above the sea-level plain, and the annual rainfall at these elevations ranges from 100 to 400 inches. This water is precipitated during the monsoon season, which is of about 3½ months duration, and flows in torrents down the ravines and almost vertical slopes of the mountains westward, while on the eastern slope, the water that is not rapidly absorbed by the arid soil of the Deccan, forms the source for several of those great rivers which flow into the Bay of Bengal.

With the assistance of Government topographical and geological maps and surveys, together with the records of Meteorological data which was then available, the Tata engineers selected the most suitable and economical locations for their undertakings. A feature, then unique in hydro-electric engineering, was made the basis of the project ; this involved the diversion, for useful work, of water from the eastern to the western watershed.

In the year 1905 Tatas secured the services of engineers who had experience of hydro-electric work on a large scale. They also secured the valuable support of Lord Sydenham, the Governor of Bombay, and himself an engineer, so that by 1907 the Government formalities were completed and a license was granted to supply hydro-electric power to Bombay.

THE TATA HYDRO-ELECTRIC POWER SUPPLY CO., LTD.

The original attempt made by the London members of the Syndicate to float the first issue of two crores of rupees in that City failed. The project was too visionary for Threadneedle Street.

In 1910, Sir Dorabji Tata set himself to the task of securing the necessary capital in his own country. He accordingly undertook a tour of India, visiting many of the Indian Princes, who were so impressed by Sir Dorabji's faith in the Hydro project that by the end of the year ample capital was assured to begin work on the first stage of the development.

The engineering and construction of the first Hydro-Electric unit presented many difficult problems. The hard Deccan trap-rock offered peculiar resistances to tunnelling operations. The determination on the part of the promoters, and engineers coupled with a labour force, drawn from the most hardy workmen in India, resulted in the operation of Khopoli Station in 1915.

Khopoli Power Station is fed from a chain of lakes at Lonavla, Walwhan and Shirawta, named in the order of increasing size. The aggregate water surface of these artificial lakes is approximately 9 square miles. The dam which forms Shirawta Lake

is approximately 1½ miles long and has a height of 83 feet. It is entirely mountain-locked, and its waters empty into Walwhan Lake through a tunnel nearly a mile in length. Linking the Walwhan Lake, the Lonavla Lake, and the forebay (which is 1,725 feet above Khopoli Station) is an artificial river of masonry, spanning valleys and cutting through hills. The length of this aqueduct is approximately four miles.

Work was begun on the Lonavla Dam in 1911, and in 1915 the first current was flashed over the transmission lines to operate the spindles of the Simplex Mills in Bombay.

THE ANDHRA VALLEY POWER SUPPLY CO., LTD.

The second hydro-electric unit was promoted in 1916, and war-time difficulties hampered its beginning. The power station of this unit is supplied by a single lake, water for which is provided by a catchment of over 48 square miles. The Andhra reservoir has a surface area of 12½ square miles. The dam which impounds the waters is 190 feet high and 2,432 feet long. It is located at the eastern end of the Andhra Valley, where it is narrowest. Water is drawn off at the western end of the lake, through a tunnel 1½ miles long. This tunnel conveys the water, under the mountain, at the foot of which the Bhivpuri Power Station is situated. This station went into operation in October 1922.

THE TATA POWER CO., LTD.

The third scheme, started in 1919, is the largest of the group. The natural catchments of the Nila and Mula Rivers, forming two arms each about fifteen miles long, were dammed at the junction of their valleys ; but owing to the first large Satyagraha movement in India started by the landowners in the valley, work on the dam was stopped for two years until acquisition could proceed smoothly. Finally, the Company incurred an expenditure of Rs. 51 lakhs to acquire the land for submersion by paying all dispossessed landowners an enhanced acquisition value together with a bonus of 15 per cent. to 25 per cent. in excess of Government awards according to the class of the land acquired.

At this stage, owing to the general financial stringency which followed the post-war boom period, the Company found itself severely handicapped by non-payment of calls by a very large number of its shareholders, against whom legal action was taken at a cost of Rs. 3½ lakhs, and eventually Rs. 120 lakhs were realised towards unpaid calls.

Meanwhile, timely assistance was given to the Company by the Commissioners of His Majesty's Treasury in England through whose guarantee the Tata Power Company was enabled to issue "A" Debentures for £1,000,000 under the Trade Facilities Act under an agreement with The Whitehall Trust, Ltd., which bound the Company to purchase its plant and equipment in England. And, this timely assistance was given by the British Treasury at the favourable interest rate of 4½ per cent. per annum, which was subsequently reduced by them to 2 per cent.

The collection of calls through the Courts and the large deficit left in spite of legal action necessitated the raising of further loans.

A "B" Debenture loan was negotiated with the Law Debenture Corporation, Ltd., for £1,000,000 of which £750,000 was issued in London at 7½ per cent. per annum.

Finally, for the completion of the project, as all costs had been greatly enhanced due to the post-war conditions, a further sum of Rs.1·15 crores was borrowed from its sister concern, the Tata Hydro-Electric Power Supply Co., Ltd., on the collateral security of the £250,000 unissued "B" Debentures and a third charge on its total assets.

The position today is that the "B" Debentures were entirely paid off in 1938 with the permission of the "C" Debenture holders who gave up their lien on the £250,000 of unissued Debentures. The "A" Debentures are automatically being reduced by an Annual Sinking Fund and will be paid off in 1948. The money borrowed on the "C" Debentures have been converted to a loan at 6 per cent. in place of the original 8 per cent. and the loan has been reduced from Rs.1·15 crores to Rs.1 crore.

The Tata Power dam forms a lake with a surface area of 15 square miles. The water impounded in this lake is collected from a catchment area of almost 100 square miles. The dam is 146 feet high and 5,123 feet long. From the Western end of the lake, a tunnel $2\frac{3}{4}$ miles in length was made under the mountains through which the water is supplied to the Bhira Power Station located at the foot of the mountains.

The Tata Power hydro-electric unit commenced supplying electric energy to Bombay in April 1927.

MANAGEMENT.

Messrs. Tata Sons Limited were the Managing Agents of the three Companies until 1929. In that year they felt it desirable to have the assistance in the management of an organisation specialising in the operation of Public Utility Companies. With that object in view, a partnership arrangement was entered into between Tata Sons and the American and Foreign Power Company, Inc. and a new company "Tata Hydro-Electric Agencies Limited" was formed. This Company has been responsible for the successful operation of the Hydro-Electric Companies for the past 10 years.

THE TATA HYDRO SYSTEM.

The three Hydro-Electric Companies have the benefit of unified management, being operated as a single system and sales are distributed between them in accordance with a Reciprocal Agreement whereby sales are allocated between the Companies in accordance with their rated capacities.

The Tata Hydro System has three large power stations with a present total capacity of 250,000 HP. The transmission system consists of 268 miles of 100,000 volt overhead lines to Bombay and Poona and 200 miles of high-tension underground distribution system in Bombay. This complex system of generating plants and transmission system is so interconnected and protected that no interruption to service is likely from a transmission line failure at any point in the system.

The Tata Hydro system supplies power to the important textile industry and other large industrial undertakings in Bombay, as well as the various retail distributing companies which supply urban and suburban Bombay, Poona and five other smaller localities.

The B. B. & C. I. Railway is electrified from its terminal points in Bombay 35 miles north to Virar. The G. I. P. Railway is electrified 85 miles on the main line to the north and 119 miles to the south-east from Bombay. The Hydro system now supplies all the electric traction requirements of both Railways under a new contract which became effective on 4th February 1940.

During the year 1939, the Hydro Generating Stations produced 696,430,000 units to supply light, heat, traction and power in the City of Bombay and surrounding districts. The equivalent production by steam plants would have required the combustion of approximately one-half million tons of coal. This would have resulted in a generous and disagreeable deposit of dirt and soot with a precipitation of about 4,000 tons of sulphuric acid, the destructive properties of which Bombay has been spared.

A comparison of power sales and revenue from power sales of the Tata Hydro System for the past five years is given herewith :

Year.	Power Sold Millions of Units.	Revenue Lakhs of Rs.
1934-35	472	165·06
1935-36	492	159·26
1936-37	503	158·27
1937-38	612	183·40
1938-39	626	171·38

The following statement gives the position of the working of the three Companies for the year 1938-39 :—

Company.	Hydro.	Andhra.	Power.	Total.
		Lakhs of Rupees.		
Total Assets	529·86	549·03	803·41	1882·30
Total Liabilities (including Debentures)	134·38	190·90	212·59	537·87
Excess of Assets over Liabilities	395·48	358·13	590·82	1344·43
Pref : Capital	89·28	49·34	86·97	225·59
Rate of Interest on Pref : Capital	7%	7%	7½%	....
Ordinary Capital	180·00	159·58	339·77	679·35
Power Receipts	34·06	48·68	88·64	171·38
Other Receipts	15·21	1·78	3·44	20·43
Total Receipts	49·27	50·46	92·08	191·81
Profits before Depreciation	32·74	28·66	59·62	121·02
Total Dividend Paid	19·75	15·42	32·01	67·18
Dividend on Pref : Capital	6·25	3·45	6·52	16·22
Dividend on Ordinary Capital	13·50	11·97	25·48	50·95
Percentage on Ordinary Capital	7½	7½	*7½	....
Price of Ordinary Share on 19-3-1940	159	1517-8	1362-8	....
Yield	4·72%	4·94%	5·50%	....

* Inclusive of 1 per cent. bonus.

RAPID GROWTH OF THE INDUSTRY.

Sales of electrical energy by the Tata Hydro System have nearly doubled in the past ten years. This has made possible progressive reductions in the rates charged to consumers in accordance with the Companies' policy, with the result that the overall average rate per unit sold has decreased to approximately 60 per cent. of the average rate ten years ago.

The steady progress of industrial development in Western India has been further accelerated by the outbreak of war and it is expected that Bombay with its superior advantages from the view-point of—ideal factory sites—excellent water and rail transportation facilities—an ample supply of skilled labour—a dependable and economical source of power supply—proximity to raw materials and to the principal markets for the sale of manufactured products—will continue to grow and maintain its pre-eminent position as an industrial centre.

The development in the uses of electricity in the home, commercial establishment and factory for lighting, power and heating purposes, combined with the steady increase in population, constitute an important factor which will contribute largely to increase further the energy sales of the Tata Hydro System.

Why Indian Shipping Does Not Grow.

By WALCHAND HIRACHAND, Esq.

(Chairman, Scindia Steam Navigation Co., Ltd.)



Walchand Hirachand, Esq.

Walchand Hirchand, Chairman, The Premier Construction Co. Ltd., and The Scindia Steam Navigation Co. Ltd., Director, Oriental Government Security Life Assurance Co. Ltd., Associated Cement Companies Ltd., Okha Salt Works Ltd., Tata Chemicals Ltd., etc. *b.* at Sholapur, 1882. *Educ* : Sholapur, Poona and Bombay Undertook large contracts for construction of Railway lines, River bridges, Military barracks, Quetta Reconstruction Works for Military authorities etc., Municipal Water supply scheme of Bombay, Bhore Ghat Tunnel for the G.I.P. Railway, Victoria Terminus Remodelling, work for the G.I.P. Railway, Victoria Terminus Remodelling, Chola Power House and Bridge works for G.I.P. Railway, and other, large public buildings, etc. Interested in the Sugar Industry, running two Sugar Factories in Bombay Presidency ; is himself an agriculturist on a large scale ; also interested in Pipe Manufacturing Industry having 30 Factories operating all over India, Burma and Ceylon ; President, Indian Merchants' Chamber, Bombay, 1927 ; Maharashtra Chamber of Commerce 1927-38 ; Indian National Committee of the International Chamber of Commerce 1931-33 ; Federation of Indian Chambers of Commerce Industry 1932-33 ; All India Organisation of Industrial Employers 1933-34 ; Vice-President, International Chamber of Commerce, Paris, 1934 to date ; President, Indian National Shipowners' Association ; Ex-member Governing Body of Imperial Agricultural Research Council of the Government of Indian for five years ; Employers' Delegate to the International Labour Conference at Geneva 1932 ; Leader of the Indian Delegation to Congress of International Chamber of Commerce, 1933, 1935, 1937 and 1939 Sessions at Vienna, Paris, Berlin and Copenhagen. *Address* : Construction House, Ballard Estate, Bombay. *T. A.*: Hincon Bombay. *T.*: 26037 (four lines) *Office ;* 41877—*Residence.* Clubs : Willingdon, Orient, Royal Western India Turf, Bombay ; Royal Calcutta Turf Club.

IN response to the request of Sheth Pranlal Devkaran, I record here, for his Year Book, a few facts and observations in connection with Indian shipping, the important key industry of India.

INDIA NEEDS A LARGE AND POWERFUL NATIONAL MERCHANT NAVY.

India has a coast line of about 4,500 miles. About seventy lacs of tons of rice, timber, coal, salt, oils and general cargo are carried annually in the coastal trade of India. As regards the carriage of passengers in that trade, over fifteen lacs of passengers are carried on the West Coast of India and about five lacs of passengers are carried between India and Burma. So far as the overseas trade is concerned, about two crores and fifty lacs of tons of cargo and about two lacs of passengers are carried every year in that trade. The annual value of the overseas import and export trade comes to about 400 crores of rupees. It is obvious that the carriage of such a huge trade requires a large mercantile marine to do so. Moreover India is surrounded by seas on three sides and therefore needs its own ships for the defence of its coasts. With a view, therefore, to promote and to strengthen the broad economic interests of India in the carriage of India's vast maritime trades and passengers and to provide for this country an efficient second line of defence, it is imperative that India should have a large and powerful mercantile marine of its own. The growing spirit of nationalism all round and the international situation in the world have recognised and emphasised the need and possession of such a merchant navy of its own by every important maritime country of the world.

BUT WHAT IS INDIAN SHIPPING?

It is essential to understand what India means by Indian shipping. British shipping, which has dominated the coastal and the overseas trade of India for the benefit of Great Britain and at the sacrifice of India for decades past is not and cannot be called Indian shipping. The Government of India have said "Empire shipping includes Indian shipping." Let no one be deceived by that phrase. Indian shipping has no place in the maritime trade of the Empire and is not allowed to participate in that trade. The real test is whether Indian shipping retains the wealth in the country, develops its trades and industries, finds overseas markets for its products, gives employment to the sons of the soil, builds up for Indians an efficient sea-service, assists in the solution of the problems of its defence and meets all the needs of its own maritime activities. Indian shipping, therefore, in the largest interests of India, means shipping owned, controlled and managed by Indians themselves.

HAVE WE GOT SUCH INDIAN SHIPPING IN INDIA'S COASTAL AND OVERSEAS TRADES?

Out of the large coastal trade of India—a trade which belongs to the national shipping of every maritime country as a matter of right—it is extremely disappointing to find that on an average of the last six years ending June 1939, Indian shipping companies carried only the meagre 21 to 22 per cent. of that trade. As regards the vast overseas trades, barring the recent venture of the Scindia Company in the Haj service, where it had to face the strangling rate war from the British shipping interests, Indian shipping companies have no share whatsoever either in the movement of cargo or in the carriage of passengers. Even today, the premier Indian Shipping Company —the Scindia—is practically debarred from participating in the overseas trades of India, while the other Indian shipping companies are even denied the birthright of every maritime country of moving freely in their own home waters.

TINY TONNAGE OF INDIA COMPARED AND CONTRASTED WITH THE DOMINATING TONNAGE OF BRITAIN.

It is sad to reflect that even in the year 1940 the total tonnage of all the Indian shipping companies is less than 135,000 tons gross. It is made up as follows :—

Name of the Company.	**Tons Gross.**	**No. of Steamers.**
The Scindia Steam Navigation Co., Ltd.	98,812	23
The Bombay Steam Navigation Co., Ltd.	13,299	15
The Bengal Burma Steam Navigation Co., Ltd.	5,209	3
The Indian Co-operative Navigation & Trading Co., Ltd.	1,605	6
The Ratnagar Steam Navigation Co., Ltd.	590	1
The Eastern Steam Navigation Co., Ltd.	2,144	2
The Malabar Steam Navigation Co., Ltd.	1,633	3
The Merchant Steam Navigation Co.	4,474	4
Cowasjee Dinshaw Bros.	3,672	5
The Hindustan Steam Navigation Co., Ltd.	310	1
	131,748	63

While India possesses tonnage of less than 132,000 tons gross, the tonnage of England exceeds 17,891,000 tons gross. Further, according to the statement laid on the table of the Central Legislature on the 31st August 1938, the proportion of the Indian and the British shipping in the coastal trade of India was 21 per cent. for the Indian and 79 per cent. for the British. The statement further added that 2,756,400 tons of British shipping was engaged in the foreign sea-borne trade of India—a trade in which

we all of us know Indian shipping practically is not allowed to participate. What a painful contrast does this provide between Indian and England! It is recognised all over the world that the tonnage of a maritime country must at least be in the proportion to the volume of its maritime trades. This imperative need of a country is completely ignored in India. According to the latest figures published by the Fact Finding Committee of the Chamber of Shipping, while the maritime trade of England was 1,354 million pounds that of India was 241 million pounds. It, therefore, follows that while the trade of England is about 5½ times as large as that of India, the tonnage of England is over 135 times the tonnage of India. Is there any Indian who will not feel bitterly the sense of humiliation and sorrow when he realises the true significance of the above figures and the intensity of the economic dependence—if not bondage—of India on England which they reveal. This is the position of Indian shipping in India at present. This is how the so-called Empire maritime policy has worked in action. Let us examine the causes which have brought about this deplorable situation.

WHY HAS NOT INDIAN SHIPPING GROWN? IS IT BECAUSE INDIANS LACK THE SPIRIT OF ENTERPRISE?

Indian Chamber of Commerce in Great Britain has estimated that about 102 navigation companies with a total nominal capital of about 46 crores of rupees were registered in India from 1860 to 1925 as Limited Liability Companies. A large number of them was, however, driven out of business as a result of the hostitility of the British shipping interests. That Chamber estimates that the actual Capital lost in 20 Companies comes to about 8 crores of rupees. I also find that the list of shipping companies that were compelled to go into liquidation from September 1904 to July 1927 comes to 24. It will thus be realised that it is not the lack of the spirit of enterprise amongst Indians which has retarded the progress of Indian shipping in India's maritime trades.

IT IS THE BRITISH SHIPPING INTERESTS WHO HAVE PREVENTED THE GROWTH OF INDIAN SHIPPING.

It is the drastic unfair rate wars carried on by the British shipping interests which are responsible for preventing Indian shipping from living and growing even in its own home waters. It may be useful to recall here the observations which the Hon'ble Mr. V. G. Lynn, Chairman, Chamber of Commerce, Madras, submitted to the Royal Commission on Shipping Rings. Commenting on the virtual monopoly preserved by the British shipping interests in respect of Indian coastal trade he remarked :

> " From time to time efforts have been made by independent lines to participate in the Indo-inter-coastal, Indo-Ceylon and Indo-Burman trades, but the active competition of the B. I. S. N. Co. and the tacit support of the Asiatic Company has invariably resulted in the opposing steamers and lines being withdrawn after a short time. The latest instance in this Presidency is the case of a Line called " The Shah Line " whose managing agents could doubtless afford valuable information as to the tactics adopted to drive them out of the business."

I may here further refer to a yet more definite and specific charge made against the British shipping interests by Sir Alfred Watson in his evidence before the Joint Select Committee. He said :

> "..... I recognise that Indian Company after Indian Company which endeavoured to develop a coastal service has been financially shattered by the heavy combination of the British interests."

This is not the place to multiply these charges. Suffice it to say, that the main reason why Indian shipping has not made any headway even in its own home waters is the pronounced, calculated and well directed hostility of the British shipping interests whom the Government of India alas! have done their best even at the sacrifice of Indians to patronise in every possible way that was open to them.

AND WHAT ABOUT THE GOVERNMENT OF INDIA?

HAVE THEY HELPED INDIAN SHIPPING?

And it may be pertinent to inquire that if the Indian shipping ventures were driven out of existence by the British shipping interests, did not the Government of India go to their help? It is hardly possible to write with restraint on the treatment which Indian shipping has received from its own Government. British shipping interests have often claimed that they have built up the Indian trade at considerable sacrifice. It is, however, well-known how Mackinnon obtained at the breakfast table a subsidy from Sir Bartle Frere, the then Governor of Bombay, in 1863 and turned the Burma Steam Navigation Co., Ltd., into the British India Company of today. Not only did the B. I. not undergo any sacrifices but it minted tons of money by its virtual monopoly of the coastal trade of India. During the period of 12 years from 1902 to 1914—mind you not the period of the war—it made an average profit of 33 per cent. per annum without providing for depreciation on the ordinary capital invested in the Company and it was also immune until quite recently even from the payment of the Indian Income-tax. The Indian shipping would have been prepared to build up the trade without the immunity from Income-tax and even at the sacrifice of making only 10 per cent. and not the 33 per cent. like the British India on its invested capital. Moreover, it was almost a scandal when the presence of Lord Inchcape as the Chairman of the Retrenchment Committee in India secured for his Company, the British India, a contract for the carriage of coal to Burma for a long period of 10 years on very favourable terms—which the Government of India refused to disclose—without even giving an opportunity to an Indian Company to put in their tender despite the assurances given by the Government for giving that Company an opportunity to tender. I need not mention the large sums of money which have been paid to the British shipping companies under the Mail Contracts and the exclusive privilege given to them for carrying practically the entire requirements of Government stores and other materials on the coast. Under the guise of helping the so-called 'Empire Shipping,' which meant in practice British Shipping only, the Civil and Military Officers enjoying the benefit of Lee passage were practically compelled to travel by the ships of the British Lines. And even today when they want to appoint a Controller of Indian Shipping, who is expected to look after the interests of ships owned, controlled and managed by Indians, the Government of India cannot find a responsible Indian to fulfil that Office but have appoined a Britisher who in his lifetime has done everything possible to stifle the growth and development of Indian shipping in this country. This pronounced partiality—I was going to say favouritism—towards British shipping interests is an eloquent testimony and irrefutable proof of the neglect, if not hostility, on the part of the Government of India towards the National shipping interests in this country.

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AND HAS INDIA EVEN ANY PLACE IN THE EMPIRE MARITIME POLICY?

We have been hearing for the last few years the necessity of evolving a common Empire maritime policy so that the supremacy of the British Commonwealth of Nations at sea may be ensured in the interests of all concerned. If the Empire is really anxious to develop its maritime strength and regain its maritime supremacy, it will have to base its maritime policy on the fundamental principle that all the component parts of the Empire should be considered " as real Imperial maritime units for the purpose of their national economy and their common defence " and should be treated as such in actual practice. But how does British shipping treat Indian shipping which is shipping of a part of the Empire? Some years back the great House of Tatas started a line of steamers between India and Japan. It did so in order to regain the trade built up

in Indian cotton yarn between India and China which had almost been lost to India owing to the rates policy adopted by the non-national shipping interests. The P. & O., it is well-known, carried on a drastic rate war against the shipping service started by the House of Tatas and brought down its rate from Rs. 17 to Rs. 1-8 per ton with the result that the Tata Line had to go out of the field and this national enterprise to build up a service in the overseas trade was nipped in the bud. This suicidal policy on the part of England, a part of the Empire, in killing the ventures in the field of shipping by India, another part of the Empire, is not only the negation of the spirit which calls forth for common efforts for the adoption of Empire maritime policy but is also in singular contrast with the policy of mutual help and support on the part of the Japanese Lines. Not only did the Nippon Yusen Kaisha not drive away the Osaka Shosen Kaisha from the trade between India and Japan in which it was plying but even when the powerful P. & O. Co. demanded the withdrawal of the Osaka Shosen Kaisha from those waters, the Nippon Yusen Kaisha not only did not respond to it but stood shoulder to shoulder with the Osaka Shosen Kaisha and made the mighty P. & O. bend to the will and dictates of the Japanese shipping lines. While the Japanese thus stands by and does all he can to help his brother in his onward march, the British shipping interests not only knock down the Indian shipping venture but do all they can to see that it ceases to exist. It is this selfish insular outlook devoid of any vision for the solidarity of the Empire on the part of British shipping which is responsible for enabling the Japanese shipping lines, as remarked by the Imperial Shipping Committee not only to present " a common front to the British interest at each readjustment of the Conference agreement " but also to secure for them the most dominant position in the Indo-Japanese trade.

Take another illustration. Under the Trade Facilities Act, Great Britain helped its own Shipping to the tune of about 20 million pounds. Assistance to the extent of nearly 2 million pounds was given by England under this Act even to the foreign countries to build their ships. But what England is prepared to do and has done for foreign shipping lines, it was not prepared and is not prepared to do for India and Indian shipping. When the Indian shipping company asked for help under this Act, it was told that no funds were available. This is how the Empire maritime policy works in action so far as this important part of the Empire is concerned.

Moreover, during the recent trade negotiations for an agreement between India and Japan British shipping interests and particularly the P. & O. Company urged upon the Government of India that they should secure preference for British shipping in those negotiations for the carriage of trade which emanated from or was brought to India and expressed their great surprise when it was found that their orders were not carried out because " the British Empire ships in question " which would have to carry that trade, in the derisive phrase of Mr. Alexander Shaw, the then Chairman of the P. & O., " were not actually owned by native born Indians." It will be recognised that there can be no partnership between the different units of the British Commonwealth when British shipping wants to crush national Indian enterpise and to prevent its growth in every possible way. If the Empire maritime policy has really to achieve the object which it has in view, the British shipping interests will have to change their present hostile attitude into a friendly one and will have to show by their conduct that the considered advice embodied in the observations of the Imperial Shipping Committee, *viz:*—

> " the aspirations of India to enter into the field of shipping operations are natural and should be fairly met in a co-operative spirit by the United Kingdom Lines,"

has really touched their heart and that they will shape their policy and conduct towards Indian national shipping in the future in accordance with it. These are some of the powerful currents of hostility which have prevented the growth of Indian shipping and

Indian shipping has struggled all these years and is struggling even now against them for its very existence. The tragic history of these heroic struggles will, I am sure, not fail to provoke the strongest resentment in the heart of the mildest Indian or avoid the painful reflection that the Government of India and their Indian Commerce Member, despite their promises and assurances for help, were looking upon these struggles with a philosophic resignation which no doubt gave additional strength to the exploiters of India.

SHIPPING IS A NATIONAL ASSET AND STATE AID IS A NATIONAL RESPONSIBILITY.

What can we then do to develop our Indian Merchant Navy? Let us see what other countries have done in this direction. Shipping has been considered as a national asset by all the important maritime countries of the world. It has been considered as an important instrument of national economic policy. The present international situation has brought home to us more vividly than before that national shipping is a second—but the most important and effective line of national defence. In view of this supreme importance of shipping to a country both in times of peace as well as in times of war national Governments have recognised State aid to shipping as their national responsibility. Whether it is in Japan or in Italy, whether it is in Germany or in America, wherever we turn our eyes, we find the shipping of the country receiving warmest support and efficient and effective aid from the Government of the land. India is the only unfortunate country where the Government of the land have failed and fail to realise that shipping is a national asset of India. India alone amongst the important maritime nations of the world has also the signal misfortune of having an alien Government which have systematically ignored their recognised responsibility of enunciating a policy of State aid to shipping and have not moved their little finger to help their national shipping in any way whatsoever. The supreme need of the hour, therefore, is to make the Government of India realise that national shipping is the national asset of India.

We are told that England does not believe in State aid to shipping. She is anxious to break down the barriers of world trade and wants to preserve the freedom of the seas. What a noble and selfless ideal if it were sincerely inspired, if it were true to life and if it were practical in a world where enlightened self-interest and not the pursuit of altruistic phantoms govern the actions of humanity. What is, however, the real position so far as even England is concerned? In theory England opposes State aid to shipping. In practice England demands financial assistance for British shipping. It is said that British shipping is loud in its demand for financial help from its Government because it has to face competition from subsidised foreign shipping. Let me grant for a moment that that is the real motive which underlies the demand. But what about India? Has not Indian shipping to face unfair rate wars from British shipping which is demanding at Home state aid against rate wars from its Government for its protection. When the Scindia started its life in the coastal trade, the B. I., a powerful British shipping company, brought down the rate from Rs. 18 to Rs. 6 per ton. When the Bengal Burma began its passenger service, the same powerful B. I. brought down the passage fare from Rs. 16 to Rs. 4. Again Indian shipping suffered from the rate war in 1934 when the rate of freight was brought down to 8 annas per ton. Only a couple of years ago when the Scindia Company started, in response to the Muslim public and the pilgrims, its service between India and Jedda, the same British interest brought down the rate from Rs. 175 to Rs. 20 per head, which meant in practice a gift to Rs. 27 to every pilgrim who performed his Haj. Where is the wrong if Indian shipping were to demand the protection of its Government and ask for financial help from that Government against this unfair competition from

the Britishers just as these very Britishers have been demanding such financial assistance from their own Government in the United Kingdom against the competition of the foreign lines? When, however, the Britishers demand help from their own Government, not only are they assured of such help and not only is such help given to them but their Government also warn those aggressive countries which carry on competition against British shipping that they will hit them and hit them hard until the supremacy of British shipping is assured at sea. When one contrasts this policy of the British Government of giving their national shipping active protection and effective help so that British shipping can maintain its supremacy on the oceans with the policy of utter indifference, if not inspired hostility, on the part of the Government of India, we cannot help feeling that unless we have our own national Government in the country, there would be or could be no future for the Indian shipping industry in this land. And yet one cannot help admiring the heroic struggles which Indian shipping has put forth and has been putting forth to live and grow facing all these ordeals and struggles thrown in its path by the British shipping interests which cannot always hide successfully their wicked delight at the thought that they successfully used their power within an influence on the Government of India in preventing that Government from helping national shippings against the strangling competition offered by themselves. Well may the quietest spirit in the land exclaim in utter helplessness that what is welcomed in England as justice is condemned as treason in India.

BRITAIN'S HELP TO BRITISH SHIPPING: WILL INDIAN GOVERNMENT HELP INDIAN SHIPPING?

The undermentioned particulars will give a vivid idea of the extent of the enormous financial help which after the end of the last war Britain has been giving to British shipping :—

	£	s.
1. Loans under the Trade Facilities Act (1921/22) -	23,432,480	0
(Of this over £2,000,000 were for ships for foreigners built in England).		
2. Subsidy to Cunard Steamship Co. 1924 to 1928 -	333,698	0
3. Help under the Cunard Insurance Agreement Act (1930)		
Out of the amount of £4,800,000 for which the 'Queen Mary' was insured, the risk accepted by the Board of Trade was		
for the year ending May 12th 1938 - - -	1,630,000	0
for the year ending May 12th 1939 - - -	1,584,000	0
for the year ending May 12th 1940 - - -	1,899,150	0
Without the help of the Board of Trade, the vessel could not have been insured. Although the Cunard Insurance Fund totalled nearly £100,000 in 1939 and although that constituted very little security in itself for a possible total loss of nearly £2,000,000, it is to be remembered that "the whole resources of the Nation are behind the Fund itself."		

	£	s.
4. Help under the North Atlantic Shipping Act (1934).		
The Board of Trade is authorised to advance under this Act upto - - - - - - -	9,500,000	0
Assistance given is 1938 and 1939 to Cunard White Star Ltd. under this Act amounted to £3,102,455.		
Interest at 1½ per cent.		
Loans not due for repayment until the end of 1975 when the vessel will be 40 years of age, although its normal life cannot be more than 20 years.		
Moreover, the vessel and the depreciation on the vessel are the only securities against loan.		
5. British Shipping Assistance Act (1935) and British Shipping Continuance of Subsidy Act (1936)		
Subsidies granted to Tramp shipping - - -	4,002,183	0
6. Help under Scrap and Build Scheme under Part II British Shipping Assistance Act (1935):		
(*a*) Loan sanctioned up to - - - -	10,000,000	0
(*b*) Loans outstanding on March 31st 1939 - -	2,306,933	19
7. British Shipping Assistance Bill (1939):		
Financial assistance to be granted under this Bill has been suspended owing to the outbreak of the war. Provisions for the financial assistance are as under which have been accepted by the Parliament.		
(A) **Tramp Shipping Subsidy** for a period of five years at the rate of £2,750,000 per year -	13,750,000	0
(B) **Shipbuilding Loans:**		
(*i*) Loans to be granted for the building of tramp and cargo vessels - - -	10,000,000	0
(*ii*) Loans actually given up to July 1940 for building new vessels - - -	4,800,000	0
(C) **Subsidies for building ships** to be granted for a period of five years at the rate of £500,000	2,500,000	0
Subsidies actually granted upto July 1940 -	320,000	0
(D) Assistance for Liner shipping to protect that shipping against subsidised foreign shipping -	10,000,000	0
(E) **Merchant Shipping Reserve:**		
The Board of Trade to purchase vessels registered in the United Kingdom for the purpose of creating a reserve for an emergency -	2,000,000	0

In addition to the financial assistance outlined above, it was announced in the House of Commons by the President of the Board of Trade that " the Government will continue to take all possible steps to promote the interests of British shipping in connection with trade negotiations and other discussions with foreign Governments."

In a memorandum issued on the 6th August 1940 in London, it was announced by the British Government that " the progress of legislation was interrupted by the outbreak of the war but the necessity of maintaining the British mercantile marine in adequate strength (mark the words) and in a position of full competitive efficiency (mark the words) is recognised no less strongly by the Government today. They will, therefore, keep this question constantly in mind as one which will be necessary to ask Parliament to deal with in due course."

Which Britisher will not feel proud of his Government which thus wants to maintain the supremacy of British shipping at sea by giving it such enormous help and which British Shipowner will not feel it his duty to help his Government in every way during the times of war when he knows that when peace returns not only will he receive help in every way but that England will maintain British shipping in " adequate strength" and in " full competitive efficiency " so that its supremacy on the seas may continue to be ensured. Is there anything for an Indian to be proud of any deeds either of omission or commission of the Government which rules him ? Heroic as is the story of the struggle of Indian shipping and helpless as has been its continuous cry all these years for help and assistance by the Government of the land, will it to be too much to expect even in the year 1940, when the war has made even those who are in the seats of authority feel and recognise the imperative need of national shipping for preserving the channels of India's economic life and maintaining its line of defence that at least India's Indian Commerce Member will look upon the struggles of Indian shipping with greater sympathy and reflecting over what Britain has done and is doing for British shipping, will take prompt and effective measures for getting Indian shipping recognised by his colleagues in the Government as a national asset of India and inspire them to give that shipping all the support, encouragement and help that it needs so that India may soon have a merchant marine worthy of its position as a great maritime country participating in India's coastal and overseas trade in times of peace and lending its powerful support as the second line of defence in times of war. I hope India will not appeal to its own Commerce Member in vain in helping India in its onward economic and industrial march but will continue to live in the hope that he at any rate will rise to the occasion, recognise his responsibility and do his duty so that Indian shipping can revive its glories of the past and continue to prosper for the benefit of all concerned in this ancient land.

August 1940.

'Insurance in 'India.

By J. C. SETALVAD, Esq.

(*Chairman, Indian Insurance Companies' Association.*)



Jivanlal C. Setalvad, Esq.

Mr. J. C. Setalvad is a prominent businessman and is associated with the management of the Vulcan Insurance Co., Ltd. and the Industrial and Prudential Assurance Co., Ltd., Bombay. He was the President of the Indian Merchants' Chamber in 1939 and has been the Chairman of the Indian Insurance Companies' Association for a number of years. He was a member of the Advisory Committee on the Insurance Bill appointed by the Government of India in 1936. He is also on the executive committee of the Federation of Indian Chambers of Commerce and Industry, Delhi.

LIKE many other industries which at one time flourished in India, insurance business not only flourished and prospered in this country but the whole origin has been in India. Manu in some of his Laws mentions a charge on goods carried from one place to another to see that they were carried safely and handed over to the consignee. The following quotation taken from an English Author speaks for itself:

" If we want a remote example nearer akin to a modern conception of the meaning of the word, we can turn to India where it is recorded in the Institutes of Manu which were compiled sometime before the Christian Era that ' in estimating the tax to be levied on the trader some consideration should be given to a well-known charge in the transit of goods for securing the goods carried'."

A line, therefore, which had its beginning in our country thousands of years ago and which really was developed to a remarkable extent even in those primitive times, to-day finds itself not only neglected but positively ignored by the people of our own country.

LIFE INSURANCE.

Life insurance in India had a comparatively late start but the last few years have witnessed a considerable expansion in Insurance business, this development being on par with progress achieved on other sides of national welfare.

In somewhat striking contrast to the countries of the occident, it was only in the third and last quarter of the last century that Life Insurance business was done to any appreciable extent in India and most of it was in the hands of British and foreign companies. It is clear, therefore, that about 70 years ago there were no Insurance companies of any standing even for the transaction of life business. So far as other lines of Insurance were concerned, the entire benefit used to go to non-Indian companies as there were no Indian companies in existence. Since the year 1870, however, life insurance companies began to appear one after another with the result that to-day, India can claim to have as many as 200 companies registered for the transaction of purely life insurance. Some of these companies have attained remarkable progress and are already in the front rank to-day. The expansion of business of Indian Insurance Companies during the last few years is, undoubtedly, the result of the " national " consciousness that is being developed all over India. For the same reason a substantial portion of the life insurance business, which had been mainly done by British and foreign

companies, has now passed to Indian companies, who in the last few years have had a flourishing record in this Branch. During this period their new business has more than trebled from Rs. 8 crores in 1925 to Rs. 42 crores in 1937, while total business has recorded the magnificent increase from Rs. 47 crores to Rs. 197 crores. The total premium income is Rs. 12 crores. The corresponding figures for the total Indian business of foreign companies are Rs. 80 crores and Rs. 2¼ crores respectively. In 1937 the total assets of Indian companies stood at Rs. 56 crores.

To have an exact idea of how far Indian Insurance Companies lag behind the rest of the world, it is necessary to remember that the total income of British life offices amounts to Rs. 157 crores and their total funds exceed Rs. 1,472 crores. These figures are a formidable lesson in humility and serve to indicate a leeway that has yet to be made in Indian insurance. The *per capita* insurance of Indian public is also very low. For the population of 33 crores the total amount of life insurance in force with Indian life companies is less than even 200 crores of rupees. Therefore, the amount of insurance per head is less than rupees seven as against Rs. 3,000 per head in America, Rs. 1,800 in Canada, Rs. 800 in Australia, Rs. 700 in England and Rs. 600 in Japan.

The amount of life insurance in force indicates the saving capacity of the people and incidentally, prosperity of the country. It is only in India that even the benefits of a life insurance policy and the great service that life insurance companies are rendering to the people at large have not been appreciated. This clearly indicates the backwardness of the people economically as well as financially. The illiteracy of the people also is one of the contributing factors. But, there is no doubt that attention is slowly beginning to be paid by the literate classes in this direction and with the growth of national sentiment and the spirit of patriotism becoming more visible, life insurance is bound to be concentrated more and more in the hands of Indian Insurance Companies in the same manner as several countries have accomplished.

GENERAL INSURANCE.

We now turn our attention to classes of insurance other than life or, as it is often called " General " insurance. It may be stated that Indian companies two decades ago, were conspicuous by their absence. In spite of the fact that large trade had been going on between India and various outside countries, and in spite of the fact that some industries such as cotton mills, etc., were started by the Indian people, there never was any thought given to this great handmaiden of commerce. It was left to the post-war period to bring into being several types of industrial enterprise and commercial insurance was one of them.

The post-war boom was an opportunity for Indian companies to undertake insurance other than life and Bombay businessmen, quick off the mark as usual, took advantage of it to set up companies to transact general insurance business. Most of the companies started in those years had strong, influential and capable Boards of Directors composed as they were of some of the leading Millowners and Merchants of Bombay. The number of Indian companies doing general insurance business is 15 as against 150 foreign insurance companies. The premium income of insurance companies in India doing business other than life during the year 1937 was Rs. 2 crores 98 lakhs out of which Indian companies got only Rs. 96 lakhs and non-Indian companies got Rs. 202 lakhs.

This is due to competition of non-Indian insurers in this field.

The progress in fire and general insurance business by indigenous companies does not present so gratifying a record as that shown in life insurance business. Out of about 15 Indian companies doing fire and general insurance business, none have achieved what may be considered outstanding progress. In life insurance the appeal to the investing public is mainly the security, stability and service offered by the company. In general insurance business it is more a question of connections and influence. Thus it comes about that while intrinsic considerations are responsible for the growth

of business in cases of life companies, extraneous considerations are responsible for the growth of business in case of general insurance companies. If a firm of managing agents represents a particular company, the insurance business of that company automatically goes to the insurance company which that firm represents.

Of the business which is in the hands of Indian managing agents, a considerable portion goes to British companies because the managing agents happen to represent British insurance companies. Accordingly, the scope for business in the case of Indian Insurance Companies is circumscribed.

It will thus be seen that there is no dearth of business, but the amount available to Indian companies is very limited. Indian enterprise, therefore, cannot expand to its possible limits, nor rise to its legitimate status in the field of indispensable service to the community not only because of the established connections and vested interests of foreign enterprise in the same field in this country but also because of unfair advantage and cut-throat competition which existed till very recently. Everywhere in the modern civilised world, insurance business being recognised as one of the most valuable and indispensable accessories to the smooth and progressive prosecution of national economy, is strictly regulated and generally reserved to the natives of the soil. In this country, however, it is a foreigner who has the special advantage, and the indigenous enterprise which is specially handicapped.

The other matter which handicaps the progress of Indian insurance companies is the relation between the banks and insurance companies. In all countries of the world, insurance and banking work hand in hand ; and they are the greatest supporters of each other. The position in India is however different. In the beginning the Indian companies got little or no encouragement from Exchange Banks. After a time, the position got a little better but again Indian insurance companies are suffering from great disabilities at the hands of certain banks. It is very difficult to understand this attitude of banks. The banks are doing business in India and it is but fair that at least an adequate share of insurance business should go to Indian companies. During the last 20 years there have been many occasions in which very large claims were made upon Indian insurance companies, and they have all met their engagement promptly and in a business-like manner. The whole history and record of Indian insurance companies go to show that they are rendering to the insuring public the same service as they have been accustomed to before, from foreign companies.

The other matter which deserves special attention is that buyers of cotton and wheat, etc., at London and Liverpool stipulate in their letters of credit that insurance will be with an Al British company with the result that Exchange Banks in India accept the document only if the relative goods are covered by a British insurance company. Consequently a good deal of insurance business which would otherwise be placed with Indian insurance companies by the shippers at this end has thus compulsarily to be passed on to non-Indian Insurance companies. Similar difficulties are also experienced by Indian companies under the terms of contract of the London and Liverpool Cattle Food Trade Associations. This kind of restriction was in vogue in respect of Colonial insurance companies also, about five years back, but on the Colonies having taken up this matter through diplomatic channels it was removed.

The stipulation referred to above is not only a slight at the Indian business community, but also diverts legitimate business from Indian to non-Indian companies. Such matters should be taken up by the Government of India with the British authorities and secure equal treatment for the Indian insurance companies as are enjoyed by British and Colonial companies.

When the Government of India passed the Insurance Act 1938, it was suggested to incorporate certain provisions with a view to give tangible help and assistance to

Indian companies. But most of the suggestions of protection were considered either *ultra vires* under the Government of India Act 1935 or they would be inoperative as regards competition from British companies.

It is necessary to emphasise that the State must give direct as well as indirect assistance to its industries if it is proved that these industries are essential and can develop under suitable conditions. Once the stage of growth has passed, direct assistance may be withdrawn but even at this stage and after, indirect assistance cannot be absolutely ceased because State assistance is the very life-blood of modern industrial organisation.

The feeling for making insurance a national industry is very prominent everywhere. In Japan this feeling has itself manifested fully. In that country there are about 50 Japanese companies in the non-life insurance field. Besides these Japanese companies there are about 30 foreign companies licensed to operate throughout branches or agencies, but the volume of business transacted by those foreign companies is only about 5 per cent. of the Japanese non-life business. Thus this policy has already contributed to the development of productive enterprise in Japan. Japanese insurance companies perform the functions of supplying funds to business enterprises and their position in industrial finance has become co-relative with that of Banks playing an important part in contributing to the growth of nation building in the realm of industries of their country.

To achieve this, all industries, which are financed and managed by Indians should insure with Indian companies. Bombay mills, with few exceptions belong to Indians and are practically financed and controlled by our own people. The cotton trade is largely in our hands and most of other trades are controlled by us. All Associations representing the Commerce and Industry of this country should take a lead in this matter and it is certain that their action will not only have the desired effect but will also go a long way in the direction of encouraging Indian Insurance companies.

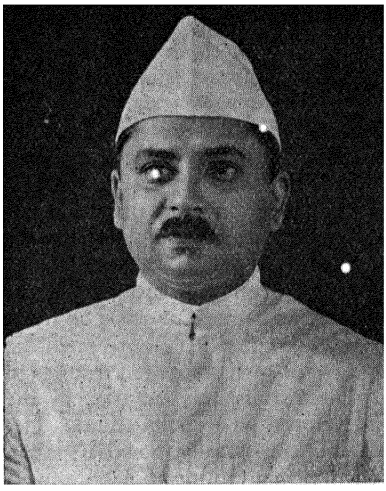
Industries which receive direct bounties or protection by Tariff duties, should as a matter of policy be made to place all their Insurance business with Indian companies. The mill industry of India is always claimed as a national and key industry in this country. Still there are a large number of mills which are not insured with indigenous companies. If the owners of mills claim their industry as a national industry and on the strength of this they have obtained protection from the tax-payers of India, the latter have a right to expect the millowners to support as equally important national activity, by placing their insurance with Indian companies. Besides the Textile industry, there are industries like iron and steel, match industry, paper industry, sugar industry which receive protection from Government and as such should be compelled to put their insurance with insurance companies of their own nationals. If only the Indian business section of the community will make it a point to support Indian insurance companies whenever they have insurance to be placed and thereby helping to conserve all the insurance premium in the country itself, there can be no doubt that within a few years the existing Indian insurance companies will not only become a greater power but they will become assets in the economic structure of the country.

May, 1940

Indian Sugar Industry

By LALCHAND HIRACHAND, Esq., B.A.

(Chairman, Rawalgaon Sugar Farm, Ltd.)



Lalchand Hirachand, Esq.

Passed B.A. in 1926 ; travelled for two years in Europe ; in 1936 attended the 5th Session of the International Sugar Technologists Conference held at Brisbane, Australia ; in 1937 elected Member of the Bombay Legislative Assembly from East Nasik ; in 1937, he was a Director of the Indian Sugar Syndicate ; since 1938 a Member of the Executive Committee of the India Sugar Mills' Association ; Chairman of the Ravalgaon Sugar Farm Ltd., Director, Marsland Price & Co. Ltd., and the Indian Hume Pipe Co., Ltd.

IT is now definitely established that the manufacture of sugar originated in India. The credit of evolving sugar-cane (Ikshu Danda) goes to that botanist Sage, Vishwamitra of Ramayan fame. Since then, this industry has passed through various phases. At one time, India was the chief producer of sugar and not only did she meet her own requirements to the fullest extent, but exported a very large quantity to foreign countries. Later, however, unfortunately due to various causes, the industry had to pass through a crisis and the production deteriorated considerably ; so much so, that instead of being an exporter, this country imported nearly 80 per cent. of its requirements from abroad. In 1931-32, the production of sugar from cane was hardly 160,000 tons as against a total consumption of 1,100,000 tons.

From 1931 onwards, the industry took a definite turn as a result of the protection which was given to it. The production began to increase rapidly and whilst in 1931 there were hardly 40 factories with much smaller units, in 1939 the number had gone up to 150 and each with a much large productive capacity, the production estimated being 1,300,000 tons in 1939-40. All imports had practically stopped except a few thousand tons of refined sugar for the satisfaction of foreigners and faddists. Even the sugar-cane crop had more than doubled itself in this period. India to-day has the largest acreage under sugar-cane.

Unlike other industries, the sugar industry is unique in character, it being essentially a rural industry. The factories have developed in agricultural areas where sugar-cane is cultivated on a large scale. It has helped to stop the flow of the population from villages to towns and cities. On the other hand, it has taken capital from cities to villages. It is estimated that nearly Rs. 40 crores are invested in this industry. The labour directly employed has approached the figure of 200,000, but more important than that is the fact that the industry has given considerable secondary employment to the agricultural population in various forms and particularly at such periods when the agriculturists are generally without any occupation Due to the considerable use of oilcakes for the manuring of the land under sugar-cane, this industry has given a fillip to the oil seed crushing industry. It has taken men like engineers, chemists and educated agriculturists from towns to the villages, and brought about a happy contact between the rural and the urban population. As a result of this development, those rural areas have been considerably benefited in many ways, such as, education, medical service, mechanical and technical knowledge, better housing, better living and a broader outlook.

In spite of the Tariff Board's recommendation in 1931 for the grant of protection for a period of 15 years, the Government have imposed increasing taxes on this industry.

In 1939-40, the Central authorities estimated an income of Rs. 5,40,00,000 in the form of Excise Duty, whilst additionally, the income-tax from the industry is expected to amount to a handsome figure of Rs. 50,00,000. Besides this, the Provincial Governments, expect an income of Rs. 75,00,000 in the form of cane cess, etc. There is hardly any other industry in this country which is subjected to such a heavy taxation.

A word here regarding the sugar industry in the Province of Bombay would not be out of place. The production of sugar in the Province, including the neighbouring States, is comparatively small amounting to about 7 per cent. of the total production. It is remarkable that this should be so small when the consumption is almost double. The Province falls within the tropical zone and is well suited for sugar-cane cultivation. The factories here are growing some of the best varieties of sugar-cane, *viz.*, P.O.J. 2878, E.K. 28, C.O. 419, etc., which are not only giving a very good tonnage per acre, but are also considered rich in sugar contents. Almost all the factories have their own plantations for the supply of cane, which results in an excellent quality being grown with a properly regulated supply. In consequence, they get a higher recovery of sugar by more than one per cent. as compared with that in other provinces. The cultivation of cane, however, also has its disadvantages. A plantation means so much more capital outlay and has its attendant agricultural risks of damage to crops by frost, diseases, pests, etc. It is, however, generally acknowledged that it is more scientific and more practical in the long run for the factory to have its own plantation if it has to meet outside competition successfully. And, for this reason, the factories in the Province of Bombay can be said to have started and developed on economic lines. The one limiting factor restricting the development of the industry locally, however, is the lack of an abundant supply of water without which the cane crop cannot be grown. The factories have, therefore, to arrange their capacity to such supply of water from the irrigation canals and naturally, they are restricted in the Deccan Canal Zone. Though the quality of cane grown in this area is much superior to that compared to the cane grown in North India, the cost is much more, owing to the high rate of water, high wages paid to labour and the heavy manuring that is required to be done to get a good crop. Adjusting these advantages and disadvantages, however, one can safely say that the factories in the Province of Bombay have established themselves on a more scientific and economic basis and are expected to stand competition in a much better way in the long run.

Owing to the failure of the crop due to floods, diseases and pests in North India, there was much less production of sugar and about three lakh tons had to be imported from Java during the year 1939. As a result prices soared up high. To make matters worse, war broke out in the beginning of September 1939 and everybody had become crazy for sugar. Every day and every hour, the price of Java sugar was being raised, while the North India sugar was scarcely available, as the factories and the sugar merchants were withholding stocks in the hope of making better profits in consequence of the war. This serious situation was partially relieved by the very commendable action of the Bombay factories in starting crushing operations as early as September in spite of lower recoveries of sugar. Moreover, taking a long view of things, they kept prices at a reasonable level, which was considerably lower than the Java parity or the North India Parity. They are now in a very prosperous condition and I hope they will continue to be so in view of their sound position.

Before I conclude, I would like to say one thing. The consumption of sugar in this country is very small. Taking sugar and gur together, the annual consumption *per capita* does not exceed 30 lbs., while, of that sugar alone is hardly 7 lbs. per head. In other countries like the U.S.A., England and Australia, the consumption of sugar exceeds 100 lbs. per head. With the improvement in the standard of living in this country, this rate is expected to go up, and the demand for sugar should, therefore, increase accordingly, giving thereby more scope for the expansion of the industry and leading the country to prosperity. Let our watchword be : "He is a patriot who eats more sugar."

Thoughts on The Film Industry.

By SIR RAHIMTOOLA CHINOY, Kt.
(Chairman, Motion Picture Society of India.)



Sir Rahimtoola Chinoy.

Sir Rahimtoola Meherally Chinoy, Kt. *cr.* 1936; Member, Council of State; President, Federation of Indian Chambers of Commerce and Industry for 1937-1938; Chairman of F. M. Chinoy & Co., Ltd., Bombay; *b.* Bombay, 11th February 1882. *Educ.*: Bharda New High School, Bombay. Served on several important Committees formed by Government War Purposes Board during European War, 1914-18; Member, Municipal Corporation, 1915-1929, Chairman of its Standing Finance Committee, 1923-24 and Mayor, 1926-27, Elected Member, Legislative Assembly, 1931, Non-official visitor to Prisons since 1922; Member, Advisory Board, Indian Jails Committee, since 1924; President, Indian Merchants' Chamber, 1936; Life Member, Indian Red Cross Society, 1921; Member of Committee, Bombay Branch, since 1921 and its President in 1931, Non-Official Adviser to the Government of India in connection with the Indo-Japanese Trade Negotiations; Member, Stock Exchange Enquiry Committee, 1936-37; Director of several Joint Stock Companies; connected with several benevolent and philanthropic institutions in the City. *Address*: Meher Buildings, Chowpatty, Bombay 7. *T. A.* Friendship, Bombay. *T.* (Residence) 41740, (Office) 27224.

THE film industry is perhaps the youngest of the major industries of the world. It owes its origin to the painstaking research carried on by a number of pioneers since the year 1825. Though it is consequently difficult to point out the name of every distinguished individual as the inventor of the cinema, the greatest amount of credit for the invention of the motion picture camera and projector must, on the authority of the Supreme Court of America, be ascribed to the genius of Friese Greene who patented the same in Great Britain on the 21st June 1889. Yet the credit for the first public show and for making the moving picture an accomplished fact capable of immeasurable commercial possibilities goes jointly to Friese Greene and Robert W. Paul, the latter of whom was the inventor of a projector called the Animatograph which was then far superior to Friese Greene's projector and held the field until Edison's Kinetoscope was perfected and patented in America about the year 1893. Commencing as a novelty, inasmuch as pictures moved for the first time, the movie began soon to entertain. The films used did not perhaps exceed 100 feet in length while the subjects thereof were no more dignified than feats of which rapid action was the predominant feature and indeed '*The Great Train Robbery*' was the title of the first film that was in modern parlance, a record breaker of those days.

As time went on and the commercial feature of the movie came to be established beyond doubt as a result of the efforts of such pioneers as Lumiere and others too numerous to mention, better themes with a coherent story and better technique all round caused the cinema to progress beyond comprehension. This progress was due entirely to the industrial foresight of America. Though this development was aided by the pre-occupation of Europe in fighting the World War of 1914-18, there is no doubt that, even after the War, Europe would never have given a fillip to the industry which the Americans did, for skilled technicians and inventors of Europe found the European financiers so apathetic that they had to migrate to America to commercialize their genius and even become naturalized Americans in due course. Thus, though invented and commercialized in Europe, the film has been placed on the pedestal of an industry by Americans alone and consequently it is natural that they used for a number of years to dominate world film markets and would have continued to do so even today had not the talkie been ushered in by Warner Bros. in 1927 literally as a bolt from the blue, though the bolt took till 1930 to reach all the film producing countries of the world. It needs to be emphasised, therefore, that it is the talkie and talkie alone that gave to the production of and trade in films in countries like India the status of a small industry, capable of growing into a major industry for, had the silent film, which

was universally understood, still persisted, American motion pictures, with their grandeur, glamour and finesse, would have still ruled the markets of the world.

An important cause of the development of American films into an industry was the preparedness of American financiers to finance film production which in India is yet considered a risky gamble. Surplus money that begged to be invested was not so much the cause of this preparedness as the conviction that an industry which in 1922 paid *huge sums through the Amusement and other theatrical taxes*, was an industry which was as gilt edged as the cotton, oil or motor car industries and must needs be helped forward. Since then the American financiers have continued to show such confidence in the industry that out of a total of $ 3,000,000,000 invested in the film industry all the world over, in the American film industry alone as much as $ 2,050,000,000 has been invested, of which $ 117,000,000 is allocated to film production, $ 20,000,000 to film distribution and $ 1,903,000,000 to film exhibition. Again because of easy finance, of the 69,153 cinema theatres of the world, as many as 19,032, of which number 17,003 are wired for talkies, are in America alone. Then the American film has such a tremendous hold on the American public that whereas in 1922, 40 million persons visited the cinema every week, in 1939 the figure rose to 85 millions, which is the result of the continued progress of the American film which today is practically par perfection in technical, production and entertainment values.

But, the film does not merely entertain. Its efficacy as a medium of propaganda was proved beyond doubt during the World War of 1914-18 and thereafter practically every country of the West utilized it, particularly in its substandard variety which considerably reduced costs of production and exhibition and rendered it easy for transport to even the remotest part of the country, for propaganda be it political, industrial or commercial. The film failed not also as a medium of education, though in this medium its best and most rational use has been found in America, France, Sweden and Great Britain. In Germany, Russia, Italy and to a certain extent in Japan, it has been used intensively for educational purposes, but in these countries education itself being a means of instilling political propaganda in the minds of the young, it cannot be said with pride that the scholastic use of the film in these countries was purely for the imparting of education.

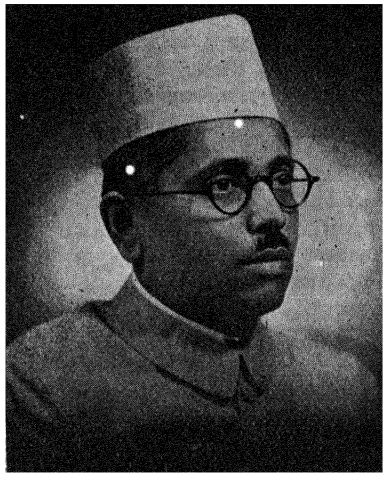
As against this, how far has the film industry developed in India? Founded in 1913 as the effort of an individual, its expanse after an existence of nearly 27 years is no more than the grant investment of a sum not exceeding Rs. 7,37,00,000 in all the three branches, providing employment for no more than 15,000 persons in all the aforesaid branches and with only 13,76,05,000 persons as the annual audience. Whereas in 1924 the number of pictures produced in India was 59 (silent films), in 1939 it was 150 talkies. But, it may be remembered that had the talkie not arrived in India in 1930, the number of Indian films produced would not even have doubled itself because of the super-excellence of American films. In 1939, 178 American talkies were exhibited in India with an additional 39 that hailed from Great Britain and a negligible number from Europe, all supported by short films roughly three times the number quoted above. The exhibition of all these films keeps 1,265 permanent and 500 travelling theatres busy throughout the year, though of this number roughly no more than 265 permanent theatres show foreign films while the remaining show Indian films exclusively. Thus in India today it is not the American but the Indian film that predominates. Through the aforesaid theatres roughly Rs. 3 crores are collected per year, but unaided as the industry is by easy finance, the annual drain of something over a crore of rupees in taxation by Government and Local Authorities has only served to check the progress of the industry to its logical conclusion which should be the provision of about 5,423 theatres, of which about 2,423 shall be permanent, and 400 films produced indigenously per year. This millenium can be reached, firstly if, in accordance with western methods, Banks and Insurance Companies finance film production, construction and equipment of cinema theatres and secondly if the incidence of taxation, which today works out at the staggering percentage of 33-1/3 of the gross collections, is reduced to 15 per cent. only, for the industry as a whole is running at a loss which it cannot continue to suffer so long. Every industry or trade has to make a minimum profit for its existence and it can only be assured to the film industry in the two ways herein pointed out.

July, 1940.

Constructional Engineering in India.

By RATANCHAND HIRACHAND, Esq., M.A.

(Chairman, Indian Hume Pipe Co., Ltd.)



Ratanchand Hirachand, Esq.

Mr. Ratanchand is the son of Seth Hirachand Nemchand of Sholapur. After Matriculation he joined Arts College in Poona and passed B.A. from the Deccan College in 1927. He joined business after graduation and studied privately and passed M.A. in 1930.

He has been Director in charge of the Indian Hume Pipe Co., Ltd., Bombay, for a number of years. He is also a Director in the Premier Construction Co., Ltd., Bombay.

THE progress of Constructional Engineering has been very remarkable in India from times immemorial. Ornamental construction of Temples and Palaces, building of Irrigation Dams and roads and the erection of public buildings were undertaken by the Rulers of various Kingdoms of this country before the British Rule. The problem of defence on the Frontiers was also satisfactorily tackled by them. From the nature of various architectures of old and ancient structures it can be seen that the Constructional Engineering was then in the advanced stage and the men who had taken part in the actual construction must have possessed the knowledge of Engineering beyond our expectation.

Since the advent of British Rule in this country the science of construction has made very rapid progress as in case of other countries and the subsequent scientific inventions in transport greatly assisted the speed of progress up to the present stage.

The introduction of Railway construction in this country during the latter part of the last century forms an entirely new feature in this line. Most of the important items of such construction required for the building of railways was undertaken on the basis of departmental working and the part played by the contractors in those days was comparatively very small. The requirement of a large number of road and river bridges was to a great extent responsible for the development of the system of constructional contractors, who could control the supply of labour and material and organise the whole work under the direction of the railway administrations. The various railway works which involve a variety of work could provide ample field for the local contractors.

Hydro-Electric works with their new features and technicalities gave a good scope for the development of this branch of Engineering in the country. Also, the vast construction of ship yards at important harbours on the Indian coast, after the establishment of the British Rule, promoted the welfare of engineers and contractors to a great extent.

The firms of Constructional Contractors such as The Premier Construction Co., Ltd., Bombay, MacKenzies Ltd., and Gammons Ltd., who command an extensive organisation to undertake works of a large magnitude, were hardly in existence in a large number before the beginning of this century. The contracts were formerly entrusted to private enterprising persons and such contracts entrusted were comparatively small in their scope. The technical matters in such cases were being handled

by the departments concerned and special jobs requiring highly skilled knowledge and accuracy from the engineering point of view were executed under the experts' control. It is no wonder, therefore, that one large engineering work had to be divided into several sections to enable the individual contractor to execute the same, according to his ability.

In the field of Constructional Engineering, as in the case of many other fields in this country, the part played by the Indian firms was comparatively small. A few decent European firms in former days were seen busy in the line and fairly large works in Railways, Irrigation Departments and Port Trusts were entrusted to them. In the course of time, many Indian private enterprises in the line of contractors could be seen in the field as a result of modern education. The formation of Public companies with limited liability was a great necessity in view of the large capital required for the execution of big contracts and the heavy risk of loss involved while executing the work. This is all the more so when huge constructions of urgent railway embankments, large bridges and works of a varied nature were being taken up on an increasing scale by the Government and Railway Departments in India.

At the present time, rapid progress has been made by Indians in the sphere of constructional engineering. Equipped with technical knowledge made available in India and abroad, our engineers are now in a position to take up important posts in large construction works. Prominent engineers such as Sir M. Visveswariah, Nawab Ali Nawaz Jung Bahadur have attained world-wide fame and to their credit goes the establishment of some of the largest engineering construction work in India. The well-known Nizam Sagar Dam in Hyderabad State and the work of the Krishnaraja Sagar Dam in Mysore State deserve special mention, while in the construction of Lloyds Barrage in Sind quite a number of Indian engineers have rendered their useful services.

The engineering experience obtained by private contractors and engineering firms is of great importance and extremely valuable for the development of constructional engineering in this country. In this respect the name of The Premier Construction Co., Ltd., deserves special attention. This company, originally established as the Tata Construction Co., Ltd., in the year 1920, has been from the beginning of its career under Indian management. They have constructed huge works in almost all the spheres of constructional engineers in every Government department and in every part of the country. The famous Military works for buildings executed by this firm recently at Quetta exceed Rs. one crore in value. This was possible on account of the large engineering staff with varied experience aided by sound financial resources. The construction of bridges for the Railways was achieved by this firm to the satisfaction of the Railway administration. The first railway bridge which required an amount of pneumatic well sinking was entrusted to this organisation by the North Western Railway on the River Indus near Kalabagh. This undertaking was successfully completed by The All India Construction Co., Ltd., a subsidiary of the Tata Construction Co., Ltd. Under the name of the Tata Construction Co., Ltd., very creditable works were executed, namely the Tansa Pipe Line work worth about Rs. one crore and the Bhore Ghat realignment scheme worth about Rs. 40,00,000 at Khandala. In addition to this many important buildings for the Mills, Banks, Offices and for Public Works Department have been constructed by this company. At present large contracts are in hand with another subsidiary company known as The Hindustan Construction Co., Ltd., in Ceylon worth about Rs. 1½ crores. The original name of The Tata Construction Co., Ltd., was changed to that of the Premier Construction Co., Ltd., in the year 1935.

Indian firms contractors are not found slow in the march of progress in the sphere of constructional engineering. In the type of reinforced concrete works, great projects

are executed throughout India by the firms such as MacKenzies Ltd., of whom mention ought to be made for having specialised in the making of furniture and asphalt and concrete roads throughout India. In this respect, also, the Premier Construction Co., Ltd., have achieved a remarkable success by completing large R.C.C. works throughout India.

R. C.C. Syphon Spill Way construction at Indore by the Hindustan Construction Co., Ltd., another subsidiary of the Premier Construction Co., Ltd., is the only work of its kind in India designed and executed for the Water Supply Scheme for Holkar State.

In the field of sanitary works the Premier Construction Co., Ltd., have to their credit a separate large organisation under the name of the Indian Hume Pipe Co., Ltd., as a subsidiary company, which manufactures and supplies spun concrete Hume Pipes and Hume Steel Pipes which are extensively used in the Water Supply and Drainage projects throughout India. This subsidiary firm is largely financed by the Premier Construction Co., Ltd., and has a network of about 32 factories established in all the important industrial centres of India and at Rangoon and Colombo.

India, a vast Continent with her millions of men and women, presents a large unique field for infinite development of engineering construction. This country is full of mineral wealth and other natural resources. India is looking forward to the development of large enterprises to ensure greater and greater prosperity and to solve the acute economic problems. It is no wonder, therefore, that the part to be played in future in the sphere of constructional engineering by Indian enterprise is a formidable one and the scope in view is full of great possibilities.

May 1940.

Small Industries.

By MADHAVLAL MAKANJI BHATT, Esq.

(Chairman, Association of Indian Industries, Bombay.)



Madhavlal M. Bhatt, Esq.

Mr. Madhavlal Makanji Bhatt, Managing Director, Madhavlal & Co., Ltd., Coal Merchants, Commission Agents and Railway Contractors. *b.* in 1886 ; Passed matriculation at the age of 17 ; joined service. After three years started independent business as a coal merchant. Was made Justice of the Peace, and Honorary Presidency Magistrate in 1926. Doing social work and connected with educational and co-operative activities. Was Chairman of the Fort and Divisional Co-operative Institutes for about 12 years. One of the Founders of the Bombay Co-operative Insurance Society. Has made charities to the extent of about a lac of Rupees by way of scholarships, maternity help, medical help, famine help and to Hostel for students. Founder of the Khar Gymkhana and the Khar Education Society. Has made a donation for a public Park in Khar. Has travelled widely and specially studied questions regarding coal in foreign countries like Germany, England and America. Has been a member of the Committee of the Indian Merchants' Chamber for several years. Visited Berlin in 1937 and attended the International Chamber of Commerce Congress held there as a delegate of the Indian Merchants' Chamber. Elected President of the Indian Industries Association in 1939. *Address :* Alice Building, Hornby Road, Bombay ; and Linking Road, Khar, Bombay.

INDIA is pre-eminently an agricultural country and nearly 75 per cent. of the population remains idle for about six months during the year. Time was when she combined agriculture with industries, and not only she was self-sufficient but also exported many of her products outside to neighbouring and distant countries. Industries in those days, however, were not moved by power but by hand. The age of machinery has changed the face of the earth and has also changed the face of India. All the old industries, for which India was famous, could be classed as cottage industries, as, in the first place, they were not moved by power, and, in the second place, their object was not mass production. The production *en masse* is a peculiar characteristic of the machine age, when articles are manufactured not only to satisfy the genuine and *bona fide* needs of the country, but also to export them to foreign countries with a view to making large profits.

We can classify the industries in this country as large scale industries, small scale industries and cottage industries, the two former being moved by power and the third by hand. The cottage industries were driven out on account of their competition with machinery, and it was not till recently on account both of the Swadeshi movement and the gospel of Mahatmaji that cottage industries have received a new impetus, and it now appears likely that they will also have an abiding place. With regard to the other two, the large scale industries can be classified as cotton textile, jute textile, coal, iron and steel and sugar. Excepting these industries, the other industries which are moved by power can be classed as small scale industries. Even among these small scale industries, there are some industries such as soap, which, to be properly conducted require large capital. There are such factories in the country with a fairly good capital and a fairly heavy production ; but otherwise soap is manufactured by machinery in many small factories. During the time of the last War, it was computed that there were more than 150 small factories in Bombay turning out washing soaps, and some of them also turning out toilet soaps. Even now, scattered throughout the length and

breath of the country there are several small soap factories turning out specially washing soaps, for which there is a very large market in the country. Indian people are known for their regular bathing habits and generally, even the poorest wash their clothes regularly which is specially called for by the climate. Toilet soaps may not still have found much popularity, but washing soaps have decidedly got a big market. With soaps, there are toilet requisites also ; to supply these, several factories have been started which produce hair oils, lotions, ointments, pastes for applying to the forehead and scents, etc. The growth and development of the toilet industry has not, however, affected foreign imports as may be seen from the fact that while from 1921-22 to 1925-26 imports were as follows, they have gone up from 1932-33 to 1936-37 :

Year	Amount Rs.	Year	Amount Rs.
1921-22	24,38,751	1932-33	58,13,685
1922-23	41,70,202	1933-34	56,61,474
1923-24	48,94,289	1934-35	64,04,314
1924-25	45,11,419	1935-36	66,06,351
1925-26	49,56,366	1936-37	67,24,897

The next industry in importance may be said to be the tobacco industry. This also is both a large scale and a small scale one. Several non-Indian companies have put up very large plants in this country with a production much higher than all the other small factories combined. The small factories are just able to keep themselves alive, though the competition they have to face from the big factories is one of the hardest. Bidi making belongs to the cottage industry class, though there is no reason why in the near future machinery and power should not be employed for the manufacture of even *bidis*. This will lead to standardisation of the products, which is essential for the success of the industry.

The glass industry should have been classed as a large scale industry, but unfortunately, there have been numerous failures in this respect, mainly because of the lack of protection from Government. As a small scale industry, it is being conducted in several places, but the competition, especially from Japan and some European countries, is very severe. The bangle-making industry has made good headway as a small industry.

Stationery is also now being produced by small factories, and so this can be properly called a small scale industry, as there are no big factories such as in Europe to satisfy the requirements of the country. With the expansion of education, there will naturally be a great demand for stationery of all sorts, including ink, and it is a matter of the deepest regret that we are not able to satisfy our home requirements. The small factories started at different places try to produce nibs, pencils, pen-holders, and other stationery requisites. There are some big paper factories and the art of making hand-made paper in villages is being revived. I am quite sure, that if power is utilised with regard to the manufacture of the varieties of hand-made paper in the villages, it can be developed as a successful small scale industry.

The leather industry has been a successful small industry for a long time. In this connection it is gratifying to note that the Congress Government started a Government Tanning School at Bandra (Bombay), where training is given for the manufacture of several kinds of leather articles such as bags, boots and shoes, etc. I feel that if such industries are started on a co-operative basis by such trained boys, they can be run with great success. There are now some big factories put up, notably what is know as the Bata Factory in Calcutta, but these large plants, while being a menace to the small factories and to cottage industries, have not yet been able to oust the latter. There are thousands of shoemakers in the country, plying their useful trade, and several of them have now taken to use power also for their manufacture. They are able to export their products to South Africa and other countries, where there is a good demand for Indian products.

India is, unfortunately, lacking in the pharmaceutical industry, and we have hardly half a dozen good pharmaceutical factories. We import medicines and pharmaceutical requirements to the tune of Rs. 225 lakhs on an average per year ; and it is a crying

shame that even for such necessary articles we do not have sufficient factories. There are now, however, small factories started at several places which try to make up the lacuna. Care, however, should be taken that at all these factories a standard of purity and perfection is kept up as these pharmaceutical products, if badly made, would adversely affect the health of the people. The recent Bill to regulate the import• manufacture, distribution and sale of drugs, passed by the Central Legislature will; let us hope, go a long way in maintaining a high standard.

The gold and silver thread industry is doing very well in places like Benares, Surat, etc. This industry is a typical specimen of what can be achieved by a wise and rational co-operation between Government and the industry. Government helped in imposing a protective duty, while the manufacturers co-operated by sending out experts for training in Europe and conducting their factories honestly and conscientiously.

The sports goods industry has also made good progress, and Indian sports goods are now known in several countries in Europe, Egypt, Africa and even Australia. The sports goods manufacturers in the Punjab are known for their enterprise and their salesmen are moving practically all over the world to push their wares. There are also many small industries which can be organized and developed in this country. Among these which have been taken up and developed already, I may mention, over and above those to which I have already referred, furniture-making, toy making, bakelite articles, chlorine, lock making, manufacture of fire works, disinfectants, carpet and sari weaving, steel trunk making, hosiery, button making, cutlery, pottery, biscuit manufacture, etc. Our small scale manufacturers can also take up with profit, both to themselves and the country at large, the production of scientific instruments, enamelling, lace making, preservation of fruits and preparing of fruit juices. With regard to the last two items, we have to note with regret that oilmanstores are coming here to the extent of Rs. 275 lakhs a year from other countries, specially, I think, America. Is it not regrettable that, while we can get here the best of vegetables like tomatoes and other green products and we also produce fruits of every good varieties, we should be importing tins containing tomato soups and juices and orange juices, etc. not to mention many chutneys and sauces, which can well be manufactured in this country. In fact, several European families, as also a large number of Indian families who have taken to Western ways and methods of living, depend practically for all their daily household requirements upon these imported tinned foods. The best thing they can do is to turn their attention from these imported tinned foods to fresh Indian products, and the next best thing is for our manufacturers to supply them with Indian tinned foods, so that there may not be further imports of these from foreign countries.

Some 40 years back there were several small industries in this country which had thrived, but due to several reasons among which may be mentioned, foreign competition, lack of protection and want of adequate capital, they became non-existent. But, with the national awakening since the year 1910 or so, attempts are consistently being made, although on a small scale, to revive some of these small industries on an economic basis, but so far the results are rather disappointing. The attention of several businessmen was diverted to this neglected vital problem and with a view to bring together manufacturers and representatives of small industries and thus form a common organisation for the promotion and protection of all industries, an Association called the Association of Indian Industries was formed in Bombay in the year 1936.

The Association of Indian Industries, Bombay, since its inception, has been doing its best to promote and safeguard the interests of small industries. The Committee of the Association felt the necessity of collecting statistical data on various points in regard to small and cottage industries, as hitherto no such efforts were being made, and they hope to complete their efforts in this direction as early as possible. This information will undoubtedly prove very useful, both to manufacturers and dealers and their co-operation in this task is very earnestly solicited in the best interests of themselves.

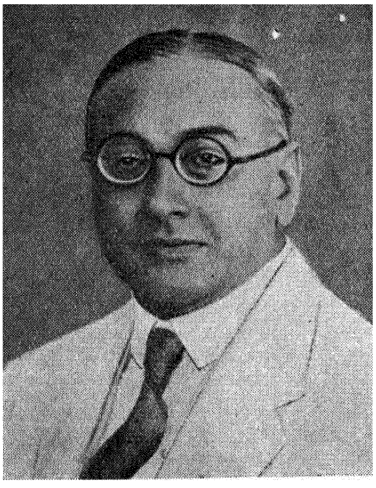
The Government of Bombay in the year 1938 appointed an Economic and Industrial Survey Committee to examine the present position of small industries with a view to survey the work done by the Government of Bombay in the realm of economic development and to report suitable measures which the Government can undertake to promote economic developments. It is also gratifying to note that the Government of Bombay have decided to establish a depot for the sale of products of handlooms, cottage and small scale industries as an experimental measure for three years.

It is appreciable to note that the Government have started doing their bit towards the promotion of small scale industries but it is essential at the same time to extend protection to such industries not with a view to derive revenue but with a view to see that the proceeds realised are utilised in supporting technical institutions.

May 1940.

India and the War

By MANU SUBEDAR, ESQ., M.L.A. (Central), B.A., B.Sc. (Econ.), (London), Barrister-at-Law.



Manu Subedar, Esq.

Mr. Manu Subedar is a Fellow of the Elphinstone College, B.Sc. (Econ.), (London), First Class honours in Public Finance, Banking and Currency, Barrister-at-Law, Gray's Inn, 1912; Managing Director, Acme-Bala Trading Co., Ltd. *Educ.*: New High School, Bombay, First in Matric from the School. Elphinstone College, Bombay; James Taylor Scholar & Prizeman, London School of Economics, London University, South Kensington; Gray's Inn. Returned to India in 1914. Lecturer in Economics, Bombay University. Professor of Economics, Calcutta University. Examiner for M.A., Bombay and Calcutta. Secretary, Sholapur Spinning and Weaving Mills Co., Ltd. (1917); Secretary, Morarji Goculdas Spinning & Weaving Mills Co., Ltd.; Managing Director, Western India Small Industries Corporation Ltd. (1919); Partner, Lalji Naranji & Co., Managing Agents of Jupiter General Insurance Co., Ltd.; Representative of the Indian Merchants' Chamber on the Bombay Port Trust; sent to England by the Government of India to give evidence on behalf of the Indian Commercial Community before the Babington-Smith Committee; Managing Agent of the Pioneer Rubber Co. (1920); Director of the Peninsular Locomotive Co., Ltd. (1924); Managing Director, Acme-Bala Trading Co., Ltd. (1925); Representative of the Indian Merchants' Chamber on the Advisory Board of the Development Department. Wrote separate dissenting report on Back Bay Reclamation Scheme and also on Housing Scheme. Representative of the Indian Merchants' Chamber on the Bombay Improvement Trust Committee; appointed member of the Indian Central Banking Enquiry Committee. Official adviser in various matters of technical finance to the States of Mysore, Junagadh, Jodhpur, and Cutch. Nominated by Government of Bombay to the Municipal Corporation (1930). Wrote separate Minority Report on the Indian Central Banking Enquiry Committee, 1931; Vice-President, Indian Merchants' Chamber, 1932.

THE very idea, that war would enable large profits to be made, has killed those profits by the fact that, in nearly every market, large stocks of imported material have been carried, and the attempt to raise prices of those materials has not succeeded, partly through the falling off of the demand and partly through internal competition. The speculative search for profit failed during the Manchurian campaign of Japan and, later, during the Abyssinian campaign of Italy. Munich was a blow to these people, as a war that was expected, did not materialise. Yet when the war broke out, India was well stocked with imported materials at the hands of those, who were on the look-out for speculative profits.

There was a spectacular rise of prices, the leaders of the movements being jute, silver, steel, chemicals and drugs. There was sporadic hoarding at the hands of retail buyers. Cloth and cotton speculation was indulged in by all and sundry, even little shopkeepers holding one bale! All this received a check. The retail buyer withdrew his custom for the time being, and the turnover was small. Dealers and others did not find their holding power adequate to sustain the rise which had taken place.

In rubber and tea, the system of export quota and control respectively was adopted. In other articles, Government soon introduced checks in the form of export restrictions

making it compulsory for exporters to take permits. Permits were not granted except to those who demonstrated that they had sent out that commodity to that country and port in quantities during that particular month over an average of the last three years. There was much initial delay and distress to exporters through this system. It was obvious that Government were anxious to keep down exports, partly to conserve the resources in India and partly to prevent percolation to enemy countries. The effect was a fall of prices, which gave a windfall and a considerable indirect advantage to the Supply Department and other agencies, who were purchasing not merely for the United Kingdom, but for the Allies as well. It is true that India has sold considerable quantities of commodities and has a favourable balance, but it is also true that the hope of India selling large quantities at high prices, which would have prevailed but for these measures, and making crores of rupees, which would go to rehabilitate her economic life, has been definitely blasted.

In the beginning of the war many passenger boats on the coast were requisitioned, and sea freights rose rapidly. So did insurance rates. There was a surcharge levied on rail freights, which also went to increase prices. The prices of imported articles on the replacement basis were very high. Provincial Governments attempted measures at price control in response to popular outcry, which were a failure, and generally the community has to pay more for almost every article which is consumed now. The working classes suffer everywhere and, in some cases, where they have a Union machinery, they have succeeded in getting an advance, but, taking employees as a class, they are not better off. A close examination will prove the refutation of the official propaganda, that India is gaining much prosperity through the war.

This official propaganda was the peg, on which the imposition of the excess profits tax was based. Other measures adopted in all provinces and at the Centre show that, right from the beginning of the war, India has to bear a heavier taxation. There are veiled threats that such taxation might increase.

Much is heard about the stimulating effect of war on Indian industries. In the case of steel and cloth, which were imported before, but the import of which has now become difficult or dearer, the stimulus to established industry is real. But the progress of industry is definitely checked, because of the difficulty of getting machinery and equipment from abroad, and of the heavier cost when such importation is at all possible. Much secondary industry will arise in India, however, on the repair side as well as on the side of substitution, a few commodities being manufactured from available Indian resources. Such industry also grew during the last war, but much of it had a short life. Subsequently, there was much unemployment in U. K., and all measures were taken to stimulate the purchase by India, which is regarded as England's principal market. It is obvious that India had not, during the last war, the power to retain much of the industrial advance made under these circumstances. It is true that heavy taxation in England has induced many companies to establish branches in India under Indian registration, and that several industries have grown up in India over the last twenty years. But the war stimulus has only touched those industries, particularly the engineering group, whose products are required for war purposes to supplement the production of munitions generally carried out in Government workshops. The stimulus from increased demand from the interior, through larger prices reaching the farmer, will in due course be felt, if the war is prolonged.

The value of stocks and shares in India showed an immediate rise, and the frequent peace rumours from one quarter or the other caused a set back to these prices, indicating the instinct of fear of the market, that peace would destroy the adventitious gains, which several industries were likely to secure during the war. The market was also following telegrams from London and New York, where, for different reasons,

prices were soaring. The scale of Government expenditure in the United Kingdom and the purchases of all kinds of commodities were so great, that the stimulus in the United Kingdom was much more real. As speculation in commodities, including manufactured commodities like cloth and steel, abates in India, the tendency of the prices of industrial and other shares would be not to rise any further, but to decline slightly.

With the beginning of the war, there was a lot of hoarding of coined rupees and of the precious metals. Such hoarding was met by the ample resources in the hands of the Reserve Bank, but additional note issue was made, as required, showing an increase of Rs.57 crores in the holding of sterling securities in the reserve. This means in effect, that India has lent out to the United Kingdom Rs. 57 crores, and would go on lending more, as the volume of note issue increases. The other device to borrow from India is the scheme for the repatriation of sterling securities. Government have created four new classes of rupee securities corresponding to the maturities of these sterling securities, and the Reserve Bank has offered to sell these to public, apart from the privilege of transfer to the rupee register for existing holders. What quantities have been dealt with in this manner, has not been disclosed yet, but it is obvious that, before long, India would repurchase approximately £300 million sterling worth of securities from the United Kingdom. This movement would strengthen the hands of Government in maintaining the exchange at 1*s.* 6*d.*, in addition to the other measures to keep down the volume of the balance of trade in favour of India. There are many commodities, which cannot be purchased, and imports generally have fallen. Silver speculation has been definitely checked by fixing the upper and lower limits, a measure, which elicited opposition from the section which was seeking speculative profits. The general arrangement appears to be that India should receive, for her favourable balance of trade, neither gold nor silver, but sterling debt owing by India to the people of the United Kingdom. The query all round amongst commercial circles, as to whether there will be any change in the Indian exchange, may be replied to by saying that no such change will occur through the inability of the Reserve Bank to maintain the official rate.

Exchange restrictions have been also put, every exporter being called upon to explain the manner in which he will receive payment for his exports. The dealings with enemy countries are automatically dead, but the dealings with neutrals have been also restricted, explicitly so far as the exports are concerned. The settlement of India's dealings with the world is made through sterling, and the British Exchange Control gets the advantage of an enormous amount of favourable balance in India's dealings with other countries, such as U.S.A. The East India Cotton Association rightly protested against Indian trade with America being compelled to receive and make payment at an artificially appreciated rate of $4·02, when the cross-rate for the pound with the dollar in the free market is $3·32. Apart from the deflationary effect of such a measure, it has the effect of compelling India's currency authorities to accept sterling, or sterling securities, (the further fall in whose value is inevitable) and to look to nothing else as a reserve for emergencies. It has also the effect of preventing the import of precious metals by India, which, under war conditions, is inevitable. The export value of India's gold is kept artificially low, whereas, but for Government's measures conceived from London, gold prices in India would be on the basis of import parity today. How long and in what manner Government will keep up these restrictions, remains to be seen.

A similar artificiality exists with regard to the prevailing money rates in India, the bank rate being no reflex whatsoever of the millions of money transactions, which take place between various individuals in the country. Cheap money and deflation cannot be companions for long, even if they are arbitrarily brought together. The fear

of inflation, which is real in the United Kingdom, has, unfortunately, overcome the authorities at Simla. India needs a certain amount of inflation to correct the evil effects of deflationary policies in the past, and it is a great pity that even the occasion of war of this magnitude should deprive India of the stimulus, which she has long needed and which, in view of the assistance which the United Kingdom receives from India directly and indirectly, she richly deserves.

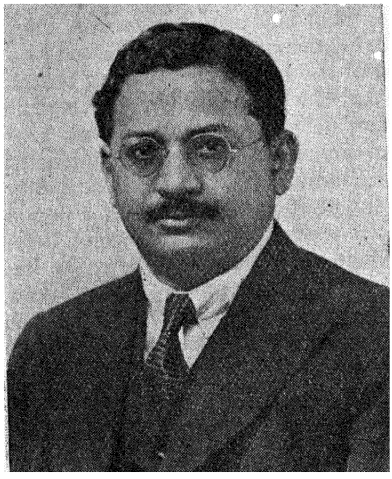
Businessmen are not normally concerned with political issues, but the process of sending India to war has been questioned. Whereas the Dominions were consulted, war was forced on India by her English rulers without any consultation with Party leaders in the legislature. The war effort of India is, therefore, incomplete and one-sided, the spontaneity and the fullest co-operation of the Indian people being absent. The stupidity of British rulers in India (the counterpart of which in the United Kingdom itself has been disclosed by the recent Parliamentary debate) is so colossal that, after the experience of the last war and since 1933, when any observer could have predicted a new war, they have not taken care to organize the enormous resources of this country in men and material for defence purposes. The fullest effort by India over a period of five years would have secured not only all that is needed for the defence of India and the East, but much surplus for the United Kingdom. It is not Hitler, who has missed the bus, but His Majesty's Government and their agents in India. This reflection is forced on one, who notices now the eleventh-hour efforts of Government and their several departments to take from India indirectly, without acknowledgment, much which would have been given willingly and in ten times bigger quantities. Considering that the war can easily last another five years, the supine stupidity of British statesmen, who are determining India's relations with England, seems to be very bad business. Indians have developed, in spite of local controversies, sufficient national consciousness to think of India separately and to watch India's interests, and to resent what is taken without legislative and popular sanction.

May 1940.

The Investor.

By PROFESSOR C. N. VAKIL, M.A. (Bom.), M.Sc. (London), F.S.S.

(University Professor of Economics and Administrative Head of the School of Economics and Sociology, Bombay.)



Prof. C. N. Vakil.

Professor C. N. Vakil is the University Professor of Economics and Administrative Head of the University School of Economics and Sociology, Bombay. Prof. Vakil who is well-known as one of the leading Economists in the country, has done considerable work in creating a research atmosphere and tradition in the Post-graduate School of Economics with which he has been connected now for nearly twenty years. He is the Editor of the series of 13 volumes called "Studies in Indian Economics" which embody the results of the research done by him or by some of his best students.

Prof. Vakil was President of the Indian Economic Conference held at Patna in 1934. He was a member of the Economic and Industrial Survey Committee of the Government of Bombay and is associated with the work of the National Planning Committee being a member of three of its sub-committees. Prof. Vakil gave evidence before several Committees and Commissions. He led public opinion in the country on the Ottawa Trade Agreement in 1931. He is a member of the Imperial Council of Agricultural Research representing the Indian Universities.

Prof. Vakil is the Honorary General Secretary of the Gujarat Research Society which has been doing useful work for the cultural development of Gujarati-speaking areas, including Kathiawad and Cutch. The Society publishes a quarterly journal edited by him.

In modern times the man who saves has facilities for investing his savings in productive undertakings. He helps the industrial activity of the country by such investment and at the same time realises a reasonable return or interest on his investment. With the growth of modern large scale industries and the corresponding growth of the money market in the country, these facilities have grown. But with such growth have naturally arisen the problems of investment and the need for understanding the same. Unless the investor is able to understand and appreciate these problems, he will not be in a position to make his investment properly.

It is not possible to review in a brief article the many complex problems which the investor may be faced with. We shall however indicate broadly some of the general considerations, and show that a fuller and continuous study of the same requires a more systematic effort and arrangements than are to be now found in the country, even in cities like Bombay.

The prices of different kinds of securities either industrial or government which are quoted on the Stock Exchange show two kinds of movement—(1) the day to day movement and (2) the long-range movement. The long-range movement depends on the demand for money and the supply of money. The demand for money depends on the productive activities in the country, which in turn depend on the demand for the goods produced. The demand for money also depends on the financial position of the Government, particularly the loans which the Government raises during any given period. The supply of money is determined by the savings of the people which seek investment. The repayment of loans by the Government causes an increase in the supply seeking investment. There are other factors affecting the demand for and supply of money, either external or internal, but we need not go into these details at the moment.

We have indicated the factors which determine the long-range movement in the money market. The day to day movement depends on the same factors, which are often superimposed by other passing factors, such as, political factors, war, speculative transactions, sudden changes in imports or exports, or sudden movement of capital and so on.

It is obvious from the above, that the more fundamental factors require careful study of complex phenomena. The temporary factors require timely information and a quick perception of their effects on the money market. For example, the position of different industries in the country cannot be understood except under a world background of similar competitive industries in other countries. The raw materials for the industry, the technique of production, the problem of labour, the organisation of marketing and the allied problem of transport are among the important problems which have to be understood to appreciate the position of an industry. So far as the competition of foreign industries is concerned, the policy of the State, protective or otherwise, has also to be borne in mind.

In the same way, the finances of any Government are a complex affair liable to several changing factors reflecting the entire economic life of the country. The financial policy of the State depends partly on the political constitution of the country and partly on the requirements of the people. The loan programmes of the Government may be either for productive works such as extension of railways and irrigation ; or for development schemes such as sanitation and education in rural areas ; or for unproductive purposes such as war or provision for defence.

Just as these factors determining the demand for money require a highly specialised study, similarly the factors determining the supply of money also require such study. The savings of a people depend on their income and expenditure, or in other words, on their productive capacity and standard of living. The savings that seek modern investment are determined by the habits of the people and their understanding and confidence in modern methods of investment.

Timely information regarding the temporary factors and their effects on the money market requires a systematic machinery for the supply of the same to the investing public. The necessary judgment of the effects of such factors on the money market requires skilled knowledge and close familiarity of the working of the money market, so much so that the expert financier is able almost instinctively to determine the nature and scope of the effects of a given passing event.

These observations are made in support of the statement made above that the factors affecting the money market require a careful study, timely information and a quick perception. It is obvious that those who combine these qualities, or those who take care to obtain the services of experts who possess these qualities stand to gain in making their investments.

How many of those who deal in the investment market make it a practice either to possess these qualities or to obtain the services of those who possess the same. The answer will be distressing because on inquiry it will be found that only a limited number of persons satisfy this condition. A large majority of persons follow a policy of drift, are often led away by rumours and are subject to panic at the slightest untoward movement. They risk their fortunes in this unsystematic effort, and involve themselves in misery in the end. The gambling instinct in man leads many to adopt this apparently easy and attractive method of getting rich quickly, because someone perchance has made large gains in this way, ignoring the fact that hundreds or thousands have been

losers at the same time. Of course, it must be added that this is the result not so much of mistakes in genuine investment, but of the speculative transactions which develop out of the trading in futures allowed in modern Exchanges. It is not the purpose of this article to discuss the nature of future transactions but to indicate the complexities created by them from the point of view of the investor.

The general conclusion at which we arrive from this rapid review of the problems that an investor may have to consider is that steps should be taken to have more informed opinion among the investing public regarding these factors, and also to make specialised information or advice available to those who seek the same. For this purpose, the following steps may be suggested :—

(1) Industries should publish more timely information about their activities, useful to the investor.

(2) Financial journals should improve the quality of their work, and in particular publish critical and independent examination of the position of industries and of other factors affecting investment.

(3) Industrial Associations, and large firms, either industrial or financial, should maintain an economic and statistical service, whose function should be to collect data and publish the same, and at the same time give advice to those who seek it. (The present volume is a praiseworthy effort in this direction.)

(4) Universities should encourage the study of problems of investment and allied subjects in their degree courses.

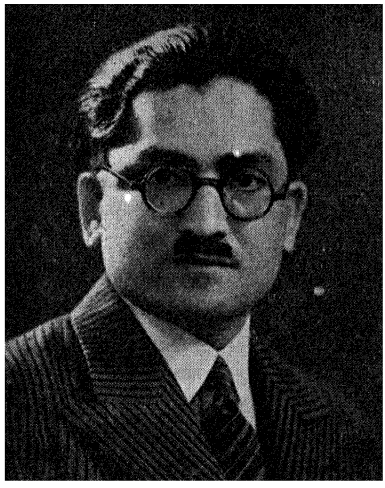
(5) Universities should also encourage research work in these problems and publish the results of such researches from time to time. The business world should consider it an investment to endow liberally such research work, and to co-operate in carrying it out.

As one connected with the University School of Economics and Sociology in Bombay, an institution devoted to post-graduate teaching and research in these subjects, I may be permitted to say that so far as the last mentioned step is concerned, the University of Bombay has done its part and has now a well equipped school for the purpose with an experienced staff and an adequate library. Some part of the work of the School is in the direction mentioned above; and in carrying out the researches undertaken by the School, it has met with a fair measure of co-operation from those engaged in business and industry. The expansion of this work in a more specialised way requires more staff and more funds and at the same time a much closer contact with those engaged in business and industry. In western countries such contact has led to valuable results, and the princely endowment of Rockefeller and Nuffield in the fields of research may only be mentioned to indicate the high appreciation of such research on behalf of the business world which exists in these countries.

May 1940.

Excess Profits Tax Explained

By R. K. DALAL, ESQR., B. COM., F.S.A.A., R.A.



R. K. Dalal, Esq.

Mr. R. K. Dalal, B.Com., F.S.A.A., R.A., the author of this article is a practising Incorporated Accountant and is a well-known expert on Income-tax Law and Practice. He was one of the three advisers of the Federation of Indian Chambers of Commerce and Industry when the Income-tax Amendment Act 1939 was forged through the Legislative Assembly last year. He has made a close and deep study of the Excess Profits Tax and his series of articles in 'Commerce' criticizing the provisions of the Bill was well received both by the Government and the members of the Legislative Assembly and was helpful in suggesting many constructive amendments of the provisions of the Bill. His lucid exposition of the Excess Profits Tax in this article will be very much appreciated by the mercantile community generally and we have much pleasure, therefore, in giving publicity to it, since it is free from legal technicalities, and even a layman can easily follow the many intricacies of the Tax.

THE Government of India have recently put on the Statute Book an Act called the Excess Profits Tax Act 1940. The object of the Act as stated in the Preamble is to impose a tax on excess profits arising out of certain businesses in the condition prevailing during the present hostilities. The Government are of opinion that while war has necessitated greatly increased expenditure by the Government on defence and other services, it has simultaneously created opportunities for earning by companies and persons engaged in business of abnormally large profits. The Government intend by the Act to secure a considerable portion of such additional business profits which accrue as a result of the conditions prevailing during the war. Though therefore the intention of the Government to enact this measure is to tax profits which accrue or arise in the conditions prevailing during the war, there is nothing in the substantive provisions of the Act restricting its operations to war-profits only. Even the natural growth of business as compared with standard years would also come in to be taxed. In the course of the debate on the Excess Profits Tax the Finance Member observed in justification of taxing not only war-profits but the growth of profits. He observed :

> " In time of war profits arise not merely from the direct supply of the materials of war, but from a large number of transactions which are inseparably connected with that essential feature of a war time situation. There is a general quickening of the whole tempo of economic activity, and that has its roots in the imperious demand for the necessities of war. It is not possible, Sir, to make philosophic distinctions between the degree of relation which certain industries have to the facts of war and that of others. I am prepared to admit that there may be cases in which it may be possible to establish a complete isolation of the fortunes of the business from the economic circumstances of the war.....But I cannot hold out the hope that I would be prepared to go into a meticulous discrimination between industries which supply directly the needs of war and those which supply the needs of war."

SHORT ACT.

The Act is a short Act consisting of only twenty seven sections and three schedules Though at first sight it seems to be simple, in the actual application of its provisions the

Act does not seem to be so simple as the first reading is likely to suggest. Some of the provisions are indeed very complicated.

DURATION.

With a view to subject such a taxation measure to periodical review by the legislature, the duration of the Act has been limited up to the end of March 1941. So that, unless an Amending Act extends this date, the taxing provisions automatically cease to have any effect.

RATE OF TAX.

The Act imposes a tax of 50 % on the excess profits made by any business in any Chargeable accounting period after 1-9-1939 over what is called in the Act Standard profits.

STANDARD PROFITS.

When one talks of excess it postulates a standard by which excess is to be determined. To measure the excess therefore a standard must be evolved. The Act provides therefore a standard period. This period consists, speaking in terms of calendar years, of four years, *viz.*, 1935 to 1938. Profits made during this period may, at the option of the assessee, be adopted as the standard. But the profits of the above years are not allowed to be taken singly, except profits for the years 1935 and 1936. The rest of the years must be taken in the following combinations ; either 1935 with 1937, 1936 with 1937 or 1937 with 1938. Average profits of any of the two years will then afford the Standard, and the Standard most beneficial to the assessee can be adopted by him for determining the excess profits during the chargeable accounting period. Any business in respect of which the above Standard period is available may adopt any one of the above options. But the standard period in no case can be a period of less than nine months.

If the business existed during the above standard period, it can adopt these options, but there may be at the time of assessment businesses which may not be in existence during the standard period, or if in existence, were not in existence during the whole, but only part of the period. Such contingencies must be provided for. The Act therefore, further, provides that if a business was not in existence before 31-3-1936, it can have an additional option of computing the standard profits on the capital basis. It can compute the standard at either 8 per cent. if the business is that of a body corporate, or 10 per cent. if it is any other business, on the average capital employed in the business during chargeable accounting period. In case of a business commencing on or after 1-7-1938 the foregoing percentages shall be increased by 2 per cent.

It may be that inspite of these options the profits of a business may be very low during the standard period and very high during the chargeable accounting period, in which case the assessee may either :—

(1) adopt the minimum standard of Rs. 36,000 which applies in all cases, or

(2) apply to the Board of Referees to fix his standard profits at a figure greater than those reflected by his records.

If the Board is satisfied that during the standard period the profits of the business were less than might at the beginning of that period have been reasonably expected, the Board may direct that the standard profits may be taken at such greater amount as the Board thinks fit. But this increased standard, normally, cannot exceed the statutory percentage of the average capital employed in business, unless some specific cause peculiar to business is deduced to the satisfaction of the Board, in which case the Board can allow even the greater amount to be adopted as the standard.

The Board of Referees will not be an official body. For, it shall consist of not less than three and not more than five persons, of whom less than one-half shall be non-officials having business experience, and one shall be a judicial officer. While all officers employed in the execution of the Act shall observe and follow orders, instructions and directions of the Central Board, these orders and instructions shall not apply to the Board of Referees. Thus, it will be an independent body.

If the assessee is dissatisfied with the standard allowed by the Board of Referees, he may apply to the Central Board of Revenue for an adequate increased standard, but not exceeding the statutory percentage on capital employed in business, unless some specific cause peculiar to business is shown.

The Central Board of Revenue can also give relief in the case of any business, where owing to the existence of special circumstances, it would be inequitable to fix the standard with reference to the standard period as laid down in the Act.

CAPITAL EMPLOYED.

Having determined the standard profits, the next step is to examine the average capital employed during the chargeable accounting period as compared with the capital employed during the standard period. For, an increase of profits due to the increase of capital employed must be eliminated, if the comparison between the two periods is not to be vitiated.

The Act enacts therefore that if the average capital during the chargeable accounting period has increased over that employed during the standard period, the standard profit must be increased by 8 per cent. in case of body corporate, and 10 per cent. in other cases, of such increase reflected. If instead of there being an increase during such period, there is actually a decrease, then the standard profits have to be reduced by 6 per cent. of such decrease in all cases. The increase or decrease is to be computed by reference to the above statutory percentage, and not the percentage of profits actually earned on capital employed in the business.

After the adjustments to the standard profits have been made as above, the length of the chargeable accounting period is to be examined. If it is less than one year, the standard profits, must accordingly be reduced proportionately, so as to equal to the length of the chargeable period.

It must be remembered that where a taxpayer adopts either the minimum standard or the capital percentage standard, no adjustments can be allowed for fluctuation of capital during the standard and the chargeable periods.

DEFICIENCY.

Just as the comparison between the profits of the chargeable accounting period and the standard period might result into excess where the profits of the chargeable period are more than those of the standard period, there may also be a deficiency if the profits of the chargeable period are less than those of the standard period or it may also be that during the chargeable priod there might not be any profits at all, but a loss. The Act provides that deficiency shall be computed as under :—

(1) Where profits have been made in the chargeable accounting period, the deficiency shall be the amount by which such profits fall short of the standard profits.

(2) Where a loss has been made in the chargeable accounting period, the deficiency shall be the amount of the loss added to the amount of the standard profits.

To the extent of such deficiency, profits chargeable to the previous accounting periods shall be deemed to be reduced by the amount of such deficiency and the amount of excess profits tax payable in respect thereof shall be deemed to be reduced accordingly and the relief necessary to give effect to the reduction shall be given by repayment or adjustment against future tax payable. Where the deficiency exceeds the previous aggregate excess profits, the balance of deficiency shall be carried forward and applied in reducing profits for the next subsequent chargeable period. If in the previous year there were no profits, then the whole of the deficiency will be carried forward to the subsequent year's accounts until exhausted.

The deficiency, it must be noted, must be carried forward to the credit of the same business. And, therefore, if after deficiency is made, the business changes hands, the deficiency relief is lost, except in one instance. Where change consists in the change in the constitution of the firm due to death of one of the partners, the surviving partners can avail themselves of the deficiency relief inspite of the change occurring in the constitution of the firm. If the change in the constitution is due to retirement or taking in of a new partner, the deficiency relief is lost to the successors.

BUSINESS LIABLE.

Excess Profits Tax is, as we have seen from the preamble, applied to businesses. Let us now consider what businesses fall within its scope and what businesses fall without it.

Business includes, under the Act, any trade, commerce or manufacture or any adventure in the nature of trade, commerce or manufacture or any profession or vocation, but does not include a profession carried on by an individual or by individuals in partnership if the profits of the profession depend wholly or mainly on personal qualifications. But where profession consists wholly or mainly in the making of contracts on behalf of other persons or the giving to other persons of advice of a commercial nature in connection with the making of contracts, it is taxable. Accordingly profits of a profession of a doctor, an accountant, a solicitor are excluded from the operation of the Act, but not so the profession or business of an insurance agent, stock-broker, estate broker, auctioneer, etc.

If the business is that of a company or a society incorporated by or under any enactment, whose functions wholly or mainly consist of holding of investments or property, inspite of the fact that under Income Tax Act such income may not be regarded as business income, the holding of such investments or property shall be deemed for the purpose of the Excess Profits Tax to be business.

The only exception provided is the business of a life assurance company, the profits of which have been expressly excluded from the operation of the Act.

All businesses carried on by the same person shall be treated, for the purposes of the Act, as one business.

SUCCESSION AND AMALGAMATION.

Under the Excess Profits Tax Act, a complete change of ownership of a business operates as the discontinuance of the business and the setting up of a new business. There are certain exceptions provided to this rule, *viz.*:

(*a*) **Partnership.**—In case of a change occurring before 1st September 1939 in the constitution of the firm due to death, retirement or admission of a new partner, the persons carrying on the business after the change may apply to Excess Profits Tax Officer within the prescribed time that they elect that, for the purposes of the provisions of this Act relating to the computation of Standard Profits, the businesssh all not be deemed to have discontinued.

(*b*) **Change on or after 1st September 1939.**—In the case of any change in the persons carrying on a business occurring on or after 1st September 1939, the Standard Profits of the business in relation to any chargeable accounting period are to be computed as though no change had occurred ; in particular, in computing the capital employed in the business after the change, no regard is to be had to any consideration given in respect of the business or any of the assets on the occasion of the change. This is to frustrate arrangements for the sale of business to another person or Company for a very large consideration, so as to enable such a person or a company to claim and obtain percentage Standard higher than the appropriate profits standard.

(*c*) **Amalgamation.**—When on or after 1st September 1939 two or more businesses amalgamate, the resultant business succeeds to the Standard profits of the amalgamated businesses. For the purpose of computing the Standard Profit, the resultant business will be treated as though it had been in existence throughout the period during which any of the former businesses had been in existence. The profits and losses and the capital employed in such former businesses will be treated as those of the resultant business ; the assets of the former businesses will be dealt with as if they had become assets of the resultant business when they were acquired by the former business ; and no regard will be had to the consideration passing for the businesses or the assets on the occasion of the amalgamation.

(*d*) **Sale of part of Business.**—Where on or after 1st September 1939 part of a business is transferred as a going concern, the part transferred and the part not transferred are each to be deemed, for purpose of computation of Standard Profits, to be a continuation of the original business, and the provisions as to the computation of Standard Profits and those relating to amalgamation as referred to above will apply subject to any necessary modifications.

For this purpose, such apportionments may have to be made of the profits and losses and of the capital and assets of the original business as may appear to the Excess Profits Tax Officer, or on appeal to the Board of Referees, to be just.

The result of this will be that the two businesses together will share between them the Standard Profits of the former single business.

(*e*) **No Substantial Difference following Change.**—Where a business was carried on immediately before 1st April 1936, and, between that date and 1st September 1939, it or its main part was transferred to another person, such latter person may apply to the Excess Profits Tax Officer, and if the E. P. T. Officer is satisfied that the business after the transfer was not substantially different from the business or part transferred, he shall treat the transferee person as if he had carried on the business as from its commencement for the purpose of computation of Standard profits, subject to such modifications (including modifications in respect of computation of capital) as he may consider just.

INTER-CONNECTED COMPANIES.

A company is deemed for Excess Profits Tax purpose to be a subsidiary of another company if and so long as not less than 9/10ths of the ordinary Share capital of the first company is owned by the other company, whether directly or indirectly, or partly directly or partly indirectly ; indirect holdings must be through another company or companies. It is the holding of the ordinary share capital which makes one company a subsidiary of another.

By ordinary share capital is meant all the issued share capital (by whatever name called) of the company, other than capital the holders whereof have a right to a dividend at a fixed rate, but have no other right to share in the profits of the company.

As between such companies, where any interest, annuity or other annual payment or any royalty or rent is paid by one company to another, such interest, etc., and any debt in respect of which such interest is payable, will be ignored, and any asset in respect of which any such royalty or rent is payable will be treated as being the property of the company making the payment.

The provisions as to combination of inter-connected companies apply in relation to a chargeable accounting period, where

(*a*) the principal company is resident in British India and is not a subsidiary of any other company resident in British India ; and

(*b*) during the whole or any part of the chargeable accounting period of the principal company another company, whether or not resident or carrying on business in British India, is a subsidiary company of such principal company.

Distinction is to be made between :

(*a*) The case of a subsidiary company which is a subsidiary throughout the chargeable accounting period ; and

(*b*) The case of a subsidiary, during part only of the chargeable accounting period.

In the first case, the capital employed in and the profits and losses arising from the business of the subsidiary companies in the chargeable accounting period are to be treated for Excess Profits Tax purposes as though these were part of the capital profits, and losses of the business of the principal company.

Thus, the Profits Standard of the subsidiary company and the capital employed will be separately computed in the first place, and the resulting figures added to the corresponding figures of the principal company.

In the second case, the excess or deficiency of profit of the subsidiary company in the chargeable accounting period is to be computed and so much of such excess or deficiency as is attributable to that part of the period during which the company is subsidiary is to be treated as increasing or decreasing, as the case may be, the excess or deficiency of the principal company for the whole period ; the remaining part of the excess or deficiency will be treated as the excess or deficiency of the subsidiary company. The excess or deficiency of the subsidiary company is that computed in relation to its own standard profit ; similarly with the Principal Company.

COMPUTATION OF PROFITS.

Profits for purposes of the Act have been defined as profits as determined in accordance with the First Schedule of the Act, which laid down rules for the computation of profits for the purposes of Excess Profits Tax.

The profits have to be computed on the income tax principles, *i.e.*, on the same principles on which profits of a business are computed for the purpose of income tax under Section 10, subject to the adaptations provided in the above Schedule of Rules. Losses are to be computed for Excess Profits Tax purposes on the same manner as profits.

Profits of the standard period which have already been determined for income tax purposes, shall, subject to adjustments required in the Schedule, be taken as profits during that period.

Where the standard or the chargeable period is not an accounting period, the profits and losses of the business shall be computed as aforesaid and the apportionment shall be made to specific periods in proportion to the number of months or fractions of months, unless the Excess Profits Tax Officer, having regard to any special circum-

stances otherwise directs. Where the Standard period includes any period during which Burma was part of British India, in computing the standard profits of a business, they shall be excluded from the profits of the business during the standard period so much of such profits as arose or accrued or were received in Burma, unless such profits are also included in the profits of the business during the chargeable accounting period.

The adaptations provided by the Schedule are as below :

1. Carry Forward of Loss.—Under the recent Income-tax Amendment Act, losses incurred by a business are allowed to be carried forward to next year's accounts and set off against next year's profits of the same business. This is not allowed under the Excess Profits Tax Act. The reason seems to be that as we are considering profit made in each year by itself, any adjustments due to profits or losses which went before the year must necessarily be ignored, if the comparison is not to be vitiated by extraneous circumstances.

2. Carry Forward of Depreciation.—Under the Income-tax Act, the depreciation allowance of one year, if it cannot be wholly set off against that year's profit, owing to the profits being very small or there being no profits, can be carried forward to be set off against the next year's profit and can form part of next year's depreciation allowance. For the purpose of Excess Profits Tax, this is also ignored, for the same reason as explained above.

3. Investment Income.—Excess Profits Tax is charged on Excess Profits of a business. It is levied on business income and not on investment income. Therefore, any investment income forming part of profits must be omitted.

This exemption does not extend to investment incomes of businesses like banking, assurance, or holding companies. These are specifically made taxable, for the reason that in their business, holding of investments is an integral part of the business and can, therefore, be regarded as part and parcel of the main business.

Where profits of a subsidiary company are included in the profits of the principal company for the purposes of assessment to Excess Profits Tax, dividends from the subsidiary company out of such profits shall not also be included in the profits of the principal company. This provision is made with a view to avoid double taxation of the same profits ; once as profits of the subsidiary and again as dividends of the principal company.

4. Bank Loan and Debentures.—If at any time after the close of the Standard period, any increase in the capital employed in a business has been effected by means of a loan from a bank carrying on a *bona fide* banking business or by means of a public issue of debentures secured on the property of the company, the interest on so much of the loan or debentures as has been utilised in effecting the increase in the capital shall not be deducted in computing the profits for the purpose of Excess Profits Tax and, notwithstanding the provisions of Rule 2 Schedule II, the amount of such loan or debentures shall not be deducted in arriving at the amount of capital employed in the business.

5. Property Income.—In case of a business which consists wholly or partly in letting out property on hire, the income from property will be liable to Excess Profits Tax although for Income-tax purposes this is not regarded as business of the persons holding the property and the income is not so taxed under Section 10 of the Indian Income-tax Act. Mere ownership of a property by an individual does not make him liable to Excess Profits Tax in respect of such property income, unless his main business is holding of properties and earning income therefrom.

6. **Borrowed Money.**—Investment income, as above, is to be omitted from the computation of Excess Profits Tax. In such a case, where investment income is omitted, interest on borrowings to that extent must be reduced. Otherwise, the effect would be that the taxpayer secures a double advantage ; once by securing exemption from investment income, and secondly, from the reduction of assessable excess profits by full deduction of interest on borrowed money. The rule provides, therefore, that only such interest will be allowed on the balance of borrowed money as remains after deducting the value of investment from the principal sum owing. This applies only to companies other than banking, insurance and investment companies, and does not apply to individuals, unless his investments are charged as security for the sum borrowed ; not otherwise.

7. **Taxes.**—Any income tax, Super-Tax and Excess Profits Tax paid is not allowed to be deducted.

Excess Profits Tax is nevertheless deductible from profits assessable to income-tax and super-tax.

There shall also be so deducted Excess Profits Tax payable under any law in force in a country outside British India on the profits of the business in respect of any chargeable accounting period to the extent that such profits arise in the said country, after deducting any relief by repayment, or set off or otherwise obtained in that country.

8. **Directors' Remuneration.**—In companies where directors have a controlling interest, directors' fees in excess of those paid during the Standard period cannot be allowed to be charged for the chargeable accounting period. This is simply to prevent reduction of excess profits, by artificially reducing the profits by payment of large amounts as directors' fees, particularly because of their controlling voice in the company. In a public company or companies where directors do not have such controlling interest, no restriction is placed by the Act on payment of directors' fees, for the simple reason that such fees cannot be voted, except with the consent of the other independent shareholders.

The question of directors' fees arises only where standard profits are computed with reference to a standard period. In regard to Standard profits computed on the basis of a percentage of Capital employed in a business during the chargeable accounting period no deduction for directors' fees can be allowed.

The expression directors' remuneration does not include :—

(1) The remuneration of any director who is required to devote substantially the whole of his time to the service of the company in a managerial or technical capacity and is not the beneficial owner of or able either directly or indirectly or through the medium of other companies or by any other direct means to control more than 5 per cent. of the ordinary share capital of the company, and

(2) The remuneration paid to a Managing Agent where such remuneration is included in the profits of the Managing Agent's business for the purpose of Excess Profits Tax.

A director includes a manager or a person concerned with the management of a business, who is remunerated out of the funds of the business and is the beneficial owner of not less than 20 per cent. of the Ordinary share capital of the business. He may not necessarily be styled a 'Director.'

9. **Managing Agent's Remuneration.**—Further, Managing Agents' remuneration allowed as deduction cannot exceed the amount which would have been payable to the Managing Agent if the agreement in force in the standard period had been in force in the chargeable accounting period except where such remuneration is subjected to Excess Profits Tax in the hands of the Managing Agent.

10. **Long Period Contracts.**—Where the performance of a contract extends beyond the accounting period, such proportion of the entire profit or loss, which has resulted or which it is estimated will result from the complete performance of the contract, is to be attributed to the accounting period as is properly so attributable, having regard to the extent to which the contract was performed therein. If, when such contract is completed and the profits have been finally ascertained, the aggregate of the amounts attributed to previous accounting periods exceeds the profits as finally ascertained on the complete performance of the contract, an adjustment shall be made to reduce the amounts so attributed to the various chargeable accounting periods to the amount of the profits as finally ascertained.

11. **Special allowance on Buildings.**—Where any building erected on or after 1st September 1939 has ceased to be required for the purpose of business or has been sold, then any amount by which the value of the buildings at the date when it ceased to be required for the purposes of the business, or the price obtained for the buildings as the case may be, which falls short of the written down value of the building shall be allowed as a deduction in arriving at the profits of that chargeable accounting period.

12. **Artificial Transactions.**—With a view to provide against any avoidance of tax by manipulation or putting through artificial transactions, the Act has provided that such transactions shall be treated as null and void. An artificial transaction or operation includes any device of whatever nature adopted for the purpose of presenting the accounts of a business in a misleading form or manner with intent to evade or having the effect of evading any obligation imposed by this Act. There is also attached to any such action a penalty. The Excess Profits Tax Officer may, with the previous approval of the Inspecting Assistant Commissioner, direct that in addition to any Excess Profits Tax for which an assessee is or would, but for such transaction or operation, be liable, a penalty not exceeding the tax evaded or sought to be evaded shall also be paid. The definition is in very wide terms indeed, embracing even transactions which may have been legally undertaken for reduction of Excess Profits Tax.

DOUBLE EXCESS PROFITS TAX RELIEF.

Lest a person who having business income abroad, say in United Kingdom on which he will pay Excess Profit Tax should also be saddled with Excess Profits Tax on the same profits in India the Act has provided Double Excess Profits Tax Relief. A provision is made for relief by a notification which might be given, provided there is a corresponding relief obtainable in such countries, *i.e.*, United Kingdom, Indian States or other parts of His Majesty's Dominions. It, therefore, excludes countries outside the British Empire.

In England, National Defence Contribution is regarded as a form of Excess Profits Tax. Therefore, it is provided that if instead of Excess Profits Tax, National Defence Contribution is paid by a business in the United Kingdom, such National Defence Contribution to the extent of Excess Profits Tax would be regarded as Excess Profits Tax and would be entitled to relief exactly as if Excess Profits Tax had been paid. The reason for this amendment is that, in England, either Excess Profits Tax or National Defence Contribution, whichever is the greater, is payable by an assessee for the period, 1st April 1939 to 31st March 1942, when both are in force.

Thus, if National Defence Contribution is paid in the United Kingdom and Excess Profits Tax is paid in India, on the profits of the same business in the absence of the above specific provision, no relief would arise, although according to the English Act, National Defence Contribution is a form of Excess Profits Tax. Further, if the laws of any country do not provide any reciprocal relief from Excess Profits Tax, the assessee

in British India will be entitled, like income-tax, to a relief equal to one-half of the Indian Excess Profits Tax or the Excess Profits Tax payable in the said country, whichever is less.

COMPUTATION OF CAPITAL.

It must have been noted that for purpose of Excess Profits Tax computation, not only profits have to be computed, but also average capital employed in business has also to be determined. Accordingly Schedule Two of the Act provides rules for computing the average amount of capital.

1. Valuation of Assets.—For the purpose of computation of average capital, actual capital and accumulated reserves are to be ignored. Capital has to be computed with reference to assets minus the liabilities, and in so doing assets have to be valued on fixed basis.

So far as it consists of assets acquired by purchase on or after the commencement of the business, the price at which those assets were acquired, subject to the deductions hereinafter specified.

So far as it consists of assets being debts due to the person carrying on business the nominal amount of these debts, subject to the said deductions.

So far as it consists of any other assets which have been acquired otherwise than by purchase as aforesaid, the value of the assets when they became assets of the business, subject to the said deductions.

2. Written-down Value.—The price or value of any assets other than a debt shall be subject to such deductions for depreciation as are necessary to reduce the amounts to its " written-down value " as defined by Sec. 10 (5) of the Indian Income-tax Act. According to this, it means :

(*a*) In the case of assets acquired in the previous year, the actual cost to the assessee ;

(*b*) In the case of assets acquired before the previous year, but after the commencement of the Indian Income-tax (Amendment) Act, 1939, the actual cost to the assessee less all depreciation allowable to him under this section ;

(*c*) In the case of assets acquired before the commencement of the Indian Income-tax (Amendment) Act, 1939, the actual cost to the assessee less for each financial year since acquisition the amount of depreciation applicable to the assets at the rates in force for each such year since the 1st day of April, 1922, and at the rates in force on the 1st day of April, 1922, for each such year prior to that date.

Provided that where the provisions of the proviso to sub-section (2) of section 26 of the Indian Income-tax Act are applicable, the actual cost to the assessee referred to in clauses (*a*), (*b*) and (*c*) shall be the actual cost to the person succeeded in the business, profession or vocation.

Provided further that, there shall not be so deducted from the actual cost any depreciation allowance or part of any depreciation allowance which was due for a year which ended prior to the 1st day of April, 1939, but to which full effect was not given owing to the absence of profits or gains chargeable for that year, or owing to the profits or gains so chargeable being less than the allowance.

This enables companies with any considerable amount of unabsorbed depreciation allowance to increase the written-down values of the assets by such unabsorbed depreciation to claim a larger amount of depreciation therein.

Further, depreciation during both the Standard Period and the Chargeable accounting period is to be on the written-down value basis as obtains under the Indian Income-tax (Amendment) Act, notwithstanding that the Amendment Act was not in force during the Standard period.

3. Borrowed Money.—Any borrowed money and debts shall be deducted. For the purpose of computation any debt for income-tax or super-tax or for excess profits tax shall be deducted whether such debt has been or has not then become due. If there is a deficiency due it shall be regarded as an asset of the subsequent chargeable accounting period.

4. Investments.—Any investments income whereof is ignored for purpose of computation of profits and any moneys not required for the purpose of business shall be left out of account. But where investments are in the beneficial ownership of the person carrying on business, the value of the investment must be deducted from the principal so borrowed. This is so, if the person carrying on the business is a company. If it is an individual or a firm, then investments are not to be deducted unless the same are pledged as security for sums borrowed and not otherwise.

5. Treatment of Accruing Profit and Loss.—In computing the average capital employed, profits and losses shall be deemed to have accrued at an even rate throughout the period and shall be deemed to have resulted in a corresponding increase or decrease, as the case may be, in the capital employed in the business. Where part only of a business is liable to Excess Profits Tax, the capital employed in that part shall be computed separately from any other capital of the person carrying on the business.

The reason why the capital is to be computed with reference to the excess of liability is that the amount standing to the credit of the capital account of a firm or company cannot usually be taken without adjustment, since that capital represents the value of all assets less all the liabilities, and all of these may not be employed in or arise out of business as such. Moreover, the value recorded in books may be over or under-estimated, and as a matter of equity between tax-payers, all must be brought, as far as possible on the same basis.

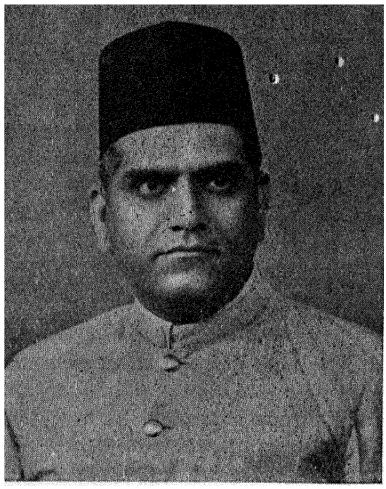
ADMINISTRATION OF THE ACT.

For the administration of the Act provisions, similar to Income-tax Act have been made in regard to the profits escaping assessment, rectification of mistakes, penalties, appellate procedure and reference to High Court. Returns under the Excess Profits Tax are not made compulsory as under the Income-tax Act. Under the Excess Profits Tax, a notice of the return will have to be served upon persons whom the Income-tax Officer believes to be engaged in any business liable to Excess Profits Tax during any chargeable accounting period to furnish him with the return of the profits of the business and the standard profits as computed under the Act, within 60 days of the service of notice. As the Tax is leviable on business, it has been provided that the Excess Profits Tax shall be payable by a person carrying on business and where two or more persons are carrying on business jointly in the chargeable accounting period, the assessment shall be made jointly and in case of partnership, it may be made in the partnership name. The provision of taxing individual partner on his share of partnership profit, as in case of registered firm, does not apply to Excess Profits Tax.

June 1940.

A Brief History of Government Securities.

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GOVERNMENT Securities form the principal part of the Public Debt of any country. As far as India is concerned, it will be interesting to relate exactly how they came into existence. In their present form they are really the outcome of the debt owed by the East India Company. Incidentally, this debt was of two kinds, Rupee debt in India and Sterling debt in London. In the beginning, the Company experienced some difficulty in obtaining loans from India and therefore they usually borrowed from the British Government or the Bank of England. But, as the Government began to be more stabilised in India, they were able to obtain money with ease resulting in frequent borrowings in India.

Early History.

These loans at first bore interest at the rate of 5 per cent. but with the increasing stability of the Company's power and peace and good Government which followed therefrom, it was found possible in the fifth decade of the 19th century to obtain any money they required on a 4 per cent. basis. The then existing 5 per cent. loans were accordingly discharged, the holders of these loans being allowed from time to time the option of transferring into 4 per cent. loans. Subsequently, when the Government of India had been taken over by Queen Victoria, it was found possible to raise money at 3½ per cent. and, in consequence, notice of discharge of the then existing 4 per cent. loans was given, the holders of these loans being allowed the option of transferring into 3½ per cent. loans. These transfers took place chiefly in the year 1894 and thus we have the origin of the now famous 3½ per cent. Non-terminable loans. Actually, when the above 3½ per cent. loans were formed, an undertaking was given that they would not be redeemed before 1st August 1904 and, subsequent to that date, not without 3 months' notice. As these guaranteed terms expired, they came on a 3 months' notice basis, and their redemption now at any time is a contingency which has long since passed from the mind of the public. These 3½ per cent. loans of various years form the main part of India's present Public Debt and can veritably be described as the Indian "Consols."

Origin of 3½% G. P. Loans.

In 1896, money was easier still and so a 3 per cent. loan was floated on the same terms and two existing 3½ per cent. loans were discharged. Shortly after this, money began to get dearer and for some years this 3 per cent. loan steadily declined until in 1908, the holders thereof were allowed to exchange their holdings into a 3½ per cent. loan of 1900-01 in the ratio of 7 to 6. Even to this day, this option exists. For this reason the 3 per cent. Loan is usually quoted six-sevenths of the price of the 3½ per cent. non-terminable loan. Subsequent to the year 1900, loans bearing 3½ per cent. rate of interest were issued every year till 1914 at varying prices, but all these are commonly known as the 3½ per cent. Loan of 1900-01. These loans too were guaranteed not to be discharged up to 31st December 1920 and then also not without three months' notice.

3% G. P. Loans.

* *In compiling this article reference has been made to Prof. K. T. Shah's "Sixty Years of Indian Finance", Prof. C. N Vakil's "Financial Developments in Modern India", Mr. D. L. Dubey's "Indian Public Debt" and Reports of the Controller of Currency and Reserve Bank of India (J. R. T.).*

Origin of Terminable Loans.

The first issue we had of a terminable loan was during the last Great War. In 1915, a small loan of Rs. 4½ crores bearing interest at 4 per cent. was put on the market at par, redeemable on 30th November 1923. The Government reserved the right to redeem the loan or any part of it at any time on or after the 30th November 1920 on giving 3 months' notice. The important feature about this issue was the fact that it was the first occasion when the public were allowed to subscribe through the Post Office. In 1916, another loan of 4 per cent. was issued at par, redeemable between 1931 and 1936. This loan was commonly known as the 4 per cent. Conversion Loan of 1916-17 as subscribers to it obtained the privilege, subject to certain conditions, of converting their 3½ per cent. and 3 per cent. Rupee Securities into Securities of this new loan. Here again, provision was made for allowing the public to subscribe through the Post Office, but the response was not so good as in the case of the 1915 loan.

War Loans of 1917-18.

In 1917, the Government of India agreed to contribute the very large sum of £100 million to the British Exchequer towards the prosecution of the War. In order to raise money for this purpose, the Indian War Loans of 1917 and 1918 were issued. The 1917 issues were in two forms, a comparatively long-dated 5 per cent. taxable issue of 1929-47 and also 3 and 5 year income-tax free bonds bearing interest at 5½ per cent. A special feature of the 1929-47 War Loan was the provision made for a Sinking Fund for the first time in the history of Indian Government Securities. By this, the Government undertook to set aside annually a sum equal to 1½ per cent. of the amount of the loan to form a fund to be utilised for the purchase of the Securities of this loan whenever its market price fell below its issue price of Rs. 95. In this case also, subscriptions were allowed through the Post Office and it must be mentioned that the procedure was more popular. Another feature of interest connected with this period was the introduction of the now popular Post Office Cash Certificates. The 1918 issues took the form of 4 different income-tax free Bonds bearing interest at 5½ per cent. and maturing after 3, 5, 7 and 10 years respectively.

5 % Tax free Loan 1945-55.

In the subsequent years, the Government of India floated further loans mainly in order to reduce their short term liabilities by the conversion of War Bonds and partly to enable them to repay the maturing War Loans. In 1919, a comparatively long-term income-tax free Loan repayable 1945-55 was issued at Rs. 95. In subscription to this loan, War Bonds of every series were accepted at par as the equivalent of cash. As in the case of the 5 per cent. War Loan of 1929-47, an arrangement was made for a Sinking Fund for this loan on the same terms. A special feature of interest in connection with it was that the Government gave an undertaking that no future issue of the loan would be made at a price below Rs. 95 which was its issue price. In 1920, the 5 per cent. income-tax free Loan of 1945-55 was reopened for subscription at Rs. 95 and there was a simultaneous issue of 6 per cent. Income-Tax Free Bonds repayable in 1930. War Bonds maturing in 1920 and 1921 were accepted at par in subscription to the latter issue. In 1921 and 1922, five and ten year income-tax free Bonds bearing interest at 6 per cent. were issued and the maturing War Bonds were accepted at par in subscription to them. In the years 1923 and 1924 further issues were made of the 5 per cent. income-tax free Loan of 1945-55 at Rs. 96 and Rs. 99 respectively. There were also simultaneous issues in both years of income-tax free Bonds bearing interest at 5 per cent. at Rs. 97 in 1923 and Rs. 98-4 in 1924, both repayable at par in 1933. The practice of receiving subscriptions through the Post Office was discontinued from the year 1924. The year 1925 is noteworthy particularly because no cash subscriptions were invited to the Rupee Loan of that year, but the holders of early maturing Bonds were given the option of converting their holdings, under certain conditions, into the already existing 5 per cent. income-tax free Loan of 1945-55 or into a new taxable issue of 5 per cent. ten year Bonds repayable 1935. It is also important that from this year the practice of

6% Tax free Bonds.

5% Tax free Bonds 1933.

Discontinuance of Tax-free Loans.

5% Bonds 1935.

issuing tax-free loans was discontinued and no tax-free loan has since been raised to this day. The year 1926 is remarkable for the fact that a bold attempt was made for the first time in the post-War period to reduce the heavy interest charges recurring every year by issuing a loan of long maturity at a comparatively lower rate of interest. This loan was issued at Rs. 88 bearing taxable interest at 4 per cent. repayable at par in 1960-70. Subscriptions to this loan were received in cash, in 6 per cent. Bonds 1926, 6 per cent. Bonds 1927 or 5½ per cent. War Bonds 1928. These Bonds were accepted at Rs. 101, Rs. 102-4 and Rs. 106-8 respectively as equivalent of cash in subscription to the loan. Facilities for conversion were also afforded to investors who had deposited their holdings with the Accountant General, Posts and Telegraphs. There were several factors which brought about conditions favourable for the successful floatation of this loan. Money was easy, there had been a good rise in the price of existing securities, this being aided by the institution of a monthly settlement on the Bombay Stock Exchange which brought a strong speculative element into the Government Securities market. It was a coincidence that this speculation reached its height just about the time the loan notification was issued and three or four days later, the new loan was quoted freely at a premium of Rs. 3 as a result of heavy speculative forward buying. However, before the loan actually opened for subscription, many speculators found themselves in difficulties and there was subsequently a slump. The Rupee Loan of 1927 took the form of a 4 per cent. taxable issue repayable at par in 1934-37, the issue price being Rs. 94-8. In this case 6 per cent. Bonds 1927 at Rs. 106-4 and 5½ per cent. Bonds 1928 at Rs. 112 were accepted in conversion as equivalent of cash. The Rupee loan of 1928 consisted of two series both bearing interest at 4½ per cent. (1) a comparatively long-dated loan repayable in 1955-60 and issued at Rs. 94 and (2) short-term Bonds repayable in 1934 and issued at Rs. 97-8. 5½ per cent. War Bonds 1928 were accepted at their redemption rate of Rs. 105 in subscription to both these issues. In 1929, a 5 per cent. loan was issued at Rs. 96-8 repayable at par in 1939-44. The 6 per cent. Bonds 1930, 1931 and 1932 were accepted in subscription to it at Rs. 102, Rs. 103-2 and Rs. 104-2 respectively. In connection with this loan the Government of India undertook to set aside annually a sum equal to 1½ per cent. of the amount of the loan outstanding at the end of the preceding year to form a Depreciation Fund, to be used for the purpose of purchase for cancellation of the securities of the loan whenever its market price fell below its issue price of Rs. 96-8, with the proviso that if at the end of any year the balance standing to the credit of the Fund was more than 5 per cent. of the amount of the loan then outstanding, the surplus could be used for the purchase of other Government Securities in the market which stood below their respective issue prices. Besides, this loan carried the privilege of being accepted at its issue price of Rs. 96-8 as the equivalent of cash in subscription to any future loan having a currency of 10 years or more and maturing after 15th July 1944. Simultaneously, a further issue of 5 per cent. Bonds 1935 was made at Rs. 98 and tenderers of 6 per cent. Bonds 1930 were allowed, if they desired, to convert at Rs. 102 a proportion into this loan, not exceeding one-half of the total amount tendered.

4% Loan of 1960-70.

4% Loan 1934-37.

4½% Loans 1955-60 and 1934.

5% Loan 1939-44.

In 1930, 6 per cent. Bonds repayable 1933-36 were issued at par and 6 per cent. Bonds of 1930 were accepted in subscription. An interesting feature of this loan was the very large number of applications received from small investors, *i.e.*, applications for sums of Rs. 10,000 and less. In 1931, a loan in the form of Treasury Bonds repayable 1935 and bearing interest at 6½ per cent. was issued. The price was Rs. 100 during the first week of the issue and thereafter it increased by two annas every week, the weekly increase representing the amount of interest that accrued weekly on the bonds. The 6 per cent. Bonds of 1931 were accepted in subscription at their full maturity value. In order to attract subscriptions

6% Bonds 1933-36.

6½% Treasury Bonds 1935.

rom small investors, the practice of receiving applications through the Post Office was revived during the year and the response was satisfactory owing to special efforts made in that direction. In 1932, two loans, *viz.*, 5½ per cent. 1938-40 and 5 per cent. 1940-43 were issued, both at Rs. 98. The 6 per cent. Bonds of 1932 were accepted in subscription to the former, while 5 per cent. Bonds 1933 and 6 per cent. Bonds of 1933-36 were accepted for the latter at Rs. 101-8 and Rs. 102-8 respectively. The Rupee Loan of 1933 consisted of 3 issues, *viz.* (1) A purely cash issue in the form of 4 per cent. Bonds repayable 1943 issued at Rs. 98 (2) A purely conversion issue in the form of a further loan of 4 per cent. 1960-70. Holders of 5 per cent. War Loan 1929-47, 5 per cent. Bonds 1933 and 6 per cent. Bonds 1933-36 were given the option of converting their holdings into an equal amount of this loan with a cash bonus of Rs. 7-8, Rs. 8-8 and Rs. 8-8 respectively. (3) A combined cash and conversion issue in the form of 3½ per cent. 1947-50 issued at Rs. 96. Subscriptions to the cash section were in the form of (*a*) Cash (*b*) 4 per cent. Conversion Loan of 1916-17 and 5 per cent. War loan 1929-47 accepted at par (*c*) 5 per cent. Bonds 1933 and 6 per cent. Bonds 1933-36 accepted at a premium of 12 annas. Subscriptions to the conversion section were in the form of 4½ per cent. Bonds 1934, 5 per cent. Bonds 1935 and 6½ per cent. Treasury Bonds 1935, accepted at Rs. 106-2, Rs. 108 and Rs. 111-8 respectively as equivalent of cash. The year was important because of the fact that the Government repaid the outstanding amounts of 5 per cent. 1929-47 Loan on 15th May, 4 per cent. Conversion Loan 1916-17 on 1st July and 6 per cent. Bonds 1933-36 on 15th August. In 1934, there was a further issue of the 3½ per cent. 1947-50 at Rs. 98-8 and also a short-term loan of 3 per cent. 1941 at Rs. 99. The 4½ per cent. Bonds 1934 and 4 per cent. Bonds 1934-37 were accepted in subscription to the former, while 4½ per cent. Bonds 1934 were accepted for the latter. It is interesting to note that a loan bearing a nominal rate of interest at 3 per cent. was issued for the first time since the year 1896. The entire amount of 4 per cent. Bonds 1934-37 was repaid during the year. In 1935, a 3 per cent. loan of 1951-54 was issued at Rs. 96-8, and 5 per cent. Bonds of 1935 at Rs. 100-7 and 6½ per cent. Treasury Bonds 1935 at Rs. 100-11 were accepted in subscription. In 1936, although the Government had no loans to repay during the year, they decided to take advantage of the exceptionally favourable conditions that prevailed in the money market and issued at par a loan of 2¾ per cent. repayable in 1948-52. This was the first occasion in the history of the Government of India loans when a loan below a 3 per cent. rate of interest was issued, and that too at par. There was no loan in the financial year 1937. In the year 1938, a combined cash and conversion loan with a comparatively long term maturity of 1963-65 was issued at Rs. 98, 5½ per cent. Loan 1938-40 at Rs. 101-12 and 5 per cent. Loan 1939-44 at Rs. 104 were accepted in subscription. The outstanding amount of 5½ per cent. 1938-40 was repaid. In 1939, a further issue of 3 per cent. loan 1963-65 was made at Rs. 98, and 5 per cent. 1939-44 at Rs. 100-6 and 5 per cent. 1940-43 at Rs. 104 were received in subscription. The outstanding amount of 5 per cent. 1939-44 loan was repaid.

5½% 1938-40 and 5% 1940-43 Loans.

4% Bonds 1943.

3½% Loan 1947-50.

3% Loan 1941.

3% Loan 1951-54.

2¾% Loan 1948-52.

3% Loan 1963-65.

The following table summarises all the foregoing information and it will be seen that the highest rate of interest which had to be paid was 6½ per cent. in 1931, from which level, owing to easier money conditions, it gradually declined to 2¾ per cent. in 1936.

RUPEE SECURITIES

Year of Issue.	Loan.	Date of Redemption.	Issue Price.	Amount Raised.	Remarks.
			Rs.	Rs. (in thousands.)	
1894	3½% of 1842-43 3½% of 1854-55 3½% of 1865 3½% of 1879	Repayable at the option of Government at any time after August 1904, on 3 months' notice.	..	....	Converted from the then existing 4% Loans of the respective years.
1896	3%	Repayable at the option of Government at any time after December 31, 1916, on 3 months' notice.	..	9,00,00	5 crores realised on conversion of 3½% G. P. Notes of 1853-54 and 1893-94. Convertible into 3½% Paper of 1900-01 in the ratio of 7 to 6.
1900-12	3½% of 1900-01	Repayable at the option of Government at any time after December 31, 1920, on 3 months' notice.	..	....	Many loans were issued at 3½% between 1900 and 1912, but all these are generally known as the 3½% Loan of 1900-01.
1915	4% of 1915-16	Repayable not before 30th November 1920 and not later than 30th November 1923, on 3 months' notice.	100	4,50,00	First terminable loan.
1916	4% Conversion Loan of 1916-17.	Repayable not before 1st October 1931 and not later than 1st October 1936, on 3 months' notice.	100	6,50,00	Subscribers to this loan obtained the privilege, subject to certain conditions, of converting their 3½% and 3% Rupee Securities into Securities of this Loan. Repaid on 1st July 1933.
1917	5% War Loan 1929-47	Repayable not before 15th August 1929 and not later than 15th August 1947, on 3 months' notice.	95	....	Arrangement made for Sinking Fund. The amount remaining unpaid at the end of 1932 was repaid on 15th May 1933.
1917	*5½% War Bonds 1920	15th August 1920 - - - -	..	....	....
	*5½% War Bonds 1922	15th August 1922 - - - -	..	....	....

Interest on Loans marked * is exempt from Income-tax but not from Super-tax. It is taken into account in determining the rate at which income-tax will be levied on other income.

Year of Issue.	Loan.	Date of Redemption.	Issue Price.	Amount Raised.	Remarks.
			Rs.	Rs. (in thousands.)	
1918	*5½% War Bonds 1921	15th September 1921 - - - -	..	....	....
	*5½% War Bonds 1923	15th September 1923 - - - -	..	....	....
	*5½% War Bonds 1925	Repayable at Rs. 103 on 15th September 1925	..	....	....
	*5½% War Bonds 1928	Repayable at Rs. 105 on 15th September 1928	..	....	....
1919	*5% Loan of 1945-55	Repayable not before 15th October 1945 and not later than 15th October 1955, on 3 months' notice.	95	....	War Bonds of every series were accepted at par as equivalent of cash in subscription to this loan. Arrangement made for a Sinking Fund.
1920	*5% Loan of 1945-55	Do. do. -	95	....	....
	*6% Bonds 1930	15th August 1930 - - - -	100	....	5½% War Bonds of 1920 and 1921 accepted at par.
1921	*6% Bonds 1926	15th September 1926 - - - -	100	....	5½% War Bonds of 1921 and 1922 accepted at par in subscription.
	*6% Bonds 1931	15th September 1931 - - - -	100	....	Do. do.
1922	*6% Bonds 1927	1st October 1927 - - - -	100	27,37,83	5½% War Bonds of 1922 accepted at par in subscription.
	*6% Bonds 1932	1st October 1932 - - - -	100	19,48 92	Do. do.
1923	*5% Loan 1945-55	Repayable not before 15th October 1945 and not later than 15th October 1955, at 3 months' notice.	96	9,79,25	Maturing War Bonds accepted.
	*5% Bonds 1933	1st September 1933 - - - -	97	14,17,94	....
1924	*5% Loan 1945-55	Repayable not before 15th October 1945 and not later than 15th October 1955, at 3 months' notice.	99	5,93,36	5½% War Bonds 1925 and 1928 accepted at par in subscription.
	*5% Bonds 1933	1st September 1933 - - - -	98-4	7,27,86	....

Interest on Loans Marked * is exempt from Income-tax but not from super-tax. It is taken into account in determining the rate at which income-tax will be levied on other income.

Year of Issue.	Loan.	Date of Redemption.	Issue Price.	Amount Raised.	Remarks.
			Rs.	Rs. (in thousands.)	
1925	*5 % Loan 1945-55	Repayable not before 15th October 1945 and not later than 15th October 1955, at 3 months' notice.	100	25,88,51	No cash subscriptions were invited, but War Bonds of 5½% 1925, 6% 1926, 6% 1927 and 5½% 1928 accepted at par with a cash bonus of Rs. 3, Rs. 1-8, Rs. 2-4 & Rs. 5-8 respectively.
	5 % Bonds 1935	15th September 1935 - - - -	100	30,61,17	5½% War Bonds 1925 and 6% War Bonds 1926 accepted in subscription at par with a cash bonus of Rs. 7 and Rs. 5-8 respectively.
1926	4 % Loan 1960-70	Repayable not before 15th September 1960 and not later than 15th September 1970, at 3 months' notice.	88	29,49,70	6 % War Bonds 1926 at Rs. 101, 6% War Bonds 1927 at Rs. 102-4 and 5½ % War Bonds 1928 at Rs. 106-8 accepted in subscription.
1927	4 % Loan 1934-37	Repayable not before 1st August 1934 and not later than 1st August 1937, on 3 months' notice.	94-8	19,53,79	6% Bonds 1927 and 5½ % War Bonds 1928 were accepted in subscription with a cash bonus of Rs. 6-4 and Rs. 12 respectively. Finally repaid on 15th August 1934.
1928	4½% Bonds 1934	15th Seotember 1934 - - - -	97-8	26,00,00	5½% War bonds 1928 accepted at the redemption rate of Rs. 105 in subscription.
	4½% Loan 1955-60	Repayable not before 15th September 1955 and not later than 15th September 1960, on 3 months' notice.	94	9,00,00	5½% War Bonds 1928 accepted at the redemption rate of Rs. 105 in subscription.
1929	5 % Loan 1939-44	Repayable not before 15th July 1939 and not later than 15th July 1944, on 3 months' notice.	96-8	29,00,00	6% Bonds 1930 at Rs. 102, 6 % Bonds 1931 at Rs. 103-2 and 6 % Bonds 1932 at Rs. 104-2 accepted in subscription. Arrangement made for Depreciation Fund. Repaid in 1939.
	5 % Bonds 1935	15th September 1935 - - - -	98	8,00,00	6 % Bonds 1930 accepted in subscription, under certain conditions.

Interest on Loans marked * is exempt from Income-tax but not from super-tax. It is taken into account in determining the rate at which income-tax will be levied on other income.

Year of Issue.	Loan.	Date of Redemption.	Issue Price.	Amount Raised.	Remarks.
			Rs.	Rs. (in thousands.)	
1930	6% Bonds 1933-36	Repayable not before 15th August 1933 and not later than 15th August 1936, on 3 months' notice.	100	29,70,80	6% Bonds 1930 accepted in subscription. Finally repaid on 15th August 1933.
1931	6½% Treasury Bonds 1935	15th September 1935 - - - -	100	16,95,00	6% Bonds 1931 accepted in subscription.
1932	5½% Bonds 1938-40	Repayable not before 1st October 1938 and not later than 1st October 1940, on 3 months' notice.	98	19,14,00	6% Bonds 1932 accepted in subscription. Repaid in 1938.
	* 5% Bonds 1940-43	Repayable not before 1st October 1940 and not later than 1st October 1943, on 3 months' notice.	98	25,18,00	5% Bonds 1933 at Rs. 101-8 and 6% Bonds 1933-36 at Rs. 102-8 accepted in subscription.
1933	4% Bonds 1943	1st August 1943 - - - -	98	15,00,00	....
	4% Loan 1960-70	Repayable not before 15th September 1960 and not later than 15th September 1970, on 3 months' notice.	100	33,85,00	Purely Conversion Loan. Holders of 5% War Loan 1929-47, 5% Bonds 1933 and 6% Bonds 1933-36 were given the option of converting their holdings into an equal amount of this loan, with a cash bonus of Rs. 7-8, Rs. 8-8 and Rs. 8-8 respectively.
	3½% Loan 1947-50	Repayable not before 15th November 1947 and not later than 15th November 1950, on 3 months' notice.	96	30,82,00	4% Conversion Loan of 1916-17 and 5% War Loan 1929-47 accepted at par and 5% 1933 and 6% 1933-36 at Rs. 100-12 ; also 4½% 1934, 5% 1935 and 6½% Treasury Bonds 1935 with a cash bonus of Rs. 6-2, Rs. 8-0 and Rs. 11-8 respectively.
1934	3½% Loan 1947-50	Do. do.	98-8	25,12,62	4% Loan 1934-37 and 4½% Bonds 1934 accepted at par in subscription.
	3% Bonds 1941	15th September 1941 - - - -	99	10,67,31	4½% Bonds 1934 accepted at par in subscription.

* Government have notified to repay the outstanding amount of the loan on 1st October 1940.

Year of Issue.	Loan.	Date of Redemption.	Issue Price.	Amount Raised.	Remarks.
			Rs.	Rs. (in thousands.)	
1935	3% Loan 1951-54	Repayable not before 15th September 1951 and not later than 15th September 1954, on 3 months' notice.	96-8	29,53,00	5% Bonds 1935 at Rs. 100-7 and 6½% Treasury Bonds 1935 at Rs. 100-11 were accepted in subscription.
1936	2¾% Loan 1948-52	Repayable not before 1st June 1948 and not later than 1st June 1952, on 3 months' notice.	100	12,00,00	....
1938	3% Loan 1963-65	Repayable not before 1st June 1963 and not later than 1st June 1965, on 3 months' notice.	98	26,31,00	5½% Loan 1938-40 at Rs. 101-12 and 5% Loan 1939-44 at Rs. 104 accepted in subscription.
1939	3% Loan 1963-65	Do do.	98	15,71,92	5% Loan 1939-44 at Rs. 100-6 and 5% Loan 1940-43 at Rs. 104 were accepted in subscription.

Since the above was written, the following loan has been issued :—

3% Defence Bonds 1946: Issued from 1st August 1940 at par, with the price increasing by 9 pies per cent. weekly up to 31st January 1941. Repayable at Rs. 101% on 1st August 1946. 5% Loan 1940-43 was accepted at its full maturity value in subscription. Amount subscribed up to 31st August 1940: Rs. 20,81,03,600.

So far we have given an account of the Rupee Securities of the Government of India. We have now to consider the Sterling Securities which are also of equal importance. In order to make good their deficits, the East India Company had to borrow from time to time, as already mentioned, either from the British Government or the Bank of England. On the transfer of the Government of India to the Crown, all the debt of the East India Company, both Rupee and Sterling, was taken over and an additional sum of £12 million had to be paid to the proprietors of the East India Stock. Up till this time, the debt in Sterling was compa.atively insignificant. But thereafter, there have been regular borrowings mainly on account of the construction of the new, or for the purchase or liquidation of, specific Railways or for making advances to Railway Companies or for paying off existing Sterling Loans in order to reduce interest charges. Recourse had to be made to the London market owing to the comparatively lower rate of interest prevailing there, as also due to the fact that the Government of India had not been able to borrow large sums in India with ease in any single year. Between the years 1901-06, 3 per. cent. irredeemable Stock was issued every year, the highest subscription being £3 million in 1901 and the lowest £1½ million in 1902 and 1903. The policy of active Railway construction and the consequent heavy Sterling borrowings began in 1907, with the result that a higher rate of interest had to be paid on the loans from that time onwards. Between 1907 and 1910, there was an issue each year of 3½ per cent. irredeemable Stock, the total subscriptions for 4 years amounting to £27 million. The latter year is also important since it witnessed the first terminable loan for £4 million at 3½ per cent. This was repaid in eight annual instalments. There was no loan in 1911. In 1912, a further issue of 3½ per cent. irredeemable Stock was made for £3 million. There were no Sterling loans issued for many years after this, as the London market was almost entirely closed for outside borrowings on account of the Great War of 1914-18.

Origin of sterling securities.

Reasons for borrowing in London.

Irredeemable 3% Stock.

Irredeemable 3½% Stock.

First Terminable Loan.

The immediate post-war years found the Government of India faced with the necessity of raising huge amounts which were required for the acquisition of and expenditure upon railways and for general purposes. Unfortunately, this necessity coincided with very tight conditions in the London money market and so, not only had a higher rate of interest to be paid, but recourse also had to be made to the policy of issuing terminable instead of non-terminable loans. The first post-war loan was issued in 1921 at par bearing the onerous interest of 7 per cent., redeemable in 1926-31. It also carried the privilege of conversion into 3 per cent. Stock and, if redeemed before 1931, promise of repayment at 102 per cent. There is no doubt that Government laid themselves open to the accusation that there was a serious error of judgment in the case of this issue considering that other Governments, despite the aforesaid tightness of the London market, were able to borrow at more favourable rates.

First Post-War Loan—7% 1926-31.

The reason adduced for offering such extravagant terms was that Government were anxious to make certain the success of the loan as it approached the London market not only after the lapse of many years, but at a very critical period in the Indian political and financial situation. Needless to remark, the loan was immediately oversubscribed on issue. £3.2 million of this loan was converted into £6.46 million 3 per cent. irredeemable Stock in 1922-23 and £2 million was converted into £4 million of the same stock in the following year. In December of the same year and in 1922, a loan of 5½ per cent. redeemable in 1932 was issued in each year, in 1921 for £10 million at £93½ and in 1922 for £12½ million at £96. In October 1922 and in the year 1923, a comparatively long-term loan bearing interest at 4½ per cent. and maturing in 1950-55 was issued for £20 million in each year, at £85 in 1922 and at £90 in 1923. No Sterling loans were raised from 1924 to 1927. In 1928 and 1929, a long-term issue of 4½ per cent. repayable in 1958-68 was raised in each year, in 1928 for £7½ million at £91½ and in 1929 for £10 million at £91.

5½% Bonds 1932.

Long-term Loans.

In 1930, the following three stocks were issued: (1) a 6 per cent. £6 million loan at £99 repayable 1932-33; (2) a 6 per cent. £7 million loan at £99 repayable 1933-35; and (3) a 6 per cent. £12 million loan at par repayable in 1935-37. In 1931, two Stocks were raised, 5½ per cent. 1936-38 Loan for £17 million at £97 and 6 per cent. 1933-34 Loan for £10 million at par. In 1932, an issue of 5 per cent. Stock repayable 1942-47 was made for £10 million at £95 partly for the repayment of the maturing 6 per cent. Bonds. The year 1933 witnessed the issue of a medium-term loan at £97½ for £12 million bearing interest at 4 per cent. repayable at par in 1948-53 partly to provide funds for redemption of the outstanding balance of 6 per cent. 1933-35 Loan. Another issue, a comparatively long-dated one, bearing interest at 3½ per cent. redeemable in 1954-59 was made in the same year for £10 million at £97 to repay the 6 per cent. Bonds 1933-34. In 1935, a 3 per cent. Stock for £10 million repayable 1949-52 was made at £98 to repay the 6 per cent. Bonds 1935-37.

Short & Medium dated loans.

To summarise the foregoing, we give a table of the main details.

It must be stated here that the foregoing sterling loans were contracted by the Secretary of State in Council. But now, under the provisions of the Government of India Act 1935 and the East India Loans Act 1937 which came into force on 1st April 1937, the Secretary of State replaces the Secretary of State in Council in relation to these loans. Such debt is a liability of the Government of India and is secured upon the revenues of the Central and Provincial Governments. Any legal proceedings with reference thereto may be brought against the Secretary of State but the Exchequer of the United Kingdom has no liability in respect thereof. No deduction at source in respect of Indian taxation may be made from any payment of principal or interest in respect of such debt. Pending any constitutional changes in future, any sterling borrowings on behalf of the Government of India are to be undertaken by the Secretary of State within such limits as authorised by Parliament. In the exercise of these powers, the Secretary of State requires the concurrence of his statutory board of advisors. No such borrowing has taken place till this date.

STERLING SECURITIES:

Year of Issue.	Loan.	Date of Redemption.	Issue Price.	Amount Raised.	Remarks.
			£	£ (in millions.)	
	2½%	Repayable at par at any time since 5th October 1926 on 1 year's notice from the Secretary of State for India.	..	11.9	
1901	3 %	Repayable at par on or after 5th October 1948 on 1 year's notice from the Secretary of State for India.	..	3	
1902	3 %	Do. do.	..	1½	
1903	3 %	Do. do.	..	1½	
1904	3 %	Do. do.	..	2½	
1905	3 %	Do. do.	..	2	
1906	3 %	Do. do.	..	2	
1907	3½%	Repayable at par at any time since 5th January 1931, on 1 year's notice from the Secretary of State for India.	..	8½	
1908	3½%	Do. do.	..	7½	
1909	3½%	Do. do.	..	7½	
1910	3½%	Repayable in 8 annual instalments	..	4	Repaid in 8 annual instalments.
	3½%	Repayable at par at any time since 5th January 1931 on 1 year's notice from the Secretary of State for India.	..	3½	
1912	3½%	Do. do.	93	3	

Year of Issue.	Loan.	Date of Redemption.	Issue Price.	Amount Raised.	Remarks.
			£	£ (in millions.)	
1921	7 % 1926-31	Repayable between 1926 and 1931. It carried the privilege of conversion into 3% Stock and, if redeemed before 1931, promise of repayment at 102%	100	7½	£3.2 million of this loan converted into £6.46 million 3% irredeemable Stock in 1922-33 and £2 million converted into £4 million of the same stock in 1923-24.
	5½% 1932	Repayable in 1932 - - - -	93½	10	....
1922	5½% 1932	Do. - - - -	96	12½	....
	4½% Stock 1950-55	Repayable at par on 15th May 1955 or on, or on any interest date after, 15th May 1950 on 3 months' notice from the Secretary of State for India.	85	20	....
1923	4½% Stock 1950-55	Do. do. -	90	20	....
1928	4½% Stock 1958-68	Repayable at par on 1st June 1968 or on, or on any interest date after, 1st June 1958 on 3 months' notice from the Secretary of State for India.	91½	7½	To provide funds for capital expenditure on Railways and to repay maturing India Bills.
1929	4½% Stock 1958-68	Do. do.	91	10	To provide for capital expenditure on Railways in India, for the purchase of Burma Railways and to repay maturing India Bills.
1930	6% Stock 1932-33	Repayable at par on 15th June 1932, with option to extend payment up to 15th June 1933 in which event the bonds to be redeemed at 101%.	99	6	....
	6% Stock 1933-35	Repayable at par on 15th June 1935 or on, or on any interest date after, 15th June 1933 on 3 months' notice from the Secretary of State for India.	99	7	For capital expenditure on Railways in India and for general purposes.

Year of Issue.	Loan.	Date of Redemption.	Issue Price.	Amount Raised.	Remarks.
			£	£ (in millions.)	
	6% Stock 1935-37	Repayable at par on 15th October 1937 or on, or on any interest date after, 15th October 1935 on 3 months' notice from the Secretary of State for India.	100	12	....
1931	5½% Stock 1936-38	Repayable at par on 15th July 1938 or on, or on any interest date after, 15th July 1936 on 3 months' notice from the Secretary of State for India.	97	17	£12 million was received in cash and £5 million by conversion of 5½% India Stock 1932.
	6% Stock 1933-34	Repayable at par on 15th December 1934 or on, or on any interest date after, 15th December 1933 on 3 months' notice from the Secretary of State for India.	100	10	....
1932	5% Stock 1942-47	Repayable at par on 15th June 1947 or on, or on any interest date after, 15th June 1942 on 3 months' notice from the Secretary of State for India.	95	10	For capital expenditure on railways in India and for general purposes and also to repay the maturing 6% Stock 1932-33.
1933	4% 1948-53	Repayable at par on 15th December 1953 in whole or part, by drawings or otherwise, or on, or on any interest date after, 15th December 1948 on 3 months' notice from the Secretary of State for India.	97½	12	To repay 6% Stock 1933-35, for capital expenditure on railways in India and general purposes.
	3½% 1954-59	Repayable at par on 15th December 1959 in whole or part, by drawings or otherwise, or on, or on any interest date after, 15th December 1954, on 3 months' notice from the Secretary of State for India.	97	10	To repay 6% Stock 1933-34.
1935	3% 1949-52	Repayable at par on 1st August 1952 in whole or part, by drawings or otherwise, or on, or at any time after, 1st August 1949 on 3months' notice from the Secretary of State for India.	98	10	To repay 6% Bonds 1935-37.

Up to now we have touched upon the borrowings of the Government of India, but a brief reference must be made to the debt position of the Provincial Governments.

Provincial Government Loans.

It was only after the Government of India Act of 1919 that the Provinces were empowered to raise loans in the open market. Previous to that, this privilege was reserved for the Government of India. In exercise of this power, Provincial Governments have, on occasions subsequent to the passing of the Act, raised various loans for several reasons. It must be mentioned, however, that Provincial Governments may not borrow outside India without the consent of the Central Government and even in India they may borrow only subject to such limitations as may be imposed by the respective Legislatures. Also, the consent of the Central Government is required if the Province concerned is indebted to it. It is of interest to mention that a considerable part of debt owing by the Provinces to the Central Government was cancelled at the commencement of the new constitutional regime partly in order to afford relief from debt charges in particular cases and partly in return for the assumption by the Provinces of liabilities for certain balances and funds which were previously borne by the Central Government.

Marketing of Securities.

Before this review is concluded, a brief account must be given of the slow evolution of a fully organised and active market for these Securities. Records show that during the last quarter of the 19th century, business in Government Loans and other Trustee Securities was transacted freely in and between Calcutta and Bombay and Bombay and London. In writing on this particular subject the late Sir Shapoorji Broacha, the Grand Old Man of the Bombay Stock Exchange, remarked that Bombay was the largest Rupee Paper market in India. He further mentioned that between the years 1880 and 1898 there was large arbitrage business done between Bombay and London in the then existing 4½% Rupee Paper, which was ultimately repaid in 1894, and also in the 4% Paper. Subsequently, when the 4% Loans were converted into the 3½% G. P. Notes, this large arbitrage business between the two centres continued in 3½% Rupee Paper, and it was enhanced at that time on account of the fluctuations in exchange mostly downwards and London taking a liking to the Rupee Paper because of its day to day basis of interest calculation. As a result of these circumstances, the 3½% G. P. Notes actually rose to the highest point of Rs. 111½. This arbitrage business remained in full swing until the end of 1898 when exchange became stable at 1*sh.* 4*d.* per Rupee. Thereafter, a good deal of the speculative fascination disappeared and, as a result, the price tendency was downward. This was accentuated also by the issue of new Government and Corporation Loans every year. In spite of the gradually enlarging market for securities, the subject of Government Loans was one about which few had any knowledge, as business in them was mostly confined to leading banks, insurance companies and a handful of people directly interested. The masses were very largely habituated to hoarding whilst others with advanced views are said to have lacked confidence in the Government, particularly in regard to their general financial and currency policy. In order to encourage the investment habit amongst the masses, Government issued at par 'Stock Notes'

in 1882, in denominations of Rs. 12½, Rs. 25, Rs. 50 and Rs. 100. They bore interest at 4% payable annually, exempt from income-tax, and available at all Treasuries. They were transferable by simple delivery. Despite the attractive terms, the 'Stock Notes' proved a failure and in 1888 they were paid off or converted into Promissory Notes of Rs. 100 each. After this, no further effort was made to induce the masses to invest in loans until 1917, when, in order to obtain as much money as possible for the War loans, every expediency was adopted and a drive was organised to reach the slow moving ryot of even the remotest districts, with the result that some wide-spread interest was awakened. Efforts were also made to attract small investors, firstly, by offering facilities to subscribe to the loans through the Post Office and secondly, by the introduction of the Post Office Cash Certificates, the interest on which was free from income-tax. To this extent, a great deal was done to bring home the benefits of investment as opposed to hoarding. Also it can be said to have initiated the present large market in Securities although in the beginning there were too many unfortunate instances of these ignorant and credulous holders being induced by unscrupulous persons to part with their loans at ridiculous prices, whilst in the early days before they became more widely known, even the Post Office Cash Certificates were encashed long before the expiry of their 5 years' currency.

Even in the immediate post-war years, however, it can hardly be said that there was a market in any of the large Presidency towns which was conducive to free and unrestricted trading and there was a wide margin of as much as Rs. 2 between the buying and selling prices. As time wore on, however, all that was changed, and now it can be stated that a Government Loan is the easiest form of investment to negotiate. In Bombay and Calcutta, a class of trader has sprung up who deals in nothing else but Government Securities, in the same way that a person may trade in any other commodity. A holder may go to this dealer and provided there is no suspicion as regards his integrity or honesty, he can sell a security and realise the proceeds within an hour or two.

As a result of this easy negotiability, investors, who had hitherto been dealing in shares on account of their more ready market, turned their attention to Government Securities, resulting in a broadening of interest in this section. This received further impetus in more recent years by the compulsory investment on the part of insurance companies and charitable institutions of a large proportion of their funds in Government Securities.

The Bombay Stock Exchange may also be said to have played a very great part in bringing about a free and open Security market by officially placing the 3½ per cent. G. P. Notes on the Forward List. Later on, in 1926, this was followed by the 5 per cent. 1945/55 Loan and then in 1933 by the 4 per cent. 1960/70 Loan. During times of emergency in the past and again on account of the present War, the authorities have found it necessary to suspend forward trading, but there is no doubt that in normal times, the fact that there is this facility, is of very great importance for the negotiability of Securities. Particularly is this the case with large orders, which would certainly be difficult to execute in a cash market, without upsetting the price unduly and without letting everyone know who was making the purchase or sale, which is a most important consideration.

Year and rate of issue.	Amount outstanding Rs. (In thousands.)	Loan.	Interest Due.	1933. High.	1933. Low.
				Rs. a.	Rs. a.
1842-43 -	1,32,25,45	3½% Government Paper.	1st February & 1st August	88 12	74 10
1854-55 -			30th June & 31st December		
1865 -			1st May & 1st November -		
1879 -			16th January & 16th July -		
1900-01 -			30th June & 31st December		
1936 at par	12,01,28	2¾% 1948-52	1st June & 1st December -	..	..
1934 at Rs. 99	10,67,32	3% 1941	15th March & 15th September	..	..
1935 at Rs. 96-8	15,12,85	3% 1951-54	15th March & 15th September	..	..
1938 at Rs. 98	42,03,30	3% 1963-65	1st June & 1st December -	..	..
1939 at Rs. 98					
1933 at Rs. 96	55,94,37	3½% 1947-50	15th May & 15th November	96 8	90 0
1934 at Rs. 98-8					
1933 at Rs. 98	14,97,18	4% 1943	1st February & 1st August	102 8	100 2
1926 at Rs. 88	63,30,26	4% 1960-70	15th March & 15th September	100 1	85 10
1933 at par					
1928 at Rs. 94	9,05,70	4½% 1955-60	15th March & 15th September	106 1	95 12
1932 at Rs. 98	19,39,83	5% 1940-43	1st April & 1st October -	106 8	102 11
1919 at Rs. 95	56,74,94	5% 1945-55 (T.F.)	15th April & 15th October	112 15	107 3
1920 at Rs. 95					
1923 at Rs. 96					
1924 at Rs. 99					
1925 at par					

INDIA RUPEE LOANS.

PRICE RANGE.

1934.		1935.		1936.		1937.		1938.		1939.	
High.	Low.	High.	Low.	High.	Low.	High.	Low.	High.	Low.	High.	Low.
Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.
98 3	82 11	98 13	88 0	100 14	95 10	100 8	91 6	99 8	91 4	98 7	81 4
..	..	..	..	101 10	100 1	101 5	99 2	100 9	97 0	99 3	84 10
101 8	100 1	102 2	100 2	105 4	104 0	104 14	103 2	103 4	101 8	102 10	98 6
..	..	101 14	96 6	104 6	102 14	103 7	101 0	102 12	100 0	101 4	86 0
..	..	..	..	..	..	..	..	98 6	96 0	98 0	83 8
102 13	94 10	103 13	100 2	108 2	105 14	107 6	104 6	106 8	103 4	105 1	92 12
105 15	100 11	107 4	104 12	112 4	109 14	111 12	106 10	108 11	106 12	108 3	99 10
111 2	98 11	112 2	102 8	116 2	111 14	115 7	111 0	114 13	108 0	111 4	94 4
116 14	105 2	117 0	109 8	120 11	116 8	120 6	117 0	119 10	114 0	118 8	101 0
109 6	105 5	109 15	108 4	112 0	110 14	111 12	107 12	106 12	104 12	104 14	101 2
119 4	113 10	119 9	114 8	121 9	119 0	121 4	118 0	120 7	111 0	115 12	102 2

Year and rate of issue.	Amount outstanding £ (In thousands.)	Loan.	Interest due.	1933. High.	1933. Low.
				£	£
	76,784	3%	5th January, 5th April, 5th July and 5th October.	77½	66
	87,317	3½%	5th January, 5th April, 5th July and 5th October.	89½	77¾
1935 at £ 98	9,500	3% 1949-52	1st February & 1st August	..	..
1933 at £ 97	10,000	3½% 1954-59	15th June & 15th December	97	94¾
1933 at £ 97½	11,355	4% 1948-53	15th June & 15th December	104⅝	100¼
1922 at £ 85 1923 at £ 90	38,902	4½% 1950-55	15th May & 15th November	110¾	102½
1928 at £ 91½ 1929 at £ 91	17,500	4½% 1958-68	1st June & 1st December	110¾	103
1932 at £ 95	8,879	5% 1942-47	15th June & 15th December	111¾	106½

INDIA STERLING LOANS.

PRICE RANGE.

1934.		1935.		1936.		1937.		1938.		1939.	
High.	Low.	High.	Low.	High.	Low.	High.	Low.	High.	Low.	High.	Low.
£	£	£	£	£	£	£	£	£	£	£	£
92¼	74⅞	94½	76	88⅛	84¼	85	74½	82¼	70	76¼	66¼
99	87¼	100¼	90	99⅞	96¾	98½	87½	95	82	90	78½
..	..	99	94½	102⅛	97⅞	101⅝	97	100½	91	97	92
106¾	97½	106¾	102	108	105¾	107½	101	104½	98	101½	93
109¼	103	110½	104½	111⅜	109¼	112½	105½	109½	102	106	99
114	108	117	108	117½	114½	115½	109	114	107	111	101¾
116	108¼	119	112¼	120½	116	119½	112½	117½	110	115	103½
117	109¼	117	113	116½	112⅞	113	109½	112½	107½	108¼	102

PROVINCIAL GOVERNMENT LOANS.

Year of Issue.	Amount Outstanding. Rs.	Rate of Interest. Per cent.	Interest Due.	Date of Redemption.
Madras.				
1937	1,59,46,000	3	1st March & 1st September	1-9-1952.
1938	1,48,99,300	3	15th March & 15th September	15-9-1953.
1939	1,50,00,000	3	21st June & 21st December	21-6-1959.
Central Provinces:				
1937	50,32,700	3	1st March & 1st September	1-9-1952.
1939	75,20,800	3	21st June & 21st December	21-6-1949.
United Provinces.				
1932	2,57,89,100	5	1st April & 1st October	1-10-1944.
1936	1,96,16,000	3	15th March & 15th September	15-9-1961.
1937	1,02,64,700	3	1st March & 1st September	1-9-1952.
Punjab.				
1933	3,09,72,800	4	1st March & 1st September	1-9-1948.
1937	1,00,74,100	3	1st March & 1st September	1-9-1952.
1938	98,35,100	3	15th February & 15th August	15-8-1958.
1939	2,50,95,800	3	15th February & 15th August	15-8-1949.
N.-W. F. Province.				
1937	57,24,900	3	1st March & 1st September	1-9-1952.

STATE LOANS.

Year of Issue.	Amount Outstanding. Rs.	Rate of Interest. Per cent.	Interest Due.	Date of Redemption.
Mysore.				
1920	1,02,53,150	6¼	1st April & 1st October	1-10-1940.
1921	25,38,912	6½	1st May & 1st November	Not before 1-11-1941 & not later than 1-11-1951.
1930	1,63,44,300	5	1st May & 1st December	1-11-1955.
1933	2,95,85,200	4	1st June & 1st December	Not before 1st December 1953 and not later than 1st December 1963.
1934	50,00,000	3½	15th June & 15th December	Not before 15th December 1951 and not later than 15th December 1958.
1936	1,99,72,900	3	20th April & 20th October	Not before 20th April 1956 and not later than 20th April 1961.
Travancore.				
1916	14,49,000	5	16th August & 16th February	16-8-1941.
1936	50,00,000	3½	16th August & 16th February	16-8-1956.
Cochin.				
1933	75,00,000	5	1st April & 1st October	1-10-1943/53.
1936	30,00,000	3½	1st June & 1st December	1-6-1956/61.

BOMBAY MUNICIPAL LOANS.

Year of Issue.	Amount Outstanding.	Rate of Interest.	Interest Due.	Date of Redemption.
	Rs.	Per cent.		
1886–92	92,08,500	5	1st April & 1st October	Between 1-1-1928 and 1-1-1953.
1899–1900	19,25,000	4	1st June & 1st December	1-6-1940.
1901–04	24,75,000	4	,,	1-6-1943.
1905–07	24,75,000	4	1st February & 1st August	1-8-1946.
1909	15,00,000	4	1st May & 1st November	1-5-1949.
1909–10	30,00,000	4	,,	1-5-1949.
1911–13	55,00,000	4	1st June & 1st December	1-6-1942.
1913–15	70,00,000	4	,,	1-6-1954/74.
1913–15	20,00,000	4	1st May & 1st November	1-5-1955.
1915	43,00,000	4	,,	1-5-1945.
1920	30,00,000	4	1st January & 1st July	1-1-1951.
1920	10,00,000	5	,,	1-7-1980.
1924	67,77,000	6	1st June & 1st December	1-12-1954.
1924-25	92,23,000	6	,,	1-12-1954.
1928	25,00,000	5	1s January & 1st July	1-1-1958.
1929	26,21,500	5	1st February & 1st August	1-8-1959.
1929	26,14,000	5	,,	1-8-1959 or at the option of the Corporation on or after 1-8-1949 on giving three months' notice by public advertisement.
1929	8,45,500	5	,,	1-8-1959 or at the option of the Corporation on or after 1-8-1954 on giving three months' notice by public advertisement.
1930	40,00,000	6	1st June & 1st December	1-9-1960 or at the option of the Corporation on or after 1-9-1950 on giving three months' notice by public advertisement.
1936	9,00,000	3½	14th March & 14th September	14-3-1966.
1936-37	24,50,000	3	1st February & 1st August	1-2-1967.
1938	30,00,000	3	14th March & 14th September	14-3-1968.
1939	30,00,000	3	1st March & 1st September	1-3-1969.
1939–40	39,00,000	3	,,	1-3-1970.

CALCUTTA MUNICIPAL LOANS.

Year of Issue.	Amount Outstanding.	Rate of Interest.	Interest Due.	Date of Redemption.
	Rs.	Per cent.		
1910	30,00,000	4	1st April & 1st October	1-10-1940.
1912	34,00,000	4	1st May & 1st November	1-11-1942.
1915	21,16,300	4	1st September & 1st March	1-3-1945.
1919	11,04,500	5½	1st August & 1st February	1-2-1945.
1920	17,56,600	5½	1st July & 1st January	1-1-1950.
1920	54,50,000	6½	1st June & 1st December	1-12-1950.
1921	24,50,000	6½	1st April & 1st October	1-10-1951.
1924	5,65,500	6½	1st May & 1st November	1-11-1946.
1925	34,45,500	6½	1st July & 1st January	1-1-1955.
1925	84,70,000	6	1st September & 1st March	1-9-1955.
1928	36,00,000	5	1st May & 1st November	1-11-1958.
1929	25,00,000	5	1st August & 1st February	1-8-1957.
1929	25,00,000	5	1st August & 1st February	1-8-1958.
1931	3,11,400	6	1st July & 1st January	1-7-1948.
1931	33,00,000	6¼	1st August & 1st February	1-8-1950/60.
1931	32,50,000	6¼	1st August & 1st February	1-8-1951/61.
1932	10,00,000	5½	1st April & 1st October	1-10-1962.
1932	7,78,400	6	1st August & 1st February	1-8-1949.
1932	5,19,000	6½	1st September & 1st March	1-3-1949.
1933	8,06,300	4½	1st June & 1st December	1-6-1950.
1933	16,13,900	4	1st April & 1st October	1-10-1950.
1934	15,70,400	3½	1st June & 1st December	1-12-1951.
1935	33,91,000	3½	1st July & 1st January	1-7-1965.
1936	7,92,000	3	1st July & 1st January	1-1-1953.
1936	5,19,000	3	1st September & 1st March	1-9-1953.
1936	60,00,000	3	1st April & 1st October	1-10-1966.
1936	1,46,100	3	30th June & 31st December	31-12-1953.
1937	3,11,400	3	1st July & 1st January	1-7-1954.
1937	4,67,100	3	1st September & 1st March	1-9-1954.
1937	1,62,500	3	1st May & 1st November	1-11-1954.
1937	4,18,100	3	1st June & 1st December	1-12-1954.
1938	47,50,000	3	1st June & 1st December	1-6-1968.
1938	10,67,700	3	1st June & 1st December	1-12-1955.
1939	15,56,800	4	1st May & 1st November	1-11-1956.
1939	15,56,800	4	1st June & 1st December	1-12-1956.
	£		**Sterling Loan.**	
1923	5,00,000	6	1st September & 1st March	1-3-1953.

MADRAS MUNICIPAL LOANS.

Year of Issue.	Amount Outstanding.	Rate of Interest.	Interest Due.	Date of Redemption.
	Rs.	Per cent.		
1891	50,000	5	16th July & 16th January	16-1-1941.
1895	4,00,000	4	1st November & 1st May	1-5-1945.
1897	1,00,000	4	2nd February & 2nd August	2-8-1947.
1899	2,00,000	4	7th October & 7th April	7-4-1949.
1899	50,000	4	7th October & 7th April	7-4-1949.
1899	4,20,000	4	15th January & 15th July	15-7-1949.
1899	1,50,000	4	15th January & 15th July	15-7-1949.
1900	1,19,000	4	18th January & 18th July	18-7-1950.
1900	5,79,000	4	24th February & 24th August	24-8-1950.
1900	7,500	4	20th April & 20th October	20-10-1950.
1900	74,500	4	25th April & 25th October	25-10-1950.
1900	1,50,000	4	25th April & 25th October	25-10-1950.
1900	1,00,000	4	9th April & 9th October	9-10-1950.
1901	29,000	4	9th April & 9th October	9-10-1951.
1902	91,000	4	15th March & 15th September	15-9-1952.
1902	1,53,700	4	15th March & 15th September	15-9-1952.
1902	41,000	4	24th October & 24th April	24-4-1952.
1902	5,300	4	30th December & 30th June	30-6-1952.
1903	5,00,000	4	15th April & 15th October	15-10-1953.
1911	50,000	4	24th September & 24th March	24-3-1941.
1912	3,00,000	4	1st August & 1st February	1-2-1942.
1913	3,42,000	4	1st April & 1st October	1-10-1943.
1914	2,00,000	4	15th October & 15th April	15-4-1944.
1914	50,000	4	15th October & 15th April	15-4-1944.
1915	1,70,000	4	15th August & 15th February	15-2-1945.
1915	1,30,000	4	15th August & 15th February	15-2-1945.
1916	13,00,000	5	1st June & 1st December	1-12-1946.
1916	1,00,000	5	1st June & 1st December	1-12-1946.
1921	3,05,000	7	18th April & 18th October	18-10-1951.
1922	5,55,600	7	24th September & 24th March	24-3-1952.
1922	1,39,400	7	9th June & 9th December	9-12-1952.
1922	64,000	7	9th June & 9th December	9-12-1952.
1923	5,00,000	7	24th September & 24th March	24-3-1953.
1925	71,700	6	16th September & 16th March	16-3-1955.
1925	2,68,300	6	15th February & 15th August	15-8-1955.

KARACHI MUNICIPAL LOANS.

Year of Issue.	Amount Outstanding.	Rate of Interest.	Interest Due.	Date of Redemption.
	Rs.	Per cent.		
1924	30,00,000	6½	1st March & 1st September	1-3-1964.
1926	5,00,000	5	1st December & 1st June	1-12-1956.
1926	2,00,000	5	1st December & 1st June	1-12-1966.
1927	14,59,500	5	1st December & 1st June	1-12-1957.
1928	9,00,000	5	1st January & 1st July	1-1-1958.
1928	6,36,000	5	1st April & 1st October	1-4-1958.
1929	5,18,000	5	1st January & 1st July	1-1-1959.
1935	5,50,000	5	15th January & 15th July	15-1-1965.
1937	8,11,000	3½	15th October & 15th April	15-10-1967.
1940	2,85,000	4	1st March & 1st September	1-3-1980.

RANGOON MUNICIPAL LOANS.

Year of Issue.	Amount Outstanding.	Date of Interest.	Interest Due.	Date of Redemption.
	Rs.	Per cent.		
1902	9,30,500	4½	31st March & 30th September	30-9-1946.
1903	14,27,500	4½	15th March & 15th September	15-9-1947.
1904	5,97,500	4½	31st May & 30th November	30-11-1948.
1905	1,45,000	4½	15th June & 15th December	15-12-1949.
1910	4,60,000	4	1st May & 1st November	1-11-1940.
1911	4,83,500	4	15th May & 15th November	15-11-1941.
1912	6,04,000	4	30th June & 30th December	30-12-1942.
1925	26,46,900	6	30th April & 31st October	31-10-1955.
1926	32,67,000	5½	31st May & 30th November	30-11-1956.
1928	14,77,700	5	20th April & 20th October	20-10-1958.
1936	1,50,00,000	3½	20th April & 20th October	20-10-1966/76.
			Sterling Loan.	
	£			
1923	300,000	5½	1st March & 1st September	1-9-1953.

BOMBAY MUNICIPAL LOANS
(IMPROVEMENT TRUST.)

Year of Issue.	Amount Outstanding.	Rate of Interest.	Interest Due.	Date of Redemption.
	Rs.	Per cent.		
1899	50,00,000	4	1st May & 1st November	1-11-1959.
1901	30,00,000	4	1st January & 1st July	6-9-1961.
1902	30,00,000	4	,,	15-7-1962.
1903	60,00,000	4	,,	20-8-1963.
1904	50,00,000	4	,,	7-9-1964.
1905	30,00,000	4	,,	12-9-1965.
1906	20,00,000	4	,,	2-10-1966.
1907	15,00,000	4	,,	24-9-1967.
1908	30,00,000	4	,,	8-9-1968.
1909	84,99,000	4	,,	1-7-1969.
1910	49,95,000	4	,,	1-7-1970.
1912	25,00,000	4	,,	28-8-1972.
1913	18,00,000	4	,,	26-8-1973.
1914	50,00,000	4	,,	4-8-1974.
1916	25,00,000	4	,,	3-1-1976.
1919	40,00,000	5	1st May & 1st November	1-11-1957/79.
1920	66,00,000	6	,,	1-4-1935/80.
1926	25,00,000	5	1st January & 1st July	16-9-1956/86.
1927	25,00,000	4	,,	4-4-1961/70.
1929	25,00,000	5½	,,	1-11-1944.
1933	10,00,000	5	31st March & 30th September	31-3-1943.
1936	10,00,000	3½	14th March & 14th September	14-3-1966.

CALCUTTA IMPROVEMENT TRUST LOANS.

Year of Issue.	Amount Outstanding.	Rate of Interest.	Interest Due.	Date of Redemption.
	Rs.	Per cent.		
1925	50,00,000	6	6th October & 6th April	6-10-1955.
1929	25,00,000	5½	18th March & 18th September	18-9-1959.
1934	50,00,000	4	14th February & 14th August	14-8-1964.
1935	35,00,000	3½	13th March & 13th September	13-9-1965.
1936	30,00,000	3	7th February & 7th August	7-8-1966.
1937	50,00,000	3	30th July & 30th January	30-7-1962.
1938	20,00,000	3	13th March & 13th September	13-9-1963/68.
			Sterling Loans.	
	£			
1922	350,000	6	1st June & 1st December	1-12-1952.
1923	700,000	5½	1st May & 1st November	1-5-1953.

BOMBAY PORT TRUST LOANS.

Year of Issue.	Amount Outstanding.	Rate of Interest.	Interest Due.	Date of Redemption.
	Rs.	Per cent.		
1904	36,50,000	4	1st January & 1st July	1-11-1964.
1905	35,00,000	4	1st February & 1st August	1-11-1965.
1906	15,00,000	4	1st March & 1st September	1-2-1967.
1907	44,00,000	4	1st May & 1st November	1-2-1968.
1908	75,00,000	4	1st March & 1st September	1-2-1969.
1909	40,00,000	4	1st January & 1st July	1-1-1970.
1910	56,00,000	4	1st April & 1st October	1-1-1971.
1911	75,00,000	4	1st June & 1st December	1-1-1972.
1912	1,10,00,000	4	1st February & 1st August	1-2-1973.
1913	14,35,876*	4	1st April & 1st October	31-3-1960.
1913	80,00,000	4	1st January & 1st July	1-1-1974.
1914	88,25,000	4	1st April & 1st October	1-1-1975.
1914	38,75,000	4	1st May & 1st November	1-11-1944.
1915	10,00,000	4	1st April & 1st October	31-3-1960.
1915	55,00,000*	4	1st June & 1st December	5-10-1975.
1922	61,61,000*	4	1st June & 1st December	31-3-1960.
1924	11,51,000*	4	1st April & 1st October	31-3-1960.
1926	10,25,000*	3½	1st May & 1st November	31-3-1960.
1929	35,00,000*	3½	1st February & 1st August	1-8-1959.
1930	38,50,000*	4	1st January & 1st July	1-1-1950.
1930	12,50,000*	3½	1st May & 1st November	1-11-1960.
1931	12,50,000*	3½	1st May & 1st November	1-11-1961.
1932	13,50,000*	3½	1st March & 1st September	1-9-1962.
1935	24,58,000*	3¾	30th March & 30th September	30-3-1975.
1936	15,00,000*	3¾	1st March & 1st September	1-3-1966.
1936	48,04,000*	3½	1st April & 1st October	1-4-1960.
1938	10,00,000*	3¾	15th March & 15th September	15-3-1968.
			Sterling Loan.	
1922	2,13,33,333 (£1,600,000)	6	1st February & 1st August	1-8-1952.

* Held entirely by the Trustees.

CALCUTTA PORT TRUST LOANS.

Year of Issue.	Amount Outstanding.	Rate of Interest.	Interest Due.	Date of Redemption.
	Rs.	Per cent.		
1910	16,54,100	4	1st March & 1st September	1-9-1940.
1911	14,83,000	4	1st March & 1st September	1-9-1941.
1912	36,13,100	4	15th August & 15th February	15-8-1942.
1913	39,29,200	4	18th September & 18th March	18-9-1943.
1914	90,24,300	4	8th August & 8th February	8-8-1974.
1915	76,90,100	4	1st April & 1st October	1-10-1975.
1916	45,39,000	5	15th August & 15th February	15-8-1946.
1921	68,02,300	6	1st April & 1st October	1-4-1981.
1921	1,75,00,000	6½	1st July & 1st January	1-7-1981.
1925	1,24,06,300	6	22nd September & 22nd March	22-9-1955/85.
1926	98,21,600	5½	15th May & 15th November	15-5-1956/86.
1926	99,84,500	5	4th April & 4th October	4-10-1956/86.
1927	1,49,49,500	5	1st September & 1st March	1-9-1957/87.
1928	1,49,30,000	5	15th September & 15th March	15-9-1958/88.
1931	80,00,000	4	15th April & 15th October	15-10-1991.
1933	21,75,000	3	1st July & 1st January	1-7-1954.
1935	60,00,000	3½	15th September & 15th March	15-9-1965.
1937	1,25,00,000	3	1st May & 1st November	1-11-1951.
1938	25,00,000	3	1st June & 1st December	1-6-1968/98.
			Sterling Loans.	
	£			
1922	1,178,500	6	1st July & 1st January	1-7-1952.
1923	998,600	5	1st July & 1st January	1-7-1953/83.
1924	1,000,000	5	1st July & 1st January	1-7-1954/84.
1925	500,000	5	1st July & 1st January	1-7-1945.
1932	1,075,000	5½	1st April & 1st October	1-4-1962.

MADRAS PORT TRUST LOANS.

Year of Issue.	Amount Outstanding.	Rate of Interest.	Interest Due.	Date of Redemption.
	£	Per cent.	**Sterling Loan.**	
1923	330,000	5½	1st May & 1st November	1-5-1953.

KARACHI PORT TRUST LOANS.

Year of Issue.	Amount Outstanding.	Rate of Interest.	Interest Due.	Date of Redemption.
	Rs.	Per cent.		
1910	19,95,000	4	1st June & 1st December	1-12-1940.
1911	10,00,000	4	1st April & 1st October	1-10-1941.
1913	20,00,000	4	1st January & 1st July	1-1-1943.
1913	10,00,000	4	1st January & 1st July	1-1-1943.
1913	5,10,000	4	1st May & 1st November	1-11-1943.
1914	4,90,000	4	1st June & 1st December	1-6-1944.
1914	30,00,000	4	1st June & 1st December	1-6-1944.
1926	99,94,000	6	1st February & 1st August	1-2-1956.
1936	12,00,000	3	15th June & 15th December	15-12-1956.
1937	10,00,000	3¼	1st May & 1st November	1-11-1952.
	£		**Sterling Loans.**	
1922	333,000	6	1st April & 1st October	1-10-1952.
1924	333,000	5½	15th March & 15th September	15-3-1954.

RANGOON PORT TRUST LOANS.

Year of Issue.	Amount Outstanding.	Rate of Interest.	Interest Due.	Date of Redemption.
	Rs.	Per cent.		
1905	14,30,000	4	1st May & 1st November	1-11-1949.
1906	11,00,000	4	15th March & 15th September	15-9-1950.
1907	16,31,000	4	15th March & 15th September	15-9-1951.
1910	6,00,000	4	30th May & 30th November	30-11-1940.
1911	9,50,000	4	1st April & 1st October	1-10-1941.
1912	9,00,000	4	1st April & 1st October	1-10-1942.
1913	35,00,000	4	1st April & 1st October	1-10-1943.
1925	35,00,000	5½	30th June & 31st December	1-1-1955.
1926	1,05,00,000	5½	15th June & 15th December	15-12-1956.
1928	50,00,000	5	1st April & 1st October	1-10-1958.
1932	54,00,000	5½	18th April & 18th October	18-10-1942/47.
1938	40,00,000	3¼	20th June & 20th December	20-6-1968/78.
	£		**Sterling Loan.**	
1908	156,000	4	1st January & 1st July	1-7-1952.

1939 Loans.

I. 3 per cent. Government of India Loan, 1963-65.

The following are extracts from the Government of India Notification, No. F. 3628-F, dated Simla, the 1st July 1939.

Subscriptions for a further issue of the 3 per cent. Loan, 1963-65, will be received on the 5th July 1939. Subscriptions may be in the form of cash or 5 per cent. Loan, 1939-44, or 5 per cent. Loan, 1940-43.

Cash and 5 per cent. Loan, 1939-44.—The list for subscriptions in cash or 5 per cent. Loan, 1939-44, will be closed without notice as soon as it appears that the total subscriptions in these two forms amount to Rs. 15 crores approximately, and in any case not later than the close of business on the 5th July 1939. Applications in the form of 5 per cent. Loan, 1939-44, will be allotted in full and if the total applications in this section, both cash and conversion, exceed approximately Rs. 15 crores, partial allotment will be made to subscribers in cash.

5 per cent. Loan, 1940-43.—Applications for conversion of holdings of 5 per cent. Loan, 1940-43, will be allotted in full without limit. The list for these conversion applications will be closed simultaneously with the closure of the list for subscriptions in cash and 5 per cent. Loan, 1939-44, and in any case not later than the close of business on the 5th July 1939.

3 per cent. Loan, 1963-65, issued at Rs. 98 per cent. and redeemable at par not earlier than 1963 and not later than 1965.

2. **Date of Repayment.**—If not previously repaid, the loan will be repaid at par on the 1st June 1965, but the Government of India reserve to themselves the right to repay the loan, or any part of it, at par, on or after the 1st June 1963, on giving three calendar months' notice in the *Gazette of India*.

3. **Issue Price.**—The price of this year's issue will be Rs. 98 for every Rs. 100 of the loan applied for.

4. **Interest.**—The loan will bear interest at the rate of 3 per cent. per annum. Interest will be payable half-yearly on the 1st of June and the 1st of December and will be liable to income-tax.

Interest for a full half-year, at the rate of 3 per cent. per annum, will be paid on the 1st December 1939 on the securities issued under the terms of this notification.

Conversion Terms.

5. The 5 per cent. Loan, 1939-44, and the 5 per cent. Loan, 1940-43, will be accepted in subscription to the 3 per cent. Loan, 1963-65 at the following rates :—

	Cash equivalent per Rs. 100 (nominal) of the securities tendered. Rs. a. p.
5 per cent. Loan, 1939-44 - - - -	100 6 0
5 per cent. Loan, 1940-43 - - - -	104 0 0

If the cash value of the loans tendered is not an exact multiple of the issue price per cent. of the new loan, the tenderer will receive in cash, at the time of issue of the new securities, the amount by which the value of the loans tendered exceeds the nearest lower multiple of the issue price.

Interest at the rate of 5 per cent. per annum up to the 4th July 1939, inclusive, on the securities accepted for conversion, will be paid in cash at the time of issue of the new securities.

Supplementary Provisions.

6. The Loan will be issued in the form of—

(*i*) Stock, the applicants for which will be given Stock Certificates, *or*

(*ii*) Promissory Notes.

If no preference is stated by the applicants, the securities will be issued in the form of Promissory Notes.

7. Applications for the loan must be for Rs. 100 or a multiple of that sum.

8. Applications will be received at the offices of the Reserve Bank of India at Bombay, Calcutta, Delhi and Madras and at the branches of the Imperial Bank of India at other places in India.

9. Applications may be in the form attached hereto or in any other form which states clearly the amount and description of the securities required, the full name and address of the applicant, and the treasury or sub-treasury at which he desires that interest shall be paid.

10. Applications should be accompanied by the necessary payment in any of the forms mentioned below :—

(*a*) **Cash or Cheque.**—Cheques accompanying applications should be drawn in favour of the Reserve Bank of India or the Imperial Bank of India as the case may be.

(*b*) **5 per cent. Loan, 1939-44, or 5 per cent. Loan, 1940-43.**—Applicants who tender securities in payment must transfer such securities to Government,

(*a*) in the case of Promissory Notes by endorsing these with the words " Pay to the Governor-General in Council " over their signature, and

(*b*) in the case of Stock, by signing the form of transfer deed on the back of the Stock Certificate before a witness.

11. If partial allotment is made in respect of subscriptions received in cash a proportionate refund will be made at the time of issue of the new securities. No interest will be paid on the amounts so refunded.

II. 3 per cent. Government of Madras Loan, 1959.

The following are extracts from the Government of Madras Notification No. 3 (L.)W.M.-1/39, dated Fort St. George, the 17th June 1939.

3 per cent. Loan of the Government of Madras, 1959, issued at Rs. 98-8-0 per cent. and redeemable at par on 21st June 1959.

1. **Object.**—The proceeds of the loan will be used only for the following wholly productive capital expenditure :—

(*i*) Electric schemes,

(*ii*) Irrigation works, and

(*iii*) Advances to local bodies, agriculturists, etc.

2. **Security for Loan.**—In accordance with section 163(1) of the Government of India Act, 1935, the loan will be secured on the whole of the revenues of the Government of Madras.

The consent of the Central Government has been given to the flotation of this loan as required by section 163(3) of the Government of India Act, 1935.

3. **Description.**—The loan will be briefly described as the Madras Government 3 per cent. loan, 1959.

4. **Amount of Issue.**—The amount of the loan will be Rs. 150 lakhs.

5. **Issue Price.**—The issue price will be Rs. 98-0 for every Rs. 100 of the loan applied for.

6. **Subscriptions.**—Subscriptions will be received on 21st June 1939 only. The loan will be closed without notice as soon as it appears that the total subscription amounts approximately to Rs. 150 lakhs and in any case not later than the close of business on 21st June 1939.

7. **Partial Allotment.**—If the total subscription exceeds Rs. 150 lakhs, partial allotment will be made. If partial allotment is made, a proportionate refund will be made at the time of issue of the securities. No interest will be paid on the amounts so refunded.

8. **Date of Repayment.**—The loan will be repaid at par on the 21st June 1959.

9. **Interest.**—The loan will bear interest at the rate of 3 per cent. per annum from the 21st June 1939. Interest will be payable half-yearly on the 21st June and 21st December and will be subject to income-tax, but refunds will be payable to holders of the securities who are not liable to the tax or are liable to the tax at a lower rate.

10. **Place of Payment of Interest.**—Interest will be paid at any treasury or sub-treasury in the Province of Madras, at the Central treasuries at Bangalore and Trivandrum and at the Public Debt Offices at Madras, Bombay, Calcutta and Delhi.

11. **Form of Securities.**—The loan will be issued in the form of—

(1) Stock, the applicants for which will be given Stock Certificates, *or*

(2) Promissory Notes.

If no preference is stated by the applicants, the securities will be issued in the form of Promissory Notes.

The Promissory Notes are transferable by endorsement and will be in denominations of Rs. 100, Rs. 500, Rs. 1,000, Rs. 5,000, Rs. 10,000, Rs. 25,000, Rs. 50,000 and Rs. 1,00,000.

12. **Applications for Loan.**—(1) Applications for the loan must be for Rs. 100, or for a multiple of that sum.

(2) Applications will be received at any branch of the Imperial Bank of India located within the Province of Madras, at the Treasury Pay Offices of the Imperial Bank of India at Anantapur, Chittoor, Kurnool and Tanjore, at the branches of the Imperial Bank of India at Bangalore, and Trivandrum, and at the offices of the Reserve Bank of India at Madras, Bombay, Calcutta and Delhi.

(3) Applications may be made in the form attached hereto (printed copies of which are available at the places mentioned in sub-paragraph (2) above) or in any other form which states clearly the amount and description of the securities required, the full name and address of the applicant and the Public Debt Office or treasury or sub-treasury at which he desires that interest shall be paid.

13. **Method of Paying Subscriptions.**—Applications should be accompanied by the necessary payment either in cash or by cheque for the amount of the loan applied for. Cheques should be made payable to the Reserve Bank of India or the Imperial Bank of India, as the case may be.

When a cheque is tendered in payment of the application money, the security will not be issued until the amount of the cheque has been realized.

14. **Brokerage.**—Brokerage will be paid at the rate of 1/8th per cent. to recognised bankers and brokers on allotments made in respect of applications for the loan bearing their stamp.

15. **Depreciation Fund.**—The Government of Madras will provide in each financial year from 1940-41 to 1958-59, inclusive, a sum equal to 1½ per cent. of the total nominal amount of the loan to be used for purchasing the securities of the loan for cancellation.

16. **Sinking Fund.**—The Government of Madras will also make such annual contributions to a Sinking Fund to provide for the amortisation of their open market loans, as they may from time to time decide to be necessary.

III. 3 per cent. Punjab Government Loan, 1949.

The following are extracts from the Government of the Punjab Notification No. 1-W.M. Special, dated Simla, the 11th August 1939:—

Subscriptions for an issue of 3 per cent. Punjab Bonds, 1949.

1. **Description.**—The loan will be described as the 3 per cent. Punjab Bonds, 1949. The amount of the loan will be Rs. 250 lakhs (nominal value).

2. **Subscriptions.**—Subscriptions will be received on the 16th August 1939, in the form of cash or cheque. The issue will be closed without notice at any time during the day as soon as it appears that the total subscriptions amount to approximately Rs. 250 lakhs (nominal value) or in any case not later than the close of business on the 16th August 1939. If the total subscriptions exceed Rs. 250 lakhs (nominal value), partial allotment will be made, and a proportionate refund of cash given as soon as possible after allotment. No interest will be paid on the amounts so refunded.

3. **Object.**—The subscriptions received will be devoted to the Haveli and Thal Projects which are productive irrigation schemes.

4. **Issue Price.**—The issue price will be Rs. 98-0-0 for every Rs. 100 of the Bonds applied for.

5. **Date of Repayment.**—The Bonds will be repaid at par on the 15th August 1949.

6. **Interest.**—The Bonds will bear interest at the rate of 3 per cent. per annum. Interest will be payable half-yearly on the 15th February and 15th August, and will be liable to income-tax. Refunds will be obtainable by holders who are not liable to the tax or are liable to the tax at a lower rate. Interest for a full half-year will be paid on the 15th February 1940 on the securities issued under the terms of this notification.

7. **Place of Payment of Interest.**—Interest will be paid at any Treasury or Sub-Treasury in the Punjab and at the Public Debt Offices, Bombay, Calcutta, Delhi and Madras.

8. **Form of Securities.**—The loan will be issued in the form of—

(1) Stock, the applicants for which will be given Stock Certificates, or

(2) Promissory Notes.

If no preference is stated by the applicants, the securities will be issued in the form of Promissory Notes.

The Promissory Notes are transferable by endorsement and will be in denominations of Rs. 100, Rs. 500, Rs. 1,000, Rs. 5,000, Rs. 10,000, Rs. 25,000, Rs. 50,000 and Rs. 1,00,000.

9. **Applications for Loan.**—Applications, which must be for Rs. 100 or a multiple of that sum, will be received at any branch of the Imperial Bank of India located in the Punjab, at the Treasury Pay Offices of the Imperial Bank of India at Fazilka, Hoshiarpur, Jhang, Jhelum, Khanewal, Mianwali, Pakpattan, Qila Sheikhupura, Rohtak and Toba Tek Singh and at the offices of the Reserve Bank of India at Bombay, Calcutta, Delhi and Madras.

10. **Form of Application.**—Application may be in the form attached hereto, or in any other form which states clearly the amount and description of the securities required, the full name and address of the applicant, and the place at which he desires the interest shall be paid. Applications should be accompanied by the necessary payment of the amount of the Bonds applied for in any of the forms mentioned below.

11. **Form of Payment.**—Payment may be either in cash or by cheque. Cheques should be made payable to the Reserve Bank of India or the Imperial Bank of India, as the case may be. Securities will not be issued until the cheque tendered in payment of the application money has been cleared.

12. **Brokerage.**—Brokerage at the rate of one-eighth per cent. will be paid to recognised bankers and brokers on allotments made on applications for the Bonds bearing their stamps.

13. **Depreciation Fund.**—For the purpose of providing against depreciation in the market value of the loan, the Punjab Government undertake to set aside annually a sum equal to 1½ per cent. of the amount of the loan to form a fund to be used for its purchase and cancellation. The sum to be set aside will be calculated on the total issue of the loan.

14. **Public Debt Office.**—The Provincial Public Debt Office will be located at the Public Debt Office of the Reserve Bank of India, Delhi.

1940 Loans.

I. Creation of Rupee Loans as counterparts of the Indian Sterling Loans.

The following are extracts from the Government of India Notification, No. D/1184-B, dated New Delhi, the 22nd February 1940:—

It is hereby notified for general information that the Governor General-in-Council is pleased to sanction the creation of the following Rupee loans as counterparts of the Indian Sterling loans noted against each:—

Rupee Loans.	Sterling Loans.
(1) 3 per cent. Loan, 1949—52.	(1) India 3 per cent. Stock, 1949—52.
(2) 3½ per cent. Loan, 1954—59.	(2) India 3½ per cent. Stock, 1954—59.
(3) 4 per cent. Loan, 1948—53.	(3) India 4 per cent. Stock, 1948—53.
(4) 4½ per cent. Loan, 1950—55.	(4) India 4½ per cent. Stock, 1950—55.
(5) 4½ per cent. Loan, 1958—68.	(5) India 4½ per cent. Stock, 1958—68.
(6) 5 per cent. Loan, 1942—47.	(6) India 5 per cent. Stock, 1942—47.

2. With effect from the 1st April 1940 and until further notice holders of the several sterling loans stated above are given the option of transferring their holdings from the books of the Bank of England to the Rupee Registers to be opened and maintained in India by the Public Debt Offices of the Reserve Bank of India at Bombay, Calcutta, Delhi and Madras; the terms on which such conversions may be effected will be announced by the Reserve Bank of India from time to time.

3. The rupee counterparts of the sterling loans so converted will be subject to the usual conditions and privileges as to renewal, conversion, consolidation, sub-division, and enfacement for payment of interest at any Treasury or Sub-Treasury in India, and such securities will be governed by the provisions of the Indian Securities Act, 1920, and the rules framed thereunder.

4. Specimen copies of the rupee securities mentioned above are open for inspection at the Public Debt Offices of the Reserve Bank of India at Bombay, Calcutta, Delhi and Madras, and will be supplied on request at these offices to *bona fide* applicants.

5. Rupee securities issued in India in lieu of sterling securities will not be reconvertible into sterling, but may, on application, be enfaced for payment of interest at the London office of the Reserve Bank of India as in the case of other rupee loans.

II. 3 per cent. Government of India Defence Bonds, 1946.

The following are extracts from the Government of India Notification No. D/C 228-F., dated Simla, the 4th June 1940 :—

It is notified for general information that Government of India Defence Bonds will be obtainable with effect from the 10th June 1940 and until further notice.

2. **Date of Repayment.**—The Bonds will be repaid at Rs. 101 for every Rs. 100 nominal on the 1st August or 1st February following the expiry of six years from the date of issue, as the case may be.

3. **Issue Price.**—The Bonds will be issued at par.

4. **Interest.**—The Bonds will bear interest at the rate of 3 per cent. per annum.

Interest will be payable half-yearly on the 1st of August and the 1st of February and will be liable to income-tax.

Advance interest will be paid from the date of purchase to the date preceding the next regular date of half-yearly payment of interest.

No interest will accrue on the Bonds after the date fixed for repayment.

Supplementary Provisions.

5. The Bonds will be issued in the form of—

(*i*) Stock, the applicants for which will be given Stock Certificates, *or*

(*ii*) Promissory Notes.

If no preference is stated by the applicants, the securities will be issued in the form of Promissory Notes.

6. Applications for the Bonds may be for Rs. 100 or any multiple of that sum. The total value of the Bonds which may be held by an individual either in his own name or jointly with another shall be limited to Rs. 15,000 nominal.

7. The Bonds will be available at the offices of the Reserve Bank of India, Bombay, Calcutta, Delhi and Madras, at branches at the Imperial Bank of India at other places in India and at all Government treasuries.

8. Applications may be in the form attached hereto or in any other form which states clearly the amount and description of the securities required, the full name and address of the applicant, the treasury or sub-treasury at which interest is required to be paid and a certificate that the total value of the Bonds held including the Bonds applied for does not exceed Rs. 15,000 nominal.

9. Payments may be made in cash or by cheque. Cheques tendered at offices of the Reserve Bank or the Imperial Bank of India should be drawn in favour of the Bank concerned and cheques tendered at treasuries in favour of the Treasury Officer.

10. Brokerage will be paid at the rate of 1/16th per cent. to recognised bankers and brokers on applications for Bonds bearing their stamp.

III. Government of India Interest Free Defence Bonds, 1943.

The following are extracts from the Government of India Notification No. D/C 229-F., dated Simla, the 4th June 1940 :—

It is notified for general information that Government of India *Interest-free* Defence Bonds will be obtainable with effect from 10th June 1940 and until further notice.

2. **Date of Repayment.**—The Bonds will be repaid at par on the expiry of three years from the date of issue. The Bonds may also be encashed at par not less than twelve months after issue on three months' notice given by the holder in writing at any date to the Reserve Bank of India.

In case of private emergency a holder desiring to encash his Bonds outside these provisions, may apply to the Reserve Bank of India, which on being satisfied of the need may repay the Bonds at par.

3. **Issue Price.**—The Bonds will be issued at par.

4. **Interest.**—*No* interest will be paid on these bonds.

Supplementary Provisions.

5. The Bonds will be issued in the form of stock, the applicants for which will be given Stock Certificates.

6. Applications for these Bonds may be for any amount above Rs. 50.

7. The Bonds will be issued from the offices of the Reserve Bank of India, Bombay, Calcutta, Delhi and Madras.

8. Applications may be in any form which states clearly the amount of the securities required and the full name and address of the applicant. Applications will be received at the offices of the Reserve Bank of India, Bombay, Calcutta, Delhi and Madras, at branches of the Imperial Bank of India at other places in India and at all Government treasuries.

9. Payments may be made in cash or by cheque. Cheques tendered at offices of the Reserve Bank or the Imperial Bank of India should be drawn in favour of the Bank concerned and cheques tendered at treasuries in favour of the Treasury Officer.

IV. 3 per cent. Government of India Defence Bonds, 1946.

The following are extracts from the Government of India Notification No. D/C 872-F., dated Simla, the 25th July 1940 :—

It is notified for general information that the Government of India 3 per cent. Defence Bonds, 1946, repayable at Rs. 101 for every Rs. 100 nominal on the 1st August 1946 and bearing interest at 3 per cent. per annum, payable half-yearly, which interest will be liable to income-tax, will be obtainable with effect from the 1st August 1940 until further notice.

1. **Applications for Bonds.**—The Bonds will be available at the offices of the Reserve Bank of India, Bombay, Calcutta, Delhi and Madras, at branches of the Imperial Bank of India at other places in India, and at all Government treasuries.

2. **Interest.**—The first interest payment due on the Bonds for the full half-year ending the 31st January 1941 will be made on the 1st February 1941, and thereafter interest will be payable half-yearly on the 1st of August and the 1st of February. No interest will accrue on the Bonds after the date fixed for repayment.

3. **Issue Price.**—The prices at which the Bonds can be purchased are as follows :—

Bonds purchased on any date from the—

	Price per Rs. 100 nominal Rs. a. p.
1st August 1940 to the 10th August 1940	**100 0 0**
12th August 1940 to the 17th August 1940	**100 0 9**
19th August 1940 to the 24th August 1940	**100 1 6**
26th August 1940 to the 31st August 1940	**100 2 3**

and thereafter at prices increasing by 9 pies per cent, weekly up to the 31st January 1941. This weekly increase approximates to the net interest which accrues weekly on the Bonds.

Conversion Terms.

4. **5 per cent. Loan, 1940-43,** will be received in payment of the purchase price of the Bonds at its full maturity value, that is to say, at Rs. 100 for Rs. 100 nominal of the Loan tendered. If the maturity value of the Loan tendered is not an exact multiple of the issue price per cent. of the Bonds, the tenderer will receive in cash, at the time of issue of the new securities, the amount by which the value of the Loan tendered exceeds the nearest lower multiple of the issue price.

Example.—An applicant tenders on the 19th August 1940, Rs. 25,000 nominal value of the 5 per cent. Loan 1940-43, in payment of the purchase price of the 3 per cent. Defence Bonds, 1946. The value of the Loan tendered being Rs. 25,000, the applicant will receive Rs. 24,900 nominal of the Bonds and Rs. 76-10-6 in cash.

Interest on the securities accepted for the purchase of the Bonds at the rate of 5 per cent. per annum up to the 30th September, 1940, inclusive, will be paid in cash at the time of issue of the new securities.

Supplementary Provisions.

5. The Bonds will be issued in the form of—

(*i*) Stock, the applicants for which will be given Stock Certificates, *or*

(*ii*) Promissory Notes.

If no preference is stated by the applicants, the securities will be issued in the form of Promissory Notes.

6. Applications for the Bonds may be for Rs. 100 or any multiple of that sum.

7. Applications may be in the form attached hereto or in any other form which states clearly the amount and description of the securities required, the full name and address of the applicant and the treasury or sub-treasury at which interest is required to be paid.

8. Applications should be accompanied by the necessary payment in any of the forms mentioned below—

(*a*) **Cash or Cheque.**—Cheques tendered at offices of the Reserve Bank or the Imperial Bank of India should be drawn in favour of the Bank concerned and cheques tendered at treasuries in favour of the Treasury Officer.

(*b*) **5 per cent. Loan, 1940-43.**—Applicants who tender securities in payment must transfer such securities to Government,

(*i*) in the case of promissory notes by endorsing them with the words "Pay to the Governor-General-in-Council" over their signature, and

(*ii*) in the case of Stock, by signing the form of transfer deed on the back of the Stock Certificate before a witness.

9. Brokerage will be paid at the rate of 1/16th per cent. to recognised bankers and brokers on applications for Bonds bearing their stamp.

BANKING SECTION

Allahabad Bank, Limited.

(Regd. Allahabad, 1865.)

(See also Advertisement.)

Directors—(1) R. R. Haddow, Esq., (*Chairman*); (2) A. K. G. Hogg, Esq.; (3) Sir J. P. Srivastava, D.Litt., D.Sc., A.M.S.T.; and (4) W. Lothian Brown, Esq.

General Manager—W. Lothian Brown, Esq. **Head Office**—Allahabad Bank Buildings, 6, Royal Exchange Place, Calcutta.

Bombay Manager—W. R. Berry, Esq.

Bombay Office—Allahabad Bank Buildings, Apollo Street, Bombay.

Financial Year—ends March 31. **Accounts**—published in May.

Dividends—payable in May and November.

Capital—Authorised—Rs. 40,00,000 in (*i*) 25,000 Ordinary Shares of Rs. 100 each and (*ii*) 15,000, 6% (Tax-free) Preference shares of Rs. 100 each. **Issued and Subscribed**—Rs. 40,00,000 in (*i*) 25,000 Ordinary Shares of Rs. 100 each and (*ii*) 15,000, 6% (Tax-free) Preference shares of Rs. 100 each. **Paid-up**—Rs. 35,50,000 in (*i*) 9,000 Ordinary Shares of Rs. 100 each on which Rs. 50 is paid, and (*ii*) 16,000 Ordinary shares of Rs. 100 each and (*iii*) 15,000, 6% (Tax-free) Preference shares of Rs. 100 each.

This is one of the oldest existing Joint Stock Banks registered in India, and banking business of every description is carried on including the financing of produce up-country. The bank's progress can best be seen from the various increases of capital which have taken place since its inception. The original capital was Rs. 1,90,830 which was increased to Rs. 3,00,000 in 1870, then to Rs. 4,00,000 in 1890, to Rs. 5,00,000 in 1896, to Rs. 10,00,000 in 1901, to Rs. 15,00,000 in 1904, to Rs. 20,00,000 in 1907, to Rs. 25,00,000 in 1913, to Rs. 30,00,000 in 1914 and to the present figure in 1920. In the year 1939, it became affiliated to the Chartered Bank of India, Australia and China. Apart from a head office in Calcutta, there are numerous branches and sub-agencies :—

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1939	1940	**Assets (in Rs.)**—	1939	1940
Capital - -	35,50,000	35,50,000	Cash - -	1,58,40,605	2,00 33,388
Reserve Fund -	50,00,000	52,00,000	Investments -	4,72,48,723	3,40,46,065
Branch Development Fund -	85,110	74,562	Loans and Advances	5,37,16,304	6,91,05,129
Provident Fund -	20,97,339	1,94,179	Property - -	46,18,621	56,11,159
Deposits - -	10,95,19,417	11,87,85,160	Other Items -	6,82,093	7,79,330
Other Items -	7,09,685	4,80,471			
Profit and Loss Account -	11,44,795	12,90,699			
	12,21,06,346	12,95,75,071		12,21,06,346	12,95,75,071

Dividend Record—	1934	1935	1936	1937	1938	1939	1940
	18%	18%	18%	18%	18%	18%	18%
Price Range—							
High - - -	375	400	398	388	392½	390	385
Low - - -	316	375	352	372	380	380	310

Bank of Baroda, Ltd.

(Regd. Baroda, July 20, 1908).

(See also Advertisement.)

Directors—(1) Toolsidas Kilachand, Esq., (*Chairman*); (2) Raj Ratna Krishnarao Vithalrao Uplap, B.A., LL.B., (Naib Diwan, Baroda); (3) Durgaprasad Shambhuprasad Laskari, Esq., (Mill Agent, Ahmedabad); (4) Raj Ratna Girdharlal Dosabhai Parikh, B.A., LL.B. (Baroda); (5) Raj Mitra Bhailal Dajibhai Amin, B.A., M.S.C.I. (Managing Agent, Alembic Chemical Works, Ltd., Baroda); (6) S. D. Saklatvala, Esq. (Tata Sons, Ltd., Bombay); (7) R. D. Birla, Esq. (Messrs. Birla Bros., Ltd., Bombay).

General Manager—W. G. Groundwater, Esq. **Head Office**—Baroda.

Bombay Manager—M. D'Souza, Esq. **Bombay Office**—Apollo Street.

Financial Year—ends December 31. **Accounts**—published in February.

Dividends.—payable half-yearly in March and July.

Capital—Authorised—Rs. 2,40,00,000 in 240,000 shares of Rs. 100 each. **Issued**—Rs. 1,20,00,000 in 120,000 shares of Rs. 100 each. **Subscribed**—Ps. 1,20,00,000 in 120,000 shares of Rs. 100 each. **Paid-up**—Rs. 37,09,460 made up of as follows:—(*i*) Rs. 30,00,000 in 60,000 shares on which Rs. 50 has been paid up and (*ii*) Rs. 7,09,460 which is arrived at as follows:—Rs. 30 per share has been called up on 60,000 shares=Rs. 18,00,000, but from this, first calls of Rs. 20 per share amounting to Rs. 10,90,540 are unpaid and must be deducted. (This call was only made on November 15, 1939, payable on or before January 15, 1940 and on January 24, 1940, the unpaid amount was only Rs. 11,540.)

This bank does banking business of every description and enjoys the patronage of and is largely supported by the Government of His Highness the Maharaja Gaekwar of Baroda. In this instance also the progress of the Company can be seen from the various increases of capital. The original capital of Rs. 20,00,000 was raised to Rs. 60,00,000 in the year 1921 by the issue of 40,000 new shares of Rs. 100 each. In June 1939 there was a further increase from this figure by the creation of 1,80,000 new shares of Rs. 100 each, of which 60,000 shares were issued to existing shareholders at a premium of Rs. 45 per share, in the proportion of one new share for every share held. These ranked for dividend from the date of allotment.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	30,00,000	37,09,460	Cash Credits	1,85,09,907	2,31,25,216
Reserve Fund	26,50,000	55,00,000	Loans	1,00,02,445	1,08,43,255
Provident Fund	4,93,586	5,42,508	Bills Discounted	14,21,703	13,48,006
Deposits (Fixed, Current, Savings Bank and Others)	7,12,51,101	6,93,71,666	Properties	20,96,501	19,88,399
			Other Items	7,58,933	4,17,433
			Investments	3,34,70,440	3,05,86,514
Other Items	3,40,182	6,64,312	Cash	1,18,99,382	1,18,90,044
Profit and Loss Account	4,24,442	4,10,921			
	7,81,59,311	8,01,98,867		7,81,59,311	8,01,98,867

Dividend Record—	1933	1934	1935	1936	1937	1938	1939
	10%	10%	10%	10%	10%	10%	10%
Price Range—							
High	101¼	104	108	119¼	119½	118	116
Low	75½	82	92	101½	109	105	88

Bank of India, Ltd.

(Regd. Bombay July 7, 1906).

(See also Advertisement.)

Directors—(1) Sir Chunilal V. Mehta, K.C.S.I., (*Chairman*); (2) Ambalal Sarabhai, Esq.; (3) Sir Joseph Kay, Kt.; (4) A. Geddis, Esq.; (5) Sir Cowasjee Jehangir, Baronet, K.C.I.E., O.B.E.; (6) Dinsha K. Daji, Esq.; (7) Ramniwas Ramnarain, Esq.

Manager—A. G. Gray, Esq. **Head Office**—Oriental Buildings, Bombay.

Financial Year— ends December 31. **Accounts**—published in February.

Dividends—payable half-yearly in February and July.

Capital—Authorised, Issued and Subscribed—Rs. 2,00,00,000 in 2,00,000 shares of Rs. 100 each. **Paid-up**—Rs. 1,00,00,000 in 2,00,000 shares of Rs. 100 each on which Rs. 50 is paid-up.

The Bank of India was registered in the year 1906, with the particular object of financing Bombay's local trade. It is the second largest Indian Joint Stock Bank from the point of view of capital and it enjoys the confidence of the mercantile community and investing public. It has made most satisfactory progress over the 34 years it has been in existence and from the original capital of Rs. 50,00,000 the figure was increased in the year 1919 by the issue of 1,00,000 shares of Rs. 100 each (paid up Rs. 50) at a premium of Rs. 50 per share. Apart from the Head Office in Bombay, branches have gradually been opened up all over India.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	1,00,00,000	1,00,00,000	Government Securities	8,13,43,315	6,95,44,548
Reserves	1,11,50,000	1,14,00,000	Other Securities.	13,80,379	14,60,613
Deposits (Fixed, Current, etc.)	17,25,21,681	18,59,51,006	Bullion	77,647	- -
Other Items	1,52,240	1,37,671	Immovable Property	7,38,683	14,94,688
Profit and Loss Account	20,71,236	22,29,236	Advances	8,21,18,619	9,97,82,573
			Sundries	1,479	1,247
			Adjustments	1,60,852	1,43,697,
			Cash	3,00,74,183	3,72,90,547
	19,58,95,157	20,97,17,913		19,58,95,157	20,97,17,913

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	10%	10%	11%	11%	11%	11%	11%

Price Range—

High	107	122½	127	142	147	149	149
Low	96	104½	115	125	136¾	137	118½

Bombay Provincial Co-operative Bank, Ltd.

(**Regd.** under the Co-operative Credit Societies Act X of 1904, replaced by the Bombay Co-operative Societies Act VII of 1925).

Directors—(1) R. G. Saraiya, Esq., (*Chairman*) ; (2) Prof. V. G. Kale, Poona ; (3) B. V. Jadhav, Esq., Bombay ; (4) B. C. V. Mehta, Esq., Bombay ; (5) Gordhandas G. Morarji, Esq., Bombay ; (6) Rao Bahadur R. V. Vandekar, Nasik ; (7) S. N. Jamdar, Esq., Sholapur ; (8) K. M. Thakore, Esq., Broach ; (9) S. N. Keshwain, Esq., Sirsi ; (10) S. P. Pandit, Esq., Sirsi ; (11) V. P. Varde, Esq., Bombay ; (12) A. P. Kulkarni, Esq., Dhulia ; (13) D. J. Zumzarrao, Esq., Kalyan ; (14) K. V. Vichare, Esq., Satara Road.

Managing Director—Vaikunth L. Mehta, Esq. **Registered Office**—Sir Vithaldas Thackersey Memorial Building, 9, Bake House Lane, Fort, Bombay.

Financial year—ends June 30 ; **Accounts**—published in September.

Dividends—payable in October.

Capital—Authorised—Rs. 15,00,000 in 30,000 shares of Rs. 50 each. **Issued**—Rs. 13,00,000 in 26,000 shares of Rs. 50 each. **Subscribed and Paid-up**—Rs. 12,99,850 in 25,997 shares of Rs. 50 each fully paid. **Debentures**—Rs. 12,80,000 in 1,280, 4 per cent. Mortgage debentures of Rs. 1,000 each, payable to bearer with interest coupons attached.

This institution occupies a very prominent place amongst the Provincial Co-operative Banks in India, from the point of view of its resources, the wide sphere of its activities and by the real policy of co-operation on the part of the management. It has a very representative Board of Directors from all over the Presidency, and there are no less than 30 Branches located in the Presidency.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	12,99,850	12,99,850	Government Securities	77,87,576	76,23,589
Debentures	12,80,000	12,80,000	Loans and Advances	1,09,81,939	1,00,45,759
Reserve and Other Funds	16,90,224	18,96,174	Bills Receivable	1,58,095	1,16,384
Deposits	1,73,05,022	1,83,71,907	Immovable Property	13,817	12,435
Debts	7,84,578	4,83,798	Dead Stock	24,758	24,155
Profit and Loss Account	1,36,164	1,35,717	Sundry Items	2,72,257	2,07,905
			Adjustments	16,313	15,691
			Cash	31,57,737	53,30,907
			Land Mortgage Dept.	83,346	90,621
	2,24,95,838	2,34,67,446		2,24,95,838	2,34,67,446

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	4%	4%	5%	6%	5%	5%	4%
Price Range—							
High	55	50	50½	54	61½	57	60
Low	45	42	46¼	52	59⅝	51	55

Bombay Provincial Co-operative Land Mortgage Bank, Ltd.

(Regd. 1935.)

Directors—(1) Sir Govindrao B. Pradhan, Kt., J.P., (*President*) ; (2) Nurmahomed M. Chinoy, Esq. ; (3) Pranlal Devkaran Nanjee, Esq., J.P. ; (4) G. R. Nalawadi, Esq., B.A., LL.B. ; (5) R. N. Mehta, Esq. ; (6) V. L. Mehta, Esq., B.A. ; (7) G. S. Gangoli, Esq. ; (8) Dadubhai P. Desai, Esq. ; (9) K. M. Thakore, Esq., B.Sc., LL.B. ; (10) R. N. Rajadnya, Esq. ; (11) V. S. Savant, Esq., B. A., LL.B. ; (12) Prof. C. N. Vakil, M.A., M.Sc. ; (13) M. B. Inamati, Esq., B.A., LL.B. ; (14) M. D. Bhansali, Esq., M.A., LL.B. (Cantab), Bar-at-Law, I.C.S., (*Ex-Officio*) Registrar, Co-operative Societies and Director of Rural Development, Province of Bombay, Poona ; (15) V. B. Mardhekar, Esq., M.A.

Manager—R. N. Trivedi, Esq., B.A. (Hons.), G.D.C.A. **Registered Office**—Sir Vithaldas Thackersey Memorial Building, 9, Bake House Lane, Fort, Bombay.

Financial year—ends June 30. **Accounts**—published in September.

Dividends—payable in September.

Capital—Authorised—Rs. 10,00,000 in 10,000 shares of Rs. 100 each. **Issued and Subscribed**—Rs. 6,41,000 in 6,410 shares of Rs. 100 each. **Paid-up**—Rs. 4,21,000 in 910 shares of Rs. 100 each fully paid up, Rs. 91,000 and 5,500 shares of Rs. 100 each, on which Rs. 60 has been paid, Rs. 3,30,000.

Debentures—Rs. 20,00,000 in 3¼ per cent. Mortgage Debentures Authorised. Outstanding Rs. 16,76,200. The unsubscribed portion of Debentures amounting to Rs. 3,23,800 was taken up by the Government of Bombay. This amount of Rs. 3,23,800 taken up by the Government is not included in the statement of account prepared as on 30th June 1939.

This Bank came into existence as a result of the recommendations of the Land Mortgage Committee. It was formally registered on 7th December 1935 under the Bombay Co-operative Societies' Act with an Authorised Capital of Rs. 10,00,000. The main functions of the Bank are, to finance the primary mortgage banks by issuing debentures, inspect their working and give them advice and help ; to advance loans to agriculturists through primary mortgage banks on the security of their lands.

The Bombay Legislative Council passed a resolution in 1935 authorising the Government to guarantee both the principal and interest of the Debentures to be issued by the Bank to the extent of Rs. 50 lakhs. In order to safeguard the interests of the Debenture holders, provision has been made for the appointment by the Government

of the Registrar or any other person as the trustee for the purpose of securing fulfilment of the Bank's obligations to the holders of the debentures. All the property of the Bank on the security of which Debentures are issued shall vest in the trustee from the date of their issue. Apart from this, the Government of Bombay have agreed to grant the following concessions : exemption from stamp duty, registration fees, and income tax on the profits of the bank and dividends on shares. The Government of Bombay have also promised a grant of an annual subsidy to cover any deficit which may occur in the working of the bank in the first three years up to a maximum of Rs. 10,000 in the first year, falling to Rs. 6,000 in the third year.

The membership of the Bombay Provincial Land Mortgage Bank Ltd. is open to individual persons as well as primary Land Mortgage Banks and Co-operative Societies.

The Board of Directors is composed as follows :—five to be elected by primary Land Mortgage Banks, two nominated from among the shareholders of the Bank by the Registrar with the approval of the Government, one nominated by the Bombay Provincial Co-operative Bank, five elected by members of the Bank other than primary Land Mortgage Banks, the Registrar and the Managing Director of the Banks. The maximum dividend payable on shares is restricted to 6¼ per cent.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**	1938	1939
Capital - -	3,94,700	4,21,000	Cash - -	1,18,623	1,18,577
Debentures -	16,16,000	16,76,200	Fixed Deposits -	7,00,000	1,00,000
Reserve and Other Funds - -	....	1,036	Investments -	62	62
Debts - -	34,710	52,376	Loans to Primary Banks - -	12,15,822	19,25,958
Profit and Loss Account -	1,215	2,619	Interest - -	4,999	7,379
			Dead Stock -	1,449	1,255
			Preliminary Expenses -	5,670	....
	20,46,625	21,53,231		20,46,625	21,53,231

Dividend Record—

1936	1937	1938	1939
..	..	..	..

Canara Bank, Ltd.

(Established 1906.)

(*See also Advertisement.*)

Directors—(1) A. Srinivasa Pai, B.A., B.L., Advocate, *President*; (2) B. Venkatarao Baliga, B.A., B.L., M.L.A.; (3) U. Srinivasa Malliah; (4) M. Padmanabha Raghunath Pai; (5) M. Venkatesh Pai; (6) H. Laxminarayana Kamath; (7) C. Shrinivasa Rao; (8) M. Gopalkrishna Kamath; (9) A. Damodara Pai, B.A., B.L.; (10) V. Venkat Rao; (11) S. Pundalika Nayak; (12) K. P. Janardhan Prabhu, B.A.

Manager—P. S. Nayak, B.A., B.L.

Registered Office—Mangalore. **Bombay Manager**—M. M. Kini, Esq.

Bombay Office—Pherozshah Mehta Road.

Financial year—ends December 31. **Accounts**—published in January.

Dividends—payable in February.

Capital.—Authorised—Rs. 10,00,000 in 20,000 shares of Rs. 50 each. **Issued and Subscribed.**—Rs. 6,00,000 in 12,000 shares of Rs. 50 each. **Paid-up**—Rs. 3,91,342 in (1) Rs. 3,00,000 in 6,000 shares of Rs. 50 each. (2) Rs. 90,000 in 6,000 shares of Rs. 50 each on which has been Rs. 15 called up, to which must be added Rs. 2,520 being amount of calls in advance, less Rs. 1,178 for calls in arrears.

This small but very compact South Indian Bank was formed originally in the year 1906 and subsequently a satisfactory position has been built up. Although the capital is small compared to the other banking institutions, it has an imposing array of branches.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	3,62,655	3,91,342	Cash	10,44,430	17,99,207
Reserves	4,50,000	4,50,000	Bills for Collection.	3,56,745	2,71,044
Deposits	84,03,307	81,21,622	Investments	21,40,125	21,22,686
Bills for Collection.	3,56,745	2,71,044	Loans, etc.	64,87,222	57,81,340
Other Items	4,77,847	7,78,182	Premises	91,235	95,489
Profit and Loss Account	69,203	57,576			
	1,01,19,757	1,00,69,766		1,01,19,757	1,00,69,766

Dividend Record—

1935	1936	1937	1938	1939
12%	12%	9%+ 1%B	9%+ 1%B	9%+ 1%B

Central Bank of India, Ltd.

(Regd. Bombay, December 21, 1911.)

(See also Advertisement.)

Directors—(1) Sir H. P. Mody, K.B.E., (*Chairman*); (2) The Rt. Hon'ble Nawab Sir Akbar Hydari, Kt. P.C.; (3) Ardeshir Bomanji Dubash, Esq.; (4) Haridas Madhavdas, Esq.; (5) Dinshaw D. Romer, Esq.; (6) Vithaldas Kanji, Esq.; (7) Nurmahomed M. Chinoy, Esq.; (8) Bapuji D. Lam, Esq.; (9) Dharamsey Mulraj Khatau, Esq.; (10) Sir Ardeshir Dalal, I.C.S. (Retd.).

General Manager—H. C. Captain, Esq. **Head Office**—Central Bank Buildings, Esplanade Road, Bombay.

Financial Year —ends December 31. **Accounts**—published in February. **Dividends**—payable half-yearly in April and August.

Capital—Authorised—Rs. 3,50,00,000 in 7,00,000 shares of Rs. 50 each. **Issued and Subscribed**—Rs. 3,36,26,400 in 6,72,528 shares of Rs. 50 each. **Paid-up**—Rs. 1,68,13,200 in 6,72,528 shares of Rs. 50 each on which Rs. 25 has been paid up.

Due to the efforts, enthusiasm and organising skill of the late Sir S. N. Pochkhanawala, the Central Bank of India, Ltd., came into existence in 1911, and it was the culmination of his ambition to see that this Bank became an all-India Banking institution. His efforts in this direction were assisted by the late Sir Pherozshah Mehta, who was the first Chairman. The present position it occupies in the Indian Banking world has been built up despite a good deal of opposition and in the face of very great difficulties at times. The Bank transacts every kind of banking business and has always been alive to the necessity of providing the best and most up-to-date service to its clients. For example, there is a model scheme of insurance for Savings Depositors; Executor and Trustee business is undertaken and the Central was the first Bank in Bombay to instal a large Safe Deposit Vault at its Head Office. The enormous expansion over recent years can be very adequately judged from the fact that there are 130 Branches and Pay-Offices throughout India. From the initial stages the capital has been increased to its present imposing figure. In July 1923, the Bank acquired the Tata Industrial Bank Ltd., as a going concern with all the assets and liabilites, on the basis of one Central Bank share of the face value of Rs. 50 (Rs. 25 paid up) for two shares of the Tata Industrial Bank of the face value of Rs. 75 each (Rs. 22½ paid up).

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	1,68,13,200	1,68,13,200	Government Securities	11,56,30,331	9,55,25,326
Reserve and other funds	1,01,47,128	1,12,37,496	Other investments	3,58,88,616	3,56,08,949
Deposits (Fixed, Current, Savings Bank, etc.)	31,03,01,025	29,86,82,037	Immovable Property	1,18,50,852	1,17,74,310
Due to Subsidiary Cos.	40,11,137	40,90,597	Advances	14,13,39,991	15,73,67,502
Other debts	52,24,658	65,03,884	Acceptances	42,51,099	55,27,578
Adjustments	1,44,09,262	2,05,65,487	Bills Receivable	73,06,909	1,04,28,123
Other items	7,14,828	10,64,663	Dead Stock	7,22,654	7,78,272
Profit and Loss Account	18,22,665	18,17,096	Other items	3,34,665	3,72,136
			Cash	4,61,18,786	4,33,92,264
	36,34,43,903	36,07,74,460		36,34,43,903	36,07,74,460

Dividend Record—	1933	1934	1935	1936	1937	1938	1939
	6%	6%	8%*	7%	8%*	9%*	9%*
Price Range—							
High	26	35¾	42¼	37	36½	33½	35⅜
Low	19½	23½	29½	31	29½	28¼	26

*Includes Bonus.

Chartered Bank of India, Australia and China.

(*See also Advertisement.*)

(Incorporated—in England by Royal Charter, in 1853.)

Directors—(1) Arthur d'Arcyers Willis, Esq., (*Chairman*) ; (2) Colin Frederick Campbell, Esq. ; (3) Sir William Henry Neville Goschen, Bt., K.B.E. ; (4) Vincent Alpe Grantham, Esq. ; (5) Moses Mordecai Simeon Gubbay, Esq., C.S.I., C.I.E. ; (6) Archibald Orr Lang, Esq. ; (7) Edward Fairbairn Mackay, Esq. ; (8) Sir Henry Pelham Wentworth Macnaghten ; (9) Archibald Rose, Esq., C.I.E. ; (10) Jasper Bertram Young, Esq.

Chief Manager—W. R. Cockburn, Esq. **Head Office**—38, Bishopsgate, London, E. C. 2.

Bombay Manager—D. Laidlaw, Esq. **Bombay Office**—Esplanade Road.

Financial year—ends December 31. **Accounts**—published in March.

Dividends—payable in April and September.

Capital—Authorised, Issued and Subscribed—£3,000,000 in 600,000 shares of £5 each fully paid.

Amongst the British Exchange Banks operating in India, the Chartered Bank of India, Australia and China is regarded as the premier institution both from the point of view of its capital and also its resources. It was incorporated in England in the year 1853 and it has the distinction of being one of the few banks working under a Royal Charter. Its organisation covers a wider field than the other British Exchange Banks and it operates not only in India, but also in the Dutch East Indies, China, Japan and the Federated Malay States. It also has important branches in New York and Manchester apart from the Head Office in London. The Bank purchased the entire undertaking of the P. & O. Banking Corporation Ltd., and took over its business from February 1, 1939. It thus owns, *inter alia*, about 94 per cent. of the shares of the Allahabad Bank Ltd. In the year 1919 the capital was increased from £ 1,200,000 to £ 2,000,000 by the issue of 40,000 new shares of £ 20 each and again in 1920 it was increased further to its present figure by the creation and issue of 200,000 new shares of £5 each, each share of £20 being sub-divided at the same time into 4 shares of £5 each.

Summary of Last Two Balance Sheets.

Liabilities (in £)—	1938	1939	**Assets (in £)**—	1938	1939
Capital	3,000,000	3,000,000	Cash and Bullion	7,610,197	7,146,648
Reserves	3,000,000	3,000,000	Investments	23,438,764	20,624,408
Notes	1,579,700	1,645,622	P. & O. Shares	2,319,359	534,401
Deposits	46,191,969	53,662,309	Bills of Exchange	7,945,845	11,252,068
Bills Payable	1,703,955	3,605,836	Bills Discounted	16,538,710	24,967,792
Acceptances	418,573	763,917	Acceptances	418,573	763,917
Loans	3,824,626	795,580	Premises	664,144	1,628,675
Sundry Items	439,193	728,091	Sundry Items	1,586,518	650,888
Profit and Loss Account	364,094	367,442			
	60,522,110	67,568,797		60,522,110	67,568,797

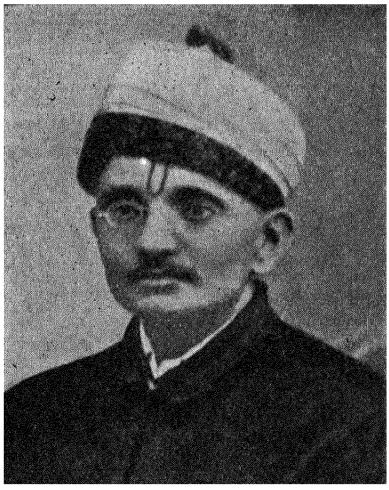
Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	14%	14%	14%	14%	14%	10%	10%
Price Range—							
High	15⅞	16¼	16	16	17	13⅛	9⅝
Low	13½	15	12¾	13¼	11⅝	9	6

Devkaran Nanjee Banking Co., Ltd.

(Incorporated May 26, 1938.)

(See also Advertisements.)



The Late Mr. Devkaran Nanjee.

Directors—(1) Pranlal Devkaran Nanjee, Esq., J.P., (*Chairman*); (2) Choonilal Devkaran Nanjee, Esq.; (3) Vrindavandas H. Bhagat, Esq.; (4) Harshadrai B. Parekh, Esq.; (5) Varjivan K. Gandhi, Esq.; (6) Natvarlal S. Choksey, Esq.; (7) Narandas R. Cantol, Esq.; (8) Jayantilal R. Trivedi, Esq.

Secretary—K. R. Patwardhan, Esq. **Registered Office**—Devkaran Nanjee Buildings, Elphinstone Circle, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in February.

Capital—Authorised—Rs. 50,00,000, *i.e.*, (1) Rs. 49,00,000 in 980 Ordinary shares of Rs. 5,000 each and (2) Rs. 1,00,000 in 200 Founders shares of Rs. 500 each. **Issued and Subscribed**—Rs. 20,00,000, *i.e.*, (1) Rs. 19,00,000 in 380 Ordinary shares of Rs. 5,000 each and (2) Rs. 1,00,000 in 200 Founders shares of Rs. 500 each. **Paid-up**—Rs. 11,30,000, *i.e.* (1) Rs. 9,50,000 in 380 Ordinary shares of Rs. 5,000 each on which Rs. 2,500 has been paid up; (2) Rs. 1,00,000 in 200 Founders shares of Rs. 500 each fully paid-up and (3) Rs. 80,000 being the amount of the calls received in advance.

In December 1939, the Authorised Capital was increased from Rs. 20,00,000 to Rs. 50,00,000, by the creation of 600 Ordinary shares of Rs. 5,000 each and at the same time a further call was made on the Ordinary and Founders' shares, thus increasing the Paid-up Capital from Rs. 5,08,750 to Rs. 10,50,000.

The Bank conducts banking business of every description and was the first institution to introduce, for the encouragement of thrift and small savings, H. M. Mint stamped small silver Bars of 10, 20, 50, 100 and 250 Tolas which are sold through its own Offices and 133 Agencies all over India. Also, the Bank issues 6 year and 3 year "Denabank Cash Certificates" yielding interest at about $3\frac{1}{2}$ per cent. and $2\frac{3}{4}$ per cent. respectively, in denominations of Rs. 10, Rs. 20, Rs. 50, Rs. 100, Rs. 500, Rs. 1,000 and Rs. 10,000. Since the inception of the Bank in the short period of just over two years, three branches have been opened, viz., at Thakurdwar, near Sandhurst Bridge, and at Kalbadevi.

Summary of Last Two Balance Sheets

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	6,25,000	11,30,000	Cash	3,47,285	8,27,200
Deposits	5,18,550	16,25,661	Investments	6,48,344	28,00,463
Bills Discounted	1,50,225	1,15,867	Advances	3,62,094	4,52,134
Loans	5,13,979	22,36,476	Silver Bars	1,05,782	1,45,833
Sundry Liabilities	4,227	17,051	Properties	2,29,250	7,50,235
Profit and Loss Account	2,174	10,146	Sundry Assets	1,21,450	1,59,336
	18,14,205	51,35,201		18,14,205	51,35,201

Eastern Bank, Limited.

(Regd.—England December 17, 1909.)

Directors—(1) Sir James Leigh-Wood, K.B.E., C.B., C.M.G., (*Chairman*); (2) G. Bromley-Martin, Esq. (*Deputy Chairman*); (3) Sir Thomas Strangman, K. C. (*Deputy Chairman*); (4) Auguste Callens, Esq.; (5) Sir John Caulcutt, K.C.M.G.; (6) Captain Derek Fitzgerald; (7) Sir Percy Wilson Newson, B. T.

General Manager—N. S. Golder, Esq. **Head Office**—2 and 3 Crosby Square, London, E.C. 3. **Bombay Manager**—J. H. Webster, Esq. **Bombay Office**—Ismail Buildings, Hornby Road, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in March.

Dividends—payable in October and April.

Capital—Authorised—£2,000,000 in 200,000 shares of £10 each. **Issued and Subscribed**—£2,000,000 in 200,000 shares of £10 each. **Paid-up**—£1,000,000 in 200,000 shares of £10 each on which £5 has been called up.

The Eastern Bank is of a comparatively recent origin in the field of exchange banking in India having been founded only in the year 1909. It has made very satisfactory progress, in this country and in Iraq, Singapore and Ceylon. The original capital was £1,000,000 but this was increased in 1914 to £1,500,000 and in 1919 to £2,000,000. Two share registers are maintained, one in Bombay and one in London and scrip can be transmitted from one to the other. The Head Office is in London and there are branches in the principal cities in India and Iraq, and also at Colombo and Singapore.

Summary of Last Two Balance Sheets.

Liabilities (in £)—	1938	1939	**Assets (in £)**—	1938	1939
Capital	1,000,000	1,000,000	Cash	1,232,536	1,287,239
Reserve Fund	500,000	500,000	Investments	5,900,656	4,667,150
Deposits (Current, Fixed, etc.)	7,499,726	8,202,492	Loans and Advances	2,616,018	3,089,020
Bills Payable	238,278	294,221	Bills Receivable	810,111	1,278,350
Loans Payable	1,314,092	304,375	Shares in Subsidiary Co.	37,305	37,500
Other Items	806,558	415,649	Sundry Items	768,953	373,730
Profit and Loss Account	162,792	167,282	Premises, etc.	155,867	151,030
	11,521,446	10,884,019		11,521,446	10,884,019

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	6%	9%	6%	7%	7%	7%	6%
Price Range—							
High	80	90	96	99	97	82	83¾
Low	64	77	85½	86½	82	77	65

Grindlay & Company, Limited.

(Established—1828.)

(Reconstituted as a Private Limited Company, 1924.)

Directors—(1) Col. Stuart Low, D.S.O., (*Chairman*); (2) Sir Austin Low, C.I.E.; (3) Trevor Jocelyn Matthews, Esq.; (4) Ronald Malcolm, Esq.; (5) Donald S. Campbell, Esq., M.C.; (6) Capt. Gordon Cooper Wilkinson, R.N.; (7) Thomas Eustace Grant, Esq.

Registered Office—54, Parliament Street, S.W. 1.

General Manager in India—S. S. W. Brittain, Esq.

Bombay Manager—C. H. Jackson, Esq.

Bombay Office—Gresham House, Corner of Mint Road and Pherozeshah Mehta Road, Fort, Bombay.

Financial year—ends October 31. **Accounts**—published in December.

Capital—Authorised and Issued—£250,000 in 50,000 shares of £5 each fully paid.

The above Company was originally founded as the firm of Grindlay and Company in the year 1828. In the year 1924 the National Provincial Bank, Ltd., acquired the partners' interests and the partnership was converted into a private limited company under the name of Grindlay and Co. Ltd. It has branches in Bombay, Calcutta, and Karachi and in other important cities in Northern India.

Summary of Last Two Balance Sheets.

Liabilities (in £)—	1938	1939
Capital - -	250,000	250,000
Reserve Fund -	100,000	100,000
Current and Fixed Deposits and other accounts including provision for Doubtful Debts and Contingencies Reserve - -	3,518,446	3,744,200
Acceptances -	270,091	414,651
	4,138,537	4,508,851

Assets (in £)—	1938	1939
Cash - -	405,296	490,196
Investments :—		
In Government Securities -	1,609,757	1,831,125
In other Securities.	142,444	123,949
Loans - -	1,654,459	1,592,721
Premises - -	56,490	56,209
Acceptances as per contra	270,091	414,651
	4,138,537	4,508,851

Hongkong and Shanghai Banking Corporation.

(**Incorporated**—in Hongkong in 1867.)

Directors—(1) H. V. Wilkinson, Esq., *Chairman*; (2) D. F. Landale, Esq., *Deputy Chairman*; (3) Hon. Mr. S. H. Dodwell; (4) A. H. Compton, Esq.; (5) G. Miskin, Esq.

Chief Manager—Sir Vandeleur M. Grayburn (Hongkong). **Head Office**—Hongkong. **Bombay Manager**—F. E. Nicoll, Esq. **Bombay Office**—Churchgate Street.

Financial year—ends December 31. **Accounts**—published in February.

Dividends—payable in March and August.

Capital:—Authorised—$50,000,000 in 400,000 shares of $125 each. **Issued and Subscribed**—$20,000,000 in 160,000 shares of $125 each. Reserve liability of shareholders: $20,00,000.

This is an important banking institution registered in the Far-East. It owes its existence to a special ordinance of the Legislative Council of Hongkong as far back as the year 1867. The original capital was $5,000,000 and this was increased to $7,500,000 in 1883. In the year 1890 it was further increased to $10,000,000, in 1907 to $15,000,000 and in 1921 to $20,000,000.

Summary of Last Two Balance Sheets.

Liabilities (in $)—	1938	1939	**Assets (in $)**—	1938	1939
Capital	20,000,000	20,000,000	Cash	129,461,408	110,055,690
Reserves, etc.	114,873,950	114,873,950	Investments	535,170,281	490,806,788
Notes	210,579,120	195,498,930	Loans, etc.	454,001,338	452,273,935
Deposits	872,271,834	839,796,087	Bills Receivable	112,845,053	147,683,084
Bills Payable	21,410,649	39,137,795	Acceptances	2,560,568	5,989,815
Acceptances	2,560,568	5,989,815	Premises	19,802,645	18,652,376
Profit and Loss Account	12,145,172	10,165,111			
	1,253,841,293	1,225,461,688		1,253,841,293	1,225,461,688

Dividend Record (in £)—

	1933	1934	1935	1936	1937	1938	1939
	6	6	5½	5½	5½	5½	5

Price Range (in £)—

High	133½	141	140	110	122	95½	92
Low	115	130	95½	98	84¼	79½	65

Imperial Bank of India.

(Constituted under the Imperial Bank of India Act, 1920.)

Central Board of Directors—*Presidents*, Local Boards—H. H. Burn, Esq., Calcutta ; Sir Byramjee Jeejeebhoy, J.P., Bombay ; C. G. Alexander, Esq., Madras. *Vice-Presidents*, Local Boards —G. B. Morton, Esq., O.B.E., M.C., Calcutta ; The Hon'ble Sir Rahimtoola M. Chinoy, J.P., Bombay ; Rao Bahadur V. Thiruvengadathan Chetty, Madras. Elected under Section 28 (1) (*ii*) of the Act by the Local Boards—Rai Bahadur Moongtu Lall Tapuriah, Calcutta ; L. A. Halsall, Esq., Bombay ; G. H. Hodgson, Esq., Madras. Nominated under Section 28 (1) (*iv*) of the Act by the Central Government—The Hon'ble Rai Bahadur Ram Sarn Das, C.I.E., Lahore.

Members of Local Boards—Bengal Circle—H. H. Burn, Esq. (*President*) ; G. B. Morton, Esq., O.B.E., M.C., (*Vice-President*) ; Rai Bahadur Moongtu Lall Tapuriah ; Sir James Kay Reid ; Jadu Nath Roy, Esq. ; T. S. Gladstone, Esq. ; R. W. Weir Paterson, Esq. **Bombay Circle**—Sir Byramjee Jeejeebhoy, J.P. (*President*) ; The Hon'ble Sir Rahimtoola M. Chinoy, J.P. (*Vice-President*) ; L. A. Halsall, Esq. ; Mathuradas Vissanji, Esq., J.P. ; F. F. Stileman, Esq. ; J. R. D. Tata, Esq. ; A. L. Hutson, Esq. **Madras Circle**—C. G. Alexander, Esq. (*President*) ; Rao Bahadur V. Thiruvengadathan Chetty (*Vice-President*) ; G. H. Hodgson, Esq. ; Dr. Rajah Sir S. R. M. Annamalai Chettiar ; Dewan Bahadur V. Shanmuga Mudaliar ; H. M. Small, Esq.; G. A. Bambridge, Esq., M.C., V.D.

Managing Director—Sir William Lamond.

Deputy Managing Director—A. R. Chisholm, Esq. (*Offg.*).

Secretaries, Local Boards—B. A. C. Neville, Esq., Calcutta; A. McCulloch, Esq., Bombay; R. S. Paton, Esq., (*Offg.*), Madras.

Local Head Offices—Calcutta, Bombay and Madras.

Financial Periods—end on June 30 and December 31.

Accounts—published in January and July.

Dividends—payable in January and July.

Capital—Authorised, Issued and Subscribed—2,25,000 shares of Rs. 500 each amounting to Rs. 11,25,00,000. **Paid-up**—(*i*) 75,000 shares of Rs. 500 each fully paid and (*ii*) 1,50,000 shares of Rs. 500 each on which the sum of Rs. 125 has been called up.

The Imperial Bank of India was brought into being in the year 1920 by the enactment of special legislation to amalgamate the three existing Presidency Banks of Bombay, Bengal and Madras. From that date up till 1935 it acted as bankers to the Government but many of its previous functions were discontinued, subsequent to the inauguration of the Reserve Eank. That institution then assumed control of Government Currency and Public Debt Offices whilst it also took over the Public Accounts Departments of the Imperial Bank in Bombay, Calcutta, Madras, Delhi and Rangoon. In other places, the Imperial Bank continues to carry on the Government Treasury business as agents of the Reserve Bank. When the Imperial Bank of India Amendment Act came into being on 1st April 1935, advantage was taken of the removal of previous restrictions to extend the scope of the business. Besides the Local Head Offices, the Bank maintains over 350 branches and sub-offices in India, Burma and Ceylon. The London Office is situated at 25, Old Broad Street, E.C.2.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	5,62,50,000	5,62,50,000	Government Securities -	41,72,09,479	37,06,31,173
Reserves -	5,55,00,000	5,60,00,000	Other Securities	2,00,36,687	96,01,392
Deposits, etc. -	81,50,94,831	87,84,16,475	Immovable Property - -	1,06,710	1,18,698
Acceptances -	2,99,272	2,92,947	Advances -	38,30,29,920	48,27,70,000
Dividends -	37,77,934	37,14,950	Acceptances -	2,99,272	2,92,947
Profit and Loss Account	30,40,043	31,88,331	Dead Stock -	1,89,50,655	1,85,95,514
			Sundries -	9,27,803	10,39,359
			Adjustments -	35,03,713	39,11,020
			Cash - -	8,98,97,841	11,09,02,600
	93,39,62,080	99,78,62,703		93,39,62,080	99,78,62,703

Dividend Record—	1933	1934	1935	1936	1937	1938	1939
	12%	12%	12%	12%	12%	12%	12%
Price Range—							
High - - -	1255	1645	1680	1610	1610	1605	1580
Low - - -	1152½	1220	1400	1500	1496½	1490	1300

Indian Bank, Ltd.

(Regd. 1907.)

(See also Advertisement.)

Directors—(1) Rm. Alagappa Chettiar, Esq., Bar-at-Law ; (2) The Hon'ble Mr. Narayandas Girdhardas ; (3) Rao Bahadur O.A.P. Rm. Arunachalam Chettiar ; (4) C. V. C. T. V. Venkatachalam Chettiar, Esq. ; (5) S. Parthasarathy, Esq., Advocate; (6) A. M. M. Murugappa Chettiar, Esq. ; (7) C. Krishnamoorthy Mudaliar, Esq. ; (8) The Hon'ble Mr. M. Ct.M. Chidambaram Chettiar ; (9) Diwan Bahadur C. V. Venkatramana Aiyangar ; (10) K. Balasubramania Aiyar, Esq., Advocate ; (11) M.R.M. Periannan Chettiar, Esq. ; (12) Sir C. Madhavan Nair, Kt. Retired High Court Judge.

Secretary—N. Gopala Iyer, Esq., **Head Office**—Indian Bank Buildings, Madras.

Bombay Manager—R. S. Kodange, Esq., Cert. A. I. B. (London).

Bombay Office—United India Life Bldg., Sir Phirozshah Mehta, Road, Fort.

Financial Year—ends December 31. **Accounts**—published in February.

Dividends—payable half yearly in August and February.

Capital—Authorised—Rs. 60,00,000 in 60,000 shares of Rs. 100 each. **Issued and Subscribed**—Rs. 47,92,800 in 47,928 shares of Rs. 100 each. **Called and Paid-up**—Rs. 10,00,000 in 20,000 shares of Rs. 100 each on which Rs. 50 is paid up and Rs. 2,79,280 in 27,928 shares of Rs. 100 each on which Rs. 10 is paid up.

This leading Southern Indian banking institution has its Head Office in Madras and has in addition to 7 Local Offices, 31 Branches and Sub-offices in the Madras Presidency. There are also branches in Bombay and Colombo.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	12,79,280	12,79,280	Government Securities	98,90,696	92,78,638
Reserves	16,20,661	17,11,166	Other Securities.	5,12,272	3,12,748
Deposits	3,36,70,863	3,85,68,378	Advances	2,13,44,949	2,56,35,496
Bills for collection	16,37,828	16,01,704	Immovable Property	2,05,487	2,03,289
Foreign Bills	22,36,226	23,21,966	Dead Stock	1,26,432	1,31,904
Other items	8,23,243	13,66,800	Acceptances	38,74,054	39,23,670
Profit and Loss Account	2,62,602	1,82,242	Sundry Items	82,644	78,231
			Cash	54,94,169	74,67,560
	4,15,30,703	4,70,31,536		4,15,30,703	4,70,31,536

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	12%	14%	13½%	10½%	10½%	10%	10%
Price Range—							
	Rs. 50 PAID UP.						
High	93	121⅓	135	141	146	129	121½
Low	80	93	121½	129	128	110	101
	Rs. 10 PAID UP						
High	19	23½	27	31¼	34	26	24¼
Low	15¾	19	23½	26¾	24½	23	19¼

Mercantile Bank of India, Ltd.

(Regd. December 2, 1892).

(See also Advertisement.)

Directors—(1) Sir Charles A. Innes, K.C.S.I., C.I.E. (*Chairman*); (2) Sir Thomas Smith, Kt., (*Deputy Chairman*); (3) The Rt. Hon. Lord Catto of Cairncatto; (4) Sir Charles C. Barrie, K.B.E.; (5) P. R. Chalmers, Esq.; (6) C. H. Figg, Esq.; (7) Hon. R. H. Vivian Smith; (8) J. Steuart, Esq.

Chief Manager—J. B. Crichton, Esq. **Head Office**—15, Gracechurch Street, London, E.C. 3. **Bombay Manager**—G. J. H. Walls, Esq. **Bombay Office**—Esplanade Road, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in March-April.

Dividends—payable in October and May.

Capital :—Authorised—£3,000,000 in 30,000 "A" shares of £25 each, £750,000; 30,000 "B" shares of £25 each, £750,000; and 300,000 "C" shares of £5 each, £1,500,000. **Issued and Paid-up**—£1,050,000 in 30,000 "A" shares of £25 each, on which £12-10s. have been called up, £375,000; 30,000 "B" shares of £25 on which £12-10s. have been called up, £375,000; and 60,000 "C" shares of £5 each fully paid up, £300,000.

This banking institution has long and influential connections in India, whilst there are branches and agencies in Ceylon, Malaya, China, Siam and Mauritius. An associated company was formed for the transaction of Trustee and Executorship business in Malaya and this is registered in Penang under the style of the Mercantile Bank of India (Trustees) Ltd.

Summary of Last Two Balance Sheets.

Liabilities (in £)—	1938	1939	**Assets (in £)**—	1938	1939
Capital	1,050,000	1,050,000	Cash and Bullion	2,706,484	3,283,199
Reserves	1,075,000	1,075,000	Investments	8,130,718	7,997,932
Notes Issued	276,652	302,363	Bills Receivable	1,350,935	3,397,427
Deposits, etc.	14,895,485	18,077,610	Bills, Loans, etc.	5,444,193	6,423,751
Due to Subsidiary Companies	....	43,537	Acceptances	187,793	168,330
Bills Payable	539,960	1,065,523	Sundry Accounts	275,812	415,940
Loans Payable	135,000	....	Premises, etc.	304,725	338,423
Acceptances	187,793	168,330			
Profit and Loss Account	240,770	242,639			
	18,400,660	22,025,002		18,400,660	22,025,002

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	12%	12%	12%	12%	12%	12%	12%
Price Range—							
High	28½	33⅞	31½	33	34	28½	27
Low	24	28	28¼	29	27	25	21½

National Bank of India, Ltd.

(Regd. at Calcutta September 29, 1863 ; in London March 1866.)

Directors—(1) R. Langford James, Esq., (*Chairman*) ; (2) J. A. Swan, Esq., (*Deputy Chairman*) ; (3) L. T. Carmichael, Esq.; (4) W. Shakespeare, Esq. ; (5) Sir John P. Hewett, G.C.S.I., K.B.E., C.I.E. ; (6) J. R. H. Pinckney, Esq., C.B.E. ; (7) A. N. Stuart, Esq.

General Manager—E. H. Lawrence, Esq. **Head Office**—26, Bishopsgate, London, E.C. 2. **Bombay Manager**—W. Kerr, Esq. (Acting). **Bombay Office**—Esplanade Road.

Financial year—ends December 31. **Accounts**—published March.

Dividends—payable April and September.

Capital—Authorised and Subscribed—£4,000,000 in 160,000 shares of £25 each. **Paid-up**—£2,000,000 in 160,000 shares of £25 each on which £12½ have been paid.

This bank originated as a rupee concern, having been registered in Calcutta in 1863. Two and a half years later, it was transferred to England and became a sterling company registered in Great Britain. Apart from several branches in this country, the bank subsequent to the last war has built up an important business in East Africa. The capital was increased to its present figure from £2,000,000 by the issue of 40,000 new shares of £25 each in 1919 and 40,000 new shares of £25 each in 1920.

Summary of Last Two Balance Sheets.

Liabilities (in £)—	1938	1939	**Assets (in £)**—	1938	1939
Capital -	2,000,000	2,000,000	Cash, etc. - -	4,861,444	6,860,964
Reserves -	2,200,000	2,200,000	Investments -	13,518,824	13,382,191
Deposits, etc. -	27,856,726	29,166,004	Bills, Loans, etc. -	10,118,561	11,965,696
Bills Payable -	477,691	824,426	Bills of Exchange -	3,637,769	3,138,480
Acceptances -	326,722	385,100	Acceptances -	326,722	385,099
Debts -	....	1,500,000	Premises, etc. -	931,699	874,672
Profit and Loss Account -	533,880	531,572			
	33,395,019	36,607,102		33,395,019	36,607,102

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	20%	18%	18%	18%	18%	16%	16%

Price Range—

High - - -	46	50	45½	47½	47¾	41¾	32¼
Low - - -	40	43⅜	41	45	40⅛	29	28

National City Bank of New York.

(**Incorporated**—by Charter—New York City, 1812.)

Directors—(1) James H. Perkins, Esq., (*Chairman*); (2) W. Randolph Burgess, Esq., (*Vice-Chairman*); (3) Sosthenes Behn, Esq.; (4) Curtis E. Calder, Esq.; (5) Guy Cary, Esq.; (6) Edward A. Deeds, Esq.; (7) Cleveland E. Dodge, Esq.; (8) A. P. Giannini, Esq.; (9) Joseph P. Grace, Esq.; (10) Amory Houghton, Esq.; (11) Gerrish H. Milliken, Esq.; (12) Gordon S. Rentschler, Esq.; (13) James A. Stillman, Esq.; (14) Eric P. Swenson, Esq.; (15) Gerard Swope, Esq.; (16) Reginald B. Taylor, Esq.; (17) Robert Winthrop, Esq. **Comptroller**—Rowland R. Hughes, Esq.

Head Office—55, Wall Street, New York City. **Bombay Manager**—C. S. Ransom, Esq. **Bombay Office**—Hornby Road, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in January.

Capital—6,200,000 shares of $12.50 each, $77,500,000.

Up till a few years ago, the National City Bank of New York was the world's largest bank from the point of view of Capital, Deposits and Reserves, but it has now recently had to give way to the Chase National Bank, which, on account of various amalgamations, has now secured the first place. The National City Bank had a capital of only $1,000,000 in 1900. In June 1929 this stood at $110,000,000 and two years later there was a further increase to $124,000,000, consequent upon the absorption of the Bank of America, N. A. In the year 1933, there was a reduction of capital from $124,000,000 to $77,500,000 by writing off $7.50 per share and reducing the par value of the shares from $20 to $12.50. Thereafter, the capital was again increased to $127,500,000 by the issue of $50,000,000, 5 per cent. preferred stock. In 1936, this preferred stock was retired and the capital reduced to its present figure.

The bank owns the International Banking Corporation and has as affiliates, the City Bank Farmers Trust Company, the National City Safe Deposit Company and the National City Bank of New York (France) S. I. There are over 140 Offices.

Summary of Last Two Balance Sheets.

Liabilities (in $)—	1938	1939	**Assets (in $)**—	1938	1939
Capital	77,500,000	77,500,000	Cash	531,718,844	933,912,307
Reserve and other Funds	58,382,323	64,396,049	Bullion	6,490,725	11,257,409
Deposits	1,835,286,500	2,331,257,944	Investments	875,945,231	966,777,121
Acceptances	24,458,877	17,955,978	Acceptances	534,270,236	545,096,358
Undivided Profits.	13,554,940	15,018,584	Properties	47,314,880	43,160,911
Sundry Items	....	3,267,133	Real Estate Loans.	9,404,804	8,352,084
			Other Assets	4,037,920	839,498
	2,009,182,640	2,509,395,688		2,009,182,640	2,509,395,688

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
6¼%	6¾%	8%	8%	8%	8%	8%

New Citizen Bank of India, Ltd.

(Regd. 31st July 1937.)

(See also Advertisement.)

Directors—Jamnadas M. Mehta, Esq., M.A., LL.B., Bar-at-Law, Ex-Finance Minister, Government of Bombay, Ex-Mayor, Bombay, (*Chairman*); (2) L. B. Bhopatkar, Esq., M.A., LL.B. (Depositors' Director): (3) P. B. Gole, Esq., B.A., LL.B., Ex-Revenue Minister, C. P. Government; (4) G. S. Marathey, Esq., M.A. (Bom.), A.I.A. (Lon.), Actuary; (5) Rao Bahadur N. B. Deshmukh, Retired Government Pleader and Prosecutor; (6) Bhagwanji Murarji Gokuldas, Esq.; (7) B. D. Garware, Esq.; (8) G. V. Puranik, Esq.; (9) Seth Govindas Narayandas Banatwale; (10) D. D. Deshpande, Esq., B.A.

Managing Director—D. D. Deshpande, Esq., B.A. **Head Office**—Sir Vithaldas Chambers, Apollo Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in March.

Dividends—payable in April.

Capital—Authorised—Rs. 30,00,000 in 400 Deferred shares of Rs. 500 each, Rs. 2,00,000; 8,000, 5 per cent Taxable Cumulative Preference shares of Rs. 50 each, Rs. 4,00,000; 96,000 Ordinary shares of Rs. 25 each, Rs. 24,00,000. **Issued**—Rs. 18,00,000 in 400 Deferred shares of Rs. 500 each, Rs. 2,00,000, 8,000, 5 per cent (Taxable) Cumulative Preference shares of Rs. 50 each, Rs. 4,00,000; 48,000 Ordinary shares of Rs. 25 each, Rs. 12,00,000. **Subscribed**—Rs. 6,09,775 in 18 Deferred shares of Rs. 500 each, Rs. 9,000; 7,950, 5 per cent Redeemable Cumulative Preference shares of Rs. 50 each, Rs. 3,97,500 and 8,131 Ordinary shares of Rs. 25 each, Rs. 2,03,275. **Paid-up**—Rs. 5,06,412½ in 18 Deferred shares of Rs. 500 each fully paid, Rs. 9,000; 7,950, 5 per cent redeemable Cumulative Preference shares of Rs. 50 each fully paid up, Rs. 3,97,500 and 8,131 Ordinary shares of Rs. 25 each on which Rs. 12½ has been paid up, Rs. 1,01,637½. Less calls in arrears on 5% redeemable Preference Shares Rs. 1,725. The Preference shares are liable to be redeemed at the option of the Bank at any time after 31st July 1957 on giving 3 months' notice of the Bank's intention to do so.

This bank was started in a very modest way in the year 1937 and recently attained the status of a Scheduled Bank under the Reserve Bank of India Act. The shares are not yet quoted on the Stock Exchange and a first dividend of 3 per cent was paid to the Cumulative Preference shareholders in 1938 and 2½ per cent for 1939. A special feature is the representation of the depositors on the Board of Directors.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	2,61,210	5,06,413	Government Securities	1,81,840	2,69,323
Reserves	....	1,800	Other Securities	21,389	66,389
Deposits	6,85,826	10,56,932	Loans and Advances	2,90,414	9,27,022
Bills for Collection.	11,896	76,795	Dead Stock	8,103	12,676
Sundry Items	2,918	24,093	Adjustments	4,052	....
Profit and Loss Account	3,357	13,385	Sundry Items	40,365	67,183
			Cash	4,19,044	2,37,059
			Bills	....	99,766
	9,65,207	16,79,418		9,65,207	16,79,418

Dividend Record—

1938	1939
2%	..

Punjab National Bank, Ltd.

(Regd. May 19, 1894.)

(See also Advertisement.)

Directors—(1) R. B. Diwan Badri Dass, M.A., LL.B., (*Chairman*) ; (2) R. B. Captain Dr. Maharaj Krishna Kapur, L.M.S., D.P.H., D.T.M. & H. ; (3) R. B. Mukund Lal Puri, M.A., LL.B., M.L.A., Bar-at-Law ; (4) Lala Jagan Nath Aggarwal, Esq., M.A., LL.B. ; (5) Dr. Nihal Chand Sikri, L.M.S. ; (6) Lala Mehr Chand Mahajan, Esq., B.A., LL.B. ; (7) Lala Hari Deva Khanna, Esq., B.A., LL.B.

Secretary—Yodh Raj.

Manager—(Head Office), B. N. Puri, Esq. **Head Office**—47, The Mall, Lahore.

Bombay Manager—N. C. Khorana, Esq. **Bombay Office**—Sir Phirozshah Mehta Road.

Financial Period—ends half-yearly June 30 and December 31. **Accounts**—published July and January.

Dividends—payable half-yearly in July and January.

Capital—Authorised—Rs. 1,00,00,000 in 100,000 shares of Rs. 100 each. **Issued and Subscribed**—Rs. 50,00,000 in 50,000 shares of Rs. 100 each. **Paid up**—Rs. 31,46,422, *i.e.*, (1) Rs. 14,57,200 in 14,572 shares of Rs. 100 each fully paid up. (2) Rs. 14,17,120 in 35,428 shares of Rs. 100 each on which Rs. 40 has been called up. Less Calls unpaid Rs. 710. Add advance received on shares Rs. 2,72,812.

This bank has now been in existence for 46 years, having been founded owing to the zeal and initiative of the late Sardar Dyal Singh Majithia. Since its inception, it has weathered many financial storms from which it has emerged successfully. Today, apart from the Head Office at Lahore, there is a network of 63 branches, 9 sub-offices and 3 pay offices all over India. In 1922, the Capital of the Company was increased to its present figure by the creation of 50,000 shares of Rs. 100 each.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	31,44,031	31,46,422	Government Securities	1,73,18,468	1,57,37,899
Reserves	22,75,452	17,47,705	Other Securities	14,42,589	14,81,669
Deposits	6,82,97,515	7,15,05,469	Immovable Property	96,63,368	92,76,874
Bills for Collection.	46,74,110	55,84,476	Advances	4,26,91,435	4,34,47,264
Acceptances	10,31,753	....	Acceptances	57,05,863	55,84,476
Sundry Items	42,15,506	13,04,949	Dead Stock	1,77,471	1,87,661
Profit and Loss Account	1,53,836	1,14,781	Sundries	68,822	98,434
			Adjustments	11,17,017	6,09,289
			Cash	56,07,170	69,80,236
	8,37,92,203	8,34,03,802		8,37,92,203	8,34,03,802

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	5%	6%	6%	6%	6%	6%	6%
Price Range—							
High	80	125	125	104	112	111	103
Low	55	80	96½	100	100	91	97

Reserve Bank of India.

(Incorporated by Special Act of 6 March 1934 of the Government of India.)

Directors.—(Qualification Rs. 5,000 in shares)—(1) Sir James Taylor, K.C.I.E. (*Governor*), (2) Manilal B. Nanavati (*Deputy Governor*), (3)* Sir Homi Mehta, (4)* A. A. Bruce, (5)* Khan Bahadur Adam Hajee Mohammad Sait, (6)* Khan Bahadur Syed Maratib Ali, C.B.E., (7) Sir Purshottamdas Thakurdas, C.I.E., M.B.E., (8) Kasturbhai Lalbhai, (9) B. M. Birla, (10) Rai Bahadur Sir Badridas Goenka, C.I.E., (11) C. R. Srinivasan, (12) U. Po Byaw, (13) Lala Shri Ram, (14) S. R. Virmani, (14)‡ C. E. Jones, C.I.E., I.C.S., (*Governor and Deputy Governors and 4 directors—marked*—are appointed by the Central Government ; ‡ representative of Central Government*).

Central Office—Bombay.

London Office—31-3, Bishopsgate, E.C. 2 (Telegrams : Reservebank Stock, London. Telephone : National 4260).

London Agents—Bank of England.

Accounts—to 30th June submitted in August : weekly statements issued.

Dividends—3½ per cent. per annum. Surplus payable to the Central Government at 30th June 1940, Rs. 20,53,972.

Capital—Authorised and Issued—Rs. 5,00,00,000 in shares of Rs. 100 each fully paid.

Reserve Fund—Rs. 5,00,00,000.

Deposits—Rs. 34,51,37,607.

Transfers, etc.—Shareholders must be Indian or Burman subjects domiciled in India or Burma or British subjects ordinarily resident in India or Burma. Shares must be held on Bombay, Calcutta, Delhi, Madras or Rangoon registers according to domicile but no shareholder may appear on more than one register nor hold more than 200 shares in his own name or jointly with another person or persons.

The Bank commenced to operate 1 April 1935. It transacts the Government business in India and Burma and has the sole right to issue notes in India and Burma Notes in circulation on 23rd August 1940, Rs. 2,33,38,92,000 (Rs. 2,21,10,43,000 in India and Rs. 12,28,49,000 in Burma). Banks in British India and Burma having a paid-up capital and reserves aggregating not less than Rs. 5 lakhs are scheduled to the above Act and must maintain a balance with the bank of not less than 5% of their demand liabilities and 2% of their time liabilities in India.

The terms as regards payment of dividends are as follows. After payment of a cumulative dividend of 3½ per cent., part of the surplus profits is to be allocated to payment of an additional dividend as shown below and the balance paid to the Governor-General in Council, provided however that if the Reserve Fund is less than the capital at least Rs. 50,00,000 (or all the surplus if less than that amount) is to be placed to that fund ; so long as the share capital is Rs. 5,00,00,000 the amounts to be applied to the payment of additional dividend are as follows :—" out of the first sum of Rs. 1,50,00,000 in excess of Rs. 4,00,00,000 1/24th of such sum," and out of each further excess sum of Rs. 1,50,00,000, one half of the fraction which was deducted from the Rs. 1,50,00,000 immediately preceding, provided that no additional dividend shall be paid which is not a multiple of 1/8%.

India and Burma.—Under the provisions of the Reserve Bank of India Act, 1934, the Reserve Bank of India has possessed the sole right to issue notes in British India since 1 April 1935 on which date the liability for the existing Government note issue, together with the corresponding assets, was transferred to the Bank. The Act requires that the note issue shall be fully covered by assets held for that purpose in the issue department of the Bank. At least 40% of such assets must consist of gold coin and bullion (the holding of which must at no time be less than Rs. 40 crores in nominal value) and sterling securities (which are limited to deposits at the Bank of England, United Kingdom Government securities maturing within 5 years, and bills of exchange drawn on and payable in the United Kingdom with a maturity not exceeding 90 days and bearing two or more good signatures); the remainder of the assets must consist of rupee coin and eligible rupee securities.

The requirements as to the minimum holding of gold coin and bullion and sterling securities may be temporarily suspended with the sanction of the Central Government subject to the payment of a graduated tax.

Burma ceased to be a part of British India on 1 April 1937 but the Reserve Bank of India continues, under the provisions of the India and Burma (Burma Monetary Arrangements) Order, 1937, to manage the currency of Burma as one with that of British India; the notes issued in Burma are legal tender in Burma exclusively.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	5,00,00,000	5,00,00,000	Notes	18,43,69,425	17,66,66,897
Reserve Fund	5,00,00,000	5,00,00,000	Rupee Coin	3,79,219	4,08,815
Deposits	24,20,32,693	32,88,11,729	Subsidiary Coin	6,39,976	3,65,334
Bills Payable	8,77,948	8,94,268	Bills Discounted—		
Other Liabilities	86,87,373	54,00,281	(*a*) Internal	*Nil.*	*Nil.*
			(*b*) External	*Nil.*	*Nil.*
			(*c*) Treasury Bills	8,26,46,250	10,10,80,651
			Balances held Abroad	1,14,08,433	6,97,80,570
			Loans and Advances to Government	1,06,00,000	1,20,00,000
			Other Loans and Advances	10,50,000	*Nil.*
			Investments	5,26,15,728	6,42,08,514
			Other Assets	78,88,983	1,05,95,497
	35,15,98,014	43,51,06,278		35,15,98,014	43,51,06,278

Dividend Record—

	1935	1936	1937	1938	1939
	3½%	3½%	3½%	3½%	3½%
Price Range—					
High	134¾	140	139	123½	116⅛
Low	111	125	122¼	112¾	91

Union Bank of India, Ltd.

(Regd.—November 11, 1919).

(See also Advertisement.)

Directors—(1) M. S. Captain, Esq., (*Chairman*) ; (2) Lachhmandas Harakhchand Daga, Esq. ; (3) K. R. P. Shroff, Esq. ; (4) Vithaldas Kanji, Esq. ; (5) Behram N. Karanjia, Esq. ; (6) Haridas Madhavdas, Esq. ; (7) Dinshaw D. Romer, Esq. ; (8) Ramedev Anandilal Podar, Esq.

Managing Agents—The Central Bank of India, Ltd. **Head Office**—62-68, Apollo Street, Fort, Bombay. **Secretary**—B. M. Bhargava, Esq.

Financial Year—ends December 31. **Accounts published**—March.

Dividends payable—April.

Capital—Authorised—Rs. 50,00,000 in 10,00,000 shares of Rs. 5 each. **Issued and Subscribed**—Rs. 39,90,000 in 7,98,000 shares of Rs. 5 each.

The Union Bank of India was formed in the year 1919 with an original capital of Rs. 5,00,00,000. The optimistic ideas in this connection had to be amended in 1923 by reducing the nominal value of each share from Rs. 50 to Rs. 15 and again in 1925 a further re-construction of capital had to take place by reducing the nominal value of each share to Rs. 5. In the first few years the bank suffered very intense competition. It had also been unfortunate in some of its investments, one of which was the inflated value which was paid for its building. In the re-construction of capital, provision was made to write down these investments and also for the difference between the purchase price and market value of the building. Subsequently, a very steady business has been built up, in a conservative manner. In 1923 the Central Bank of India secured a controlling interest by purchasing a large block of shares and at the same time the managing agency was handed over to it. Last year, the financial year-ending was changed to the 31st December and the accounts presented this year were for nine months.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1939 (March)	1939 (Dec.)	**Assets (in Rs.)**—	1939 (March)	1939 (Dec.)
Capital including forfeited shares amount Rs. 5,000 -	39,95,000	39,95,000	Government Securities -	49,12,369	47,77,526
Reserve Fund and Other Funds -	8,00,000	8,75,000	Other Securities.	38,58,625	33,24,094
Deposits -	1,16,94,608	1,44,39,415	Advances -	61,42,330	96,22,800
Bills for Collection - -	39,285	45,015	Bills Receivable.	39,285	45,016
Other Items -	1,33,077	5,34,489	Immovable Property - -	3,20,000	3,68,000
Profit and Loss Account -	4,34,948	3,62,497	Dead Stock -	18,000	20,000
			Sundries -	1,240	294
			Adjustments -	7,742	10,377
			Cash - -	17,97,327	20,83,309
	1,70,96,918	2,02,51,416		1,70,96,918	2,02,51,416

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	5%	5%	5%	5%	5%	5⅝%	5¾%
Price Range—							
High - - -	4	4⅜	6½	6	5 15/16	6	6 3/16
Low - - -	3	4⅛	4½	5¼	5¼	5 7/16	5⅛

INSURANCE SECTION

Asian Assurance Company, Ltd.

(Regd. 1910.)

Directors—(1) Jamnadas M. Mehta, Esq., M.A., LL.B., Bar-at-Law, M.L.A., (*Chairman*); (2) Dr. A. G. Merchant, L.M. & S.; (3) Abdultyeb E. Maskati, Esq., J.P., (*Policy-holders' Director*); (4) Rai Bahadur Dr. Mathra Das Pahwa; (5) Dr. T. M. Kajiji, LL.D., Bar-at-Law., J.P. (*Ex-Officio.*)

Secretaries—Messrs. S. H. Mehta & Co., Ltd. **Manager**—C. G. Fozdar, Esq.

Registered Office—Asian Building, Nicol Road, Ballard Estate, Bombay.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital—Authorised—Rs. 50,00,000 in 2,00,000 Ordinary shares of Rs. 25 each. **Subscribed**—Rs. 22,57,950 in 90,318 shares of Rs. 25 each. **Paid-up**—Rs. 4,51,590 in 90,318 shares of Rs. 25 each, on which Rs. 5 is paid up.

This Company is principally a Life Office although a small Accident business has also been undertaken. Over recent years it has made quite remarkable progress, so much so that new business underwritten in 1939, was close on the Rs. 80 lakhs mark, against Rs. 76.84 lakhs in 1938, whilst the total sums now assured amount to Rs. 406 lakhs. During the past year, the capital was increased by offering the remaining unissued shares amounting to 59,277 to existing shareholders and policyholders. The response was entirely satisfactory.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	2,03,615	4,51,590			
Shares applied for but not allotted -	....	46,955	Loans - -	22,08,588	25,55,972
Life Assurance and Accident Fund -	67,79,181	76,69,153	Investments -	39,37,950	44,01,540
Reserve and Other Funds - -	1,77,283	2,07,782	House Property -	8,11,477	8,56,908
Claims Outstanding - -	2,07,371	2,42,573	Dead Stock -	30,136	32,153
Other Liabilities -	1,52,872	1,36,540	Other Assets -	4,05,581	4,43,615
			Sundry Items -	5,000	5,000
			Cash - -	1,21,590	4,59,405
	75,20,322	87,54,593		75,20,322	87,54,593

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
6¼%	6¼%	*10%	6¼%	6¼%	7½%	6¼%

*Less Tax

Bharat Insurance Company, Ltd.

(Established 1896.)

Directors—(1) Seth Ramkrishna Dalmia, (*Chairman*); (2) Durga Prasad Khaitan, Esq., (*Vice-Chairman*); (3) Shanti Prasad Jain, Esq.; (4) Nirmal Kumar Jain, Esq.; (5) Sahu Shriyans Prasad, Esq.,; (6) Rajendra Kumar Jain, Esq. (*Director-in-charge.*)

Registered Office—Bharat Buildings, Lahore.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital.—Authorised—Rs. 15,00,000 in 15,000 Ordinary shares of Rs. 100 each. **Subscribed and Paid-up**—Rs. 2,48,520 in 12,426 Ordinary shares of Rs. 100 each on which Rs. 20 is paid-up.

This Life Insurance Company did not do quite so well in 1939 as in 1938, for new business underwritten amounted only to Rs. 208.08 lakhs as compared to Rs. 225.86 lakhs. The total insurance now in force comes to Rs. 758.66 lakhs.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	2,48,520	2,48,520	Loans - -	18,87,346	22,31,038
Life Fund -	1,95,28,431	1,86,86,735	Investments -	1,23,41,280	1,25,96,760
Reserve and Other Funds - -	1,69,914	10,46,822	House Property -	36,08,892	36,21,088
Contingency Fund.	....	80,000	Dead Stock -	2,09,877	2,40,435
Claims Outstanding - -	6,04,492	7,94,890	Other Assets -	27,36,069	26,13,676
Other Liabilities -	4,40,246	5,50,058	Sundry Items -	17,977	30,619
Profit and Loss Account - -	70,668	2,84,688	Cash - -	2,60,830	3,58,097
	2,10,62,271	2,16,91,713		2,10,62,271	2,16,91,713

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
15%	15%	15%	15%	15%	15%	15%

Bombay Co-operative Insurance Society, Limited.

(**Founded** by Diwan Bahadur Principal Hiralal L. Kaji in 1930.)

(*See also Advertisement*)

Directors—(1) Diwan Bahadur Chunilal M. Gandhi, B.A., LL.B., Advocate, O.S., (*Chairman*); (2) Madhavlal Makanji Bhatt, Esq., J.P.; (3) K. J. Dubash, Esq., B.A., LL.B., J.P.; (4) Vaikunth L. Mehta, Esq., B.A.; (5) Keshavprasad C. Desai, Esq., B.A., LL.B.; (6) P. A. Rebello, Esq., B.A.; (7) B. V. Jadhav, Esq., M.A., LL.B.; (8) S. M. Ikram, Esq., I.C.S.; (9) V. P. Varde, Esq., B. Com.

Manager & Secretary—G. L. Desai, Esq., B.A. (Hons.)

Registered Office—Co-operative Insurance Building, Sir Pherozeshah Mehta Road, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in April.

There is no Capital but there are 98 Debentures of Rs. 250 each bearing 3½ per cent. interest, amounting to Rs. 24,500.

The Society transacts only Life business and for the 6 months ending December 31, 1939, new business amounted to Rs. 13.07 lakhs as against Rs. 27.53 lakhs for the year ending June 30, 1939 and Rs. 20.20 lakhs for the year ending June 30, 1938. The total sums assured now amount to Rs. 75.55 lakhs.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—

	1939 (June) (12 months)	1939 (Dec.) (6 months)
Debentures	24,500	24,500
Life Fund	5,26,733	6,08,463
Reserve and Other Funds	14,930	14,848
Debts	47,662	29,641
Claims Outstanding	21,153	23,231
	6,34,978	7,00,683

Assets (in Rs.)—

	1939 (June) (12 months)	1939 (Dec.) (6 months)
Loans	10,594	14,661
Investments	2,12,001	2,90,559
Immovable Property	3,00,202	3,00,202
Dead Stock	12,012	13,365
Outstandings	62,697	42,527
Sundry Items	5,000	5,000
Cash	32,472	34,369
	6,34,978	7,00,683

Bombay Fire and General Insurance Company, Limited.

(Regd. 1935.)

(*See also Advertisement*)

Directors—(1) A. Geddis, Esq., (*Chairman*) ; (2) R. W. Bullock, Esq. ; (3) Shapoorji Pallonjee Mistry, Esq. ; (4) Manoobhai Doongersee, Esq. ; (5) Mahomed Akbar A. Fazalbhoy, Esq. ; (6) Farrokh E. Bharucha, Esq. ; (7) Framroze S. Mehta, Esq.

Manager—M. M. Mundkur, Esq.

Registered Office—United India Life Building, Sir Pherozeshah Mehta Road, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital.—Authorised—Rs. 15,00,000 in 15,000 Ordinary shares of Rs. 100 each. **Subscribed**—Rs. 12,00,000 in 12,000 Ordinary shares of Rs. 100 each. **Paid-up**—Rs. 4,19,880 in 10,000 Ordinary shares of Rs. 100 each on which Rs. 40 has been paid up, Rs. 4,00,000 ; less amount of 11 shares forfeited Rs. 440 ; and in 2,000 shares of Rs. 100 each on which Rs. 10 has been paid up, Rs. 20,000 ; add amount received on forfeited shares, Rs. 320.

This Company is a comparative newcomer into the field of Fire, Marine and Accident Insurance in this country having been established only five years ago. Nevertheless, the Balance Sheet bears the imprint of cautious management and orthodox policy.

On Fire Revenue Account the nett premiums for 1939 amounted to Rs. 1,54,983 against Rs. 96,948 for 1938, (nine months) whilst the loss ratio worked out at 20 per cent. compared to 26.3 per cent. in the previous period. On Marine Revenue Account the nett premiums for 1939, amounted to Rs. 24,634, against Rs. 5,861 for 1938, whilst the loss ratio worked out at 17.2 per cent. compared to 9.9 per cent. On the Accident Revenue Account, the nett premiums for 1939 amounted to Rs. 32,513 against Rs. 29,184, whilst the loss ratio was 80 per cent. compared to 27.5 per cent.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938 (9 months)	1939	**Assets (in Rs.)**—	1938 (9 months)	1939
Capital	4,19,880	4,19,880	Investments	5,32,868	5,42,681
Reserves and Other Funds	69,495	1,14,352	Outstandings	35,237	83,582
Contingencies Fund	15,000	30,000	Cash	27,397	42,662
Claims Outstanding	23,303	10,465			
Other Liabilities	35,571	67,753			
Profit and Loss Account	32,253	26,475			
	5,95,502	6,68,925		5,95,502	6,68,925

Dividend Record—

1935	1936	1937	1938	1939
..	..	..	..	..

Bombay Life Assurance Company, Ltd.

(Established 1908.)

(See also Advertisement)

Directors—(1) Maneklal Premchand, Esq., (*Chairman*); (2) Rameshwar Das Birla, Esq.; (3) Pingle Venkat Rama Reddy, Esq.; (4) Raja Bahadur Govindlal Shivlal Motilal; (5) Mrs. Lilavati K. Munshi; (6) Bhaskarrao V. Mehta, Esq., M.A., LL.B.; (7) Sujir Pundlik Nayak, Esq.; (8) Jyotendra L. Mehta, Esq., B. Sc., (*Managing Director.*)

Manager—Motilal B. Mazumdar, Esq.

Registered Office—Bombay Life Building, 45-47, Churchgate Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in May.

Dividends—payable in June.

Capital.—Authorised—Rs. 10,00,000 in 10,000 Ordinary shares of Rs. 100 each. **Subscribed**—Rs. 5,40,400 in 5,404 Ordinary shares of Rs. 100 each. **Paid-up**—Rs. 1,35,100 in 5,404 Ordinary shares of Rs. 100 each, on which Rs. 25 has been paid-up.

This Company, as the name denotes, is a purely Life office and has made steady progress since its inception in 1908. The Report for 1939 reveals that new business amounted to Rs. 142.02 lakhs against Rs. 144.91 lakhs in 1938.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	1,35,100	1,35,100	Investments	92,91,427	1,09,26,638
Life Fund	1,17,69,748	1,31,94,259	House Property	11,09,063	12,77,876
Reserves and Other Funds	4,65,714	9,02,734	Mortgages	3,25,300	3,19,766
Claims Outstanding	4,48,361	5,80,618	Loans on Policies	11,97,065	14,66,848
Debts	3,10,074	3,91,244	Outstandings	4,91,353	5,54,937
			Dead Stock	62,956	71,245
			Sundry Assets	70,125	16,799
			Cash	5,81,708	5,69,846
	1,31,28,997	1,52,03,955		1,31,28,997	1,52,03,955

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
8%	12%	12%	12%	14%	14%	14%

Price Range—

1938	1939
211-4	197-8
197-8	160

British India General Insurance Co., Ltd.

(Established 1919.)

(*See also Advertisement*)

Directors—(1) Sir H. M. Mehta, J. P., (*Chairman and Managing Director*); (2) Hormusji Framji Commissariat, Esq.; (3) Chamanlal G. Parekh, Esq.; (4) Sir Sultan M. Chinoy, J.P.; (5) Framji H. Mehta, Esq.; (6) Ramanlal Lallubhai, Esq.; (7) Ardeshir H. Bhiwandiwalla, Esq.

General Manager—Albert Smith, Esq.

Registered Office—35-43, Churchgate Street, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in August.

Dividends—payable in August.

Capital—Authorised and Subscribed—Rs. 50,00,000 in 1,00,000 Ordinary shares of Rs. 50 each. **Paid-up**—Rs. 10,00,000 in 1,00,000 Ordinary shares of Rs. 50 each, on which Rs. 10 per share is paid up.

This is a Fire, Marine, Accident and General Insurance office and Life business is not underwritten.

For the year ending December 31, 1939, nett premiums on Fire Account amounted to Rs. 5,93,208 compared to Rs. 5,95,306 for the same period in 1938, whilst the respective loss ratios are 38.67 per cent. and 38.54 per cent. On Marine Account, the nett premiums amounted to Rs. 2,07,336 against Rs. 2,07,279, with loss ratios of 100.98 per cent. and 98.21 per cent. respectively. On Accident and General Account the nett premiums were Rs. 5,44,948 compared to Rs. 6,00,038 with loss ratios of 50.55 per cent. and 42.08 per cent. The fall in the latter is attributed to a paucity of new car sales subsequent to the outbreak of war.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	10,00,000	10,00,000	Investments -	11,02,980	11,67,793
Reserve for Bad and Doubtful Debts -	5,202	5,202	Other Assets -	5,31,998	6,09,753
Fire, Marine, Accident and Staff Pension Funds -	6,11,768	5,99,679	Dead Stock -	14,802	17,067
Claims Outstanding - -	1,57,080	1,90,741	Cash - -	86,852	1,37,066
Other Liabilities -	89,566	1,76,356	Profit and Loss Account -	1,26,984	40,299
	18,63,616	19,71,978		18,63,616	19,71,978

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
3¾%	3¾%	..	..	..	..	..

Commonwealth Assurance Co., Ltd.

Directors—(1) Khan Bahadur M. N. Mehta (*Chairman*); (2) H. V. Tulpule, Esq. (*Vice-Chairman*); (3) V. G. Kale, Esq.; (4) B. S. Kamat, Esq.; (5) R. K. Naidu, Esq.; (6) G. N. Mujumdar, Esq.; (7) Rajmal Lakhichand, Esq.; (8) D. V. Potdar, Esq.; (9) S. R. Rajaguru, Esq.; (10) S. M. Joshi, Esq.; (11) M. S. Aney, Esq.; (12) R. N. Abhyankar, Esq. (*Ex-Officio*).

Managing Agents—Messrs. Abhyankar & Co.

Registered Office—980, Sadashiv Peth, Laxmi Road, Poona.

Financial year—ends April 30. **Accounts**—published in October.

Dividends—payable in October.

Capital.—Authorised—Rs. 5,00,000, *i.e.*, Rs. 3,00,000 in 3,000 Ordinary shares of Rs. 100 each and Rs. 2,00,000 in 4,000 6 per cent Cumulative Preference shares of Rs. 50 each. **Issued & Subscribed**—Rs. 2,00,000 in 3,982 6 per cent Cumulative Preference shares of Rs. 50 each and 9 Ordinary shares of Rs. 100 each. **Paid-up**—Rs. 99,725 in 3,982 Preference shares at Rs. 25 each and 9 Ordinary shares at Rs. 25 each, less unpaid calls amounting to Rs. 50.

This Company transacts Life business and for the year ending April 30, 1939, the new business amounted to Rs. 45.05 lakhs compared to Rs. 40.39 lakhs in the previous year.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	98,250	99,725			
			Investments -	3,48,429	5,53,531
Life Fund -	11,89,577	14,52,271	Loans - -	4,89,047	6,49,912
			Immovable Property - -	2,41,124	3,02,694
Other Funds -	45,353	55,719	Dead Stock -	15,994	20,014
			Outstandings -	1,97,802	2,26,430
Debts - -	1,85,818	2,57,560	Sundry Items -	8,881	11,160
			Cash - -	2,72,718	1,79,095
Claims Outstanding - -	54,997	77,561			
	15,73,995	19,42,836		15,73,995	19,42,836

Dividend Record—

1938	1939
7%	..

Crescent Insurance Company, Limited.

(Established 1919.)

Directors—(1) Dr. S. R. Naik, L.M. & S. (N.T.L.), L.S.M.F. (*Chairman*); (2) Dadubhai P. Desai, Esq., B.A., M.L.C. (Bom.); (3) Ramdas B. Mavani, Esq., A.C.G.I. (Lond.), M.R.S.; (4) Prabhashanker Ramchandra Bhatt, Esq., J.P. (*Ex-Officio*); (5) Dr. S. S. Ugrankar, M.B., M.R.C.P. (Lond.) (*Policy-holders' Director*); (6) N. B. Desai, Esq., B.A., LL.B. (*Policy-holders' Director*).

Managing Agents—Messrs. Ramchandra & Co.

Registered Office—Lalgir Chambers, Tamarind Lane, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in June.

Capital.—Authorised—Rs. 1,88,00,000 in 2,00,000 Ordinary shares of Rs. 94 each. **Subscribed**—Rs. 6,48,036 in 6,894 Ordinary shares of Rs. 94 each. **Called up**—Rs. 1,06,566 made up of 6,894 Ordinary shares on which Rs. 10 each has been paid=Rs. 68,940 and amount on Forfeited Shares paid up Rs. 37,626.

This Company transacts Life business and for the year ending December 31, 1939, new business amounted to Rs. 11.11 lakhs compared to Rs. 13.11 lakhs in 1938. The total sums assured amount to Rs. 23.18 lakhs.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**(Assets in Rs.)**—	1938	1939
Capital - -	65,202	1,06,566	Investments -	1,30,768	1,35,157
Life Fund -	59,091	60,643	Loans - -	18,108	13,338
Reserve Fund -	24,307	24,307	Outstandings -	36,452	43,826
Claims Outstanding - -	16,800	13,136	Dead Stock -	5,235	4,530
Debts - -	38,536	16,490	Sundry Items -	5,000	4,500
			Cash - -	8,373	16,191
			House Property -	....	3,600
	2,03,936	2,21,142		2 03,936	2,21,142

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	..	..	..	..	..	..

East & West Insurance Company, Limited.

(Established 1913.)

Directors:—(1) Dewan Bahadur Krishnalal M. Jhaveri, M.A., LL.B., J.P. (*Chairman*); (2) Hiralal Kursondas, Esq., B.A., LL.B.; (3) Wilfred E. Pereira, Esq., B.A., LL.B., J.P.; (4) Haribhai B. Naik, Esq., B.A., LL.B.; (5) Vasantram Jamietram Vakil, Esq., B.A., LL.B., J.P.; (6) Dhirajlal Maganlal Dalal, Esq., B. Com.; (7) Dr. Ganpatram K. Adhvaryu, M.B.,B.S.; (8) Vadilal Chunilal, Esq.; (9) Arvind N. Vakil, Esq.; (10) Narotamdas M. Dalal, Esq. (*Ex-Officio*).

Secretaries.—Messrs. Dalal & Co.

Registered Office—East & West Building, Apollo Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital.—Authorised—Rs. 50,00,000 in 100,000 Ordinary shares of Rs. 50 each. **Subscribed**—Rs. 2,24,200, which is made up as follows. There were 6,333 A and B class shares of Rs. 50 each subscribed, amounting to Rs. 3,16,650 but 1,849 B class shares of Rs. 50 each were forfeited, this resulting in the above figure. The **Paid-up Capital** is now Rs. 1,00,815 arrived at as follows :—1,222 A class shares of Rs. 50 each fully paid-up amounting to Rs. 61,100 and 3,262 B class shares of Rs. 50 each, on which Rs. 10 has been called up amounting to Rs. 32,620, to which must be added the forfeited shares amount of Rs. 7,095.

Although not so well known as some of the other insurance companies, this Life office has expanded satisfactorily over recent years. The last Report shows that for 1939, new business amounted to Rs. 38.14 lakhs, compared to Rs. 36.61 lakhs in 1938, whilst the total sums now assured reach the considerable figure of Rs. 160 lakhs.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	1,00,815	1,00,815	Loan - -	5,01,615	5,73,847
Life Fund -	19,91,778	21,96,188	Investments -	5,86,960	8,62,489
Other Funds -	1,19,058	1,37,059	House Property -	8,65,789	9,57,585
Claims Outstanding - -	1,03,184	1,90,092	Dead Stock -	18,445	31,299
Other Liabilities -	86,067	1,13,051	Other Assets -	2,42,365	2,24,289
			Sundry Items -	5,178	5,286
			Cash - -	1,80,549	82,410
	24,00,902	27,37,205		24,00,902	27,37,205

Dividend Record—

1933	1934	1935
6¼%	6¼%	6¼%

Empire of India Life Assurance Co., Ltd.

(Established 1897.)

(*See also Advertisement*)

Directors:—(1) E. B. Ghasvala, Esq. (*Chairman*); (2) Dr. N. H. Vakeel; (3) E. F. Allum, Esq.; (4) E. E. Allum, Esq.; (5) Haridas Gopaldas, Esq.; (6) Sir H. P. Dastur, Kt.; (7) Dr. K. S. Bharucha.

Manager—E. E. Allum, Esq.

Registered Office—Empire of India Life Building, Hornby Road, Fort, Bombay.

Financial Year—ends December, 31.

Accounts—last published in April 1940.

Dividends—last paid in May 1940.

Capital—Authorised—Rs. 5,15,000 in 5,150 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 5,15,000 in 5,150 Ordinary shares of Rs. 100 each fully paid.

This old established and excellently managed life assurance office enjoys the confidence of both investors and policyholders. A very conservative policy has been followed from its inception and the Company has gone from strength to strength, so that the Balance Sheet position is extremely sound. For the past year, new business amounted to Rs. 157.65 lakhs compared to Rs. 137.31 lakhs in 1938, which was of 10 months' duration, whilst the total amount of assurances now in force reaches the impressive figure of Rs. 14.51 crores.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	5,15,000	5,15,000			
Life Assurance and Reserve Funds.	4,96,74,126	5,20,44,954	Investments -	8,84,525	8,07,088
Outstanding Liabilities of Life Assurance Business - -	12,80,156	13,11,865	Other Assets, Cash, etc. - -	19,140	39,645
Shareholders' Fund - -	3,80,604	3,22,277	Life Assets -	5,09,54,282	5,33,56,819
Other Liabilities -	8,061	9,456			
	5,18,57,947	5,42,03,552		5,18,57,947	5,42,03,552

Dividend Record—

	1933	1934	1935	1936	1937*	Feb. 1938	Dec. 1938	Dec. 1939
	40%	23⅓%	23⅓%	17½%	17½%	17%	17%	17%

Price Range—

High -	1,735	2,375	2,900	3,100	*900	1,200	875	700
Low -	1,400	1,568	2,280	2,800	*600	776½	680	530

*Each share of Rs. 500 sub-divided into 5 shares of Rs. 100 each.

Indian Globe Insurance Company, Ltd.

(Regd. 1931.)

(See also Advertisement)

Directors :—(1) Mathuradas Vissanji Esq., J.P. (*Ex-Officio*), (*President*) ; (2) Vithaldas Kanji, Esq., J.P. (*Chairman*) ; (3) Hormusji F. Commissariat, Esq., J.P. ; (4) Rai Bahadur Jagmal Raja ; (5) B. V. Jadhav, Esq., J.P., M.A., LL.B. ; (6) Bhogilal H. Patel, Esq. ; (7) Naval C. Jerajani, Esq. ; (8) Vijaysinh Govindji, Esq. (*Ex-Officio*), (*Managing Director*).

General Manager—Naval C. Jerajani, Esq.

Registered Office—Prospect Chambers, 315-321, Hornby Road, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital.—Authorised—Rs. 30,00,000 made up of 60,000 Ordinary shares of Rs. 50 each. **Subscribed**—Rs. 12,37,500 made up of 24,750 Ordinary shares of Rs. 50 each. **Called up**—Rs. 3,28,635 made up of 24,000 shares at Rs. 12½ each and 750 shares of Rs. 50 each, less calls unpaid Rs. 8,865. Of this latter item Rs. 7,867½ has since been received.

This Company transacts all kinds of business. For the year 1939, premiums on Fire Account amounted to Rs. 1,54,234 compared to Rs. 1,86,788 in 1938. On Marine Account the nett premiums amounted to Rs. 13,469 compared to Rs. 5,474 in the previous year. On Miscellaneous Account, the nett premiums amounted to Rs. 1,22,039 as against Rs. 1,38,099. On Life Account, the new business came to Rs. 12.60 lakhs compared to Rs. 8.38 lakhs in 1938. The total sums assured on this latter account now amount to Rs. 42.30 lakhs.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	3,21,135	3,28,635	Investments -	2,00,935	2,61,840
Life Fund -	3,30,254	4,08,181	Life Assets -	4,07,779	4,79,914
Reserves and Other Funds - -	1,19,080	1,18,510	Other Assets -	3,20,205	2,98,573
Claims Outstanding - -	57,865	56,905	Dead Stock -	17,706	17,327
Other Liabilities -	1,89,537	2,52,499	Sundry Items -	16,187	11,382
Profit and Loss Account -	694	969	Cash - -	55,753	96,663
	10,18,565	11,65,699		10,18,565	11,65,699

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	..	..	..	..	..	..

Indian Life Assurance Company, Ltd.

(Established 1892.)

Directors :—(1) W. Lobo, Esq., B.A., LL.B. (*Chairman*) ; (2) P. J. Athaide, Esq. ; (3) J. F. Castellino, Esq. ; (4) D. E. Critchell, Esq. (*Policy-holders' Director*) ; (5) F. P. DeSousa, Esq. ; (6) L. J. Mascarenhas, Esq., M.B.E. (*Policy-holders' Director*) ; (7) E. M. Sequeira, Esq., M.B.A.

Secretary—A. R. D'Abreo, Esq., Barrister-at-Law.
Registered Office—" Ilaco House," Victoria Road, Karachi.
Financial year—ends December 31. **Accounts**—published in June.
Dividends—payable in July.

Capital.—Authorised and Subscribed—Rs. 4,00,000 in 4,000 Ordinary shares of Rs. 100 each. **Paid-up**—Rs. 1,45,000.—made up of (1) Rs. 60,000 in 600 Ordinary shares of Rs. 100 each fully paid up and (2) Rs. 85,000 in 3,400 Ordinary shares of Rs. 100 each, Rs. 25 paid up.

This Company has the reputation of being one of the soundest Indian Life offices although it is comparatively unknown outside the Province of Sind. It has been in existence for 48 years and has always followed a most conservative policy as regards its expansion. It has relied upon a steady growth rather than upon the submission of impressive figures in connection with new business. That for 1939, amounted to Rs. 32.11 lakhs compared to Rs. 22.27 in 1938, whilst the total sums now assured come to Rs. 237.46 lakhs.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	1,45,000	1,45,000	Loans - -	13,79,142	15,04,130
Life Fund -	90,36,755	93,65,191	Investments -	99,13,722	1,05,24,095
Reserves and Other Funds - -	17,88,989	15,43,328	House Property -	7,16,088	6,98,068
Claims Outstanding - -	2,30,317	2,21,372	Dead Stock -	21,071	20,223
Other Liabilities -	17,18,133	20,55,191	Other Assets -	46,960	2,56,438
			Cash - -	8,42,211	3,27,128
	1,29,19,194	1,33,30,082		1,29,19,194	1,33,30,082

Dividend Record—

1933	1934	1935	1936	1937	1938 (May)	1938 (Dec.)	1939
20% +5%B	25%	25%	25%	25%	25%	25%	25%

Indian Mercantile Insurance Company, Limited.

(Established 1907.)

Directors:—(1) Devidas Madhowji Thakersey, Esq., J.P. (*Chairman*); (2) Valabhdas Chatarbhooj Shivji, Esq., J.P.; (3) Narandas Munmohandas Ramji, Esq.; (4) Haridas Morarji Velji, Esq.; (5) Ramdeo Anandilal Podar, Esq.; (6) K. R. P. Shroff, Esq., J.P.; (7) Padamsey Damodar Govindjee, Esq., J.P.; (8) Krishnaraj M. D. Thackersey, Esq.; (9) Mathuradas Haribhai, Esq., J.P.

General Manager—R. M. Desai, Esq., B. Com.

Registered Office—Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital.—Authorised and Issued—Rs. 50,00,000 in 50,000 Ordinary shares of Rs. 100 each. **Subscribed**—Rs. 21,15,300 in 21,153 Ordinary shares of Rs. 100 each. **Paid-up**—Rs. 4,23,060 in 21,153 Ordinary shares of Rs. 100 each on which Rs. 20 has been paid up.

This Company undertakes Fire, Accident and Life business. The latter was only commenced in the year 1933 and is now a prominent feature of the Company's activities. In 1939, new business on this account amounted to Rs. 18.10 lakhs against Rs. 16.32 lakhs in 1938, whilst the total amount of Life business now in force is Rs. 57.98 lakhs.

For 1939, net premiums on Fire Account amounted to Rs. 1,89,743 against Rs. 1,63,864 in 1938, with loss ratios of 16.2 per cent and 25.82 per cent respectively. On Accident Account, the net premiums amounted to Rs. 9,291 and this Department was only opened during the latter part of 1939.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	4,23,060	4,23,060	Loans and Advances	....	1,78,025
Life Fund	3,86,847	3,73,473	Investments	5,80,992	6,66,470
Depreciation (Building) Fund	25,000	28,000	Life Assets	3,86,847	....
Reserves and Other Funds	7,70,510	7,99,419	House Property	5,49,741	6,88,745
Claims Outstanding	....	52,162	Dead Stock	6,829	11,836
Other Liabilities	1,25,219	2,63,376	Other Assets	1,81,417	3,23,035
Profit and Loss Account	62,062	69,773	Sundry Items	....	3,834
			Cash	86,872	1,37,318
	17,92,698	20,09,263		17,92,698	20,09,263

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	12½%	12½%	12½% +1¼%B	15%	12½% +1¼%B	12½% +1¼%B	12½% +2½%B
Price Range—							
High	57½	60½	52½	57½	58	55½	
Low	47	41	42	46	51	49	

Industrial and Prudential Assurance Company, Ltd.

(**Established** 1913.)

(See also Advertisement)

Directors:—(1) Sir Chimanlal H. Setalvad, K.C.I.E. (*Chairman*); (2) Sir Hukumchand Sarupchand, Kt.; (3) Velji Lukhamsi, Esq.; (4) Sir Gulamhusein Hidayatulla, Kt., K.C.S.I.; (5) Mangaldas B. Mehta, Esq., J.P.; (6) Calian D. Vaidya, Esq., J.P.; (7) M. C. Ghia, Esq. (*Policyholders' Director*); (8) Jivanlal C. Setalvad, Esq. (*Managing Director*).

General Managers—V. C. Setalvad, Esq., B.A., LL.B., and K. C. Desai, Esq., B.A., LL.B.

Registered Office—Industrial Assurance Building, Opposite Churchgate Station, Bombay.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital.—Authorised—Rs. 25,00,000 in 50,000 Ordinary shares of Rs. 50 each. **Subscribed**—Rs. 18,22,500 in 36,450 Ordinary shares of Rs. 50 each. **Paid-up**—Rs. 2,18,700 made up of 36,450 Ordinary shares of Rs. 50 each on which Rs. 6 has been called up.

A special resolution was passed at an Extraordinary General Meeting held in July 1940, whereby the capital of the Company should be reduced from Rs. 25 lakhs, made up of 50,000 Ordinary shares of Rs. 50 each, to Rs. 10 lakhs made up of 50,000 Ordinary shares of Rs. 20 each. The reduction will be effected by reducing the nominal value of the shares from Rs. 50 to Rs. 20, and the uncalled liability of Rs. 30 extinguished.

This Life office which was established in the year 1913, found its business hampered by the Great War of 1914, but subsequently it has made impressive progress. For the year 1939, the Report discloses that new business amounted to Rs. 95.42 lakhs against Rs. 95.05 lakhs in the previous year, whilst the total amount of insurance now in force amounts to the large figure of almost Rs. 6 crores. The Company recently constructed its own building occupying a prominent position opposite Churchgate Station, at a cost of about Rs. 7,50,000.

The Company has a very low expense ratio, the same for 1939 being 27.4 per cent. against 28 per cent. in 1938.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	2,18,700	2,18,700	Investments	96,30,989	1,02,39,319
Life Fund	1,02,29,079	1,17,47,575	Building under Construction Account	32,203	5,02,029
Reserves and other Funds	2,56,550	3,02,300	Outstandings	1,94,708	2,26,075
Debts	1,68,122	1,58,831	House Property	25,701	31,151
Claims Outstanding but not paid.	3,39,341	3,73,068	Loans and Advances	12,06,088	13,65,679
			Dead Stock	16,697	18,169
			Cash	1,05,406	4,18,052
	1,12,11,792	1,28,00,474		1,12,11,792	1,28,00,474

Dividend Record—	1933	1934	1935	1936	1937	1938	1939
	8⅓%	8⅓%	8⅓%	8⅓%	8⅓%	10$\frac{5}{12}$%	12½%
Price Range—							
High	14	17½	24	36	29⅛	29	
Low	12	14	17½	24	24½	21	

Jupiter General Insurance Company, Ltd.

(Established 1919.)

(See also Advertisement)

Directors:—(1) Dharamsey M. Khatau, Esq. (*Chairman*); (2) Chaturbhuj Gordhandas, Esq.; (3) Charandas Dwarkadas, Esq. (*Policyholders' Director*); (4) Hiralal Motilal Parekh, Esq. (*Policyholders' Director*); (5) Mathuradas Dwarkadas, Esq. (*Ex-Officio.*)

Managing Agents—Messrs. Lalji Naranji & Co. **Secretary**—N. M. Chokshi, Esq., M. Sc. (London.)

Registered Office—Ewart House, Tamarind Lane, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital.—Authorised—Rs. 2,00,00,000 made up of 150,000 Ordinary shares of Rs. 100 each, Rs. 1,50,00,000, and 100,000 6½ per cent. (Tax-free) Cumulative Preference shares of Rs. 50 each, Rs. 50,00,000. **Issued and Subscribed**—Rs. 1,50,00,000 made up of 125,000 Ordinary shares of Rs. 100 each, Rs. 1,25,00,000 and in 50,000 6½ per cent. (Tax-free) Cumulative Preference shares of Rs. 50 each, Rs. 25,00,000. **Paid-up.**—Rs. 23,74,800 made up of 124,996 Ordinary shares of Rs. 100 each on which Rs. 15 has been paid up, Rs. 18,74,940 and 49,967 6½ per cent. (Tax-free) Cumulative Preference shares of Rs. 50 each on which Rs. 10 has been called up, Rs. 4,99,670. Add forfeited share amount of Rs. 190.

This is a composite Insurance Company doing Fire, Marine, Accident and Life business. As far as the Life business is concerned, new business for 1939 amounted to Rs. 17.48 lakhs against 22.66 lakhs in 1938. Nett premiums on Fire Account amounted to Rs. 10,89,543 with a loss ratio of 37.52 per cent. compared to Rs. 12,61,879 and a loss ratio of 54.58 per cent. in 1938. Nett premiums on Marine Account came to Rs. 3,52,186, with a loss ratio of 24.77 per cent., as against Rs. 1,88,118 with a loss ratio of 42.57 per cent. On Accident Account, the nett premiums were Rs. 2,42,028 with a loss ratio of 46.39 per cent. compared to Rs. 2,52,714 and a loss ratio of 45.92 per cent.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	23,74,800	23,74,800	Investments	39,31,468	35,83,154
Life Fund	16,70,455	19,00,344	Life Assets	18,33,715	21,31,093
Fire, Marine and Accident Fund	12,50,000	12,70,000	Outstandings	8,31,786	8,55,774
Investment Reserve	2,40,718	3,01,368	Dead Stock	5,460	7,690
Other Funds	2,16,312	1,75,453	Cash	1,62,723	7,42,998
Claims Outstanding	3,18,722	2,58,369			
Debts	6,59,798	7,35,358			
Profit and Loss Account	34,347	3,05,017			
	67,65,152	73,20,709		67,65,152	73,20,709

Dividend Record—	1933	1934	1935	1936	1937	1938	1939
	5%	5%	5%	5%	..	..	5%
Price Range—							
High	11¾	13½	13⅞	12⅝	17½	14⅞	15
Low	6	10⅛	11½	11¼	12⅝	12¼	8

Lakshmi Insurance Company, Ltd.

(Established 1924.)

Directors:—(1) Rai Bahadur Lala Badri Das, M.A., Advocate (*Chairman*); (2) Dr. Nihal Chand Sikri; (3) Lala Jagan Nath Aggarwal, M.A., LL.B., Advocate; (4) Lala Balak Ram, Bar-at-Law; (5) Capt. Dhan Raj Bhasin, M.B.B.S., Ex. I.M.S.; (6) Lala Baij Nath Syal; (7) Lala Aftab Rai, Bar-at-Law; (8) Raizada Hans Raj Sondhi, Bar-at-Law, M.L.A. (Central); (9) Pt. K. Santanam, Bar-at-Law (*Ex-Officio*); (10) Lala Purshottam Lal Sondhi, B.A.; (11) Lala Autar Narain Gajral, B.A., LL.B.; (12) M. R. Kohli, Esq., M.A., F.I.B. (London).

General Manager—Pandit K. Santanam, Bar-at-Law.

Registered Office—Lakshmi Building, McLeod Road, Lahore.

Bombay Office—Lakshmi Building, Phirozshah Mehta Road, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in April.

Dividends—payable in April.

Capital.—Authorised and Subscribed—Rs. 10,00,000 in 10,000 Ordinary shares of Rs. 100 each. **Paid-up**—Rs. 1,01,000, *i.e.*, (1) Rs. 1,00,000 in 10,000 Ordinary shares of Rs. 100 on which Rs. 10 has been paid up and (2) Rs. 1,000 being the amount of calls paid in advance.

This Northern India Life Insurance Company has made very rapid progress since its inception in 1924, so much so that it can now take its place as one of the leading Life offices in India. The new business for 1939, has gone over the Rs. 1½ crores level, a striking advance of Rs. 50 lakhs more than that for the nine months of 1938.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938 (9 months)	1939	**Assets (in Rs.)**—	1938 (9 months)	1939
Capital	1,01,000	1,01,000	Loans	37,45,761	40,59,668
Reserve and other Funds	6,86,262	10,21,486	Investments	46,66,344	70,58,611
Life Fund	1,12,64,281	1,33,48,400	House Property	28,00,038	29,04,123
Debts	74,411	39,775	Dead Stock	1,04,669	1,36,867
Miscellaneous Account	1,63,693	1,62,844	Other Assets	3,96,053	3,83,439
Claims Outstanding	2,28,469	2,67,718	Sundry Items	23,296	18,357
			Cash	7,81,955	3,80,158
	1,25,18,116	1,49,41,223		1,25,18,116	1,49,41,223

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
20%	20%	20%	30%	30%	30%	80%

New India Assurance Company, Ltd.

(Regd. 1919).

(See also Advertisement)

Directors—(1) Sir Chunilal V. Mehta, K.C.S.I., (*Chairman*) ; (2) J. R. D. Tata, Esq., (*Vice-Chairman*) ; (3) Ambalal Sarabhai, Esq. ; (4) The Hon'ble Sirdar Sir Suleman Cassum Mitha, Kt., C.I.E. ; (5) Ramnivas Ramnarain, Esq. ; (6) Dinshaw K. Daji, Esq. ; (7) A. D. Shroff, Esq. ; (8) Kasturbhai Lalbhai, Esq. ; (9) Sir H. P. Mody, K.B.E.

General Manager—W. Millard, Esq.

Registered Office—Central Bank Buildings, Esplanade Road, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital.—Authorised—Rs. 6,00,00,000 in 8,00,000 Ordinary shares of Rs. 75 each. **Issued and Subscribed**—Rs. 3,56,05,275 in 4,74,737 Ordinary shares of Rs. 75 each. **Paid-up**—Rs. 71,21,055 in 4,74,737 Ordinary shares of Rs. 75 each on which Rs. 15 has been paid-up.

This Company is the largest composite Insurance Company in India and has made remarkable progress since its inception just after the last Great War. The Company underwrites Fire, Marine, Accident and Life business and in this latter connection new business for 1939 amounted to almost Rs. 173.48 lakhs against Rs. 171.96 lakhs whilst the total sums assured now on this account almost reach Rs. 8 crores. On Fire Account, the nett premiums for 1939, amounted to Rs. 33,98,033 compared to Rs. 32,92,464 in 1938, with respective loss ratios of 41.1 per cent. and 37.8 per cent. On Marine Account, the nett premiums came to Rs. 30,08,813 for the year under review against Rs. 26,24,352 with loss ratios of 66 per cent. and 87.6 per cent. On Accident Account, the nett premiums amounted to Rs. 11,93,430 against Rs. 11,34,622, with loss ratios of 54.2 per cent. and 51.2 per cent. respectively.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	71,21,005	71,21,005	Investments	1,44,48,709	2,42,65,030
Life Fund	99,25,100	1,25,74,914	House Property	19,345	6,96,862
Contingency Reserve Fund	6,53,398	9,83,137	Loans and Advances	2,66,994	20,60,676
Reserve and other Funds	84,68,718	89,89,843	Life Assets	1,08,35,871	....
Claims Outstanding	9,11,179	13,18,463	Other Assets	18,89,413	38,43,077
Debts	10,39,846	17,97,060	Dead Stock	....	67,348
Profit and Loss Account	8,92,470	9,86,832	Cash	15,51,434	28,38,311
	2,90,11,766	3,37,71,304		2,90,11,766	3,37,71,304

Dividend Record—

	1933	1934	1935	1936	1937 (Mar.)	1937 (Dec.)	1938	1939
	7½%	7 11/12%	8⅓%	8⅓%	8⅓%	8⅘%	9⅙%	10%

Price Range—

High	23¼	28½	48¾	45½	48½	46½	42	40¼
Low	17	22⅝	29½	37¾	40	40½	37¼	28¾

Neptune Assurance Company, Ltd.

(Established 1930).

(See also Advertisement)

Directors—(1) Sir Govindrao B. Pradhan, Kt., J.P., (*Chairman*); (2) Maneklal Chunilal, Esq., J.P., (*Vice-Chairman*); (3) Dr. K. A. Contractor, L. M. & S.; (4) G. V. Puranik, Esq.; (5) Dr. M. V. Dharamsey, M.B., B.S.; (6) Hiralal Chunilal, Esq.; (7) Dr. M. S. Batliwala, M.B., B.S.; (8) Fulchand Pannalal Agraval, Esq., (*Policyholders' Director*); (9) Eknath Hiralal Lahoti, Esq., (*Policyholders' Director*); (10) Dr. G. T. Khare, M.B., B.S., (*Policyholders' Director*); (11) Mansukhlal T. Mehta, Esq., (*Managing Director*).

Secretary—B. M. Mehta, Esq.

Registered Office—Neptune Building, Hornby Road, Bombay.

Financial year—ends December 31. **Accounts**—published in August.

Dividends—payable in August.

Capital.—Authorised—Rs. 20,000 in 1,000 Ordinary shares of Rs. 20 each. **Subscribed**—Rs. 20,000 in 1,000 Ordinary shares of Rs. 20 each. **Called-up**—Rs. 10,000 in 1,000 Ordinary shares of Rs. 20 each on which Rs. 10 has been called up.

The Authorised Capital of the Company was increased in April 1940 to Rs. 2,20,000 by the creation of (1) 500 Ordinary shares of Rs. 200 each, Rs. 1,00,000 and (2) 100 4½% (Taxable) Cumulative Redeemable Preference shares of Rs. 1,000 each, Rs. 1,00,000. At the same time, the Subscribed Capital was increased to Rs. 75,000 by the issue of (1) 70 Ordinary shares of Rs. 200 each and (2) 41 4½% (Taxable) Cumulative Redeemable Preference shares of Rs. 1,000 each.

The Company was formed in May 1930 and the Life Department commenced business in 1932. During the year 1939, new business amounted to Rs. 42,61,935 compared to Rs. 40,67,339 in 1938, whilst the total sums now assured amount to Rs. 2,00,00,000. The Company possesses its own building in Hornby Road in the heart of the City.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939 (16 months)	**Assets (in Rs.)**—	1938	1939 (16 months)
Capital - -	10,000	10,000	Investments -	2,34,027	2,11,802
Life Fund -	6,03,772	9,02,082	Loans - -	1,07,230	3,37,814
Contingency Reserve Fund -	4,812	3,812	House Property -	....	2,29,637
Reserves and other Funds - -	26,413	35,383	Stock of Clocks & Safes - -	65,243	48,495
Claims Outstanding - -	26,463	45,653	Dead Stock -	19,019	23,024
Other Liabilities -	28,925	45,859	Other Assets -	1,10,516	1,23,736
			Sundry Assets -	22,667	15,615
			Cash - -	1,41,683	52,666
	7,00,385	10,42,789		7,00,385	10,42,789

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	..	..	..	..	..	..

Oriental Government Security Life Assurance Company, Ltd.

(Regd. 1874.)

(See also Advertisement)

Directors—(1) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., J.P., (*Chairman*); (2) Sir Joseph Kay, Kt., J.P.; (3) Sir Cowasjee Jehangir, Bart, K.C.I.E., O.B.E., M.L.A., J.P.; (4) Walchand Hirachand, Esq.; (5) Dinshaw D. Romer, Esq., J.P.; (6) Sir Kikabhai Premchand, Kt.; (7) Rustom Pestonjee Masani, Esq., M.A., J.P.; (8) The Hon'ble Sir Rahimtoola Meherally Chinoy, Kt., J.P.; (9) Ratilal Gandhi, Esq., (*Policyholders' Director*); (10) Pashabhai C. Patel, Esq., (*Policyholders' Director*); (11) Kantilal Ishwarlal, Esq., (*Policyholders' Director*).

Manager—H. Edwin Jones, Esq., F.F.A., A.I.A., J.P.

Registered Office—Oriental Buildings, Hornby Road, Bombay.

Financial year—ends December 31. **Accounts**—published in May.

Dividends—payable in May.

Capital.—Authorised—Rs. 10,00,000 in 5,000 Ordinary shares of Rs. 200 each. **Issued Subscribed and Paid-up**—Rs.6,00,000 in 3,000 Ordinary shares of Rs. 200 each.

This can be described as the leading Life Insurance Company in this country and its balance sheet position is most impressive. The new business for 1939 amounted to Rs. 7.73 crores against Rs. 9.76 crores in 1938 and the total number of policies now in force is 4,03,323, assuring the stupendous figures of over Rs. 79½ crores. From the investors' standpoint, the shares are looked upon as the highest type of investment, a fact which is indicated by their quotation of about 20 times their par value.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	6,00,000	6,00,000			
Life Assurance Fund	23,08,19,065	25,21,69,221	Loans	2,41,00,321	2,66,18,112
Contingencies Reserve Fund	6,07,432	6,07,432	Government and Trustee Securities	19,75,92,115	21,53,84,965
Building Fund	2,22,122	2,38,827	House Property	64,30,482	67,20,205
Claims Outstanding	43,60,559	48,18,514	Dead Stock	4,34,986	....
Sundry Liabilities	33,56,602	35,65,025	Other Assets	91,89,273	91,69,518
			Cash	22,18,603	41,06,219
	23,99,65,780	26,19,99,019		23,99,65,780	26,19,99,019

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	75%	62½%	62½%	62½%	62½%	62½%	62½%
Price Range—							
High	3,700	4,425	4,900	5,605	5,975	4,560	4,675
Low	2,350	3,400	4,150	4,650	5,235	3,800	3,635

Universal Fire & General Insurance Company, Limited.

(Regd. 1919.)

(See also Advertisement)

Directors—(1) Diwan Bahadur Krishnalal Mohanlal Jhaveri, M.A., LL.B., J.P. (*Chairman*); (2) Lachhmandas Harakhchand Daga, Esq.; (3) Raja Bahadur Narayanlal Bansilal; (4) Rai Bahadur Kedarnath Khetan, M.L.C. (U.P.); (5) Jehangir Hormasji Modi, Esq., B.A., LL.B., Solicitor; (6) Kantilal C. Munshaw, Esq. B.A. (*Policyholders' Director*); (7) Ranchhoddas T. Popawala, Esq., B.A. (*Policyholders' Director*); (8) Keshavlal H. Setalvad, Esq., J.P. (*Ex-Officio*).

Managing Agents—Messrs. M. Kanji & Co.

Registered Office—Universal Insurance Building, Sir Pherozeshah Mehta Road, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in August.

Dividends—payable in August.

Capital.—Authorised—Rs. 50,00,000 in 1,00,000 Ordinary shares of Rs. 50 each. **Subscribed**—Rs. 27,39,400 in 54,788 Ordinary shares of Rs. 50 each. **Paid up**—Rs. 6,34,925 in 54,788 Ordinary shares of Rs. 50 each on which Rs. 10 has been paid up=Rs. 5,47,880; to which must be added Rs. 87,045, being the amount received on shares forfeited.

In October 1934 the Authorised Capital of the Company was reduced from Rs. 1,00,00,000 divided into 1,00,000 shares of Rs. 100 each to Rs. 50,00,000 (present figure) by reducing the nominal value of each share from Rs. 100 to Rs. 50.

The Company was established in the year 1919 and transacts Fire and General Insurance business with marked success. In 1936 the management decided to start Life Department and here the progress has been very satisfactory under the capable guidance of the Managing Agents, Messrs. M. Kanji & Co., a reputed and widely known firm in the world of Indian Insurance.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	6,34,925	6,34,925	Investments	1,87,958	2,94,201
Life Fund	45,915	74,312	Life Assets	1,00,482	....
Reserves and Other Funds	3,46,220	2,88,633	Advances	46,523	42,663
Claims Outstanding	74,235	72,278	House Property	4,56,911	4,90,239
Other Liabilities	3,09,310	3,14,581	Dead Stock	15,757	17,549
Profit and Loss Account	15,740	19,893	Sundry Assets	4,67,861	3,97,361
			Cash	1,50,853	1,62,609
	14,26,345	14,04,622		14,26,345	14,04,622

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
2½%	2½%	2½%	2½%	2½%	2½%	3⅛%

Vulcan Insurance Company, Ltd.

(Established 1919).

(See also Advertisement)

Directors—(1) Sir Chimanlal H. Setalvad, K.C.I.E., (*Chairman*); (2) Sir Hukumchand Sarupchand, Kt.; (3) Velji Lukhamsi Napoo, Esq.; (4) Sir Chinubhai Madhowlal, Bart.; (5) Sir Cowasjee Jehangir, Bart., K.C.I.E.; (6) Mangaldas B. Mehta, Esq., Solicitor; (7) J. C. Setalvad, Esq. (*Ex-officio*).

Managing Agents—Messrs. J. C. Setalvad & Co.

Registered Office—Industrial Assurance Building, opposite Churchgate Station, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital.—Authorised—Rs. 1,50,00,000 in 3,00,000 Ordinary shares of Rs. 50 each. **Subscribed**—Rs. 76,60,350 in 1,53,207 Ordinary shares of Rs. 50 each. **Paid-up**—Rs. 15,99,270. This is made up of Rs. 15,32,070 in 1,53,207 Ordinary shares of Rs. 50 each on which Rs. 10 has been called up, to which must be added application money received on shares since forfeited, Rs. 67,200.

This Company, which was established immediately after the last Great War undertakes Fire, Marine and Accident business.

On Fire Account, the nett premiums for 1939 came to Rs. 6,19,302, with a loss ratio of 29.72 per cent. On Marine Account, the nett premiums were Rs. 55,673 with a loss ratio of 19.78 per cent. whilst on Accident and Marine Account, the nett premiums amounted to Rs. 2,71,383 with a loss ratio of 44.79 per cent. Collectively, these amount to a total premium income of Rs. 8,46,358 which compares to Rs. 9,02,212 in 1938, whilst the loss ratios are 37.5 per cent. and 34.32 per cent. respectively.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	15,99,270	15,99,270			
Reserve and other Funds	9,52,399	7,87,353	Investments	20,91,683	19,45,313
Claims Outstanding	66,587	62,182	House Property	1,50,000	1,50,000
Other Liabilities	2,82,551	5,66,840	Dead Stock	16,878	16,445
Profit and Loss Account	85,982	80,901	Other Assets	5,09,939	6,05,003
			Cash	2,18,289	3,79,785
	29,86,789	30,96,546		29,86,789	30,96,546

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	5%	5%	5%	5%	5%	5%	5%
Price Range—							
High	8-6	9-0	8-12	8- 8	8-2	7- 8	7-10
Low	6-1	6-6	6-12	6-14	7-6	6-14	6- 1

Zenith Life Assurance Company, Limited.

(Established 1916).

(See also Advertisement)

Directors—(1) Sir Homi Mehta, (*Chairman*); (2) Chamanlal G. Parekh, Esq.; (3) Chhotalal Kilachand, Esq.; (4) S. M. Chothia, Esq., Bar-at-Law; (5) Mathuradas M. Parekh, Esq.; (6) Mani H. M. Mehta, Esq.; (7) Chhotalal Jamnadas, Esq., J.P., (*Policyholders' Director*); (8) Pestonji Cowasji Hansotia, B. Com., (*Policyholders' Director*).

Managing Agents—Messrs. H. M. Mehta & Co. **General Manager**—Byramjee Hormusjee, Esq.

Registered Office—Manekjee Wadia Building, Esplanade Road, Bombay.

Financial year—ends December 31. **Accounts**—published in May.

Dividends—payable in June.

Capital.—Authorised, Issued and Subscribed—Rs. 1,00,000, in 1,000 Ordinary shares of Rs. 100 each. **Paid-up**—Rs. 50,000 made up of 1,000 Ordinary shares on which Rs. 50 has been called up.

This Company is a purely life office and during the past year, new business amounted to Rs. 30.45 lakhs compared to Rs. 32.82 lakhs in 1938.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	50,000	50,000	Loans - -	3,49,088	3,07,635
Life Fund -	22,08,570	24,01,936	Investments -	16,62,179	18,54,814
Reserve and other Funds - -	36,046	41,046	Land and Building.	2,28,608	2,25,173
			Dead-Stock -	37,612	46,442
Claims Outstanding - -	1,44,521	1,52,366	Other Assets -	77,692	75,629
Other Liabilities -	41,162	39,230	Sundry Items -	26,207	6,214
			Cash - -	98,913	1,68,671
	24,80,299	26,84,578		24,80,299	26,84,578

Dividend Record—

1933	1934	1935	1936
7½%	7½%	7½%	7½%

RAILWAY SECTION.

Ahmedabad-Prantej Railway Co., Ltd.

(Regd. 6th January 1896.)

Directors—(1) R. C. Lowndes, Esq. (Messrs. Killick Nixon & Co.), (*Ex-Officio Director and Chairman*); (2) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (3) Ambalal Sarabhai, Esq.; (4) Sir Kikabhai Premchand, Kt.; (5) R. C. Giles, Esq.

Agents—Messrs. Killick Nixon and Company.

Registered Office—Home Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in February.

Dividends—payable in February and August.

Capital.—Authorised—Rs. 25,00,000 in 5,000 Ordinary shares of Rs. 500 each. **Issued and Subscribed**—Rs. 25,00,000 in 5,000 Ordinary shares of Rs. 500 each, fully paid.

Debentures—Rs. 11,00,000 in 6 per cent. (taxable) 2,200 Bonds of Rs. 500 each. Issued January 1st, 1931. Repayable at par on December 31, 1946, with the option of repayment at any time on 6 months' notice. Interest payable on 1st January and 1st July.

This Company owns and operates two sections of railway. The main line which is metre-guage is 55 miles in length and runs between Ahmedabad and the town of Himmatnagar. This was constructed in 1895 and was opened for traffic in 1897. The second section runs from Himmatnagar to Brahmakhed for a distance of 34 miles and so the total length of the Company's railway lines is 89 miles. The terms of acquisition by the Government lay down that the purchase price will be fixed at 25 times the average net earnings for the five years immediately preceding the 31st December 1930, subject to a maximum of 120 per cent. and a minimum of 100 per cent. of the actual capital expenditure on that date plus the actual capital expenditure subsequently up to December 31, 1946 which is the date when the lines can be acquired by the Government. These are worked by the B. B. & C. I. Railway on behalf of the Secretary of State and their charges are subject to a maximum of 60 per cent. of the gross earnings. In any year when the net earnings do not permit of a minimum return of 5 per cent. on the total capital expenditure the Secretary of State allows the Company by way of rebate such a sum as would, together with the net earnings of the said year make up 5 per cent. on the total capital expenditure, subject to its being limited to 10 per cent. of the gross earnings from interchanged traffic.

Summary of the Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)—**	1938	1939
Capital	25,00,000	25,00,000	Block	38,08,617	38,37,117
Debentures	11,00,000	11,00,000			
Reserves	2,52,875	2,62,875	Outstandings	1,02,787	91,186
Debts	92,540	96,951	Investments	2,18,080	1,78,195
Profit and Loss Account	2,23,245	1,96,140	Cash	39,176	49,468
	41,68,660	41,55,966		41,68,660	41,55,966

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	10%	9¾%	10%	11¼%	12½%	12½%	11½%
Price Range—							
High	802½	871¼	908¾	940	980	985	1,005
Low	650	770	853¾	872½	890	912½	912½

Central Provinces Railways Co., Ltd.

(**Regd.** November 10, 1910.)

Directors—(1) R. C. Lowndes Esq., (Messrs. Killick Nixon & Co.), (*Ex-Officio, Director and Chairman*); (2) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (3) Sir Byramjee Jeejeebhoy, Kt.; (4) R. C. Giles, Esq.; (5) The Senior Government Inspector of Railways, Circle No. 5, Bombay.

Agents—Messrs. Killick Nixon and Company.

Registered Office—Home Street, Fort, Bombay.

Financial year—ends September 30. **Accounts**—published in December.

Dividends—payable in January and July.

Capital.—Authorised—Rs. 1,00,00,000 in 1,00,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 94,00,000 in 94,000 Ordinary shares of Rs. 100 each fully paid.

In the year 1925 the Subscribed Capital was increased from Rs. 84,00,000 to the present figure by the issue of 10,000 shares of Rs. 100 each.

The objects for which this Company was formed were to construct feeder lines in the Central Provinces and it now owns about 140 miles of railways in three sections. (1) 48 miles from Ellichpur to Murtazapur, (2) 70 miles from Murtazapur to Yeotmal and (3) 22 miles from Pulgaon to Arvi. All the lines are of the 2′ 6″ gauge. The first was opened for traffic in 1913, the second in 1914-15 and the third in 1917. The Great Indian Peninsula Railway guarantees rebate out of the actual net receipts from traffic interchanged to make up 5 per cent. of the capital outlay and allows Rs. 21,000 per annum for office expenses when the company is on the surplus profits basis, but only Rs. 15,000 when rebate is claimed. It shares half of the surplus profits in excess of 5 per cent. The terms of acquisition lay down that the Secretary of State has the right to acquire the railway on March 31, 1947 or any 10th year thereafter on giving 12 months' notice. He will pay to the Company 25 times the average annual net earnings for the preceding three years, subject to a maximum of 120 per cent. and a minimum of 100 per cent. of the actual capital which has been expended. Additionally if it is decided to reconstruct the railway on a different gauge or to extend the line or to convert the line into a line of through communication and the Company fails to agree to such re-construction, Government will have the right to take over the railway on giving 12 months' notice and paying 25 times the average annual net earnings of the Company for the preceding 3 years subject in this particular case to a minimum of 115 per cent. of the actual capital expenditure.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	94,00,000	94,00,000	Block - -	93,75,765	93,75,765
Debts - -	83,833	1,83,051	Outstandings -	2,43,441	2,41,944
Profit and Loss Account	2,90,899	2,83,745	Investments -	1,39,436	2,34,552
			Cash - -	16,090	14,535
	97,74,732	98,66,796		97,74,732	98,66,796

Dividend Record—	1933	1934	1935	1936	1937	1938	1939
	4%	4%	4%	4½%	4½%	4½%	4½%
Price Range—							
High - - -	84½	92	91¼	101	101	102	101½
Low - - -	68½	73	85½	87	83	97	91

Dhond Baramati Railway Company, Ltd.

(Regd. October 2, 1912.)

Directors—(1) Purushottam K. Godbole, Esq., (*Chairman*); (2) Sir Jamsetjee Jeejeebhoy, Bart.; (3) A. H. Wadia, Esq.; (4) Nanabhai C. Broacha, Esq. (*Ex-Officio*).

Agents—Messrs. Shapoorji Godbole & Company.

Registered Office—50-56, Custom House Road, Fort, Bombay.

Financial year—ends March 31. **Accounts**—published in August.

Dividends—payable in January and September.

Capital.—Authorised—Rs. 12,50,000 in 12,500 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 12,50,000 in 12,500 Ordinary shares of Rs. 100 each fully paid; Less Calls unpaid Rs. 400; Total Rs. 12,49,600.

The object for which this Company was formed was to construct a light railway of the 2′ 6″ gauge from Dhond Junction on the Great Indian Peninsula Railway to the town of Baramati in the Poona District for a distance of approximately 27 miles. This was opened for traffic in 1914. The G. I. P. Railway guarantees rebate out of the actual net proceeds from traffic interchanged to make up 5 per cent. on the capital outlay. It also allows Rs. 6,000 per annum for office expenses and shares half the surplus profit in excess of 5 per cent. The terms of acquisition lay down that the Secretary of State has the right to acquire the Railway on September 30, 1944 or any tenth year thereafter, on giving 12 months' notice and paying 25 times the average net profits for the preceding 3 years subject to a maximum of 120 per cent. and a minimum of 100 per cent. of the actual capital expenditure. Additionally there is a proviso that if it is decided to reconstruct the Railway on a different gauge or to extend the line or to convert the line into one of through communication and should the company fail to agree to such reconstruction, the Government will have the right to take over the Railway on giving 12 months' notice and in this case the terms of payment are 25 times the average annual net profits for the preceding three years, subject to a minimum of 115 per cent. of the actual capital expenditure.

[Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	12,49,600	12,49,600	Block - -	12,60,729	12,60,729
Reserves - -	33,000	33,000			
Debts - -	4,558	4,308	Outstandings -	34,515	34,453
Profit and Loss Account -	28,617	27,248	Cash - -	20,531	18,974
	13,15,775	13,14,156		13,15,775	13,14,156

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	4½%	5%	4½%	4¾%	4½%	4¾%	4½%
Price Range—							
High - - -	79½	85	90½	99	108	105	103¾
Low - - -	70	77½	85	90½	98	102	100

Guzerat Railways Company, Limited.

(Regd. March 30, 1911.)

Directors—(1) F. F. Stileman, Esq., (Messrs. Killick Nixon & Co.), (*Ex-Officio Director and Chairman*); (2) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (3) Usufali A. Bakerbhai, Esq.; (4) Dadubhai P. Desai, Esq.; (5) The Senior Government Inspector of Railways, Circle No. 5, Bombay; (6) R. C. Giles, Esq.; (7) Rao Saheb Trikamdas Panachand Sampat, B.A., LL.B., (*Second Debenture Director.*)

Agents—Messrs. Killick Nixon and Company.

Registered Office—Home Street, Fort, Bombay.

Financial year—ends March 31. **Accounts**—published in July.

Dividends—payable in August and February.

Capital—Authorised—Rs. 50,00,000 in 50,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 34,50,000 in 34,500 Ordinary shares of Rs. 100 each, fully paid.

Debentures—Rs. 18,00,000 (1) Rs. 9,00,000 in 1,800 4¾ per cent. (Taxable) Bonds of Rs. 500 each. Issued in 1915, repayable in March 31st, 1944. Interest payable April 1 and October 1. (2) Rs. 9,00,000 in 90. 7 per cent. (Taxable) Bonds of Rs. 10,000 each. Issued in April 1925 and July 1930, repayable in March 31, 1944. Interest payable April 1 and October 1.

Both the debentures may be redeemed earlier in the event of a special purchase of the Company's undertaking by the Secretary of State.

The object for which this Company was formed was to construct light railways of the 2'-6" gauge in Guzerat and adjoining districts. There are 3 sections so far constructed, (1) for a distance of 28 miles from Nadiad on the main line of the B. B. & C. I. Rly., to Kapadvanj and this was opened for traffic in 1913; (2) for a distance of 26 miles from Godhra on the Godhra-Ratlam Section of the B. B. & C. I. Rly., to Lunavada and this was opened for traffic between December 1913 and September 1914; and (3) for a distance of 31 miles from Champaner Road on the main line of the B. B. & C. I. Rly., to Pani Mines and this was opened for traffic between 1911 and 1916. In 1922, the Managing Agents handed over the working and maintenance of the lines to the B. B. & C. I. Rly., administration. The Secretary of State guarantees such a rebate as would, together with the net earnings of the year, make up 5 per cent. on the paid up capital, and so any profit in excess of 5 per cent. is shared equally between the Secretary of State and the Company. The terms of acquisition laid down that the Railway can be acquired on March 31, 1944 or any 10th year thereafter on

giving 12 months' notice and paying to the Company 25 times the average net earnings for the preceding 3 years (excluding payments on account of rebate) subject to a maximum of 120 per cent. and a minimum of 100 per cent. of the actual capital expenditure. Additionally, if it is decided to reconstruct the Railway on a different gauge or to extend the line or to convert the line into one of through communication and the company fail to agree to such reconstruction, the Government will have the right to acquire the railway on giving 12 months' notice and paying 25 times the average net earnings for the previous 3 years (excluding payment on account of rebate) subject to a minimum in this case of 115 per cent. of the actual capital.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	34,50,000	34,50,000	Block - -	51,56,541	51,57,141
Debentures -	18,00,000	18,00,000	Outstandings -	1,27,245	1,39,445
Debts - -	59,999	50,699	Investments -	1,52,867	90,850
Profit and Loss Account -	1,41,637	1,29,909	Cash - -	14,983	43,172
	54,51,636	54,30,608		54,51,636	54,30,608

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	2½%	3¼%	3½%	4¼%	4½%	4½%	4½%

Price Range—

High - - -	63½	62¾	76	78½	102	99	101
Low - - -	46	56	57½	69	78¼	93	96

Hoshiarpur-Doab Branch Railways Company, Ltd.

(Regd. February 29, 1914.)

Directors—(1) T. S. Gladstone, Esq., (*Chairman*); (2) Biren Mookerjee, Esq.; (3) Sir Adamjee Hajee Dawood, Kt.; (4) K. B. Lal, Esq., (*Ex-Officio Government Director*); (5) A. J. Elkins, Esq.

Managing Agents—Messrs. Gillanders, Arbuthnot and Company.

Registered Office—Clive Buildings, Calcutta.

Financial year—ends March 31. **Accounts**—published in August.

Dividends—payable in January and August.

Capital.—Authorised—Rs. 65,00,000 in 65,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 65,00,000 in 65,000 Ordinary shares of Rs. 100 each, fully paid.

In 1927 the capital of the Company was increased from Rs. 57,00,000 to its present figure by the creation and issue of 8,000 shares of Rs. 100 each.

This Company was formed to construct three sections of railways in the Punjab; (1) for a distance of 45 miles from Jullunder on the North-Western Railway to Mukerin *via* Tanda, (2) for a distance of 28 miles from Phagwara on the North-Western Railway to Rahon *via* Nawashahr and (3) for a distance of 19 miles from Nawashahr to Jaijon. The first two lines were opened for traffic in 1915 and the third in 1917. The North-Western Railway guarantees a rebate out of the actual total of the net receipts from traffic interchanged to make up 5 per cent. of the capital outlay and it also pays the Company for office expenses a sum Rs. 12,000 per annum and shares half the surplus profits in excess of 5 per cent. The terms of acquisition lay down that the Secretary of State has the right to acquire the railway on March 31, 1946, or any 10th year thereafter on giving 12 months' notice and paying 25 times the average net earnings for the preceding 3 years, subject to a maximum of 120 per cent. and a minimum of 100 per cent. of the actual capital expenditure. Additionally, if it is decided to reconstruct the railway on a different gauge or to extend the line or to convert the line into a line of through communication and the Company fails to agree to such re-construction, Government will have the right to take over the railway on giving 12 months' notice and paying 25 times the average annual net earnings of the Company for the preceding 3 years subject in this particular case to a minimum of 115 per cent. of the actual capital expenditure.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	65,00,000	65,00,000	Block - -	65,60,757	65,74,007
Reserves - -	60,760	60,760	Outstandings -	1,73,478	1,82,386
Debts - -	21,195	10,202	Cash - -	45,273	20,341
Profit and Loss Account	1,97,553	2,05,772			
	67,79,508	67,76,734		67,79,508	67,76,734

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	4½%	4½%	4½%	4½%	4½%	4½%	4½%
Price Range—							
High - - -	79	85	96	96	102	101	101
Low - - -	61	80	81	90½	94	95½	97

Mandra-Bhon Railway Company, Ltd.

(**Regd.** November 13, 1913.)

Directors—(1) R. C. Giles, Esq. (Messrs. Killick Nixon & Co.), (*Ex-Officio Director and Chairman*); (2) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (3) Ambalal Sarabhai, Esq.; (4) Sir Chunilal V. Mehta, K.C.S.I.; (5) R. C. Lowndes, Esq.; (6) The Senior Government Inspector of Railways, Circle No. 5, Bombay.

Agents—Messrs. Killick Nixon & Company.

Registered Office—Home Street, Fort, Bombay.

Financial year—ends September '30. **Accounts**—published in December-January.

Dividends—payable in January and July.

Capital.—Authorised—Rs. 50,00,000 in 50,000 Ordinary shares of Rs. 100 each.

Issued and Subscribed—Rs. 27,50,000 in 27,500 Ordinary shares of Rs. 100 each, fully paid.

This Company was formed to construct a light broad-gauge railway connecting Mandra, a station on the North-Western Railway between Wazirabad and Rawalpindi, and Bhon, which is approximately a distance of 46½ miles. The line was opened for traffic between 1915 and 1916. The North-Western Railway guarantees a rebate out of the actual net profits from traffic interchanged to make up 5 per cent. of the capital outlay and allows Rs. 7,200 per annum for office expenses and shares half of the surplus profits in excess of 5 per cent. The terms of acquisition lay down that the line can be acquired on March 31, 1947 or any 10th year thereafter on giving 12 months' notice and paying to the Company 25 times the average net earnings for the preceding 3 years (excluding payments on account of rebate), and subject to a maximum of 120 per cent. and a minimum of 100 per cent. of the actual capital expenditure. Additionally, if it is decided to reconstruct the railway on a different gauge or to extend the line or to convert the line into a line of through communication and the Company fails to agree to such re-construction, Government will have the right to take over the railway on giving 12 months' notice and paying 25 times the average annual net earnings of the Company for the preceding 3 years, subject in this particular case to a minimum of 115 per cent. of the actual capital expenditure.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	27,50,000	27,50,000	Block	27,80,004	27,82,604
			Outstandings	84,358	76,039
Debts	55,993	65,294	Investments	....	10,008
			Cash	6,021	4,690
Profit and Loss Account	64,390	58,047			
	28,70,383	28,73,341		28,70,383	28,73,341

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	4¼%	4½%	4½%	4¼%	4¼%	4¼%	4%
Price Range—							
High	78	91	94	103¼	103½	101	102½
Low	55½	76	91	91	95	97½	91

Mymensingh-Bhairab Bazar Railways Company, Ltd.

(**Regd.** April 1, 1915.)

Directors—(1) T. S. Gladstone, Esq.; (2) R. C. Lowndes, Esq.; (3) Biren Mookerjee, Esq.; (4) Sir Adamjee Hajee Dawood, Kt.; (5) K. B. Lal, Esq. (*Ex-Officio Government Director*); (6) A. J. Elkins, Esq.

Managing Agents—Messrs. Gillanders, Arbuthnot and Company.

Registered Office—Clive Buildings, 8, Clive Street, Calcutta.

Financial year—ends March 31. **Accounts**—published in August.

Dividends—payable in January and August.

Capital—Authorized—Rs. 1,00,00,000 in 1,00,000 shares of Rs. 100 each.

Issued and Subscribed—Rs. 86,00,000 made up of (1) 63,000 Guarantee shares of Rs. 100 each fully paid=Rs. 63,00,000 and (2) 23,000 Rebate shares of Rs. 100 each=Rs. 23,00,000.

Debentures—Authorised and Issued—Rs. 20,00,000 in 2,000 4 per cent. (Taxable) Bearer Bonds of Rs. 1,000 each. Issued at par on February 1, 1935. Redeemable at par on April 1, 1955, with option to repay on any interest date after April, 1940, on six months' notice from the Company. Interest payable on April 1 and October 1.

The shares are divided in two classes 'Guarantee' and 'Rebate'. The former carry a guarantee from the Government of India of 3½ per cent. per annum and are a Trustee Investment.

The nett earnings of the Company are divided between the Guarantee and Rebate shares in the proportion of 63/86 and 23/86 respectively. When the Rebate shares proportion of the nett earnings is less than 5 per cent. on the Rebate capital, the balance is paid as rebate by the Assam-Bengal Railway and Eastern Bengal Railway up to a maximum of 23/86 of the nett receipts derived from traffic interchanged by these two Railways with the Mymensingh Bhairab Bazar Railways Co., Ltd.

If and whenever the nett receipts of the Company for any year shall exceed the sum required to pay (*a*) the management expenses and (*b*) interest at 5 per cent. per annum on the share capital of the Company the excess shall be divided equally between the Company and the working agency; the share of the latter being further divisible between the working agency and the Secretary of State.

The Company owns (1) a main line running from Mymensingh on the East Benga Railway to Bhairab Bazar station on the Assam-Bengal Railway, (2) two branch lines one

from Gourigram to Netrokona via Shamganj and the second from Shamganj to Jheria Jhanjail. The first is a distance of 72 miles, the second 15 miles, and the third 13 miles. The lines are worked by the Assam Bengal Railway and a cost thereof is arrived at by taking the ratio of the working expenses of the Assam Bengal Railway and those of the Mymensingh Bhairab Bazar Railway to their joint gross earnings, or 50 per cent. of the gross earnings of the Mymensingh Bhairab Bazar Railway Co., Ltd. whichever is less.

The Secretary of State has the right to acquire the railway in 1948 or any 10th year thereafter on giving 12 months' notice and paying 25 times the average net earnings for the preceding 3 years, subject to a maximum of 120 per cent. and a minimum of 100 per cent. of the actual capital expenditure. Additionally, if it is decided to reconstruct the railway on a different gauge or to extend the line or to convert the line into a line of through communication and the Company fails to agree to such reconstruction, Government will have the right to take over the railway on giving 12 months' notice and paying 25 times the average annual net earnings of the Company for the preceding 3 years subject in this particular case to a minimum of 115 per cent. of the actual capital expenditure.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)—**	1938	1939
Capital - -	86,00,000	86,00,000	Block (Net -	1,07,46,740	1,07,51,248
Debentures -	20,00,000	20,00,000			
Forfeited Shares -	350	350	Outstanding -	2,93,645	3,39,288
Debts - -	2,03,582	1,83,435			
Profit and Loss Account -	2,62,696	3,27,266	Cash -	26,243	20,515
	1,10,66,628	1,11,11,051		1,10,66,628	1,11,11,051

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
Guarantee -	3½%	3½%	3½%	3½%	4%	3¾%	5%
Rebate - -	4½%	4½%	4½%	4½%	4½%	4½%	5%

Price Range—

Guarantee.

High - - -	82	86	93½	97	101	99½	100
Low - - -	61	76	80	90	95	90	95½

Rebate.

High - - -	82	87	98	96½	101	103½	104
Low - - -	59	82	89	90	95	90	95½

Pachora-Jamner Railway Company, Limited.

(Regd. 1915.)

Directors—(1) Purushottam K. Godbole, Esq., (*Chairman*) ; (2) Sir Jamsetjee Jeejeebhoy Bart. ; (3) A. H. Wadia, Esq. ; (4) Nanabhai C. Broacha, Esq., (*Ex-Officio*).

Agents—Messrs. Shapoorji Godbole & Co.

Registered Office—50-56, Custom House Road, Fort, Bombay.

Financial year—ends March 31. **Accounts**—published in September.

Dividends—payable in January and September.

Capital.—Authorized—Rs. 18,00,000 in 18,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 16,50,000 in 16,500 Ordinary shares of Rs. 100 each. Less amounts due on 25 shares forfeited Rs. 2,500 ; Amount due for calls Rs. 50, Rs. 2,550 ; Total Rs. 16,47,450.

Debentures—Rs. 1,50,000 in 7 per cent. Bearer Bonds of Rs. 1,000 each issued at par in 1924, originally repayable on 30th September 1932 but extended for a further period of eight years and redeemable at par on 30th September 1940. Interest payable on 1st April and 1st October.

This Company was formed to construct a 2'6" light railway from Pachora to Jamner in the East Khandeish District of the Bombay Presidency, for a distance of 34¾ miles. The line was opened for traffic between 1918 and 1919. The Secretary of State has the option of acquiring the undertaking on March 31, 1949 or any 10th year thereafter, on giving 12 months' notice and paying 25 times the average net earnings for the preceding 3 years, subject to a maximum of 120 per cent, and a minimum of 100 per cent, of the actual capital expenditure. Additionally, if it is decided to reconstruct the railway on a different guage or to extend the line or to convert the line into a line of through communication and the Company fails to agree to such re-construction, Government will have the right to take over the railway on giving 12 months' notice and paying 25 times the average annual earnings of the Company for the preceding 3 years, subject in this particular case to a minimum of 115 per cent. of the actual capital expenditure.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	16,47,450	16,47,450	Block - -	17,97,079	17,97,079
Debentures -	1,50,000	1,50,000			
Reserves - -	25,000	25,000	Outstandings -	82,628	62,839
Debts - -	19,177	16,050			
Profit and Loss Account -	61,303	60,722	Cash - -	23,223	39,304
	19,02,930	18,99,222		19,02,930	18,99,222

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	4%	4½%	3½%	4½%	3¾%	3½%	2%
Price Range—							
High - - -	58	78	94	96	99	97	97¾
Low - - -	50	56½	78	90½	96	92	92

Sara-Sirajganj Railway Company, Ltd.

(Regd. September 24, 1913.)

Directors—(1) T. S. Gladstone, Esq., (*Chairman*); (2) Neil Brodie, Esq.; (3) R. C. Lowndes, Esq.; (4) Biren Mookerjee, Esq.; (5) Dr. Narendra Nath Law, M.A., B.L., Ph. D.; (6) K. B. Lal, Esq., (*Ex-Officio Government Director*); (7) A. J. Elkins, Esq.

Managing Agents.—Messrs. Gillanders, Arbuthnot & Co.

Registered Office—Clive Buildings, Calcutta.

Financial year—ends March 31. **Accounts**—published in September.

Dividends—payable in January and September.

Capital.—Authorised—Rs. 1,10,00,000 in 1,10,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 95,00,000 in 95,000 Ordinary shares of Rs. 100 each, fully paid.

In 1926 the Issued and Subscribed Capital was increased from Rs. 80,00,000 to Rs. 95,00,000 by the creation and issue of 15,000 shares of Rs. 100 each.

This Company was formed to construct a Railway of the 5′ 6″ gauge from Ishurdi on the Eastern Bengal Railway near Sara, to Sirajganj, with an extension to Mahadeopur which is a distance of about 54 miles. The line was opened for traffic between 1915 to 1916 and the extension to Mahadeopur in 1934. The Eastern Bengal Railway guarantees rebate out of the actual net receipts from the traffic interchanged to make up 5 per cent on the capital outlay and it also pays to the company by way of office expenses etc. Rs. 15,000 per annum and such other actual expenses and shares half the surplus profits of the Company in excess of 5 per cent.

The terms of acquisition lay down that the Secretary of State has the right to acquire the railway on September 30, 1946, or any tenth year therafter, on giving 12 months' notice and paying 25 times the average net profits for the preceding 3 years subject to a maximum of 120 per cent and a minimum of 100 per cent of the actual capital expenditure. Additionally, there is a proviso that if it is decided to reconstruct the railway on a different gauge or to extend the line or to convert the line into one of through communication and should the Company fail to agree to such reconstruction, the Government will have the right to take over the railway on giving 12 months' notice and in this case the terms of payment are 25 times the average annual net profits for the preceding three years, subject to a minimum of 115 per cent. of the actual capital expenditure.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	95,00,000	95,00,000	Block (Net) -	98,31,307	98,58,364
Reserves - -	2,412	2,412			
Debts - -	3,21,017	2,99,554	Outstandings -	2,84,864	2,99,539
Profit and Loss Account -	3,37,603	3,77,180	Cash - -	44,861	21,243
	1,01,61,032	1,01,79,146		1,01,61,032	1,01,79,146

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	4½%	4½%	4½%	4½%	4½%	4½%	5%

Price Range—

High - - -	84	85	96	98	104	103	103
Low - - -	63	81	82	88	94	98	99

Sialkot Narowal Railway Co., Ltd.

(Regd. 1914.)

Directors—(1) R. C. Giles, Esq. (Messrs. Killick, Nixon & Co.), (*Ex-Officio Director and Chairman*); (2) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., Bombay; (3) Ambalal Sarabhai, Esq., Ahmedabad; (4) R. C. Lowndes, Esq., Bombay; (5) Sir Byramjee Jeejeebhoy, Kt., Bombay; (6) The Senior Government Inspector of Railways, Circle No. 5, Bombay.

Agents—Messrs. Killick, Nixon & Co. **Registered Office**—Home Street, Fort, Bombay.

Financial year—ends September 30. **Accounts**—published in January.

Dividends—payable in January and August.

Capital.—Authorised—Rs. 35,00,000 in 35,000 Ordinary shares of Rs. 100 each.

Subscribed—Rs. 31,60,000; made up of 30,000 shares of Rs. 100 each, fully paid=Rs. 30,00,000 and 4,000 shares of Rs. 100 each on which Rs. 40 has been paid up=Rs. 1,60,000.

In February 1917, the Issued Capital of the Company was increased from Rs. 27,50,000 to Rs. 30,00,000, by the issue of 2,500 new shares of Rs. 100 each. In 1935, the Issued and Subscribed Capital was increased to its present figure by the issue of 4,000 shares of Rs. 100 each at par.

The Company was formed to construct a branch Railway of approximately 39 miles in length from Sialkot on the Wazirabad-Jammu Branch of the North Western Railway to Narowal and it was opened for traffic between 1915 and 1916. Subsequently, the Government of India through State Agency, constructed chord lines communicating Narowal with the North-Western Railway Main line at Shahdara and Amritsar. These were opened for traffic in 1926 and 1929 respectively and so there is now through communication between the South-East Punjab and the Kashmir State.

The terms of acquisition lay down that the Secretary of State has a right to acquire the Railway on March 31, 1946 or any tenth year thereafter, on giving 12 months' notice and paying 25 times the average net profits for the preceding 3 years subject to a maximum of 120 per cent. and a minimum of 100 per cent. of the actual capital expenditure. Additionally, there is a proviso that if it is decided to reconstruct the Railway on a different gauge or to extend the line or to convert the line into one of through communication and should the Company fail to agree to such reconstruction, the Government will have the right to take over the Railway on giving 12 months' notice and in this case the terms of payment are 25 times the average annual net profits for the preceding three years, subject to a minimum of 115 per cent. of the actual capital expenditure.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	31,60,000	31,60,000	Block	31,75,644	31,78,845
Reserves	20,000	20,000	Outstandings	97,679	1,03,331
Debts	35,544	77,184	Cash	32,432	64,287
Profit and Loss A/c	90,211	89,279			
	33,05,755	33,46,463		33,05,755	33,46,463

Dividend Record—	1933	1934	1935	1936	1937	1938	1939
	5%	5%	5%	5%	5½%	5%	5%
Price Range—							
High	94	108¾	109	116½	116½	117½	123¼
Low	72	91	103	104	106½	113	110

Sind Light Railways, Limited.

(Regd. February 14, 1908.)

Directors—(1) R. H. Martin, Esq., (*Chairman*); (2) Dinshaw N. Eduljee Dinshaw, Esq.; (3) Hoshang N. Eduljee Dinshaw, Esq.; (4) Yusafali Alibhoy, Esq.; (5) Minocher N. Eduljee Dinshaw, Esq.; (6) C. B. Meyer, Esq.

Managing Agents—Messrs. Forbes, Forbes, Campbell and Company, Ltd.

Registered Office—Corner of Bunder Road and Dunolly Road, Karachi.

Financial year—ends March 31. **Accounts**—published in June.

Dividends—payable in June and November.

Capital.—Authorised—Rs. 4,64,000 in 16,000 Ordinary shares of Rs. 29 each. **Issued and Subscribed**—Rs. 4,64,000 in 16,000 Ordinary shares of Rs. 29 each fuly paid.

The capital of the Company was reduced to the present figure in 1928 by reducing the nominal value of each share from Rs. 100 to Rs. 29. The balance of Rs. 71 on each share was returned to the shareholders.

Originally this Company owned 2 sections of railways. The first was from Mirpur Khas, through Jamrao Junction (46 miles east of Hyderabad, Sind), south to Jhudo, a distance of approximately 50½ miles. This was acquired by the Government on 31st December 1928, for Rs. 11,48,290, and so the capital of the Company was reduced to its present figure, as already mentioned, by returning Rs. 71 per share to the shareholders. The second section which is now being operated runs from Mirpur Khas to Khadro for about a distance of 50 miles. This was opened for traffic on January 1, 1912, and was constructed by the Secretary of State on behalf of the Company through the agency of the Jodhpur-Bikaner Railway which is now known as the Jodhpur Railway, and maintains the company's line (including the supply and use of the necessary rolling-stock) and charges only 40 per cent. of the gross earnings, without in any way sharing in the profits. The Company is thus entitled to receive the entire balance of the gross earnings. In the year 1939, these terms were altered after the line was extended to Nawabshah. This extension does not form part of the Company's property. The working expenses will be 60 per cent. but Government have guaranteed that the gross earnings will not be less than the average of the three financial years 1934-35, 1935-36, 1936-37. The Company receives no guarantee of any description or other concession beyond the free grant of land, and the Secretary of State, on giving twelve months' notice of his intention, has the right to purchase the Mirpur Khas-Khadro section on the 31st December, 1942, or at the expiration of any subsequent period of ten years. The terms of purchase are fixed at twenty-five times the average net earnings derived by the Company for the three years immediately preceding the purchase, subject to a maximum of 120 per cent. of the capital expenditure and to a minimum of the capital expenditure.

Further in the event of it being determined to reconstruct the railway on a different gauge or to convert the line into a line of through communication or to extend the line and the Company failing to agree to such reconstruction, the Government will have the right to acquire the railway on giving 12 months' notice and paying 25 times the average annual net profits of the Company for preceding three years and subject to a minimum of 115 per cent. of the actual Capital Expenditure by the Company.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1939	1940	**Assets (in Rs.)**—	1939	1940
Capital	4,64,000	4,64,000	Block	9,77,842	9,89,541
Reserves	5,14,918	5,19 918	Outstandings	30,846	48,079
Debts	12,100	11,620	Cash	38,041	55,919
Profit and Loss	55,711	98,001			
	10,46,729	10,93,539		10,46,729	10,93,539

Dividend Record—1933	1934	1935	1936	1937	1938	1939	1940
$8\frac{18}{29}\%$	$13\frac{23}{29}\%$	$18\frac{28}{29}\%$	$18\frac{5}{29}\%$	$20\frac{20}{29}\%$	$20\frac{20}{29}\%$	$19\frac{24}{29}\%$	$25\frac{25}{29}\%$
Price Range—							
High 47	71½	97	96½	91	87	89½	89½
Low 37½	42½	71½	85	75	84	84¾	75

Tapti Valley Railway Co., Ltd.

(Regd. June 15, 1896.)

Directors—(1) R. C. Lowndes, Esq., (Messrs. Killick Nixon & Co.) (*Ex-Officio Director and Chairman*) ; (2) Sir Purshotamdas Thakurdas, Kt. C.I.E., M.B.E. ; (3) Dr. C. A. Mehta ; (4) Chimanlal D. Clerk, Esq. ; (5) R. C. Giles, Esq.

Agents—Messrs. Killick Nixon and Company.

Registered Office—Home Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in March.

Dividends—payable in March and September.

Capital—Authorised—Rs. 1,35,00,000 in 27,000 Ordinary shares of Rs. 500 each. **Issued and Subscribed**—Rs. 1,31,73,000 in 26,346 Ordinary shares of Rs. 500 each fully paid.

The railway, which is of 5′ 6″ guage, runs along the Tapti Valley in Guzerat and is 156 miles in length. It is important because it connects the port of Surat with the plains of Khandeish and brings Guzerat into direct railway communication with Central India. The terminal stations are Surat and Amalner and the line was opened for traffic between 1898 and 1900. The Secretary of State did not avail himself of the option of acquiring the line on March 31, 1932, so he now has the option of doing so on March 31, 1942 or on March 31, 1951. If the line is purchased on the last date the price is fixed at the actual capital expenditure but if it is acquired in 1942, then the price will be 25 times the average net earnings during the preceding 5 years, subject to a maximum of 120 per cent. of the capital expenditure. The Company's line is worked and maintained by the B. B. & C. I. Rly., at a charge of not more than 55 per cent. of the gross earnings and the Secretary of state guarantees by way of rebate such sum as would together with net earnings of the year make up to 50 per cent. on the capital expenditure. This rebate is, however, limited to 45 per cent. of the gross earnings for the year from interchanged traffic.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	1,31,73,000	1,31,73,000	Block	1,37,48,282	1,37,59,782
Reserves	6,50,000	6,50,000	Outstandings	2,99,631	2,77,193
Debts	2,17,820	2,22,728	Investments	5,80,408	5,79,118
Profit and Loss Account	6,20,977	6,07,299	Cash	33,476	36,934
	1,46,61,797	1,46,53,027		1,46,61,797	1,46,53,027

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	8%	8½%	7½%	7½%	8½%	8%	8%
Price Range—							
High	720	781¼	790	795	767½	762½	782½
Low	622½	717½	761¼	760	755	718¾	707½

Upper Sind Light Railways, Jacobabad Kushmore Feeder, Ltd.

(Regd. 1913.)

Directors—(1) R. H. Martin Esq., (*Chairman*); (2) T. C. Beaumont, Esq.; (3) Dinshaw N. Eduljee Dinshaw, Esq.; (4) Hoshang N. Eduljee Dinshaw, Esq.; (5) Minocher N. Eduljee Dinshaw, Esq.; (6) W. D. Young, Esq.

Agents—Messrs. Forbes, Forbes Campbell & Co. Ltd., Karachi.

Registered Office—Corner of Bunder Road & Dunolly Road, Karachi.

Financial Year—ends March 31. **Accounts**—published in July.

Dividends—payable in August and December.

Capital—Authorised and Subscribed—Rs. 22,00,000 in 22,000 Ordinary shares of Rs. 100 each fully paid.

This Company was formed to construct a feeder railway between Jacobabad (Sind) on the North Western Railway, and Kushmore, which is a distance of abou 77 miles to the east. It was first opened for traffic in December 1914.

The Secretary of State has the option to purchase the line on the 31st March, 1945, or on the 31st March in the last year of any subsequent period of ten years on giving twelve months' notice of his intention to do so. The price fixed is a sum equal to 25 times the average yearly net earnings of the railway during the three years immediately preceding the date on which the contract shall be so determined, subject to a limit of 20 per cent. in excess of, but not less than the total capital expenditure of the Company. Further in the event of it being determined to reconstruct the railway on a different gauge or to convert the line into a line of through communication or to extend the line and the Company failing to agree to such reconstruction, the Government will have the right to acquire the railway on giving 12 months' notice and paying 25 times the average annual net profits of the Company for preceding three years and subject to a minimum of 115 per cent. of the actual Capital Expenditure by the Company.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1939	1940	**Assets (in Rs.)**—	1939	1940
Capital - -	22,00,000	22,00,000	Block - -	24,59,345	24,65,509
Reserves - -	2,66,500	2,69,000			
Debts - -	1,547	1,570	Outstandings -	50,044	37,715
Profit and Loss Account -	66,213	65,062	Cash - -	24,871	32,408
	25,34,260	25,35,632		25,34,260	25,35,632

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939	1940
	4½%	4½%	4¼%	4%	4¼%	4¼%	4½%	4¼%
Price Range—								
High -	84¼	95½	103½	104½	107	105	113¾	114
Low -	62	83¾	93¾	100	100	102	102	106

ELECTRIC SECTION.

Ahmedabad Electricity Company, Ltd.

(Registered: May 28, 1913.)

Directors—(1) R. C. Giles, Esq., (*Ex-Officio Director and Chairman*); (2) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (3) Ambalal Sarabhai, Esq.; (4) A. S. Trollip, Esq.; (5) Sir Kikabhai Premchand, Kt. (*Debenture Director*); (6) Sir Chunilal V. Mehta, K.C.S.I.; (7) F. C. Annesley, Esq.; (8) Chamanlal G. Parekh, Esq.; (9) C. S. Bell, Esq.; (10) R. C. Lowndes, Esq.

Agents—Messrs. Killick, Nixon & Co.

Registered Office—Home Street, Fort, Bombay.

Financial year—ends September 30. **Accounts**—published in January-February.

Dividends—payable in February and August.

Capital—Authorised—Rs. 1,50,00,000 in 1,50,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 63,75,000 in (*i*) 57,625 Ordinary shares of Rs. 100 issued for cash and fully paid, Rs. 57,62,500; (*ii*) 2,375 Ordinary shares of Rs. 100 issued to Promoters as fully paid, Rs. 2,37,500 and (*iii*) 15,000 Ordinary shares of Rs. 100 each, Rs. 25 paid up on each share, Rs. 3,75,000.

Debentures—Rs. 15,00,000 in 30, 5% Bonds of Rs. 50,000 each. Issued in 1934, in two instalments of 15 each on June 15 and October 15, 1934 to be repaid after 10 years. Interest payable half yearly in March and September.

As can be seen from the various issues of capital detailed hereunder, this Company has gone ahead progressively since its inception. In the year 1923, the Authorised Capital was increased from Rs. 15,00,000 to Rs. 30,00,000 by the creation of 15,000 Ordinary Shares of Rs. 100 each, of which 3,789 shares were issued. In 1933, the Issued Capital was increased to Rs. 22,17,065 by the issue of 11,211 shares of Rs. 100 each at par. In 1934, the Authorised Capital was increased to Rs. 75,00,000 by the creation of 45,000 Ordinary shares of Rs. 100 each, of which 15,000 shares were offered at par to the original shareholders in the proportion of one new share for every two held. In 1936, there was a further increase in the Issued and Subscribed Capital by the issue of 15,000 Ordinary shares of Rs. 100 each at par to the existing shareholders, in the proportion of one such share for every three held on August 18, 1936 and again in 1938, the Issued and Subscribed Capital went up by another issue of 15,000 Ordinary shares at par to the existing shareholders in the proportion of one such share for every four held. In 1940, it was considered advisable to increase the Authorised Capital from Rs. 75,00,000 to Rs. 1,50,00,000 by the creation of 75,000 new Ordinary shares of Rs. 100 each.

The Company was formed to take up the license granted by Government under the Indian Electricity Act, 1910, to supply Electrical energy to the City of Ahmedabad and District. In order to cope with the increasing demand for electricity for every purpose and to supply the mill industry with energy, the Company took over "The Ahmedabad Power Electric License 1928" from the Licensees in 1933. A new generating station was built at Sabarmati 3 miles from the centre of the City, and was put into service in November, 1934.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	59,97,800	63,75,000	Block (Net)	80,21,464	86,84,668
Debentures	15,00,000	15,06,250	Stores	3,05,307	3,53,901
Reserves	4,20,000	6,49,742	Outstandings	2,62,827	3,40,678
Debts	7,96,757	6,43,431	Cash and Investments	3,29,841	1,46,167
Profit and Loss Account	2,04,882	3,50,991			
	89,19,439	95,25,414		89,19,439	95,25,414

Dividend Record—	1933	1934	1935	1936	1937	1938	1939
	7%	6½%	6%	6½%	6½%	6½%	6½% + 1B
Price Range—							
High	151¼	181¼	181¼	193⅛	191¼	157½	150⅝
Low	120	134¾	145	146⅞	125	121¼	130

Ajmer Electric Supply Company, Limited.

(Regd. Bombay, May 31, 1928.)

Directors—(1) Sir Homi Mehta, Kt., J.P., (*Chairman*); (2) A. D. Baria, Esq., J.P. (*Ex-officio*); (3) Rai Bahadur Seth Bhagchand Soni, M.L.A.; (4) Tarachand Navalchand, Esq.; (5) R. C. Javeri, Esq.; (6) S. N. Shroff, Esq.; (7) N. C. Javeri, Esq. (*Ex-officio*).

Managing Agents—The Consolidated Electric Agencies, Ltd. **Registered Office**—17-B, Elphinstone Circle, Fort, Bombay.

Financial Year—ends March 31. **Accounts**—published in September.

Dividends—payable in September.

Capital—Authorised—Rs. 20,00,000 in 2,00,000 Ordinary shares of Rs. 10 each. **Subscribed**—Rs. 17,14,170 in 1,71, 417 Ordinary shares of Rs. 10 each fully paid.

In 1939 the capital of the Company was increased from Rs. 15,00,000 to its present figure by the creation of 50,000 shares of Rs. 10 each out of which 21,417 shares were issued.

The Company was formed to acquire from the Trustee Corporation (India) Limited of Bombay, the licence granted to them by the Government of Ajmer-Merwara for the supply of electricity within the Municipal and Military areas of Ajmer. Population 1,19,524.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	15,00,000	15,00,000	Block (Gross) -	15,70,918	16,07,175
Reserves (Includes Depreciation Fund) - -	1,75,335	2,10,135	Other Capital Expenditure -	1,44,374	1,51,258
Debts - -	1,22,867	1,33,848	Stores - -	84,883	1,35,115
Profit and Loss Account -	81,215	84,854	Outstandings -	19,672	23,428
			Investments -	50,000	....
			Cash - -	9,570	11,861
	18,79,417	19,28,837		18,79,417	19,28,837

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	5%	5%	5%	5%
Price Range—							
High - - -	7¾	10⅜	..	13½	14¼	14	11½
Low - - -	5¾	7¾	..	8¼	12¾	12	11

Amalgamated Electricity Co. (Belgaum), Ltd.

(**Registered** Bombay, June 17, 1936.)

Directors—(1) Sir Homi Mehta, Kt., J.P., (*Chairman*); (2) A. D. Baria, Esq., J.P.; (3) Rai Bahadur Seth Bhagchand Soni, M.L.A.; (4) Tarachand Navalchand, Esq.; (5) R. C. Javeri, Esq., (*Ex-officio*); (6) S. N. Shroff, Esq.; (7) N. C. Javeri, Esq., (*Ex-officio*).

Managing Agents—The Consolidated Electric Agencies, Ltd.

Registered Office—17-B, Elphinstone Circle, Fort, Bombay.

Financial Year—ends March 31. **Accounts**—published in October.

Dividends—payable in October.

Capital—Authorised—Rs. 15,00,000 in (*i*) 87,500 Ordinary shares of Rs. 10 each, Rs. 8,75,000 and (*ii*) 6,250, 5½% Cumulative (Tax-free) Preference shares of Rs. 100 each, Rs. 6,25,000. **Issued and Subscribed**—Rs. 13,62,430 in (*i*) 73,747 Ordinary shares of Rs. 10 each, Rs. 7,37,420 and (*ii*) 6,250, 5½% Cumulative (Tax-free) Preference shares of Rs. 100 each, Rs. 6,25,000.

In 1939 the Issued and Subscribed Capital of the Company was increased to its present figure by the issue of 11,242 shares of Rs. 10 each fully paid.

Formed to acquire and take over from the Belgaum Electricity Co., Ltd., Bulsar Electricity Co., Ltd., and Bhiwandi Electric Supply Co., Ltd., respectively the Belgaum Electric Licence, 1932, Shahapur Electric Licence, 1935, Bulsar Electric Licence, 1932 and Bhiwandi Permit, and the undertakings thereunder.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	12,50,000	12,50,000	Block (Gross) -	13,20,780	14,63,968
Depreciation Fund.	46,690	73,019	Other Capital Expenditure -	46,828	44,740
Debts - -	1,16,089	2,29,726	Stores - -	80,136	70,739
Profit and Loss Account -	96,405	98,096	Outstandings -	46,174	47,648
			Investments -	890	889
			Cash - -	14,376	22,857
	15,09,184	16,50,841		15,09,184	16,50,841

Dividend Record—

	1937	1938	1939
	5%	5⅝%	5⅝%

Price Range—

High - - - -	14¼	11½	12¼
Low - - - -	12¼	11½	10

Andhra Valley Power Supply Co., Ltd.

(**Registered** Bombay, August 31, 1916.)

Directors—(1) J. R. D. Tata, Esq., (*Chairman*); (2) Tricumdas Gordhandas Khatau, Esq.; (3) Dinsha K. Daji, Esq.; (4) The Hon. Sir Rahimtoola Chinoy, Kt., (5) K. M. D. Thackersey, Esq.; (6) Sir Purshotamdas Thakurdas, Kt., C.I.E.; M.B.E.; (7) Ramniwas Ramnarain, Esq.; (8) Sir Ardeshir Dalal, Kt.; (9) Col. Kumar Shiv Raj Singh, (*Special Director*).

Agents—Messrs. Tata Hydro-Electric Agencies Ltd.

Registered Office—Bombay House, 24, Bruce Street, Fort, Bombay.

Financial Year—ends June 30th. **Accounts**—published in September.

Dividends—payable in March and September.

Capital—Authorised—Rs. 2,10,00,000 in 16,000 Ordinary shares of Rs. 1,000 each, Rs. 1,60,00,000 and in 5,000 Cumulative 7% (Taxable) Preference shares of Rs. 1,000 each, Rs. 50,00,000. **Issued and Subscribed**—Rs. 2,08,92,000 in 15,958 Ordinary shares of Rs. 1,000 each fully paid, Rs. 1,59,58,000 and in 4,934 Cumulative 7% (Taxable) Preference shares of Rs. 1,000 each fully paid, Rs. 49,34,000.

Debentures—Rs. 1,71,09,000. (*i*) Rs. 55,30,000 in Taxable bonds of Rs. 1,000 each issued in 1922, converted into 3¾% Debentures repayable in 1941-45. (*ii*) Rs. 1,25,00,000,—less purchased and cancelled Rs. 9,21,000; now outstanding Rs. 1,15,79,000—in 6% Taxable bonds of Rs. 1,000 issued in 1932 repayable in July 1945, with option to repay at any time on three months' notice from 1st July 1941. Interest payable on 1st July and 1st January.

The Company was the second hydro-electric undertaking formed to supply electricity in the town and island of Bombay and the Suburban Municipalities of Bandra and Kurla. The Company supplies a number of the largest Textile and other factories in Bombay, as also the G. I. P. and B. B. & C. I. Railways and a number of Distributing Licences in the Presidency including the Bombay Electric Supply and Tramways Company, Limited. The Company pays annually to the Tata Hydro-Electric Power Supply Company, Limited, 15% upon their profits with a minimum of Rs. 50,000.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	2,08,92,000	2,08,92,000	Block (Gross)	5,15,28,903	5,15,16,180
Debentures	1,80,30,000	1,71,09,000	Stores	5,96,986	5,89,205
*Reserves	1,36,39,440	1,46,61,339	Outstandings	6,23,419	5,92,283
Debts	12,28,773	9,65,106	Investments	16,76,100	18,32,976
Profit and Loss Account	12,71,518	12,75,619	Cash	6,36,323	3,72,420
	5,50,61,731	5,49,03,064		5,50,61,731	5,49,03,064

*Inclusive of Depreciation Fund of Rs. 1,17,71,836 and Rs. 1,24,78,365 respectively.

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	7½%	7½%	7½%	7½%	7½%	7½%	7½%
Price Range—							
High	1,420	1,480	1,807½	1,771¼	1,722½	1,735	1,505
Low	876¼	1,235	1,413¾	1,542½	1,607½	1,402½	1 345

Bombay Electric Supply & Tramways Company, Limited.

(**Regd.** India, October 1, 1920.)

Directors—(1) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., (*Chairman*); (2) F. C. Annesley, Esq.; (3) A. G. Gray, Esq.; (4) Manekji S. Captain, Esq., B.A., LL.B.; (5) Sir Chunilal V. Mehta, Kt., K.C.S.I.; (6) Sir Ibrahim Rahimtoola, G.B.E., K.C.S.I., C.I.E.; (7) Sir Kikabhai Premchand, Kt.

General Manager—A. S. Trollip, Esq. **Secretary**—P. D. Mahaluxmivala, Esq. **Registered Office**—" Electric House," Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in April.

Dividends—payable in April and October.

Capital—Authorised—Rs. 3,90,00,000 in 600,000 Ordinary shares of Rs. 50 each, Rs. 3,00,00,000 and in 180,000, 7% (Tax-free) Cumulative Preference shares of Rs. 50 each, Rs. 90,00,000. **Issued and Subscribed**—Rs. 3,89,19,450 in 5,98,389 Ordinary shares of Rs. 50 each fully paid up, Rs. 2,99,19,450 and in 180,000 7% (Tax- free) Cumulative Preference shares of Rs. 50 each, Rs. 90,00,000.

Debentures—The Company had Debentures of Rs. 1,00,00,000 half of which were repaid on July 1, 1935, and the other half on October 1, 1938.

In April 1936, the Issued Capital of the Company was increased from Rs. 3,60,00,000 to its present figure by the issue of 58,316 Ordinary shares of Rs. 50 each at Rs. 72 per share to the existing shareholders in proportion of one share for every nine shares held. These shares rank *pari passu* with the existing shares of the Company in all aspects.

The Company was formed to acquire the undertaking and all or any of the assets and liabilities of the Bombay Electric Supply and Tramways Co., Ltd., incorporated in England in 1905, including the benefit of a deed of Concession dated August 7, 1905, between the Municipal Corporation of the city of Bombay of the first part, W. D. Sheppard (Municipal Commissioner of the city of Bombay) of the second part, the Brush Electrical Engineering Co., Ltd., of the third part, and the Bombay Electric Supply and Tramways Co., Ltd., of the fourth part to acquire certain Licences granted to the Brush Electrical Engineering Co., Ltd. and the Bombay Electrical Supply Co., Ltd. Supply commenced 11th September 1905. The Tramways Service commenced 7th May 1907. The Concession is in perpetuity but with power to the Municipality or Local Government to purchase the undertaking on 7th August 1947 or 1961 or any 7th year thereafter at the " Bona fide " value of the property without any compensation beyond Rs. 40,00,000 for goodwill if the purchase takes place in 1947

or Rs. 20,00,000 if in 1961. A rental varying from Rs. 3,000 per double track mile of original line to Rs. 1,000 per single track mile of extensions is payable to the Municipality. Power is purchased in bulk from the Tata Hydro-Electric Companies.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	3,89,15,800	3,89,19,450	Block (Gross)	6,10,01,910	6,28,59,519
*Reserves and other Funds - -	2,78,48,246	3,02,47,150	Stores - -	25,90,121	28,23,924
Debts - -	33,74,970	40,94,365	Stocks - -	1,71,239	22,498
Profit and Loss Account -	26,18,748	26,14,977	Work in progress -	1,61,658	81,149
			Outstandings -	16,43,788	18,28,617
			Investments -	62,48,287	51,87,403
			Cash - -	9,40,761	30,72,832
	7,27,57,764	7,58,75,942		7,27,57,764	7,58,75,942

*Inclusive of Depreciation Fund of Rs. 2,17,97,936 and Rs. 2,40,25,150 respectively.

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	13%	13%	13%	13%	12%	12%	12%

Price Range—

High - - -	147⅛	162⅞	215	163⅞	152¼	135	135½
Low - - -	111¼	135	136⅞	148½	122	110	117

Bombay Suburban Electric Supply, Ltd.

(Regd. 1929.)

Directors—(1) R. C. Giles, Esq., (*Ex-officio, Director and Chairman*); (2) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (3) M. S. Captain, Esq.; (4) Sir Chunilal V. Mehta, K.C.S.I.; (5) C. S. Bell, Esq.; (6) F. C. Annesley, Esq.; (7) F. F. Stileman, Esq. (*Alternate Director*).

Agents—Messrs. Killick Nixon & Co.

Registered Office—Home Street, Fort, Bombay.

Financial Year—ends in March. **Accounts**—published in July.

Dividends—payable in July and January.

Capital—Authorised—Rs. 50,00,000 in 50,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 23,04,460 made up of 17,944 Ordinary shares of Rs. 100 each fully paid, Rs. 17,94,400 and 8,501 Ordinary shares of Rs. 100 each, on which Rs. 60 per share has been called up, Rs. 5,10,060.

In July 1936 the Issued and Subscribed Capital of the Company was increased to its present figure by the issue of 9,445 shares of Rs. 100 each.

The Company was formed in 1929 to take up and work the existing electrical undertaking created under the Bombay Suburban Electric Licence 1926, granted to Killick Nixon & Co. and Callenders Cable and Construction Co., Ltd., by the Government of Bombay, to supply electrical energy for all purposes within an area of supply representing approximately the southern half of the island of Salsette and also the island of Trombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	23,04,460	23,04,460	Block (Net) -	24,99,462	25,90,435
Reserves and other Funds - -	3,40,020	3,40,620	Other Capital Expenditure -	2,09,400	1,89,400
Debts - -	1,66,836	1,94,025	Stores - -	20,348	25,228
Profit and Loss Account -	1,64,287	98,107	Outstandings -	89,843	1,04,734
			Cash - -	1,56,550	27,415
	29,75,603	29,37,212		29,75,603	29,37,212

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	5%	5%	6%	6%	6½%	7%	7%

Price Range—

High - - - -	141¼	177½	177½	215	195	160
Low - - - -	126¼	133¾	170	173¾	160	136¼

Broach Electric Supply & Development Corporation Ltd.

Directors—(1) Jivatlal Purtapshi, Esq. (*Chairman*); (2) Ismail Mahomed Jaffer, Esq.; (3) S. Sundgren, Esq.; (4) Dr. K. A. Hamied, Ph.D.; (5) W. S. Nelson, Esq.

Agents—The United Eastern Agencies Ltd. **Registered Office**—"Bombay House," 24, Bruce Street, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in March.

Dividends—payable in March.

Capital—Authorised—Rs. 10,00,000 in 1,00,000 Ordinary shares of Rs. 10 each. **Issued and Subscribed**—Rs. 7,07,020 in 70,702 Ordinary shares of Rs. 10 each fully paid.

This Company works the Broach Electric License 1922, the original licensees being Messrs. C. Chunilal & Co., Bombay. The area of supply covers the whole of the city of Broach, comprised within the Municipal limits. The previous Managing Agents were Messrs. Chunilal & Co.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	6,97,400	7,07,020	Block	8,26,014	8,44,008
Depreciation Fund	1,60,542	1,81,300	Other Capital Expenditure	13,000	13,000
Reserves and other Funds	6,908	7,489	Stores	21,145	24,948
Debts	13,724	15,062	Stock	1,161	1,062
Profit and Loss Account	71,862	84,604	Outstandings	15,639	15,853
			Investments	500	75,287
			Cash	72,977	21,317
	9,50,436	9,95,475		9,50,436	9,95,475

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	3⅛%	3⅛%	4⅜%	6¼%

Price Range—

High	..	..	..	..	14⅞	14	10¾
Low	..	..	..	..	13⅜	10	9¾

Jalgaon Electric Supply Company, Ltd.

Directors—(1) Sir Homi Mehta, Kt., J.P. (*Chairman*); (2) A. D. Baria, Esq., J.P. (*Special Director*); (3) Rai Bahadur Seth Bhagchand Soni, M.L.A.; (4) Tarachand Navalchand, Esq.; (5) R. C. Javeri, Esq.; (6) S. N. Shroff, Esq.; (7) N. C. Javeri, Esq. (*Ex-officio*).

Agents—The Electric Agencies, Ltd. **Registered Office**—17-B, Elphinstone Circle, Fort, Bombay.

Financial Year—ends March 31. **Accounts**—published in October.

Dividends—payable in October.

Capital—Authorised—Rs. 7,00,000 made up of (*a*) Rs. 5,00,000 in 50,000 Ordinary shares of Rs. 10 each, and (*b*) Rs. 2,00,000 in 2,000, 5½ per cent. (Tax-Free) Cumulative Preference shares of Rs. 100 each. **Subscribed and Called up**—Rs. 4,94,810 made up of (*a*) Rs. 2,89,610 in 28,961 Ordinary shares of Rs. 10 each, and (*b*) Rs. 2,00,000, in 2,000, 5½ per cent. (Tax-Free) Cumulative Preference shares of Rs. 100 each. Add : Rs. 5,200 on 1,039 forfeited shares paid up.

The Company was formed to acquire from S. B. Thete, Esq., of Bombay the license granted to him by the Government of Bombay for the supply of electricity within the Municipal limits of Jalgaon. Population 35,000.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	4,94,660	4,94,810	Block (Net) -	4,29,624	4,74,124
Reserves and other Funds - -	18,982	18,527	Stores - -	35,835	50,213
Debts - -	45,511	61,888	Outstandings -	28,467	21,822
Profit and Loss Account -	7,489	19,964	Other Capital Expenditure -	40,504	40,066
			Cash - -	32,212	8,964
	5,66,642	5,95,189		5,66,642	5,95,189

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	..	5%	5%	5%	5%	2½%

Karachi Electric Supply Corporation Ltd.

(Regd. 1913).

Directors:—(1) H. J. Wright, Esq., (*Chairman*); (2) Khan Bahadur Abdul Sattar; (3) T. C. Beaumont, Esq.; (4) Minocher N. Eduljee Dinshaw, Esq.; (5) Rehmutullah G. Chagla, Esq.; (6) Yusufali Alibhoy, Esq.; (7) Rao Bahadur Shivratan Goverdhandas Mohatta; (8) Tolasing K. Advani, Esq.; (9) W. D. Young, Esq.; (10) W. S. Nelson, Esq.

Agents—The United Eastern Agencies Ltd.

Registered Office—"Electric House," Elphinstone Street, Karachi.

Financial Year—ends December 31. **Accounts**—published in March.

Dividends—payable in March and September.

Capital—Authorised—Rs. 75,00,000 in 75,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 62,73,150 in 62,735 Ordinary shares of Rs. 100 each fully paid, Rs. 62,73,500; less calls unpaid Rs. 350.

On 6th July 1932, the Authorised Capital of the Company was increased to Rs. 45,73,800 by the creation of 20,000 additional Ordinary shares of Rs. 100 each, of which 3,000 shares were issued on 30th September 1932. In December 1935, the Issued Capital was further increased to Rs. 37,12,500 by the issue of 4,125 shares of Rs. 100 each to the existing shareholders at a premium of Rs. 40 per share. In 1937 the Issued and Subscribed capital was increased to Rs. 45,73,800 by the issue of 8,613 new shares of Rs. 100 each by the capitalisation of the Company's undivided profits. These shares were issued to the existing shareholders in the proportion of one new share for every ten shares held. In January 1939, the Authorised Capital of the Company was increased to Rs. 75,00,000 by the creation of 25,000 additional Ordinary shares of Rs. 100 each. In April 1939, the Issued Capital was further increased to Rs. 50,18,800 by the allotment of 4,450 shares of Rs. 100 each to the existing shareholders at par in proportion of one new share for every ten shares held. A further issue of 12,547 shares of Rs. 100 each was made in September of the same year by the capitalisation of reserves. These shares were issued to the existing shareholders in the proportion of one new share for every four shares held, thus bringing the total Issued Capital to Rs. 62,73,500 in 62,735 shares of Rs. 100 each.

The Company was formed for the purpose of supplying electrical energy for all purposes to the City, Cantonment and Port of Karachi.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	45,73,800	62,73,150	Block (Net)	82,76,144	88,47,371
Reserve and other Funds	45,74,491	35,96,914	Stores	2,77,354	3,03,495
Debts	5,51,902	7,56,290	Stock	30,168	31,599
Profit and Loss Account	2,52,131	3,40,907	Work in Progress	4,667	3,270
			Investments	8,14,731	9,73,192
			Outstandings	2,37,084	2,05,552
			Cash	3,12,176	6,02,782
	99,52,324	1,09,67,261		99,52,324	1,09,67,261

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	8⅔%	9%	9%	9%	9%	9%	9%
Price Range—							
High	191¼	227½	235	267½	277½	230	200
Low	180	191¼	218¾	220	225	175	160

Nasik Deolali Electric Supply Co., Ltd.

Directors—(1) Sir Ishwardas Lukhmidas, Kt., (*Chairman*); (2) W. S. Nelson, Esq. (*Ex-Officio*); (3) Sir H. M. Mehta, Kt.; (4) A. G. Gray, Esq.; (5) C. P. Wadia, Esq.

Agents—The United Eastern Agencies, Ltd.

Registered Office—Bombay House, 24, Bruce Street, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in March.

Dividends—payable in March.

Capital—Authorised—Rs. 10,00,000, made up of Rs. 7,00,000 in 7,000 Ordinary shares of Rs. 100 each, and Rs. 3,00,000 in 3,000, 7% (Tax-free) Cumulative Preference shares of Rs. 100 each. **Subscribed and Paid-up**—Rs. 7,00,000, made up of Rs. 6,00,000 in 6,000 Ordinary shares of Rs. 100 each, and Rs. 1,00,000 in 1,000, 7% (Tax-free) Cumulative Preference shares of Rs. 100 each, fully paid.

This Company works the Nasik-Deolali Electric License 1930, the original licensees being Messrs. H. M. Mehta & Co., Bombay, who were also the previous Managing Agents. The area of supply is (1) the area within the limits of the Municipality of Nasik and Suburbs, (2) the Nasik Road Railway Station premises and suburbs, including the Distillery, Security Press, Jail, etc., and (3) the Cantonment of Deolali and suburbs.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	7,00,000	7,00,000	Block (Net) - -	8,48,557	8,68,292
Reserve and other Funds - -	2,18,379	2,51,987	Stores - -	35,881	41,606
Debts - -	28,585	31,750	Outstandings -	49,314	29,213
Profit and Loss Account -	45,425	45,129	Investments -	24,315	35,819
			Stock - -	1,401	957
			Cash and other Balances -	32,921	52,979
	9,92,389	10,28,866		9,92,389	10,28,866

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	3%	3%	4%	5%	6%	6%

Poona Electric Supply Company, Ltd.

Directors—(1) W. S. Nelson, Esq. (*Ex-Officio*) (*Chairman*); (2) Sir Cowasjee Jehangir, Bart., K.C.I.E.; (3) S. N. Gamadia, Esq.; (4) S. Sundgren, Esq.; (5) Sir H. M. Mehta, Kt.; (6) A. G. Gray, Esq.; (7) C. P. Wadia, Esq.

Agents—The United Eastern Agencies, Ltd. **Registered Office**—Bombay House, 24, Bruce Street, Fort, Bombay.

Financial Year —ends December 31. **Accounts**—published in March.

Dividends—payable in March and August.

Capital—Authorised—Rs. 35,00,000, made up of 31,000 Ordinary shares of Rs. 100 each, Rs. 31,00,000 and 4,000, 7 per cent. (Taxable) Cumulative Preference shares of Rs. 100 each, Rs. 4,00,000. **Subscribed**—Rs. 26,77,400 made up of 22,774 Ordinary shares of Rs. 100 each fully paid up, Rs. 22,77,400 and 4,000, 7 per cent. (Taxable) Cumulative Preference shares of Rs. 100 each fully paid up, Rs. 4,00,000.

This Company works the Poona Electric License 1917 and the original licensees were Messrs. Cromptons (Bombay), Ltd. The area of supply is the whole of the area within a radius of seven miles from the Receiving Station of the Poona Electric Supply Co., Ltd. The previous Managing Agents were Messrs. H. M. Mehta & Co., Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	24,34,000	26,77,400	Block (Net) -	38,83,724	39,75,467
Reserves - -	20,13,313	19,32,453	Stores and Tools -	82,293	1,00,488
Debts - -	3,80,511	4,25,312	Stock - -	22,094	20,338
Profit and Loss Account -	1,34,209	" 1,49,390	Work in Progress	1,920	5,427
			Debts - -	1,27,441	1,06,452
			Investments -	5,43,790	6,70,583
			Cash, etc. - -	3,00,771	3,05,800
	49,62,033	51,84,555		49,62,033	51,84,555

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	9%	9%	9%	9%	9%	9%	9%
Price Range—							
High	190	215	221¼	275	365	216¼	187½
Low	155	190	215	221¼	216¼	155¼	168½

Surat Electricity Company, Limited.

(Regd. 1920.)

Directors—(1) R. C. Lowndes, Esq., (*Ex-Officio Director and Chairman*); (2) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (3) Dewan Bahadur Chunilal M. Gandhi, B.A., LL.B.; (4) C. S. Bell, Esq.; (5) A. S. Trollip, Esq.; (6) Natwerlal M. Jhaveri, Esq., B.A., LL.B.; (7) V. F. Noel Paton, Esq.

Managing Agents—Messrs Killick Nixon & Co.

Registered Office—Home Street, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in March.

Dividends—payable in April and October.

Capital—Authorised—Rs. 30,00,000 in (1) 25,000 Ordinary shares of Rs. 100 each, Rs. 25,00,000 and (2) 5,000, 6½% (Tax Free) Cumulative Preference shares of Rs. 100 each, Rs. 5,00,000; **Issued and Subscribed**—Rs. 18,75,250 (1) 10,000 Ordinary shares of Rs. 100 each, Rs. 10,00,000 and (2) 5,000 Ordinary shares of Rs. 100 each on which Rs. 75 is paid up Rs. 3,75,000; Less calls in arrears Rs. 25; Add calls received in advance Rs. 275; Total Rs. 13,75,250; (3) 5,000, 6½% (Tax-free) Cumulative Preference shares of Rs. 100 each, fully paid Rs. 5,00,000.

In 1925, the Authorised Capital of the Company was increased from Rs. 10,00,000 to Rs. 15,00,000 and the Issued Capital from Rs. 5,00,000 to Rs. 10,00,000 by the creation and issue of 5,000, 6½ per cent (Tax Free) Cumulative Preference shares of Rs. 100 each. In 1929, the remaining 5,000 Ordinary shares were issued at a premium of Rs. 15 per share. In 1938, the Authorised Capital was increased further from Rs. 15,00,000 to Rs. 30,00,000 by creating 15,000 Ordinary shares of Rs. 100 each and out of these, 5,000 shares were issued at par in 1939, to existing shareholders in the proportion of one share for every three held.

The Company was formed in 1920, to take up the licence granted by Government under the Indian Electricity Act, 1910, to supply electrical energy to the city of Surat and District.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	15,00,000	18,75,250	Block (Net)	23,99,891	25,61,905
Reserve and other Funds	4,70,900	4,71,800	Stores	88,685	1,41,034
Debts	5,84,268	3,72,384	Outstandings	1,24,889	95,218
Profit and Loss Account	77,236	94,973	Cash	18,939	16,250
	26,32,404	28,14,407		26,32,404	28,14,407

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	8%	8%	8%	8%	8%	7¼%	7¼%
Price Range—							
High	173¾	175	198¾	208¾	231¾	180	185
Low	130	168¾	175	116¼	195	157	141¼

Tata Hydro-Electric Power Supply Co., Ltd.

(**Regd.** Bombay, November 7, 1910.)

Directors—(1) J. R. D. Tata, Esq., (*Chairman*); (2) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (3) M. N. Pochkhanawalla, Esq.; (4) Sir H. M. Mehta, (5) A. P. Pattani, Esq.; (6) A. Geddis, Esq.; (7) Dharamsey M. Khatau, Esq.; (8) Haridas Madhavdas, Esq.; (9) Col. Kumar Shivraj Singh, (*Special Director.*)

Agents—Messrs. Tata Hydro-Electric Agencies, Ltd.

Registered Office—Bombay House, 24, Bruce Street, Fort, Bombay.

Financial year—ends June 30. **Accounts**—published in September.

Dividends—payable in March and September.

Capital.—Authorised—Rs. 3,00,00,000 in (1) 1,80,000 Ordinary shares of Rs. 100 each, Rs. 1,80,00,000 and in (2) 1,00,000 7% (Taxable) Cumulative Preference shares of Rs. 100 each, Rs. 1,00,00,000 and (3) 20,000 shares to be issued as Preference or Ordinary or both as decided upon, Rs. 20,00,000. **Issued**—Rs. 2,80,00,000 in (1) 1,80,000 Ordinary shares of Rs. 100 each, Rs. 1,80,00,000 and (2) 1,00,000 Cumulative 7% (Taxable) Preference shares of Rs. 100 each, Rs. 1,00,00,000. **Subscribed and Paid-up**—Rs. 2,69,28,000 in (1) 1,80,000 Ordinary shares of Rs. 100 each, Rs. 1,80,00,000 and (2) 89,280 Cumulative 7% (Taxable) Preference shares of Rs. 100 each, Rs. 89,28,000.

Debentures—Issued Rs. 1,50,00,000 in 1933. Now outstanding Rs. 1,16,89,100 in bonds of Rs. 100 each. Repayable April, 1941. Interest 6 per cent. (Taxable) payable on April 1 and October 1.

In 1930 the shares of the Company of Rs. 1,000 each were sub-divided into ten shares of Rs. 100 each.

The Company advanced a loan of Rs. 1 crore to the Tata Power Company Limited, repayable in one sum in April 1941, with interest at 6% plus an additional ½% on Rs. 50,00,000 which is this Company's portion of the loan.

This Company is the oldest of the three large Hydro-electrical undertakings in the Bombay Presidency. It was started originally in 1915 and the hydraulic works are situated near Lonavla at the top of the Bhor Ghats. The Power House is situated at Khopoli at the foot of the Ghats and the normal capacity is 64,300 Horse Power. In conjunction with the other two electric supply companies, electrical energy is supplied to the Bombay Electric Supply and Tramways Company, Ltd., the majority of the mills, and other industries in Bombay City, the B. B. & C. I. Railway for their Suburban electrification, the whole of the energy required by the G. I. P. Railway in Bombay city and for their main line traction up to Kalyan, the whole of the electrical energy required by the Poona Electric Supply Company and the distributing Licensees in Thana, Kalyan and the Bombay Suburban district.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	2,69,28,000	2,69,28,000	Block (Gross)	3,88,18,753	3,77,28,310
Debentures	1,25,25,900	1,16,89,100	Other Capital Expenditure	2,26,990	1,46,412
*Reserves	1,27,30,847	1,23,51,584	Stores	7,23,132	8,00,895
Debts	7,84,438	6,35,654	Outstandings	4,71,814	4,26,373
Profit and Loss Account	13,02,877	13,81,188	Investments	1,30,95,873	1,33,37,464
			Cash	9,35,500	5,46,072
	5,42,72,062	5,29,85,526		5,42,72,062	5,29,85,526

*Inclusive of Depreciation Fund of Rs. 1,11,98,728 and Rs. 1,06,68,637 respectively.

Dividend Record—	1933	1934	1935	1936	1937	1938	1939
	7½%	7½%	7½% + 1B	7½% + ½B	7½%	7½%	7½%
Price Range—							
High	155½	163½	182½	180¼	193½	181¼	160½
Low	121	136¼	140⅝	157½	176¼	146¼	141

Tata Power Company, Ltd.

(Regd. Bombay, September 18, 1919.)

Directors—(1) J. R. D. Tata, Esq., (*Chairman*); (2) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (3) Sir Homi Mody, K.B.E.; (4) A. E. Blair, Esq.; (5) A. H. Wadia, Esq.; (6) Sir Chunilal V. Mehta, K.C.S.I.; (7) S. D. Saklatvala, Esq.; (8) A. D. Shroff, Esq.; (9) Fazal I. Rahimtoola, Esq., (*Treasury Director*); (10) L.A. Halsall, Esq.

Agents—Messrs. Tata Hydro-Electric Agencies, Ltd.

Registered Office—Bombay House, 24, Bruce Street, Fort, Bombay.

Financial year—ends June 30. **Accounts**—published in September.

Dividends—payable in March and September.

Capital.—Authorised—Rs. 9,00,00,000 in (1) 60,000 Ordinary shares of Rs. 1,000 each, Rs. 6,00,00,000 and (2) 30,000 7½% (Taxable) Cumulative Preference shares of Rs. 1,000 each, Rs. 3,00,00,000. **Issued**—Rs. 4,35,58,000 in (1) 34,861 Ordinary shares of Rs. 1,000 each, Rs. 3,48,61,000 and (2) 8,697 7½% (Taxable) Cumulative Preference shares of Rs. 1,000 each, Rs. 86,97,000. **Subscribed**—Rs. 4,31,11,939 in (1) 33,977 Ordinary shares of Rs. 1,000 each fully paid, Rs. 3,39,77,000; and (2) 8,697 7½% (Taxable) Cumulative Preference shares of Rs. 1,000 each fully paid, Rs. 86,97,000. Total Rs. 4,26,74,000. *Add*—Amount paid up on 884 Forfeited shares Rs. 4,37,939.

Debentures—(1) 2% Guaranteed 'A' Mortgage Debenture stock. Issued in England in February 1935. Repayable at par on May 15, 1948 or in part or in whole on May 15 or November 15 of any year after May 15, 1944, on three months' notice from the Company. Interest payable on May 15 and November 15.

Authorised and Issued	£ 765,600	
Outstanding	£ 566,700	Rs. 75,56,000

(2) Rs.1,00,00,000 8% 'C' Debentures lodged with Tata Hydro-Electric Power Supply Co., Ltd., repayable in one instalment on 1st April 1941. Interest at 6% p.a. plus ½% on Tata Hydro-Electric Co.'s proportion of the loan from 1st April 1933.

Note.—The 7½% 'B' Mortgage Debenture stock was redeemed on November 15, 1938.

In connection with certain financing arrangements in 1926, the Company agreed to pay 1/10th of its trading profit annually to the Tata Hydro-Electric Power Supply Co., Ltd.

The Company was formed to supply electricity in the town and island of Bombay and such other areas in the Presidency as are included in the Licence. It supplies a number of the largest textile and other factories in Bombay as also the G. I. P. and B. B. & C. I. Railways and a number of distributing Licensees in the Presidency including the Bombay Electric Supply and Tramway Co., Ltd.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	4,31,11,939	4,31,11,939	Block (Gross)	7,19,60,852	7,18,43,358
*Reserves and other Funds	1,43,87,788	1,54,47,662	Stores	5,62,039	4,78,387
Debentures	1,80,71,043	1,75,56,000	Outstandings	8,23,983	7,25,431
Debts	18,34,393	17,18,748	Investments	44,86,867	59,98,051
Profit and Loss Account	24,62,439	25,06,827	Cash	20,33,861	12,95,949
	7,98,67,602	8,03,41,176		7,98,67,602	8,03,41,176

*Inclusive of Depreciation Fund of Rs. 1,00,47,436 and Rs. 1,05,62,770 respectively.

Dividend Record—	1933	1934	1935	1936	1937	1938	1939
	1%	3%	5½%	6½%	6%	7½%	6½% + 1B
Price Range—							
High	995	1,109⅜	1,730	1,633¾	1,667½	1,501¼	1,427½
Low	500	850	1,091¼	1,451¼	1,347½	1,336	1,206¼

COTTON MILLS SECTION (BOMBAY).

Ahmedabad Advance Mills, Limited.

(Regd. June 1903.)

Directors:—(1) S. D. Saklatvala, Esq. (*Chairman*) (*Ex-Officio*); (2) Sir Chunilal V. Mehta, K.C.S.I. ; (3) Sir Homi Mody, K.B.E. ; (4) Krishnaraj Madhavji D. Thackersey, Esq. ; (5) Sohrab R. Davar, Esq. ; (6) J. R. D. Tata, Esq. (*Special Director*); (7) T. V. Baddeley, Esq. ; (8) Fazal I. Rahimtoola, Esq., C.I.E.

Managing Agents—Messrs. Tata Sons, Limited.

Registered Office—Bombay House, 24, Bruce Street, Fort, Bombay.

Financial year—ends June. **Accounts**—published in October.

Dividends—payable in April and October.

Capital.—Authorised—Rs. 20,00,000 in (*i*) 10,000 Ordinary shares of Rs. 100 each and (*ii*) 10,000 5% (Tax-free) Cumulative Preference shares of Rs. 100 each. **Issued and Subscribed**—Rs. 20,00,000 in (*i*) 10,000 Ordinary shares of Rs. 100 each fully paid and (*ii*) 10,000 5% (Tax-free) Cumulative Preference shares of Rs. 100 each fully paid.

In March 1939, the capital of the Company was increased from Rs. 10,00,000 to its present figure by the capitalization of Rs. 10,00,000 standing to the credit of Reserve Fund and creating thereby 10,000 5% (Tax-free) Cumulative Preference shares of Rs. 100 each, ranking for dividend as from July 1938. These shares were distributed to the existing shareholders in the proportion of one such share for each share held.

The Mill consists of 44,224 spindles and 1,016 looms and is situated at Shahibag Road, Outside Delhi Gate, Ahmedabad.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	10,00,000	20,00,000	Block (Gross) -	45,09,252	45,24,918
*Reserve and Other Funds - -	59,95,719	51,08,133	Stores - -	1,60,967	1,94,793
Debts - -	11,78,973	10,22,583	Stock - -	12,35,602	10,64,977
Profit and Loss Account -	1,15,118	73,384	Outstandings -	2,79,782	2,90,330
			Investments -	20,61,926	20,78,103
			Cash - -	42,281	50,979
	82,89,810	82,04,100		82,89,810	82,04,100

*Inclusive of Depreciation Fund of Rs. 34,10,582 and Rs. 35,12,060 respectively.

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	17%	15%	15%	14%	15%	17%	8%

Price Range—

High - - -	333¾	341½	316	307⅛	322	411¼	435
Low - - -	265	262½	275	271¼	273¾	290	255

Apollo Mills, Limited.

(Regd. 1920.)

Directors—(1) Fred Stones, Esq., O.B.E., M.L.C., J.P., (*Chairman*); (2) V. N. Chandavarkar, Esq., J.P.; (3) D. K. Daji, Esq.; (4) H. F. Commissariat, Esq., J.P.; (5) A. L. Paramor, Esq., M.C.

Agents—Messrs. E. D. Sassoon & Co., Ltd.

Registered Office—E. D. Sassoon Building, Dougall Road, Ballard Estate, Bombay.

Financial year—ends December 31. **Accounts**—published in July.

Dividends—payable in July.

Capital.—Authorized and Subscribed—Rs. 50,00,000 in 25,00,000 shares of Rs. 2 each fully paid.

In 1939 the capital of the Company was first reduced from Rs. 25,00,000 to Rs. 1,00,000 by reducing the nominal value of each share from Rs. 50 to Rs. 2. The capital was then increased to its present figure by the creation and issue of 24,50,000 shares of Rs. 2 each. These shares were issued as fully paid-up, in satisfaction of the liability of the Company to the Managing Agents.

Debentures—Rs. 20,00,000 in 40,000, 7% (Tax-free) Bearer Bonds of Rs. 50 each, issued in 1925. These were repaid at par in 1939.

The Mill consists of 45,500 spindles and 896 looms and is situated at DeLisle Road, Chinchpoogli, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)—**	1938	1939
Capital	25,00,000	50,00,000	Block	71,66,282	46,99,974
Debentures	20,00,000	....	Stores	1,16,940	2,66,012
Debts	41,71,461	12,84,434	Stock	12,34,378	14,33,456
Profit and Loss Account	....	2,64,977	Outstandings	73,529	94,618
			Investments	50,000	50,000
			Cash	5,078	5,351
			Profit and Loss Account	25,254	....
	86,71,461	65,49,411		86,71,461	65,49,411

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	..	..	..	..
Price Range—							
High	2	2 1/8	2	1 3/4	4 1/8	4 1/8	5 3/8
Low	3/4	3/4	1	3/4	1	1 3/4	3/4

Azam Jahi Mills, Ltd.

(Incorporated 1931 in Hyderabad—Deccan.)

Directors—(1) Sir Theodore Tasker, C.I.E., O.B.E., I.C.S.; (2) Nawab Sir Akeel Jung Bahadur; (3) Mohd. Liakatulla Khan, Esq., H.C.S.; (4) Nawab Rais Jung Bahadur; (5) Khan Bahadur Ahmed Alladin, O.B.E.; (6) Nadirsha B. Chinoy, Esq., B.A., LL.B.; (7) C. S. Tyabjee, Esq.

Secretaries, Treasurers and Agents—The Industrial Trust Fund, H.E.H. The Nizam's Government.

Registered Office—159, Gunfoundry Road, Hyderabad (Deccan).

Financial year—ends October. **Accounts**—published in February-March.

Dividends—payable in March.

Capital.—Authorised—Rs. 18,00,000 in 18,000 Ordinary shares of Rs. 100 each. **Subscribed**—Rs. 18,00,000 in 18,000 Ordinary shares of Rs. 100 each fully paid, less calls in arrears Rs. 12,325=Rs. 17,87,675.

Debentures—Rs. 10,00,000.

The Mill consists of 19,944 spindles and 428 looms and is situated at Warrangal, Hyderabad.

Summary of Last Two Balance Sheets.

Liabilities (in O.S. Rs.)—	1938	1939	**Assets (in O.S. Rs.)**—	1938	1939
Capital -	17,85,315	17,87,675	Block - -	34,13,785	32,52,194
Debentures -	10,00,000	10,00,000	Stores - -	1,69,503	2,55,817
Reserve and other Funds - -	80,655	1,23,437	Stock - -	29,04,249	29,73,256
Debts - -	37,72,451	38,47,410	Outstanding -	5,65,215	5,34,550
Profit and Loss Account -	4,33,525	4,39,103	Cash - -	19,194	1,81,808
	70,71,946	71,97,625		70,71,946	71,97,625

Dividend Record—

1935	1936	1937	1938	1939
..	..	5%	6%	7%

Berar Manufacturing Co., Ltd.

Directors—(1) The Hon'ble Sir M. B. Dadabhoy, K.C.S.I., K.C.I.E., (*Chairman*); (2) Rai Bahadur Raja Sir Bisesardass Daga, K.C.I.E. (*Ex-Officio*); (3) The Hon'ble Mr. Shantidas Askuran, J.P.; (4) Chhotalal I. Parekh, Esq.; (5) Manecksha N. Pochkhanawalla, Esq., Solicitor; (6) Lachhmandass H. Daga, Esq.; (7) Dadabhoy J. Registrar, Esq., M.A., LL.B., Advocate.

Agents—Messrs. Kasturchand Dadabhoy & Co.

Registered Office—Kent House, Sir Phirozshah Mehta Road, Fort, Bombay.

Financial year—ends June 30. **Accounts**—published in November.

Dividends—payable in December.

Capital.—Authorised—Rs. 5,50,000 in 2,750 Ordinary shares of Rs. 200 each.
Subscribed and Paid-up—Rs. 5,50,000 in 2,750 Ordinary shares of Rs. 200 each.

The Mill consists of 21,384 spindles and 369 looms and is situated at Badnera, C.P.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	5,50,000	5,50,000	Block - -	22,25,456	22,33,696
			Stores and Stock -	6,43,410	5,55,837
Reserves - -	13,98,998	14,00,998	Outstanding -	38,919	31,775
			Cash - -	13,274	8,784
Debts - -	10,64,238	9,35,936	Profit and Loss Account -	92,177	56,842
	30,13,236	28,86,934		30,13,236	28,86,934

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
2½%	2½%	..	..	..	2½%	..

Bharat Spinning & Weaving Co., Ltd.

Directors—(1) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., (*Chairman*); (2) Haridas Madhavdas, Esq., J.P.; (3) Maganlal Parbhudas, Esq.; (4) Haridas Purshotam, Esq. (*Ex-Officio*); (5) Dhanji Purshotam, Esq.; (6) Liladhar Rattansey, Esq.

Managing Agents—Messrs. Purshotam Govindjee & Co.

Registered Office—Gool Mansion, Homji Street, Fort, Bombay.

Financial year—ends March 31. **Accounts**—published in September.

Dividends—payable in September.

Capital Authorised—Rs. 32,75,000 in 65,500 Ordinary shares of Rs. 50 each.

Subscribed and Paid-up—Rs. 32,74,250 made up as follows:—
Rs. 32,75,000 in 65,500 Ordinary shares of Rs. 50 each, fully paid, less Rs. 750. calls unpaid.

The Company's two Mills consist of 28,906 spindles and 600 looms and are situated at Hubli.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	32,74,250	32,74,250	Block - -	25,68,401	24,99,602
Reserve and other Funds - -	6,74,000	6,74,000	Stores - -	2,37,777	2,35,070
Debts - -	3,66,759	3,19,029	Stock - -	12,35,052	12,37,239
Profit and Loss Account -	1,32,343	1,00,634	Outstandings -	1,64,840	82,502
			Investments -	4,330	4,330
			Cash - -	2,36,952	3,09,170
	44,47,352	43,67,913		44,47,352	43,67,913

Dividend Record—

1938	1939
4%	3%

Bombay Cotton Mfg. Co., Ltd.

(Registered 1884.)

Directors—(1) H. F. Commissariat, Esq. (*Ex-Officio*); (2) A. G. Gray, Esq.; Ardeshir Bomanji Dubash, Esq.; (4) F. H. Commissariat, Esq.; (5) Dhirajlal Maganlal, Esq.

Agents—Messrs. Hormusjee Sons & Co.

Registered Office—Kalachowki Road, Chinchpoogli, Bombay.

Financial year—ends March 31. **Accounts**—published in September.

Dividends—payable in September.

Capital.—Authorised—Rs. 25,00,000 made up as follows:—
(*i*) 2,400 Ordinary shares of Rs. 500 each=Rs. 12,00,000 and (*ii*) 130,000 Cumulative Preference shares of Rs. 10 each=Rs. 13,00,000.

Issued and Subscribed—Rs. 22,44,770 made up as follows:—
(*i*) 2,377 Ordinary shares of Rs. 500 each fully paid=Rs. 11,88,500 and (*ii*) 105,227 Cumulative Preference shares of Rs. 10 each=Rs. 10,52,270. To this must be added amount paid up on forfeited shares Rs. 4,000.

The Mill consists of 28,512 spindles and 775 looms and is situated at Kalachowki Road, Chinchpoogli, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	22,44,770	22,44,770	Block	33,41,109	33,57,211
Depreciation and other Funds	14,74,845	14,58,792	Stores	85,887	85,777
Debts	13,27,400	13,94,575	Stocks	9,15,406	9,40,152
			Debts	9,644	13,483
			Cash	657	329
			Profit and Loss Account	6,94,312	7,01,185
	50,47,015	50,98,137		50,47,015	50,98,137

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	..	..	..	..
Price Range—							
High	51¼	30	80	55	51¼	85	35
Low	15	15	10	35	15	25	5

Bombay Dyeing & Mfg. Co., Ltd.

(Regd. 1879.)

Directors—(1) Sir Ness Wadia, K.B.E., C.I.E.; (2) Neville N. Wadia, Esq.; (3) Sir Jamsetji Jejeebhoy, Bart.; (4) C. N. Caroe, Esq.; (5) Maneklal Premchand, Esq.; (6) J. R. D. Tata, Esq.; (7) P. T. Harrison, Esq.

Agents—Messrs. Nowrosjee Wadia & Sons.

Registered Office—Neville House, Graham Road, Ballard Estate, Bombay.

Financial year—ends December 31. **Accounts**—published in March.

Dividends—payable in April.

Capital.—Authorised—Rs. 64,00,000 in 25,600 Ordinary shares of Rs. 250 each. **Issued and Subscribed**—Rs. 62,74,500 in 25,098 Ordinary shares of Rs. 250 each, fully paid.

The Company's two Mills—Spring Mills and Textile Mills—consist of 1,81,488 spindles and 4,802 looms, and are situated at Naigaum Road, Dadar and Elphinstone Road, Parel, Bombay, respectively. There are also dye works at Dadar.

The Mills manufacture grey and dyed cotton yarn, bleached and unbleached, coloured, grey and dyed cloth and the dye works also undertake dyeing yarn for other textile concerns. The Company celebrated its Diamond Jubilee in 1939, by the special distribution of a bonus of Rs. 25 per share.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	Assets (in Rs.)—	1938	1939
Capital	62,74,500	62,74,500	Block	3,10,16,091	3,11,56,230
Reserve	93,84,768	93,84,768	Stores	8,18,944	8,78,001
Other Funds	2,67,78,194	2,83,00,715	Stocks	41,19,026	40,54,429
Debts	28,44,663	27,07,683	Outstandings	12,88,260	18,62,227
Profit and Loss Account	17,11,319	9,79,527	Investments	72,10,804	72,08,415
			Cash	25,40,319	24,87,891
	4,69,93,444	4,76,47,193		4,69,93,444	4,76,47,193

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	10%	12%	10%	10%	10%	10%+10B	10%+4B

Price Range—

High	826½	950	965	802	1151½	977½	1195
Low	675	680	711¼	640	852½	778¾	696¼

Bradbury Mills, Ltd.

(Regd. 1914.)

Directors—(1) Sir Byramjee Jeejeebhoy, Kt., (*Chairman*) ; (2) Jeejeebhoy R. B. Jeejeebhoy, Esq. ; (3) Ramniwas Ramnarain, Esq. (*Ex-officio*) ; (4) Paliram Muthradas, Esq. ; (5) Dinsha K. Daji, Esq. ; (6) Sir Alwyn Ezra, Kt.; (7) Radhakrishna Ramnarain, Esq.

Agents—Messrs. Ramnarain Sons, Ltd.

Registered Office—143, Esplanade Road, Fort, Bombay.

Financial year—ends March 31. **Accounts**—published in August.

Dividends—payable in August.

Capital.—Authorised—Rs. 25,00,000 made up as follows :— 4,000 Ordinary shares of Rs. 250 each=Rs. 10,00,000 and 6,000 7% (Tax-free) Cumulative Preference shares of Rs. 250 each=Rs. 15,00,000. **Subscribed and Paid-up**—Rs. 24,85,000 made up as follows :—4,000 Ordinary shares of Rs. 250 each fully paid=Rs. 10,00,000 and 6,000 7% (Tax-free) Cumulative Preference shares of Rs. 250 each fully paid=Rs. 15,00,000. From this must be deducted the amount of Rs. 25,000 forfeited on 100 shares and Rs. 10,000 added for forfeited shares.

The Mill consists of 28,928 spindles and 848 looms and is situated at Ripon Road, Jacob Circle, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	24,85,000	24,85,000	Block - -	23,94,632	23,71,544
Reserve and other Funds - -	1,19,246	1,19,246	Stores and Stock	19,65,793	21,99,907
Debts - -	16,97,873	19,85,426	Outstandings -	10,409	35,024
Profit and Loss Account -	74,218	23,155	Cash - -	5,503	6,352
	43,76,337	46,12,827		43,76,337	46,12,827

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	..	..	..	..
Price Range—							
High - - -	120	90	110	105	85	85	65
Low - - -	90	50	55	80	51¾	35	35

Broach Fine Counts Spinning & Weaving Co., Ltd.

Directors—(1) Juharmal Saroopchand, Esq., (*Chairman*); (2) Tricumdas Dwarkadas, Esq.; (3) Bilasrai Juharmal, Esq. (*Ex-Officio*); (4) Brijlal Ramjeedas, Esq. (*Ex-Officio*); (5) Mahabeerprasad, Badridas, Esq.; (6) Narandas Ramjidas, Esq.

Agents—Messrs. Brijlal Bilasrai & Co.

Registered Office—Agakhan Building, Dalal Street, Fort, Bombay.

Financial year—ends March 31. **Accounts**—published in March.

Dividends—payable in April.

Capital.—Authorised and Subscribed—Rs. 20,00,000 in 8,000 Ordinary shares of Rs. 250 each, fully paid.

The Mill consists of 28,848 spindles and 522 looms and is situated at Mohamedpura Road, near Station, Broach.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	20,00,000	20,00,000	Block - -	26,09,876	26,15,027
			Stores - -	1,49,165	1,03,209
Dividend Equalisation Fund -	50,000	50,000	Stock - -	6,21,573	8,11,350
			Outstandings -	89,915	72,467
			Investments -	1,142	3,057
Debts - -	29,26,381	31,75,249	Cash - -	16,060	22,408
			Profit and Loss Account -	14,88,650	15,97,731
	49,76,381	52,25,249		49,76,381	52,25,249

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	..	..	..	..	..	..

Central India Spinning, Weaving & Manufacturing Co., Ltd.

(**Regd.** September 5, 1874.)

Directors—(1) S. D. Saklatvala, Esq. (*Chairman*), (*Ex-Officio*); (2) H. F. Commissariat, Esq.; (3) J. R. D. Tata, Esq. (*Special Director*); (4) Pirojsha N. Mehta, Esq.; (5) Sir H. P. Mody, K.B.E.; (6) Krishnaraj Madhavji D. Thakersey, Esq.; (7) V. N. Chandavarkar, Esq.

Agents—Messrs. Tata Sons, Ltd. **Registered Office**—24, Bruce Street, Fort, Bombay.

Financial year—ends June 30. **Accounts**—published in October.

Dividends—payable in April and October.

Capital—Authorised and Subscribed—Rs. 96,87,500 in 46,875 Ordinary shares of Rs. 100 each, fully paid, Rs. 46,87,500 and in 10,000 5% (Tax-free), Cumulative Preference shares of Rs. 500 each, fully paid, Rs. 50,00,000.

The Company's Mills consist of 1,14,956 spindles and 2,168 looms and are situated at Nagpur. They are known as the Empress Mills. It also owns seven ginning and pressing factories, situated at Hinganghat, Wardha, Warora and Yeotmal in the Central Provinces; at Umri and Limba in the Nizam's State and at Lyallpur in the Punjab.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	96,87,500	96,87,500	Block (Gross)	2,05,52,077	2,06,53,204
*Reserves and Other Funds	1,64,48,299	1,67,57,495	Stores and Spares.	5,22,839	6,00,788
Debts	65,44,729	69,89,013	Stocks	61,79,646	66,95,994
Profit and Loss Account	4,66,224	3,19,561	Outstandings	9,80,257	8,64,084
			Investments	47,80,002	47,82,721
			Cash	1,31,931	1,56,778
	3,31,46,752	3,37,53,569		3,31,46,752	3,37,53,569

* Inclusive of Depreciation Fund of Rs. 94,21,465 & Rs. 97,78,414 respectively.

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	12%	8%	8%	8%	7%	11%	8%
Price Range—							
High	389⅜	343⅛	386¼	297⅞	351¼	338¾	268
Low	226	215	216¼	163	215	215	187

Century Spinning & Manufacturing Co., Ltd.

(Regd. October 20, 1897).

Directors—(1) Sir Chunilal V. Mehta, K.C.S.I. (*Chairman*); (2) Bhagvandas C. Mehta, Esq.; (3) Dharamsey M. Khatau, Esq.; (4) Ambalal Sarabhai, Esq.; (5) S. D. Saklatvala, Esq.

Agents—Messrs. Chunilal V. Mehta & Co.

Registered Office—Queen's Mansions, Prescott Road, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in April.

Dividends—payable in April.

Capital—Authorised—Rs. 20,00,000 in 20,000 Ordinary shares of Rs. 100 each.

Issued and Subscribed—Rs. 18,50,000 in 18,500 Ordinary shares of Rs. 100 each fully paid.

The Company's two Mills (Century & Zenith) consist of 92,840 spindles and 2,828 looms and are situated at the junction of DeLisle Road, and Elphinstone Road, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	18,50,000	18,50,000	Block (Gross) -	1,39,29,225	1,45,19,994
*Reserves and Other Funds - -	1,42,67,509	1,45,47,318	Stores - -	3,17,788	6,46,801
Debts - -	25,75,421	34,60,668	Stocks - -	37,24,823	42,61,667
Profit and Loss Account -	2,70,225	1,75,863	Outstandings -	6,69,719	3,75,376
			Investments -	1,53,874	1,53,874
			Cash - -	1,67,726	76,137
	1,89,63,155	2,00,33,849		1,89,63,155	2,00,33,849

* Inclusive of Depreciation Fund of Rs. 67,90,854 & Rs. 69,26,320 respectively.

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	5%	..	..	8%	12%	9%

Price Range—

High - - -	265	320	326	178¾	313¾	310	436
Low - - -	175⅝	185	196	118⅛	175⅝	222½	191

Colaba Land and Mill Company, Ltd.

(Regd. July 1, 1880).

Directors—(1) Sir Joseph Kay, Kt., (*Chairman*), (*Ex-Officio*) ; (2) Sir Byramjee Jeejeebhoy, Kt. ; (3) Sir Purshotamdas Thakordas, Kt., C.I.E., M.B.E. ; (4) Sir Kikabhai Premchand, Kt. ; (5) Sir Jamsetjee Jeejeebhoy, Ba t. ; (6) H. E. Jones, Esq. ; (7) R. L. Ferard, Esq. (*Special Director*).

Managing Agents—Messrs. W. H. Brady & Co., Ltd.

Registered Office—12-14, Churchgate Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in March.

Dividends—payable in March.

Capital—Authorised—Rs. 50,00,000 in 50,000 Ordinary shares of Rs. 100 each.

Issued and Subscribed—Rs. 28,00,000 in 28,000 Ordinary shares of Rs. 100 each fully paid.

The Company's two Mills consist of 45,376 spindles and 695 looms and are situated at Victoria Bunder, Colaba, Bombay. The Company, in addition to these two mills, owns considerable property at Colaba in Bombay, in the shape of land and buildings from which it receives a good income by way of rentals.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	28,00,000	28,00,000	Block (Net)	59,32,457	59,98,168
Reserves and other Funds	13,98,672	14,03,003	Stores	99,027	1,48,714
Debts	32,89,327	30,42,977	Stocks	15,81,240	10,34,091
Profit and Loss Account	2,62,816	1,56,499	Outstandings	1,14,588	2,13,453
			Cash	23,503	8,053
	77,50,815	74,02,479		77,50,815	74,02,479

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	2½%	4%	..	2½%	4%	5%	4%

Price Range—

High	102½	133¾	165	145	275	235	237
Low	65⅝	67½	116½	111¾	143¾	130	100½

Coorla Spinning & Weaving Co., Ltd.

(Regd. 1874).

Directors—(1) Sir Cowasjee Jehangir, Bart., K.C.I.E., O.B.E., M.L.A., (*Chairman*); (2) Sir H. M. Mehta, Kt.; (3) Sir Byramjee Jeejeebhoy, Kt.; (4) Sir Kikabhai Premchand, Kt.; (5) Jehangir Cowasjee Jehangir, Esq., B.A. (Cantab.).

Secretaries, Treasurers and Agents—Messrs. Cowasjee Jehangir and Company, Ltd.

Registered Office—Readymoney Mansion, Churchgate Street, Fort, Bombay.

Financial year—ends March 31. **Accounts**—published in July.

Dividends—payable in August.

Capital—Authorised, Issued and Subscribed—Rs. 13,00,000 in 13,000 Ordinary shares of Rs. 100 each fully paid.

The Mill consists of 23,828 spindles and 719 looms and is situated at Coorla, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	13,00,000	13,00,000	Block	28,60,791	28,64,590
Reserves and Other Funds	25,48,646	25,29,135	Stores	57,654	62,410
Debts	2,21,833	2,40,740	Stock	10,09,253	10,23,077
Profit and Loss Account	55,013	1,15,059	Outstandings	1,21,917	1,60,758
			Cash	75,877	74,099
	41,25,492	41,84,934		41,25,492	41,84,934

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	4%	5%	5%	5%	5%	5%

Price Range—

High	110	111¼	117½	110	120	120	97½
Low	100	40	82½	82	80	95	82½

David Mills Company, Limited.

(Regd. 1886).

Directors—(1) Fred Stones, Esq., O.B.E., M.L.C., J.P., (*Chairman*); (2) V. N. Chandavarkar, Esq., J.P.; (3) D. K. Daji, Esq.; (4) H. F. Commissariat, Esq., J. P.; (5) A. L. Paramor, Esq., M.C.

Agents—Messrs. E. D. Sassoon & Co., Ltd.

Registered Office—E. D. Sassoon Building, Dougall Road, Ballard Estate, Bombay.

Financial year—ends December 31. **Accounts**—published in July.

Dividends—payable in July.

Capital—Authorised and Subscribed—Rs. 24,00,000 in 1,800 Ordinary shares of Rs. 500 each fully paid, Rs. 9,00,000 and in 6,000 Ordinary shares of Rs. 250 each fully paid up, Rs. 15,00,000.

The Company's Mills in Bombay, which remained closed for over three years, restarted working in March, 1938. They are situated at Carrol Road, Parel, Bombay, and consist of 84,328 spindles and 1,212 looms.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	24,00,000	24,00,000	Block - -	82,41,012	76,72,109
Debts - -	1,09,38,188	89,59,805	Stores - -	3,76,321	4,76,882
			Stock - -	25,84,708	18,10,046
			Outstandings -	94,054	1,29,380
			Investments -	1,87,500	1,87,500
			Cash - -	13,020	11,100
			Profit and Loss Account -	18,41,573	10,72,788
	1,33,38,188	1,13,59,805		1,33,38,188	1,13,59,805

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	..	..	..	..	..	..

Dawn Mills Company, Ltd.

(**Regd.** March, 1914).

Directors—(1) Sir Alwyn Ezra, Kt., (*Chairman*) (*Ex-Officio*); (2) Jamsetji Ardaseer Wadia, Esq.; (3) H. F. Major, Esq.; (4) Ramniwas Ramnarain, Esq.; (5) Madanmohan Ramnarain, Esq.; (6) Dinsha K. Daji, Esq.

Agents—Messrs. Sassoon J. David & Co., Ltd.

Registered Office—143, Esplanade Road, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in April.

Dividends—payable in May.

Capital—Authorised—Rs. 8,00,000 in 3,200 Ordinary shares of Rs. 250 each. **Issued and Subscribed**—Rs. 8,00,000 in 3,200 Ordinary shares of Rs. 250 each fully paid.

The Mill consists of 40,944 spindles and is situated at Ferguson Road, Lower Parel, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	8,00,000	8,00,000	Block (Net)	25,78,499	26,44,491
Reserves and other Funds	23,89,019	20,55,891	Stores	87,637	1,29,251
Debts	14,32,223	10,77,333	Stock	13,65,181	8,50,837
			Debts	2,97,200	2,52,760
			Investments	1,76,065	....
			Cash	15,532	7,939
			Profit and Loss Account	1,01,128	47,946
	46,21,242	39,33,224		46,21,242	39,33,224

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	4%	4%	4%	4%	4%	4%	4%
Price Range—							
High	472½	401¼	395	310	477½	390	401¼
Low	400	320	340	260	340	310	280

Digvijay Spg. & Wg. Co., Ltd.

Directors—(1) Kalianji Lalji, Esq., (*Chairman*) (*Ex-Officio*); (2) Jethabha Khatau, Esq; (3) Gordhandas Govindjee, Esq; (4) Haridas Vasanji, Esq.; (5) Vandravan Purshotam, Esq.; (6) Goculdas Damoder, Esq.; (7) Gordhandas Vandravan, Esq.; (8) Bhagwandas Padamsee, Esq.

Agents—Messrs. Jethabhai Khatau & Co.

Registered Office—Lalbaug, Parel, Bombay.

Financial year—ends December 31. **Accounts**—published in May.

Dividends—payable in June.

Capital—Authorised, Issued and Subscribed—Rs. 12,00,000 in 2,400 Ordinary shares of Rs. 500 each, fully paid up.

The Mill consists of 44,492 spindles and 1,344 looms and is situated at Lalbaug Parel, Bombay. It was formerly known as the Dinshaw Petit Mill.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	12,00,000	12,00,000	Block - - -	14,68,914	16,59,141
Depreciation Fund.	3,26,700	4,36,700	Stores - -	21,296	1,68,603
Other Funds -	2,30,730	4,10,028	Stock - -	11,74,416	10,44,276
Debts - -	14,35,582	13,19,445	Outstandings -	4,59,627	2,35,808
Profit and Loss Account -	1,54,969	2,61,214	Deposits - -	1,76,635	3,01,529
			Cash - -	47,093	2,18,030
	33,47,981	36,27,387		33,47,981	36,27,387

Dividend Record—

1935	1936	1937	1938	1939
--	3%	10%	10%	10% + 5B

E. D. Sassoon United Mills, Limited.

(Regd. 1920).

Directors—(1) Fred Stones, Esq., O.B.E., M.L.C., J.P. (*Chairman*); (2) V. N. Chandavarkar, Esq., J.P.; (3) D. K. Daji, Esq.; (4) H. F. Commissariat, Esq., J.P.; (5) A. L. Paramor, Esq., M.C.

Agents—Messrs. E. D. Sassoon & Co., Ltd.

Registered Office—E. D. Sassoon Building, Dougall Road, Ballard Estate, Bombay.

Financial year—ends December 31. **Accounts**—published in July.

Dividends—payable in July.

Capital—Authorised and Subscribed—Rs. 2,50,00,000 in 20,00,000 Ordinary shares of Rs. 10 each fully paid, Rs. 2,00,00,000 and in 50,00,000 Deferred shares of Re. 1 each fully paid, Rs. 50,00,000.

The Company owns five Mills and one Dye works. The Mills are—Jacob Sassoon, 96,392 spindles and 2,227 looms, situated at Suparibag Road, Parel, Bombay. The Alexandra Mill situated at Gorupdeo Road, Chinchpoogly, consists of 35,880 spindles and 742 looms. E. D. Sassoon Mill situated at Ferguson Road, Lower Parel. consists of 79,258 spindles and 752 looms. Rachel Sassoon Mill situated at Chinchpoogly Road, consists of 1,915 looms and Manchester Mill at Kalachowki, consists of 28,940 spindles and 684 looms, and E. D. Sassoon Turkey Red Dye Works situated at Dadar, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	2,50,00,000	2,50,00,000	Block - -	3,36,66,208	3,38,80,785
Debts - -	2,77,00,639	2,35,23,272	Stores - -	13,15,461	17,83,136
			Stock - -	1,06,97,626	76,30,149
			Outstandings -	4,57,153	4,70,902
			Investments -	2,24,000	2,24,000
			Cash - -	12,698	12,686
			Profit and Loss Account -	63,27,493	45,21,614
	5,27,00,639	4,85,23,272		5,27,00,639	4,85,23,272

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	..	..	..	..	..	..

Edward Sassoon Mills, Limited.

(Regd. 1910).

Directors—(1) Fred Stones, Esq., O.B.E., M.L.C., J.P. (*Chairman*); (2) C. P. Wadia, Esq., J.P.; (3) D. K. Daji, Esq.; (4) A. L. Paramor, Esq., M.C.

Agents—Messrs. E. D. Sassoon & Co., Ltd.

Registered Office—E. D. Sassoon Building, Dougall Road, Ballard Estate, Bombay.

Financial year—ends December 31. **Accounts**—published in July.

Dividends—payable in July.

Capital.—Authorised and Subscribed—Rs. 17,00,000 in 8,500 shares of Rs. 200 each fully paid.

Debentures—Rs. 12,00,000 in 1,200, 6½% (Taxable) Bearer Bonds of Rs. 1,000 each. These Debentures were issued in August 1918. Originally due for repayment at par in August 1929, but the life of the Debentures has since been extended indefinitely and are now only terminable by either side at six months' notice. Interest payable on 13th February and 13th August.

The Mill consists of 49,164 spindles and 920 looms and is situated at Ferguson Road, Lower Parel, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	17,00,000	17,00,000	Block	37,50,846	37,28,038
Debentures	12,00,000	12,00,000	Stores	1,31,814	2,62,583
Debts	33,61,878	31,82,743	Stock	15,37,996	14,41,626
			Outstandings	67,272	67,086
			Investments	50,000	50,000
			Cash	5,272	5,446
			Profit and Loss Account	7,18,678	5,27,964
	62,61,878	60,82,743		62,61,878	60,82,743

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	..	..	..	..
Price Range—							
High	15	7	8	6½	19	15	25
Low	7	3½	6¾	3	3	7	7

Elphinstone Spinning & Weaving Mills Company, Ltd.

(Regd. 1919).

Directors—(1) Fred Stones, Esq., O.B.E., M.L.C., J.P. (*Chairman*); (2) C. P. Wadia, Esq., J.P.; (3) D. K. Daji, Esq.; (4) A. L. Paramor, Esq., M.C.

Agents—Messrs. E. D. Sassoon & Co., Ltd.

Registered Office—E. D. Sassoon Building, Dougall Road, Ballard Estate, Bombay.

Financial year—ends December 31. **Accounts**—published in July.

Dividends—payable in July.

Capital.—Authorised and Subscribed—Rs. 50,00,000 made up as follows:—(1) 25,000 Ordinary shares of Rs. 100 each fully paid=Rs. 25,00,000 (2) 25,000, 7% (Taxable) Cumulative Preference shares of Rs. 100 each fully paid=Rs. 25,00,000.

The Mill consists of 33,848 spindles and 782 looms and is situated at Parel, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	50,00,000	50,00,000	Block - -	50,65,321	50,17,134
Debts - -	30,53,420	25,89,062	Stores - -	1,24,830	1,70,392
			Stock - -	12,44,443	7,47,556
			Outstandings -	46,636	32,325
			Investments -	50,000	50,000
			Cash - -	5,408	5,212
			Profit and Loss Account -	15,16,782	15,66,443
	80,53,420	75,89,062		80,53,420	75,89,062

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	..	..	..	..
Price Range—							
High - - -	5	4	4½	4½	7	7	7¾
Low - - -	1⅜	1¾	⅜	1	1	4	2½

Finlay Mills, Limited.

(**Regd.** April 4, 1906).

Directors—(1) A. Geddis, Esq. (*Chairman*) ; (2) Ambalal Sarabhai, Esq. ; (3) Ramnivas Ramnarain, Esq. ; (4) Sir Chunilal V. Mehta, K.C.S.I. ; (5) G. Furze, Esq. ; (6) C. F. Morris, Esq. (*Ex-Officio*).

Agents—Messrs. James, Finlay & Co., Ltd.

Registered Office—Chartered Bank Buildings, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in April.

Dividends—payable in June.

Capital.—Authorised—Rs. 40,00,000 in 40,000 shares of Rs. 100 each. **Issued and Subscribed**—Rs. 40,00,000 in 40,000 shares of Rs. 100 each fully paid.

The Mill consists of 46,072 spindles and 784 looms and is situated at Government Gate Road, Parel, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	40,00,000	40,00,000	Block (Net) -	24,51,826	24,60,542
Funds - -	2,26,776	6,39,426	Stores - -	3,17,916	3,10,573
Debts - -	3,53,124	4,53,308	Stocks - -	17,23,688	23,32,564
Profit and Loss Account -	2,08,723	2,14,580	Outstandings -	2,41,267	1,92,537
			Cash - -	53,926	11,098
	47,88,623	53,07,314		47,88,623	53,07,314

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	2½%	3%	5%	5%	5%

Price Range—

High - - -	100	132½	140	116¼	170	148¾	218
Low - - -	67½	65	95	100	122½	114	87

Gokak Mills, Limited.

(Regd. November 1919).

Directors—(1) T. V. Baddeley, Esq. (*Chairman*); (2) Tricumdas Gordhandas Khattau, Esq.; (3) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (4) R. W. Bullock, Esq.; (5) Sir Jamsetjee Jejeebhoy, Bart.

Agents—Messrs. Forbes Forbes Campbell & Co., Ltd., Bombay.

Registered Office—Forbes Building, Home Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in April.

Dividends—payable in May and September.

Capital.—Authorised—Rs. 48,00,000 in 48,000 Ordinary Shares of Rs. 100 each.

Issued and Subscribed—Rs. 39,04,700 in 39,047 Ordinary Shares of Rs. 100 each fully paid.

The Company's two Mills consist of 74,328 spindles and are situated at Gokak Falls, Belgaum (Dist.).

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital. - -	39,04,700	39,04,700	Block (Gross) -	63,63,167	64,04,227
* Reserves and Other Funds - -	46,53,214	49,14,705	Stores - -	1,80,244	2,05,760
Debts - -	2,38,342	3,31,204	Stocks - -	13,68,578	12,89,438
Profit and Loss Account -	3,25,532	4,86,125	Outstandings -	1,79,085	3,51,057
			Investments -	6,40,921	8,19,003
			Cash - -	3,89,793	5,67,249
	91,21,788	96,36,734		91,21,788	96,36,734

Inclusive of Depreciation Fund of Rs. 38,90,000 and Rs. 40,40,000 respectively.

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	7%	9%	7%	7%	3%	4%	9%
Price Range—							
High - - -	128¾	198⅛	231	212½	251¼	195	245
Low - - -	104⅜	105⅜	161¼	147½	182	138⅛	114½

Gold Mohur Mills, Ltd.

(Regd. 1926).

Directors—(1) A. Geddis, Esq. (*Ex-Officio*), (*Chairman*); (2) Ambalal Sarabhai, Esq.; (3) Ramniwas Ramnarain, Esq.; (4) Sir Chunilal V. Mehta, K.C.S.I.; (5) C. F. Morris, Esq.; (6) G. Furze, Esq. (*Ex-Officio*).

Agents—Messrs. James Finlay & Co., Ltd.

Registered Office—Chartered Bank Buildings, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in June.

Dividends—payable in June.

Capital.—Authorised, Issued and Subscribed—Rs. 25,00,000 in 25,000 shares of Rs. 100 each fully paid up.

The Mill consists of 37,768 spindles and 1,020 looms, and is situated at Old Dadar Road, Dadar.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	25,00,000	25,00,000	Block - -	43,50,734	50,75,974
			Stores - -	2,37,502	2,91,469
Debts - - -	50,28,198	63,83,042	Stock - -	20,28,285	22,63,500
			Outstandings -	91,442	1,46,780
			Cash - -	1,41,107	1,40,540
			Profit and Loss Account - -	6,78,968	9,64,779
	75,28,198	88,83,042		75,28,198	88,83,042

Hindoostan Spinning & Weaving Mills Company, Ltd.

(Regd. September 1, 1873).

Directors—(1) Hurgovandas Jumnadas Ramji, Esq. (*Chairman*); (2) Vasanji Vithaldas, Esq.; (3) Krishnaraj M. D. Thackersey, Esq.; (4) Padamsey Damodar Govindjee, Esq., J.P.; (5) Vijay M. Merchant, Esq.; (6) Narandas Manmohandas Kamji, Esq.

Agents—Messrs. Thackersey Mooljee & Co.

Registered Office—Sir Vithaldas Chambers, Apollo Street, Fort, Bombay.

Financial year—ends March 31. **Accounts**—published in August.

Dividends—payable in August.

Capital—Authorised and Subscribed—Rs. 12,00,000 in (*i*) 1,184 whole shares of Rs. 1,000 each fully paid and (*ii*) 64 quarter shares of Rs. 250 each fully paid.

The Mill consists of 40,856 spindles and 1,246 looms and is situated at Ripon Road, Jacob Circle, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	12,00,000	12,00,000	Block (Gross)	60,92,374	62,42,294
*Reserves and Other Funds	60,15,743	60,98,743	Stores	65,463	72,022
Debts	6,95,238	8,15,021	Stock	8,15,948	7,39,198
Profit and Loss Account	1,86,271	2,72,282	Outstandings	1,45,952	4,09,447
			Investment	6,35,347	6,35,347
			Cash	3,42,168	2,87,738
	80,97,252	83,86,046		80,97,252	83,86,046

* Inclusive of Depreciation Fund of Rs. 44,07,405 and Rs. 44,90,405 respectively.

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	10%	7½%	7½%	7½%	7½% + 1B	7½% + 1B	7½% + 2½B

Price Range— Rs. 1,000 PAID UP.

	1933	1934	1935	1936	1937	1938	1939
High	1,635	1,905	1,900	1,775	1,750	1,900	1,760
Low	1,350	1,625	1,620	1,525	1,605	1,650	1,400

Indian Bleaching, Dyeing & Printing Works, Ltd.

(Regd. 1908).

Directors—(1) Mafatlal Gagalbhai, Esq. (*Ex-Officio*), (*Chairman*) ; (2) Navinchandra Mafatlal, Esq. ; (3) Bhagubhai Mafatlal, Esq. ; (4) Ebrahim G. Currimbhoy, Esq.

Agents—Messrs. Mafatlal Gagalbhai & Sons.

Registered Office—Rustom Building, 29, Churchgate Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in May.

Dividends—payable in May.

Capital—Authorised—Rs. 18,00,000 in 18,000 shares of Rs. 100 each. **Subscribed and Paid-up**—Rs. 12,00,000 in 12,000 shares of Rs. 100 each, fully paid up.

The Company carries on business in bleaching and dyeing and has installed new plant for mercerising cloth, yarn and printing cloth.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	12,00,000	12,00,000	Block	16,01,252	15,51,462
Reserves and Other Funds	8,27,767	7,91,767	Stores	1,56,222	2,15,804
Debts	4,34,180	6,04,784	Stocks	3,35,704	3,62,783
Profit and Loss Account	6,881	6,881	Outstandings	3,64,226	4,34,825
			Investments	1,000	1,000
			Cash	10,424	37,558
	24,68,828	26,03,432		24,68,828	26,03,432

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	3%	4%	6%	..	4%

Price Range—

High	201¼	156¼	167½	139⅜	168¾	148¾	159
Low	92½	111¼	97½	87½	132½	123¾	80

Indian Manufacturing Co., Ltd.

(Regd. 1882).

Directors—(1) Hurgovandas Jumnadas Ramji, Esq., (*Chairman*); (2) Vasanji Vithaldas, Esq.; (3) Narandas Munmohundas Ramji, Esq.; (4) Krishnaraj M. D. Thakersey, Esq.; (5) Vithaldas Damoder Govindjee, Esq.; (6) Vijay M. Merchant, Esq.

Agents—Messrs. Damodher Thackersey Mooljee & Co.

Registered Office—"Sir Vithaldas Chambers," Apollo Street, Fort, Bombay.

Financial year—ends March 31. **Accounts**—published in August.

Dividends—payable in August.

Capital—Authorised—Rs. 12,00,000 in 800 whole shares of Rs. 1,000 each, Rs. 8,00,000 and in 800 half shares of Rs. 500 each, convertible into 400 shares of Rs. 1,000 each, Rs. 4,00,000. **Issued and Subscribed**—Rs. 9,00,000 in 865 whole shares of Rs. 1,000 each fully paid-up, Rs. 8,65,000 and 70 half shares of Rs. 500 each fully paid-up, Rs. 35,000.

The Mill consists of 48,648 spindles and 1,202 looms and is situated at Ripon Road, Jacob Circle, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	9,00,000	9,00,000	Block	74,44,916	75,02,756
Reserves	17,54,000	17,54,000	Stores	1,83,543	1,63,409
Depreciation Fund.	36,75,178	37,81,178	Stock	11,88,717	10,93,350
Debts	30,97,384	27,09,002	Outstandings	2,86,290	2,69,554
Profit and Loss Account	1,78,417	3,03,212	Cash	5,01,513	4,18,323
	96,04,979	94,47,392		96,04,979	94,47,392

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	10%	7½%	7½%	6%	7%	8%	10%

Price Range—

WHOLE.

High	1,557½	1,725	1,700	1,500	1,300	1,402	1,335
Low	1,150	1,400	1,440	1,205	1,105	1,210	1,220

Indore Malwa United Mills, Ltd.

(Regd. November 9, 1907).

Directors—(1) Govindramji Gordhandasji, Esq., (*Chairman*); (2) Brijmohanji Lachhiramji, Esq.; (3) Brijlalji Ramjidasji, Esq.; (4) Sitaramji Shivnandraiji, Esq.; (5) Muntazim Bahadur, J. L. Mital, M.A., LL.B.; (6) R. C. Jall, Esq., M.A., LL.B.; (7) Narottamdas Vallabhdas, Esq.

Managing Agents—Messrs. Govindram Seksaria.

Registered Office—Seksaria Chambers, 139, Medows Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in September.

Dividends—payable in September.

Capital—Authorised—Rs. 20,00,000 in 20,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 20,00,000 in 20,000 Ordinary shares of Rs. 100 each, fully paid.

Debentures—First Issue—Rs. 20,00,000 in 4,000 Bonds 5% (Tax free) of Rs. 500 each. **Interest**—payable half-yearly on January 15 and July 15. Repayable on November 14,1949 or at any time before this date after six months' notice from the Company. **Second Issue**—Rs. 12,80,400 in 12,804 Bonds 5% (Taxable) of Rs. 100 each. Interest payable half-yearly on January 15 and July 15. Repayable on July 6, 1950 or at any time before this date after six months' notice from the Company.

The Company's two Mills consist of 52,292 spindles and 1,457 looms and are situated at Indore City.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1937	1938	**Assets (in Rs.)**—	1937	1938
Capital - -	20,00,000	20,00,000	Block - -	52,80,868	50,62,142
Debentures -	32,80,400	32,80,400			
Reserves and other Funds - -	58,45,838	57,98,160	Outstandings -	53,24,770	53,32,986
Liabilities -	24,99,623	40,22,717	Liquid Assets -	34,59,729	50,24,188
Profit and Loss Account -	4,39,506	3,18,039			
	1,40,65,367	1,54,19,316		1,40,65,367	1,54,19,316

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	8%	..	..	..	..	..	..
Price Range—							
High - - -	383¾	123¾	117⅛	64⅜	77½	72	65
Low - - -	55	80	53¾	35⅜	46¼	52½	31

Jam Shri Ranjitsinghji Spinning & Weaving Mills Co., Ltd. (Sholapur).

Directors—(1) Balkrishna Sitaram Kamat, Esq., B.A. (*Chairman*); (2) Chatrabhuj Gordhandas Soonderdas, Esq., J.P. (*Ex-officio*); (3) Karsandas Thakersey Rowjee, Esq., J.P.; (4) Mathuradas Dwarkadas, Esq. (*Ex-officio*); (5) Govinddas Maneklal, Esq.

Secretaries, Treasurers and Agents—Messrs. Lalji Naranji & Co.

Registered Office—Ewart House, Tamarind Lane, Fort, Bombay.

Financial Year—ends June 30. **Accounts**—published in December.

Dividends—payable in January.

Capital—Authorised and Issued—Rs. 10,00,000 in 1,000 Ordinary shares of Rs. 1,000 each. **Subscribed and Paid-up**—Rs. 7,85,050. Rs. 7,77,000 in 777 Ordinary shares of Rs. 1,000 each fully paid; to which is added Rs. 8,050 being the amount of 45 shares forfeited.

The Mill consists of 20,820 spindles and 511 looms and is situated at Sholapur.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	7,85,050	7,85,050	Block - -	31,68,510	31,68,940
Depreciation Fund.	13,68,620	14,63,620	Stores - -	99,049	91,682
Reserves and other Funds - -	11,44,309	11,54,309	Stock - -	8,45,999	7,84,320
Debts - -	8,28,961	6,32,909	Outstandings -	1,38,613	2,14,903
Profit and Loss Account -	1,49,792	2,49,184	Investments -	451	451
			Cash - -	24,110	24,776
	42,76,732	42,85,072		42,76,732	42,85,072

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
3%	4%	4%	4%	4%	4% +1%B	7½%

Jubilee Mills, Limited.

Directors—(1) Chamanlal G. Parekh, Esq., (*Chairman*); (2) Hon. Sir H. M. Mehta, Kt.; (3) Mani H. M. Mehta, Esq.; (4) Mathuradas M. Parekh, Esq.

Secretaries, Treasurers and Agents—Messrs. Mangaldas Mehta & Co.

Registered Office—Mubarak Manzil, Apollo Street, Fort, Bombay.

Financial year—ends June 30. **Accounts**—published in December.

Dividends—payable in December.

Capital—Authorised—Rs. 11,25,000 in (*i*) 1,00,000 Ordinary shares of Rs. 10 each and (*ii*) 5,000 Preference shares of Rs. 25 each. **Subscribed**—Rs. 11,25,000 in (*i*) 1,00,000 Ordinary shares of Rs. 10 each fully paid (*ii*) in 5,000 Preference shares of Rs. 25 each fully paid.

The Mill consists of 35,412 spindles and 680 looms and is situated at New Sewri Road, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	11,25,000	11,25,000	Block - -	65,45,472	65,48,939
Share-Premium -	25,00,000	25,00,000	Stores - -	41,409	44,501
Reserve and other Funds - -	4,59,703	4,59,703	Stock - -	5,31,101	4,53,679
Debts - -	39,10,024	37,98,610	Outstandings -	78,473	42,945
			Cash - -	8,947	8,080
			Profit and Loss Account -	7,89,325	7,85,169
	79,94,727	78,83,313		79,94,727	78,83,313

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	..	..	..	..	..	..

Kamala Mills, Limited.

Directors—(1) Sir Badridas Goenka, Kt., C.I.E.; (2) Rai Moongtulall Tapuriah Bahadur; (3) Gajanand Tapuriah, Esq.; (4) Iswari Prasad Goenka, Esq.; (5) Motilal Tapuriah, Esq.; (6) Jugmohan Prasad Goenka, Esq.; (7) Keshav Prasad Goenka, Esq.

Registered Office—145, Muktaram Babu Street, Calcutta.

Financial year—ends December 31. **Accounts**—published in August.

Dividends—payable in August.

Capital—Authorised—Rs. 25,00,000 in 2,20,000 Ordinary shares of Rs. 10 each, Rs. 22,00,000 and 3,000, 6% (Taxable) Cumulative Preference shares of Rs. 100 each, Rs. 3,00,000. **Subscribed**—Rs. 12,00,000 in 90,000 Ordinary shares of Rs. 10 each fully paid-up, Rs. 9,00,000 and 3,000, 6% (Taxable) Cumulative Preference shares of Rs. 100 each fully paid-up, Rs. 3,00,000.

The Mill consists of 38,984 spindles and 1,054 looms and is situated at Tulsi Pipe Line Road, Bombay. This was formerly the Ebrahim Pabaney Mill.

Summary of Last Balance Sheet.

Liabilities (in Rs.)—	1938	**Assets (in Rs.)**—	1938
Capital	12,00,000	Block	10,35,897
Funds	7,078	Stores	1,45,196
Debts	23,38,951	Stock	19,78,689
Profit and Loss Account	32,026	Outstandings	3,99,704
		Investments	4,500
		Cash	14,069
	35,78,055		35,78,055

Khandeish Spinning & Weaving Mills Company, Ltd.

Directors—(1) Chatrabhuj Gordhandas Soonderdas, Esq., J.P. (*Ex-Officio*); (2) Karsandas Thakersey Rowjee, Esq., J.P.; (3) Hurjivan Purshotam, Esq.; (4) Mathuradas Dwarkadas, Esq.

Secretaries and Treasurers—Messrs. Mooljee Jaitha & Co.

Registered Office—Ewart House, Tamarind Lane, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in April.

Dividends—payable in April and October.

Capital—Authorised—Rs. 7,50,000 in (*i*) 625 whole shares of Rs. 1,000 each and (*ii*) 500 quarter shares of Rs. 250 each. **Issued and Subscribed**—Rs. 7,50,000 in (*i*) 625 whole shares of Rs. 1,000 each and (*ii*) 500 quarter shares of Rs. 250 each. **Amount Called-up**—Rs. 7,50,000 in (*i*) 666 whole shares of Rs. 1,000 each and (*ii*) 336 quarter shares of Rs. 250 each.

Whole shares of Rs. 1,000 each and quarter shares of Rs. 250 each, four of which count as one whole share and are transferable for one whole share.

The Mill consists of 22,664 spindles and 459 looms and is situated at Jalgaon (East Khandeish).

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	Assets (in Rs.)—	1938	1939
Capital	7,50,000	7,50,000	Block	31,90,915	31,92,841
Reserves and Other Funds	47,77,524	48,83,591	Stores	25,445	36,015
Debts	2,68,049	5,15,981	Stock	5,14,251	7,31,899
Profit and Loss Account	1,40,409	90,459	Outstandings	7,20,727	8,00,149
			Investments	12,74,207	12,74,207
			Cash	2,10,437	2,04,920
	59,35,982	62,40,031		59,35,982	62,40,031

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
7½%	5% +7½%B*	5%	6%	6%	6%	6%

* Jubilee Bonus.

Khatau Makanji Spinning & Weaving Company, Limited.

(Regd. 1874).

Directors—(1) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E. (*Chairman*); (2) Morarji Mulraj Khatau, Esq. (*Ex-Officio*); (3) Tulsidas Gordhandas, Esq.; (4) Sir Jehangir B. Bomon-Behram, Kt.; (5) Dharamsey M. Khatau, Esq.

Agents—Messrs. Khatau, Makanji and Company.

Registered Office—Laxmi Building, Ballard Pier, Fort, Bombay.

Financial year—ends June. **Accounts**—published in September.

Dividends—payable in November.

Capital—Authorised—Rs. 30,00,000 in (*i*) 20,000 Ordinary shares of Rs. 100 each and (*ii*) 10,000, 6% Cumulative Preference shares of Rs. 100 each.
Issued and Subscribed—Rs. 29,96,750 in (*i*) 19,950 Ordinary shares of Rs. 100 each fully paid-up, (*ii*) 10,000, 6% Cumulative Preference shares of Rs. 100 each fully paid-up and (*iii*) Amount-received on forfeited shares Rs. 1,750/.

The Company's Mill consists of 62,452 spindles and 1,503 looms and is situated at Haines Road, Byculla, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	29,96,750	29,96,750	Block	48,51,892	51,29,476
Reserves and Other Funds	15,54,654	15,54,654	Stores	17,28,361	17,44,893
Debts	47,55,173	44,59,611	Stock	22,69,343	19,32,147
Profit and Loss Account	1,82,332	3,00,657	Investments	2,041	2,041
			Outstandings	5,18,406	4,30,304
			Cash	1,18,866	72,811
	94,88,909	93,11,672		94,88,909	93,11,672

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	2%	3%	6%	4½%

Price Range—

High	91⅞	83¾	92½	82½	110	176¼	127½
Low	60	49	53⅛	55	57½	90	77½

Kohinoor Mills Company, Ltd.

(Regd. July 6, 1896).

Directors—(1) R. C. Lowndes, Esq., (Messrs. Killick, Nixon & Co.), *(Ex-Officio Director and Chairman)*; (2) H. A. H. Payne, Esq.; (3) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (4) Mafatlal Gagalbhai, Esq.; (5) The Hon'ble Mr. Shantidas Askuran; (6) M. S. Captain, Esq.; (7) R. C. Giles, Esq.

Agents—Messrs. Killick, Nixon and Company.

Registered Office—Home Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in March.

Dividends—payable in March.

Capital—Authorised—Rs. 30,00,000 in 30,000 Ordinary shares of Rs. 100 each.
Issued and Subscribed—Rs. 25,00,000 in 25,000 Ordinary shares of Rs. 100 each.
Debentures—Rs. 4,55,000 in 4,550, 4½% Bonds of Rs. 100 each.

Rs. 10,00,000 in 10,000, 7% (Taxable) Bearer Bonds of Rs. 100 each issued at par in 1922 and originally due for repayment at par on 1st May 1932. The date of repayment was then extended for a further period of 5 years and they were redeemable at par on 1st May 1937. The date of repayment of debentures outstanding amounting to Rs. 4,55,000 was again extended for a further period of 5 years from 1st May 1937 with the rate of interest reduced to 4½% per annum and the balance amounting to Rs. 5,45,000 was paid off on 1st May 1937. Interest payable on 1st May and 1st November. Now, the debentures are repayable 1st May 1942.

In February 1938, the Authorised Capital of the Company was increased from Rs. 20,00,000 to Rs. 30,00,000 by the creation of 10,000 new Ordinary shares of Rs. 100 each, out of which 5,000 shares were issued and fully subscribed.

In June 1940, the Issued and Subscribed Capital of the Company was increased further to Rs. 30,00,000 by the issue of the balance 5,000 Ordinary shares of Rs. 100 each at a premium of Rs. 150 per share.

The Mill consists of 87,384 spindles and 1,552 looms and is situated at Naigaum Cross Road, Dadar, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	25,00,000	25,00,000	Block (Net)	40,74,508	43,00,704
Reserves	21,05,358	23,07,249	Stores	2,86,269	4,10,545
Debentures	4,58,223	4,55,000	Stocks	36,22,807	37,33,505
Debts	23,94,990	30,07,290	Outstandings	29,503	2,62,841
Profit and Loss Account	5,64,522	4,47,840	Cash	10,006	9,784
	80,23,093	87,17,379		80,23,093	87,17,379

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	8%	8%	10%	12%	8% + 7%B	10% + 6%B

Price Range—

High	179⅜	219⅜	233¾	254⅜	383¾	348¾	472
Low	116⅞	120⅝	175	180	271⅞	242½	201½

Lakhshmi Cotton Manufacturing Company, Limited.

(Regd. July 7, 1896.)

Directors—(1) A. L. Hutson, Esq., (*Chairman*); (2) Mathuradas Vissanji, Esq.; (3) J. M. B. Gibbons, Esq. ; (4) Vishwanath P. Vaidya, Esq. ; (5) D. M. Khatau, Esq.

Agents and Secretaries—The Bombay Company, Limited.

Registered Office—9, Wallace Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in April.

Dividends—payable in May.

Capital—Authorised—Rs. 16,00,000 in 6,400 Ordinary shares of Rs. 250 each. **Issued and Subscribed**—Rs. 16,00,000 in 6,400 Ordinary shares of Rs. 250 each fully paid.

In 1928, each original share of the Company of Rs. 1,000 each was split up into four shares of Rs. 250 each.

The Mill consists of 45,792 spindles and 1,341 looms and is situated at Sholapur.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	16,00,000	16,00,000	Block - -	61,05,756	62,06,446
Reserves - -	66,61,066	67,22,762	Stores - -	1,93,406	4,42,987
Debts - -	27,31,836	25,82,212	Stocks - -	21,11,362	18,28,889
Profit and Loss Account -	2,02,011	1,96,572	Outstandings -	3,65,440	7,02,666
			Investments -	24,03,374	19,17,952
			Cash - -	15,575	2,606
	1,11,94,913	1,11,01,546		1,11,94,913	1,11,01,546

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	10%	10%	5%	5%	5%	8%	8%

Price Range—

High - - -	980	885	860	665	700	575	655
Low - - -	700	650	600	513¾	570	461¼	400

Madhowji Dharamsi Manufacturing Company, Limited.

(Regd. 1893.)

Directors—(1) A. H. Wadia, Esq., (*Chairman*); (2) Ambalal Sarabhai, Esq.; (3) Dinsha K. Daji, Esq.; (4) R. B. Major Bapurao Powar; (5) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.

Agents—The Provident Investment Co., Ltd.

Registered Office—Foras Road, Bombay.

Financial year—ends March 31. **Accounts**—published in September.

Dividends—payable in September.

Capital—Authorised—Rs. 30,08,300 in (*i*) 28,328 Conversion shares of Rs. 100 each and (*ii*) 35,100 Deferred shares of Rs. 5 each. **Subscribed and Paid-up**—Rs. 30,08,300 in (*i*) 28,328 Conversion shares of Rs. 100 each fully paid and (*ii*) 35,100 Deferred shares of Rs. 5 each fully paid.

In March, 1936, the capital of the Company under a scheme of reorganisation was reduced from Rs. 20,25,000 to Rs. 1,75,500, by the conversion of 13,500 Ordinary shares of Rs. 100 each into 13,500 Deferred shares of Rs. 5 each fully paid, and 2,700 6% Cumulative Preference shares of Rs. 250 each into 21,600 Deferred shares of Rs. 5 each also fully paid and by cancelling 1,500 unissued Ordinary shares of Rs. 100 each. Thereafter the capital was increased to its present figure by re-creation of 28,328 Conversion shares of Rs. 100 each.

The Mill consists of 37,452 spindles and 792 looms and is situated at Foras Road, Tardeo, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	30,08,300	30,08,300	Block	16,51,403	15,93,641
Reserves	33,584	27,881	Stores	1,18,733	65,962
Debts	3,03,382	1,46,442	Stock	8,47,588	7,00,656
Profit and Loss Account	1,59,374	1,94,968	Outstandings	1,97,165	1,51,257
			Investments	6,82,989	6,82,900
			Cash	6,762	1,83,175
	35,04,640	33,77,591		35,04,640	33,77,591

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	2½%	2½%	3%	3%

Price Range—

High	10	8¼	13	13	21	20½	15
Low	7	3¾	3½	5	4¾	11	6½

Madhusudan Mills, Limited.

(Regd. 1934).

Directors—(1) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E., (*Chairman*); (2) Haridas Madhavdas Amersey, Esq.; (3) Ramanlal Gokaldas Saraiya, Esq.; (4) Manmohandas Madhavdas Amersey, Esq.; (5) Nandlal Madhavdas Amersey, Esq., (*Ex-Officio Director*); (6) Tulsidas Manmohandas, Esq.; (7) Nanalal Haridas, Esq.

Agents—Messrs. Amersey Damoder.

Registered Office—DeLisle Road, Lower Parel, Bombay.

Financial year—ends June 30. **Accounts**—published September.

Dividends—payable in October.

Capital—Authorised—Rs. 35,00,000 in 35,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 18,00,000 in 18,000 Ordinary shares of Rs. 100 each fully paid.

The Mill consists of 54,888 spindles and 1,741 looms and is situated at DeLisle Road, Bombay. This was known previously as the Pearl Mills.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	18,00,000	18,00,000	Block - -	16,09,244	16,60,770
Reserves and other Funds - -	7,01,643	10,07,266	Stores - -	1,14,245	1,33,098
Debts - -	13,69,512	11,61,626	Stock - -	21,21,677	20,62,672
Profit and Loss Account -	4,00,914	2,56,983	Outstandings -	2,66,257	3,59,521
			Cash - -	1,60,646	9,814
	42,72,069	42,25,875		42,72,069	42,25,875

Dividend Record—

1935	1936	1937	1938	1939
3%	4%	6%	7%	6%

Meyer Sassoon Mills, Ltd.

(Regd. 1910).

Directors—(1) Fred Stones, Esq., O.B.E., M.L.C., J.P., (*Chairman*); (2) H.A.H. Payne, Esq., J.P.; (3) C.P. Wadia, Esq., J.P.; (4) D.K. Daji, Esq.; (5) A. L. Paramor, Esq., M.C.

Agents—Messrs. E. D. Sassoon & Co., Ltd.

Registered Office—E. D. Sassoon Building, Dougall Road, Ballard Estate, Bombay.

Financial year—ends December 31. **Accounts**—published in July.

Dividends—payable in July.

Capital—Authorised and Subscribed—Rs. 10,00,000 in 10,000 shares of Rs. 100 each, fully paid. **Debentures**—Rs. 12,00,000 in 1,200, 6½% (Taxable) Bearer Bonds of Rs. 1,000 each. These Debentures were issued at par in 1918, originally due for repayment at par in 1929. The life of the Debentures has since been extended indefinitely and they are now terminable by either side at six months' notice.

The Mill consists of 43,488 spindles and 1,021 looms and is situated at Ferguson Road, Lower Parel, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	10,00,000	10,00,000	Block	45,97,929	45,89,253
Debentures	12,00,000	12,00,000	Stores	1,22,833	2,25,393
Debts	41,71,972	34,81,611	Stock	16,97,509	10,77,828
Profit and Loss Account	2,17,292	3,09,040	Outstandings	1,15,813	43,146
			Investments	50,000	50,000
			Cash	5,180	5,031
	65,89,264	59,90,651		65,89,264	59,90,651

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	..	..	..	..
Price Range—							
High	15	10¾	10¾	9¼	19	19	50
Low	9	9	9¼	5⅜	5⅛	9⅛	15

Minerva Mills, Limited.

(Regd. 1920).

Directors—(1) V. N. Chandavarkar, Esq., (*Chairman, Ex-Officio*); (2) W. K. McKee, Esq.; (3) Pingle Venkat Rama Reddy, Esq.; (4) M. N. Pochkhanawalla, Esq.; (5) Maneklal Premchand, Esq.; (6) Mrs. Sundrabai D. Sirur, (*Special Director*).

Managing Agents—Messrs. N. Sirur & Co., Ltd.

Registered Office—Temple Bar Building, 70, Forbes Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital—Authorised—Rs. 30,00,000 in 30,000 Ordinary shares of Rs. 100 each. **Subscribed and Paid-up**—Rs. 24,78,644 in 24,318 Ordinary shares of Rs. 100 each, fully paid, Rs. 24,31,300; add amount on shares forfeited, Rs. 46,844.

Debentures—Authorised—Rs. 15,00,000. **Issued and Subscribed**—Rs. 12,00,000 in 2,400, 5½% First Mortgage Debentures of Rs. 500 each. These Debentures were issued on July 1, 1938 and are repayable on July 1, 1945 on three months' notice. The Company has the option of repaying these Debentures on July 1, 1943, on three months' notice. Interest payable on January 1, and July 1.

The Mill consists of 34,016 spindles and 440 looms and is situated at Bangalore.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	24,76,994	24,78,644	Block	27,76,845	26,06,925
Debentures	12,00,000	12,00,000	Stores	1,96,988	2,52,206
Debts	8,77,837	8,28,258	Stock	15,19,783	10,83,735
Profit and Loss Account	1,01,336	1,39,902	Investments	4,444	1,32,195
			Outstandings	86,841	93,620
			Deposits and Cash.	71,266	4,78,123
	46,56,167	46,46,804		46,56,167	46,46,804

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	2%	2%	3%	3%	3½%

Price Range—

High	..	..	..	..	83¾	65	82½
Low	..	..	..	..	60	54	52

Model Mills (Nagpur), Limited.

(**Regd.** August 12, 1920).

Directors—(1) The Hon'ble Sir Maneckji B. Dadabhoy, K.C.S.I., K.C.I.E., Kt., (*Chairman*); (2) Rai Bahadur Raja Sir Bisesardass Daga, K.C.I.E., Kt., (*Ex-Officio Director*); (3) The Hon'ble Mr. Shantidas Askuran, J.P.; (4) Sir Homi Mehta, Kt.; (5) Rai Bahadur Narsingdass Daga; (6) Manecksha N. Pochkhanawalla, Esq.; (7) Lachhmandass H. Daga, Esq., (*Special Director*).

Agents—Messrs. Bansilal Abirchand Dadabhoy & Co.

Registered Office—Kent House, Sir Phirozshah Mehta Road, Fort, Bombay.

Financial year—ends June 30. **Accounts**—published in November.

Dividends—payable in November.

Capital—Authorised—Rs. 2,00,00,000 in 80,000 Ordinary shares of Rs. 250 each. **Issued**—Rs. 1,00,00,000 in 40,000 Ordinary shares of Rs. 250 each. **Subscribed**—Rs. 99,02,750 in 39,611 Ordinary shares of Rs. 250 each, fully paid, less 2,274 shares forfeited, Rs. 5,68,500. Add amount received on forfeited shares, Rs. 1,57,600. Total Rs. 94,91,850.

The Mill consists of 52,408 spindles and 952 looms and is situated at Umrer Road, Nagpur, C.P.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	94,91,850	94,91,850	Block (Gross) -	1,22,68,343	1,23,20,255
*Reserve and other Funds - -	19,24,900	21,84,394	Stores - -	1,81,365	2,29,806
Debts - -	32,44,289	25,76,116	Stocks - -	22,47,721	19,06,974
Profit and Loss Account -	2,50,835	4,10,403	Outstandings -	1,91,290	1,81,352
			Cash - -	23,155	24,376
	1,49,11,874	1,46,62,763		1,49,11,874	1,46,62,763

*Inclusive of Depreciation Fund of Rs. 19,15,420 & Rs. 21,60,000 respectively.

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	..	..	..	..

Price Range—

High - - - ..	75	83	72	74⅜	75	55½
Low - - - ..	46¾	46	35	39½	39½	39

Modern Mills, Limited.

Directors—(1) V. N. Chandavarkar, Esq., (*Chairman, Ex-Officio*); (2) S. C. Cambata, Esq.; (3) M. N. Pochkhanawalla, Esq.; (4) Pingle Venkat Rama Reddy, Esq.; (5) Jyotendra L. Mehta, Esq.; (6) Mrs. Sundrabai D. Sirur, (*Special Director*).

Managing Agents—Messrs. N. Sirur & Co., Ltd.

Registered Office—Temple Bar Building, 70, Forbes Street, Fort, Bombay.

Financial year—ends October 31. **Accounts**—published in April.

Dividends—payable in April.

Capital—Authorised—Rs. 15,04,500 in (*i*) 30,000 Ordinary shares of Rs. 50 each and (*ii*) 4,500 Employee shares of Re. 1 each. **Subscribed and Paid-up**—Rs. 8,87,600 in 17,752 Ordinary shares of Rs. 50 each.

Debentures—Rs. 12,00,000 in 6½% First Mortgage Debenture loan. These Debentures are secured by mortgage on all the fixed assets except the electrical equipment.

The Company's two Mills consist of 34,824 spindles and 400 looms and are situated one at Elphinstone Road, Parel, and the other at Mahaluxmi, Bombay. Formerly, Mill No. 1 was known as Mysore Spinning & Manufacturing Co., Ltd., and the Mill, No. 2 was the Eomanji Petit Mill.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	8,61,345	8,87,600	Block - -	28,84,858	30,01,337
			Stores - -	91,128	1,51,411
Debentures -	12,00,000	12,00,000	Stocks - -	14,49,359	11,54,305
			Outstandings -	2,88,863	3,17,915
Debts - -	27,18,933	26,02,025	Cash - -	5,106	4,434
			Profit and Loss Account -	60,964	60,223
	47,80,278	46,89,625		47,80,278	46,89,625

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	..	..	..	..	..	..

Morarjee Goculdas Spinning & Weaving Company, Ltd.

(**Regd.** August 10, 1871.)

Directors—(1) Sir Joseph Kay, Kt., (*Chairman*) ; (2) Vaman S. Apte, Esq.; (3) Tansukhrai M. Karaundia, Esq., (*Ex-Officio*) ; (4) Baijnath Chatarbhuj, Esq. ; (5) Gordhandas Govindji, Esq. ; (6) Kantilal Nahalchand, Esq. ; (7) Raghunath B. Apte, Esq. ; (8) B. S. Dabke, Esq.

Agents—Messrs. Ganesh Narayan Piramal.

Registered Office—Suparibaug Road, Parel, Bombay.

Financial year—ends June 30. **Accounts**—published in October.

Dividends—payable in November.

Capital—Authorised—Rs. 12,00,000 in 12,000 Ordinary shares of Rs. 100 each. **Issued, Subscribed and Paid-up**—Rs. 11,50,000 in 11,500 Ordinary shares of Rs. 100 each.

Debentures—Rs. 25,00,000 in 2,475 5% (Tax-free) Bearer Bonds of Rs. 1,000 each and 100 Bonds of Rs. 250 each. These Debentures were issued on June 30, 1938. They are repayable on June 30, 1948, with the option of repayment at any time after June 30, 1943, on six months' notice. Interest payable on January 1 and July 1.

In June 1938, the original shares of Rs. 1,000 each were subdivided into 10 shares of Rs. 100 each. The Mill consists of 57,432 spindles and 1,667 looms and is situated at Suparibaug Road, Parel, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	11,50,000	11,50,000	Block (Net) -	72,87,990	71,52,000
Debentures -	9,82,000	25,00,000	Stores - -	1,15,443	1,38,148
Reserves - -	31,88,270	32,34,214	Stocks - -	26,58,867	24,49,580
Debts - -	46,69,404	28,54,292	Outstandings -	57,401	93,075
Profit and Loss Account -	1,37,567	1,05,092	Cash - -	7,540	10,795
	1,01,27,241	98,43,598		1,01,27,241	98,43,598

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	..	4%	5%+1B	5%+1B

Price Range—

High - - -	525	575	1,560	905	1,105	1,382½	146⅜*
Low - - -	298¾	175	510	705	590	945	105*

* Paid up Rs. 100.

Mysore Spinning and Manufacturing Company, Limited.

(Regd. 1894).

Directors—(1) V. N. Chandavarkar, Esq. (*Ex-Officio, Chairman*); (2) S. C. Cambata, Esq.; (3) Jyotendra L. Mehta, Esq.; (4) M. N. Pochkhanawalla, Esq.; (5) Maneklal Premchand, Esq.; (6) F. B. Thornely, Esq.; (7) Mrs. Sundrabai D. Sirur, (*Special Director*).

Managing Agents—Messrs. N. Sirur & Co., Ltd.

Registered Office—Temple Bar Building, 70, Forbes Street, Fort, Bombay.

Financial year—ends February. **Accounts**—published in September.

Dividends—payable in September and February.

Capital.—Authorised—Rs. 15,00,000 in 30,000 Ordinary shares of Rs. 50 each.

Paid-up—Rs. 12,46,310 in 24,898 Ordinary shares of Rs. 50 each.

The Mill consists of 49,720 spindles and 520 looms and is situated at Malleswaram, Bangalore City.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)—**	1938	1939
Capital - -	12,46,310	12,46,310	Block -	21,76,028	20,62,089
Reserves - -	11,05,100	11,45,100	Stores - -	3,27,137	2,94,018
Debts - -	38,47,546	37,59,303	Stock - -	18,43,223	19,04,866
Profit and Loss Account -	1,11,529	1,57,775	Outstandings -	10,10,383	11,53,871
			Investments -	8,00,303	8,38,592
			Cash - -	1,53,411	55,052
	63,10,485	63,08,488		63,10,485	63,08,488

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	5%	5%	10%	10%	10%	10%	10%

Price Range—

High - - - ..	108¾	111¼	105	130	105	138
Low - - - ..	80	88¾	81¼	105	87	79¼

New China Mills, Limited.

Directors—(1) Seth Mafatlal Gagalbhai, (*Chairman*); (2) Chandulal Pitambardas, Esq.; (3) Kaushikprasad Chandulal, Esq.; (4) Navinchandra Mafatlal, Esq.; (5) Bhagubhai Mafatlal, Esq., (*Managing Director*).

Registered Office—29, Rustom Building, Churchgate Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in June.

Capital—Authorised—Rs. 35,00,000 in 3,500 Ordinary shares of Rs. 1,000 each. **Subscribed and Paid-up**—Rs. 13,25,000 in 1,325 Ordinary shares of Rs. 1,000 each.

The Mill is situated at Sewree, Bombay and consists of 38,368 spindles and 790 looms. Formerly known as the China Mill.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	13,25,000	13,25,000	Block - -	50,15,577	51,62,667
Reserve Fund -	6,48,135	6,48,135	Stores - -	5,57,738	8,43,532
Depreciation Fund	20,12,426	24,52,594	Stock-in-trade -	12,90,012	8,15,300
Debts - -	33,09,476	31,64,338	Outstandings -	1,95,740	2,29,904
			Dead Stock -	1,670	1,847
			Cash - -	6,806	17,074
			Profit and Loss Account -	2,27,494	5,19,743
	72,95,037	75,90,067		72,95,037	75,90,067

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	..	..	..	.	..	..

New City of Bombay Manufacturing Company, Ltd.

(**Regd.** May 11, 1905.)

Directors—(1) Sir Joseph Kay, Kt., (*Chairman, Ex-Officio*) ; (2) Sir Kikabhai Premchand, Kt. ; (3) Sir Byramjee Jeejeebhoy, Kt. ; (4) Sir Jamsetjee Jejeebhoy, Bart. ; (5) H. E. Jones, Esq.; (6) R. L. Ferard, Esq., (*Special Director*) ; (7) K. C. Cooper, Esq., (*Debenture Director*).

Managing Agents—Messrs. W. H. Brady & Co., Ltd.

Registered Office—12-14, Churchgate Street, Fort, Bombay

Financial year—ends December 31. **Accounts**—published in March.

Dividends—payable in March.

Capital.—Authorised—Rs. 10,00,000 in 10,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 6,00,000 in 6,000 Ordinary shares of Rs. 100 each fully paid.

Debentures—Rs. 10,00,000 in 1,000 4¾% (Tax-free) Bonds of Rs. 1,000 each. These Debentures were issued in August 1930, repayable in August 1935 with interest at the rate of 7% (Tax-free). The rate of interest was reduced to 6% (Tax-free) in 1933 and again to 5½% (Tax-free) in 1935. The date of repayment of these Debentures was extended to August 14, 1938, and again extended to August 14, 1940. The rate of interest was still further reduced to 4¾% (Tax-free) in 1938 Interest payable on February 14 and August 14.

The Mill consists of 45,944 spindles and 432 looms and is situated at Albert Road, Chinchpoogly, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	6,00,000	6,00,000	Block (Net)	29,05,714	27,70,308
Debentures	10,00,000	10,00,000	Stores	1,01,525	1,17,149
Reserves	15,995	1,50,000	Stocks	5,90,844	4,69,123
Debts	16,29,692	15,14,781	Outstandings	16,827	31,950
Profit and Loss Account	3,89,612	2,04,046	Cash	20,389	80,297
	36,35,299	34,68,827		36,35,299	34,68,827

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	..	..	12½%	12½%

Price Range—

High	68¾	60	47½	47½	115	130	230
Low	35	35	30	24	47	80⅝	90

New Great Eastern Spinning & Weaving Company, Limited.

(**Regd.** 1874.)

Directors—(1) Sir Joseph Kay, Kt., (*Chairman*); (2) Hon. Mr. Shantidas Askuran; (3) Sir Byramjee Jeejeebhoy, Kt.; (4) Sir Kikabhai Premchand, Kt.; (5) Sir Jamsetjee Jejeebhoy, Bart.; (6) H. E. Jones, Esq.; (7) R. L. Ferard, Esq., (*Ex-Officio*).

Secretaries and Agents—Messrs. W. H. Brady & Co., Ltd.

Registered Office—12-14, Churchgate Street, Bombay.

Financial year—ends December 31. **Accounts**—published in March.

Dividends—payable in March.

Capital—Authorised—Rs. 23,00,000 in (*i*) 7,500 Ordinary shares of Rs. 200 each and (*ii*) 4,000 5½% (Taxable) Cumulative Preference shares of Rs. 200 each. **Issued, Subscribed and Paid-up**—Rs. 23,00,000 in (*i*) 7,500 Ordinary shares of Rs. 200 each fully paid and (*ii*) 4,000 5½% (Taxable) Cumulative Preference shares of Rs. 200 each fully paid.

The Mill consists of 46,884 spindles and 1,029 looms and is situated at Victoria Gardens Road, Chinchpoogly, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	23,00,000	23,00,000	Block	34,18,478	33,28,317
Reserves and Other Funds	6,90,270	7,15,267	Stores	1,43,821	2,00,045
Debts	16,29,027	16,66,119	Stocks	12,75,052	11,07,595
Profit and Loss Account	3,79,557	1,84,970	Debts	1,22,354	2,03,837
			Cash	39,149	26,562
	49,98,854	48,66,356		49,98,854	48,66,356

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	..	..	5%	5%

Price Range—

High	193¾	217½	221⅞	175⅝	335	280	495
Low	105⅝	107½	110	93¼	168¾	183¾	166

New Union Mills, Limited.

(**Regd.** 14th January 1937).

Directors—(1) A. Pether, Esq. (*Chairman*) (*Ex-Officio*); (2) C. R. M. Tippet, Esq.; (3) Sir Ishwardas Lukhmidas, Kt.; (4) Manecksha N. Pochkhanawalla, Esq.; (5) L. B. Green, Esq.

Managing Agents—Messrs. David Sassoon & Company, Ltd.

Registered Office—59, Forbes Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in April.

Dividends—payable in May.

Capital—Authorised—Rs. 15,00,000 in 150,000 Ordinary shares of Rs. 10 each.

Subscribed—Rs. 1,270,100 in 127,010 Ordinary shares of Rs. 10 each fully paid.

The Mill consists of 33,632 spindles and 873 looms and is situated at Lower Parel, Bombay. Formerly, knwon as the Union Mills.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	12,70,100	12,70,100	Block	12,10,774	11,55,937
			Stores	84,216	1,87,035
Reserve and Other Funds	14,536	13,286	Stock	7,74,516	7,37,990
			Outstandings	17,116	15,640
			Cash	3,018	3,016
Debts	8,37,566	9,00,758	Profit and Loss Account	32,562	84,526
	21,22,202	21,84,144		21,22,202	21,84,144

Dividend Record—

1937	1938	1939
..	..	..

Osmanshahi Mills, Limited.

(INCORPORATED IN 1922, IN HYDERABAD, DECCAN.)

Directors—(1) Sir Theodore Tasker, C.I.E., O.B.E., I.C.S.; (2) Nawab Sir Akeel Jung Bahadur ; (3) Mohd. Liakatulla Khan, Esq., H.C.S. ; (4) Khan Bahadur Ahmed Alladin, O.B.E. ; (5) Nadirsha B. Chinoy, Esq., B.A., LL.B. ; (6) Mohanlal Malani, Esq. ; (7) C. S. Tyabjee, Esq.

Secretaries, Treasurers & Agents—The Industrial Trust Fund, H. E. H The Nizam's Government.

Registered Office—159, Gunfoundry Road, Hyderabad (Deccan.)

Financial year—ends October. **Accounts**—published in February-March.

Dividends—payable in March.

Capital.—Authorised—Rs. 1,00,00,000 in 100,000 shares of Rs. 100 each. **Issued**—Rs. 95,00,000 in 95,000 shares of Rs. 100 each. **Subscribed**—Rs. 50,00,000 in 50,000 shares of Rs. 100 each fully paid. Less 5,052 shares forfeited Rs. 5,05,200. Total Rs. 44,94,800.

Debentures—Outstanding Rs. 7,00,000 secured on immovable property and plant.

The Mill consists of 24,708 spindles and 469 looms and is situated at Nanded, Hyderabad.

Summary of Last Two Balance Sheets.

Liabilities (in B.G. Rs.)—	1938	1939	**Assets (in B.G. Rs.)**—	1938	1939
Capital	44,93,400	44,94,800	Block	31,11,178	30,83,609
Debentures	7,50,000	7,00,000	Stores	1,38,070	2,05,069
Reserves and other Funds	5,31,747	5,32,121	Stock	24,04,812	21,44,088
Debts	26,17,248	26,41,033	Outstandings	18,95,384	20,22,914
Profit and Loss Account	2,11,449	2,18,705	Investments	10,28,360	10,28,360
			Cash	26,040	1,02,619
	86,03,844	85,86,659		86,03,844	85,86,659

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	..	1%	..	..	2%	..

Phœnix Mills, Limited.

(Regd. January 27, 1905.)

Directors—(1) Jamsetjee Ardaseer Wadia, Esq. (*Chairman*); (2) Ramniwas Ramnarain, Esq. (*Ex-Officio*); (3) Paliram Muthradas, Esq.; (4) Sir Alwyn Ezra, Kt.; (5) Madanmohan Ramnarain, Esq.; (6) Dinsha K. Daji, Esq.

Agents—Messrs. Ramnarain Harnandrai & Sons.

Registered Office—143, Mahatma Gandhi Road, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in May.

Dividends—payable in May.

Capital.—Authorised—Rs. 8,00,000 in 8,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 8,00,000 in 8,000 Ordinary shares of Rs. 100 each fully paid.

The Mill consists of 54,244 spindles and 728 looms and is situated at Tulsi Pipe Line Road, Lower Parel, Bombay. Formerly, known as the Britannia Mills.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	8,00,000	8,00,000	Block	53,54,535	54,09,186
Reserve and other Funds	32,42,832	31,62,832	Stores	1,36,343	1,20,965
Depreciation Fund.	24,04,820	25,04,820	Stocks	30,79,102	19,51,826
Debts	21,99,647	15,36,316	Outstandings	1,85,083	3,24,955
Profit and Loss Account	1,32,337	....	Investment	12,275	12,275
			Dead Stock	10,473	8,394
			Cash	1,825	2,013
			Profit and Loss Account	....	1,74,354
	87,79,636	80,03,968		87,79,636	80,03,968

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	10%	10%	10%	10%	10%	10%	..

Price Range—

High	348¾	315	322½	271¼	345	292½	330
Low	250	250	270	251¼	250	220	200

Podar Mills, Limited.

Directors—(1) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E. (*Chairman*); (2) Ramdeo Anandilal Podar, Esq.; (3) The Hon'ble Mr. M. Ct. M. Chidambaram Chettyar; (4) Pranlal Devkaran Nanjee, Esq., J.P.; (5) Ramnath Anandilal Podar, Esq. (*Ex-Officio*).

Managing Agents—Messrs. Podar Sons, Limited.

Registered Office—Podar Chambers, Fort Bombay.

Financial Year—ends September 30. **Accounts**—published in January.

Dividends—payable in February.

Capital.—Authorised—Rs. 20,00,000 in 20,000 Ordinary shares of Rs. 100 each. **Subscribed**—Rs. 20,00,000 in 20,000 Ordinary shares of Rs. 100 each fully paid.

The name of the Company was changed from "The Toyo Podar Cotton Mills, Ltd." to "The Podar Mills, Ltd." from 8th February 1939. Messrs. Podar & Sons, Ltd., were appointed as Managing Agents from 1st March 1939. The Company was changed from a Private Company into a Public Limited Liability Company from 11th July 1939.

The Mill consists of 31,160 spindles and 920 looms and is situated at DeLisle Road, Chinchpoogli, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	20,00,000	20,00,000	Block - -	21,38,938	21,39,370
Reserve and other Funds - -	1,70,454	3,70,836	Stores - -	46,486	31,235
Debts - -	3,50,567	4,42,294	Stock - -	6,80,887	9,12,203
Profit and Loss Account -	3,73,813	5,39,306	Outstandings -	10,693	26,251
			Cash - -	17,830	1,43,377
			Investments -	....	1,00,000
	28,94,834	33,52,436		28,94,834	33,52,436

Dividend Record—

1939
6% + 1½% B

Sassoon and Alliance Silk Mill Company, Limited.

(Regd. April 27, 1883.)

Directors—(1) A. Pether, Esq. (*Ex-Officio*), (*Chairman*); (2) C. R. M. Tippet, Esq.; (3) Sir Ishwardas Lukhmidas, Kt.; (4) Sir Chunilal V. Mehta, K.C.S.I.; (5) Manecksha N. Pochkhanawalla, Esq.

Managing Agents—Messrs. David Sassoon & Co., Ltd.

Registered Office—59, Forbes Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in April.

Dividends—payable in May.

Capital.—Authorised—Rs. 2,00,000 in 20,000 Ordinary shares of Rs. 10 each. **Issued and Subscribed**—Rs. 2,00,000 in 20,000 Ordinary shares of Rs. 10 each fully paid.

In 1931, the Capital of the Company was reduced from Rs. 10,00,000 to Rs. 5,00,000 by reducing the nominal value of each share from Rs. 50 to Rs. 25 and returning to the shareholders Rs. 25 per share. In 1937, the capital of the Company was further reduced from Rs. 5,00,000 to Rs. 2,00,000 by reducing the nominal value of each share from Rs. 25 to Rs. 10 and returning to the shareholders Rs. 15 per share.

The Mill consists of 290 looms and is situated at Mazagaon, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	2,00,000	2,00,000	Block (Net) -	1,93,717	1,95,948
Reserves and other Funds - -	4,51,590	4,39,987	Stores and Spares.	22,992	1,27,188
Debts - -	64,950	88,859	Stocks - -	47,793	1,64,949
Profit and Loss Account -	1,25,678	1,07,603	Outstandings -	1,68,940	20,941
			Cash - -	4,08,776	3,27,423
	8,42,218	8,36,449		8,42,218	8,36,449

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	8%	12%	50%	50%	50%

Price Range—

High - - -	50	45⅝	42	50	77½	77	91¼
Low - - -	40	30	34¾	34	47	55	65

Seksaria Cotton Mills, Limited.

(Regd. 1938.)

Directors—(1) Seth Govindram Gordhandas, (*Chairman*); (2) Seth Makhanlal Gordhandas; (3) Seth Shubhkharan Bholaram; (4) Seth Damodarlal Mansingka; (5) Seth Prahladrai Brijlal.

Managing Agents—Messrs. Govindram Bros. Ltd.

Registered Office—DeLisle Road, Lower Parel, Bombay.

Financial Year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital.—Authorised—Rs. 25,00,000 in 25,000 Ordinary shares of Rs. 100 each.

Subscribed—Rs. 15,00,000 in 15,000 Ordinary shares of Rs. 100 each fully paid.

The Company's two Mills consist of 87,688 spindles and 1,048 looms and are situated at DeLisle Road, Lower Parel, Bombay. Formerly, they were known as Currimbhoy Mills and Mahomedbhoy Mills.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)—**	1938	1939
Capital - -	15,00,000	15,00,000	Block - -	13,35,072	19,95,011
Funds - -	2,000	2,000	Stores - -	1,12,041	2,63,020
Debts - -	25,23,649	33,58,435	Stock - -	23,71,461	20,61,752
Profit and Loss Account -	36,406	....	Outstandings -	2,16,698	4,76,675
			Cash - -	26,783	33,177
			Profit and Loss Account -	....	30,800
	40,62,055	48,60,435		40,62,055	48,60,435

Dividend Record—

1938	1939
..	..

Sholapoor Spinning & Weaving Company, Limited.

(Regd. 1874).

Directors—(1) Vithaldas Damoder Govindji, Esq., J.P., (*Chairman*); (2) Ramkumar Shreeniwas, Esq. (*Ex-Officio*); (3) T. R. N. Cama, Esq., J.P.; (4) Dwarkadas Shreeniwas, Esq. (*Special Director*); (5) Dr. G. V. Deshmukh, M.D. (LOND.), F.R.C.S. (ENG.), M.L.A.; (6) Krishnaraj Madhavji Thakersey, Esq., B.A.; (7) Hooseinbhoy A. Laljee, Esq., M.L.A.; (8) Cooverji Hormusji Bhabha, Esq., M.A., B. COM.

Managing Agents—Morarka and Company.

Registered Office—Standard Building, Fort, Bombay.

Financial Year—ends March 31. **Accounts**—published in October.

Dividends—payable in November.

Capital.—Authorised—Rs. 8,00,000 in 800 Ordinary shares of Rs. 1,000 each. **Issued, Subscribed and Paid-up**—Rs. 8,00,000 in 800 Ordinary shares of Rs. 1,000 each. **Debentures**—Rs. 70,00,000 in 7,000, 7% (Taxable) Bearer Debentures of Rs. 1,000 each issued in 1930 at par, redeemable on 1st July 1940 out of a sinking fund, established 1st April 1931 of which 3% to be applied annually in redeeming stock. Up to 31st March 1939, Rs. 16,80,000 had been redeemed, less Debentures pledged against loans Rs. 12,16,988. In August 1938, the date of repayment of Debentures was extended to 1st July 1950 and the rate of interest was reduced to 5% per annum from 1st July 1940. The Company has the option of redeeming the whole of the Debentures on 1st July 1945 or on 1st July in any subsequent year on 6 months' notice.

The Company's three Mills consist of 1,00,588 spindles and 2,234 looms and are situated at Station Road, Sholapoor.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)—**	1938	1939
Capital	8,00,000	8,00,000	Block	1,71,57,851	1,71,55,598
Debentures	42,64,973	41,03,012	Stores	3,54,707	4,03,563
Debenture Sinking Fund	16,80,000	18,90,000	Stocks	23,39,333	29,10,787
Reserves and Other Funds	1,12,44,480	1,12,44,480	Debts and Advances	6,62,801	10,86,253
Liabilities	26,23,334	27,46,971	Investments	1,72,096	1,72,097
Profit and Loss Account	1,17,773	9,81,829	Other Assets	21,400	10,000
			Cash	22,372	27,994
	2,07,30,560	2,17,66,292		2,07,30,560	2,17,66,292

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	6%	6%	6%	5%	..	6%	6%
Price Range—							
High	3,100	3,420	3,040	2,600	2,575	2,650	3,250
Low	1,570	2,800	2,600	2,000	1,775	1,860	1,610

Shree Niwas Cotton Mills, Limited.

(Regd. 1935).

Directors—(1) Seth Ramcoowar Bangur ; (2) Babu Gobindlall Bangur ; (3) Babu Hazarimal Somani.

Managing Agents—The Marwar Textiles (Agency) Ltd.

Registered Office—DeLisle Road, Bombay, 13.

Financial Year—ends December 31. **Accounts**—published in August.

Dividends—payable in August.

Capital—Authorised—Rs. 30,00,000 in 30,000 Ordinary shares of Rs. 100 each. **Subscribed**—Rs. 24,00,000 in 24,000 shares of Rs. 100 each, fully paid.

The Mill consists of 62,716 spindles and 1,908 looms and is situated at Tulsi Pipe Line Road, DeLisle Road, Bombay. The Mill was formerly known as Fazulbhoy Mills, Ltd.

The Mill was acquired in the end of 1934, but commenced working in 1935. The Company installed an up-to-date Dyeing and Bleaching Plant in a nice building on an adjoining plot of land measuring 11,258 sq. yards specially purchased for that purpose. Printing Plant has also been installed recently. Many alterations and additions have been effected. Old Spinning Frames have been replaced with new ones. A complete new Blow-Room was also installed in 1937. Mills' working is improving steadily.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	24,00,000	24,00,000	Block (Net) -	24,04,757	24,13,792
Debts - -	36,14,922	33,24,939	Stores - -	1,24,564	4,40,977
Profit and Loss Account -	....	2,21,972	Stock - -	26,84,440	25,77,833
			Outstandings -	4,99,483	3,49,765
			Investments -	1,29,062	1,29,062
			Cash - -	13,868	35,482
			Profit and Loss Account -	1,58,748	....
	60,14,922	59,46,911		60,14,922	59,46,911

Dividend Record—

1935	1936	1937	1938	1939
..	..	..	..	..

Shree Ram Mills, Limited.

Directors:—(1) Pirojsha N. Mehta, Esq. (*Chairman*); (2) Bhogilal Leherchand, Esq.; (3) Dolatram Moolchand, Esq.; (4) Newandram J. Bajaj, Esq.; (5) N. N. Master, Esq.; (6) Framroz D. Mehta, Esq.; (7) Vadilal Mansukhram Parikh, Esq.; (8) Nagardas Chaturdas Zaveri, Esq.

Agents—Messrs. Pirojsha M. Bhogilal & Co.

Registered Office—Cook's Building, 324, Hornby Road, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in May.

Dividends—payable in July.

Capital.—Authorised—Rs. 16,00,000 in 16,000 Ordinary shares of Rs. 100 each. **Subscribed**—Rs. 16,00,000 in 16,000 Ordinary shares of Rs. 100 each fully paid.

The Mill consists of 38,776 spindles and 912 looms, and is situated at Ferguson Road, Worli, Bombay. Formerly, known as the Crescent Mills.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	16,00,000	16,00,000	Block - -	22,96,255	23,30,391
Funds - -	3,39,763	4,85,110	Stores - -	91,354	2,13,403
Debts - -	26,16,065	20,77,456	Stock - -	18,78,886	15,52,804
Profit and Loss Account - -	71,996	1,35,016	Outstandings -	3,53,899	1,95,881
			Cash - -	7,455	5,103
	46,27,829	42,97,582		46,27,829	42,97,582

Dividend Record—

1936	1937	1938	1939
..	4%	4%	8%

Simplex Mills Company, Limited.

(Regd. November 6, 1912.)

Directors:—(1) T.V. Baddeley, Esq., (*Chairman*); (2) The Hon'ble Mr. Shantidas Askuran ; (3) Sir Purshotamdas Thakurdas, KT., C.I.E., M.B.E. ; (4) R. W. Bullock, Esq. ; (5) B. N. Karanjia, Esq.

Agents—Messrs. Forbes, Forbes, Campbell & Co., Ltd.

Registered Office—Forbes Buildings, Home Street, Fort, Bombay.

Financial Year—ends March 31. **Accounts**—published in June.

Dividends—payable in June.

Capital.—Authorised—Rs. 14,00,000 in 28,000 Ordinary shares of Rs. 50 each. **Issued and Subscribed**—Rs. 14,00,000 in 28,000 Ordinary shares of Rs. 50 each, fully paid. **Debentures**—Rs. 10,00,000 less redeemed Rs. 2,00,000 now outstanding Rs. 8,00,000 carrying interest at 4¾%. This loan was issued in 1932.

Rs. 25,00,000 in 4½% Second Mortgage Loan. Now outstanding Rs. 6,00,000. This loan was issued in 1926. Rs. 5,00,000 was repaid in May 1927 ; Rs. 2,50,000 was paid in cash and Rs. 10,00,000 by the issue of 20,000 new Ordinary shares of Rs. 50 each in 1932. Rs. 50,000 was paid in 1938 and Rs. 1,00,000 was paid in 1939.

The date of repayment of these loans was extended to 31st May 1947. Interest payable on June 30 and December 31.

The Mill consists of 36,408 spindles and 1,298 looms and is situated at Clerk Road, Jacob Circle, Byculla, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1939	1940	**Assets (in Rs.)—**	1939	1940
Capital	14,00,000	14,00,000	Block (Gross)	50,41,373	50,45,396
Depreciation Fund.	24,83,099	27,03,099	Stores	45,869	1,58,913
Reserve Fund	6,78,240	6,78,240	Stocks	12,74,117	16,18,350
Debentures	15,00,000	14,00,000	Outstandings	13,344	27,199
Debts	3,76,258	5,42,563	Cash	4,17,183	32,171
Profit and Loss Account	3,54,289	1,58,127			
	67,91,886	68,82,029		67,91,886	68,82,029

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939	1940
	5%	..	4%	2½%	4%	7%	8%	3%

Price Range—

High	73¾	100	106¼	90⅝	102½	121¼	94	146
Low	16	57½	71¼	58⅛	60	84⅜	67½	62¼

Sir Shapurji Broacha Mills, Limited.

Directors—(1) A. H. Wadia, Esq. ; (2) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (3) Ambalal Sarabhai, Esq. ; (4) Dinsha K. Daji, Esq.

Agents—The Provident Investment Co., Ltd.

Registered Office—DeLisle Road, Parel, Bombay.

Financial Year—ends March 31. **Accounts**—published in November.

Dividends—payable in November.

Capital.—Authorised—Rs. 85,84,397-8 in (*i*) 82,036 Conversion shares of Rs. 100 each and (*ii*) 1,52,319 Deferred shares of Rs. 2-8 each. **Issued and Subscribed**—Rs. 85,84,397-8 in (*i*) 82,036 Conversion shares of Rs. 100 each fully paid up and (*ii*) 1,52,319 Deferred shares of Rs. 2-8 each fully paid up.

The Company owns two Mills (1) Connaught Mill and (2) New Empress Mill situated at Chinchpoogly, Bombay. The Mills consist of 65,216 spindles and 1,060 looms.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	85,84,397	85,84,397	Block	55,36,001	53,00,422
Reserves	64,157	....	Stores	4,24,994	3,89,686
Debts	4,01,739	3,55,928	Stock	18,77,543	19,56,253
Profit and Loss Account	4,76,705	5,42,869	Outstandings	4,45,337	2,22,951
			Investments	5,51,184	5,51,184
			Cash	6,91,939	10,62,698
	95,26,998	94,83,194		95,26,998	94,83,194

Dividend Record—

1935	1936	1937	1938	1939
2½%	2½%	2½%	2½%	2½%

Standard Mills Company, Limited.

Directors—(1) Mafatlal Gagalbhai, Esq., (*Chairman*) (*Ex-Officio*) ; (2) Navinchandra Mafatlal, Esq. ; (3) Bhagubhai Mafatlal, Esq., (*Special Director*) ; (4) Damoderdas Amratlal Vasa, Esq. ; (5) Chandulal P. Parakh, Esq.

Agents—Messrs. Mafatlal Gagalbhai & Sons.

Registered Office—29, Rustom Building, Churchgate Street, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in June.

Dividends—payable in June.

Capital.—Authorised, Subscribed and Paid-up—Rs. 2,40,000 in 2,031 Whole shares of Rs. 100 each, Rs. 2,03,100 and 1,476 Quarter shares of Rs. 25 each, Rs. 36,900.

The Authorised Capital of the Company was originally Rs. 12,00,000 but was brought down to the present figures by the refund of Rs. 400 per share on 2,031 Whole shares and Rs. 100 on 1,476 Quarter shares as per resolution of shareholders passed and confirmed on 29th April 1933 and High Court order.

The Company's Mill is situated at Lower Parel, Bombay, and consists of 51,696 spindles and 1,135 looms.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	2,40,000	2,40,000	Block - -	69,37,607	71,80,271
Depreciation Fund.	51,99,447	53,49,447	Stores - -	1,69,661	4,77,165
Reserves and other Funds - -	26,65,793	28,07,404	Stock - -	13,44,778	14,38,343
Debts - -	4,67,816	5,91,898	Outstandings -	3,46,021	3,91,047
Profit and Loss Account -	4,31,428	6,33,241	Investments -	1,12,500	1,12,500
			Cash - -	93,917	22,664
	90,04,484	96,21,990		90,04,484	96,21,990

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	..	60%	80%	80%	80%	100%

Svadeshi Mills Company, Ltd.

(Regd. September 13, 1886.)

Directors—(1) S. D. Saklatvala, Esq., (*Chairman*), (*Ex-Officio*); (2) J. R. D. Tata, Esq., (*Special Director*); (3) Sir H. P. Mody, K.B.E.; (4) D. M. Khatau, Esq.; (5) Sir H. M. Mehta, Kt.; (6) D. D. Romer, Esq.; (7) C. P. Wadia, Esq.

Agents—Messrs. Tata Sons, Ltd.

Registered Office—Bombay House, Bruce Street, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in April.

Dividends—payable in May.

Capital.—Authorised—Rs. 35,00,000 in (*i*) 20,000 Ordinary shares of Rs. 100 each and (*ii*) 15,000 5% (Tax-free) Cumulative Preference shares of Rs. 100 each. **Issued and Subscribed**—Rs. 35,00,000 in (*i*) 20,000 Ordinary shares of Rs. 100 each fully paid and (*ii*) 15,000 5% (Tax-free) Cumulative Preference shares of Rs. 100 each fully paid.

In 1935 the Capital of the Company was increased from Rs. 20,00,000 to its present figure by the creation and issue of 15,000 5% (Tax-free) Cumulative Preference shares of Rs. 100 each to the existing shareholders in the proportion of, as nearly as possible, to the number of ordinary shares held by them.

The Mill consists of 79,288 spindles and 2,150 looms and is situated at Coorla, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	35,00,000	35,00,000	Block (Gross) - -	1,03,72,852	1,03,90,510
*Reserves and other Funds - -	81,46,875	81,38,548	Stores - -	3,13,948	5,12,857
Debts - -	51,50,426	56,01,805	Stocks - -	32,97,148	31,77,522
Profit and Loss Account -	2,64,314	2,19,691	Outstandings -	8,72,950	11,75,786
			Investments -	21,71,082	21,71,082
			Cash - -	33,635	32,287
	1,70,61,615	1,74,60,044		1,70,61,615	1,74,60,044

* Inclusive of Depreciation Fund of Rs. 39,53,428 and Rs. 39,61,656 respectively.

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	4%	4%	5%	6%	9%	7%
Price Range—							
High - - - -	283½	291¼	328¾	199¾	321¼	252½	384
Low - - - -	147½	136⅞	126¼	37½	230	178¾	185½

Swan Mills, Limited.

(Regd. February 22, 1909.)

Directors—(1) A. Geddis, Esq., (*Chairman*); (2) Ambalal Sarabhai, Esq.; (3) Ramniwas Ramnarain, Esq.; (4) Sir Chunilal V. Mehta, K.C.S.I.; (5) G. Furze, Esq.; (6) C. F. Morris, Esq., (*Ex-Officio*).

Agents—Messrs. James Finlay & Co., Ltd.

Registered Office—Chartered Bank Buildings, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in June.

Capital.—Authorised—Rs. 24,00,000 in 24,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 24,00,000 in 24,000 Ordinary shares of Rs. 100 each fully paid.

The Mill consists of 30,428 spindles and 528 looms and is situated at New Sewree Road, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	24,00,000	24,00,000	Block (Net) -	20,47,519	20,71,537
Funds - -	1,07,002	1,47,802	Stores - -	1,73,697	1,89,634
Debts - -	8,38,289	8,68,574	Stocks - -	9,83,872	11,29,965
Profit and Loss Account -	1,29,099	1,26,458	Outstandings -	2,60,056	1,44,230
			Cash - -	9,246	7,468
	34,74,390	35,42,834		34,74,390	35,42,834

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	2½%	5%	5%	5%
Price Range—							
High - - -	71⅞	77½	113¾	101¼	130	112	207
Low - - -	35	29	65	80	85	96	80¾

Tata Mills, Limited.

(Kegd. February 24, 1913.)

Directors—(1) S. D. Saklatvala, Esq., (*Ex-Officio*), (*Chairman*); (2) M. N. Pochkhanawalla, Esq.; (3) Sir H. P. Mody, K.B.E.; (4) P. N. Mehta, Esq.; (5) D. M. Khatau, Esq.; (6) Sir Chunilal V. Mehta, K.C.S.I.; (7) J. R. D. Tata, Esq., (*Special Director*); (8) H. F. Commissariat, Esq.

Agents—Messrs. Tata Sons, Ltd.

Registered Office—Bombay House, 24, Bruce Street, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in April.

Dividends—payable in May.

Capital.—Authorised—Rs. 1,00,00,000 in 2,71,000 Ordinary shares of Rs. 25 each, Rs. 67,75,000 and in 1,29,000 5½% (Taxable) Cumulative Preference shares of Rs. 25 each, Rs. 32,25,000. **Issued and Subscribed**—Rs. 14,99,275 in 52,971 Ordinary shares of Rs. 25 each, Rs. 13,24,275 and 7,000 5½% (Taxable) Cumulative Preference shares of Rs. 25 each, Rs. 1,75,000. **Called and Paid-up**—Rs. 14,98,550 in 52,971 Ordinary shares of Rs. 25 each, Rs. 13,24,275 and in 6,971 5½% (Taxable) Cumulative Preference shares of Rs. 25 each, Rs. 1,74,275. 5½% Cumulative Preferential dividend due since 1929.

Debentures—Rs. 64,00,000. Rs. 1,00,00,000 in 10,000 7¾% (Taxable) Bearer Bonds of Rs. 1,000 each issued in 1923. Subsequently, Rs. 360 was paid off on each Debenture leaving Rs. 640 per Debenture repayable on December 31, 1940. Since January, 1935, the interest was reduced to 3% per annum, cumulative, payable only out of profits.

The Mill consists of 60,932 spindles and 1,800 looms and is situated at Dadar Road, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	14,98,550	14,98,550	Block (Net)	88,21,288	88,21,288
Debentures	64,00,000	64,00,000	Stores and Spares.	2,16,295	4,08,224
Debenture Interest Reserve	4,04,499	3,50,000	Stocks	18,35,537	21,94,957
Funds	21,945	1,08,697	Outstandings	1,18,813	2,52,160
Debts	29,81,809	36,43,557	Investments	2,25,000	2,25,000
			Cash	19,937	29,242
			Profit and Loss Account	69,933	69,933
	1,13,06,803	1,20,00,804		1,13,06,803	1,20,00,804

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	..	..	..	..
Price Range—							
High	56⅝	20	20	9	20	14	24½
Low	15	8	8	8	8	7	6½

Victoria Mills, Limited.

Directors—(1) Chamanlal G. Parekh, Esq., (*Chairman*); (2) Hon. Sir H. M. Mehta ; (3) Mani H. M. Mehta, Esq. ; (4) Mathuradas Mangaldas Parekh, Esq. ; (5) Madanmohan Mangaldas, Esq. ; (6) Madhusudan Chamanlal Parekh, Esq.

Secretaries, Treasurers and Agents—Messrs. Mangaldas Mehta & Co.

Registered Office—Mubarak Manzil, Apollo Street, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in July.

Dividends—payable in August.

Capital.—Authorised—Rs. 4,00,000 in 8,000 Ordinary shares of Rs. 100 each but subsequently reduced to Rs. 50 each. **Subscribed**—Rs. 4,00,000 in 8,000 Ordinary shares of originally Rs. 100 each out of which Rs. 50 is now repaid under the scheme of reduction.

The Company's two Mills consist of 53,872 spindles and 1,518 looms and are situated one at Gamdevi Road and the other at DeLisle Road, Bombay. Formerly, one Mill was known as the Old Satya Mill.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1937	1938	**Assets (in Rs.)**—	1937	1938
Capital	4,00,000	4,00,000	Block	23,61,002	23,65,971
Reserves and other Funds	18,71,848	19,31,848	Stores	43,366	63,553
Debts	15,26,113	16,10,499	Stock	6,40,667	7,04,876
Profit and Loss Account	1,40,917	2,03,478	Outstandings	4,77,561	5,77,734
			Cash	4,16,282	4,33,691
	39,38,878	41,45,825		39,38,878	41,45,825

Dividend Record—

1933	1934	1935	1936	1937	1938
10%	12%	12%	12%	16%	22%

Vishnu Cotton Mill, Ltd.

(Regd. May 11, 1908.)

Directors—(1) A. L. Hutson, Esq. (*Chairman*); (2) Mathuradas Vissanji, Esq.; (3) J. M. B. Gibbons, Esq.; (4) Vishwanath P. Vaidya, Esq.; (5) Dharamsey M. Khatau, Esq.

Agents and Secretaries—The Bombay Company, Limited.

Registered Office—9, Wallace Street, Fort, Bombay.

Financial year—ends December 31. **Accounts**—published in May.

Dividends—payable in May.

Capital.—Authorised—Rs. 30,00,000 in (*i*) 4,000 Ordinary shares of Rs. 500 each, Rs. 20,00,000 and (*ii*) Rs. 2,000 7% (Taxable) Cumulative Preference shares of Rs. 500 each. **Issued and Subscribed**—Rs. 24,00,000 in (*i*) 3,200 Ordinary shares of Rs. 500 each fully paid, Rs. 16,00,000 and (*ii*) 1,600 7% (Taxable) Cumulative Preference shares of Rs. 500 each fully paid, Rs. 8,00,000.

The Mill consists of 51,940 spindles and 1,465 looms and is situated at Sholapur.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	24,00,000	24,00,000	Block (Gross) -	70,67,172	70,13,357
*Reserves and other Funds - -	68,49,337	67,95,998	Stores and Spares.	1,94,791	3,79,463
Debts - -	13,13,195	15,11,370	Stock - -	19,52,424	19,52,679
Profit and Loss Account -	3,41,185	3,58,558	Outstandings -	3,78,670	5,01,000
			Investments -	12,35,666	12,08,334
			Cash - -	74,994	11,093
	1,09,03,717	1,10,65,926		1,09,03,717	1,10,65,926

Inclusive of Depreciation Fund of Rs. 61,76,975 and Rs. 61,36,598 respectively.

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	12%	12%	10%	10%	10%	12%	12%
Price Range—							
High - - -	1,695	1,605	1,605	1,300	1,485	1,350	1,475
Low - - -	1,392½	1,310	1,262½	1,127½	1,238¾	1,155	1,000

Western India Spinning & Manufacturing Company, Limited.

(**Regd.** September 23, 1880).

Directors—(1) Hurgovandas Jumnadas Ramji, Esq., (*Chairman*); (2) Karsondas Dharamsey Soonderdas, Esq.; (3) Krishnaraj M. D. Thackersey, Esq.; (4) Vithaldas D. Govindjee, Esq.; (5) Vijay M. Merchant, Esq.

Agents—Messrs. Thackersey Mooljee Sons & Co.

Registered Office—Sir Vithaldas Chambers, Apollo Street, Fort, Bombay.

Financial Year—ends March 31. **Accounts**—published in August.

Dividends—payable in August.

Capital.—Authorised—Rs. 12,00,000 in 1,200 Ordinary shares of Rs. 1,000 each.

Issued and Subscribed—Rs. 12,00,000 in 1,200 Ordinary shares of Rs. 1,000 each fully paid.

The Mill consists of 42,584 spindles and 1,116 looms and is situated at Kalachowki Road, Chinchpoogli, Bombay.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	12,00,000	12,00,000	Block (Gross) -	57,97,312	58,64,846
*Reserves and other Funds - -	42,14,849	42,76,511	Stores and Spares.	99,105	68,807
Debts - -	18,28,423	21,51,979	Stocks - -	6,56,213	7,00,880
Profit and Loss Account -	1,04,034	1,74,524	Outstandings -	2,21,171	5,53,365
			Investments -	1,22,100	1,22,100
			Cash - -	4,51,405	4,93,016
	73,47,306	78,03,014		73,47,306	78,03,014

* Inclusive of Depreciation Fund of Rs. 30,35,418 and 30,84,418 respectively.

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	4%	4%	4%	4%	4%	4% + ½B	4% + 2B
Price Range—							
High - - -	895	975	1,040	980	862½	865	905
Low - - -	700	720	725	675	675	825	800

COTTON MILL SECTION
(AHMEDABAD)

Ahmedabad Cotton Manufacturing Co., Ltd.

Directors—(1) Sheth Sakarlal Balabhai ; (2) Sheth Chinubhai Naranbhai; (3) Sheth Nanubhai Maneklal ; (4) Sheth Chandubhai Pitambardas ; (5) Sheth Tribhovandas Hargovandas ; (6) Sheth Amritlal Hargovandas, (*Ex-Officio*).

Secretaries, Treasurers & Agents—Messrs. Amritlal Hargovandas & Bros., Ltd.

Registered Office—Outside Sarangpur Gate, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in September.

Dividends—payable in October.

Capital.—Authorised—Rs. 6,00,000 in 6,000 Ordinary shares of Rs. 100 each. **Subscribed**—Rs. 6,00,000 in 6,000 Ordinary shares of Rs. 100 each fully paid.

The Mill consists of 28,692 spindles and 675 looms and is situated outside Sarangpur Gate, Ahmedabad.

Summary of Balance Sheet for the Year 1938.

Liabilities (in Rs.)—	1938	**Assets (in Rs.)**—	1938
Capital	6,00,000	Block	18,42,208
Depreciation Fund	6,65,402	Stores	70,684
Reserves and Other Funds	4,87,366	Stock	9,36,883
Debts	15,21,823	Outstandings	4,12,549
		Cash	4,545
		Profit and Loss Account	7,722
	32,74,591		32,74,591

Dividend Record—

1933	1934	1935	1936	1937	1938
10.1%	6.1%	..	..	..	..

Ahmedabad Jubilee Spinning & Manufacturing Co., Ltd.

Directors—(1) Ambalal Sarabhai, Esq., (*Chairman*); (2) Trikamlal Dahyabhai, Esq.; (3) Shantilal Mangaldas, Esq.; (4) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (5) A. Geddis, Esq.; (6) Kasturbhai Lalbhai, Esq.; (7) Mrs. Chimanlal Nagindas (*Ex-Officio*); (8) Gautam Sarabhai, Esq., B.A. (*Special Director*).

Agents—Messrs. Chimanlal Nagindas & Co.

Registered Office—Outside Dariapur Gate, Ahmedabad.

Financial year—ends December 31. **Accounts**—published in April.

Dividends—payable in May.

Capital.—Authorised—Rs. 10,00,000 in 10,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 10,00,000 in 10,000 Ordinary shares of Rs. 100 each fully paid.

The Mill consists of 34,484 spindles and 793 looms and is situated outside Dariapur Gate, Railwaypura, Ahmedabad.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	10,00,000	10,00,000	Block - -	68,17,005	71,14,987
Depreciation Fund.	34,71,948	37,31,948	Stores - -	2,10,725	2,45,651
Reserves and Other Funds - -	13,94,337	13,97,335	Stock - -	12,92,308	20,00,660
Debts - -	35,32,196	37,49,439	Outstandings -	5,75,323	4,82,320
Profit and Loss Account -	90,617	1,30,763	Investments -	3,000	3,000
			Cash - -	5,90,737	1,62,867
	94,89,098	1,00,09,485		94,89,098	1,00,09,485

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
12%	7%	7½%	6½%	7%	9%	9%

Ahmedabad Kaiser-i-Hind Mills Company, Limited.

Directors—(1) Kanaiyalal Motilal, Esq. (*Chairman*); (2) Ranchhodlal Keshavlal, Esq.; (3) Kantilal Kanaiyalal, Esq.; (4) Chhotalal Hirachand, Esq.

Secretaries, Treasurers and Agents—Messrs. Ramanlal Kanaiyalal & Co., Ltd.

Registered Office—Outside Raipur Gate, Ahmedabad.

Financial year—ends December 31. **Accounts**—published in August.

Dividends—payable in September.

Capital.—Authorised—Rs. 6,00,000 in 600 Ordinary shares of Rs. 1,000 each.

Subscribed—Rs. 5,00,000 in 500 Ordinary shares of Rs. 1,000 each fully paid.

The Mill consists of 21,136 spindles and 490 looms and is situated outside Raipur Gate, Ahmedabad.

Summary of Balance Sheet for the year 1938.

Liabilities (in Rs.)—	1938	**Assets (in Rs.)**—	1938
Capital	5,00,000	Block	17,75,797
Depreciation Fund	10,78,858	Stores	42,391
Reserves and Other Funds	7,02,011	Stock	3,11,851
Debts	3,89,319	Outstandings	1,65,154
Profit and Loss Account	41,430	Investments	1,31,500
		Cash	2,84,925
	27,11,618		27,11,618

Dividend Record—

1933	1934	1935	1936	1937	1938
10%	12½%	10%	6%	6½%	7½%

Ahmedabad Manufacturing & Calico Printing Company, Limited.

(Regd. 1880.)

Directors—(1) Ambalal Sarabhai, Esq. (*Chairman*); (2) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (3) A. Geddis, Esq.; (4) Sir Chunilal V. Mehta, K.C.S.I.; (5) Mrs. Saraladevi Sarabhai (*Ex-Officio*); (6) Maneklal Premchand, Esq.; (7) Suhrid A. Sarabhai, Esq., B.A. (Oxon.), (*Special Director.*)

Agents—Messrs. Karamchand Premchand & Co.

Registered Office—Outside Jamalpur Gate, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in March.

Dividends—payable in May.

Capital.—Authorised—Rs. 25,00,000, *i.e.* (1) Rs. 20,00,000 in 16,000 Ordinary shares of Rs. 125 each. (2) Rs. 5,00,000 in 4,000 Cumulative Preference shares of Rs. 125 each. **Issued and Subscribed**—Rs. 21,99,770 *i.e.*, (1) Rs. 20,00,000 in 16,000 Ordinary shares of Rs. 125 each fully paid. (2) Rs. 2,00,000 in 1,600 'A' 4½% (Tax Free) Cumulative Preference shares of Rs. 125 each less calls unpaid Rs. 230.

The Mill consists of 78,252 spindles and 1,512 looms, and is situated outside Jamalpur Gate, Ahmedabad.

As the Diamond Jubilee of the Company falls during the current year, the Directors recommend that Rs. 8 lacs out of the Depreciation Fund be capitalised and a Cumulative Second Preference fully paid up share of the face value of Rs. 50 bearing interest at 4½ per cent. subject to income-tax be given in respect of each ordinary share. This issue will be called "The Diamond Jubilee Second Preference shares" and will rank for dividend from 1st July 1940. The amount if any due as dividend for the half year ending 31st December 1940 shall be paid in 1941 and thereafter once annually.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	21,99,655	21,99,770	Block	1,36,38,893	1,38,06,868
Depreciation Fund	76,49,994	83,99,994	Stores	9,50,974	8,68,265
Reserve Fund	35,00,546	35,00,546	Stock	31,80,204	32,31,426
Other Funds	11,04,639	15,70,684	Outstandings	13,05,687	12,09,832
Debts	49,84,361	42,62,198	Investments	3,000	43,000
Profit and Loss Account	2,96,251	39,079	Cash	6,56,688	8,12,880
	1,97,35,446	1,99,72,271		1,97,35,446	1,99,72,271

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
16%	16%	16%	16%	17.6%	16%+3⅓B	7⅓%

Ahmedabad New Textile Mills Company, Limited.

Directors—(1) Chamanlal Girdhardas, Esq. (*Chairman*); (2) Jivanlal Girdharlal, Esq.; (3) Maneklal Manilal, Esq.; (4) Naranlal Jivanlal, Esq.; (5) Sakarlal Naranlal, Esq.

Managing Agents—Messrs. Jivanlal Girdharlal & Sons.

Registered Office—Outside Raipur Gate, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in July.

Dividends—payable in July.

Capital.—Authorised—Rs. 6,25,000 in 2,500 Ordinary shares of Rs. 250 each.

Subscribed—Rs. 5,00,000 in 2,000 Ordinary shares of Rs. 250 each fully paid.

The Company's two mills (formerly known as Javeri Spinning & Weaving Co., Ltd.) consist of 25,488 spindles and 1,008 looms, and are situated outside Raipur Gate, Ahmedabad.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1937	1938	**Assets (in Rs.)**—	1937	1938
Capital - -	5,00,000	5,00,000	Block - -	32,74,774	35,24,512
Depreciation Fund.	15,46,408	15,19,916	Stores - -	1,72,367	1,47,444
Reserves and Other Funds - -	6,57,544	6,57,544	Stock - -	9,86,911	10,89,464
Debts - -	21,96,234	24,05,073	Outstandings -	3,08,131	3,87,155
Profit and Loss Account -	75,565	1,90,503	Investments -	53,000	53,000
			Cash - -	1,80,568	71,461
	49,75,751	52,73,036		49,75,751	52,73,036

Dividend Record—

1933	1934	1935	1936	1937	1938
18%	18%	18%	16%	14%	12½%

Arvind Mills, Ltd.

Directors—(1) Chimanlal Lalbhai, Esq. (*Chairman*) ; (2) Dr. Dhanjisha Edalji Anklesaria ; (3) Kasturbhai Lalbhai, Esq. (*Ex-Officio*) ; (4) Narottam Lalbhai, Esq. ; (5) Miss Lilavati Lalbhai.

Agents—Messrs. Narottam Lalbhai & Co.

Registered Office—Naroda Road, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in April.

Dividends—payable in June.

Capital.—Authorised—Rs. 5,25,000 in 5,250 Ordinary shares of Rs. 100 each. **Subscribed**—Rs. 5,25,000 in 5,250 Ordinary shares of Rs. 100 each fully paid.

The Mill consists of 56,508 spindles and 1,205 looms, and is situated at Naroda Road, Ahmedabad.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	5,25,000	5,25,000	Block - -	58,18,175	58,78,714
Depreciation Fund.	16,41,834	21,41,834	Stores - -	64,848	3,07,903
Reserves and Other Funds - -	16,07,427	21,74,455	Stock - -	14,44,970	20,64,077
Debts - -	36,55,700	35,14,827	Outstandings -	8,46,199	5,83,856
Profit and Loss Account -	8,12,827	6,51,286	Investments -	3,000	3,000
			Cash - -	65,596	1,69,852
	82,42,788	90,07,402		82,42,788	90,07,402

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
12%	12%	15%	25%	25%	25%+10B	25%+10B

Baroda Spinning & Weaving Co., Ltd.

(**Regd.** in Baroda.)

Directors—(1) Haridas Achratlal, Esq. (*Chairman*) ; (2) Govinddas Maneklal, Esq. ; (3) Balabhai Girdharlal, Esq. ; (4) Hiralal Chhaganlal, Esq. ; (5) Tricumlal Girdharlal, Esq. ; (6) Chaturbhujdas Chimanlal, Esq. ; (7) Ishwarlal Chimanlal, Esq. (*Ex-Officio*).

Secretaries, Treasurers & Agents—Messrs. Javerchand Laxmichand & Co.

Registered Office—Near Bhadra, Baroda.

Financial year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital.—Authorised—Rs. 6,00,000 in 6,000 Ordinary shares of Rs. 100 each.

Subscribed—Rs. 5,30,800 in 5,308 Ordinary shares of Rs. 100 each fully paid.

The Mill consists of 30,088 spindles and 732 looms, and is situated at Panigate, near Bhadra, Baroda.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1937	1938	**Assets (in Rs.)**—	1937	1938
Capital - -	5,30,800	5,30,800	Block - - -	21,63,670	21,63,132
Depreciation Fund.	8,57,955	9,49,225	Stores - -	38,387	33,518
Reserves and Other Funds - -	9,59,286	9,50,792	Stock - -	3,60,610	3,69,788
Debts - -	6,70,006	7,20,227	Outstandings -	4,73,261	6,30,680
Profit and Loss Account -	19,851	56,037	Cash - -	1,970	9,963
	30,37,898	32,07,081		30,37,898	32,07,081

Dividend Record—

1933	1934	1935	1936	1937	1938
6%	6%	6%	..	4½%	7%

Bechardas Spinning & Weaving Mills Company, Limited.

Directors—(1) Durgaprasad S. Laskari, Esq. (*Chairman*); (2) Somnath Rupjidas, Esq.; (3) Sakrabhai Lalloobhai, Esq.; (4) Navinchandra Mafatlal, Esq., (5) Hariprasad D. Laskari, Esq.

Secretaries, Treasurers & Agents—Messrs. Durgaprasad S. Laskari & Co.

Registered Office—Raikhad, Ahmedabad.

Financial year—ends December 31. **Accounts**—published in July.

Dividends—payable in July.

Capital.—Authorised—Rs. 5,00,000 in 2,000 Ordinary shares of Rs. 250 each.

Subscribed—Rs. 5,00,000 in 2,000 Ordinary shares of Rs. 250 each fully paid.

The Mill consists of 18,432 spindles and 496 looms, and is situated at Raikhad, Ahmedabad.

Summary of Last two Balance Sheets.

Liabilities (in Rs.)—	1937	1938	**Assets (in Rs.)**—	1937	1938
Capital - -	5,00,000	5,00,000	Block - -	22,08,095	22,38,920
Depreciation Fund.	5,52,209	5,79,657	Stores - -	59,516	69,197
Other Funds -	4,84,904	4,84,904	Stock - -	4,50,390	5,68,769
Debts - -	12,90,588	14,33,375	Outstandings -	1,87,492	1,99,030
Profit and Loss			Cash - -	8,664	6,176
Account -	86,456	84,156			
	29,14,157	30,82,092		29,14,157	30,82,092

Dividend Record—

1933	1934	1935	1936	1937	1938
6%	6%	6%	3½%	4%	..

The Bharatkhand Textile Manufacturing Company, Limited.

Directors—(1) Chamanlal Girdhardas, Esq. (*Chairman*); (2) Jivanlal Girdharlal, Esq.; (3) Manilal Hemchand, Esq.; (4) Jeshangbhai Purshottamdas, Esq.; (5) Naranlal Jivanlal, Esq.; (6) Gunvantlal Jivanlal, Esq.

Secretaries, Treasurers and Agents—Messrs. Jivanlal Girdharlal & Co., Ltd.

Registered Office—Camp Road, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in August.

Dividends—payable in August.

Capital.—Authorised—Rs. 10,00,000. Rs. 5,00,000 in 500 'A' Ordinary shares of Rs. 1,000 each and Rs. 5,00,000 in 2,000 'B' Capital shares of Rs. 250 each to be paid from profit bearing 6 per cent. Preferential Dividend. **Subscribed**—Rs. 8,50,000. Rs. 4,25,000 in 425 'A' Ordinary shares of Rs. 1,000 each fully paid and Rs. 4,25,000 in 1,700 'B' Capital shares of Rs. 250 each paid from profit bearing 6 per cent. preferential dividend.

The Company's two Mills consist of 33,000 spindles and 1,316 looms and are situated at Camp Road, Ahmedabad.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	8,50,000	8,50,000	Block - -	33,30,255	33,30,255
Depreciation Fund.	10,04,461	10,84,211	Stores - -	1,01,209	2,19,336
Reserve and other Funds - -	8,46,039	8,47,626	Stock - -	9,77,987	10,57,317
Debts - -	24,02,086	22,14,078	Outstandings -	4,12,770	2,98,876
Profit and Loss Account -	2,12,324	1,26,165	Investments -	1,50,341	1,50,803
			Cash - -	3,42,348	65,493
	53,14,910	51,22,080		53,14,910	51,22,080

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
26.1%	26.1%	26.1%	22.1%	20.1%	18.1%	15.1%

Gaekwar Mills, Ltd.

(Registered in Baroda State.)

Directors—(1) Sir H. M. Mehta, Kt., (*Chairman*); (2) Chamanlal G. Parekh, Esq.; (3) S. M. Chothia, Esq., Bar-at-Law; (4) S. N. Gamadia, Esq.; (5) Russa H. Mehta, Esq.; (6) Mathradas M. Parekh, Esq.; (7) F. H. Mehta, Esq.

Managing Agents—Messrs. H. M. Mehta & Co., Ltd.

Registered Office—Billimora.

Financial Year—ends December 31. **Accounts**—published in April.

Dividends—payable in May.

Capital—Authorised—Rs. 15,00,000 in 15,000 Ordinary shares of Rs. 100 each.

Issued and Subscribed—Rs. 12,00,000 in 12,000 Ordinary shares of Rs. 100 each fully paid.

The Mill consists of 26,508 spindles and 630 looms, and is situated at Billimora (Baroda State).

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	12,00,000	12,00,000	Block - -	28,31,007	28,65,820
Depreciation Fund.	8,35,000	8,85,000	Stock - -	8,19,865	7,94,827
Reserve and Other Funds - -	3,28,940	3,28,940	Outstandings -	3,03,006	4,92,791
			Cash - -	23,690	8,416
Debts - -	15,54,457	14,18,401			
Profit and Loss Account -	59,171	3,29,513			
	39,77,568	41,61,854		39,77,568	41,61,854

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
8%	8%	8%	5%	8%	..	8%

The Maneklal Harilal Spinning & Manufacturing Company, Limited.

Directors—(1) Haridas Achartlal, Esq., (*Chairman*) ; (2) Govinddas Maneklal, Esq. ; (3) Trikamlal Girdharlal, Esq. ; (4) Nanddas Haridas, Esq. ; (5) Balkrishanji Purshottamji Jani, Esq. ; (6) Charandas Haridas, Esq., (7) Navnitlal Ranchhodlal, Esq.

Secretaries, Treasurers and Agents—Messrs. Harilal Harivallabhdas & Co.

Registered Office—Saraspur Road, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in May.

Dividends—payable in June.

Capital:—Authorised—Rs. 6,00,000 in 600 shares of Rs. 1,000 each. **Subscribed**—Rs. 4,50,000 in 450 shares of Rs. 1,000 each fully paid.

The Mill consists of 31,072 spindles and 750 looms, and is situated at Saraspur, Ahmedabad.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	4,50,000	4,50,000	Block - -	30,58,198	30,67,513
Depreciation Fund.	19,26,441	19,62,495	Stores - -	72,536	1,89,287
Reserve and other Funds - -	7,28,378	7,28,378	Stock - -	7,08,429	5,24,556
Debts - -	15,76,832	14,26,656	Outstandings -	5,30,183	4,43,564
Profit and Loss Account -	53,618	38,470	Investments -	1,52,689	1,52,689
			Cash - -	2,13,234	2,28,390
	47,35,269	46,05,999		47,35,269	46,05,999

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
10.1%	11.1%	7.1%	5.1%	7.5%	7.5% +2.5B	7.5%

Marsden Spinning & Manufacturing Company, Limited.

Directors—(1) Ben Marsden, Esq., (*Ex-Officio*) (*Chairman*); (2) Sheth Bakubhai Manilal; (3) Charles Marsden, Esq.; (4) Sheth Bababhai Vadilal; (5) Chimanlal Chhotalal Shah, Esq.

Agents—Messrs. Marsden Bros. & Co., Ltd.

Registered Office—Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in June.

Dividends—payable in June.

Capital.—Authorised—Rs. 30,00,000 in 30,000 Ordinary shares of Rs. 100 each. **Subscribed**—Rs. 13,65,500 in 13,655 Ordinary shares of Rs. 100 each fully paid.

The Mill consists of 22,240 spindles and 482 looms and is situated at Gomtipur, Ahmedabad.

Summary of Balance Sheet for the Year 1938.

Liabilities (in Rs.)—		**Assets (in Rs.)**—	
Capital	13,65,500	Block	37,46,376
Depreciation Fund	19,90,938	Stores	1,04,566
Reserves and Other Funds	1,07,210	Stock	4,64,745
Debts	9,72,576	Outstandings	3,33,156
Profit and Loss Account	2,28,066	Cash	15,447
	46,64,290		46,64,290

Dividend Record—

1933	1934	1935	1936	1937	1938
6%	..	..	..	..	3%

New Maneckchock Spinning & Weaving Co., Ltd.

Directors—(1) Hiralal Tricumlal, Esq., (*Chairman*); (2) Chinubhai Lalbhai, Esq.; (3) Manilal Chunilal, Esq.; (4) Ramchandra Lalbhai, Esq.; (5) Pramodrai Chimanlal Bhatt, Esq.; (6) Shah Chamanlal Vrijbhukhandas, Esq.

Secretaries, Treasurers and Agents—Messrs. Lalbhai Tricumlal.

Registered Office—Sankdi Sheri, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in August.

Dividends—payable in August.

Capital—Authorised—Rs. 5,25,000 in 525 Ordinary shares of Rs. 1,000 each.

Subscribed—Rs. 5,25,000 in 525 Ordinary shares of Rs. 1,000 each fully paid.

The Mill consists of 27,800 spindles and 643 looms, and is situated outside Dariapur Gate, Railwaypura, Ahmedabad.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1937	1938	**Assets (in Rs.)**—	1937	1938
Capital - -	5,25,000	5,25,000	Block - -	26,58,780	28,32,872
Depreciation Fund.	14,08,104	13,82,552	Stores - -	1,77,556	98,708
Reserves and Other Funds - -	2,97,181	2,97,181	Stock - -	6,68,643	5,57,500
Debts - -	20,41,401	19,06,582	Outstandings -	6,37,434	6,05,335
Profit and Loss Account -	52,810	39,313	Cash - -	1,82,083	56,213
	43,24,496	41,50,628		43,24,496	41,50,628

Dividend Record—

1933	1934	1935	1936	1937	1938
15·1%	15·1%	10·1%	..	10%	..

Nutan Mills, Limited.

Directors—(1) Sheth Kasturbhai Lalbhai (*Chairman*) ; (2) Dr. Dhanjisha Edalji Anklesaria ; (3) Jagabhai Bhogilal Nanavaty, Esq. (*Ex-Officio*) ; (4) Sheth Narottambhai Lalbhai ; (5) Kantilal Bhogilal Nanavaty, Esq.

Agents—Messrs. Jagabhai Bhogilal Nanavaty & Co., Ltd.

Registered Office—Outside Nicoli Gate, Saraspur, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in April.

Dividends—payable in June.

Capital—Authorised, Issued and Subscribed—Rs. 5,00,000 in 5,000 Ordinary shares of Rs. 100 each fully paid-up.

The Mill consists of 20,840 spindles and 528 looms, and is situated outside Nicoli Gate, Saraspur Road, Ahmedabad.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	5,00,000	5,00,000	Block - -	27,13,150	27,76,018
Depreciation Fund.	5,49,000	5,49,000	Stores - -	55,226	2,03,550
Reserves and other Funds - -	1,476	52,011	Stock - -	5,13,694	7,54,444
Debts - -	24,66,784	26,30,689	Outstandings -	2,64,414	1,77,174
			Investments -	3,000	3,000
Profit and Loss Account -	1,52,519	3,20,492	Cash - -	1,20,095	1,38,006
	36,69,779	40,52,192		36,69,779	40,52,192

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	6%	7%	7%	7%	8%	8%

Raipur Manufacturing Co., Ltd.

Directors—(1) Sheth Chimanbhai Lalbhai (*Ex-Officio*), (*Chairman*); (2) Kasturbhai Lalbhai, Esq.; (3) Dr. Dhanjisha Edalji Anklesaria; (4) Miss Lilavati Lalbhai.

Secretaries, Treasurers & Agents—Messrs. Lalbhai Dalpatbhai & Co.

Registered Office—Outside Saraspur Gate, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in May.

Dividends—payable in June.

Capital—Authorised—Rs. 5,00,000 in 5,000 Ordinary shares of Rs. 100 each.

Subscribed—Rs. 5,00,000 in 5,000 Ordinary shares of Rs. 100 each fully paid.

The Mill consists of 28,672 spindles and 632 looms, and is situated outside Saraspur Gate, Ahmedabad.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	5,00,000	5,00,000	Block	34,19,266	40,35,230
Depreciation Fund.	8,21,214	10,46,856	Stores	54,414	3,31,239
Reserves and other Funds	9,67,432	9,58,552	Stock	3,03,366	4,65,265
Debts	23,29,200	26,32,751	Outstandings	6,51,647	5,23,835
Profit and Loss Account	....	2,53,670	Investments	3,000	3,000
			Cash	52,039	33,260
			Profit and Loss Account	1,34,114	....
	46,17,846	53,91,829		46,17,846	53,91,829

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
20%	15%	15%	10%	20%	20%	20%

Rajnagar Spinning, Weaving & Manufacturing Co., Ltd.

Directors—(1) Chamanlal Girdhardas, Esq. (*Chairman*); (2) Jivanlal Girdharlal, Esq.; (3) Mathuradas Mangaldas, Esq.; (4) Naranlal Jivanlal, Esq.

Secretaries, Treasurers & Agents—Mangaldas Girdhardas Parekh.

Registered Office—Outside Premdarwaja, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in July.

Dividends—payable in August.

Capital—Authorised—Rs. 6,50,000 in 5,200 Ordinary shares of Rs. 125 each.

Subscribed—Rs. 6,00,000 in 4,800 Ordinary shares of Rs. 125 each fully paid.

The Company's two Mills consist of 43,156 spindles and 1,386 looms, and are situated at Railwaypura Post, Camp Road, Ahmedabad.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1937	1938	**Assets (in Rs.)**—	1937	1938
Capital	6,00,000	6,00,000	Block	37,59,655	38,32,631
Depreciation Fund.	15,71,274	15,26,288	Stores	61,064	64,553
Reserves and other Funds	12,93,109	12,93,111	Stock	13,02,594	16,30,990
Debts	21,91,464	25,17,052	Outstandings	5,45,623	3,87,974
Profit and Loss Account	1,02,798	47,115	Investments	31,313	31,313
			Cash	58,396	16,105
	57,58,645	59,83,566		57,58,645	59,83,566

Dividend Record—

1933	1934	1935	1936	1937	1938
12%	16⅔%	12%	..	16⅔%	6%

Sarangpur Cotton Manufacturing Company, Limited.

Directors—(1) Balabhai Damodardas, Esq., (*Chairman*); (2) Sakarbhai Balabhai, Esq.; (3) Navnitlal Sakarlal, Esq.; (4) Chhotalal Hirachand, Esq.; (5) Balkrishna Purshottam, Esq.

Secretaries, Treasurers and Agents—Messrs. Sakarlal Balabhai & Co.

Registered Office—Outside Raipur Gate, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in August.

Dividends—payable in June and September.

Capital—Authorised and Issued—Rs. 5,25,000 in 5,250 Ordinary shares of Rs. 100 each. **Subscribed**—Rs. 4,64,000 in 4,640 Ordinary shares of Rs. 100 each, fully paid.

In 1939 the nominal value of each share was reduced from Rs. 1,000 to Rs. 100 by dividing each share of Rs. 1,000 into 10 shares of Rs. 100 each.

The Company's Mills consist of 51,556 spindles and 1,398 looms and are situated one outside Raipur Gate and the other near Jaganath Mahadev, Ahmedabad.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	4,64,000	4,64,000	Block	49,24,407	50,50,047
Depreciation Fund.	21,49,259	23,53,011	Stores	66,637	2,57,625
Reserve and other Funds	29,82,321	29,69,814	Stock	11,91,976	17,10,896
Debts	17,48,797	19,10,872	Outstandings	6,57,013	5,62,071
Profit and Loss Account	2,16,156	67,370	Investments	3,03,000	3,000
			Cash	4,17,500	1,81,428
	75,60,533	77,65,067		75,60,533	77,65,067

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
45.1%	37½%	32½%	30%	35%	35%	35%

Saraspur Mills, Limited.

Directors—(1) Kasturbhai Lalbhai, Esq., (*Ex-Officio*); (*Chairman*): (2) Sheth Chimanbhai Lalbhai ; (3) Ambalal Sarabhai, Esq. ; (4) Jeshangbhai Purshotamdas, Esq. ; (5) Dhanjisha Edalji Anklesaria, Esq.

Agents—Messrs. Lalbhai Dalpatbhai Sons & Co.

Registered Office—The Saraspur Mills Limited, near Saraspur Gate, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in April.

Dividends—payable in June.

Capital.—Authorised—Rs. 6,00,000 in 6,000 Ordinary shares of Rs. 100 each.

Subscribed—Rs. 6,00,000 in 6,000 Ordinary shares of Rs. 100 each fully paid.

The Mill consists of 34,176 spindles and 856 looms, and is situated near Saraspur Gate, Ahmedabad.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	6,00,000	6,00,000	Block - -	37,77,592	37,58,611
Depreciation Fund.	10,90,578	12,30,578	Stores - -	1,24,538	2,69,005
Reserves and Other Funds - -	6,59.240	6,12,266	Stock - -	5,26,083	4,07,201
Debts - -	22,72,272	22,28,947	Outstandings -	3,42,303	3,44,945
Profit and Loss Account -	1,91,647	1,39,470	Investments -	3,000	3,000
			Cash - -	40,221	28,499
	48,13,737	48,11,261		48,13,737	48,11,261

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	8%	8%	..	8%	8%	8%

Shorrock Spinning & Manufacturing Company, Limited.

Directors—(1) Sheth Mafatlal Gagalbhai, (*Ex-Officio*), (*Chairman*); (2) Sheth Navinchandra Mafatlal; (3) Sheth Bhagubhai Mafatlal; (4) Sheth Kaushikprasad Chandulal.

Agents—Messrs. Mafatlal Chandulal & Co. **Registered Office**—Mill Premises, Asarva Road, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital—Authorised and Subscribed—Rs. 3,27,500 made up as follows:—(*a*) Rs. 3,25,000 in 325 Ordinary shares of Rs. 1,000 each fully paid, and (*b*) Rs. 2,500 in 100 Founders' shares of Rs. 25 each fully paid.

Previous to 1939, there were also 1,300 5 per cent. Cumulative Preference shares of Rs. 1,000 each but these were redeemed as per order of 1st March 1939 of the District Court, Ahmedabad.

The Mill consists of 33,864 spindles and 714 looms and is situated at Asarva Road, Ahmedabad.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	3,27,500	3,27,500	Block - -	25,14,975	25,80,173
Depreciation Fund.	19,29,409	19,84,409	Stores - -	70,356	1,27,820
Reserves and Other Funds - -	3,13,385	4,01,914	Stock - -	10,00,648	5,15,378
Debts - -	14,66,911	7,81,150	Outstandings -	4,56,833	2,44,959
Profit and Loss Account -	26,628	515	Investments -	3,000	3,000
			Cash - -	18,021	24,158
	40,63,833	34,95,488		40,63,833	34,95,488

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
50%	25%	20%	10%	12½%	20%	15%

Shri Ambica Mills, Limited.

Directors—(1) Mafatlal Gagalbhai, Esq., (*Chairman*); (2) Maganlal Chunilal Ghia, Esq.; (3) Lachhmandass H. Daga, Esq.; (4) Maneklal Manilal, Esq.; (5) Harivallabhdas Kalidas, Esq. (*Ex-Officio*).

Agents—Messrs. Harivallabhdas Kalidas & Co.

Registered Office—Near Kankaria Loco Siding, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in June.

Dividends—payable in July.

Capital.—Authorised and Subscribed—Rs. 17,00,000 *i.e.*, (1) Rs. 10,50,000 in 21,000 Ordinary shares of Rs. 50 each fully paid and (2) Rs. 6,50,000 in 6,500 5% (Tax-free) Redeemable Preference shares of Rs. 100 each fully paid.

The Company's two Mills consist of 47,664 spindles and 1,339 looms, and are situated one at Kankaria Loco Siding, and the other near Susker Lake, Ahmedabad.

Summary of Last Two Balance Sheets:

Liabilities (in Rs.)—	1937	1938	**Assets (in Rs.)**—	1937	1938
Capital	13,50,000	17,00,000	Block	34,38,281	44,89,574
Depreciation Fund.	11,80,000	13,83,000	Stores	48,987	93,971
Reserves and Other Funds	7,16,000	7,75,000	Stock	7,38,389	16,24,433
Debts	15,21,466	31,94,004	Outstandings	8,59,458	13,05,847
			Investments	3,000	3,000
Profit and Loss Account	4,29,820	6,04,053	Cash	1,09,221	1,39,232
	51,97,286	76,56,057		51,97,286	76,56,057

Dividend Record—

1933	1934	1935	1936	1937	1938
15%	20%	22½%	100%	50%	16⅔%

Vijaya Mills Company, Limited.

(Registered 1930).

Directors—(1) Haridas Acharatlal, Esq., (*Chairman*) ; (2) Ambalal Sarabhai, Esq. ; (3) Govinddas Maneklal, Esq. ; (4) Nanddas Haridas, Esq. ; (5) Purani Balkrishnaji Purshottamji, Esq. ; (6) Charandas Haridas, Esq.

Secretaries, Treasurers and Agents—Messrs. Haridas Acharatlal & Co.

Registered Office—Saraspur Road, Ahmedabad.

Financial Year—ends December 31. **Accounts**—published in July.

Dividends—payable in August.

Capital—Authorised—Rs. 10,00,000 in 10,000 Ordinary shares of Rs. 100 each. **Subscribed**—Rs. 7,00,000 in 7,000 Ordinary shares of Rs. 100 each fully paid.

The Mill consists of 22,884 spindles and 658 looms and is situated at Naroda Road, Ahmedabad.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	7,00,000	7,00,000	Block (Gross) -	28,43,079	30,10,784
Depreciation Fund.	10,12,055	11,72,055	Stores - -	30,147	77,511
Reserve and other Funds - -	1,18,000	3,19,709	Stock - -	6,07,885	5,69,037
Debts - -	25,08,415	24,13,616	Outstandings -	6,39,290	5,35,328
Profit and Loss Account -	2,64,462	64,285	Investments -	2,70,917	2,46,205
			Cash - -	2,11,614	2,30,800
	46,02,932	46,69,665		46,02,932	46,69,665

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
6%	6%	6%	6%	7%	6% +2%B	6% +2%B

MISCELLANEOUS SECTION

Alcock, Ashdown & Company, Limited.

(Regd.—March 17, 1884).

Directors—(1) W. L. A. Radcliffe, Esq., (*Chairman*) ; (2) Chunilal B. Mehta, Esq. ; (3) Maneklal Premchand Roychand, Esq. ; (4) Sir Rahimtoola M. Chinoy, Kt. ; (5) V. N. Chandavarkar, Esq. ; (6) J. A. Gloag, Esq.

Managing Agents—Messrs. Turner, Morrison & Co., Ltd. **Registered Office**—16, Bank Street, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in April.

Dividends—payable in May.

Capital—Authorised, Issued and Subscribed—Rs. 8,62,500 made up of 8,625 Ordinary shares of Rs. 100 each fully paid.

In 1918, the capital of the Company was increased from Rs. 5,75,000 to its present figure by the creation and issue of 2,875 Ordinary shares of Rs. 100 each at a premium of Rs. 400 per share whilst in August 1931, a cash bonus of Rs. 100 per share was paid out of the Reserve Fund.

The Company carries on business as ship repairers and are licencees for the Mereweather and Hughes dry docks. It also builds tugs, launches, barges and boats and manufactures crossings and switches. There is an iron and brass foundry and additionally the work of structural and general engineers is undertaken, apart from being mill store agents and importers.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	8,62,500	8,62,500	Block (Net) -	15,61,682	16,07,056
Reserves and Other Funds - -	24,23,840	26,72,380	Stock, etc. -	2,88,437	3,75,814
Debts - -	2,95,403	5,65,585	Work in Progress -	2,44,760	7,62,250
Profit and Loss Account -	2,75,856	2,74,010	Outstandings -	5,35,377	3,49,447
			Investments -	10,70,582	10,70,096
			Cash - -	1,56,761	2,09,812
	38,57,599	43,74,475		38,57,599	43,74,475

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	5%	5%	5%	5%	10%	12½%	15%

Price Range—

High - - -	222½	227½	226½	260	402½	355	600
Low - - -	141¼	171¼	153¾	187½	260	261¼	309

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	Assets (in Rs.)—	1938	1939
Capital - -	2,00,000	2,00,000	Block - -	38,674	21,788
Depreciation Fund.	15,000	5,619	Outstandings -	2,80,655	1,67,000
Other Funds -	5,106	5,106	Investments -	53,092	53,092
Debts - -	1,18,039	18,359	Cash - -	5,610	2,106
Profit and Loss Account -	39,886	14,902			

Air Services of India, Ltd.

(Regd. 1936).

Directors—(1) Sheth Chamanlal Girdharlal Parekh (*Chairman*); (2) R. E. M. Patel, Esq.; (3) Col. Raj Kumar Shri Himatsinghji; (4) Jamnadas Meghji, Esq.; (5) Framroze S. Master, Esq., B.A.; (6) Kumar Narendrasinghji of Mandwa; (7) Surendrabhai L. Jhaveri, Esq., B.A. (*Ex-Officio*); (8) Parshottam Meghji Kabalee, Esq. (*Ex-Officio*).

Managing Agents—Messrs. Kabali & Co., Ltd., Fort, Bombay.

Registered Office—Brabourne Stadium, Churchgate Street, Fort, Bombay.

Financial Year—ends September 30. **Accounts**—published in April.

Dividends—payable in May.

Capital.—Authorised—Rs. 10,00,000 in 1,00,000 Ordinary shares of Rs. 10 each. **Issued and Subscribed**—Rs. 4,89,617-8 in 50,000 Ordinary shares of Rs. 10 each fully paid up Rs. 5,00,000; less Rs. 4,950 being the amount on 495 shares forfeited less calls in arrears Rs. 5,432-8-0.

This Company was formed for the purpose of Air services and the first one to be started was between Bombay and Kathiawar, every day via., Bhavnagar, Rajkot, Jamnagar and Porbandar. Twice a week, this service touches Amreli and Okha. Two other services were subsequently inaugurated, one twice-weekly between Bombay and Kolhapur and the other, also twice-weekly between Baroda and Kathiawar. Planes are also available for charter at the reasonable rate of three annas per passenger mile, minimum three seaters. The Company also conducts an Aeronautical Technical Institute at Jamnagar.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	3,72,912	4,89,617	Block - -	2,51,398	2,88,297
Forfeited Shares Account -	....	2,138	Stores - -	36,991	52,804
Loans - -	....	77,670	Other Items -	22,118	18,511
Sundry Liabilities.	33,817	24,295	Outstandings -	21,941	1,40,576
			Cash - -	16,673	21,594
			Profit and Loss Account -	57,608	71,938
	4,06,729	5,93,720		4,06,729	5,93,720

Dividend Record—

1937	1938	1939
..	..	..

Alembic Chemical Works Co., Ltd.

(Regd. 1907.)

Directors—(1) Shankerbhai J. Amin, Esq., B.A., LL.B., Solicitor, Bombay, (*Chairman*); (2) Raj Mitra Bhailal D. Amin, B.A., M.S.C.I., Baroda; (3) A. G. Amin, Esq., Advocate; (4) Tulsibhai B. Amin, Esq., Baroda; (5) Chimanbhai I. Amin, Esq., B.A., LL.B., Bombay; (6) Manibhai B. Amin, Esq., Dipl. Ing. (Germany), Consulting Technical Director, Baroda; (7) Ramanbhai B. Amin, Esq., (*Chief Engineer and General Manager*), Baroda.

Registered Office—Baroda. **Bombay Office**—Laxmi Insurance Building, Sir Pherozeshah Mehta Road, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in June.

Dividends—payable in August.

Capital—Authorised—Rs. 20,00,000 made up as under:—(1) 10,000 Ordinary shares of Rs. 100 each=Rs. 10,00,000 and (2) 10,000 6¼% (Taxable) Cumulative Preference shares of Rs. 100 each=Rs. 10,00,000. **Subscribed**—Rs. 12,99,920 made up as under:—(1) 10,000 Ordinary shares of Rs. 100 each fully paid=Rs.10,00,000 and (2) 5,000 6¼% (Taxable) Cumulative Preference shares of Rs. 100 each, on which Rs. 60 has been paid up=Rs. 3,00,000. From this must be deducted Rs. 80 being calls in arrears.

The Managing Agency Agreement with Messrs. Kotibhasker Amin & Co., whc were working as Secretaries, Treasurers and Agents of the Alembic Chemical Works Co., Ltd., from 7th December 1907 was terminated on 6th October 1939 and from that date Messrs. Kotibhasker Amin & Co. ceased to function as Secretaries, Treasurers and Agents of the Company.

This Company conducts the business of Chemical, Pharmaceutical, Proprietary and Toilet Preparations. There is also a Distillery, which together with the works and laboratory is situated at Baroda.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	12,00,000	12,99,920	Block - -	12,84,014	13,43,567
Reserves and other Funds - -	8,42,985	9,65,034	Stores - -	2,78,762	3,74,291
Debts - -	1,97,345	1,89,470	Stock - -	3,67,927	2,95,271
Profit and Loss Account -	1,35,799	1,55,548	Outstandings -	2,90,039	2,97,961
			Investments -	79,874	86,459
			Cash - -	75,513	2,12,423
	23,76,129	26,09,972		23,76,129	26,09,972

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
12%	12%	12%	12%	7%	7%	7%+1B

Alkali and Chemical Corporation of India, Limited.

(Regd.—1937.)

Directors—(1) E. B. Pratt, Esq., (*Chairman*); (2) Khan Bahadur Syed Maratib Ali, C.B.E.; (3) D. Hendry, Esq., M.C.; (4) H. O. Smith, Esq.; (5) Rai Bahadur Sir Badridas Goenka, Kt., C.I.E.; (6) J. G. Nicholson, Esq.; (7) Sir William Wright, O.B.E.; (8) N. D. Harris, Esq., (*Alternate Director*); (9) G. H. Hodgson, Esq., (*Alternate Director*); (10) G. Wilkinson, Esq., (*Alternate Director*).

Secretaries—Imperial Chemical Industries (India), Ltd. **Registered Office**—18, Strand Road, Calcutta.

Financial Year—ends June 30. **Accounts**—published in November.

Dividends—payable in December.

Capital—Authorised—Rs. 5,00,00,000; Rs. 3,35,00,000 in 33,50,000 Ordinary shares of Rs. 10 each, and Rs. 1,65,00,000 in 1,65,000 5%(Tax-free) Cumulative Preference shares of Rs. 100 each. **Issued and Subscribed**—Rs. 74,40,000 made up of 4,34,000 Ordinary shares of Rs. 10 each—Rs. 43,40,000 and 31,000 5%(Tax-free) Cumulative Preference shares of Rs. 100 each—Rs. 31,00,000. **Paid-up**—Rs. 35,34,000 made up of 4,34,000 Ordinary shares of Rs. 10 each on which Re. 1 has been paid up, Rs. 4,34,000, and 31,000 5% (Tax-free) Cumulative Preference shares of Rs. 100 each.

The Preference shares carry preferential rights both as regards dividend and repayment of capital but they have no further right to participate in the profits or assets. Each Preference share allotted, however, has the option to take up 6 Ordinary shares at par in exchange not before January 1, 1941 and not after June 30, 1941. The Secretaries, Imperial Chemical Industries (India) Ltd., have undertaken to provide sufficient funds each half-year to enable the Company to pay the Preference dividend in full for a period of five years from April 1, 1938 and these payments will not constitute a liability on this Company and will not be repayable to Imperial Chemical Industries (India) Ltd.

The objects for which the Company was formed, were, *inter alia*, to develop the heavy chemical industry throughout India and to manufacture Alkalis, in particular Sodium Ash, Caustic Soda and Chlorine. The Soda Ash factory is situated at Khewra in the Jhelum District of Punjab whilst Caustic Soda and Chlorine will be produced by the factory erected near Calcutta which has commenced production.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	35,33,625	35,34,000	Block - -	1,71,484	13,69,536
			Stores - -	....	15,557
Debts - -	1,34,200	3,22,780	Debts - -	8,531	15,082
			Other Capital Expenditure -	56,685	56,720
			Cash - -	34,31,125	23,99,885
	36,67,825	38,56,780		36,67,825	38,56,780

Dividend Record—

1938	1939
..	..

Associated Cement Companies, Limited.

(Regd. 1936.)

Directors—(1) Sir H. P. Mody, Kt., K.B.E. (*Chairman*); (2) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E.; (3) Sir Chunilal V. Mehta, K.C.S.I.; (4) Sir Jehangir B. Boman-Behram, Kt.; (5) Sir Rahimtoola M. Chinoy, Kt.; (6) Walchand Hirachand, Esq.; (7) Dinsha K. Daji, Esq.; (8) Dharamsey M. Khatau, Esq.; (9) Ambalal Sarabhai, Esq.; (10) J. R. D. Tata, Esq.; (11) A. H. Wadia, Esq.; (12) Mathuradas Vissanji, Esq.; (13) Haridas Madhavdas, Esq.; (14) B. P. Garg, Esq.; (15) Sir Ardeshir Dalal, Kt.; (16) R. C. Giles, Esq.

Special Directors—(1) R. C. Lowndes, Esq.; (2) The Rt. Hon'ble Nawab Sir Akbar Hydari, Kt., P.C.; (3) Nawab Salar Jung Bahadur; (4) Khan Bahadur Ahmed Alladin, O.B.E.; (5) Sir Charles Carson, Kt., C.I.E., O.B.E.; (6) Col. Kumar Shiv Raj Singh; (7) Lala Gurcharan Das Mehta; (8) Pandit Devkinandan Chaturvedi.

Managing Agents—Cement Agencies, Limited. **Registered Office**—Esplanade House, Waudby Road, Fort, Bombay.

Financial Year—ends July 31. **Accounts**—published in January.

Dividends—payable in January.

Capital—Authorised—Rs. 8,00,00,000 in 8,00,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 7,05,42,100 in 7,05,421 Ordinary shares of Rs. 100 each fully paid.

Debentures—Rs. 7,50,000 less redeemed Rs. 3,45,000, now outstanding Rs. 4,05,000, in 5½% (Taxable) bonds of Rs. 1,000 each issued at par on 1st March 1937 repayable by annual drawings on 1st March, secured by charge on fixed assets of the Wah Works.

The Company was formed in 1936 to take over by amalgamation the business and assets of the undernoted concerns which went into voluntary liquidation in July and November 1937:—(1) The Indian Cement Company, Ltd., (2) The Katni Cement and Industrial Co. Ltd., (3) Bundi Portland Cement Ltd., (4) The Okha Cement Co. Ltd., (5) The Gwalior Cement Company Ltd., (6) The Punjab Portland Cement Co. Ltd., (7) The United Cement Co. Ltd., (8) The Shahabad Cement Co. Ltd., (9) The Coimbatore Cement Co. Ltd., (10) The Dewarkhand Cement Co. Ltd., (11) The C. P. Cement Co. Ltd.

The present position of the Company is that it owns the various works of the above concerns which are situated as follows:—(1) The Indian Cement Works at Porbandar in Kathiawar; (2) The Katni Cement Works located close to Katni Junction on the Jubbulpore Section of the G. I. P. Railway. These Works manufacture in addition to cement, tiles, firebricks, bauxite, fireclay, French chalk, stoneware pipes and fittings; (3) The Bundi Cement Works at Lakheri, Rajputana, B. B. & C. I. Railway; (4) The Gwalior Cement Works at Banmore, G. I. P. Railway, in the Gwalior State; (5) The Okha Cement Works at Dwarka in Kathiawar; (6) The Punjab Cement Works at Wah, N. W. Railway, in the Attock District; (7) The United Cement Works at Mehgaon *via* Jukehi, G. I. P. Railway in the Jubbulpore District; (8) The Shahabad Cement Works at Shahabad, G. I. P. Railway in H. E. H. the Nizam's Dominions; (9) The Coimbatore Cement Works at Madukarai, in the Madras Presidency; (10) The Dewarkhand Cement Works at Khalari in Behar; (11) The C. P. Cement Works at Kymore, C. P., *via* Jukehi, G. I. P. Railway in the Jubbulpore District. In

order further to cater for India's requirements of cement, additional factories have been opened. A 70,000 ton factory has been erected at Rohri in Sind and the Kistna Cement Works have been constructed near Bezwada on the East Coast, also of 70,000 tons capacity. Then, the Bhupendra factory near Kalka in Patiala State, of 100,000 tons capacity, has been working for 12 months and a subsidiary company known as the Patiala Cement Company Ltd. with an Issued Capital of Rs. 64 lakhs was formed to take over the assets of these Works. The greater part of this share capital is held by the Associated Cement Companies Ltd. Additionally, it owns the entire share capital of the Cement Marketing Company of India Ltd. and has a substantial interest in the Burma Cement Company Ltd., holding 40% of the shares.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)—**	1938	1939
Capital	7,05,42,100	7,05,42,100	Block	6,05,09,741	5,76,93,461
Debentures	5,00,000	4,05,000	Stores	53,71,216	48,14,992
Reserves and other Funds	82,24,917	75,79,666	Raw Materials	48,08,809	51,40,858
Bonus to Staff	2,00,000	1,50,000	Stock	10,62,282	14,09,389
Debts	39,92,055	41,66,333	Outstandings	59,96,107	48,56,231
Profit and Loss Account	44,50,029	40,00,992	Investments	69,45,647	30,31,056
			Cash	32,15,299	34,31,482
			Bhupendra Works Account	....	64,66,622
	8,79,09,101	8,68,44,091		8,79,09,101	8,68,44,091

Dividend Record—

	1937	1938	1939
	7½%	5%	5%

Price Range—

High	..	159½	136½
Low	..	106	103

Belapur Company, Limited.

(**Regd.** October 27, 1919.)

Directors:—(1) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E. (*Chairman*); (2) Sir Kikabhai Premchand, Kt.; (3) Sir Byramjee Jeejeebhoy, Kt.; (4) D. Moir, Esq.; (5) A. H. Baker, Esq. (Alternate Director in place of Sir Joseph Kay, Kt., J.P.).

Managers—Messrs. W. H. Brady & Co., Ltd. **Registered Office**—Royal Insurance Buildings, Churchgate Street, Fort, Bombay.

Financial Year—ends September 30. **Accounts**—published in December.

Dividends—payable in January.

Capital—Authorised—Rs. 40,00,000 in 80,000 Ordinary shares of Rs. 50 each. **Issued and Subscribed**—Rs. 37,59,800 in 75,196 shares of Rs. 50 each fully paid.

In the year 1924, the capital was reduced to Rs. 30 lakhs from Rs. 40 lakhs by reducing the nominal value of each share by Rs. 25, from Rs. 100 to Rs. 75. Again, in the year 1927, a further reduction was made from Rs. 30 lakhs to Rs. 20 lakhs by writing down the nominal value of the shares from Rs. 75 to Rs. 50. In 1935, the capital was increased to its present figure by the capitalisation of Rs. 18,79,900 from the Reserve Fund and thereby creating 37,598 new shares of Rs. 50 each which were distributed as bonus to existing shareholders, in the proportion of one share for every one held.

This Company, after many years of vicissitudes, can now be said to be on a very firm footing with finances in excellent condition. It owns a sugar factory at Harigaon near Belapur, on the Dhond-Manmad section of the G. I. P. Railway. The crushing capacity amounts to 650 tons of cane per day and the Company does not have to rely upon outside sources of cane supply, as it has its own plantations upon which much care has been spent in their cultivation, so much so that the sugar content is said to be among the highest in India. The Company's products enjoy a deserved reputation in the market.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	37,59,800	37,59,800	Block (Net) -	10,52,024	9,59,065
Reserves and other Funds - -	3,82,561	3,55,556	Crops in Progress -	8,67,190	9,55,105
Debts - -	4,06,355	4,43,616	Liquid Assets -	2,35,564	2,85,466
Profit and Loss Account	7,41,331	14,23,985	Debts - -	43,274	4,35,767
			Investments -	23,66,398	25,70,497
			Cash - -	7,25,597	7,77,057
	52,90,047	59,82,957		52,90,047	59,82,957

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	18%	24%	24%	16%	14%	14%	20%
Price Range—							
High - - -	202½	226¼	345	348¾	216⅞	195	205
Low - - -	126¼	157½	220	155	146⅜	140	163½

Bombay Burmah Trading Corporation, Limited.

(Incorporated in Bombay in September 1863 and Re-formed November 1895.)

Directors:—(1) J. M. B. Gibbons, Esq. (*Chairman*); (2) J. F. Macdonell, Esq.; (3) Sir Cowasji Jehangir, Bart., K.C.I.E., O.B.E., M.L.A.; (4) A. K. G. Hogg, Esq.; (5) Mathuradas Vissanji, Esq.

Secretaries, Treasurers and Managers—Messrs. Wallace & Co. **Registered Office**—9, Wallace Street, Fort, Bombay.

Financial Year—ends May 31. **Accounts**—published in December.

Dividends—paid half yearly about June-December.

Capital—Authorised—Rs. 1,57,50,000 *i.e.* (1) Rs. 2,50,000 in 100 Ordinary shares of Rs. 2,500 each; (2) Rs. 50,00,000 in 40,000 old Ordinary shares of Rs. 125 each; (3) Rs. 1,05,00,000 in 84,000 new Ordinary shares of Rs. 125 each. **Issued and Subscribed**—Rs. 94,50,000 *i.e.* (1) Rs. 2,50,000 in 100 Ordinary shares of Rs. 2,500 each fully paid; (2) Rs. 50,00,000 in 40,000 old Ordinary shares of Rs. 125 each fully paid; (3) Rs. 42,00,000 in 84,000 new Ordinary shares of Rs. 125 each, on which Rs. 50 has been called up.

The shares of Rs. 2,500 each are entitled to an additional dividend equal to one-third of the surplus profits remaining in any year after paying a dividend of 12 per cent. on all shares and after transfer of amounts to Reserves as decided upon by the Directors. Up till the year 1918, the capital stood at Rs. 52½ lakhs but was raised to its present figure by the creation of the third issue of new shares. This was done to develop the company's tea interests.

The Company was incorporated to acquire and work the business in Burma, which had been started by the late Mr. William Wallace and it now owns leases for working timber from forests in Burma and Siam. During the last Great War an interest was taken in the tea industry which was then prospering exceedingly well and large areas were acquired in Southern India in the Nilgiris, Wynaad and the Annamalai Hills. Recently, additions have been made to existing interests in the Nilgiris and also a factory has been built in the Southern Shan States in Burma to manufacture tea which is grown there indigenously. The Company also holds the controlling interest in the East India Rubber Corporation, Ltd.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	94,50,000	94,50,000	Block (Net)	94,97,070	93,89,435
Reserves and other Funds	1,09,27,394	1,19,55,076	Stores, etc.	19,51,651	22,33,512
Debts	69,10,927	85,42,841	Stock	1,29,64,885	1,38,26,710
Profit and Loss Account	25,14,019	19,84,401	Outstandings	10,12,001	10,70,784
			Investments	41,06,699	51,16,618
			Cash	2,70,034	2,95,259
	2,98,02,340	3,19,32,318		2,98,02,340	3,19,32,318

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	8%	6%	8%	10%	16%	20%	16%
Price Range—(Paid up Rs. 125 per share).							
High	475	475	480	420	815	776¼	560
Low	300	345	320	320	425	465	418
(Paid up Rs. 50 per share.)							
High	165	160	156¼	143¾	266¼	257½	190⅝
Low	100	120	108¾	103¾	138¾	162½	138¼

Bombay Safe Deposit Company, Limited.

Directors:—(1) Sir Purshotamdas Thakurdas, Kt.,C.I.E., M.B.E. (*Chairman*); (2) Sir Byramjee Jeejeebhoy, Kt.; (3) The Hon'ble Sir Rahimtoola M. Chinoy, Kt.; (4) T. V. Baddeley, Esq.; (5) R. W. Bullock, Esq. (*Ex-Officio*).

Agents—Messrs. Forbes, Forbes Campbell & Co. Ltd.

Registered Office—Forbes Building, Home Street, Fort, Bombay.

Financial Year—ends September 30. **Accounts**—published in December. **Dividends**—payable in December.

Capital.—Authorised—Rs. 3,00,000 in 1,200 Ordinary shares of Rs. 250 each. **Subscribed**—Rs. 2,40,000 in 1,200 Ordinary shares of Rs. 250 each, on which Rs. 200 has been paid up.

This Company, as the name denotes, hires out lockers for the safe deposit of Jewellery, Shares, Securities and such other Valuables, etc.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	2,40,000	2,40,000	Block - -	5,09,443	5,09,443
Reserves and Other Funds - -	4,41,194	4,42,944	Dead Stock -	6,767	6,012
Debts - -	57,289	67,458	Investments -	2,22,354	2,18,162
Profit and Loss Account -	59,253	59,489	Cash - -	59,172	76,274
	7,97,736	8,09,891		7,97,736	8,09,891

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
20%	20%+2B	20%	20%	20%	20%	17½%

Bombay Steam Navigation Co., Ltd.

(Regd. 1906.)

(See also Advertisement.)

Directors:—(1) Walchand Hirachand, Esq. (*Chairman*); (2) Shantikumar N. Morarjee, Esq.; (3) Anantrai P. Pattani, Esq.; (4) Dr. Sorab Dinshawji Kias; (5) Pranlal Devkaran Nanjee, Esq., J. P.; (6) Mansukhlal Atmaram Master, Esq.; (7) Dharamsey Mulraj Khatau, Esq.; (8) Chatrabhuj Gordhandas Soonderdas, Esq.

Managing Agents—The Scindia Steam Navigation Co., Ltd. **Joint General Manager**—H. M. Desai, Esq.

Registered Office—"Scindia House," Ballard Estate, Bombay.

Financial year—ends June 30. **Accounts**—published about November.

Dividends—payable in November.

Capital.—Authorised, Issued and Subscribed—Rs. 60,00,000 made up of 18,000 Ordinary shares of Rs. 250 each fully paid=Rs. 45,00,000 and 6,000 6 per cent. (Taxable) Cumulative Preference shares of Rs. 250 each fully paid=Rs. 15,00,000.

Debentures—Rs. 15,00,000 made up of 1,500 3 per cent. (Taxable) Bearer Bonds of Rs. 1,000 each, issued at par on January 1, 1938; repayable at par on January 1, 1943. These Debentures are registered and transferable only by deed. Interest payable half-yearly January 1 and July 1.

On December 21, 1939, the Managing Agency of the Company was acquired by the Scindia Steam Navigation Co., Ltd., from Messrs. Killick, Nixon & Co.

This Company is the oldest engaged in the coastal trade around the shores of Western India but its activities have been curtailed owing to the acquisition of most of its vessels for the Royal Indian Navy. The Report of June 30, 1939, states that the Company owns 6 cargo steamers with a gross tonnage varying between 1,243 tons to 1,638 tons, 8 passenger steamer with a gross tonnage varying between 252 tons and 840 tons, 19 steam and motor launches with a gross tonnage between 6 and 93 tons and, in addition, 78 lighters and country craft with 47 jolly boats and tonies.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	60,00,000	60,00,000	Block (Net)	84,46,206	74,64,352
Debentures	15,00,000	15,00,000	Stores, etc.	4,94,001	3,61,434
Reserves and Other Funds	15,94,031	16,97,395	Outstandings	2,58,086	2,69,827
Debts	11,94,681	11,22,938	Investments	2,36,564	14,41,024
Profit and Loss Account	1,83,192	2,41,254	Cash	10,37,047	10,24,950
	1,04,71,904	1,05,61,587		1,04,71,904	1,05,61,587

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	5½%	5½%	6%	5½%	2%	2%	3%
Price Range—							
High	287½	291¼	320	310	320	275	248
Low	201¼	232½	275	268⅝	250	210	210

Bombay Telephone Company, Limited.

(Regd. : April 25, 1923).

Directors—(1) The Hon'ble Mr. R. H. Parker (*Chairman and Managing Director*); (2) Tricumdas Gordhandas Khatau, Esq.; (3) A. E. Blair, Esq.; (4) R. W. Bullock, Esq.; (5) Sir Jamsetjee Jeejeebhoy, Bart.; (6) A. K. G. Hogg, Esq.; (7) Vithaldas Damodher Govindjee, Esq.

Registered Office—Amar Buildings, Sir Phirozshah Mehta Road, Fort, Bombay.

Financial Year—ends December. **Accounts**—published in March.

Dividends—payable half-yearly in March and September.

Capital.—Authorised—Rs. 2,00,00,000 in 4,00,000 Ordinary shares of Rs. 50 each. **Issued and Subscribed**—Rs. 1,20,15,550 in 2,40,311 Ordinary shares of Rs. 50 each fully paid.

Debentures—Rs. 75,00,000 in stock transferable in multiples of Rs. 50. Interest 4% (taxable) payable on June 30 and December 31. Redeemable on December 31, 1947, with option of redemption in whole or part (subject to a minimum of Rs. 2,00,000) by three months' notice on or after December 31, 1942. The stock is registered and is transferable by deed only.

The Issued and Subscribed capital of the Company was increased from Rs. 1,00,63,150 to its present figure by the issue of 38,388 shares in 1938 and 660 shares in 1939 all of Rs. 50 each fully paid at par, *pro rata*, to the existing shareholders in the proportion of one new share for every five shares held.

The Company maintains telephone exchanges and telephone lines in the islands of Bombay, Salsette and Trombay and in the towns of Karachi and Ahmedabad and works under agreements with the Government of India. Under the terms of the licences, Government have the right of purchasing the undertaking, in respect of the Bombay licence on 31st March 1943 and in respect of Karachi and Ahmedabad licences on 31st August 1943 or in the last year of any subsequent period of 10 years on giving twelve months' previous notice. All the three licences expire in 1963.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	1,19,82,550	1,20,15,550	Block (Gross) -	3,10,65,609	3,09,15,013
Debentures -	75,00,000	75,00,000	Stores - -	14,34,604	13,21,506
Reserves (Including Depreciation Fund, etc.) -	1,17,88,240	1,11,33,349	Outstandings -	2,63,674	2,70,552
			Investments -	8,437	8,486
			Cash - -	15,13,300	14,92,223
Debts - -	21,24,453	22,32,534			
Profit and Loss Account -	8,90,381	11,26,347			
	3,42,85,624	3,40,07,780		3,42,85,624	3,40,07,780

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	7%	8%	8%	8%	8%	8%	8%
Price Range—							
High - - -	88½	118	120½	120	119	98	92
Low - - -	66	83	99	105½	94¾	79	78

Brady, W. H. & Co., Ltd.

Directors—(1) Sir Joseph Kay, Kt., (*Managing Director*); (2) A. H. Baker, Esq.; (3) D. Moir, Esq.; (4) R. L. Ferard, Esq.; (5) J. Slater, Esq.; (6) H. G. H. Everitt, Esq.

Registered Office—Royal Insurance Buildings, Churchgate Street, Bombay.

Financial Year—ends December 31. **Accounts**—published in March.

Dividends—payable in March.

Capital.—Authorised—Rs. 30,00,000 in 20,000 Ordinary shares of Rs. 150 each.

Issued, Subscribed and Paid-up—Rs. 24,00,000 in 16,000 Ordinary shares of Rs. 150 each.

The Company carries on the business of Merchants, Mill Agents, Machinery Agents and Importers and Exporters. The concerns which come under its agency are the Colaba Land and Mill Co., Ltd., the New City of Bombay Manufacturing Co., Ltd., The Bombay Industrial Mills, Ltd., and G. Claridge and Co., Ltd. (High Class Printers owning the Caxton Press). The Company also acts as Secretaries, Treasurers and Agents to the New Great Eastern Spinning and Manufacturing Co., Ltd., and the Empire Dyeing and Manufacturing Co., Ltd., whilst it manages the Belapur Co., Ltd.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)—**	1938	1939
Capital - -	24,00,000	24,00,000	Block - -	54,749	62,061
Reserve Fund -	8,00,000	8,00,000	Stock-in-Trade -	15,55,215	16,08,840
Other Funds -	2,26,470	2,51,852	Outstandings -	22,17,263	24,43,255
Debts - -	13,61,094	19,07,429	Investments -	11,77,677	10,90,800
Profit and Loss Account -	4,14,222	4,89,041	Cash	1,96,882	6,43,366
	52,01,786	58,48,322		52,01,786	58,48,322

Dividend Record—	1933	1934	1935	1936	1937	1938	1939
	..	3⅓%	4%	5%	6⅔%	8⅓%	10%
Price Range—							
High - - -	..	..	..	..	185	185	270
Low - - -	..	..	..	..	130	165	165

British Burma Petroleum Company, Limited.

(**Incorporated** in England on August 31, 1910).

Directors—(1) Trevor F. D. Rose, Esq., (*Chairman*); (2) A. P. Faickney, Esq.; (3) Captain Derek Fitzgerald; (4) Sir Padamji Ginwala; (5) Captain A. K. MacEwan; (6) M. A. J. Noble, Esq.

Registered Office—Moorgate Hall, Moorgate, London, E.C.2. **Dominion Share Registration Offices**—11, Bank Street, Fort, Bombay; 80, Strand Road, Rangoon. **Bombay Committee**—M. A J. Noble, Esq., (*Chairman*) and S. D. Bastavala, Esq.

Financial Year—ends January 31. **Accounts**—published in July.

Dividends—payable in August.

Capital.—Authorised, Issued and Subscribed—£1,500,000 in 3,750,000 Ordinary shares of 8 shillings each fully paid. **Debentures—Authorised and Issued**—£500,000, Less Redeemed and Cancelled—£40,000. Now outstanding—£460,000. These were issued in January 1936 and bear interest at the rate of 5½ per cent. They are repayable at 102 per cent. on April 30, 1962 or at 103 per cent. after December 31, 1941, on 3 months' notice from the Company. Provision has been made for a Sinking Fund to operate by purchase at 100 or below; or by drawings at 102 per cent. Interest is payable on June 30 and December 31.

There have been several changes in capital over the last 18 years.

In 1922, the Authorised Capital of the Company was raised from £1,000,000 to £1,240,000 by the creation of 600,000 shares of 8 shillings each. In 1928 the Issued Capital was raised from £996,284 to £1,116,284 by the issue of 300,000 shares of 8 shillings each to the Rangoon Oil Co., Ltd. as consideration for the transfer of the assets of the latter company. In 1929, the Capital was further raised by the issue of 2,50,000 shares at par to enable the Company to subscribe for 13,333, 10% Preference and 6,666 Ordinary shares both of Rs. 100 each in the British Burma Deep Drilling Co., Ltd. In 1936 the Capital was raised to its present figure by the creation of 650,000 additional shares of 8 shillings each, out of which 625,000 fully paid-up shares (also £100,000 Debentures) were given as the purchase price of the property acquired from the Yenangyaung Oilfields Southern Extension Co. Subsequent to the last Balance Sheet, in July 1939 the Authorised and Issued Capital of the Company was reduced from £1,500,000 to £750,000 by reducing the nominal value of each share from 8s. to 4s. The Authorised Capital was thereafter increased to its present figure by the creation of 3,750,000 new shares of 4s. each. These changes, therefore, do not appear in the accounts for the year ending January 31, 1939.

Share Registers are maintained in London, Bombay and Rangoon. Shares can be transferred from one Register to another.

The Company owns or controls over 400 well sites in the Yenangyaung Oilfield in Burma, in addition to other fields in Singu, Yenangyat and Ninbu. It also controls the Ormul Products Ltd. and owns a refinery. It had a holding of 92 per cent. of the shares of the Rangoon Oil Co., Ltd. which was wound up in 1938 but a new Rangoon Oil Company Ltd., registered in London, has been formed to take over the old com-

pany's assets. Apart from this, the Company has purchased leases and obtained options over oil areas in Trinidad, in the West Indies. And, lastly it has a substantial holding in the South African Torbanite Mining and Refinery Company Ltd. As we go to press, the announcement has been made of a dividend of 3d. per share (*Taxable*), the first declaration since 1931.

Summary of Last Two Balance Sheets.

Liabilities (in £)—	1937	1939 (18 months)	**Assets (in £)**—	1937	1939 (18 months)
Capital - -	1,500,000	1,500,000	Block - -	1,046,183	1,088,422
Debentures plus accrued Interest.	483,099	462,099	Development Account -	133,500	133,500
Reserves - -	28,674	59,035	Stores and Spares -	331,140	266,554
Debts - -	174,765	172,896	Stocks - -	56,113	80,316
Profit and Loss Account -	1,574	49,766	Investments -	278,220	360,471
			Outstandings -	233,780	245,555
			Cash - -	109,176	68,978
	2,188,112	2,243,796		2,188,112	2,243,796

Dividend Record—

	1933	1934	1935	1936	1937	1939 (18 months)
	..	..	..	..	..	..

Price Range—

		1933	1934	1935	1936	1937	1939 (18 months)
High - -	Rs.	3	3⅛	6¼	6½	8½	6⅛
Low - -		2¼	2⅜	3	2⅜	4¾	2 11/16

British India Corporation, Ltd.

(Regd. February 14, 1920.)

Directors—(1) R. Menzies, Esq., C.A., (*Chairman and Managing Director*); (2) The Hon'ble Rai Bahadur Lala Ram Sarn Das, C.I.E., M.C.S., (*Vice-Chairman*); (3) Chaudhri Hyder Husein, Esq., B.A., LL.B., Barrister-at-Law; (4) Lady R. W. MacRobert, J.P.; (5) J. Tinker, Esq.; (6) Rai Bahadur Vikramajit Singh, M.B.E., B.A., LL.B.; (7) W. R. Watt, Esq.; (8) B. West, Esq.

Secretary—F. G. Brightman, Esq. **Registered Office**—14-77, Civil Lines, Cawnpore.

Financial Year—ends December 31. **Accounts**—published in March.

Dividends—payable in April.

Capital.—Authorised—Rs. 3,65,00,000 *i.e.*, (1) Rs. 65,00,000 in 65,00,000 Ordinary shares of Re. 1 each and (2) Rs. 3,00,00,000 in 3,00,000, 8% (Tax-Free) Cumulative Preference shares of Rs. 100 each. **Issued and Subscribed**—Rs. 1,25,15,000 *i.e.*, (1) Rs. 44,15,000 in 44,15,000 Ordinary shares of Re. 1 each fully paid, and (2) Rs. 81,00,000 in 81,000, 8% (Tax-Free) Cumulative Preference shares of Rs. 100 each fully paid.

The Corporation was formed to combine and amalgamate the following businesses from 1st January 1920 :—(1) The Cawnpore Woollen Mills Co., Ltd. (2) The Cawnpore Cotton Mills Co., Ltd. (3) The Empire Engineering Co., Ltd. (4) Cooper Allen & Co., Ltd. (5) The North-West Tannery Co., Ltd. and (6) The New Egerton Woollen Mills Co. Ltd. The Empire Engineering Co. has been closed down. The activities of these concerns are as follows :—(1) The Cawnpore Woollen Mills, which as the name denotes manufacture woollen goods, have 22,364 spindles and 380 looms. The products have the Trade Mark "Lalimli." (2) The Cawnpore Cotton Mills Ltd. manufacture cotton goods, with the Trade Mark "Kakomi" and have about 75,000 spindles and 972 looms. (3) Messrs. Cooper Allen & Co., Ltd., has one of the largest army boot and equipment factories in the world and can turn out 6,000 pairs of the former per day. (4) The North-West Tannery is one of the most up-to-date in the East and the factory makes all leather products including the 'Flex' footware. (5) The New Egerton Woollen Mills also produce all kinds of woollen goods, with the Trade Mark "Dhariwal" and have 16,600 spindles and 317 looms. This Company is thus eminently situated to supply all army requirements.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	1,25,15,000	1,25,15,000	Block	60,71,240	62,49,432
Reserves	54,84,986	56,09,613	Stores	11,56,006	10,79,083
Debts	43,23,602	47,10,738	Stock	94,30,955	90,21,760
Profit and Loss Account	14,72,765	25,88,528	Outstandings	42,73,660	59,99,673
			Investments	27,08,497	29,06,872
			Cash	1,55,995	1,67,059
	2,37,96,353	2,54,23,879		2,37,96,353	2,54,23,879

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	12½%	18¾%	25%	25%	12½%	25%

Price Range—

High	1⅛	3⅛	4	4⅛	5 5/16	3⅞	5 5/16
Low	½	⅝	2⅝	3¼	3 3/16	2 7/16	2 7/16

Building Construction Co., Ltd.

(Regd. 1936).

Directors—(1) Walchand Hirachand, Esq., (*Chairman*) ; (2) Gulabchand Hirachand, Esq. ; (3) Ratanchand Hirachand, Esq. ; (4) Maneklal Premchand, Esq. ; (5) Jyotendra L. Mehta, Esq.

Managing Agents—Messrs. Walchand & Co., Ltd.

Registered Office—Construction House, Ballard Estate, Bombay.

Financial Year—ends December 31. **Accounts**—published in January.

Dividends—payable in February.

Capital.—Authorised—Rs. 50,00,000 in 50,000 Ordinary shares of Rs. 100 each. **Subscribed and Paid-up**—Rs. 5,00,000 in 5,000 Ordinary shares of Rs. 100 each.

This Company carries on the business of specialists in reinforced cement concrete works.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	5,00,000	5,00,000	Block - -	4,82,549	6,52,810
Debts - -	1,14,007	2,50,077	Outstandings -	1,33,782	1,04,095
Profit and Loss Account -	20,088	20,345	Investments -	12,647	12,647
			Cash - -	5,117	870
	6,34,095	7,70,422		6,34,095	7,70,422

Dividend Record—

1937	1938	1939
	7%	4%

Burma Corporation Limited.

(**Regd.** at Rangoon, December 17, 1919).

Directors—(1) Rt. Hon. Viscount Horne of Slamannan, P.C., G.B.E., (*Chairman*); (2) P. E. Marmion, Esq., (*Vice-Chairman and Joint Managing Director*); (3) M. L. Burnet, Esq.; (4) C. F. Clifton, Esq.; (5) John R. Govett, Esq.; (6) F. B. Hartnoll, Esq.; (7) Capt. O. Lyttelton, D.S.O., M.C.; (8) A. T. W. Paine, Esq.; (9) Wm. S. Robinson, Esq., (*Joint Managing Director*); (10) Sir Henry Strakosch, G.B.E.; (11) Sir T. R. Wynne, K.C.S.I., K.C.I.E.

Secretary—Henry Ponsford, Esq. **Registered Office**—44, Phayre Street, Rangoon.

Financial Year—ends June 30. **Accounts**—published in December.

Dividends—payable in March and September.

Capital.—Authorised—Rs. 18,00,00,000 in 2,00,00,000 Ordinary shares of Rs. 9 each. **Issued and Subscribed**—Rs. 12,18,75,201 in 1,35,41,689 Ordinary shares of Rs. 9 each fully paid.

In 1935 the Authorised and Issued Capital of the Company was reduced to its present figure by reducing the nominal value of each share from Rs. 10 to Rs. 9. Re. 1 per share was paid (in January 1936) to the holders of the issued shares.

Share Registers are maintained in London and Rangoon and shares can be transferred from one Register to another.

The Company was formed to take over the assets of the Burma Corporation (old company) and the Burma Mines, which went into liquidation in 1919. A new mining lease was issued direct to this concern by the Government of India, for a period of 30 years from January 1, 1920 and a royalty of 2½ per cent. of 30 per cent. of the gross value of the metal content of the ore mined annually, is payable to the Government. The Company's mining areas are situated at Bawdwin in the Northern Shan States of Burma, the nearest railway station being 46 miles away at Namyao on the Burma Railways, and about 590 miles from Rangoon. The areas cover approximately ten square miles. The Company produces Refined Lead, Silver, Zinc Concentrates, Copper Matte and Nickel Speiss.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	12,18,75,201	12,18,75,201	Block (Net)	11,77,25,275	11,71,24,173
Reserves	1,34,13,156	1,14,25,615	Stores	42,08,622	48,98,186
Debts	15,87,710	17,17,012	Stock	18,37,878	14,69,441
Profit and Loss Account	45,38,869	47,38,783	Outstandings	35,46,364	38,69,052
			Investment	46,28,527	33,19,836
			Cash	94,68,270	90,75,923
	14,14,14,936	13,97,56,611		14,14,14,936	13,97,56,611

Dividend Record—	1933	1934	1935	1936	1937	1938	1939
	3 7/16 %	3 1/8 %	4 11/16 %	8 1/2 %	12 9/16 %	6 11/16 %	6 1/4 %
Price Range—							
High	9 3/4	10 3/8	9 3/4	8 1/2	17 1/8	13 13/16	7 7/16
Low	5 1/2	8 1/2	5 5/8	6 1/8	6 9/16	4 15/16	5 1/8

Dalmia Cement, Ltd.

(**Regd.** April 1937.)

(*See also Advertisement*).

Directors—(1) Seth Ramkrishna Dalmia, (*Chairman*); (2) Dwarkadas Jhunjhunwala, Esq.; (3) Seth Jaidayal Dalmia; (4) Kundanlal Agarwal, Esq.; (5) Jhabarmal Chokhani, Esq.; (6) Seth Shanti Prasad Jain.

Managing Agents—Messrs. Dalmia Jain & Co., Ltd.

Registered Office—Dalmianagar, (*District Shahabad.*)

Financial Year—ends December 31. **Accounts**—published in June.

Dividends—payable in June.

Capital.—Authorised—Rs. 5,00,00,000 in (1) 25,00,000 Ordinary shares of Rs. 10 each, Rs. 2,50,00,000, (2) 2,40,000 6% (Tax-free) Cumulative Preference shares of Rs. 100 each, Ps. 2,40,00,000 and (3) 10,00,000 Deferred shares of Re. 1 each, Rs. 10,00,000.

Issued and Subscribed—Rs. 99,94,946-4-0 in (1) 6,00,000 Ordinary shares of Rs. 10 each fully paid, Rs. 60,00,000, (2) 35,000 6% Cumulative Preference shares of Rs. 100 each fully paid, Rs. 35,00,000 and (3) 5,00,000 Deferred shares of Re. 1 each, Rs. 5,00,000; less Rs. 5,053-12-0 being calls in arrears. **Debentures—Authorised**—Rs. 40,00,000 in 5½% Mortgage Debentures. **Subscribed**—Rs. 33,00,000 in 5½% Mortgage Debentures less Rs. 2,400 being the allotment money in arrears.

These Debentures were issued in 1939 and are repayable in 1947. The Company has the option of repayment at 102 per cent. at any time on three months' notice. Interest payable on 31st March and 30th September.

After the Accounts for 1939 were made up, it was decided to pay an interim dividend of six annas per share on the Ordinary shares but the shareholders of the Company at a second General meeting held on 12th June 1940, decided that in order to conserve the resources of the Company in the present extremely abnormal circumstances caused by the war, the payment of final dividend of Rs. 6 per Preference share and the interim dividend of annas 6 per Ordinary share be postponed until the situation improves, when the Managing Agents will again convene a meeting of the shareholders to consider the question of a dividend.

This Company, as the name denotes, manufactures cement and there are three factories, one at Karachi, another at Dandot in the Punjab and the third at Dalmiapuram, near Trichinopoly in Southern India. These three factories are capable of an annual output of about 4,50,000 tons.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	99,93,355	99,94,946	Block	86,25,646	1,20,53,112
Debentures	....	32,97,600	Other Capital Expenditure	....	76,545
Reserves and other Funds	....	1,00,000	Stores	5,30,715	6,71,288
Debts	17,37,087	4,76,284	Stock	1,42,012	1,49,864
Profit and Loss Account	3,99,877	4,34,758	Outstandings	16,82,125	10,69,413
			Investments	9,65,500	250
			Cash	1,84,321	2,83,116
	1,21,30,319	1,43,03,588		1,21,30,319	1,43,03,588

Dividend Record—

	1938	1939
Price Range—	1938	1939
Ordinary		
High	10¼	12 13/16
Low	8¾	9
Deferred		
High	3⅝	3½
Low	2⅛	2⅝

Dunlop Rubber Co. (India), Ltd.

(Regd. 1926.)

Directors:—(1) Francis Forbes Mackay Ferguson, Esq. (*Managing Director*); (2) The Maharajadhiraja Bahadur Sir Bijay Chand Mahtab, G.C.I.E., K.C.S.I., I.O.M. *of* Burdwan (Bengal); (3) Rai Sir Badridas Goenka Bahadur, B.A., C.I.E.; (4) Sir Adamjee Hajee Dawood, Kt.; (5) Richard Stanley Purssell, Esq., C.I.E., O.B.E.; (6) Joseph Lugton Graham, Esq.; (7) Robert Francis Bennett, Esq.; (8) James Pomeroy Anderson, Esq.

Secretary—A. W. Gillespie, Esq., C.A.

Registered Office—'Dunlop House', 57B, Free School Street, Calcutta.

Bombay Office—'Dunlop House', Nowroji Furdonji Road, Apollo Bunder, Bombay.

Financial year—ends December 31. **Accounts**—published in March.

Dividends—payable in April.

Capital.—Authorised—Rs. 2,00,00,000. (1) Rs. 50,00,000 in 500,000 Ordinary shares of Rs. 10 each fully paid; (2) Rs. 80,00,000 in 800,000 shares of Rs. 10 each (which may be issued as Ordinary or otherwise but always ranking for dividend and repayment of capital after the Guaranteed and Second Cumulative Preference shares); (3) Rs. 30,00,000 in 30,000 6% (Tax-Free) Guaranteed Cumulative Preference shares of Rs. 100 each and (4) Rs. 40,00,000 in 40,000 Second Cumulative 6% (Taxable) Preference shares of Rs. 100 each. **Issued, Subscribed and Paid up**—Rs. 1,20,00,000. (1) Rs. 50,00,000 in 500,000 Ordinary shares of Rs. 10 each; (2) Rs. 30,00,000 in 30,000 6% (Tax-Free) Guaranteed Cumulative Preference shares of Rs. 100 each and (3) Rs. 40,00,000 in 40,000 Second Cumulative 6% (Taxable) Preference shares of Rs. 100 each.

In November 1936, the capital of the Company was increased to its present figure (1) by the creation and issue of 300,000 Ordinary shares of Rs. 10 each; (2) by the creation and issue of 40,000 Second Preference shares of Rs. 100 each at a premium of Rs. 4 per share and (3) by the creation of 8,00,000 shares of Rs. 10 each which may be issued as Ordinary shares or otherwise.

At the same time the old Ordinary shares of Rs. 100 each were sub-divided into 10 shares of Rs. 10 each.

This Company manufactures all kinds of rubber goods and owns a factory situated at Sahaganj (Hooghly District) on the right bank of the River Hooghly about 35 miles north of Calcutta.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	1,20,00,000	1,20,00,000	Block - -	58,87,891	56,35,820
General Reserve Fund - -	1,50,000	4,30,000	Stock - -	35,26,992	32,06,827
Other Funds -	4,10,000	18,66,449	Sundry Debtors -	23,57,957	22,03,200
Sundry Creditors -	8,81,231	7,18,695	Other Assets -	18,34,972	17,67,163
Profit and Loss Account -	7,12,227	14,76,882	Cash - -	5,45,646	36,79,016
	1,41,53,458	1,64,92,026		1,41,53,458	1,64,92,026

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	8·78%	5·44%	..	..	5%	20%
Price Range—							
High - - -	..	..	..	13¾	34¾	16 11/16	28¼
Low - - -	..	..	..	13 5/8	13	10¼	14½

Hindustan Construction Co., Ltd.

(Regd. 1926.)

Directors :—(1) Jyotendra L. Mehta, Esq. (*Chairman*); (2) Lalchand Hirachand, Esq.; (3) Govindji Raoji, Esq.

Managing Agents—Messrs. Walchand & Co., Ltd.

Registered Office—Construction House, Ballard Estate, Bombay.

Financial year—ends August 31. **Accounts**—published in October.

Dividends—payable in November.

Capital.—Authorised, Issued and Subscribed—Rs. 12,00,000 in 12,000 Ordinary shares of Rs. 100 each fully paid.

The Company carries on the business of Engineers and Contractors, Specialists in Concrete Work, Construction of Bridges, Tunnels, Buildings, R.C.C. Elevated Tanks, Pile Driving, etc.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	12,00,000	12,00,000	Block - -	19,87,406	15,51,199
Depreciation Fund.	70,000	70,000	Stores - -	7,04,448	3,10,090
Reserves and other Funds -	70,394	70,394	Outstandings -	6,34,030	4,67,375
Debts - -	23,56,608	13,18,399	Investments -	2,36,629	1,89,350
Profit and Loss Account -	....	22,916	Cash - -	1,26,307	1,63,695
			Profit and Loss Account -	8,182	....
	36,97,002	26,81,709		36,97,002	26,81,709

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
25%	35%	16·66%	14·58%	..	..	..

Hindusthan Sugar Mills, Limited.

Directors:—(1) Jamnalal Bajaj, Esq. (*Chairman*); (2) R. D. Birla, Esq. (*Ex-Officio*); (3) Ramniwas Ramnarain, Esq.; (4) Narayanlal Bansilal, Esq.; (5) Pranlal Devkaran Nanjee, Esq., J.P.; (6) Kamalnayan Bajaj, Esq. (*Ex-Officio*).

Agents—Messrs. Bachhraj & Co., Ltd.

Registered Office—51, Mahatma Gandhi Road, Fort, Bombay.

Financial year—ends June 30. **Accounts**—published in November.

Dividends—payable in November.

Capital.—Authorised—Rs. 20,00,000 in 20,000 Ordinary shares of Rs. 100 each. **Issued, Subscribed and Paid up**—Rs. 5,00,000 in 5,000 Ordinary shares of Rs. 100 each.

Debentures—Rs. 5,00,000 First Mortgage Debentures were repurchased by the Company in 1937 and kept alive. Rs. 2,50,000 Second Mortgage Debentures were redeemed in November 1939.

In February 1940 the Issued, Subscribed and Paid-up Capital of the Company was increased from Rs. 5,00,000 to Rs. 15,00,000 by the capitalisation of Rs. 10,00,000 out of Rs. 11,00,000 standing to the credit of Reserve Fund, creating thereby 5,000 Ordinary shares of Rs. 100 each fully paid, Rs. 5,00,000 and 5,000 5 per cent (Tax free) Cumulative Preference shares of Rs. 100 each fully paid Rs. 5,00,000. These shares were distributed as free bonus to the existing shareholders in the proportion of one Ordinary share and one Preference share for each share held. This addition of Capital will appear in the next Report and Balance Sheet.

This Company owns a sugar factory at Golagokarannath in the U.P. on the R. & K. Rly. The crushing capacity in the beginning was 500 tons but now amounts to 1,800 tons of cane per day. The Company owns a farm but most of the cane required is purchased at the gate and out stations from cultivators in the same manner as other mills in U. P. and Bihar. Sufficient cane is available in the area. The Company has gained a very good reputation amongst cultivators and also in sugar markets. It made good profits for 5 years but due to drought and the presence of cane disease, profits were less in the latter years. The Company is capable of making good profits in normal years, and paid 10 to 15 per cent dividend on the paid-up Capital of Rs. 5,00,000 during the last seven years.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	5,00,000	5,00,000	Block - -	27,61,244	27,99,244
Debentures -	2,50,000	2,50,000			
Depreciation Fund.	7,73,300	9,41,300	Stores - -	1,68,151	2,15,147
Debentures Sinking Fund -	2,50,000	....	Stock - -	18,42,478	3,35,812
Reserves and Other Funds - -	8,99,435	11,70,475	Outstandings -	2,33,564	6,77,713
Debts - -	22,34,235	10,96,686	Cash - -	16,140	12,225
Profit and Loss Account -	1,14,607	81,680			
	50,21,577	40,40,141		50,21,577	40,40,141

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
10%	12%	12%	15%	15%	12½%	15%

Indian Copper Corporation, Limited.

(**Regd.** In United Kingdom, July 21, 1924.)

Directors:—(1) Sir Godfrey Butler Hunter Fell, K.C.I.E., C.S.I. (*Chairman and Managing Director*); (2) Robert Annan, Esq., M. Inst.M.M.; (3) Herbert Cecil Porter, Esq.; (4) Captain Hugh Vivian, M. Inst.M.M.; (5) Douglas S. Warren, Esq.

Secretary—H. J. Gintrip, Esq., A.C.I.S. **Registered Office**—49, Moorgate, London, E.C. 2. **Local Agents and Registrars**—Messrs. Gillanders Arbuthnot & Co., 8, Clive Street, Calcutta. **Indian Office**—Ghatsila, P.O. Singhbhum District, Chota Nagpur.

Financial Year—ends December 31. **Accounts**—published in June.

Dividends—payable in June and December.

Capital.—Authorised—£900,000 in 9,000,000 Ordinary shares of sh.2 each. **Issued and Subscribed**—£894,000 in 8,940,000 Ordinary shares of sh.2 each fully paid.

Debentures.—Authorised—£500,000 in 7½% First Mortgage Convertible Debentures. Now outstanding—£7,500, secured by trust deeds dated February 23, 1927, and December 13, 1932 to the Beaver Trust Ltd., 1, Queen Victoria Street, London, E.C. 4 as a floating charge on the undertaking and assets, except the stone quarrying lease. These Debentures are repayable at 105 per cent. either on December 31, 1951 or on six months' notice at any time after January 1, 1940, or in the event of voluntary liquidation, or if the security is enforced. The Debentures were convertible into Ordinary shares at any time up to December 31, 1939, on the basis of 800 shares for every £100 held. Interest payable January 1, and July 1. Notice has been given that these debentures were to be redeemed on the 5th July 1940 at £105.

In 1925 the Capital of the Company was increased from £225,000 to £475,000 and in 1926, 2,951,854 unissued shares were constituted Preference Shares. In 1927, the Preference shares were converted into Ordinary shares and the Capital was thereby increased to £750,000. In October 1932, the Authorised Capital of the Company was increased to its present figure by the creation of 1,500,000 shares of sh.2 each. The Issued and Subscribed Capital was increased in 1934 from £305,845 to £500,240 by the issue of 1,941,546 shares of sh.2 each and by the conversion of £300 Debentures in 2,400 shares of sh.2 each; in 1936 to £758,240 by the issue of 481,600 shares of sh.2 each and the conversion of £262,300 Debentures in 2,098,400 shares of sh.2 each; in 1937 to £844,480 by the conversion of £107,800 Debentures into 862,400 shares of sh.2 each; in 1938 to £854,480 by the conversion of £12,500 Debentures in 100,000 shares of sh.2 each; and in 1939 to £894,000 by the conversion of £49,400 Debentures into 395,200 shares of sh.2 each.

The Corporation owns copper mining leases over an area of about 10.85 square miles in the Singhbum Copper Field in the Chota Nagpur District of Bihar. Apart from this, it holds a stone quarrying lease for 30 years relating to an area of 6¾ square miles in the Kharsawan State. The main properties are not far from the Tata Iron and Steel Works at Jamshedpur, the actual locations being Mosaboni and Sideshur, adjacent to the main line of the Bengal-Nagpur Railway and about 133 miles from Calcutta. Being near also to a large number of collieries, coal and coke for smelting purposes can be obtained on advantageous terms.

Registers of shareholders are maintained in London and Calcutta. Shares can be transferred from one Register to another.

Summary of Last Two Balance Sheets.

Liabilities (in £)—	1938	1939	**Assets (in £)—**	1938	1939
Capital	854,480	894,000	Block	1,108,235	1,165,582
Debentures	56,900	7,500	Stores	165,037	134,364
General Reserve	155,418	177,298	Stocks	72,420	54,900
Depreciation Reserve	254,050	294,050	Investments	90,954	86,014
Debenture Redemption Reserve	2,845	375	Sundry Assets	42,965	60,825
Sundry Creditors	111,011	88,715	Cash	29,907	100,072
Profit and Loss Account	74,814	139,819			
	1,509,518	1,601,757		1,509,518	1,601,757

Dividend Record

	1933	1934	1935	1936	1937	1938	1939
	2½%	7½%	10%	12½%	15%	4%	12%
Price Range—							
High	..	..	..	4⅛	5½	3	3⅛
Low	..	..	..	2¼	2⅛	1¾	1 9/16

Indian Hume Pipe Co., Ltd.

(Regd. 1926).

(*See also Advertisement.*)

Directors—(1) Ratanchand Hirachand, Esq. (*Chairman*); (2) Lalchand Hirachand, Esq.; (3) Pranlal Devkaran Nanjee, Esq., J.P.; (4) Laxmikant Sitaram Dabholkar, Esq.

Managing Agents—Messrs. Walchand & Co., Ltd.

Registered Office—Construction House, Ballard Estate, Bombay.

Financial year—ends June 30. **Accounts**—published in October.

Dividends—payable in November.

Capital—Authorised, Issued and Subscribed—Rs. 30,00,000 in 30,000 Ordinary shares of Rs. 100 each, fully paid.

This Company carries on the business of Manufacturers of spun reinforced concrete pipes and steel pipes lined and outcoated with cement concrete.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	30,00,000	30,00,000	Block	31,72,008	32,50,579
Depreciation Fund.	8,40,000	9,90,000	Stores	9,85,679	6,08,521
Other Funds	25,186	25,186	Stock	10,24,267	6,47,420
Debts	22,69,579	16,35,998	Outstandings	6,76,382	6,58,550
Profit and Loss Account	1,67,943	1,96,217	Investments	1,08,898	1,83,071
			Sundry Items	1,53,130	2,96,191
			Cash	1,82,344	2,03,069
	63,02,708	58,47,401		63,02,708	58,47,401

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
10%	4%	12½%	26%	13%	5%	6%

Indian Iron and Steel Co., Ltd.

(Registered—Calcutta, March 11, 1918).

Directors—(1) T. Leslie Martin, Esq. (*Chairman*); (2) E. L. Watts, Esq.; (3) K. L. Jatia, Esq.; (4) Carl Bendix, Esq.; (5) Dr. N. N. Law, (6) Jna. Basu, Esq.; (7) J. S. Ker, Esq.; (8) P. J. P. Thomas, Esq.; (9) B. N. Mookerjee, Esq.; (10) Sir P. P. Ginwala; (11) H. Taguchi, Esq.

Managing Agents—Messrs. Burn & Company. **Registered Office**—12, Mission Row, Calcutta.

Financial Year—ends March 31. **Accounts**—published in September.

Dividends—payable in April and October.

Capital.—Authorised—Rs. 5,00,00,000 made up of 5,000,000 Ordinary shares of Rs. 10 each. **Issued and Subscribed**—Rs. 2,53,57,120 made up of 2,535,712 Ordinary shares of Rs. 10 each, fully paid.

Debentures—(1) £1,500,000, in 4% First Mortgage Debentures issued at £98 per cent. in 1936, redeemable by the operation of a cumulative sinking fund of 1½% per annum commencing in 1941, which will be applied in purchases on the market at any price less than par or by annual drawings at par. The Company can repay at 102% by giving six months' notice or at any interest date between December 31, 1951 and December 31, 1966 or in the case of voluntary liquidation. Interest payable on January 1 and July 1. These are registered debentures. (2) £500,000 in 4% Convertible Second Mortgage Debenture Stock. Issued in 1936 at par and repayable at par on December 31, 1961 or in whole or in part at 102% by six months' notice on any interest date after December 31, 1943. Till 1943, these Debentures are convertible into Ordinary shares of Rs. 10 each for every £1 10s. of Convertible Stock. Up till March 1939, £456,990 of these Debentures had been converted into Ordinary shares.

The original Capital of the Company was Rs. 3,00,00,000 and in 1925, this was reduced to Rs. 1,50,00,000 by writing down the nominal value of each share from Rs. 100 to Rs. 50. In October of the same year 1925, each of the Rs. 50 shares, was sub-divided into 5 shares of Rs. 10 each. In December 1936, by the terms of the amalgamation with the Bengal Iron Company Ltd., the Capital was reconstructed by writing down each of the 14,40,160 Issued shares of Rs. 10 to Rs. 7½ and consolidating the written down shares into 360,040 Ordinary shares of Rs. 30 each and then sub-dividing them into 10.80,120 shares of Rs. 10 each. The Authorised Capital was then increased to Rs. 5,00,00,000 by the creation of 39,19,880 Ordinary shares of Rs. 10 each. In 1937, the Issued and Subscribed Capital was increased by the issue of 4,19,468 Ordinary shares of Rs. 10 each at Rs. 25, to the existing shareholders in the proportion of one such share for every five held as on April 21, 1937.

The Company was formed to manufacture iron and steel but only pig-iron is produced at present. As mentioned above, in 1936, a merger took place between it and the Bengal Iron Company and the two works are situated at Hirapur near Asansol and at Kulti. These consist of 4 modern blast furnaces with a capacity of 60,000 to 70,000 tons of pig-iron per mensem. Additionally, the Company manufactures bye products such as sulphuric acid, sulphate of ammonia and tar. The properties of the Company are extensive and comprise firstly, an area of approximately 10 square miles in the Singhbum District of Behar, which it has been estimated to contain

not less than 90 million tons of high quality ore averaging 62 per cent. metallic iron and which are held on direct leases from the Secretary of State, expiring in 1945-50 but renewable for a further period of 30 years. Secondly, the old Bengal Iron properties are situated at Manharpur in the Singhbum District, covering an area of 7 square miles and containing not less than 100,000 tons of high grade ore with 60 per cent. of metallic iron. The Company also has mining rights over areas of 27 square miles in the same district, for phosphate of lime and owns the Ramnagore, Kendwa, Noonadih and Jitpur Collieries, estimated to contain some 73 million tons of coal. It also holds all the shares of Clutha House Co. Ltd. and Eastern Light Castings Co. Ltd., and 1,100,000 Ordinary shares of the Steel Corporation of Bengal Ltd. with whom there is a working agreement which is outlined more fully in the details of that Company. Briefly, however, the Indian Iron and Steel Company will supply to the Steel Corporation of Bengal, all the requirements of the Corporation of hot iron suitable for steel making purposes at a price equal to the manufacturing costs plus 5 per cent. In return, the Company will receive one-fifth of the nett profits of the Corporation, these profits to be assessed after taking into account Debenture interest, Sinking Fund and Depreciation but before allowing for taxation or reserves. Share Registers are maintained in London and Calcutta and shares can be transferred from one Register to another.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)—**	1938	1939
Capital - -	2,53,05,620	2,53,57,120	Block (Net) -	3,48,42,769	3,65,66,807
Debentures -	2,07,51,467	2,06,48,467	Stocks - -	57,00,810	94,26,450
Reserves - -	1,44,36,597	1,63,68,660	Stores - -	30,80,016	32,77,133
Dividend Adjustment Account -	....	25,50,000	Outstandings -	42,92,598	83,82,041
Debts - -	53,54,079	52,92,053	Investments -	1,37,65,799	80,14,142
Profit and Loss Account -	75,47,756	43,13,036	Cash - -	1,10,13,527	88,62,763
	7,33,95,519	7,45,29,336		7,33,95,519	7,45,29,336

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	..	20%	35%	15%

Price Range—

High - - -	6⅝	7⅛	9½	9¼	68⅜	79¾	35⅛
Low - - -	2½	3⅜	5½	5⅞	8	25 5/16	20½

Indian Radio & Cable Communications Company, Limited.

(Regd. 1923.)

Directors—(1) Sir Purshotamdas Thakurdas, C.I.E., M.B.E., (*Chairman*); (2) Sir Sultan Chinoy; (3) Sir Chunilal V. Mehta, K.C.S.I.; (4) Behram N. Karanjia, Esq., M.L.C.; (5) A. Geddis, Esq.; (6) A. E. Blair, Esq.; (7) G. M. Bathgate, Esq.; (8) Sir Ibrahim Rahimtoola, G.B.E., K.C.S.I., C.I.E.; (9) J. R. T. Booth, Esq., C.I.E., I.C.S., (*Postmaster-General, Bombay*); (10) P. C. Shah, Esq., (*Accountant General, Bombay*); (11) The Hon'ble Sir Rahimtoola Chinoy (*Ex-Officio*).

Secretaries and Treasurers—Messrs. F. M. Chinoy & Co., Ltd.

Registered Office—Radio House, Apollo Bunder, Bombay.

Financial year—ends December 31. **Accounts**—published in August.

Dividends—payable in September.

Capital.—Authorised—Rs. 3,00,00,000. (1) Rs. 2,00,00,000 in 2,00,000 Ordinary shares of Rs. 100 each and (2) Rs. 1,00,00,000 in 1,00,000 Deferred shares of Rs. 100 each. **Subscribed and Paid-up**—Rs. 44,99,900. (1) Rs. 27,00,000 in 27,000 Ordinary shares of Rs. 100 each fully paid up. Less: Rs. 100 on one share forfeited and (2) Rs. 18,00,000 in 18,000 Deferred shares of Rs. 100 each fully paid.

The conditions surrounding the Ordinary and Deferred shares are as follows:—The Ordinary shares are entitled to receive from the profits in each year, a preferential dividend of 7 per cent per annum and rank as regards such dividend and repayment of capital, in priority to all other shares. The Deferred shares come next to the Ordinary shares both as regards dividend and repayment of Capital. The distribution of profits, and in the case of winding up, any surplus assets, after repayment of capital, will be determined by dividing the amount into two equal parts—one half to the Ordinary shareholders and the other half to the Deferred shareholders in proportion to their respective holdings.

Until April 1932, the Company was known as the Indian Radio Telegraph Co. Ltd., whilst in February 1932, it entered into a Merger Agreement with the Imperial and International Communications Ltd., under which the Company changed its name in May 1932, to the Indian Radio and Cable Communications Co. Ltd., and from July 1, 1932, took over complete charge of the cable services, which means that it works the Beam and cable services jointly. In 1933, the Japan Beam Telegraph Service and the Telephone Service between England and India were opened to the public.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	44,99,900	44,99,900	Block - -	55,46,962	55,77,694
Reserve and other Funds - -	37,15,728	45,12,688	Stock - -	1,96,509	2,93,505
Depreciation Fund.	26,23,824	29,19,153	Outstandings -	18,83,496	31,26,055
Debts - -	19,91,450	27,23,698	Investments -	53,64,746	49,74,814
Profit and Loss Account -	12,19,222	13,56,878	Cash - -	10,58,411	20,40,249
	1,40,50,124	1,60,12,317		1,40,50,124	1,60,12,317

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
Ordinary - - -	15%	15%	15%	15%	15%	15%	15%
Deferred - - -	12%	12%	12%	12%	12%	12%	12%
Price Range—			(Ordinary).				
High - - -	505	531¼	516¼	545	545	440	442½
Low - - -	305	405	482½	480	430	370	307½
			(Deferred).				
High - - -	..	555	570	577½	640	502½	430
Low - - -	..	507½	500	491¼	490	380	301¼

Industrial Investment Trust, Ltd.

(Regd. August 1933).

Directors—(1) Sir Kikabhai Premchand, Kt., (*Chairman*); (2) Sir Cusrow Wadia, Kt., C.I.E.; (3) Sir Joseph Kay, Kt.; (4) Sir Stanley Reed, Kt., K.B.E., LL.D., M.P.; (5) Nawab Sir Liaqat Hyat Khan, Kt., K.B.E., O.B.E.; (6) Sir Purshottamdas Thakurdas, Kt., C.I.E., M.B.E.; (7) Maneklal Premchand, Esq.; (8) A. P. Pattani, Esq.; (9) W. Kerr, Esq.

Secretaries—Messrs. Premchand Roychand & Sons. **Registered Office**—61, Apollo Street, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in February.

Dividends—payable in February.

Capital.—Authorised—Rs. 2,50,00,000 in 250,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 1,00,00,000 in 100,000 Ordinary shares of Rs. 100 each. **Called and Paid-up**—Rs. 50,00,000 in 100,000 Ordinary shares of Rs. 100 each, Rs. 50 paid-up.

This concern was one of the first large public efforts in India, to provide investors with the facility of being able to spread their funds in a scientific manner over a large range of investments. A glance at those which are held by this company will show the following classification as on December 31st, 1939:

Giltedged and Semi-Giltedged	10·19 per cent.
Preference Shares	23·58 ,,
Ordinary shares	66·23 ,,

The Preference and Ordinary shares cover every sphere of business activity in this country, Public Utilities, Banks, Insurance, Mining, Planting, Jute, Cotton, etc.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	50,00,000	50,00,000	Investments	62,81,572	57,32,076
Reserve and other Funds	3,80,862	4,15,597	Furniture and Fittings	2,700	1,750
Purchases for future Settlement	5,548	1,29,808	Underwriting Commission, etc.	18,000	....
Debts	7,16,693	6,77,982	Cash	28,288	1,08,722
Profit and Loss Account	2,27,457	2,39,790	Sales for future Settlement	....	6,20,629
	63,30,560	64,63,177		63,30,560	64,63,177

Dividend Record—

	1934	1935	1936	1937	1938	1939
	..	4%	4%	4%	4%	4%

Price Range—

High	64¾	64½	58½	51	50	50½
Low	54¼	58½	51	51	49	40½

Jost's Engineering Company, Limited.

(Regd. 1907.)

Directors—(1) H. W. Smith, Esq., (*Chairman*); (2) F. E. Bharucha, Esq.; (3) S.S.W. Brittain, Esq.; (4) R. E. Lewis, Esq.; (5) E. J. C. Herring, Esq., (*Managing Director.*)

Registered Office—Hararwala Building, Wittet Road Ballard Estate, Bombay.

Financial year—ends March 31. **Accounts**—published in August.

Dividends—payable in September.

Capital.—Authorised, Issued and Subscribed—Rs. 2,00,000 in 4,000 Ordinary shares of Rs. 50 each fully paid.

This Company carries on the business of Electrical and Mechanical Engineers and Contractors.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1939	1940	**Assets (in Rs.)**—	1939	1940
Capital - -	2,00,000	2,00,000	Block - -	10,859	9,348
Reserve Fund -	2,40,260	2,40,260	Stock - -	63,211	86,890
Other Funds -	1 15,598	1,15,079	Outstandings -	72,985	1,28,812
Debts - -	28,902	43,232	Investments -	2,16,393	2,15,356
Profit and Loss Account -	26,934	36,639	Cash - -	2,48,246	1,94,804
	6,11,694	6,35,210		6,11,694	6,35,210

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939	1940
	7½%	7½%	5%	10%	10%	15%	10%	10% +2½% B

Price Range—

High -	60	76	95½	95½	99½	101½	109½	135
Low -	55	59½	75	75	70	90	92½	100

Kemp and Company, Limited.

(**Incorporated** in Bombay, 1881).

Directors—(1) Sir Homi Mehta, Kt. ; (2) N. R. C. Wadia, Esq. ; (3) E. Holt, Esq. ; (4) S. M. Chothia, Esq.

General Manager—E. W. Fairbrass, Esq., F.C.S., M.P.S. **Registered Office**—Charni Road, Bombay.

Financial Year—ends March 31. **Accounts**—published in September.

Dividends—payable in October.

Capital.—Authorised, Issued, Subscribed and Paid-up—Rs. 4,00,000 in 2,000 Ordinary shares of Rs. 200 each.

This Company carries on the business of high class manufacturing pharmacists and has shops in Bombay at Hornby Road, Cumbala Hill, Byculla and Parel. Also, it has branches in New Delhi, Calcutta and Madras.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	4,00,000	4,00,000	Block (Net) -	84,140	87,710
Reserve - -	2,35,553	2,49,608	Stock in Trade -	4,56,754	5,19,648
Debts - -	1,72,798	2,87,838	Outstandings -	56,579	96,914
Profit and Loss Account -	61,570	35,233	Investments -	2,54,420	2,54,421
			Cash - -	18,028	13,986
	8,69,921	9,72,679		8,69,921	9,72,679

Dividend Record—

1933	1934	1935	1936	1937	1938	1939
..	8%	6%	5%	5%	7½%	6¼%

Marsland Price & Company, Limited.

(Regd. 1908.)

(See also Advertisement.)

Directors—(1) Walchand Hirachand, Esq., (*Chairman*); (2) Gulabchand Hirachand, Esq.; (3) Lalchand Hirachand, Esq.; (4) R. K. Motishaw, Esq.; (5) Maneklal Premchand, Esq.; (6) Jyotendra L. Mehta, Esq.; (7) Tulsidas Kilachand, Esq.; (8) Jivatlal Pratapsi, Esq.

Managing Agents—The Premier Construction Co., Ltd.

Registered Office—Construction House, Ballard Estate, Bombay.

Financial year—ends March 31. **Accounts**—published in June.

Dividends—payable in July and December.

Capital.—Authorised, Issued and Subscribed—Rs. 13,50,000. (*a*) Rs. 10,00,000 in 10,000 Ordinary shares of Rs. 100 each fully paid and (*b*) Rs. 3,50,000 in 3,500, 7% (Taxable) Participating Cumulative Preference shares of Rs. 100 each, fully paid.

Debentures—Rs. 4,00,000 in 400, 6½% (Taxable) First Mortgage Debentures of Rs. 1,000 each. Now outstanding Rs. 2,40,000. These Debentures were issued on March 13, 1934 and are repayable on March 31, 1941. Interest payable on March 31, and September 30.

(2) Rs. 10,00,000 in 1,000 5½% (Taxable) Second Mortgage Debentures of Rs. 1,000 each. These Debentures were issued on January 12, 1939. They are redeemable at par on February 1, 1949. The Company has the option of redeeming the whole or part of these debentures in or after 1944 on giving six months' notice. Interest payable on March 31 and September 30.

This Company carries on the business of sugar manufacturers and owns a sugar factory at Kalamb, *Via* Baramati, in the Poona District. The factory has a capacity of about 1,000 tons a day.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1939	1940	**Assets (in Rs.)**—	1939	1940
Capital	13,50,000	13,50,000	Block	23,06,555	44,70,345
Debentures	13,03,000	12,82,000	Cane Plantation in Progress	6,48,912	12,20,275
Depreciation Fund.	7,70,000	10,70,000	Stores	2,63,164	7,23,283
Reserve and other Funds	81,606	1,46,507	Stock	7,47,925	9,19,880
Debts	8,55,921	31,61,205	Outstandings	6,19,313	2,62,564
Profit and Loss Account	3,16,879	6,99,987	Investments	3,598	2,086
			Other Assets	13,426	27,779
			Cash	74,513	83,487
	46,77,406	77,09,699		46,77,406	77,09,699

Dividend Record—

1933	1934	1935	1936	1937	1938	1939	1940
..	..	..	..	..	..	20% †	20%

† For 7 months.

McKenzies, Limited.

(Regd. 1907).

Directors—J. Wylie, Esq., (*Chairman and Managing Director*); (2) Maneklal Premchand, Esq.; (3) Sir Homi Mehta, Kt.; (4) Ramniranjan Jhunjhunwala, Esq.

Registered Office—Sewri, Bombay.

Financial Year—ends July 31. **Accounts**—published in December.

Dividends—payable in December.

Capital.—Authorised—Rs. 13,50,000, *i.e.*, Rs. 8,00,000 in 8,000 Ordinary shares of Rs. 100 each and Rs. 5,50,000 in 5,500, 5½% (Tax-Free) Cumulative Preference shares of Rs. 100 each. **Issued and Subscribed**—Rs. 6,01,500, *i.e.*, Rs. 5,50,000 in 5,500 Ordinary shares of Rs. 100 each fully paid-up, and Rs. 50,000 in 500, 5½% (Tax-Free) Cumulative Preference shares of Rs. 100 each fully paid-up and Rs. 1,500 in 30, 5½% (Tax-Free) Cumulative Preference shares of Rs. 100 each, on which Rs. 50 has been paid-up.

In March 1933, the Issued and Subscribed Capital of the Company was increased from Rs. 5,00,000 to Rs. 5,50,000 by the issue of 500 Ordinary shares of Rs. 100 each to the late Managing Agents. In April 1939, the Authorised Capital of the Company was increased from Rs. 8,00,000 to its present figure by the creation of 5,500, 5½% (Tax-Free) Cumulative Preference shares of Rs. 100 each. The Issued and Subscribed Capital was increased from Rs. 5,50,000 to its present figure by the issue of 500, 5½% (Tax-Free) Cumulative Preference shares of Rs. 100 each fully paid-up, and 30, 5½% (Tax-Free) Cumulative Preference shares of Rs. 100 each, on which Rs. 50 has been paid-up.

The business of the Company is that of Constructional, Road and Roofing Engineers. It has an up-to-date Saw Mill at Sewri, Bombay, equipped with the latest machinery and deals in timber. It also manufactures high grade furniture.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	5,50,000	6,01,500	Block	13,37,462	13,43,065
Reserve and other Funds	13,67,167	9,48,446	Work in Progress	8,36,747	8,03,900
Debts	13,05,193	12,44,526	Stores	38,101	36,217
Profit and Loss Account	....	16,453	Stock	1,94,270	2,68,868
			Investments	1,49,373	1,49,188
			Outstandings	1,94,989	1,90,091
			Cash	21,904	19,596
			Profit and Loss Account	4,49,514	....
	32,22,360	28,10,925		32,22,360	28,10,925

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	..	..	..	..
Price Range—							
High	67½	61¼	71¼	56¼	115	75	30
Low	60	40	53⅛	41	44½	40	27½

National Studios, Limited.

(**Regd.** August 2, 1939.)

Directors—(1) The Hon'ble Sir Rahimtoola M. Chinoy, (*Chairman*); (2) Sir Ishwardas Lukhmidas; (3) M. C. Ghia, Esq., M.L.A.; (4) Pranlal Devkaran Nanjee, Esq., J.P.; (5) M. A. Fazalbhoy, Esq., J.P.; (6) A. D. Shroff, Esq.; (7) Chunilal B. Desai, Esq.; (8) Chimanlal B. Desai, Esq., (*Ex-Officio Managing Director*); (9) Y. A. Fazalbhoy, Esq., (*Ex-Officio Managing Director*).

Registered Office—160, Tardeo Road, Bombay 7.

Financial year—ends March 31. **Accounts**—published in April.

Capital.—Authorised—Rs. 25,00,000 made up of (1) Rs. 15,00,000 in 15,000 Ordinary shares of Rs. 100 each and (2) Rs. 10,00,000 in 10,000, 6% (Tax-Free) Cumulative Preference shares of Rs. 100 each. **Issued and Subscribed**—Rs. 10,00,000 made up of (1) Rs. 5,00,000 in 5,000 Ordinary shares of Rs. 100 each and (2) Rs. 5,00,000 in 5,000, 6% (Tax-Free) Cumulative Preference shares of Rs. 100 each. **Called-up**—Rs. 8,75,000 made up of (1) Rs. 5,00,000 in 5,000 Ordinary shares of Rs. 100 each fully paid and (2) Rs. 3,75,000 in 5,000, 6% (Tax-Free) Cumulative Preference shares of Rs. 100 each on which Rs. 75 has been paid.

At the time the last Balance Sheet was published the Called-up Capital was Rs. 7,50,000 but subsequently another call of Rs. 25 was made on the Preference shares bringing the figure to Rs. 8,75,000. The Preference shares have the right to participate in profits to the extent of a further 3% (Tax-Free) dividend after payment of 6% Tax-Free dividend on the Ordinary Capital. It must be mentioned that the whole of the Preference Capital was underwritten by the Investment Corporation of India, Ltd., a Tata concern.

The Company was formed with the object of producing quality pictures on the lines of some of the leading studios in western countries. In order that it would be in a position to start work, it purchased from the Film City Studio and Sagar Movietone Studios and General Films, Ltd., the whole of their equipments and machinery required for the production of films. Since the flotation of the Company, the Directors have spared no pains to obtain a suitable site for the erection of Studios, combining both the Nepean Sea Road Studio and Tardeo Studios at one central location, thus bringing about greater efficiency. The Company has also decided to purchase the land at Mouje Pahadi (Goregaon) which is considered an ideal site for outdoor programmes. Arrangements have been made with Messrs. Supreme Film Distributors for the distribution of its pictures for the territories of Bombay Presidency, C.P. and Central India and with Messrs. Select Pictures Circuit for distribution in Southern India and Ceylon. Arrangements are also being made for distribution in the British West Indies.

The Company was incorporated on August 2, 1939, and commenced working in November 1939. The Report for the year ending March 31, 1940 is really only a review of five months' working. In that time, the Company's first picture "Woman" was completed and subsequently released and has been a great success.

Summary of First Balance Sheet.

Liabilities (in Rs.)—	1940	**Assets (in Rs.)**—	1940
Capital	7,50,000	Block (Including Preliminary Expenses, etc.)	4,15,744
Sundry Liabilities	1,44,161	Stocks	77,256
		Outstandings	21,050
		Sundry Assets	2,16,012
		Cash	1,30,331
		Profit and Loss Account	33,768
	8,94,161		8,94,161

Dividend Record—

1940

Port Canning and Land Improvement Company, Limited.

(**Regd.** January 13, 1873.)

Directors—(1) A. Pether, Esq. (*Chairman, Ex-officio*) ; (2) C. R. M. Tippet, Esq. ; (3) Sir Ishwardas Lukhmidas, Kt. ; (4) Manecksha N. Pochkhanawalla, Esq. ; (5) Sir Chunilal V. Mehta, K.C.S.I.

Secretaries, Treasurers and Agents—Messrs. David Sassoon, & Co., Ltd.

Registered Office—59, Forbes Street, Fort, Bombay.

Financial year—ends April 30. **Accounts**—published in December.

Dividends—payable in December.

Capital.—Authorised, Issued and Subscribed—Rs. 60,00,000 in 60,000 Ordinary shares of Rs. 100 each fully paid.

In November 1937, the original shares of Rs. 1,000 each were subdivided into 10 shares of Rs. 100 each.

The Company owns and operates a Zemindari of approximately 3,49,392 bighas in the Sunderbans, Bengal.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	60,00,000	60,00,000	Block	78,01,108	78,84,872
Reserve	20,13,669	21,09,203	Stores	2,491	2,383
Debts	6,38,689	6,23,147	Stock	3,169	4,362
Profit and Loss Account	2,43,154	2,43,042	Outstandings	10,41,137	10,14,189
			Cash	47,607	69,586
	88,95,512	89,75,392		88,95,512	89,75,392

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	2½%	2½%	2½%	2½%	3½%	4%	3% +1%B

Price Range—

High	660	690	618¾	612½	630	782	690
Low	505	516¼	517¼	567½	565	606¼	655

Premier Construction Company, Limited.

(Regd. July 6, 1920 as Tata Construction Company; Name changed in January 1935.)

Directors—(1) Walchand Hirachand, Esq. (*Chairman*); (2) Gulabchand Hirachand, Esq.; (3) Ratanchand Hirachand, Esq.; (4) Maneklal Premchand, Esq.; (5) S. C. Banerjee, Esq.; (6) Tulsidas Kilachand, Esq.

Managing Agents—Messrs. Walchand & Co., Ltd. **Registered Office**—Construction House, Ballard Estate, Fort, Bombay.

Financial Year—ends December 31. **Accounts**—published in February-March.

Dividends—payable in March and November.

Capital.—Authorised, Issued and Subscribed—Rs. 48,81,250, made up of (1) Rs. 22,50,000 in 75,000, Ordinary shares of Rs. 30 each; (2) Rs. 1,31,250 in 35,000, Promoters shares of Rs. 3-12 each; (3) Rs. 10,00,000 in 10,000, 6¼% (Taxable) Cumulative Preference shares of Rs. 100 each; (4) Rs. 15,00,000 in 15,000, 6¼% (Taxable) Cumulative 2nd Preference shares of Rs. 100 each.

The Preference shares carry preferential claim to repayment of capital and dividend (up to the commencement of the winding up, whether earned, declared or not) in priority to the other shares (including any Preference shares which may hereafter be created by the Company) but shall not be entitled to any further rights to participate in profits or surplus assets. The Second Preference shares are entitled to a fixed cumulative preferential dividend at the rate of 6¼ per cent. per annum and shall rank in a winding up or otherwise both as regards capital and dividend (up to the commencement of the winding up whether earned, declared or not) next after the 10,000 Preference shares of Rs. 100 each and in priority to the Ordinary shares and Promoters' shares but shall not be entitled to any further rights to participate in profits or surplus assets, provided however that no further Second Preference shares ranking *Pari Passu* with the said 15,000 Second Preference shares shall be issued without the sanction of a resolution passed at a meeting of the Second Preference shareholders.

In 1925, the Capital of the Company was reduced from Rs. 2,00,00,000 to Rs. 23,81,250 by extinguishing the liability in respect of the uncalled capital on the Ordinary and Promoters' shares and by reducing the nominal value of each of the Rs. 100, Ordinary shares (paid-up Rs. 80) to Rs. 30 and of each of the Rs. 10 Promotors' shares to Rs. 3-12. In February 1935, the Authorised Capital of the Company was increased to Rs. 33,81,250 and the Issued and Subscribed Capital to Rs. 30,91,780 by the creation and issue of 10,000 Cumulative Preference shares of Rs. 100 each. In August 1936, the Authorised Capital was again increased to Rs. 48,81,250 and Issued Capital to Rs. 45,91,780 by the creation and issue of 15,000 Second Cumulative Preference shares of Rs. 100 each. In January 1937, the Directors purchased 9,649 forfeited Ordinary shares at Rs. 97 per share. These shares having been re-allotted, the Issued and Subscribed Capital of the Company was further increased to its present figure.

The Company undertakes large scale construction work of every kind through its Associated Companies, namely, The Indian Hume Pipe Company, Ltd.; The Hindustan Construction Company, Ltd.; The All India Construction Company, Ltd.; The Building Construction Company, Ltd.; Marsland Price & Company Ltd., including the construction of tunnels and bridges and is also interested in the manufacture of concrete and steel pipes through its subsidiary, the Indian Hume Pipe Company, Ltd., and its 30 factories.

(*See Balance Sheets under individual headings*).

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)—**	1938	1939
Capital - -	48,81,250	48,81,250	Block (Net) -	5,834	5,834
Reserves and Other Funds - -	29,05,229	30,84,458	Outstandings -	31,75,652	20,58,815
Debts - -	13,22,821	6,01,488	Investments -	62,57,078	67,79,391
Profit and Loss Account -	3,60,014	3,24,154	Cash - -	30,750	47,310
	94,69,314	88,91,350		94,69,314	88,91,350

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	4%	4%	4%	4%	4%	4%	4%

Price Range—

High - - -	69½	72½	93¾	100¼	109½	81½	92
Low - - -	39¼	53¼	71¾	71	80	59½	58½

Rangoon Telephone Company, Limited.

(Regd. 1924).

Directors—(1) J. F. Gibson, Esq., C.A. (*Chairman*) ; (2) Khan Bahadur Haji Ahmed Chandoo ; (3) J. Tait, Esq. ; (4) A. A. Bruce, Esq., M.C. ; (5) T. B. Knight, Esq. (*Managing Director*).

Registered Office—Telephone House, 40th Street, Rangoon.

Financial Year—ends December 31. **Accounts**—published in March.

Dividends—payable in March.

Capital—Authorised—Rs. 60,00,000 in 6,00,000 Ordinary shares of Rs.10 each. **Issued and Subscribed**—Rs. 20,95,730 in 2,09,573 shares of Rs.10 each fully paid-up.

The Company maintains telephone exchanges and telephone lines in the town and suburb of Rangoon with a radius of roughly 15 miles from the Rangoon Central Exchange and also in the town of Moulmein (Burma), within its Municipal area. The Company works under two Licences and supplemental agreements thereto, from the Government of Burma ; the Licenses expiring on 31st March 1943. The method of charging for telephone service is a flat rate for large users and a message rate for small users.

Summary of Last Two Balance Sheets

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	20,95,730	20,95,730	Block - -	29,90,439	31,05,936
Reserve Fund -	2,25,000	2,75,000			
Depreciation Fund.	6,13,684	6,70,512	Liquid Assets	5,03,975	5,16,840
Other Funds -	1,14,262	1,24,963			
Sundry Liabilities.	2,02,151	1,87,241			
Profit and Loss Account -	2,43,587	2,69,330			
	34,94,414	36,22,776		34,94,414	36,22,776

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	6%	6%	6%	6%	6%	6%	6%
Price Range—							
High - - -	..	..	..	15⅜	15⅞	13½	13
Low - - -	..	..	..	13¼	13½	12	12

Ravalgaon Sugar Farm Limited.

(Regd. 1933).

Directors—(1) Lalchand Hirachand, Esq. (*Chairman*); (2) Gulabchand Hirachand, Esq.; (3) Ratanchand Hirachand, Esq.; (4) Hirachand Manickchand Shah, Esq.; (5) Shivalchand Gulabchand Shah, Esq.; (6) C. H. Bhabha, Esq.; (7) Govindji Raoji, Esq.

Managing Agents—Messrs. Walchand & Co., Ltd.

Registered Office—Construction House, Ballard Estate, Fort, Bombay.

Financial year—ends March 31. **Accounts**—published in June.

Dividends—payable in June and December.

Capital.—Authorised—Rs. 20,00,000 made up of Rs. 16,00,000 in 16,000 Ordinary shares of Rs. 100 each, and Rs. 4,00,000 in 4,000 Deferred shares of Rs. 100 each. **Subscribed and Paid up**—Rs. 16,00,000 in 16,000 Ordinary shares of Rs. 100 each.

Debentures—Rs. 10,00,000 in 1,000 6% (Taxable) Mortgage Debentures of Rs. 1,000 each. This Debenture loan was issued on June 24, 1939. Redeemable at par on July 1, 1949. The Company has the option of redeeming the whole or part of these Debentures in or after 1944 on giving six months' notice. Interest payable March 31 and September 30.

In 1939, the Issued and Subscribed Capital of the Company was increased from Rs. 10,00,000 to Rs. 16,00,000 by the issue of 6,000 shares of Rs. 100 each. The previous par value of the Ordinary shares was at the same time reduced from Rs. 1,000 to Rs. 100 by the division of each share of Rs. 1,000 into ten shares of Rs. 100 each.

The Company carries on the business of sugar manufacturers and owns a sugar factory at Ravalgaon *via* Malegaon in the Nasik District. Recent improvements in the block have now brought the crushing capacity to about 550 tons per day.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1939	1940	**Assets (in Rs.)**—	1939	1940
Capital - -	10,00,000	16,00,000	Block - -	13,99,377	20,85,281
Debentures -	....	10,00,000	Cane Plantation in Progress -	3,34,381	5,12,764
Depreciation Fund.	4,80,000	6,10,000	Stores - -	96,024	2,40,859
Reserve and Other Funds - -	....	1,70,000	Stock - -	3,06,766	4,40,496
Outstandings -	6,35,299	4,71,403	Outstandings -	65,525	7,08,874
Profit and Loss Account -	2,96,369	4,88,750	Investments -	1,73,929	1,14,683
			Cash - -	35,666	2,37,196
	24,11,668	43,40,153		24,11,668	43,40,153

Dividend Record—

1934	1935	1936	1937	1938	1939	1940
..	..	6%	..	6% *	12% †	16%

* for 14 months. † for 7 months.

Scindia Steam Navigation Company, Limited.

(Regd. March 27, 1919.)

(*See also Advertisement.*)

Directors—(1) Walchand Hirachand, Esq. (*Chairman*); (2) Shantikumar N. Morarjee, Esq. (*Ex-Officio*); (3) Tulsidas Kilachand, Esq.; (4) Maneklal Premchand, Esq.; (5) Pingle Venkatarama Reddy, Esq.; (6) Chunilal Bhaichand Mehta, Esq.; (7) The Hon. Mr. Shantidas Askuran; (8) Dinshaw D. Romer, Esq.; (9) The Hon. Sir Rahimtoola M. Chinoy.

Agents—Messrs. Narottam Morarjee & Co.

Registered Office—Scindia House, Ballard Estate, Fort, Bombay.

Financial Year—ends June 30. **Accounts**—published in October.

Dividends—payable in December.

Capital—Authorised and Issued—Rs. 2,25,00,000 in 15,00,000 Ordinary shares of Rs. 15 each. **Subscribed**—Rs. 2,24,83,575 in 14,98,905 Ordinary shares of Rs. 15 each. **Called-up**—Rs. 2,22,59,670 made up of 14,83,978 Ordinary shares of Rs. 15 each.

The above capital does not appear in the last balance sheet, as in 1940 there was an increase by the issue of 500,000 more shares, for the reasons mentioned hereafter, to the existing shareholders in the proportion of one share for every two held. The whole of this issue was underwritten by Messrs. Premchand Roychand and Sons and was oversubscribed.

The original capital of this Company was Rs. 4½ crores but in the year 1925 it was reduced to Rs. 89,83,575 firstly, by reducing the nominal value of each of the then existing 5,98,905 shares (divided into 5,82,239 shares of Rs. 75 each, on which Rs. 30 had been called up and 16,666 shares of Rs. 75 each, fully paid) to Rs. 15 per share; secondly by returning Rs. 23½ in cash in respect of the above 16,666 shares; thirdly by extinguishing the liability of Rs. 45 per share in respect of the uncalled capital on each of the above 5,82,239 shares and lastly, by cancelling capital, which had been lost, or was unrepresented by the available assets of Rs. 36½ on each of the above 16,666 fully paid up shares.

In the year 1936, the capital was increased to Rs. 1,50,00,000 by the issue of 4,00,000 shares of Rs. 15 each to the existing shareholders in the first instance, in the proportion of two of such shares for every three held.

The Company was the first tangible effort on a substantial scale, to form a national shipping concern. Difficulty after difficulty has been overcome and despite keen competition from existing shipping interests today it occupies a most prominent part in the industrial life of the country. The fleet consists of 18 large cargo steamers with a gross tonnage of 80,000, 5 passenger steamers with a total tonnage of 18,760 and steam launches and tugs. Cargo services are maintained between Burma and Bombay *via* Malabar Coast ports, between Calcutta and Karachi, Burma and Colombo and Burma and the East Coast Ports. There is a regular passenger service between Rangoon and Coconada *via* coastal ports. The Company also operates in the Haj pilgrim trade but did not do so this year on account of certain differences. The Company are also the Managing Agents of the Bengal Burma Steam Navigation Co., whose ships cater for the passenger trade on the Arakan coast between Rangoon and Chittagong, *via* coastal ports.

The recent new issue of capital has been made to extend the activities of the Company for the construction of a ship-building yard at Vizagapatam, thus making it self-sufficient. Already, there are several important subsidiary concerns, namely : (1) Narottam Ltd., (2) Scindia Steamships (London) Ltd., (3) Eastern Bunkerers Ltd., (4) Narottam and Pereira Ltd., (5) Eastern Bunkerers (Burma) Ltd., (6) Scindia Steamships (Burma) Ltd., (7) National Shipping Agency, which manages the Indian Co-operative Navigation and Trading Co. on the Konkan coast and (8) Ratnagar Steam Navigation Co. Ltd., which is also engaged in the Konkan shipping trade. A few months ago the Company acquired the Managing Agency of the Bombay Steam Navigation Co. Ltd., which now gives it complete control over the local coastal shipping trade. Unfortunately, however, this has been disorganised by the War and by Government taking over almost all the vessels for minesweeping and patrol duties for the Royal Indian Navy.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	1,47,51,513	1,47,54,998	Block (Net) -	1,81,46,315	1,87,23,131
Reserves and other Funds - -	82,83,105	99,40,556	Stores - -	3,58,835	3,67,133
Debts - -	61,86,206	62,69,176	Outstandings -	30,79,809	39,37,392
Profit and Loss Account -	17,31,860	17,47,125	Investments -	88,09,328	78,12,837
			Cash - -	5,58,397	18,71,362
	3,09,52,684	3,27,11,855		3,09,52,684	3,27,11,855

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	2½%	6⅔%	6⅔%	6⅔%	6⅔%
Price Range—							
High - - -	14¾	12½	16	19	31¼	31¼	20½
Low - - -	6½	8¾	8¾	10½	16 3/16	16⅜	16⅜

Shivrajpur Syndicate, Limited.

(Regd. November 18, 1905.)

Directors—(1) R. C. Lowndes, Esq., (*Chairman*); (2) C. N. Caroe, Esq.; (3) F. C. Annesley, Esq.; (4) Rao Bahadur Dhirajlal H. Desai, B.A.; (5) R. C. Giles, Esq.; (6) Vithaldas Kanji, Esq.; (7) F. A. H. East, Esq.

Managing Agents—Messrs. Killick, Nixon & Co.

Registered Office—Home Street, Fort, Bombay.

Financial Year—ends November 30. **Accounts**—published in March.

Dividends—payable in April.

Capital—Authorised—Rs. 7,50,000 in 75,000 Ordinary shares of Rs. 10 each. **Issued and Subscribed**—Rs. 5,25,000 in 52,500 Ordinary shares of Rs. 10 each fully paid.

The Company works leases for the mining of manganese and other mineral deposits in the Panch Mahals District of the Bombay Presidency.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	5,25,000	5,25,000	Block	1,92,764	1,94,072
Reserves Accounts	6,70,950	6,68,412	Work in Progress	49,805	93,423
Debts	92,872	97,857	Stores and Spares	1,14,470	1,02,812
Profit and Loss Account	1,20,838	58,254	Stock	4,39,941	5,69,007
			Debts	64,155	49,617
			Investments	5,52,294	3,30,043
			Cash	16,231	10,549
	14,09,660	13,49,523		14,09,660	13,49,523

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	5%	5%	5%	20%	35%	20%	10%

Price Range—

High	19	42½	42½	43¼	73	61½	61½
Low	13⅞	12½	22½	27½	42	32¼	30¼

Steel Corporation of Bengal, Limited.

(**Regd.** April 20, 1937.)

Directors—(1) B. N. Mookerjee, Esq. (*Chairman*); (2) K. C. Mahindra, Esq.; (3) T. S. Gladstone, Esq.; (4) E. L. Watts, Esq.; (5) Sir P. P. Ginwala; (6) Carl Bendix, Esq.

Managing Agents—Messrs. Burn & Co.

Registered Office—12, Mission Row, Calcutta.

Financial Year—ends December 31. **Accounts**—published last in May 1939.

Capital—Authorised—Rs. 10,00,00,000, made up of Rs. 8,00,00,000 in 80,00,000 Ordinary shares of Rs. 10 each and Rs. 2,00,00,000 in 2,00,000, 5% (Tax-Free) Cumulative Preference shares of Rs. 100 each. **Issued**—Rs. 3,70,00,000, made up of Rs. 2,50,00,000 in 25,00,000 Ordinary shares of Rs. 10 each and Rs. 1,20,00,000 in 1,20,000, 5% (Tax-Free) Cumulative Preference shares of Rs. 100 each. **Subscribed**—Rs. 3,69,79,300, made up of Rs. 2,49,88,900 in 24,98,890 Ordinary shares of Rs. 10 each fully paid and Rs. 1,19,90,400 in 1,19,904, 5% (Tax-Free) Cumulative Preference shares of Rs. 100 each fully paid. Less amount payable by the Indian Iron and Steel Co., Ltd., Rs. 55,00,000 and add Rs. 5,175 being the amount paid-up on forfeited shares.

Debentures—£1,000,000 (Rs. 1,33,33,333) 4½% Guaranteed Convertible Mortgage Debentures. Issued on the immovable properties of the Company and on the whole of the undertaking including uncalled capital and unconditionally guaranteed as to the principal and interest by the Indian Iron and Steel Co., Ltd. Repayable at 102% by six months' notice after January 1 1947. Up to January 1, 1947, these Debentures are convertible into Ordinary shares at the rate of 40 Ordinary shares of Rs. 10 each for every £50 Debenture. These are Registered Debentures.

The Company was formed with the object of erecting a modern steel works at Hirapur near the Indian Iron & Steel Company's works.

The following are extracts from the Prospectus which explain the arrangement with the Indian Iron & Steel Co., Ltd. :—

The Agreement between the Indian Company and the Corporation whereby the former will (grant to the Corporation the Leases and Underleases above-mentioned will also) provide for the following arrangements for the supply of water, gases, electric energy for light and power and other services. These arrangements are only terminable in the event of the liquidation of either the Indian Company or the Corporation :—

(1) **Water**—The Corporation will take all its requirements of water from the Indian Company and the Indian Company will guarantee an ample supply of water to the Corporation ; the water will be drawn from the reservoirs of the Indian Company and the Corporation will take delivery from the Indian Company, through meters at the Indian Company's Pump House. To enable the Indian Company to implement its guarantee, the Corporation will construct a proper drainage system to enable the circulation of water to be again returned to the Indian Company's reservoirs.

(2) **Electric Power**—The Corporation will take from the Indian Company and the Indian Company will guarantee to the Corporation the whole of its requirements of electricity for power and lighting purposes. The Indian Company will deliver power from its Power House through meters to the Corporation's sub-stations.

(3) **Town Service, Etc.**—The Indian Company will give the Corporation the benefit of its present town facilities, such as policing services, hospital facilities, town lighting, road upkeep, schools, town water, clubs, and any other facilities there may be.

(4) **Gases.**—The Corporation will take from the Indian Company and the Indian Company will supply from its surplus coke oven and blast furnace gases all gases required by the Corporation from its Gas Holders and will guarantee the quality and quantities required. The gases supplied will be metered at the point of delivery from the two Gas Holders which will be erected by the Indian Company.

The Indian Company will supply to the Corporation the facilities referred to in paragraphs (1), (2) and (3) above on favourable terms, which will be based on departmental costs plus a surcharge of ten per cent.

For gases taken by the Corporation from the Indian Company the Corporation will pay a price which will be equated to the average price of coal to the Indian Company at Hirapur based on its B.T.U. contents plus a surcharge of 10 per cent.

(5) **Hot Iron.**—The Corporation will take from the Indian Company and the Indian Company will supply the whole of the Corporation's requirements of hot iron suitable for steel-making purposes and to the specifications of the Corporation from the ladles of the Indian Company at a price equal to costs of manufacture plus 5 per cent.—such costs to be arrived at after crediting by-products including available gases in accordance with the formula mentioned.

In addition to the above payments the Indian Company is to be paid one-fifth of the net profits of the Corporation, such profits to be arrived at after taking into account Debenture interest, Sinking Fund and Depreciation but before allowing for taxation or reserves.

The Indian Company has agreed to provide the Corporation with the various facilities and services enumerated above on these advantageous terms in order to enable the Corporation to effect considerable savings on capital account, and to avoid the delays which would be consequent on the Corporation having to construct its own blast furnace plant, and in order to enable the Corporation to market its finished products on low production costs, and the Indian Company has stated, that, being confident of the future prospects of the Corporation, it is prepared to rely for a fair return for these advantages upon the prosperity of the Corporation.

Prospects and Earnings.—It is considered there is ample room in India for a new Steel Works. Excluding the special products of steel which are not now rolled or produced in India, the average consumption of Steel in India for several years past has been on the increase and has been largely in excess of the quantity of steel at present being produced in India. The industrial development of the country indicates that these requirements will further increase and that there will be ample demand for all the products of the Corporation. The initial production aimed at is 200,000 tons of finished steel products per annum. The costs of production of iron by the Indian Company are probably lower than those of any other iron-producing company in the world and the Corporation will get the benefit of these low costs.

With regard to prospective earnings, figures have been prepared based on estimated present-day costs of steel manufacture in India as compiled by the promoters, on the certified cost sheets of the Indian Company for the manufacture of hot iron on a two-furnace production basis and on the lowest weighted average import prices of British and Continental steel for the past fifteen years, but without taking into consideration the special measures of protection enjoyed by the Industry over and above the revenue duties which form part of the fiscal system of India. On the basis of these figures

after making allowance for Head Office expenses, Managing Agents' commission, depreciation and Directors' remuneration, but before making any provision for Indian taxation, the Directors estimate that the Corporation's profits should be at the rate of not less than Rs. 62 lakhs, or £465,000 per annum. On this basis, after making provision for the interest on the Guaranteed Convertible Debentures and Sinking Fund payments and the one-fifth of the net profits payable to the Indian Company as mentioned above, there would remain Rs. 42 2/3 lakhs, or £320,000. The net Preference dividend requires Rs. 6 lakhs, or £ 45,000, and after allowing for Indian Taxation on the Corporation's profits, would be covered 5½ times. After allowing for the amount required for Preference dividend and estimated Indian taxation there would remain (subject to allocation to reserves) an amount approximating 11 per cent. on the nominal amount of the Ordinary Share capital now being issued. Share Registers are maintained in London and Calcutta and both classes of Shares are transferable from one Register to another.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1937	1938	**Assets (in Rs.)**—	1937	1938
Capital - -	3,09,58,850	3,14,84,475	Block - -	31,02,551	2,12,77,570
Debentures -	1,33,32,800	1,33,33,333	Commission, etc. -	18,28,903	18,29,906
Debts - -	12,45,418	46,55,745	Stores - -	96,034	6,41,391
			Outstandings -	1,11,640	1,07,230
			Investments -	....	4,90,234
			Cash - -	4,03,97,940	2,51,18,222
	4,55,37,068	4,94,73,553		4,55,37,068	4,94,73,553

Dividend Record—

1938	1939

Tata Chemicals, Limited.

(Incorporated, January 23, 1939.)

Directors—(1) J. R. D. Tata, Esq. (*Ex-Officio, Director and Chairman*); (2) Sir V. T. Krishnamachari, K.C.I.E. (*Baroda Director*); (3) The Rt. Hon'ble Sir Akbar Hydari, Kt., P.C.; (4) Sir Cowasji Jehangir, Bart., K.C.I.E., O.B.E.; (5) Ambalal Sarabhai, Esq.; (6) Dinsha K. Daji, Esq.; (7) Sir Ardeshir Dalal, Kt. (*Special Director*); (8) Lala Shri Ram; (9) Walchand Hirachand, Esq.; (10) A. D. Shroff, Esq.; (11) Tulsidas Kilachand, Esq.; (12) Kapilram H. Vakil, Esq.

Managing Agents—Messrs. Tata Sons, Ltd.

Registered Office—Bombay House, Bruce Street, Fort, Bombay.

Financial Year—ends March 31. **Accounts**—published in July.

Dividends—payable in August.

Capital—Authorised—Rs. 5,00,00,000, *i.e.*, Rs. 2,50,00,000 in 2,500,000 Ordinary shares of Rs. 10 each and Rs. 2,50,00,000 in 250,000, 5% (Tax-Free) Cumulative Preference shares of Rs. 100 each. **Issued**—Rs. 1,25,00,000, *i.e.*, Rs. 65,00,000 in 650,000 Ordinary shares of Rs. 10 each and Rs. 60,00,000 in 60,000, 5% (Tax-Free) Cumulative Preference shares of Rs. 100 each. **Subscribed**—Rs. 1,21,02,000, *i.e.*, Rs. 61,39,500 in 613,950 Ordinary shares of Rs. 10 each, and Rs. 59,62,500 in 59,625 Preference shares of Rs. 100 each. **Called-up**—Rs. 66,42,872 made up as follows :—Rs. 45,97,500 in 6,13,000 Ordinary shares on which Rs. 7½ has been paid up, Rs. 9,500 in 950 Ordinary shares of Rs. 10 each fully paid, Rs. 13,06,250 in 52,250 Preference shares on which Rs. 25 has been paid up and Rs. 7,37,500 in 7,375 Preference shares of Rs. 100 each fully paid—less calls unpaid Rs. 7,878.

The Company was formed for the manufacture of Soda Ash, Caustic Soda, and other allied chemicals. For this purpose the Company purchased the Okha Salt Works, Ltd., and the Pioneer Magnesia Works, Ltd., at Mithapur, Okhamandal, Baroda. The site possesses many natural advantages as the two principal raw materials, *viz.*, salt will be obtained from the existing Salt Works and Limestone will be obtained from large and rich deposits in the immediate neighbourhood.

The initial programme of the Company will include the manufacture of the basic heavy chemicals such as Soda Ash and Caustic Soda and fertilisers such as Ammonium salts and Potash. The Company, however, contemplates the development of the undertaking so as ultimately to embrace practically the whole field of production of heavy chemicals and fertilisers as well as special chemicals for use in industries such as pharmaceutical and photographic industries.

The Baroda State has agreed to grant some concessions to the Company. There will be no payment for limestone and other raw materials used in the process; the salt will be free of all salt duties, and the State will charge on manufactured products a moderate royalty the payment of which will not begin until the company pays a dividend of 5% to the shareholders calculated over the whole of the paid-up share capital and until such time the only royalty payable will be a fixed sum of Rs. 500 per annum (which is the minimum royalty payable).

The Company has commenced salt manufacturing operations on the Okha Salt Works purchased. The Magnesia Factory was worked for a short period and then closed down according to plan to facilitate extensions and re-erection on a different site.

Summary of the First Balance Sheet.

Liabilities (in Rs.)—	1940	**Assets (in Rs.)—**	1940
Capital	66,42,872	Block (Gross)	34,99,164
Depreciation Fund	50,000	Other Capital Expenditure	3,48,631
Debts	8,20,884	Stores	1,15,625
Profit and Loss Account	9,460	Stock	2,52,523
		Outstandings	2,17,103
		Cash	30,90,170
	75,23,216		75,23,216

Dividend Record—

	1940

Tata Iron and Steel Company, Limited.

(**Regd.** August 26, 1907).

Directors—(1) J. R. D. Tata, Esq. (*Chairman*) ; (2) Sir Purshotamdas Thakurdas, Kt., C.I.E., M.B.E. ; (3) Sir M. Visvesvaraya, K.C.I.E. ; (4) Sir Chunilal V. Mehta, K.C.S.I. ; (5) Sir Ibrahim Rahimtoola, G.B.E., K.C.S.I., C.I.E. ; (6) Sir Cowasji Jehangir, Bart., K.C.I.E., O.B.E. ; (7) Sir H. P. Mody, K.B.E. (*Special Director*) ; (8) Dinsha K. Daji, Esq. ; (9) Dharamsey Mulraj Khatau, Esq. ; (10) Sir Ardeshir Dalal, Kt. (*Special Director*) ; (11) Neville N. Wadia, Esq.

Agents—Messrs. Tata Sons, Ltd.

Registered Office—Bombay House, 24, Bruce Street, Fort, Bombay.

Financial Year—ends March 31. **Accounts**—published in August.

Dividends—payable in August. Generally declared once a year, but Directors may declare interim dividends.

Capital—Authorised and Issued—Rs. 10,52,12,500 made up of as follows :—(1) Rs. 75,00,000 in 50,000 6 per cent. (Taxable) Cumulative Preference shares of Rs. 150 each, (2) Rs. 7,00,00,000 in 7,00,000 7½ per cent. (Taxable) Cumulative Preference shares of Rs. 100 each, (3) Rs. 2,62,50,000 in 3,50,000 Ordinary shares of Rs. 75 each and (4) Rs. 14,62,500 in 48,750 Deferred shares of Rs. 30 each. **Subscribed and Called-up**—Rs. 10,47,15,224 made up of as follows :—(1) Rs. 75,00,000 in 50,000 6 per cent. (Taxable) Cumulative Preference shares of Rs. 150 each fully paid, (2) Rs. 6,93,81,900 in 6,93,819 7½ per cent. (Taxable) Cumulative Preference shares of Rs. 100 each fully paid, (3) Rs. 3,62,50,000 in 3,50,000 Ordinary shares of Rs. 75 each fully paid and (4) Rs. 14,62,500 in 48,750 Deferred shares of Rs. 30 each fully paid. (Add amount paid on 6,181 Second Preference shares forfeited =Rs. 97,569 and part payments received from shareholders against calls and instalments against decrees kept in suspense=Rs. 23,255).

Debenture Stock—4 per cent. First Mortgage Debenture Stock. Authorised Rs. 3 crores, Rs. 1 crore issued in July, 1937, and further Rs. 1 crore in July, 1938, as security against loan of Rs. 2 crores from Imperial Bank of India.

Voting—One vote per share for each Ordinary, First Preference and Deferred shares, and one vote for every 5 Second Preference shares.

It is necessary to give the conditions as regards dividends on all these classes of shares. After the first Preference have received 6 per cent. and the Second Preference 7½ per cent. any balance remaining is divided as follows. First of all, the Ordinary shares receive 8 per cent. and the Deferred shares 25 per cent. then what is remaining is divided equally between the two. It is for this reason that the Deferred shares become such a speculative attraction because in boom years, they get a large amount by way of dividend since 48,750 shares get the same as 3,50,000 Ordinary shares.

The Company's works are situated at Jamshedpur in Bihar (*via* Tatanagar, B. N. Railway). The Company owns a gigantic Steel and Iron works equipped with modern plant and also possesses valuable mining rights over deposits of iron ore, coal, dolomite, etc. The Company's plant is being further extended and when these extensions are fully completed, which is expected in 1941, the annual production of the Company

is expected to be 12,00,000 tons of pig iron, and 9,00,000 tons of finished steel. The Company also manufactures hardware tools, such as picks, powrahs, beaters, hammers, etc., and red oxides. The Company also supplies rails to the Railway Board and most of the Indian Railways. This Company is considered to be the biggest entity in the steel industry in Asia.

The output of the principal products during the year ended March 31, 1940, in comparison to that of the preceding years was as follows :—

	March 31, 1936	March 31, 1937	March 31, 1938	March 31, 1939	March 31, 1940
Coke - - - - -	730,000	778,000	896,000	865,000	972,000
Pig Iron - - - -	900,000	827,000	921,000	1,020,000	1,140,000
Steel Ingots - - -	880,000	850,000	899,000	947,000	1,018,000
Saleable Steel - - -	661,000	680,000	674,000	715,000	777,000

Full details regarding the Company's activities can be seen by reference to the special article by Sir Ardeshir Dalal.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1939	1940	**Assets (in Rs.)**—	1939	1940
Capital - -	10,47,07,018	10,47,15,224	Block - -	26,71,95,018	27,96,41,057
Depreciation Fund.	12,55,80,705	12,77,54,965	Stores - -	1,07,14,427	1,35,97,156
Reserve Fund -	54,26,108	1,35,50,893	Stocks - -	1,63,21,110	2,28,01,891
Other Funds -	1,24,27,783	1,29,99,853	Outstandings -	64,00,956	1,38,24,680
Debts - -	6,47,93,634	8,01,81,733	Investments (a) Company's -	1,50,40,198	84,43,705
Profit and Loss Account -	2,69,80,054	2,30,53,191	Investments (b) earmarked against employees accounts -	82,20,352	1,07,04,958
			Cash - -	1,60,23,241	1,32,42,412
	33,99,15,302	36,22,55,859		33,99,15,302	36,22,55,859

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939	1940
Deferred -	..	..	..	25%	120·73%	252·3%	312·33%	479·7%
Ordinary -	..	..	..	8%	13⅓%	20⅔%	24%	35%

Price Range—

DEFERRED:								
High -	280	228½	730	720	2,150	1,860	1,560	2,367½
Low -	132½	164⅜	202½	460	508½	892½	840	1,112½
ORDINARY:								
High -	42⅛	57	157½	152	388	370	334	432
Low -	16	42½	56½	131	147	232	205	245

Tata Oil Mills Company, Limited.

(Regd. December 10, 1917.)

Directors—(1) J. R. D. Tata, Esq. (*Chairman*) ; (2) Dinshaw D. Romer, Esq. ; (3) Sir Chunilal V. Mehta, K.C.S.I. ; (4) Sir Homi Mody, K.B.E. (*Special Director*) ; (5) D. M. Khatau, Esq. ; (6) A. D. Shroff, Esq. ; (7) Sir Ardeshir Dalal, Kt.

Agents—Messrs. Tata Sons, Ltd.

Registered Office—Bombay House, 24, Bruce Street, Fort, Bombay.

Financial Year—ends March 31. **Accounts**—published in September.

Dividends—payable in October.

Capital—Authorised—Rs. 47,00,000 in 188,000 Ordinary shares of Rs. 25 each. **Issued**—Rs. 45,78,950 in 183,158 Ordinary shares of Rs. 25 each. **Subscribed**—Rs. 44,92,625 in 179,705 Ordinary shares of Rs. 25 each fully paid.

In July 1928 the capital of the Company was reduced from Rs. 1,00,00,000 to Rs. 25,00,000 by reducing the nominal value of each Ordinary share from Rs. 100 to Rs. 25, and was again increased to its present figure by the creation and issue of 88,000, 6% Non-Cumulative Preference shares of Rs. 25 each fully paid. In April 1938, these Non-Cumulative Preference shares were converted into Ordinary shares of Rs. 25 each fully paid.

The Company owns two factories, one at Ernakulam in Cochin State and the other at Sewree in Bombay. The former factory has an Oil Mill, and Plants for the manufacture of Washing and Toilet Soaps and Glycerine. There is also an Oil Refinery, including a Hydrogenation Plant ; Tin Can Plant and a Plant for the manufacture of Toilet Articles. The Sewree factory was erected in 1938 and comprises a Soap Plant, an Oil Mill and a Glycerine Plant. The activities of the Company are many. Its refined cooking oil, " Cocogem " is well-known all over India. Other products are Vegetable Oils, Oil Cakes, Compost Manure, Vegetable Products, Toilet, Washing and Industrial Soaps, Toilet Articles, Glycerine, Detergents, Polishes, Tins, Ice, Oxygen, etc.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	44,25,306	44,92,625	Block (Gross) -	42,69,733	47,71,689
Reserves and other Funds - -	45,932	3,500	Capital Losses -	1,19,796	....
Depreciation -	3,79,355	4,50,000	Dead Stock -	1,04,868	1,19,036
Debts - -	20,87,152	26,11,922	Deferred Revenue Expenditure -	....	48,000
Profit and Loss Account -	4,707	4,196	Stocks, Stores and Spares - -	19,71,158	19,34,048
			Outstandings -	3,98,218	5,90,464
			Cash - -	78,679	99,006
	69,42,452	75,62,243		69,42,452	75,62,243

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	..	..	..	..	..	..	..
Price Range—							
High - - -	19½	23¼	24	20½	46	36	47¼
Low - - -	14⅛	15	16¼	14¾	14½	21¼	25

United Motors (India), Limited.

Directors—(1) Sir Joseph Kay, Kt. (*Chairman*) ; (2) A. S. Chadwick, Esq.; (3) W. T. Jones, Esq. ; (4) A. McIntosh, Esq. ; (5) S. J. McCann, Esq. ; (6) A. H. Baker, Esq. (*Alternate Director*) ; (7) H. G. Davies, Esq. (*Alternate Director*).

Registered Office—Ford Building, Hughes Road, Bombay.

Financial Year—ends June. **Accounts**—published in October.

Dividends—payable in November.

Capital—Authorised—Rs. 6,00,000 in 30,000 Ordinary shares of Rs. 20 each. **Issued**—Rs. 5,60,000 in 28,000 Ordinary shares of Rs. 20 each. **Subscribed and Called-up**—Rs. 5,10,600 in 25,530 Ordinary shares of Rs. 20 each fully paid up.

This Company deals in Ford, Mercury and Lincoln-Zephyr cars, Ford Trucks and Spare Parts. It also maintains an up-to-date motor repair workshop with a day and night break down service.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital - -	5,10,600	5,10,600	Block - -	2,57,901	2,78,424
Reserves - -	82,500	82,757	Stock - -	1,18,891	1,30,590
Other Liabilities -	38,982	47,072	Investments -	1,71,983	1,71,978
Profit and Loss Account -	57,408	54,132	Debts - -	73,389	86,692
			Cash - -	67,326	26,877
	6,89,490	6,94,561		6,89,490	6,94,561

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	7½%	10%	10%	12½%	12½%	10%	10%
Price Range—							
High - - - ..	..	..	..	..	35	32¾	30
Low - - - ..	..	..	..	..	32¾	30	20

Western India Match Co., Ltd.

Directors—(1) Sir Chunilal V. Mehta, K.C.S.I. (*Chairman*); (2) Rajah Sir Annamalai Chettiar of Chettinad; (3) Dr. Sir J. P. Srivastava, Kt., D.Sc., D.Litt., A.M.S.T.; (4) Sir Homi Mehta, Kt.; (5) The Hon. Sir Rahimtoola M. Chinoy, Kt.; (6) Sir Cowasji Jehangir, Bart., K.C.I.E., O.B.E., M.L.A.; (7) D. D. Romer, Esq.; (8) A. Geddis, Esq.; (9) S. Sundgren, Esq. (*Joint Managing Director*); (10) B. Thorstenson, Esq. (*Joint Managing Director.*)

Managing Agents—The Swedish Match Co.

Registered Office—Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.

Financial Year—ends December 31. **Accounts**—published in June.

Dividends—payable in June.

Capital—Authorised—Rs. 2,00,00,000 in 200,000 Ordinary shares of Rs. 100 each. **Issued and Subscribed**—Rs. 70,00,000 in 70,000 Ordinary shares of Rs. 100 each fully paid.

The Company owns factories at important centres in India, for the manufacture of the various brands of "WIMCO" matches. During the year 1939, the factory of the Punjab Matches, Ltd., near Shahdara, Lahore, was acquired, this accounting for the increase of Block Expenditure in the Report.

Summary of Last Two Balance Sheets.

Liabilities (in Rs.)—	1938	1939	**Assets (in Rs.)**—	1938	1939
Capital	70,00,000	70,00,000	Block	1,26,20,608	1,31,34,105
Depreciation Funds	58,81,946	63,25,606	Stores	4,04,625	4,84,063
Reserves	73,332	2,51,283	Stock and Raw Materials	19,19,166	20,63,600
Debts	46,50,059	41,59,256	Investments	16,227	16,469
Profit and Loss Account	3,68,127	12,48,724	Outstandings	25,26,535	25,59,255
			Cash	4,86,303	7,27,377
	1,79,73,464	1,89,84,869		1,79,73,464	1,89,84,869

Dividend Record—

	1933	1934	1935	1936	1937	1938	1939
	5%	4%	2%	4%	6%	4½%	7%

Price Range—

High	..	..	..	..	..	..	157
Low	..	..	..	..	..	..	98



The Cotton Exchange Building at Kalbadevi Road.

(By courtesy of the East India Cotton Association Ltd.)

Short History of the Bombay Cotton Market.

This article has been compiled from information taken from the brochure issued by the East India Cotton Association, Ltd., in 1938.

INDIA has been the home of cotton and the cotton trade from the earliest times. From India cotton growing spread to China and to other parts of the East. India now ranks second among the cotton producing countries of the World. Like America, India uses a large portion of her cotton crop herself but also has an important export trade. Nearly half of the Indian cotton crop is marketed through Bombay. In a normal season about three million bales of cotton arrive in Bombay out of which nearly two millions are exported and the balance consumed by Bombay Mills.

In the early days of trading the Bombay cotton market or " Green " was situated in front of the Town Hall and from that site owing to the steadily increasing volume of trade and consequent congestion of traffic, it was moved to Colaba in 1844 A.D. There the trade was domiciled for over three-quarters of a century and during that period the steady growth of the trade continued until in 1885-86 the cotton brought into Bombay amounted to 1,534,974 bales and in 1919-20 to 3,427,024 bales. It became increasingly obvious that a change of locality was necessary in the interests of the cotton trade and the City in general. Thus the proposal to move the market to Sewri was based on two important considerations, *viz.* :

(1) The increased traffic on the City Roads.

(2) The proximity of Sewri to the Mills and the Docks.

In 1923 when the warehousing accommodation provided by the Bombay Port Trust at Sewri was available, the Trade in deference to the wishes of Government, left its old home and came to a temporary structure at Sewri with all the advantages of a newly developed centre.

The Trade was naturally reluctant to leave Colaba where it had prospered for over three-quarters of a century and decided to leave as a landmark of their activities at Colaba, a fine structure in the shape of a Temple for the idol of God Shiva which had been there for a very long period. This Temple was built in 1925 at a cost of nearly Rs. 40,000 which was collected from the Hindu members of the Cotton Trade. The land on which the Temple has now its permanent abode is rented from the Bombay Port Trust and the Colaba Land and Mill Co., Ltd., on nominal rents.

Until almost the end of the year 1917, the regulation of the Cotton Trade of Bombay was in the hands of several commercial Associations, all of which claimed to have some controlling voice in the regulation of the trade. A single agency for this purpose was first introduced under the Defence of India Act as a purely temporary measure. The Committee set up by the Government of India was known as the Cotton Contracts Committee and, under the Chairmanship of Mr. (now Sir) C. Wiles, I.C.S., made the best of the situation then existing. In November 1918, however, just before the Armistice was signed, a Bill was introduced in the then Bombay Legislative Council to provide for the control of dealings in cotton in the Presidency of Bombay.

The Bill was passed in December 1918, and the Cotton Contracts Committee was replaced by the Cotton Contracts Board, a body constituted under the Bombay Cotton Contracts Act I of 1919, with effect from 25th January 1919. From then onwards the Trade began to think of formulating the details of a permanent single

commercial Association to regulate the trade in raw cotton in Bombay and the East India Cotton Association, Ltd., was formed and registered under the Indian Companies Act, 1913, on the 19th October 1921. The Association took over the functions of the Cotton Contracts Board when it ceased to exist on the 1st June 1922.

Soon after the Association commenced functioning, it applied to the Government of Bombay for vesting in it the powers of control of the trade which were so far enjoyed by the Cotton Contracts Board and a Bill giving most of the powers exercised by that Board was introduced in the Bombay Legislative Council on 25th July 1922.

The Bill was passed in September 1922 and became law immediately on receiving the assent of the Governor-General. The duration of this Act was originally restricted to a period of three years with power to the Governor-in-Council to extend it from time to time. The Association continued to function under this Act until 31st October 1932, when it was replaced by the Bombay Cotton Contracts Act IV of 1932, under which it is at present working.

Under this Act, the Association is the only recognised Cotton Association in the City of Bombay and any contract in cotton, which is not made in accordance with its By-Laws, is void. The constitution of the Board of Directors of the Association which was also changed, is unique in the fact that it represents all sections of the Cotton Trade (namely, the Buyers, Sellers and Brokers) as well as the Cotton Growers.

The entire business in Ready or Spot cotton in Bombay is done under the rules and regulations of the Association but business in forward cotton is, however, being done under the auspices of one or two other bodies also, although such business is void at law.

Of the various innovations which have been introduced since Government came to assist in the control of this Trade, the one which has been acknowledged by all to have done the most good is the institution of a Clearing House for cash payment on a fixed date twice every month of differences outstanding on forward contracts. This has now been altered and from September 1st, 1940, there will be weekly settlements.

This system of clearing differences by periodical payments came into being in Liverpool in 1882, *i.e.*, one hundred and twenty years after the first import of cotton into that city in 1763 and 41 years after the first Association to regulate cotton trading was started in Liverpool. In Bombay, it was introduced in 1918 that is 43 years after the starting in 1875 of the first Association (The Bombay Cotton Trade Association) to regulate the cotton trade of Bombay.

The total amounts handled by the Clearing House since its institution are given below :—

Year.	Rupees.	Year.	Rupees.
1918-19	14,40,57,653	1929-30	4,46,63,180
1919-20	10,79,44,433	1930-31	3,60,80,817
1920-21	4,72,10,683	1931-32	4,89,12,122
1921-22	12,98,94,566	1932-33	4,48,33,077
1922-23	7,69,37,399	1933-34	4,25,28,389
1923-24	9,16,95,270	1934-35	5,44,96,538
1924-25	3,18,59,196	1935-36	4,63,50,359
1925-26	3,54,99,096	1936-37	4,59,89,206
1926-27	7,66,70,923	1937-38	7,93,80,063
1927-28	9,44,42,459	1938-39	4,31,79,602
1928-29	4,30,99,488		

It is interesting to note that during the year 1921-22 the amount cleared at one Settlement Clearing, *i.e.*, of the 28th October 1921, amounted to a crore and sixty-three lakhs of rupees and two years later during the regime of the Association, the amount cleared at one clearing, *i.e.*, the Settlement Clearing of the 30th November 1923, amounted to a crore and eighty-eight lakhs of rupees, the highest clearing then on record in Bombay. But, this was surpassed by the Settlement Clearing of 29th January 1940 when it came to Rs. 1,97,40,157.

A system of Blind Surveys has been introduced by the Association since October 1937 to replace the old system of surveys which was the subject of so much criticism lately. Under the present system, Surveyors are not appointed by the parties to the dispute but they function through panels of the Survey Committee appointed by the Board of Directors annually and they do not know whose cotton they are surveying. It is hoped that the new system will work to the satisfaction of the Trade.

THE COTTON EXCHANGE, KALBADEVI ROAD.

The erection of this building was undertaken to meet one of the recommendations made by the Wiles' Committee in 1930. By a long-standing practice of many years, trading in forward contracts was daily carried out in two separate sessions held at two different places. The afternoon sessions took place at Colaba under the regime of the Bombay Cotton Trade Association until it was replaced by the Cotton Contracts Committee and later by the Cotton Contracts Board, and since June 1922, under the regime of this Association after the trade was decontrolled by the Cotton Contracts Board. On the removal of the trade to Sewri on 1st November 1923, the afternoon sessions took place at the Cotton Green at Sewri. The midday sessions have always taken place in the Marwari Bazaar, and since the formation of the Bombay Cotton Brokers' Association, it had been under the control of that Association. The Wiles' Committee felt that this dual system of control was not conducive to the best interest of the Trade and consequently recommended that the Association should take over complete control of all forward trading in the Bazaar and provide a building of its own in the Bazaar for this purpose, as soon as possible. The Association lost no time in eventually acquiring the property accommodating the Trading Hall in the Marwari Bazaar along with two other adjoining properties within the angle formed by the junction of Sheikh Memon Street and Kalbadevi Road at an approximate cost of Rs. 8 lakhs. The old buildings standing on the site which measured 1,271 square yards were demolished to make room for the Cotton Exchange but the whole space was not available for the building owing to the application of the Municipality's setback rule for street widening at this point. The portion of ground thus lost measured 259 square yards thereby reducing the building area to 1,012 square yards. The question then arose of permitting the Exchange to be raised to a height above the 70 feet maximum height prescribed under the Municipal Act and there was good reason to expect a concession in return for the land costing about Rs. 1,58,000 surrendered to the Municipality for road-widening. The result of the negotiations was that the Municipality, in view of the exceptional circumstances, granted permission for the erection of three additional stories with setbacks from the front at the 5th floor level thereby bringing the height of the building to 102 ft. and with its twin towers to a height of 114 ft. The frontage of the Exchange on Kalbadevi Road is 159 ft. and on Sheikh Memon Street 67 ft.

The foundation stone of the Exchange was laid on the 12th day of February 1936 by late Seth Anandilal Podar, J.P., in the presence of a large representative gathering. The President, Sir Purshotamdas Thakurdas, Kt., presided on the occasion. The Exchange was ready for occupation by members on 1st March 1938. It comprises of a basement, a ground floor with two galleries and six other upper floors. The permanent Trading Ring is on the Ground Floor and measures 50′ × 30′. Telephone cabins (5′-9″ deep and 3′-3″ wide) have been constructed for members on both sides

of the Ring on the Ground Floor as well as on the two galleries. Altogether there are 114 such telephone cabins. The top floor accommodates the administrative offices of the Association and the Clearing House and the remaining five floors contain 113 rooms for members' offices. Accommodation will also be provided in the building for a Bank and a Post and Telegraph Office.

With the willing help and co-operation of the Trade, the Association was able to accommodate its Trading Ring on the premises of this very building while it was still under construction thereby obviating the necessity of having to shift from place to place until the new Ring was built. A part of the present Trading Hall was opened for purposes of trading in forward contracts on 29th March 1937.

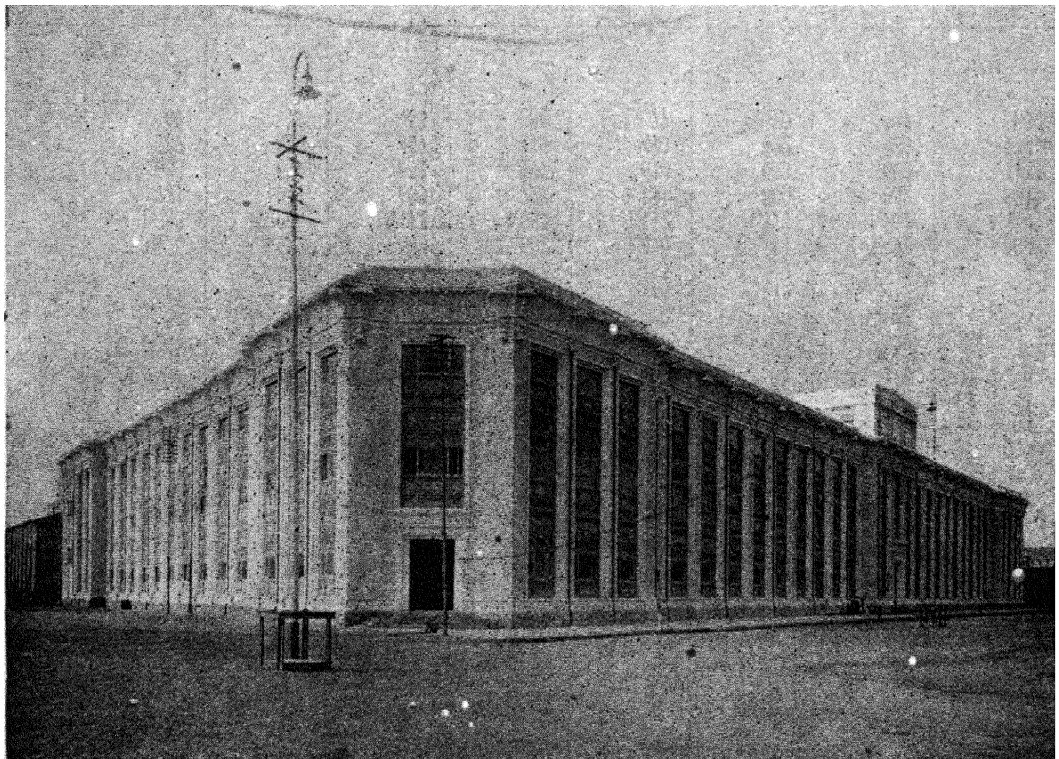
THE COTTON GREEN BUILDING, SEWRI.

The Building at Sewri with the cotton warehouses and storage grounds around it is conveniently situated for business in Spot Cotton. This building was erected at a cost of nearly 19 lakhs of rupees and was declared open by His Excellency the Rt. Hon. Sir Leslie Orme Wilson, then Governor of Bombay, on the 1st December 1925. It contains 120 Buyers' Rooms, 80 Sellers' Rooms, a large Trading Hall and an extensive arbitration room for examining samples of cotton. The Building occupies a space of 12,072$\frac{5}{9}$ square yards and has a frontage to the north of 1,800 feet and to the east of 650 feet which provides satisfactory light for the examination of cotton of nearly 2,500 feet.

The Cotton Green Estate at Sewri is owned by the Bombay Port Trust and contains 178 godowns, 225 jethas (open spaces for storage of cotton) and 16 sheds. Besides these, there are about 90 godowns owned by private owners within a radius of about a mile from the Cotton Green Building ; but by common consent the godowns owned by the Port Trust are in many respects more convenient, well looked after and maintained in good order. The Port Trust godowns are estimated to hold on an average about 4,500 bales each and the rent which at the start was Rs. 8,100 per year, has steadily been reduced to Rs. 4,800 with one additional facility that a godown may be rented on a monthly basis at a slightly higher rate.

Although the Cotton Trade looks forward to further reduction in godown rent from the Port Trust, it is but due to the Port Trust to acknowledge the consideration shown by them in steadily reducing the rent of godowns despite their having passed through very lean years of budgetary position. There is one item in which, however, the Port Trust have not shown any consideration to the Cotton Trade. As rent for the plot on which the Association's building stands, the Port Trust charges as much as Rs. 33,200 per annum, without any reduction whatsoever since the very start. This results in the yield on the Cotton Green Building being very nominal, having been as low as $\frac{1}{2}$% per annum on the investment of 19 lacs of rupees.

May 1940



The Cotton Green Building at Sewree.

(By courtesy of the East India Cotton Association, Ltd.)

Estimated Acreage of Indian Cotton by Provinces and States (Excluding Burma).

(000's omitted).

(Reprinted from the Bombay Cotton Annual)

Provinces and States.	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37	1937-38	1938-39.
Bombay (*a*)	7,294	6,295	6,462	6,730	5,877	6,267	6,637	5,921	6,172	5,751
Central Provinces and Berar	5,175	4,750	4,620	4,000	4,270	4,201	4,068	3,952	4,047	3,742
Punjab (*a*)	2,536	2,490	2,541	2,261	2,989	2,884	3,519	3,691	3,986	3,652
Madras (*a*)	2,507	2,071	2,223	1,970	2,175	2,320	2,693	2,512	2,572	1,958
United Provinces (*a*)	929	845	753	526	811	715	596	700	595	667
Sind (*a*)	-	-	-	-	592	654	812	989	1,049	954
Bengal	78	77	75	76	76	74	73	94	88	88
Bihar	69	69	68	65	42	35	32	31	43	43
Orissa						7	9	8	8	8
Assam	41	41	37	37	37	34	38	36	45	36
Ajmer-Merwara	34	31	27	33	36	36	35	34	37	27
North-West Frontier Province	17	13	18	16	21	15	19	21	22	22
Delhi	3	4	4	2	3	4	2	2	2	2
Hyderabad	3,536	3,527	3,644	3,602	3,696	3,101	3,698	3,080	3,563	3,490
Central India	1,388	1,284	1,172	1,007	1,152	1,173	1,201	1,414	1,323	1,141
Baroda	771	731	693	722	731	800	837	871	914	863
Gwalior	633	619	632	597	614	633	602	714	668	560
Rajputana	507	520	437	419	493	492	486	534	527	465
Mysore	69	72	83	88	77	70	87	85	85	84
Total	25,587	23,439	23,494	22,151	23,692	23,515	25,444	24,759	25,746	23,553

(*a*) Including Indian States.

Estimated Yield of Indian Cotton by Provinces and States (Excluding Burma).

Bales of 400 lbs. (000's omitted.)

(Reprinted from the Bombay Cotton Annual)

Provinces and States.	1929-30*	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37	1937-38	1938-39
Bombay (*a*)	1,308	1,277	1,301	1,520	1,225	1,115	1,423	1,120	1,213	1,104
Central Provinces and Berar	1,252	1,136	442	820	758	617	616	851	698	549
Punjab (*a*)	799	767	615	651	1,105	1,242	1,582	1,921	1,513	1,398
Madras (*a*)	513	381	424	410	452	476	537	497	505	389
United Provinces (*a*)	289	324	207	170	266	194	195	175	200	181
Sind (*a*)	-	-	-	-	196	284	331	521	451	370
Bengal (*a*)	21	19	17	24	24	24	24	28	27	28
Bihar	13	14	14	13	8	7	6	6	8	7
Orissa										
Assam	15	15	15	15	15	1	2	1	1	1
Ajmer-Merwara	11	11	11	11	13	13	15	13	24	14
North-West Frontier Province	4	3	4	3	4	12	13	12	15	8
Delhi	1	1	2	1	(*b*)	4	3	4	4	5
Hyderabad	447	651	509	534	564	2	1	1	1	(*c*)
Central India	211	214	129	133	154	443	569	499	570	507
Baroda	127	140	136	144	90	131	180	203	142	159
Gwalior	89	103	76	76	59	69	156	191	219	202
Rajputana	67	73	62	58	65	58	124	106	78	96
Mysore	9	10	9	10	8	64	79	73	99	91
						8	11	12	11	11
Total	5,176	5,139	3,973	4,593	5,006	4,764	5,867	6,234	5,779	5,120

(*a*) Including Indian States. (*b*) 800 bales. (*c*) About 500 bales.

Estimated Yield of Indian Cotton by Varieties.

(Bales of 400 lbs.) *(Reprinted from the Bombay Cotton Annual)* (000's omitted).

Descriptions.	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37	1937-38	1938-39
OOMRAS										
Khandesh	249	273	175	215	274	239	307	273	323	281
Central India	300	317	205	209	213	189	304	309	220	255
Barsi and Nagar	341	488	355	364	376	306	427	344	399	344
Hyderabad and Gaorani	126	126	115	131	153	129	112	141	142	129
Berar	717	658	283	500	513	443	349	560	430	406
Central Provinces	535	478	159	320	245	174	267	291	268	143
Total	2,268	2,340	1,292	1,739	1,774	1,480	1,766	1,918	1,782	1,558
BENGAL-SIND										
United Provinces	289	324	207	170	266	194	195	175	200	181
Rajputana	78	84	73	69	78	76	92	85	114	99
Sind-Punjab	595	567	468	521	941	1,058	1,025	1,251	1,018	742
Others	15	16	16	15	10	10	10	9	11	10
Total	977	991	764	775	1,295	1,338	1,322	1,520	1,343	1,032
AMERICANS										
Punjab	248	269	215	217	364	398	737	900	692	780
Sind	8	20	14	33	(a)	76	155	296	259	251
Total	256	289	229	250	364	474	892	1,196	951	1,031
Dholleras	509	559	586	712	570	599	642	457	508	344
Broach	284	277	274	322	228	148	344	394	381	399
Coompta Dharwars	284	178	248	230	185	146	190	147	159	194
Westerns and Northerns	172	182	218	189	206	139	288	165	176	238
Coconadas	45	32	33	26	24	30	25	25	24	21
Tinnevellies	162	129	131	135	130	141	137	138	151	132
Salems	38	36	36	35	37	33	30	35	37	10
Cambodias	144	90	128	139	143	198	192	198	216	119
Comillas, Burmas and other Sorts	104	123	68	105	142	131	*39	*41	*51	*42
Grand Total	5,243	5,226	4,007	4,657	5,113	4,857	5,867	6,234	5,779	5,120

(a) Included under Sind-Punjab.

Excludes Burma.

Yield per Acre of Indian Cotton by Provinces and States.

(In pounds)

(Reprinted from the Bombay Cotton Annua

Provinces and States	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37	1937-38	1938-39
BRITISH PROVINCES										
Ajmer-Merwara	129	142	163	133	144	133	149	141	162	119
Assam	146	146	162	162	162	153	158	144	213	156
Bengal	122	117	103	142	145	145	145	159	159 (a)	127
Bihar	75	81	82	80	76	76	75	77	74	65
Orissa							89	50	50	50
Bombay	66	74	67	83	70	57	73	72	76 (a)	77
Central Provinces and Berar	97	96	38	82	71	59	61	86	70	59
Delhi	133	100	169	185	34	142	168	160	150	122
Madras	82	74	76	84	83	82	80	79	78 (a)	80
North-West Frontier Province	94	92	89	75	76	107	63	76	73	91
Punjab	127	123	100	117	151	161	176	200	145 (a)	136
Sind	..	..	..	..	131	173	160	212	146 (a)	135
United Provinces	125	155	111	131	132	109	132	101	136 (a)	109
Average, Br. Provinces	92	96	68	91	95	89	99	113	79	..
INDIAN STATES										
Baroda	66	77	78	80	49	34	75	63	81	83
Bengal State (Tripura)	63	42	47	71	67	75	80	56	67	..
Bombay States	83	92	107	104	106	91	99	80	83	..
Khairpur State					182	181	209	200	185	..
Central India States	61	67	44	53	53	45	60	57	43	55
Gwalior	56	67	48	51	36	37	82	59	47	64
Hyderabad	51	74	56	59	61	57	62	65	64	58
Madras States	52	40	50	57	42	50	55	48	(b)	..
Mysore	52	56	43	45	42	46	51	56	52	52
Punjab States	121	123	81	104	132	220	194	238	175	..
Rajputana States	53	56	57	55	53	52	65	55	48	76
United Provinces State (Rampur)	92	87	57	40	67	80	50	50	114	..
Average, Indian States	65	78	68	73	72	71	83	81	75	..
Average, India	81	89	68	83	85	82	92	100	90	87

(a) Includes Indian States.

(b) Not available.

Yield per Acre of Indian Cotton by Varieties.

(In pounds.)

(Reprinted from the Bombay Cotton Annual)

Descriptions.	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37	1937-38	1938-39
OOMRAS										
Khandesh	73	90	59	80	98	83	91	84	97	89
Central India	58	67	45	52	4[illegible]	42	67	58	44	60
Barsi and Nagar	52	84	55	59	64	59	71	71	68	62
Hyderabad-Gaorani	55	52	53	59	63	60	46	67	59	56
Berar	87	82	36	72	69	61	49	86	60	61
Central Provinces	91	125	49	68	64	54	88	94	91	52
Average Oomras	71	84	47	65	66	59	66	76	67	63
BENGAL-SIND										
United Provinces	124	152	110	129	131	109	131	100	134	109
Rajputana	58	61	63	60	59	58	71	69	81	80
Sind-Punjab	116	120	93	118	135	164	168	199	154	136
Others	79	85	86	83	83	83	85	80	77	70
Average Bengal-Sind	108	118	93	110	124	138	147	159	139	121
AMERICANS										
Punjab	123	129	113	112	180	189	193	221	156	174
Sind	119	123	95	109	..	163	161	211	161	154
Average Americans	123	128	111	112	180	184	186	219	157	[illegible]
Dholleras	73	97	109	100	96	81	93	67	81	61
Broach	86	90	86	97	71	43	96	93	102	112
Compta-Dharwars	65	53	60	61	54	50	47	50	48	62
Westerns and Northerns	44	47	46	51	47	38	52	41	39	54
Coconadas	69	64	71	68	56	65	59	61	65	63
Tinnevellies	108	98	97	110	90	95	88	92	97	103
Salems	69	72	71	73	74	73	73	74	76	47
Cambodias	146	145	183	176	17[illegible]	152	146	153	152	139
Comillas, Burmas & other sorts	89	95	76	87	98	89	90	*121	*150	*132
Average all varieties	81	88	68	83	8[illegible]	81	91	100	90	87

* Excludes Burma.

Distribution of the Indian Cotton Crop (Approximate Crop).

(Year ending 31st August.) (Bales of 400 lbs. 000's omitted.) (Director-General of Commercial Intelligence and Statistics.)

(Reprinted from the Bombay Cotton Annual

	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
EXPORTS TO :—										
United Kingdom	233	286	274	125	257	367	374	518	587	362
Continent	1,429	1,515	1,003	424	960	946	955	995	1,107	424
Far East	2,178	1,964	2,379	1,000	1,613	2,003	1,730	2,088	2,433	879
Other Countries	93	103	73	33	38	90	56	108	140	135
Total	3,933	3,868	3,729	1,582	2,868	3,406	3,115	3,709	4,267	2,100
HOME CONSUMPTION.										
Mills	1,992	2,373	2,271	2,346	2,361	2,336	2,612	*2,678	*2,631	2,994
Extra Factory or Local	750	750	750	750	750	750	750	450	450	450
Total	2,742	3,123	3,021	3,096	3,111	3,086	3,362	3,128	3,081	3,444
APPROXIMATE CROP	6,675	6,991	6,750	4,678	5,979	6,492	6 477	6,837	7,348	5,544

All figures prior to 1936 includes Burma.

* Includes Burma.

Statement Showing the Production, Consumption and Exports of Indian Cotton.

(Reprinted from the Bombay Cotton Annual)

Years.	Production of Indian Cotton (Estimates).	*Consumption by Mills in **India** (Year ending 30th June).	Exports from British India. (Year ending 31st March).	(Year ending 31st August).
1909-10	4,718,000	1,935,010	2,511,051	2,802,000
1910-11	3,853,000	1,905,866	2,432,192	2,353,000
1911-12	3,288,000	2,050,102	2,051,986	2,004,000
1912-13	4,424,000	2,096,016 Year ending 31st August.	2,065,700	2,270,000
1913-14	5,066,000	2,143,126	2,975,364	3,642,000
1914-15	5,209,000	2,102,632	2,897,731	2,139,000
1915-16	3,738,000	2,197,718	2,479,109	2,488,000
1916-17	4,492,000	2,198,164	2,495,440	2,137,000
1917-18	4,055,000	2,085,678	2,046,268	1,731,000
1918-19	3,977,000	2,044,238	1,030,120	1,253,000
1919-20	5,798,000	1,952,318	2,399,000	2,702,000
1920-21	3,601,000	2,120,280	2,074,000	2,226,000
1921-22	4,484,000	2,203,540	2,989,000	3,170,000
1922-23	5,073,000	2,151,698	3,363,000	3,473,000
1923-24	5,161,000	1,917,743	3,764,000	3,450,000
1924-25	6,088,000	2,226,310	3,326,000	3,998,000
1925-26	6,215,000	2,113,384	4,173,000	3,775,000
1926-27	5,024,000	2,417,412	3,188,000	2,830,000
1927-28	5,963,000	2,009,782	2,686,000	3,140,000
1928-29	5,782,000	2,161,166	3,712,000	3,933,000
1929-30	5,243,000	2,573,714	4,070,000	3,868,000
1930-31	5,226,000	2,633,176	3,926,000	3,729,000
1931-32	4,007,000	2,911,264	2,369,000	1,592,000
1932-33	4,657,000	2,837,158	2,063,000	2,868,000
1933-34	5,108,000	2,703,994	2,729,000	3,406,000
1934-35	4,857,000	3,123,418	3,490,000	3,115,000
1935-36	5,867,000 (*a*)	3,181,418	3,397,000	3,709,000 (*a*)
1936-37	6,234,000 (*a*)	3,146,752 (*a*)	4,268,000	4,267,000 (*a*)
1937-38	5,779,000	3,662,648	2,732,000	2,100,000
1938-39	5,120,000	3,810,374	2,703,000	3,274,000

* All kinds of cotton. Figures prior to 1937-38 include Burma except those marked " (*a*) ".

Annual Exports of Raw Cotton from India (in thousands of bales of 400 lbs.) to various countries.

(Year ending 31st March)

(Reprinted from the Bombay Cotton Annual)

Countries.	Pre-war Average	War Average	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37	1937-38	1938-39.
United Kingdom	122	212	160	241	270	281	166	167	342	347	456	622	395	411
Other parts of the British Empire	30	21	7	7	7	6	6	7	3	6	12	14	23	23
Total British Empire	152	233	167	248	277	287	172	174	345	353	468	636	418	434
Japan	1,012	1,373	1,235	1,610	1,640	1,686	1,080	1,085	1,022	2,055	1,759	2,426	1,359	1,211
Italy	233	249	330	384	393	362	183	150	261	278	154	165	152	92
France	109	69	185	204	253	232	81	124	161	148	166	155	95	169
China (Exclusive of Hongkong, etc.)	31	48	112	404	566	606	436	134	337	142	109	72	69	193
Belgium	277	44	230	347	341	217	121	128	144	153	225	312	196	142
Spain	50	41	61	76	80	106	45	52	61	60	68	26	..	2
Germany	351	69	256	324	344	309	166	153	246	153	264	218	166	192
Austria	167	33	..	..	..	..	..	..	..	..	..	..	1	..
Other Countries	25	31	110	115	176	121	85	63	152	148	184	258	276	268
Total Foreign Countries	2,255	1,957	2,519	3,464	3,793	3,639	2,197	1,889	2,384	3,137	2,929	3,632	2,314	2,269
Total	2,407	2,190	2,686	3,712	4,070	3,926	2,369	2,063	2,729	3,490	3,397	4,268	2,732	2,703

Figures prior to 1937-38 include Burma.

Consumption of Indian Cotton in Indian Mills.

(Pressed and Unpressed Cotton)

(Based on Returns made under the Indian Cotton Cess Act)

(Year ending 31st August) (400 lbs. bales) (I. C. C. Committee)

(Reprinted from the Bombay Cotton Annual)

Year	Bombay Island	Bombay Presidency other than the Island of Bombay	Rest of British India	Indian States	Total.
1923-24	762,610	417,800	513,028	142,505	1,835,943
1924-25	987,355	437,092	574,622	175,609	2,174,678
1925-26	731,937	457,602	608,665	187,614	1,985,818
1926-27	747,988	419,904	644,841	229,443	2,042,176
1927-28	435,426	459,245	625,089	251,589	1,771,349
1928-29	542,036	502,889	669,113	277,540	1,991,578
1929-30	766,375	534,484	756,836	315,399	2,373,094
1930-31	664,546	509,113	761,704	333,996	2,269,359
1931-32	611,606	521,039	854,958	358,793	2,346,396
1932-33	565,084	551,213	893,367	351,260	2,360,924
1933-34	491,709	571,840	882,661	390,116	2,336,326
1934-35	687,287	543,329	953,175	428,341	2,612,132
1935-36	664,199	525,111	1,039,064	449,314	2,677,688
1936-37	636,720	492,024	1,042,492	460,060	2,631,296
1937-38	782,815	571,183	1,086,127	554,003	2,994,128
1938-39	750,317	565,996	1,247,037	557,739	3,121,087

N.B.—Figures for Indian States upto 1930-31 were based on yarn production and include Foreign Cotton also. From April 1937 figures for Burma have been excluded.

Consumption of Foreign Cotton in Indian Mills, by Varieties, 1938-39.

(Year ending 31st August) (In Bales of 392 lbs.) (Bombay Millowners' Association)

(Reprinted from the Bombay Cotton Annual)

	American	Egyptian	Sundries	Total.
BRITISH INDIA—				
Bombay Island	62,342	30,532	118,042	210,916
Ahmedabad	9,670	62,972	150,696	223,338
Rest of Bombay Province	3,732	2,662	16,754	23,148
Madras Province	9,592	13,852	12,326	35,770
United Provinces	..	2	86	88
Central Provinces and Berar	..	1,936	2,694	4,630
Bengal	3,498	5,486	17,874	26,858
Punjab and Delhi	2,516	1,006	1,424	4,946
Rest of British India	..	..	..	..
Total British India	91,350	118,448	319,896	529,694
INDIAN STATES—				
Hyderabad	8	12	..	20
Mysore	..	1,954	3,990	5,944
Baroda	5,426	8,004	22,246	35,676
Central India States	154	..	1,694	1,848
Kathiawar States	1,350	..	1,348	2,698
Other Indian States	..	596	3,688	4,284
Total Indian States	6,938	10,566	32,966	50,470
Grand Total	98,288	129,014	352,862	580,164

Course of Prices, 1934-35

(Reprinted from the Bombay Cotton Annual)

Upto 1934	HEDGE CONTRACTS.		
	Bengal	Broach	Fine Oomra
	December-January	April-May	December-January
September 7th	....	Market	Closed
,, 14th	136	217	189
,, 21st	131	214	187
,, 28th	133	212	184
October 5th	130	207	178
,, 12th	135	212	183
,, 19th	133	210	181
,, 26th	133	209	180
November 2nd	134	208	182
,, 9th	135	211	184
,, 16th	138	217	188
,, 23rd	137	219	196
,, 30th	141	222	201
December 7th	146	224	209
,, 14th	145	226	212
,, 21st	149	230	215
,, 28th	153	241	228
1935			
January 4th	153	242	231
,, 11th	158	244	235
,, 18th	162	247	229
,, 25th	161	254	233
	March		March
February 1st	153	247	225
,, 8th	152	254	227
,, 15th	144	246	223
,, 22nd	147	245	223
			218
March 1st	141	245	
,, 8th	138	240	218
,, 15th	131	228	206
,, 22nd	123	217	192
	May		May
,, 29th	128	216	193
April 5th	131	224	195
,, 12th	- -	Market	Closed
,, 19th	- -	Market	Closed
,, 26th	139	241	211
May 3rd	139	249	214
,, 10th	143	251	221
,, 17th	146	250	221
,, 24th	145	250	215
	July	July-August	July
,, 31st	139	229	205
June 7th	141	228	205
,, 14th	- -	Market	Closed
,, 21st	143	229	207
,, 28th	142	228	206
July 5th	144	233	212
,, 12th	147	238	219
,, 19th	145	235	214
	December-January		December-January
,, 26th	139	229	194
August 2nd	139	229	194
,, 9th	133	231	188
,, 16th	136	226	187
,, 23rd	129	218	176
		April-May	
,, 30th	130	192	173

Note.—There was no trading in Fully Good Oomra, Contract No. 4, and Good M. G. Southerns, Contract No. 5 during the year.

Course of Prices, 1935-36

(Reprinted from the Bombay Cotton Annual)

Upto 1935	HEDGE CONTRACTS. Bengal	Broach	Fine Oomra
	December-January	April-May	December-January
September 6th	....	Market	Closed
,, 13th	135	199	179
,, 20th	140	205	187
,, 27th	140	204	185
October 4th	151	217	198
,, 11th	146	213	193
,, 18th	149	215	195
,, 25th	148	214	194
November 1st	151	216	199
,, 8th	151	216	200
,, 15th	160	229	211
,, 22nd	158	228	210
,, 29th	152	225	207
December 6th	150	224	206
,, 13th	150	219	201
,, 20th	148	217	198
,, 27th	144	217	198
1936			
January 3rd	148	222	203
10th	137	205	188
,, 17th	141	205	186
,, 24th	143	204	187
	March		March
,, 31st	136	198	180
February 7th	137	193	177
,, 14th	146	199	182
,, 21st	..	Market	Closed
,, 28th	142	190	172
March 6th	141	189	170
,, 13th	146	197	180
,, 20th	152	197	180
	May		May
,, 27th	146	196	179
April 3rd	..	Market	Closed
,, 10th	..	Market	Closed
,, 17th	158	202	188
,, 24th	158	203	188
May 1st	158	199	186
,, 8th	160	198	186
,, 15th	162	200	188
,, 22nd	160	200	189
	July	July-August	July
,, 29th	163	204	189
June 5th	166	212	194
,, 12th	170	217	201
,, 19th	173	218	201
,, 26th	182	221	206
July 3rd	188	224	206
,, 10th	192	238	215
,, 17th	194	236	209
,, 24th	187	231	202
	December-January		December-January
,, 31st	159	229	197
August 7th	160	227	196
,, 14th	159	225	196
,, 21st	..	Market	Closed
		April-May	
,, 28th	157	211	191

Note.—There was no trading in Fully Good Oomra, Contract No. 4, and Good M. G. Southerns, Contract No. 5 during the year.

Course of Prices, 1936-37

(Reprinted from the Bombay Cotton Annual)

Upto 1936		HEDGE CONTRACTS.		
		Bengal	Broach	Fine Oomra
		December-January	April-May	December-January
September	4th	153	212	189
,,	11th	..	Market	Closed
,,	18th	155	220	197
,,	25th	151	215	190
October	2nd	157	221	199
,,	9th	155	218	194
,,	16th	158	221	198
,,	23rd	159	221	199
,,	30th	157	218	196
November	6th	159	219	196
,,	13th	..	Market	Closed
,,	20th	161	217	199
,,	27th	161	217	198
December	4th	160	219	198
,,	11th	165	224	205
,,	18th	165	222	201
,,	25th	..	Market	Closed
	1937			
January	1st	..	Market	Closed
,,	8th	..	Not	Quoted
,,	15th	183	229	207
,,	22nd	178	227	207
		March		March
,,	29th	182	228	208
February	5th	182	227	210
,,	12th	178	226	208
,,	19th	177	220	202
,,	26th	178	222	204
March	5th	185	233	214
,,	12th	188	238	222
,,	19th	196	245	232
		May		May
,,	26th	..	Market	Closed
April	2nd	204	250	238
,,	9th	201	247	234
,,	16th	194	237	226
,,	23rd	190	233	223
,,	30th	184	225	212
May	7th	190	231	219
,,	14th	193	228	219
,,	21st	196	233	224
		July	July-August	July
,,	28th	199	239	229
June	4th	200	240	233
,,	11th	196	233	228
,,	18th	191	227	220
,,	25th	188	225	217
July	2nd	181	218	211
,,	9th	180	215	209
,,	16th	168	207	202
,,	23rd	167	206	196
		December-January		December-January
,,	30th	153	193	186
August	6th	155	194	190
,,	13th	148	187	182
,,	20th	148	183	179
			April-May	
,,	27th	144	191	174

Note.—There was no trading in Fully Good Oomra, Contract No. 4, and Good M. G. Southerns, Contract No. 5 during the year.

Course of Prices, 1937-38

(Reprinted from the Bombay Cotton Annual)

Upto 1937		HEDGE CONTRACTS		
		Bengal	Broach	Fine Oomra
		December-January	April-May	December-January
September	3rd	145	190	173
,,	10th	142	188	169
,,	17th	139	183	163
,,	24th	137	179	159
October	1st	128	168	148
,,	8th	129	163	144
,,	15th	133	165	147
,,	22nd	128	164	144
,,	29th	128	161	141
November	5th	124	155	139
,,	12th	131	161	144
,,	19th	127	158	143
,,	26th	131	164	148
December	3rd	126	163	147
,,	10th	128	165	148
,,	17th	129	168	149
,,	24th	..	Market	Closed
,,	31st	..	Market	Closed
	1938			
January	7th	135	175	160
,,	14th	138	178	162
,,	21st	138	172	156
		March		March
,,	28th	133	169	153
February	4th	134	171	155
,,	11th	135	175	156
,,	18th	136	178	159
,,	25th	135	180	161
March	4th	129	175	155
,,	11th	130	171	152
,,	18th	129	170	150
,,	25th	128	165	146
		May		May
April	1st	126	163	146
,,	8th	..	Market	Closed
,,	15th	..	Market	Closed
,,	22nd	125	164	148
,,	29th	122	161	145
May	6th	116	156	139
,,	13th	..	Market	Closed
,,	20th	115	156	140
		July	July-August	July
,,	27th	111	150	134
June	3rd	106	143	128
,,	10th	108	145	130
,,	17th	108	145	131
,,	24th	115	150	139
July	1st	113	148	136
,,	8th	122	157	145
,,	15th	117	151	139
,,	22nd	122	155	144
		December-January		December-January
,,	29th	125	153	148
August	5th	123	150	146
,,	12th	117	144	140
,,	19th	..	Market	Closed
			April-May	
,,	26th	117	156	139

Note.—There was no trading in Fully Good Oomra Contract No. 4, and Good M.G. Southerns, Contract No. 5, during the year.

Course of Prices, 1938-39

(Reprinted from the Bombay Cotton Annual)

Upto 1938	HEDGE CONTRACTS.		
	Bengal	Broach	Fine Oomra
	December-January	April-May	December-January
September 2nd	120	160	142
,, 9th	117	155	138
,, 16th	113	152	135
,, 23rd	115	152	136
,, 30th	115	153	137
October 7th	117	156	140
,, 14th	117	155	139
,, 21st	117	153	137
,, 28th	116	153	137
November 4th	117	155	140
,, 11th	120	158	143
,, 18th	122	158	145
,, 25th	123	161	150
December 2nd	122	160	147
,, 9th	119	156	143
,, 16th	122	158	148
,, 23rd	123	160	148
,, 30th	123	161	148
1939			
January 6th	122	161	147
,, 13th	121	159	147
,, 20th	122	157	145
	March		March
,, 27th	117	153	140
February 3rd	116	152	139
,, 10th	116	152	140
,, 17th	..	Market	Closed
,, 24th	116	150	139
March 3rd	117	154	142
,, 10th	116	153	141
,, 17th	117	153	142
,, 24th	115	152	140
	May		May
,, 31st	115	153	140
April 7th	..	Market	Closed
,, 14th	114	152	140
,, 21st	116	155	142
,, 28th	114	154	141
May 5th	118	161	150
,, 12th	117	161	153
,, 19th	126	171	166
	July	July-August	July
,, 26th	125	170	162
June 2nd	124	168	161
,, 9th	129	175	167
,, 16th	126	172	164
,, 23rd	121	162	155
,, 30th	122	161	156
July 7th	121	160	155
,, 14th	123	160	159
,, 21st	121	153	148
	December-January		December-January
,, 28th	118	154	143
August 4th	118	157	145
,, 11th	118	158	146
,, 18th	119	158	144
,, 25th	120	159	145

Note.—There was no trading in Fully Good Oomra, Contract No. 4, and Good M. G. Southerns, Contract No. 5, during the year.

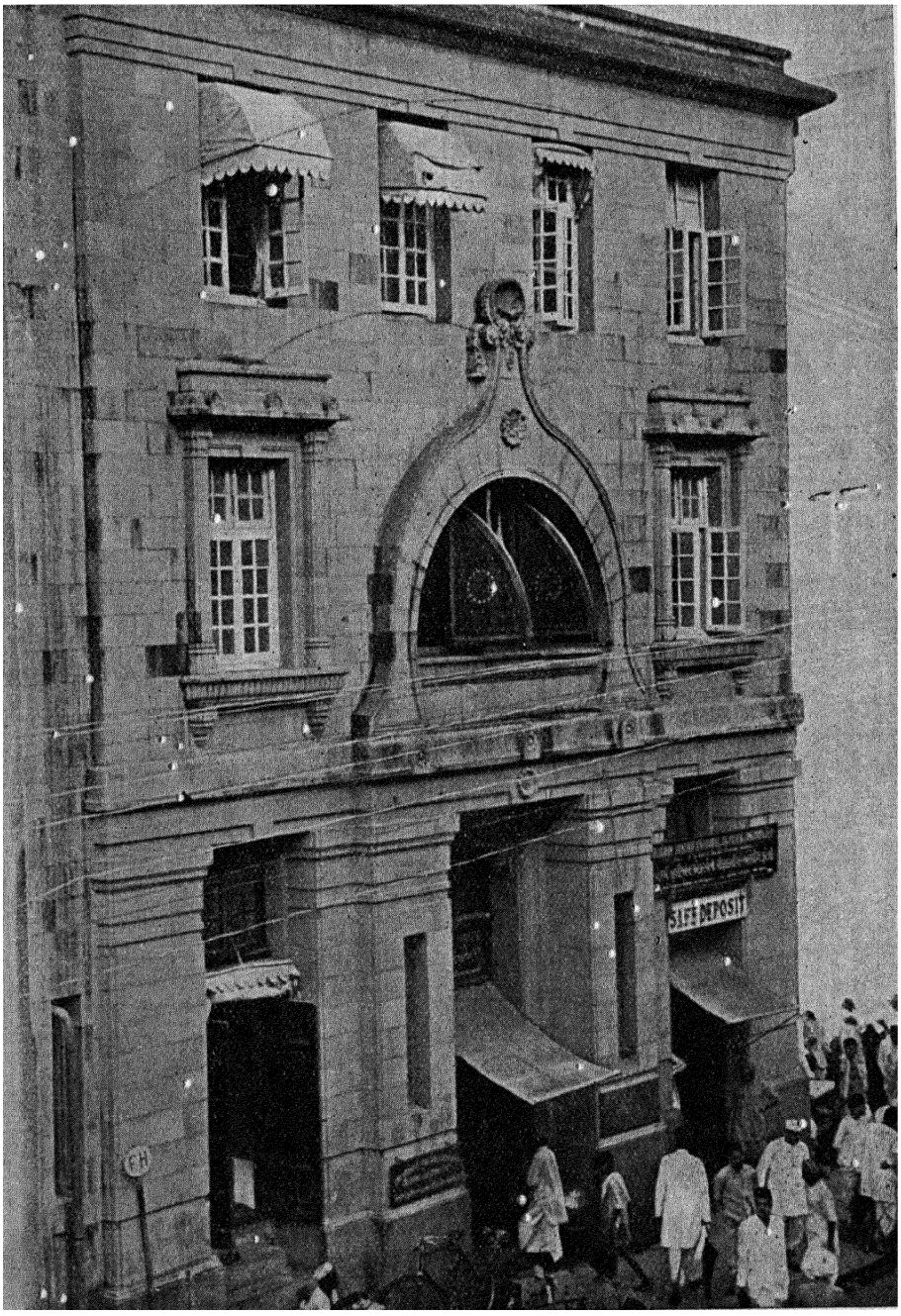
World's Supply, Distribution and Carry-over of all Cottons.

American (linters not included), Indian Egyptian Cottons in running bales and Sundry Cottons in equivalent of bales of 478 lbs. net.

(000's omitted). (New York Cotton Exchange, Cotton Year Book.)

	1929-30.	1930-31.	1931-32.	1932-33.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.	1938-39.
AMERICAN COTTON—Supply.										
Carry-over August 1	4,517	6,187	8,976	13,263	11,809	10,701	9,041	6,998	6,235	13,712
Production	14,716	13,873	16,877	12,961	12,712	9,576	10,495	12,375	18,412	11,655
Total	19,233	20,060	25,853	26,224	24,521	20,277	19,536	19,373	24,647	25,377
Distribution.										
Consumption	13,021	11,056	12,528	14,385	13,780	11,206	12,503	13,093	10,870	11,281
Destroyed	25	28	62	30	40	30	35	45	65	66
Total	13,046	11,084	12,590	14,415	13,820	11,236	12,138	13,138	10,935	11,347
Carry-over July 31	6,187	8,976	13,263	11,809	10,701	9,041	6,998	6,235	13,712	14,030
Total	19,233	20,060	25,853	26,224	24,521	20,277	19,536	19,373	24,647	25,377
INDIAN COTTON—Supply.										
Carry-over, August 1	3,722	3,380	3,035	2,354	3,168	4,185	3,117	3,518	4,001	4,033
Production	6,222	5,738	4,178	5,138	6,042	5,248	6,654	7,076	6,178	5,717
Total	9,944	9,118	7,213	7,492	9,210	9,433	9,771	10,594	10,189	9,750
Distribution.										
Consumption	6,564	6,083	4,859	4,324	5,025	6,316	6,253	6,583	6,156	6,138
Carry-over July 31	3,380	3,035	2,354	3,168	4,185	3,117	3,518	4,011	4,033	3,612
Total	9,944	9,118	7,213	7,492	9,210	9,433	9,771	10,594	10,189	9,750
EGYPTIAN COTTON—Supply.										
Carry-over, August 1	650	845	1,098	951	716	710	544	529	461	717
Production	1,145	1,117	861	683	1,144	1,002	1,156	1,225	1,477	1,115
Total	1,795	1,962	1,959	1,634	1,860	1,712	1,700	1,754	1,938	1,832
Distribution.										
Consumption	950	864	1,008	918	1,150	1,168	1,171	1,293	1,221	1,242
Carry-over, July 31	845	1,098	951	716	710	544	529	461	717	590
Total	1,795	1,962	1,959	1,634	1,860	1,712	1,700	1,754	1,938	1,832
SUNDRY COTTONS—Supply.										
Carry-over, August 1	2,058	1,717	1,735	1,744	1,685	2,412	2,711	3,032	3,621	4,606
Production	4,817	5,215	4,951	5,352	6,781	7,745	8,565	10,897	11,171	9,465
Total	6,875	6,932	6,686	7,096	8,466	10,157	11,276	13,929	14,792	14,071
Distribution.										
Consumption	5,158	5,197	4,942	5,411	6,054	7,446	8,244	10,308	10,186 *	10,430
Carry-over July 31	1,717	1,735	1,744	1,685	2,412	2,711	3,032	3,621	4,606	3,641
Total	6,875	6,932	6,686	7,096	8,466	10,157	11,276	13,929	14,792	14,071

*Includes 100,000 bales destroyed in China.



Bombay Bullion Exchange Building.

History of Bombay Bullion Exchange.

The Bombay Bullion Exchange came into being on the 24th January 1923, and from that date all bullion business has been conducted under its auspices. The Bullion Exchange has its own building but before its erection, business was done in the street with operators having to put up with much harassment from the police, who at times had recourse to force in order to clear the crowds. This hardship has been eliminated and the management of the trade is under the joint control of the Board of Directors and the Merchants' Committee. There are two kinds of Members. Permanent Members who hold one share of the Exchange and Associate Members who have to pay an annual subscription. Holding of three shares of the Exchange qualifies one for being a Director.

In those early days in the life of the Bullion market there was no regular constitution and prominent chokseys had a governing hand in fixing the dates for the delivery, auction and Valan (payment). Delivery orders for silver issued on Vad 5th of the Lunar month and deliveries took place till Vad 7th while Valan (payment) was done in cash on Vad 8th.

There was no forward business in gold till 1915. Small gold bars of 10 oz. were imported by the National Bank and the Hongkong Bank and these were largely sold in the markets. It was only in 1915 that a prominent Bullion merchant directly imported gold bars from America and the Government of India minted gold mohurs (Sovereign) and offered them freely for sale. The demand, however, was so large that deliveries had to be extended from two to three months ahead.

The Bullion merchants had no direct dealing with London brokers. Selling offers were received from London by the local Banks who executed them through the Bombay brokers. Direct connection with London brokers was established subsequent to 1901 when a prominent choksey started foreign business by opening a Branch office in London. In 1906, the late Mr. Chunilal Saraiya, the managing agent of the Specie Bank, imported silver on a large scale with a view to squeeze the market but he failed ultimately in his object with the result that the Bank had to close down.

In the case of any disputes arising between parties, they were referred to the Marwari Chamber of Commerce or to some prominent Chokseys whose decision was taken as final by both the parties.

In 1913-14, an Association of Silver Merchants was formed and Rules were framed for Settlement days, etc., according to which the market worked for some time.

In the absence of a Clearing House delivery orders were passed on personally from one party to another and at times the delivery orders were issued at such an eleventh hour that there would be practically no time left for passing the order on before the scheduled time and consequently the merchants outside the hall and the Shroffs had to pay undue interest. Valan payments were made in cash which involved great risk. All these risks and difficulties were removed by the establishment of a Clearing House in May 1936.

GOLD QUOTATIONS.

(Per fine ounce.)

(Reprinted from Messrs. Samuel Montagu & Co.'s Annual Bullion Review.)

1939.	Highest.	Lowest.	Average.
	s. d.	s. d.	s. d.
January	150 5	148 5½	148 11
February	148 7½	148 2	148 4.5
March	148 6½	148 2½	148 4.61
April	148 6½	148 5	148 6.04
May	148 6	148 5	148 5.63
June	148 6½	148 4	148 5.40
July	148 6½	148 5½	148 6.13
August	161 0	148 5	150 5.54
September	*168 0	160 0	167 7.20
October	168 0	168 0	168 0
November	168 0	168 0	168 0
December	168 0	168 0	168 0
For 1939	168 0	148 2	154 4.07

*From September 5th, 1939, Bank of England's buying price.

(In rupees per fine tola.)

1939-40.	Highest.	Lowest.	Average.
	Rs. a. p.	Rs. a. p.	Rs. a. p.
January	37 9 3	37 2 0	37 4 3
February	37 1 6	36 14 3	37 0 6
March	37 1 6	36 15 3	37 0 0
April	37 1 6	36 15 3	37 0 6
May	37 2 6	37 0 3	37 1 3
June	37 2 3	37 1 0	37 1 9
July	37 2 3	37 1 3	37 1 9
August	39 2 0	36 8 0	37 7 0
September	43 0 0	38 8 0	40 12 0
October	41 12 0	40 0 3	41 5 3
November	42 3 0	41 8 3	41 13 3
December	42 8 0	41 13 6	42 0 6
January '40	42 6 6	41 14 6	42 3 0
February '40	42 11 6	42 6 0	42 7 6
March '40	43 2 0	42 7 6	42 11 6
April '40	42 11 6	42 8 6	42 9 6
May '40	48 2 0	42 9 3	44 8 6
For 1939 to May 1940	40 7 6	39 6 0	39 13 6

SILVER QUOTATIONS.

(In pence per standard ounce)

(Reprinted from Messrs. Samuel Montagu & Co.'s Annual Bullion Review.)

1939.	Cash Delivery.			2 Months' Delivery.		
	Highest.	Lowest.	Average.	Highest.	Lowest.	Average.
January	21⅛	19 15/16	20·3050	20 3/16	19 11/16	19·8950
February	20¾	19 15/16	20·3698	19⅞	19⅝	19·7943
March	20⅝	19⅞	20·2801	20 1/16	19⅝	19·8218
April	20 3/16	19 15/16	20·0312	20	19 11/16	19·8182
May	20⅛	19 15/16	20·1226	20 3/16	19¾	19·9279
June	20	17 15/16	19·5048	19 13/16	17 11/16	19·2981
July	18 3/16	16 1/16	16·9519	17 11/16	15⅝	16·4928
August	20 1/16	16⅝	17·7187	20	16¼	17·4350
September	23½	19¾	22·1781	23½	19 9/16	22·0969
October	23½	21¼	22·7358	23¼	21	22·2841
November	23½	23 1/16	23·3778	23⅝	23	23·4403
December	23½	22½	23·2631	23 11/16	22 11/16	23·4408
For 1939	23½	16 1/16	20·4090	23 11/16	15⅝	20·1364

(In rupees per 100 tolas.)

1939.	Spot.			Forward.		
	Highest.	Lowest.	Average.	Highest.	Lowest.	Average.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
January	52 14 0	51 14 0	52 0 0	52 10 6	51 13 0	52 2 6
February	53 0 0	52 2 0	52 4 3	52 10 0	52 2 0	52 6 0
March	53 1 0	52 6 0	52 8 0	52 14 6	52 5 0	52 9 9
April	53 0 0	52 5 0	52 9 0	53 0 6	52 8 0	52 11 3
May	53 10 0	52 3 6	52 13 0	53 10 0	52 11 0	52 15 6
June	52 13 6	48 8 0	51 8 6	52 11 6	48 8 0	51 10 6
July	49 6 0	44 7 0	45 9 0	49 5 0	44 5 0	45 11 3
August	51 6 0	44 14 0	47 3 3	51 8 0	44 7 0	47 1 0
September	63 4 0	49 14 0	58 6 0	63 6 0	49 10 0	58 7 0
October	61 8 0	55 14 0	59 0 9	61 11 0	55 13 0	59 2 3
November	64 6 0	59 11 0	61 9 0	64 6 0	60 2 0	61 12 3
December	67 0 0	60 0 0	62 0 0	67 0 0	60 1 0	62 3 9
1940.						
January	61 12 0	55 15 0	59 9 0	61 12 0	55 8 0	59 11 0
February	58 8 0	56 1 0	56 9 3	58 10 0	53 6 0	55 11 3
March	59 5 0	56 5 0	57 7 9	59 13 0	56 2 0	57 10 0
April	59 11 0	54 10 0	57 6 0	59 12 0	54 11 0	57 9 6
May	64 0 0	58 14 0	62 0 0	64 14 0	59 8 0	62 1 0
For 1939 to May 1940	57 9 0	53 4 9	55 5 0	57 10 0	53 2 3	55 5 6

WORLD GOLD PRODUCTION.

(In thousands of ounces fine.)

(Reprinted from Messrs. Samuel Montagu & Co.'s Annual Bullion Review.)

	1933	1934	1935	1936	1937	1938	1939
Union of South Africa	11,014	10,480	10,774	11,336	11,735	12,161	12,820
Canada	2,949	2,972	3,285	3,748	4,096	4,725	5,046
U.S.S.R.	2,650	3,800	4,500	5,400	5,000	5,000	5,000
United States	2,277	2,742	3,163	3,760	4,112	4,245	4,565
Australia	830	887	915	1,179	1,381	1,592	1,630
Philippines	280	349	446	597	692	844	1,015
Mexico	638	661	682	754	846	924	1,000
Korea	370	400	473	562	735	850	950
Japan	441	487	589	715	723	772	850
Southern Rhodesia	642	691	726	797	804	814	800
Gold Coast	306	326	359	428	559	675	785
Colombia	298	344	329	389	442	521	570
Congo	283	337	376	402	430	450	480
Chile	147	238	266	249	273	294	320
India	336	322	328	333	332	322	314
Peru	97	99	111	152	169	254	270
New Guinea	158	185	184	221	217	236	240
Sweden	136	252	219	158	193	198	200
Rumania	127	111	150	160	176	172	175
New Zealand	162	160	165	165	168	150	165
Brazil	118	111	119	125	146	143	140
French West Africa	69	99	126	116	128	127	130
Venezuela	96	109	112	110	117	115	115
Elsewhere	911	1,133	1,227	1,297	1,289	1,434	1,570
World	25,335	27,295	29,624	33,153	34,763	37,018	39,150
British Empire	16,584	16,286	17,044	18,602	19,715	21,201	22,370
British Percentage	65·5	59·7	57·5	56·1	56·7	57·3	57·1
South African Percentage	43·5	38·4	36·4	34·2	33·8	32·9	32·7

WORLD SILVER PRODUCTION.

(In fine ounces.)

(Reprinted from Messrs. Samuel Montagu & Co.'s Annual Bullion Review.)

	Mexico.	United States of America.	South America.	Canada.	Elsewhere.	World.
1929 - -	108,900,000	61,200,000	26,800,000	23,100,000	41,000,000	261,000,000
1930 - -	105,400,000	50,600,000	23,500,000	26,400,000	42,800,000	248,700,000
1931 - -	86,000,000	30,800,000	17,200,000	20,600,000	41,300,000	195,900,000
1932 - -	69,300,000	23,800,000	11,200,000	18,400,000	42,200,000	164,900,000
1933 - -	68,100,000	22,800,000	12,800,000	15,200,000	50,300,000	169,200,000
1934 - -	74,100,000	32,500,000	17,000,000	16,400,000	50,400,000	190,400,000
1935 - -	75,600,000	45,600,000	26,700,000	16,600,000	56,200,000	220,700,000
1936 - -	77,500,000	63,400,000	32,800,000	18,300,000	61,700,000	253,700,000
1937 - -	84,700,000	71,300,000	29,000,000	22,700,000	66,200,000	273,900,000
1938 - -	81,000,000	61,700,000	32,300,000	22,200,000	70,700,000	267,900,000
1939 (est) - -	81,000,000	63,800,000	34,700,000	24,700,000	68,600,000	272,800,000

EXPORT OF GOLD FROM INDIA FROM 1930 to 1939.

	Rs.
1930 to 31 -	12,65,36,468
1931 to 32 -	76,67,29,230
1932 to 33 -	54,55,83,554
1933 to 34 -	55,04,15,109
1934 to 35 -	47,83,01,686
1935 to 36 -	37,68,90,426
1936 to 37 -	16,34,00 487
1937 to 38 -	15,28,26,634
1938 to 39 -	17,28,62,889
Total -	3,33,35,46,483

IMPORT & EXPORT OF SILVER FROM INDIA FROM 1930 to 1939.

Rs.	
4,40,38,624	(Import.)
1,40,40,414	,,
27,34,070	,,
79,41,175	,,
2,17,67,347	(Export.)
10,29,35,683	(Import.)
5,53,38,403	,,
35,58,170	,,
2,21,89,153	,,

GOLD IMPORTS AND EXPORTS.

In the following table details are given of United Kingdom imports and exports of gold for the eight months ended 31st August 1939, after which date no official figures were issued :—

	Imports Ounces Fine.	Exports Ounces fine.
Union of South Africa	5,027,765	10,944
British West Africa	609,067	....
British East Africa	140,061	....
Southern Rhodesia	523,454	....
Anglo-Egyptian Sudan	10,101	130
Egypt	142,704	8,425
Liberia	2,300	....
Morocco	412	2,806
Iraq	8,271	471
Algeria	....	5,179
Palestine	....	11,851
Syria	....	43,220
Thailand	9,381	795,661
British India	587,219	14,731
British Malaya	2,581	....
Hong Kong	38,873	....
Sumatra	3,236	....
Australia	46,499	1,791
New Zealand	64,351	....
British West India Islands and British Guiana	24,566	....
Bermuda	....	5,135
Canada	5,487	9,032,493
United States of America	2,032	48,873,482
Central & South America (Foreign)	....	36,133
Peru	93,497	....
Venezuela	10,702	....
Uruguay	47,507	....
Brazil	74,051	....
Belgium	5,963,341	338,253
Channel Islands	19,035	3,658
Gibraltar	2,815	....
Eire	2,354	135,419
Finland	....	4,682
France	248,059	252,301
Germany	121,263	4,079
Netherlands	3,224,508	619,239
Poland	37,260	3,328
Portugal	....	4,378
Sweden	5,860	409,534
Switzerland	3,408,453	613,370
U. S. S. R.	970,480	....
Other countries	4,276	7,746
Total	21,481,841	61,238,439

(Reprinted from Messrs. Samuel Montagu & Co.'s Annual Bullion Review.

SILVER IMPORTS AND EXPORTS.

The following table shows United Kingdom imports and exports of silver for the eight months ended 31st August 1939, after which date no official figures were issued :—

	IMPORTS.		EXPORTS.	
	Bar Silver. Ounces Troy.	Coin not of legal tender in the United Kingdom. Ounces Troy.	Bar Silver. Ounces Troy.	Coin not of legal tender in the United Kingdom. Ounces Troy.
United States of America	11,511,144	....	32,893,469	12,873,295
Canada	23,539	....	585,601	894
Argentine	147,883	....	....	....
Mexico	577,815	....	....	....
Nicaragua	....	86,630	....	....
Peru	61,481	....	....	....
British India	6,483,037	61,451	13,643,908	....
Burma	1,398,849	....	16,093	....
Ceylon and Dependencies	....	....	55,125	....
Japan	11,559,340	429,635	....	....
Hong Kong	3,973,653	1,545,822	....	....
British Malaya	....	2,564,724	....	....
Aden and Dependencies	7,098	470,273	....	165,389
Arabia	....	....	....	322,871
Iraq	11,810	776,743	....	....
Palestine	....	18,046	....	1,168,723
Egypt	24,204	1,495,106	63,194	2,621,972
Union of South Africa	688,816	....	997	2,123
Southern Rhodesia	113,865	....	....	203,621
British West Africa	....	278,530	....	....
Australia	2,579,220	19,693	628	509
New Zealand	261,938	....	....	208,282
Belgium	6,555,307	11,301	....	....
Czechoslovakia	100,810	....	....	....
Denmark	....	....	468,534	....
Eire	990	....	7,808	610,787
Estonia	....	....	49,309	....
France	10,432,711	113,678	903,325	....
Germany	800,795	....	4,160,635	161,026
Gibraltar	....	564,020	....	....
Hungary	....	....	1,214,911	....
Italy	....	376	142,687	....
Latvia	....	....	103,386	....
Netherlands	762,692	30,999	192,159	860
Norway	90,031	....	388,526	....
Poland	....	....	1,457,750	....
Portugal	30,976	341,065	28,581	....
Sweden	....	....	552,527	453
Switzerland	....	13,548	1,493,513	....
Turkey	....	....	643,006	....
Other countries	41,868	44,461	108,938	46,540
Total	58,239,872	8,866,101	59,175,110	18,387,345

(Reprinted from Messrs. Samuel Montagu & Co.'s Annua Bullion Review.)

NATIONAL GOLD HOLDINGS.

(Reprinted from Messrs. Samuel Montagu & Co.'s Annual Bullion Review.)

	1939.	1939 Fine Ounces.	1938 Fine Ounces.
United States of America—Treasury	- December 27	503,428,000	414,514,000
Argentine - - —State Bank	- December 31	12,943,000	12,314,000
Belgium - - .	- December 28	17,404,000	16,602,000
Brazil - - ,,	- December 31	1,086,000	943,000
Chile - - ,,	- December 31	857,000	857,000
Czechoslovakia - ,,	- December 31	1,596,000	2,703,000
Denmark - - ,,	- December 30	1,520,000	1,525,000
Egypt - - ,,	- December 31	1,500,000	1,500,000
Finland - - ,,	- November 30	774,000	774,000
France - - ,,	- December 28	77,398,000	69,439,000
Germany - - ,,	- December 30	893,000*	816,000
Greece - - ,,	- December 31	774,000	774,000
Hungary - - ,,	- December 31	1,050,000	1,050,000
Japan - - ,,	- December 30	4,674,000	4,674,000
Java - - ,,	- December 30	2,570,000	2,273,000
Latvia - - ,,	- December 25	391,000	484,000
Mexico - - ,,	- December 31	971,000	829,000
Netherlands - ,,	- December 27	1,709,000	28,413,000
Norway - - ,,	- December 30	2,680,000	2,673,000
Peru - - - ,,	- December 31	581,000	581,000
Poland - - ,,	- August 31	2,400,000	2,416,000
Portugal - - ,,	- December 31	1,983,000	1,983,000
Rumania - - ,,	- December 31	4,314,000	3,822,000
Sweden - - ,,	- December 30	8,796,000	9,168,000
Switzerland - ,,	- December 30	15,633,000	19,974,000
Turkey - - ,,	- December 31	822,000	822,000
Uruguay - - ,,	- December 31	1,943,000	1,983,000
Yugoslavia - - ,,	- December 31	1,694,000	1,627,000

* Including Foreign Currencies.

The holdings of Italy, Spain and the U.S.S.R. are not included, as no official information on which to base estimates has been issued by these countries.

EMPIRE GOLD HOLDINGS.

	1939.	1939 Fine Ounces.	1938 Fine Ounces.
Bank of England, against notes	Dec. 27	26,000	76,844,000
Exchange Equalisation Account	Mar. 31	49,490,000	42,546,000
New Zealand Reserve Bank	Dec. 26	660,000	660,000
Bank of Canada	Dec. 6	5,886,000	5,161,000
Dominion Government, including reserve against Savings Bank Deposits	Oct. 31	165,000	198,000
Chartered Banks of Canada—Abroad	Dec. 3	19,000	16,000
Union of South Africa—Reserve Bank	Dec. 30	7,110,000	6,300,000
„ „ —Other Banks	Nov. 30	18,000	29,000
Southern Rhodesia	Oct. 31	62,000	59,000
Reserve Bank of India—In India	Dec. 30	7,335,000	7,335,000
„ „ —Outside India	Dec. 30	507,000	507,000

(*Reprinted from Messrs. Samuel Montagu & Co.'s Annual Bullion Review.*)

Extracts from the Rules of The Native Share and Stock Brokers' Association, Bombay.

BARGAINS IN THE MARKET.

Members only Parties to Bargains.

149. (*a*) The Association does not recognise as parties to any transaction or dealing in the Market any parties other than its own Members ; and every such transaction or dealing whether for the account of a Member or for the account of a constituent must be made and carried out according to the Rules and Regulations of the Association.

Inviolability of Bargains.

(*c*) An application to annul a bargain in the Stock Exchange shall not be entertained by the Board, except upon a specific allegation of fraud or wilful misrepresentation or upon *prima facie* evidence of such material mistake in the bargain as in their judgment renders the case one which is fitting for their adjudication.

Non-acceptance of Havala.

150. (*c*) A Member shall not be bound to accept the Havala on behalf of his constituent. Where a member accepts a Havala on behalf of his constituent it shall be, unless otherwise agreed upon by them in writing, at the risk and on account of the constituent who shall be deemed to indemnify the member accepting such Havala against any loss suffered by him by reason of his having accepted the Havala.

Dealings in certain Securities Forbidden.

151. (*a*) All transactions and dealings in stock, shares and like securities in which permission for dealings has not been granted by the Board are forbidden and a Member who shall execute any order with a Member or non-Member for the purchase or sale of any such securities shall be suspended or fined by a Resolution of the said Board.

Brokerage for Non-Members.

159. (*a*) Save as provided in rules 168 and 170(*b*), a Member shall not execute an order for a non-Member without charging such Non-Member at not less than the minimum scale of brokerage. While executing the order the Member shall not buy or sell securities, directly or indirectly, for his own account or for any account in which he has direct or indirect interest except when he is obliged to close the account of his constituent under the rules or when his constituent directly authorises him in writing to act as Principal and provided that the price is fair and justified by the condition of the Market.

Contract Notes and Brokerage.

167. (*a*) Members shall render contract notes to non-Members in respect of every bargain made for such non-Member's account, stating the price at which the bargain has been made. Such contract notes shall contain a charge for brokerage

at rates not less than the scale prescribed in Appendix G annexed to these Rules, or as modified by the provisions of rules 168 and 170(*b*). Such contract notes shall show brokerage separately and shall be in Form A prescribed in Appendix H annexed to these Rules ;

Contract by Members as Principals.

(*c*) In cases where a Member is buying for himself the securities of his constituent or selling his own securities to his constituent as provided in rule 159, the contract notes shall be in Form B prescribed in Appendix H annexed to these Rules ;

Signing of Contract Notes.

(*d*) A contract note shall be signed by a Member or by his partner or constitute attorney.

Contracts for Budlee.

(*f*) Budlee contract notes shall be in one of the forms prescribed in Appendix D as the case may be. Notwithstanding anything contained in Rule 159(*a*) or 167(*c*) a member may render contract notes in Form A instead of in Form B, should he so desire, when he employs his own resources in carrying forward the purchases of his constituent from one settlement to another.

(*g*) A contract note referred to in this rule or any other rule for the time being in force shall be deemed to mean and include a contract and shall have the same significance as a contract.

(*h*) No contract note shall be issued by an individual member of a firm recognised under rule 39 ; that is to say, in the case of a firm, every contract shall be signed only in the name of a firm.

Budla Transactions.

169. In cases of Budla transactions, the seller shall not be entitled to claim the indentical securities and such transaction may be put through between two non-Members.

Obligations to Charge Brokerage.

170. (*a*) Save as may be provided in these rules brokerage shall be charged and collected upon the execution of all orders for the purchase or sale or carry over of the securities for account of others. This brokerage shall be at rates not less than the scales prescribed in Appendix G, and shall be net and free from any rebate, return, discount or allowance made in any shape or manner or by any method or arrangement direct or indirect.

Reduced Brokerage.

(*b*) On any transaction a Member may at his discretion charge a reduced brokerage provided that such reduced brokerage shall not be less than one-half of the scale prescribed in Appendix G and in case of Budli transactions not less than one-fourth of the said scale.

Evasion of Brokerage Rules.

(*c*) A member shall not act as a Principal for the purpose of evading this rule or adopt any other procedure for a like purpose. Any evasion will be treated as a breach of this rule and also rule 167.

Unusual Buldi Rates.

(*d*) Any agreement or arrangement between a member and his constituent whereby special and unusual rates for carrying over are given, with intent to give special or unusual advantage to such constituent, for the purpose of securing his business shall be deemed to be a breach of this rule.

Unwarrantable Business.

171. A Member shall not transact any business for a constituent which in its nature or extent appears beyond the means of such constituent.

Payment and Delivery.

Delivery of Transfers.

177. (*a*) In all ready delivery contracts the necessary transfer forms duly signed by the transferor and witnessed shall be delivered by the seller to the buyer before 5 p.m. on any business day or before 3 p.m. on Saturday, but not later than the seventh day from the day of sale. When transfer forms are not so delivered, securities may be bought-in by the buyer in the manner provided in these Rules. The buyer however must accept the transfer forms if tendered at any time prior to the actual exercise of his right to buy-in ;

Denominations of Transfers.

(*b*) Unless otherwise agreed at the time of sale, the buyer is entitled to require from the seller transfer forms in the following lots ; but he must accept delivery of one or more certificates representing the total number of shares in each bargain :—

"Each transfer of 50 shares if the face value does not exceed Rs. 10.

Each transfer of 25 shares if the face value exceeds Rs. 10 and does not exceed Rs. 25.

Each transfer of 10 shares if the face value exceeds Rs. 25 and does not exceed Rs. 50.

Each transfer of 5 shares if the face value exceeds Rs. 50 and does not exceed Rs. 100.

Each transfer of 1 share if the face value exceeds Rs. 100.

Delivery of Shares.

178. (*a*) Delivery of shares sold must be made by the seller before 2 p.m. on Mondays and Thursdays only provided that such delivery shall not be made earlier than the 6th and later than the 8th day on which the transfer forms were delivered. If delivery of shares is not so made, the shares may be bought-in by the buyer in the manner provided in these rules.

(*b*) In all transactions of contributory shares the buyer shall return to the seller the transfer form duly executed by the transferee on the seventh day after the day on which the transfer form was delivered. If the transfer form is not so returned within the said period the shares may be sold-out by the seller in the manner provided by these rules.

Delivery of Shares in Part.

179. The buyer shall not be required to pay for shares presented after 2 p.m. on the day fixed for the delivery of shares by Rule 178 (*a*). He must accept and pay before 3 p.m. for all or such of the shares bought which may be delivered within the time prescribed and he may buy-in any shares not delivered in accordance with the provisions of these Rules.

Non-Payment for Shares.

180. If a buyer fails to take up and pay for shares delivered in the manner provided in these Rules, the seller may sell-out the same in the manner provided in these Rules.

Damages.

181. In every case, the Member in default shall be liable for any damages which may arise from such buying-in or selling-out and the Member who fails to pay such damages shall be declared a defaulter by the Board.

Buying-in and Selling-out.

182. Buying-in and Selling-out must be effected by the Secretary of the Association in the open Market during the official business hours save as otherwise provided in these rules. Only Members may make a bid or offer. The charges for buying-in and selling-out shall be half of those authorised by Appendix G.

When Securities may be Bought-in or Sold-out.

183. (*a*) Securities (including new issues) may be bought-in or sold-out on failure to comply with any Rule of the Association applicable to delivery or payment or on any failure to carry out any special conditions subject to which bargain for ready delivery was made ;

Until 15 Days.

(*b*) Buying-in or selling-out may be effected on the day following failure to make payment or give delivery of transfer or securities in accordance with the Rules or on any day thereafter not later than the fifteenth day after such failure ;

Forfeiture of Right.

(*c*) The parties to a transaction will forfeit all right of recourse against each other if the buying-in or selling-out is not effected within the period prescribed by this Rule, unless it shall appear that one of the parties has not exercised his right on the written request of the other.

Delay in Buying-in or Selling-out.

(*d*) If the buying-in or selling-out is not effected within the period prescribed in this Rule and if the Member buys-in or sells-out at the later date and satisfies the Arbitration Committee that it was impracticable to buy-in or sell-out earlier than he did, the Arbitration Committee may allow damages on the footing of the rates at which the securities were bought-in or sold-out or at such other rates at the Arbitration Committee may determine.

Buying-in and Selling-out when Forbidden.

184. The shares of a company shall not be bought-in or sold-out while its transfer books are closed for payment of dividend or bonus or the receipt of calls or for any

other reason. The provisions of this Rule shall not apply to the buying-in or selling-out effected by the Association in the course of clearance through the Clearing House.

Notice of Buying-in and Selling-out.

185. Notice in writing signed by the Secretary of the Association of the intention to buy-in or sell-out securities must be delivered at the office of the member in default and if such notice be not so delivered, the buyer or the seller as the case may be shall not be entitled to buy-in or sell-out or claim damages. The provisions of this Rule shall not apply to the buying-in or selling-out effected by the Association in the course of clearance through the Clearing House.

Tender by Seller before Notice.

186. (*a*) The buyer must accept and pay for the securities at any time prior to the actual exercise of his right to buy-in ;

Tender by Seller after Notice.

(*b*) If the buyer has issued notice of his intention to buy-in securities for default in delivery and if the seller before the securities have been bought-in makes a proper tender of such securities, the buyer must accept and pay for such securities.

Tender by Buyer before Notice.

187. (*a*) The seller must accept payment and deliver securities at any time prior to the actual exercise by him of his right to sell-out ;

Tender by Buyer after Notice.

(*b*) If a seller has issued notice of his intention to sell-out securities for default in payment and if the buyer tenders payment before the securities are sold-out, the seller must deliver the securities and accept payment.

Securities Bought-in but Undelivered.

188. (*a*) Securities bought-in and not delivered on the next business day may be again bought-in for immediate delivery without further notice and any loss shall be paid by the Member causing such further buying-in ;

Securities Sold-out and not Paid for.

(*b*) Securities sold-out and not paid for the next business day may be again sold-out for immediate payment without further notice and any loss shall be paid by the Member causing such further selling-out.

Bid by Buyer or Seller Barred.

189. A Member for whose account the buying-in or selling-out is effected shall not be permitted to make a bid or offer.

Notice of Damages.

190. A Member buying-in or selling-out securities must within two days of the buying-in or selling-out give notice of the same to the Member in default and claim damages, if any, arising therefrom. The Member on whose account the buying-in or selling-out is effected shall notwithstanding that he is in default be entitled to the difference or profit which may arise by the buying-in or selling-out on his account, as the case may be.

Settlement of Contracts.

Nature of Payment.

191. (*a*) When securities are delivered, the party delivering the securities shall have the right to require the purchase money to be paid in cash against delivery on due date in accordance with the Rules :

Provided that when delivery is made through the Clearing House payment shall be made in accordance with the Rules relating to the Clearing House ;

Cash Payment.

(*b*) If a Member requires cash in payment for securities sold, he must give notice in writing to his buyer to that effect before 3 p.m. on the day previous to the day of delivery and payment shall be made against delivery of the securities :

Provided that the buyer shall have the right or option of requiring the party delivering the securities to receive payment at the office of any bank situated in the Fort area ;

(*c*) If the buyer wishes to exercise his rights or option under this rule, he must hand over to the seller not later than 12 noon and a Receive-and-Pay Order properly signed by him or his client ;

Payment by Cheque.

(*d*) Cheques must be drawn by the Member who has bought securities. They must be crossed and marked " Payee's account only."

Delivery and Payment Postponed.

192. Securities of a company shall not be delivered and payment shall not be claimed while the transfer books of the company are closed, except in the case of shares on the Forward List which are to be settled through the Clearing House.

Settlement on Reopening of Transfer Books.

193. All contracts in shares falling due while the transfer books of such shares are closed, shall be completed on the opening of the books, except in the case of shares on the Forward List which are to be settled through the Clearing House.

Contracts due on Holidays.

194. All contracts due for settlement on holidays shall be settled on the business day next following.

No Deduction from Purchase Price.

195. A party to a contract receiving securities shall not be entitled to deduct from the purchase price any sum due to or any damages claimed by such party.

Deduction of Dividends.

196. The buyer is entitled when paying for shares on which a dividend, interest, bonus, etc., has been recommended or declared and for which the transfer books of the company were closed before delivery to deduct the dividend, interest, bonus, etc.

declared or recommended, provided that the members of the Association through whom the transaction shall have been effected shall be personally responsible for effecting adjustments finally as between the buyer and the seller when the dividend is actually paid.

Stamp and Transfer Fees.

197. Stamp duties payable to Government and fees charged by a company registering transfers of shares and known as " transfer fees " shall be paid by the buyer.

Settlement in Settlement Room.

198. The buying Member or one of his clerks shall be present in the Settlement Room for the purpose of receiving transfer of shares and making payment for shares and securities ; and the selling Member shall not be obliged to deliver the shares and receive payment at the office of the buying Member.

Dividends and Rights.

Buyer Entitled to Rights.

199. (*a*) The buyer shall be entitled to receive all interest, dividends, bonus, rights and privileges which may appertain to shares bought and for the payment or declaration of which the transfer books shall have closed during the pendency of the contract.

Interest on Debentures.

(*b*) In all transactions for debentures the seller is entitled to the interest till the date of payment ; but if the seller fails to deliver the debentures within seven days from the date of sale interest shall cease.

Dividends and Rights.

200. All transaction in shares shall be ex-dividend from the day on which interest or dividend is payable ; they shall be ex-rights from the latest day fixed for the receipt of applications for rights by the company ; but all transactions before that day shall be cum-dividend and cum-rights, provided that shares admitted by the Board to dealings for settlements shall be quoted cum-rights to the day fixed by the said Board but thereafter transactions shall be made ex-rights.

Liabilities of Members.

201. Members shall not be personally liable between themselves for interest, dividends, bonus or rights on shares sold by them when such shares were delivered by them not less than four working days before the closing of the books of the company to enable the buyer to get the shares transferred to his name ; but nothing in this Rule shall affect the rights and obligations of buyers and sellers between themselves as constituents or principals, for the recovery of such interest, dividends, bonus or rights.

Application for Rights.

202. (*a*) The buyer is entitled to new shares issued in right of old, provided that he specially claims the same in writing from the seller not later than 1 p.m. on the second day preceding the last day fixed for the receipt of applications by the company.

(*b*) Notwithstanding the provisions of the above clause, the seller, if he be in possession of the new securites, shall be responsible to the buyer for the same, if claimed.

by him before one o'clock on the day following the latest day fixed for the receipt of applications by the Company and should he not be in possession of the new securities, he is bound to render every assistance to the buyer in tracing them.

Letters of Renunciation.

203. Rights are to be settled by letters of renunciation when practicable. When proper letters of renunciation are delivered or tendered to the buyer before 2 p.m. on the day preceding, the latest day fixed for the receipt of applications, the seller shall be relieved of all further liability in respect of all such rights. A Member shall not be bound to accept letters of renunciation not tendered within the time provided in this Rule.

Fresh Transfer on Refusal of Company.

211. When a company objects to a transferee and refuses to register a transfer on the ground of such objection, the transferor shall on request and on the original transfer being presented to him for cancellation of his signature, sign a fresh transfer.

Payment of Calls.

212. (*a*) The purchaser shall pay every call or contribution which becomes payable after delivery of the certificate and transfer.

Failure of Purchaser to Pay.

(*b*) If the purchaser fails to make such payment and the seller is compelled to pay the same, the seller shall be entitled to recover the same from the purchaser, not withstanding that the purchaser applied to the company to transfer the shares and that the Directors of the Company refused the transfer.

Payment of Calls by Selling Member.

213. A selling Member may previous to delivery pay any call made on securities although not due, and may claim the sum paid from buying Member.

Liability of Broker on Calls.

214. No Member shall, subject to the provisions of Rule 213 in respect of any bargain made by such Member on behalf of a principal and as Broker only, be deemed personally liable or responsible in any way to any party for the payment of calls made by a company subsequent to delivery and payment.

Refusal by Company to Transfer on account of Lien.

215. The provisions of Rules 210 and 212 shall not apply where the company refuses to transfer the shares on the ground that the shares are subject to a lien on account of any debt or liability of the transferor ; and if the transfer is refused on that ground the selling Member shall within seven days of his being called upon to do so by the buying Member either release the shares from such lien or give other shares free of lien, and if the selling Member fails to effect such release or to give such shares, the buying Member shall be entitled to rescind the sale and recover the price paid and damages for any loss sustained. In the case of every such share, the buying Member shall be entitled to the benefit of this rule provided he has applied to the Company to have the share transferred within twenty-one days of the date of the delivery of such share.

Company in Liquidation.

216. If a company be wound up at the date of the contract or between the date of the contract and the due date of payment, the seller is entitled to recover from the

purchaser the purchase money and any contribution or call required to be paid even though the Liquidator refuses to consent to the transfer. If the buyer cannot get the shares transferred to his name, the seller shall, if required to do so by the buyer and at the buyer's cost, assign his title to and his rights in the shares sold to the buyer and shall execute a Power of Attorney in favour of the buyer to enable him to recover any dividends becoming payable after the date of contract in respect of the shares bought.

Dispute after Registration.

217. When the official receipt or certificate of registration of securities bought has been issued by the Company concerned, neither the selling Member nor the buying Member shall be personally responsible to the buyer for any subsequent dispute as to the title unless bad faith or fraud is alleged against such Member or unless such Member has dealt on his own account.

Nothing in this rule shall affect the liability of the transferor or actual seller who may have received payment against delivery of securities, in any action at law or in any other proceedings. The provisions of this rule shall apply only to the rights and obligations of Members *inter se*.

Non-Delivery of Letters of Renunciation.

204. If the settlement of claims to rights be not made by letters of renunciation by reason of the failure of the seller to deliver such letters within the time prescribed in Rule 203 the seller shall bear any extra expense of transfer, provided that when no letters of renunciation are issued or recognised by the company, the expenses of transfer shall be borne by the buyer.

Payment of Rights.

205. When letters of renunciation are not issued, all payments as and when required by the company are to be advanced to the seller by the buyer who may demand a receipt for the same and the seller shall be deemed a trustee for the buyer of such payments.

Temporary Settlement.

206. When securities are sold cum-rights and are delivered after the closing of the transfer books for rights and when a new security cannot be obtained by letters of renunciation, the Board shall fix a price which may be deducted by the buyer from the purchase money of the old securities. The buyer shall pay this price, namely, the balance due on the contract when the seller delivers the new securities at any time on or before the day fixed by the Board for the settlement of rights.

Documents and Registration

Regularity and Genuineness of Documents.

207. (*a*) A Member who receives payment against delivery of all necessary documents either on his own account or on behalf of his constituent shall be personally responsible to the Member to whom the same are delivered for their title, regularity and genuineness provided the documents are lodged with the company for registration within twenty-one days of the date of receipt of such documents by him. If the documents are not lodged within the prescribed period of twenty-one days, then except in the case of fraud or bad faith on the part of the selling Member the liability of the selling Member to both the buying Member and his constituent as also the liability of the buying Member to his constituent shall cease in all respects.

Liability of Constituents.

(*b*) Nothing in this Rule shall affect the liability of the Constituent (which term shall in cases where a Member has dealt on his account include such Member) from whom the Member may have received the document in any action at law or in any other proceedings. The Member who delivered the document shall however be bound to render every assistance to the buyer in any proceedings he may take against the seller.

Replacement of irregular Documents and Refund.

208. If a Member to whom the documents are delivered gives intimation in writing to the Member who delivered them, of his objection as to their title, regularity or genuineness as soon as it comes to his knowledge, the Member who delivered them shall within a week from the date of such intimation remove any irregularity or establish the title or genuineness of the documents, as the case may be, or deliver other regular, genuine and valid documents, provided that the documents were lodged for registration within twenty-one days from the receipt thereof as provided by Rule 207 (*a*); but in the event of such Member failing to deliver such other documents, he shall refund on return of the documents the monies paid against such documents.

Refund does not Cancel Contract.

209. (*a*) A refund of the price on the return of documents shall not operate as cancellation of the contract and if the selling Member within a period of twenty-one days from the refund tenders to the buying Member regular, genuine and valid documents the buying Member shall be bound to accept such documents in fulfilment of the original contract and pay the purchase price ;

Buying-in on Non-Tender.

(*b*) If the selling Member fails to tender such documents within such period the buying Member shall be entitled to buy-in the Securities against him as provided in Rule 183.

Sale not Conditional on Transfer.

210. Save as is provided in Rule 215 a sale of shares is not conditional on the Company transferring the shares into the name of the buyer. The only obligation on the seller on the sale of shares is to tender delivery of the necessary certificates with a properly executed transfer. Such seller shall not be deemed to guarantee that the Company will transfer the shares into the name of the buyer and shall incur no liability by reason of the refusal of the Company in exercise of the power vested in it under the Articles of Association to transfer such shares.

Explanation.—A transfer signed on behalf of the vendor by a person purporting to be his constituted attorney shall not be considered a properly executed transfer if the Power of Attorney in question is conditional and not absolute.

GOVERNMENT SECURITIES, ETC.

Rules specially applicable to bargains in securities of the Government of India, Provincial Governments, debentures and stock of Port Trusts, Municipal Corporations and such other securities as may come within the provisions of the Negotiable Instruments Act, 1881.

BARGAINS GENERALLY.

Bargains.

318. Bargains in securities and stock to which these Rules apply may be for ready delivery or for the settlement.

Bargains for Promissory Notes.

319. All bargains shall be for Promissory Notes transferable by endorsement with interest payable in Bombay unless there is a condition in the contract for delivery of bearer bonds.

Written Contracts to be Exchanged.

320. (*a*) Written contracts shall be rendered on the day of bargain as provided in Rules 167, 168.

Accrued Interest.

(*b*) The accrued interest is not included in the bargain price.

Buyer to Pay Interest.

(*c*) The buyer shall pay interest accrued to the day of payment.

READY DELIVERY BARGAINS.

Delivery and Payment.

321. A bargain for ready delivery shall be for delivery and payment before 3 p.m. on the business day next following the bargains. If such day is Saturday, delivery and payment shall be made on the business day next following :

Provided that if the parties expressly stipulate at the time of the bargain, a bargain for ready delivery shall not be deemed invalid if delivery and payment for the stock is made not later than 7 days from the date of the contract.

Selling-Out.

322. (*a*) The buying member shall issue a Receive and Pay Order as provided in Rule 332 at or before 12 noon on the day on which delivery and payment is to be made and shall deliver the order to the selling member. If the buying member fails to issue the Receive and Pay Order in the manner prescribed, the selling member shall be entitled to sell-out after giving one business day's notice in accordance with the rules for selling-out.

Buying-in.

(*b*) If a selling member fails to deliver the scrip before 3 p.m. on the day of issue of the Pay Order, the buyer shall be entitled to buy-in after giving one business day's notice in accordance with the rules for buying-in.

FORWARD BARGAINS.

Forward Listing.

323. (*a*) The Board shall from time to time at a meeting specially summoned for the purpose determine which of the securities of the Government of India or of the Provincial Governments and which of the debentures or stock of Port Trusts, Municipal Corporations and of the securities within the provisions of the Negotiable Instruments Act shall be admitted to forward dealings and may from time to time in like manner determine which of such securities, debentures or stock shall be removed from the Forward List.

(*b*) No bargains made for the settlement in Government Securities not admitted to forward dealings will be recognised and all such bargains shall be deemed void.

Fortnightly Settlements.

324. (*a*) The Settlement shall be fortnightly.

Separate Pay Days.

(*b*) The Board shall in December of each year fix 24 Account Days or Pay Days. Such Pay Days shall be on days other than the Pay Days fixed for the ordinary monthly settlement in other securities.

Deliveries and Payments.

(*c*) Deliveries and payments for all transactions for forward delivery shall be made on each Account Day or Pay Day fixed by the Board under this Rule.

Certain Forward Bargains Void.

325. All forward bargains for any Account other than the Current Account fixed by the Board under Rule 324 shall be void subject to the provisions of Rule 326.

Beginning of Settlement.

326. The Board shall fix a date from which a bargain for the ensuing account may be made. Such date shall not be earlier than three working days previous to the Ticket Day for the Current Settlement.

Unit of Trade.

327. The unit of trade in all forward bargains shall be Rs. 25,000 face value and all such bargains for a lesser amount are prohibited. The Board may suspend or expel a member who violates this Rule.

Making-up Price.

328. Pay orders shall be issued on Account Day for the purpose of Settlement at the making-up price fixed by the President or the Secretary of the Association. Such price shall be the closing price of the day immediately preceding the Ticket Day.

Differences.

329. Differences due from one member to another shall be paid on the Account Day between such hours as the Board may from time to time prescribe.

Issuing of Tickets.

330. (*a*) The member who takes up securities bought for the Account, shall issue Tickets each for Rs. 25,000 face value of the securities. Such Tickets must contain a serial number which will be given by the Secretary of the Association on the application of the Member. Such Ticket must also contain the name of the Member issuing the Ticket and the name of the Member from whom he has bought the securities ;

Ticket Day.

(*b*) The Ticket shall then be passed to the Selling Member a day before the Account Day called the Ticket Day. All Tickets must be passed in the settling room

from seller to seller. Each intermediate seller, in succession, to whom such Tickets shall be passed, shall endorse thereon the name of the seller. The ultimate seller shall retain the Ticket. The passing of Ticket shall commence at 2 p.m. on the Ticket Day, but in no case later than 4 p.m. The said Secretary shall not give numbers of Tickets later than 3 o'clock on the Ticket Day ;

Closing of Bargains.

(*c*) All outstanding transactions for the Current Settlement shall be closed on the day preceding the Ticket Day.

Pay Order.

331. (*a*) On the Ticket Day the issuer of Tickets shall hand to the holder of Tickets a Receive-and-Pay Order, drawn only on one of the parties mentioned in Rule 332 (*l*) in exchange for Tickets. The Holder of Tickets shall deliver the securities at the office of the said Bank or Firm receiving the securities before 3 o'clock on the Account Day, and payment must be made within one hour of the time of the delivery ;

Buying-in.

(*b*) Failing delivery the Issuer of the Ticket may after giving one business day's notice to the Holder of the Ticket buy-in the securities.

Deliver Order.

332. (*a*) The Issue of Tickets shall have an option to draw a Receive-and-Pay Order on himself. In such case the Holder of the Tickets shall either deliver to the Issuer of Tickets the securities against payments in cash in the Settling Room or hand over a Deliver Order on one of the approved Banks or Firms before 12 noon on the Account Day. If the Deliver Order is issued by the Holder of Tickets the payment must be made at the office of the said Bank or Firm delivering the securities ;

Place of Payment.

(*b*) Banks who are Members of the Bankers' Clearing House, Bombay, will not be required to deliver securities at the office of any party except—

(1) Other Banks who are Members of that Clearing House ;

(2) Parties approved by the Board and a majority of the Banks who are Members of the Bankers' Clearing House, Bombay ;

Cheques Release Intermediaries.

(*c*) A party delivering securities sold shall accept a cheque in payment thereof, if tendered during clearing hours, but all intermediate parties shall be released from all liability, if the securities are delivered before the cheque is honoured.

Buying-in without Notice.

333. If the holder of Tickets fails to apply for Receive-and-Pay Order on the Ticket Day, the Issuer of the Ticket shall buy-in the securities the following day without giving notice.

Selling-out.

334. (*a*) The Member delivering securities sold and who shall not have received the Ticket on the Ticket Day when the circulation has ceased shall sell-out the securities ;

Notice.

(*b*) Such a Member shall apply to the Secretary of the Association on the Account Day to issue notice for selling-out on the day following. The notice shall be passed on the Account Day to the Member from whom the Ticket is required. All such notices must be passed in the Settling Room from buyer to buyer until they reach the original buyer. Each intermediate buyer is required to endorse on the notice the name of the Member to whom it is passed.

Release of Intermediaries.

335. If buying-in and selling-out be not effected within three business days including the Account Day, all intermediate parties shall be released from all liabilities. The liability of the Issuers and Holders of Tickets is not affected by the fact that intermediaries have been released by lapse of time.

READY DELIVERY OR FORWARD BARGAINS.

Late Buying-in.

336. The buyer must receive and pay for the securities if tendered before the actual exercise by the buyer of his right to buy-in but he shall not be liable for interest accrued after the day on which the delivery shall have been made.

Late Selling-out.

337. The seller must accept payment if tendered and deliver the securities before the actual exercise by the seller of the right to sell-out but he shall not be entitled to interest at Bank rate for the days between the day on which payment should have been made and the day of actual payment.

Renewal Fees.

338. The buyer is entitled to claim the Renewal Fees when there are less than three blank cages for endorsement on the back of the Note or when there are six or less than six half-yearly interest columns blank or when there are more than two enfacements for payment of interest.

Cross Endorsements.

339. The buyer may refuse to accept the Notes and to pay for them if there is a cross endorsement or if interest is left undrawn for more than one year or if the notes tendered are of lesser denomination than Rs. 500 or if interest payable on or after the pay day is drawn by the seller.

Valid Delivery.

340. The buyer may refuse to pay for securities unless all endorsements on the back of the Note are valid, regular and in proper form, but he shall pay for such portion of the securities as may be in order. The securities thus returned unpaid must not be bought-in until seven days have been allowed to the seller to put the securities in order. The buyer is not liable to pay the accrued interest beyond the due date for the delivery of securities returned. If the seller fails to deliver the securities within the said period of seven days, the buyer shall after giving one business days' notice be entitled to buy-in the same within two days thereafter.

Liability of Broker.

341. The Member acting as a broker on behalf of a constituent is not responsible for the genuineness, regularity and validity of securities passing by endorsement and delivery and delivered by the seller to the buyer.

342. Rules 177 to 180 relating to Payment and Delivery shall not apply to bargains in these securities.

CLEARANCE OF GOVERNMENT SECURITIES.

Settlement Through Clearing House.

343. It shall be competent to the Board to order that, unless provision to the contrary is made in the relevant contracts, all bargains in any specified security shall be cleared or settled by the system of Clearance Sheets instead of by the process of tickets, but delivery and payment shall be made Ex-Clearing House as hereinafter provided unless otherwise ordered by the said Board.

Application of Clearing House Rules.

344. When under the provisions of Rule 343, bargains have to be cleared or settled by the system of Clearance Sheets, the rules relating to the Clearing House shall be a part of the terms and conditions of the relevant contracts.

Issue of Tickets.

345. Deliver and Receive Tickets (Forms X and XI in Appendix J) each for Rs. 25,000 face value of securities, containing serial numbers will be issued by the Secretary of the Association on payment of two annas per Ticket or such other charge as may be prescribed by the Board from time to time. No other forms shall be used. The said Secretary shall not issue Tickets later than 1 p.m. on the Ticket Day without imposing such penalty as may be fixed by the Board.

Lodging of Tickets.

346. Such Tickets shall accompany the Clearance Lists to be lodged at the Clearing House not later than 3 p.m. on the business day (called Ticket Day) preceding the Pay Day.

Deliver and Receive Orders.

347. The Clearing House shall return on the Pay Day the said Tickets to the members who lodged them, with the names filled in at its discretion of the Members to whom deliveries are to be made and of those from whom securities are to be received. The tickets so returned shall be deemed to be Orders for the delivery and receipt of securities.

Such Orders when issued by the Clearing House shall be binding upon and enforceable against members as provided in Rule 303.

Presence at the Clearing House.

348. Members or their representatives shall be present at the office of the Clearing House at 11 a.m. on the Pay Day to receive such Orders for the delivery and receipt of securities and to correct errors, if any, in the Clearing Lists (Form No. 1 in Appendix J).

Exchange of Orders.

349. The receiving member shall hand over to the delivering member as soon as practicable but not later than 12 noon a Receive-and-Pay Order, properly signed by him or his client, in exchange for the delivery order issued by the Clearing House.

Buying-in or Selling-out.

350. The neglect or failure to exchange Orders shall constitute a default and the securities shall be bought-in or sold-out after 1 p.m.. on the Pay Day without giving notice to the members in default.

Place of Delivery.

351. (*a*) The delivery of securities shall be made at the office of the receiver of the securities before 2-30 p.m. on the Pay Day and payment must be made at the making-up price against delivery :

Provided that if such office is not situated in the Fort Area, the delivery shall be made against payment in the Hall of the Association.

(*b*) Notwithstanding the provisions of sub-rule (*a*) parties mentioned in rule 332 (*b*) shall have the right or option of requiring the payment and delivery to be made at their offices, in cases where the receiver of the securities is not one of such parties.

Statement of Purchase Money.

352. If the deliverer wishes to exercise his right or option under rule 351 (*b*) he must take out a statement, showing the amount due at the making-up price plus the accrued interest and present the same together with the Receive-and-Pay Order at the office of the receiver. Not later than one hour after the receipt thereof, the payment of the amount involved must be made at the office of the said deliverer.

Buying-in.

353. Failing delivery of securities on the Pay Day, the member who is to receive shall, after giving one business day's notice to the member who is to deliver, buy-in the securities in accordance with the rules for buying-in.

Selling-out.

354. If the receiver fails to pay for the securities delivered in the manner provided in these rules, the member who is to deliver shall, after giving one business day's notice to the member who is to receive, sell-out the securities in accordance with the rules for selling-out.

Release of Intermediaries.

355. If securities are not bought-in or sold-out within three business days including the Account Day, all intermediate parties shall be released from all liability. The liability of the Receiving and Delivering members is not affected by the fact that intermediaries have been released by lapse of time.

Payment of Profit and Loss.

356. If the securities are bought-in or sold-out as authorised by these rules, the loss, if any, shall be paid promptly by the member in default to the member buying-in or selling-out : the profit, if any, shall be paid by the member buying-in or selling-out to the member in default :

Provided that if the member in default is or be declared a defaulter or insolvent, the profit or loss, as the case may be shall be dealt with as provided in rule 296.

Short Title and Commencement.

357. (1) These rules may be called the Native Share and Stock Brokers' Association Rules, 1938.

(2) They shall come into force on the 28th day of June 1938.

INTEREST AND RENEWAL FEES ON GOVERNMENT SECURITIES.

The following is the usage relating to calculation of Interest on Government Securities :—

(1) Interest on Government of India Promissory Notes is calculated on a basis of twelve months in a year, each month being of thirty days.

(2) Notes delivered on the 31st of any month should be paid for as if delivered on the 30th.

(3) Notes, therefore, delivered on the first day of January, February, March, April, June, August, September and November should be paid for as if the previous month consisted of thirty days only.

APPENDIX G.

Minimum Scale of Brokerage.

(REFERRED TO IN RULE 167)

Brokerage shall be charged by Members on the purchase or sale of stocks, shares and like securities at not less than the following rates :—

There shall be a minimum charge of Rupee one on each transaction.

(*a*) On debentures of Railways and debentures of joint-stock companies generally - - - ½ per cent. on stock.

(*b*) On the contract price of shares of joint-stock companies, when such price does not exceed Rs. 10 Rs. 0-2 per share.

Exceeds Rs.	10	but does not exceed	-	Rs. 25	Rs. 0-4 per share.
,, ,,	25	,,	-	,, 50	,, 0-8 ,,
,, ,,	50	,,	-	,, 75	,, 0-12 ,,
,, ,,	75	,,	-	,, 100	,, 1-0 ,,
,, ,,	100	,,	-	,, 250	,, 1-4 ,,
,, ,,	250	,,	-	,, 300	,, 1-8 ,,
,, ,,	300	,,	-	,, 400	,, 2-0 ,,
,, ,,	400	eight annas for every Hundred Rupees (or part thereof) per share.			

(*c*) **Securities.**	**Brokerage.**
Securities of the Government of India and Provincial Governments.	$\frac{1}{16}$ per centum on stock of the face value of Rs. 25,000 or over. $\frac{1}{8}$ per centum on stock of the face value under Rs. 25,000.
Debentures and stock of Port Trusts, Municipal Corporations and other Securities.	$\frac{1}{8}$ per centum on stock.

This scale shall not apply to underwriting or the placing of New Issues.

SCALE OF BROKERAGE FOR NEGOTIATION OF LOANS.

(*d*) Subject to a maximum of $\frac{3}{4}$ per cent. a member may charge as brokerage at rates not exceeding $\frac{1}{16}$ per month per cent. on the amount of the loan against securities of joint-stock companies.

(*e*) Subject to a maximum of $\frac{3}{16}$ per cent. a member may charge as brokerage at rates not exeeeding $\frac{1}{64}$ per cent. per month on the amount of the loan against securities of the Government of India, Provincial Governments, debentures and stock of Port Trusts, Municipal Corporations and such other securities.

STAMP DUTY SCHEDULES.

SCHEDULE OF TRANSFER STAMP DUTY IN BRITISH INDIA.

Of Shares in all British Indian Provinces except Bombay Re. 0-12-0 per cent. or part thereof on the consideration amount of transfer up to Rs. 1,000 and at Rs. 3-12-0 for every additional Rs. 500 or part thereof.

In Bombay Re. 0-12-0 per cent. or part thereof on the total consideration amount of the transfer.

Of Debentures, being marketable securities whether the debenture is liable to duty or not except debentures provided for by S. of Stamp Act namely Loans under Act XI of 1879 (Local Authorities Loan Act). In Bengal same as of Shares on a consideration equal to the face amount of the Debenture. In Madras, Punjab and Bombay same as on Shares. In U.P. 12 annas for each Rs. 100 or part thereof up to Rs. 1,000. Above that Rs. 3-8 for each Rs. 500 or part thereof.

SCHEDULE OF TRANSFER STAMP DUTY IN MYSORE.

As. 10 per cent. or part thereof on consideration amount of the transfer up to Rs. 1,000 and at Rs. 3-2-0 for every additional consideration amount of Rs. 500 or part thereof.

SCHEDULE OF TRANSFER STAMP DUTY IN TRAVANCORE.

				Rs.	a.	p.
When the value of shares transferred does not exceed Br. Rs. 49 (S. Rs. 50)				0	4	0
When it exceeds	Br. Rs. 49 but does not exceed	Br. Rs. 98 (S. Rs. 100)		0	8	0
,,	Br. Rs. 98 ,,	Br. Rs. 196		1	0	0
,,	Br. Rs. 196 ,,	Br. Rs. 294		1	8	0
,,	Br. Rs. 294 ,,	Br. Rs. 392		2	0	0
,,	Br. Rs. 392 ,,	Br. Rs. 491		2	8	0
,,	Br. Rs. 491 ,,	Br. Rs. 589		3	0	0
,,	Br. Rs. 589 ,,	Br. Rs. 687		3	8	0
,,	Br. Rs. 687 ,,	Br. Rs. 785		4	0	0
,,	Br. Rs. 785 ,,	Br. Rs. 884		4	8	0
,,	Br. Rs. 884 ,,	Br. Rs. 982		5	0	0
and for every Br. Rs. 491 (S. Rs. 500) or par thereof in excess of Br. Rs. 982 (S. Rs. 1,000)				2	8	0

SCHEDULE OF TRANSFER STAMP DUTIES IN THE S. S. & F. M. S.

Straits Settlements :—

Stamp Duty - - - - - 15 Cents (Flat Rate) Stamps for every $100.

Federated Malay States :—

Stamp Duty - - - - - 30 Cents Stamps for every $100.

SCHEDULE OF TRANSFER STAMP DUTY IN CEYLON.

Rs.		Rs.	Rs.
Over 0	and not over	50	0·50
,, 50	,,	100	1·00
,, 100	,,	200	2·00
,, 200	,,	300	3·00
,, 300	,,	400	4·00
,, 400	,,	500	5·00
,, 500	,,	1,000	10·00
Every further Rs. 500 or part thereof			5·00

SCALE OF ENGLISH STAMP DUTY.

Transfers on sale of any Stock, or Marketable Security of any kind are chargeable in the United Kingdom with Stamp Duty according to the following scale :—

Where the amount or value of the consideration for sale does not exceed £5 the duty is 1 shilling; where it exceeds £5 and does not exceed £10 the duty is 2 shillings; where it exceeds £10 and does not exceed £15 the duty is 3 shillings ; where it exceeds £15 and does not exceed £20 the duty is 4 shillings ; where it exceeds £20 and does not exceed £25 the duty is 5 shillings ; where it exceeds £25 and does not exceed £50 the duty is 10 shillings ; where it exceeds £50 and does not exceed £75 the duty is 15 shillings ; where it exceeds £75 and does not exceed £100 the duty is £1 ; where it exceeds £100 and does not exceed £125 the duty is £1-5*s*. ; where it exceeds £125 and does not exceed £150 the duty is £1-10*s*. ; where it exceeds £150 and does not exceed £175 the duty is £1-15*s*. ; where it exceeds £175 and does not exceed £200 the duty is £2 ; where it exceeds £200 and does not exceed £225 the duty is £2-5*s*. ; where it exceeds £225 and does not exceed £250 the duty is £2-10*s*. ; where it exceeds £250 and does not exceed £275 the duty is £2-15*s*. ; where it exceeds £275 and does not exceed £300 the duty is £3 ; where it exceeds £300 for every £50, and also for any fractional part of £50 of such amount or value the duty is 10 shillings.

This Scale of duties came into force on the 1st September 1920. They are double the duties prescribed by the Stamp Act of 1891.

SCALE OF TRANSFER FEES.

Ahmedabad Advance Mills, Limited	As. 4 per share.
Ahmedabad Electricity Company, Limited	As. 4 per share.
Ahmedabad Prantej Railway Company, Limited	Re. 1 per share.
Air Services of India, Limited	Re. 1 per deed.
Ajmer Electric Supply Company, Limited	6 pies per share. Max. Rs. 2 per deed.
Alcock, Ashdown and Company, Limited	As. 8 per share.
Alkali and Chemical Corporation of India, Limited	Rs. 2 per deed.
Allahabad Bank, Limited	Rs. 2 per deed.
Amalgamated Electricity Company, Limited	One anna per share. Max. Rs. 2.
Andhra Valley Power Supply Company, Limited	Re. 1 per share + Postage.
Apollo Mills, Limited	Pies 3 per share.
Associated Cement Companies, Limited	As. 4 per share.
Azam Jahi Mills, Limited	As. 2 per share.
Bank of Baroda, Limited	As. 4 per share.
Bank of India, Limited	As. 4 per share + Postage.
Belapur Company, Limited	As. 4 per share.
Bombay Burma Trading Corporation, Limited	As. 4 per share.
Bombay Cotton Manufacturing Company, Limited	Re. 1 per Ordy. share and Pies 6 per Pref. share.
Bombay Dyeing and Manufacturing Company, Limited	As. 4 per share.
Bombay Electric Supply and Tramways Company, Limited	As. 4 per share. Max. Rs. 10 per deed.
Bombay Steam Navigation Company, Limited	As. 8 per share.
Bombay Suburban Electric Supply Company, Limited	As. 4 per share. Max. Rs. 2 per deed.
Bombay Telephone Company, Limited	As. 2 per share.
Bradbury Mills, Limited	As. 8 per share.
British Burmah Petroleum Company, Limited	Rs. 1-14-0 per deed.
British India Corporation, Limited	Rs. 2 per deed.
Burma Corporation, Limited	Rs. 2 per deed.
Central Bank of India, Limited	As. 2 per share.
Central India Spinning, Weaving and Manufacturing Company, Limited	As. 4 per share.
Central Provinces Railways Company, Limited	As. 4 per share.
Century Spinning and Manufacturing Company, Limited	As. 2 per share.
Chartered Bank of India, Australia and China	2 sh. 6d. per deed.
Colaba Land and Mill Company, Limited	As. 8 per share.
Coorla Spinning and Weaving Company, Limited	As. 2 per share.
Dalmia Cement, Limited	Re. 1 per deed.
David Mills Company, Limited	Re. 1 per share.
Dawn Mills Company, Limited	As. 8 per share.
Dhond Baramati Railway Company, Limited	As. 4 per share.
Dunlop Rubber Company, Limited	Rs. 2 per deed.
Eastern Bank, Limited	Rs. 2 per transfer.
E. D. Sassoon United Mills, Limited	3 pies per share and Rs. 5 per transfer of over 320 shares.
Edward Sassoon Mills, Limited	As. 8 per share.
Elphinstone Spinning and Weaving Mills Company, Limited	3 pies for Ordinary, 4 As. for Preference.
Empire of India Life Assurance Company, Limited	Re. 1 per share.
Finlay Mills, Limited	As. 2 per share. Max. Rs. 5 per deed.
Gokak Mills, Limited	Re. 1 per deed.
Gold Mohur Mills, Limited	As. 2 per share. Max. Rs. 5 per deed.
Gujerat Railways Company, Limited	As. 4 per share.
Hindoostan Spinning and Weaving Mills Company, Limited	Re. 1 per deed.
Hongkong and Shanghai Banking Corporation	2 sh. 6d. in London per deed, $ 1 at Hongkong.
Hoshiarpur Doab Railway Company, Limited	As. 2 per share.
Imperial Bank of India	Re. 1 per share. Maximum Rs. 2 per deed of two or more.

Indian Bank, Limited	As. 4 per share up to 25, As. 2 for every additional share up to 50 and Anna one per share for every additional share over 50.
Indian Bleaching, Dyeing and Printing Works, Limited	As. 4 per share.
Indian Copper Corporation, Limited	Rs. 1-8-0 per deed.
Indian Iron and Steel Company, Limited	Rs. 2 per deed.
Indian Manufacturing Company, Limited	Re. 1 per deed.
Indian Radio and Cable Communications Company, Limited	As. 2 per share.
Indore Malwa United Mills, Limited	As. 4 per share.
Industrial Investment Trust, Limited	As. 2 per share.
Jost's Engineering Company, Limited	As. 8 per share.
Jupiter General Insurance Company, Limited	As. 2 per share.
Karachi Electric Supply Corporation, Limited	Re. 1 per deed.
Khatau Makanji Spinning and Weaving Company, Limited	As. 4 per share.
Kohinoor Mills Company, Limited	As. 8 per share.
Lakshmi Cotton Manufacturing Company, Limited	Re. 1 per share.
Madhowji Dharamsi Manufacturing Company, Limited	As. 4 per Conversion share.
Mandra-Bhon Railway Company, Limited	As. 2 per share.
McKenzies, Limited	As. 8 per share.
Mercantile Bank of India, Limited	2sh. 6d.
Meyer Sassoon Mills, Limited.	As. 4 per share.
Model Mills, (Nagpur) Limited	As. 4 per share.
Morarji Goculdas Spinning and Weaving Company, Limited	As. 4 per share.
Mymensingh Bhairab Bazar Railways Company, Limited	As. 2 per share.
Mysore Spinning and Manufacturing Company, Limited	As. 4 per share.
National Bank of India, Limited	2sh. 6d.
New City of Bombay Manufacturing Company, Limited	As. 8 per share.
New Great Eastern Spinning and Weaving Company, Limited	As. 4 per share.
New India Assurance Company, Limited	As. 2 per share.
Oriental Government Security Life Assurance Company, Limited	Rs. 2 per deed.
Osmanshahi Mills, Limited	As. 2 per share.
Pachora-Jamner Railway Company, Limited	As. 4 per share.
Phoenix Mills, Limited	As. 2 per share.
Port Canning & Land Improvement Company, Limited	As. 4 per share.
Premier Construction Company, Limited	As. 4 per share. Max. Rs. 10 per deed.
Punjab National Bank, Limited	Re. 1 per deed.
Rangoon Telephone Company, Limited	Rs. 2.
Reserve Bank of India	Re. 1 per deed.
Sara-Sirajgunj Railway Company, Limited	As. 2 per share.
Sassoon and Alliance Silk Mill Company, Limited	As. 4 per share.
Scindia Steam Navigation Company, Limited	Anna 1 per share.
Shivrajpur Syndicate, Limited	Re. 1 per deed.
Sholapur Spinning and Weaving Company, Limited	Re. 1 per share.
Sialkot-Narowal Railway Company, Limited	As. 2 per share.
Simplex Mills Company, Limited	As. 4 per share.
Sind Light Railways Company, Limited	Re. 1 per deed.
Steel Corporation of Bengal, Limited	Rs. 2 per deed Calcutta, 2 sh 6d. at London.
Surat Electricity Company, Limited	As. 4 per share.
Svadeshi Mills Company, Limited	As. 4 per share.
Swan Mills, Limited	As. 2 per share. Max. Rs. 5 per deed.
Tapti Valley Railway Company, Limited	Re. 1 per share.
Tata Hydro-Electric Power Supply Company, Limited	As. 4 per share.
Tata Iron and Steel Company, Limited	As. 4 per share. Rs. 500 for 2,000 and above.
Tata Mills, Limited	As. 4 per share.
Tata Oil Mills Company, Limited	As. 2 per share.
Tata Power Company, Limited	Re. 1 per share.
Union Bank of India, Limited	Pies 6 per share.
Upper Sind Light Railways, Jacobabad-Kushmore Feeder, Limited	Re. 1 per deed.
Vishnu Cotton Mill, Limited	As. 8 per share.
Vulcan Insurance Company, Limited	6 pies per share.
Western India Spinning and Manufacturing Company, Limited	Re. 1 per share.

INVESTMENT OF TRUST MONEY.

The following extracts from the Indian Trusts Act, 1882, as amended by the Indian Trusts Amendment Acts of 1908 and 1916 will generally be found sufficient for Trustees holding investments or proposing to invest in Stocks, Shares, Debentures, Mortgage Debentures or Bonds, subject, however, to any special powers or restriction contained in the Trust Deed.

Section 20.—Where the trust-property consists of money and cannot be applied immediately or at an early date to the purposes of the trust, the trustee is bound (subject to any direction in the instrument of trust) to invest the money on the following securities, and on no others :—

(*a*) In promissory notes, debentures, stock or other securities of any Local Government or of the Government of India, or of the United Kingdom of Great Britain and Ireland.

(*b*) In bonds, debentures and annuities charged by the Imperial Parliament on the revenues of India, provided that after the 15th day of February, 1916, no money shall be invested in any such annuity being a terminable annuity unless a sinking fund has been established in connection with such annuity ; but nothing in this proviso shall apply to investments made before the date aforesaid.

(*bb*) In India three-and-half per cent. stock, India three per cent. stock, India two-and-a-half per cent. stock or any other capital stock which may at any time hereafter be issued by the Secretary of State for India in Council under the authority of an Act of Parliament and charged on the revenues of India.

(*c*) In stock or debentures, of or shares in, Railway or other companies the interest whereon shall have been guaranteed by the Secretary of State for India in Council or by the Government of India or in debentures of the Bombay Provincial Co-operative Bank Limited, the interest whereon shall have been guaranteed by the Secretary of State for India in Council.

(*d*) In debentures or other securities for money issued, under the authority of any Act of a Legislature established in British India, by or on behalf of any municipal body, Port Trust or City Improvement Trust in any Presidency town, or in Rangoon town, or by or on behalf of the Trustees of the Port of Karachi.

(*e*) On a first mortgage of immovable property situate in British India : Provided that the property is not a leasehold for a term of years and that the value of the property exceeds by one-third, or if consisting of buildings, exceeds by one-half the mortgage-money ; or

(*f*) On any other security expressly authorised by the instrument of trust or by any rule which the High Court may from time to time prescribe in this behalf.

Provided that, where there is a person competent to contract and entitled in possession to receive the income of the trust-property for his life, or for any greater estate, no investment on any security mentioned or referred to in clauses (*d*), (*e*) and (*f*) shall be made without his consent in writing.

20A. (1) A trustee may invest in any of the securities mentioned or referred to in Section 20, notwithstanding that the same may be redeemable and that the price exceeds the redemption value.

Provided that a trustee may not purchase at a price exceeding its redemption value any security mentioned or referred to in clauses (*c*) and (*d*) of Section 20 which is liable to be redeemed within fifteen years of the date of purchase at par or at some other fixed rate or purchase any such security as is mentioned or referred to in the said clauses which is liable to be redeemed at par or at some other fixed rate at a price exceeding fifteen per centum above par or such other fixed rate.

(2) A trustee may retain until redemption any redeemable stock, fund or security which may have been purchased in accordance with this section.

RATES OF INDIAN INCOME-TAX. *

Income-Tax.

A. Individuals, Unregistered Firms, Hindu Undivided Families and Associations of persons (other than Companies).

	Rs.		Rate.
First	1,500	of income	Nil.
Next	3,500	,,	9 pies in the rupee.
,,	5,000	,,	1 anna 3 pies in the rupee.
,,	5,000	,,	2 annas in the rupee.
Balance of income			2 annas 6 pies in the rupee.

No tax payable on incomes not exceeding Rs. 2,000; Income-tax on incomes just above Rs. 2,000 to be restricted to half the excess of the income above Rs. 2,000.

B. Rate for Companies—2 annas 6 pies in the rupee.

Super-Tax.

A. Assessees other than Companies.

	Rs.	Rate.
First	25,000	Nil.
Next	10,000	1 anna in the rupee.
,,	20,000	2 annas in the rupee.
,,	70,000	3 annas in the rupee.
,,	75,000	4 annas in the rupee.
,,	1,50,000	5 annas in the rupee.
,,	1,50,000	6 annas in the rupee
Balance of income		7 annas in the rupee.

B. Companies—1 anna in the rupee on the whole income (no exempted slab).

No surcharge to be charged in respect of either the Income-tax or the Super-tax.

N.B.—Income-tax, etc. on Government Securities and Reserve Bank Shares, etc, are at the rate of 30 pies in the rupee.

*The above rates based upon the Slab System have come into force since 1st April 1940.

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