FOREWORD

The Reserve Bank of India regularly brings out the Report on Currency and Finance, which was traditionally considered as a comprehensive source and record of economic developments. The structure of this Report has been re-oriented since 1998-99 from just documenting the economic developments to a 'theme-based report'. The theme-based Report offers the professional economists working in the Bank, an opportunity to work on relevant topic every year and make incisive analysis of the theme both in the global and the Indian context and come out with an analytical Report offering possible policy solutions to the issues examined. The dissemination of these Reports to a wider section of the user-community is an important exercise. The Report pertaining to the period between 1935-36 and 1998-99 are available only in printed form. The Reports from 1999-2000 have been placed on the Reserve Bank's website. In these days of widespread use of information technology, it is felt useful to bring out the Reports in a single DVD. I hope this will be an invaluable collector's item among the policy makers and academia.

The digitization process of the Reports was undertaken by Shri Ashok Kapoor, Chief Archivist, Reserve Bank of India Archives and supported by the services of Smt. Sandhya Dhavale, Assistant Librarian, under the guidance of Shri K.U.B. Rao, Adviser, Department of Economic Analysis and Policy and Shri Sandip Ghose, Principal and Chief General Manager, College of Agricultural Banking, Pune. I place on record my deep appreciation of their efforts.

Mumbai
April 1, 2009

(Rakesh Mohan)
Deputy Governor
Reserve Bank of India

Reserve Bank of India

REPORT

ON

CURRENCY AND FINANCE

FOR THE YEAR

1952-53

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Note.—(1) Where necessary, each figure has been rounded off to the nearest final digit. For this reason, there may be in some Tables and Statements an apparent slight discrepancy between the sum of the constituent items and the total as shown.

(2) The following symbols have been used throughout the Report :

.. = Figure is not available.

— = Figure is nil or negligible.

(3) A line drawn across a column between two consecutive figures denotes that the figures above and below the line are not comparable. In each case a footnote is added indicating the nature of the difference.

PART I

INTERNATIONAL ECONOMIC DEVELOPMENTS

INTRODUCTORY

The world economy seemed to have reached a fair measure of stability in 1952. The post-Korean inflationary pressures, which had been generally halted by the end of 1951, eased further in many parts of the world during 1952, and, in spite of the growth of defence spending in many countries, inflation did not re-emerge. In many parts of the world, there were sporadic symptoms of a price recession, with wholesale prices generally remaining either stable or experiencing a slight decline. The important exceptions were some of the Latin American and Commonwealth countries, notably Australia and South Africa. In most of these countries too, the price rise was much smaller than in 1951.

The movement towards stability resulted from the operation of such factors as increased production and a fall in demand, consequent on, among other things, the decline in stock-piling and stretching-out of defence expenditures. Quite an important factor in the general restoration of stability was the further, though flexible, use of the orthodox instruments of credit control such as the Bank rate and open market operations. While in some countries there was a trend towards dearer money, in certain others there was some relaxation of restrictive monetary policies owing to an improvement, among other things, in the external payments position.

There was a noticeable tendency in many countries to relax or discard physical and price controls, partly because of the better balance between supply and demand and also owing to the increasing reliance placed on monetary and fiscal policies.

The international payments situation in general underwent a marked improvement during 1952, especially in the dollar sector. The sterling area recorded an impressive improvement in its overall payments position, having converted a *deficit* of £531 million in 1951 to a *surplus* of £77 million in 1952, thus fulfilling the aims of the Commonwealth Economic Conference held at the beginning of 1952. The sterling area's gold and dollar holdings showed a very much smaller decline during 1952.

The improvement in balance of payments, however, was brought about, to a large extent, through import restrictions ; monetary and fiscal factors also played their part in restraining he demand for imports. The industrial countries also benefited from an improvement in the terms of trade ; on the other hand, the primary-producing countries suffered a deterioration in the terms of trade, owing to a sharp fall in the prices of their exports.

The surplus in the U.S. balance of payments on current account, on the other hand, showed a sizeable decline, though the problem of the 'dollar gap' continued to exist. There was a decline in the net outflow of private investment from the U.S.A., especially to Canada, though this was offset, in part, by an increase in U.S. Government grants and loans. Notwithstanding a larger movement of short-term private capital into the U.S.A., the total holdings of gold and dollars by the rest of the world increased by over $1 billion, the largest share accruing to Western Europe.

Not much progress was made during the year towards a free multilateral trading system and a general convertibility of currencies. A great deal of thought, however, was devoted to the attainment of these objectives, especially in the Commonwealth and in Western Europe.

External assistance for rearmament and also for economic development continued to be provided on a considerable scale, the bulk of such assistance coming from the U.S.A. The volume of lending by the IBRD and the Export-Import Bank also showed an increase over the previous year. A substantial part of the assistance from these sources went to Western Europe. The technical co-operation scheme under the Colombo Plan showed marked progress during the year, though the scale of financial assistance under the Plan to the under-developed countries was slightly smaller than in the previous year. The U.S. Point Four Programme was also expanded.

The budgetary policies in several countries indicated a shift, especially in some of the industrially advanced countries. Notwithstanding increases in defence and other items of expenditure, tax concessions have been offered to stimulate private investment and in some cases consumption also. In the case of under-developed countries, the budgetary position has been rendered difficult, on the one hand, by decreasing revenues resulting from, among other things, a sharp decline in the export prices of primary commodities, and, on the other, by the need for increased developmental expenditure. It is being increasingly recognised that if developmental expenditure is to be undertaken on a reasonably adequate scale, the under-developed countries have to mobilise a larger volume of domestic resources, and that at the same time a much larger measure of external assistance, through grants and flow of private capital, is also necessary.

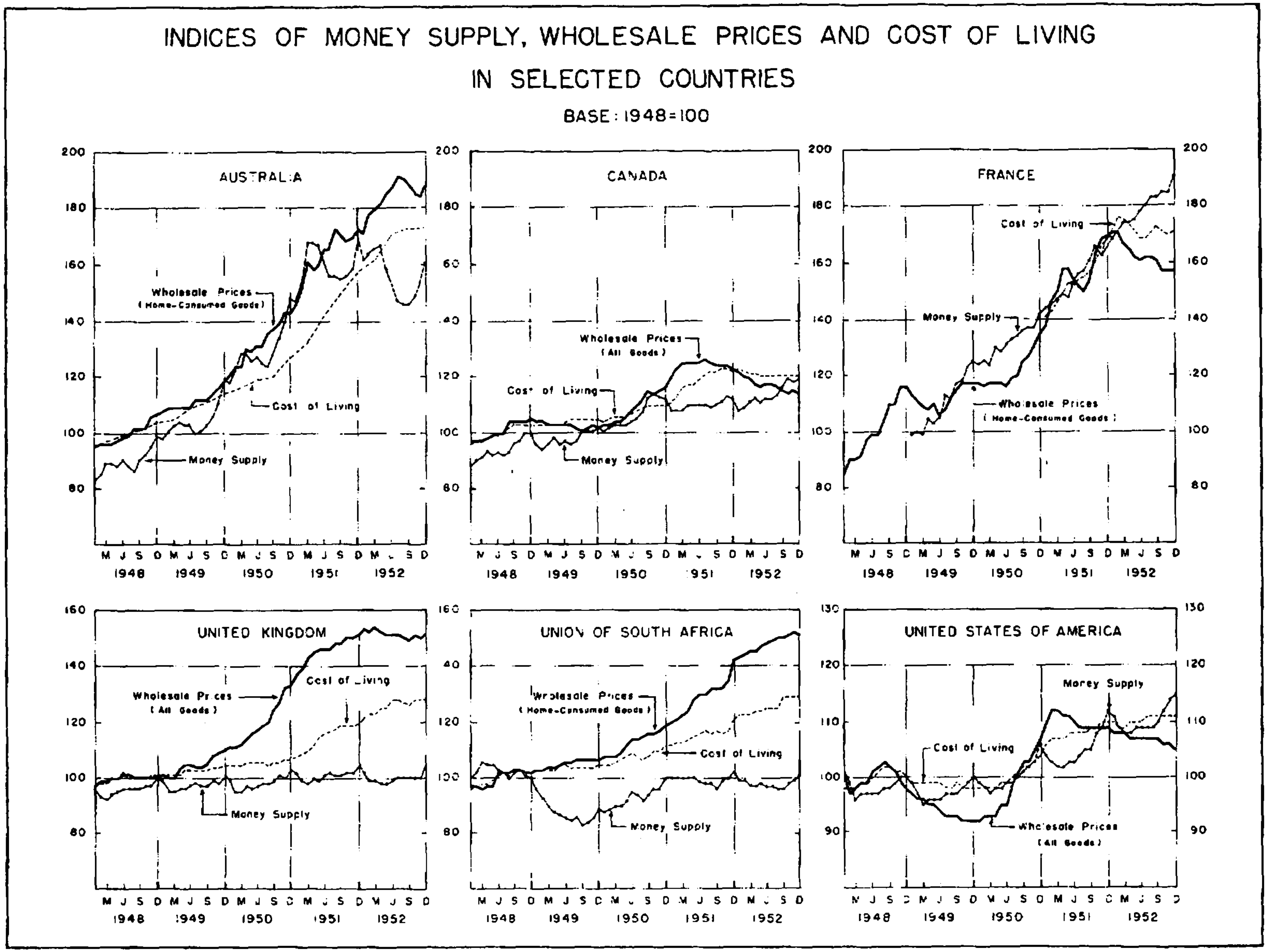
2. PRICE TRENDS

The general downward adjustment in world prices, noticed since the second quarter of 1951, continued almost throughout 1952, partly as a result of the improved supply position, while demand also tended to recede, particularly in certain sectors. This process was further assisted by a general abatement of inflationary pressures. The easing of the supply situation greatly facilitated the removal or relaxation of domestic and international controls in a number of commodities. During 1952, prices of primary commodities showed larger declines than those of manufactures. In spite of the fact that prices of most internationally-traded commodities have receded from the price peaks registered during the post-Korean boom, the general price levels at the end of 1952 continued to be substantially above the pre-Korean levels in almost all countries, excepting India.

The continued downward adjustment in world prices resulted mainly from the emergence of a buyers' market over nearly the whole range of internationally-traded commodities. The rephasing of the rearmament programmes reduced the pressure on essential materials. On the other hand, some progress was noticed in both agricultural and industrial production, and surpluses emerged in a number of world commodities, notably textile fibres and sugar. Supplies of strategic materials like non-ferrous metals, in which acute shortages had developed following the Korean War, also showed an improvement.

The disappearance of shortages was also reflected in the removal or relaxation of certain domestic and international restrictions on the allocation of essential

GRAPH I


INDICES OF MONEY SUPPLY, WHOLESALE PRICES AND COST OF LIVING
IN SELECTED COUNTRIES
BASE: 1948=100
AUSTRALIA
Wholesale Prices (Home-Consumed Goods)
Cost of Living
Money Supply
CANADA
Wholesale Prices (All Goods)
Cost of Living
Money Supply
FRANCE
Cost of Living
Money Supply
Wholesale Prices (Home-Consumed Goods)
UNITED KINGDOM
Wholesale Prices (All Goods)
Cost of Living
Money Supply
UNION OF SOUTH AFRICA
Wholesale Prices (Home-Consumed Goods)
Cost of Living
Money Supply
UNITED STATES OF AMERICA
Money Supply
Cost of Living
Wholesale Prices (All Goods)
1948
1949
1950
1951
1952

materials and the partial restoration of the mechanism of prices and free markets. The International Materials Conference, which was set up in February 1951 to deal with the problem of world-wide raw material shortages, had dissolved, by April 1953, five of its seven committees for international allocation of scarce materials and discontinued allocations, among others, in respect of zinc, cobalt, tungsten, copper and sulphur. In the U.S.A., price controls were more or less completely abolished following the policy announcement regarding decontrol of prices by the new U.S. President in his State of the Union Message on February 2, 1953. In the U.K., a number of steps were taken towards permitting, in varying degrees, private imports of several commodities including some kinds of oilseeds and vegetable oils, cotton, coffee and sugar. Further, the U.K. completely abolished the State import monopoly in respect of lead and zinc and allowed the reopening of the London markets for these metals. The price recession during the year also compelled Governments in some countries, especially primary producers, to abolish or scale down export duties, which had been mainly used earlier to insulate national economics from price inflation abroad.

In regard to the price situation in individual countries, the declines in the general price level during 1952 ranged upto 5 per cent in the U.K., the U.S.A., Mexico, Germany, Greece, Italy, Iraq, Japan, the Netherlands, Sweden, Switzerland, Peru and Turkey ; between 5 and 10 per cent in Austria, Canada, Costa Rica, Denmark, Finland and France ; and above 10 per cent in Belgium, Egypt, the Lebanon and India. In the U.S.A., the general index of wholesale prices showed a fall of 3·7 per cent over the year, as against a rise of 1·9 per cent during 1951, the downtrend reflecting mainly the marked decline in the prices of some agricultural products, while finished goods remained stable. The expansion in Government spending for defence and private demand during the year was not large enough to bring about a rise in the general price level in the face of strong measures such as high taxation to restrain inflation, while wage and price controls, which were retained throughout 1952, also served to curb price increases. In the U.K., the general price level showed a net decline of 1·3 per cent, as against a sharp rise of 13·5 per cent during 1951 (*vide* Statement I and Graph 1).

In contrast to these trends in large parts of the world, the uptrend in prices persisted in a number of countries during the year, although the extent of the rise was generally less marked relatively to 1951. These countries included Australia (8·7 per cent), Chile (20·8 per cent), Iran (6·5 per cent), New Zealand (5·2 per cent), Norway (4·0 per cent), Portugal (1·3 per cent), Spain (2·4 per cent) and South Africa (6·3 per cent).

During 1952, living costs, however, showed a further rise in most countries, but the rate of increase, as compared to 1951, was less and, in the closing months of the year, a measure of stability was attained, e.g., in the U.S.A. and the U.K. In some countries, e.g., Canada, Western Germany and Spain, cost of living indices showed moderate declines over the year.

3. MONETARY AND CREDIT POLICIES

The year under review witnessed a further flexible use of monetary discipline. The move towards dearer money, which gathered strength after the outbreak of Korean hostilities, was carried further in 1952, with increases in discount rates in some countries. On the other hand, in some other countries a distinct improvement in balance of payments and a general easing of the inflationary pressures allowed some relaxation of credit controls and reductions in the Bank rate.

The expansion in money supply in 1952 in most countries was at a reduced pace, reflecting in large measure the success of the anti-inflationary measures taken earlier through fiscal and monetary policies. In the U. K. and Canada, there was a rise, while in the rest of the Commonwealth, there was actually a reduction in money supply over the year, partly due to an adverse balance of payments position in the first half of the year. The tighter monetary measures which restricted bank lending had also an important influence in reducing the volume of money supply. In many Western European countries and in the U.S.A., the expansion in money supply slowed down considerably during the year, while in Canada money supply increased substantially in contrast to a slight reduction in 1951 (*vide* Statement 2). In the Netherlands, the rise in money supply was accelerated as a result of the improved balance of payments position.

CHANGES IN CENTRAL BANK DISCOUNT RATES

Country	Date of change		Discount Rate		Difference
			Before change	After change	
1. Australia*	August	1, 1952	4·25	4·75	+0·50
2. Austria	July	3, 1952	5·00	6·00	+1·00
	January	22, 1953	6·00	5·50	−0·50
	March	26, 1953	5·50	5·00	−0·50
3. Belgium	December	18, 1952	3·25	3·00	−0·25
4. Netherlands	January	22, 1952	4·00	3·50	−0·50
	August	1, 1952	3·50	3·00	−0·50
	April	7, 1953	3·00	2·50	−0·50
5. Union of South Africa	March	27, 1952	3·50	4·00	+0·50
6. United Kingdom	March	12, 1952	2·50	4·00	+1·50
7. United States of America	January	16, 1953	1·75	2·00	+0·25
8. Western Germany	May	29, 1952	6·00	5·00	−1·00
	August	21, 1952	5·00	4·50	−0·50
	January	8, 1953	4·50	4·00	−0·50

* Overdraft rate of the Commonwealth Bank. *Source :* International Financial Statistics.

In the U.K., the Bank rate was raised further by 1½ per cent to 4 per cent in March 1952, to reinforce the existing controls on credit. This led to increases in all other market rates, the general advances rate of banks rising to 5 per cent. At the same time, a more realistic pattern of liquidity (i.e. a lower liquidity ratio) made possible by the two funding operations of November 1951 and October 1952 helped in restraining excessive credit creation, while banks also tightened their advances in line with official directives asking them to restrict their loans to essential purposes. In consequence, advances of London clearing banks declined by about £ 200 million. On the other hand, their deposits showed an increase of over £ 125 million, mainly due to substantial Government borrowing from banks against

Treasury bills. In other words, while advances to the private sector were being reduced, credit to the Government sector was increasing. There was also a marked change in the distribution pattern of bank credit, reflecting the application of essentiality tests.

In New Zealand, persuasion rather than general credit controls was used to restrain credit expansion during the postwar years. Even here, more direct measures were adopted to control the volume of bank credit during 1952. In August, the reserve requirements of banks, which had stood at 7 per cent of demand liabilities and 3 per cent of time liabilities, were raised to 10 per cent and 5 per cent, respectively, while the permissible rate of interest was raised from $3\frac{1}{4}$ per cent to 4 per cent on local authority loans. But the minimum and maximum rates for bank overdrafts at 4 per cent and 5 per cent, respectively, remained unchanged. Later in the year, maximum rates payable on certain categories of deposits were also raised.

In South Africa, the year witnessed a general movement towards dearer money. The official buying price for securities was lowered and the realignment of rates in the bond market was followed by the raising, on March 27, of the official discount rate from $3\frac{1}{2}$ to 4 per cent : commercial banks increased their lending and deposit rates. In August, the rates for 6-month and 12-month Treasury bills were raised from $1\frac{1}{4}$ per cent to $1\frac{1}{2}$ per cent and from $1\frac{3}{4}$ per cent to 2 per cent, respectively. The South African Reserve Bank raised its rediscount rates for Treasury bills and its rates for advances against Government stocks, while at the same time the National Finance Corporation stepped up its rate on call deposits.

In the U.S.A., there was a relaxation during the year of the selective credit controls, which have been in operation since the outbreak of the Korean hostilities. The Federal Reserve Board recommended, in May 1952, the suspension of Regulation W dealing with consumer instalment credit, and in June the relaxation and in September the suspension of Regulation X which dealt with real estate credit. In May 1952, the Voluntary Credit Restraint Programme initiated in March 1951 was also suspended. The abandonment of these measures of control was followed by an increase in consumer credit. Member-bank credit increased substantially by \$ 5·5 billion to \$ 55·0 billion, the increase being accelerated in the last quarter, when it amounted to \$ 2·8 billion. With the open market operations of the Federal Reserve being on a moderate scale, the large rise in bank credit put bank reserve positions under severe pressure for the greater part of 1952. Banks were consequently forced to have increasing recourse to the discount window of the Federal Reserve Banks, and during the year the volume of member-bank borrowing from the Federal Reserve System averaged as much as \$ 780 million ; borrowing in December 1952 alone averaged \$ 1·6 billion, which is the largest on record since 1921. Such a high level of member-bank borrowing has been responsible for restoring to the Federal Reserve initiative over the credit situation. It was in these circumstances that the increase in the discount rate of the Federal Reserve Banks to 2 per cent on January 16, 1953 was decided upon.

In Sweden, on the other hand, the voluntary credit restriction agreement between commercial banks and the Riksbank, which was concluded in early 1952 and was due to expire in June, was extended upto December and subsequently was prolonged beyond December. Further, with a view to strengthening the credit control policy, the Swedish rediscount rate was allowed to vary in accordance with the market situation. In Norway, with a view to exercising greater control over bank advances, legislation relating to banks' reserve requirements has been proposed.

In Canada, the year has been generally a comfortable one for banks, and consequently the authorities found it possible to relax, in the first half of the year, the selective credit regulations that had been imposed under the Consumer Credit Act. Further, the voluntary agreement between banks on lines similar to the Voluntary Credit Restraint Programme of the U.S.A. was dispensed with. Over the year, bank credit rose by a little over $C300 million, mainly in the field of consumer credit.

In Australia also, advances rose during the year, partly as a result of the relaxation and later suspension of restrictions on bank credit imposed as from November 1950. The Commonwealth Bank relaxed, in May, controls on the lending policy of banks, especially in respect of advances for working capital and acquisition of rural property, and removed, in October, all controls on bank advances ; banks were allowed to grant credit for any purpose subject only to the requirements of capital issues regulations. Credit was, however, generally costlier, as the Commonwealth Bank's order fixing maximum rates on loans and deposits was revoked in July. Trading banks agreed to observe 5 per cent as the maximum rate on overdrafts as against the previous maximum of 4½ per cent, and not to pay on fixed deposits rates higher than those specified.

Western Germany and Belgium were among the countries which mainly relied on monetary policies in their attempts at disinflation in the postwar years. During 1952, however, the monetary authorities in these countries and in the Netherlands took steps to relax credit controls and reduced the Bank rate. The improvement in the Belgian balance of payments in 1951 and in the first half of 1952 and the consequent increase in the liquidity in the money market enabled the National Bank of Belgium to effect a reduction in its discount rate by ¼ per cent to 3 per cent in December 1952, this being the third successive reduction from a level of 3¾ per cent that was in force till July 1951. In Western Germany also, the improved external position and the attainment of relative internal stability following the earlier application of orthodox monetary policies allowed the Bank Deutscher Lander to effect three successive reductions in the official discount rate between May 1952 and January 1953, from 6 per cent to 4 per cent ; even at this level the Bank rate is higher than in most OEEC countries. There was also a selective reduction (favouring mainly the smaller banks) in the minimum reserve requirements for sight and time deposits in May and September 1952 and February 1953.

In the Netherlands also, the year witnessed a substantial improvement in the country's balance of payments position, leading to more liquid conditions in the domestic money markets, with the result that there was a tendency for interest rates to ease (*vide* Statement 3). The Dutch authorities were, therefore, in a position to relax some of the earlier restrictive measures and cut back the discount rates, which they did in three stages between January 1952 and April 1953 from 4 per cent to 2½ per cent, this being the level prevailing before September 1950.

4. CAPITAL MARKETS

The developments in the sphere of monetary policy and Government borrowing, described elsewhere, had a direct impact on the Government bond market, while the industrial securities market was influenced by a number of other factors such as profits, capital issues and prospects of peace in Korea. While 1951 had witnessed a general decline in Government bond prices and rise in yields in many countries, 1952 showed a mixed trend. The same was more or less true of the equities market during 1952, the majority of the leading countries recording declines in prices. As regards the new issues market, some countries, including the U.S.A. and Canada, showed greater activity while others, like the U.K. and Australia, showed a decline.

In the U.K., Canada, South Africa and Australia, a general decline in Government bond prices (or a hardening of bond yields) was witnessed during the year. In the U.K., the decline in gilt-edged values noticed towards the close of 1951 was further accentuated during the first half of 1952, following the adoption of stringent monetary and other measures to meet the balance of payments disequilibrium. During the second half of the year, however, there was a modest revival of gilt-edged prices, following the marked improvement in the balance of payments position and the gradual restoration of confidence in sterling. On balance, however, bond yields as at the end of the year were appreciably higher as compared with the position a year ago. The rise in the yields on shorts was relatively larger, with the result that the spread between the yields on shorts and longs was further narrowed during the year. The narrowing of the spread occurred in a few other countries also, such as Canada and the U.S.A.

In the U.S.A., Italy, Sweden and Denmark, the course of bond prices was relatively stable. In the U.S.A., despite recurring periods of tightness in the money market and occasional thinness in the Government securities market, trading in the gilt-edged market was orderly during the year. While the average level of gilt-edged yields in 1952 was the highest in many years, no persistent uptrend in long-term rates was evident. Short-term yields showed a comparatively greater rise.

In certain other countries, such as Western Germany, France, Belgium, the Netherlands, Switzerland and Japan, developments during the latter part of the year seemed to indicate that the earlier upward movement of yields was halted and there were instances of a decline in long-term Government bond yields.

As regards the share market, the year under review showed a hesitant tendency and a marked decline in business in a number of countries. In a majority of countries, equity prices recorded further declines, reflecting partly the impact of the general disinflationary policies followed by them and partly the reaction to the growing prospects of peace in Korea. The process of shedding the gains acquired in the post-Korean boom, noticed in the second half of 1951, continued during the year ; a slide in commodity prices and signs of recession in trade also contributed to the decline. Among the countries which registered a net fall in share prices as compared with the close of the previous year were the U. K., Australia, New Zealand, Canada and South Africa in the Commonwealth and Belgium, Denmark, Finland, the Netherlands, Norway, Sweden and Switzerland in West Europe, although the magnitude of the fall differed as between countries. In the case of the U.K., the decline in equity values in the first half of the year reflected, in part, the initial impact of the severe measures adopted in the 1952-53 budget, with a view to checking the continued drain on gold and dollar reserves. With a subsequent turn for the better in the country's balance of payments position, the market regained its poise, but this recovery could wipe out only a part of the losses sustained in the earlier months and, on balance, industrial share values fell by about 5 per cent over the year.

In contrast, share prices in some countries, particularly the U.S.A., Japan, Italy and France, recorded a rise. The implications of the changeover in the Administration and expectations of continued business buoyancy seemed to be the chief stimulating factors, accounting for about a 7 per cent rise in equities in the U.S.A. With effect from February 21, 1953, the margin requirements on stock purchases and short sales were also lowered from 75 per cent to 50 per cent. On the other hand, in countries like Italy and France, the share price increases reflected continued inflation. In Japan, the rise of 170 per cent in share prices was mainly attributed to the higher dividends obtained on equities.

In the new market for public issues, there was a noticeable shift in some countries from short-term to long-term issues. Canada issued early in 1953 a 25-year $3\frac{3}{4}$ per cent Loan for $ C100 million—the first long-term loan to be floated since the end of World War II. A similar trend in public debt policy was witnessed in the U.S.A. in the offer, in February 1953, of $2\frac{1}{2}$ per cent Bonds running for 5 years and 10 months (along with $2\frac{1}{4}$ per cent 1-year Certificates), in exchange for the maturing 1-year $1\frac{7}{8}$ per cent Certificates. Western Germany was reported to have decided to place greater amounts of the public debt in the hands of longer-term investors. As regards private issues, activity in the various countries varied according to the special factors operating in each of them. In the U.S.A., Canada and Japan, new issues in the private sector were maintained at higher levels, owing to larger savings by the community and increased investing capacity of financial institutions. In some countries, including the U.K., Belgium, the Netherlands and Australia, however, there was a decline in new issues owing mainly to (1) uncertainties prevailing in the investment market, (2) competition from the public sector and (3) larger resort to self-financing, despite a decline in profits, notably in the U.K.

The types of securities floated in the private sector also showed great divergence as between countries. In the U.K., issue of ordinary shares was gaining relatively greater importance. In the U.S.A., on the other hand, debt financing continued to occupy a prominent place. As in previous years, direct placement of new corporate security issues with institutional investors was higher during 1952 also.

During the year, capital issues control was put to greater use by a few countries as a complementary measure to the bank advances control policy. In Australia, priority was given to defence and other essential purposes. In New Zealand, the policy aimed at bringing about more orderly conditions in the capital market, where new issues were competing for inadequate investible resources and tending to force up interest rates.

5. BUDGETARY AND PUBLIC DEBT POLICIES

There seems to have been recently a shift in budgetary policy in several countries. In the context of the success of dear money policies and the changes in the terms of international trade, several European and Commonwealth countries have afforded tax reliefs in order to stimulate private investment and, in some cases, consumption. This policy has been adopted despite increased expenditure on defence and on social services, with the result that sizeable budget deficits have been incurred, or, alternatively, the revenue surpluses have been brought down. In the U.S.A., however, the objective of budgetary policy has been one of reducing the budget deficit, through a stretching-out of the defence expenditure and reduction in civil expenditure. Basically, these developments indicate a trend towards limiting public expenditure and encouraging private investment, with continued reliance on monetary measures for ensuring a proper utilisation of resources in the private sector.

In the case of under-developed countries, however, the position is somewhat different. Many of these have been affected adversely by the changes in the terms of trade, while at the same time they have had to step up or maintain development expenditure. This has meant increasing strain on the Governments' ways and means positions and considerable resort to deficit financing. Some of these countries have proposed new taxation ; at the same time, in some cases, as for instance in Pakistan, proposals have also been made to afford relief to private investment.

There were significant changes in the public debt policy of several countries. Besides offering higher rates of interest, several new devices were resorted to, with a view to encouraging investment in Government paper. These included (1) the payment of additional benefit for continued holding of Government bonds as, for instance, in France where the bonds issued by Nationalised Collieries carried supplementary interest based on the increase in collieries' productivity, (2) special redemption terms according to which the premium payable on redemption was to increase each year, as in the Netherlands, (3) special tax concessions on investments in Government securities, e.g., in Ceylon, Pakistan and France, (4) issue of interest-bearing lottery bonds as in the Netherlands, Sweden, Western Germany, Italy and Poland and (5) provision of hedges against a possible depreciation in the value of Government securities in terms of local currency, as in the case of the gold clause loan in France, according to which the value of the capital to be invested was to rise in proportion to the increase, if any, in the value of the gold Napoleon. Mention may also be made in this connection of commodity bonds issued by Nationalist China, which are to be redeemed over a period of years in rice and sweet potatoes instead of in cash.

The budgetary data relating to some of the more important countries are given below. In the U.K., the actuals for 1952-53 show an 'above-the-line' surplus of £ 88 million, as compared with the budgeted surplus of £ 510 million, with revenue lower at £ 4,439 million and expenditure higher at £ 4,351 million. In the budget estimates for 1953-54, the revenue at 1952-53 levels of taxation is put at £ 4,537 million and expenditure at £ 4,259 million, leaving an above-the-line surplus of £ 278 million. This surplus is reduced to £ 109 million as a result of the tax concessions announced by the Chancellor. Income and purchase taxes have been reduced, the excess profits levy is to be abolished with effect from January 1, 1954 and initial allowances to industry have been restored. These concessions are expected to stimulate private investment and also help maintain consumption expenditure.

As regards public debt, the total debt including external debt, at the end of March 1953 was £ 26,050 million, or £ 160 million higher than at the end of March 1952. Despite the liabilities incurred to finance the net budget deficit and a further issue of Coal Compensation Stock, the increase in public debt was kept down by the repayment of debt in April 1952 from the increased sterling holdings of the Exchange Equalisation Account.

Several European countries have also incurred budget deficits in 1952-53, and in most cases the deficits are left to be countervailed by other factors, such as American aid and borrowing. The French budget for 1952-53 discloses a deficit of Frs. 885 milliard, with revenue and expenditure at Frs. 2,698 milliard, and Frs. 3,583 milliard, respectively, as compared to a budgeted deficit for that year of Frs. 447 milliard. The deficit for 1953-54 is expected to amount to about Frs. 800 milliard, with revenue at Frs. 3,016 milliard and expenditure at Frs. 3,804 milliard. Defence expenditure at Frs. 1,279 milliard is Frs. 10 milliard higher than in 1952. The deficit is expected to be covered by American aid to the extent of Frs. 173 milliard and the remainder by fresh borrowing. The Government expects to borrow about Frs. 200 milliard in the form of long-term loans and Frs. 195 milliard in short-term loans. Holland and Belgium have also budgeted for overall deficits of Frs. 492 million and BF 18 milliard, respectively, for 1953-54. The Belgian deficit is proposed to be met by additional borrowing. In the case of Western Germany, the federal budget for 1953-54 discloses a deficit of DM 1,750 million, also to be covered partly through borrowing (DM 950 million). This large deficit is due partly to the cut of 15 per cent in income-tax, effective from May 1953, and partly to the assumption by the Federal Government of the entire burden of occupation costs.

Coming now to the advanced Commonwealth countries, Australia and New Zealand have yet to present their budgets for 1953-54*. For 1952-53, they had envisaged, at 1951-52 rates of taxation, surpluses of £A50 million and £NZ 13 million, respectively. These surpluses were reduced substantially by the tax concessions proposed in the budgets. In Canada, the revised estimates for 1952-53 showed a surplus of $C 48 million. For the fiscal year ending March 1954, revenue is estimated at $C4,473 million and expenditure at $C4,462 million, leaving a surplus of $C11 million. Reductions in income and corporation taxes and in cigarette tax, abolition of stamp duties on certain items and other adjustments in taxes are expected to cost the Treasury $C237 million during the fiscal year 1954. The effects of these tax reliefs are not reflected in the budget estimates, because it is assumed that the increase in the gross national product would raise the yields and offset almost completely the loss due to tax concessions.

The revised estimates of the U.S. budget for the fiscal year ended June 1953 put total revenue at $68 billion and total expenditure at $75 billion, leaving a deficit of $7 billion. The buget for the fiscal year 1954, as presented by President Truman in January 1953, involved a deficit of nearly $10 billion, with revenue at $69 billion and expenditure at $79 billion. Defence expenditure estimated at $57 billion constituted nearly 73 per cent of total expenditure and was $4 billion higher than that in the fiscal year 1953. Of the total defence expenditure mentioned above,

* Australia's financial year is July-June; in the case of New Zealand the financial year is April-March but the budget is presented in August.

$46 billion was for military services and $8 billion for foreign aid. President Eisenhower recently recommended a cut of $8·5 billion in the budgeted expenditure for the fiscal year 1954, of which $5 billion would be in respect of expenditure on military services and $2 billion in foreign aid. A tax revision programme was also announced in May, which included postponement of the reduction in income-tax and repeal of the reduction in corporation tax.

The U.S. public debt is expected to reach $268 billion by end of June 1953, which is the highest level reached during the last six years, and by June 30, 1954, it is expected to rise to $274 billion. It may be added that the U.S. Government is at present seeking to replace gradually a part of the excessively large proportion of short-dated loans by long-term issues through a series of funding operations.

Turning now to some of the Asian countries, the revised estimates of the Pakistan budget show for 1952-53 a small surplus of Rs. 0·2 crore, with revenue and expenditure at Rs. 124·6 crores and Rs. 124·4 crores, respectively. Capital expenditure for 1952-53 is put at Rs. 77 crores, showing an increase of Rs. 6 crores over the budget estimates for that year. The combined revenue and capital account reveals an overall deficit of Rs. 50 crores. The budget estimates for 1953-54 place revenue (at 1952-53 levels of taxation) at Rs. 93 crores and expenditure at Rs. 99 crores, leaving a deficit on revenue account of Rs. 6 crores. This deficit is converted into a small surplus of Rs. 0·11 crore through increases in import and excise duties on certain articles. At the same time, tax exemption limits in respect of income earned from investments in approved industries, Government securities, etc. have been raised; exemptions from estate duty and income-tax have also been announced in respect of investments in approved industries. Capital expenditure in 1953-54 (excluding outlay on State trading) has been estimated at Rs. 58 crores as against Rs. 61 crores in 1952-53 revised estimates. The budgeted overall deficit for 1953-54 is Rs. 13 crores. The total outstanding internal market loans of the Pakistan Government at the end of 1952-53 stood at Rs. 110 crores, as against Rs. 95 crores at the end of the preceding year.

The Burmese budget for 1952-53† reveals an overall deficit of Rs. 30 crores, with revenue at Rs. 83 crores and expenditure on revenue and capital accounts at Rs. 113 crores. About 58 per cent of total revenue is to be spent on defence. No new taxes have been proposed to cover the deficit; in fact, the 20 per cent tax on business premises has been abolished. The budget does not contain any provision for the repayment of Burma's debt of over Rs. 48 crores to India and Rs. 36 crores to the U.K.

In Indonesia, the budget for 1952-53 shows a deficit of about Rps. 4 billion, with revenue at slightly less than Rps. 9 billion and expenditure on revenue and capital accounts at Rps. 13 billion. While the inheritance tax has been reimposed, income-tax rates have been reduced and certain export duties have been lowered, with a view to improving the competitive position of Indonesia in the international market. In view of these tax concessions and the unfavourable shift in terms of trade, the revenue in 1953-54 budget is estimated at Rps. 8 billion. On the expenditure side, drastic cuts have been effected so that total expenditure at Rps. 10 billion exceeds

† Presented on August 18, 1952.

estimated revenue by only Rps. 2 billion. The main part of this reduction is in respect of defence outlay, which amounts to Rps. 3 billion in 1953-54 budget estimates as compared to Rps. 4 billion in 1952-53 revised estimates.

Ceylon's budgetary position shows a deterioration. As against an overall deficit of Rs. 172 million in 1951-52, the budget for 1952-53‡ shows an overall deficit of Rs. 406 million, at 1951-52 levels of taxation. This deficit is expected to be covered by drawings from cash balances, new loans and fresh taxation including surcharges on imports of luxury goods and on income-tax. Food subsidies have been curtailed and expenditure on certain industrial projects has been discontinued. Various other measures like restriction on imports from dollar area and EPU countries and borrowing from the Central Bank against Treasury bills have been taken to meet the stringent financial situation. Total public debt of Ceylon is expected to amount to Rs. 649 million at the end of 1952-53, of which Rs. 73 million will be sterling debt.

6. INTERNATIONAL PAYMENTS POSITION

In 1952, the international payments situation, including the dollar payments position, showed a considerable improvement, as compared to 1951. Latin America proved an exception to this trend. However, the improvement was achieved at a somewhat lower level of world trade, the fall in value being largely a result of the worldwide decline in prices during 1952. Manufacturing countries were somewhat better off than the raw material producers. For some of the latter like Pakistan and Brazil, the difficulties were actually aggravated during 1952.

The difference in the nature of the improvement shown by the manufacturing countries and the raw material producing countries may be ascribed to changes in their terms of trade. For most of the industrialised countries, these improved considerably in 1952, primarily through a fall in import prices and in some cases through a rise in export prices. The obverse of this movement was that primary producing countries like Pakistan suffered a substantial deterioration in their terms of trade, owing to a sharp fall in export prices. The continued firmness in foodgrains prices—an exception to the general trend of agricultural commodities—was reflected in the improved terms of trade of Burma. In contrast, India being dependent on food imports, suffered a worsening of its terms of trade ; export prices also fell in respect of its exports such as cotton and jute manufactures.

By and large, the deterioration in the payments position of many countries was arrested by the middle of 1952. The dollar payments problem also showed some improvement, as a result of the buoyancy in U.S. business activity and industrial output relatively to that in most of the other countries, so that while U.S. purchases of goods and services were higher in 1952 than in 1951, exports (excluding military aid) from the U.S.A. suffered a sharp reduction.

The surplus of goods and services of the U.S.A. dropped by $1,323 million in 1952 (excluding military aid exports). Between the two halves of the year, there was an even sharper decline arising out of a fall in exports as well as a rise in imports

‡ The financial year is October-September ; the budget was presented on July 10, 1952.

of goods and services. The decline in the value of exports was almost entirely due to the reduction in quantity, export prices remaining practically unchanged.

BALANCE OF INTERNATIONAL TRANSACTIONS OF THE UNITED STATES IN 1952

(Millions of U.S. Dollars)

Item	Sterling Area		All Areas	
	1951	1952	1951	1952
Exports of goods and services	3,167	2,899	20,218	20,701
Imports of goods and services	2,911	2,735	15,054	15,728
Balance on goods and services	+ 256	+ 164	+ 5,164	+ 4,973
Unilateral transfers (Net)	− 326	− 511	− 4,913	− 5,043
Balance including unilateral transfers	− 70	− 347	+ 251	− 70
United States capital (Net)	− 18	− 84	− 1,229	− 1,350
Foreign capital (Net)	+ 125	+ 259	+ 495	+ 1,560
Gold purchases (−) or sales (+)	− 514	− 448	− 53	− 378
Errors and omissions including multilateral settlements	+ 477	+ 620	+ 536	+ 238

During the year, there was a decline in U.S. private foreign investment (chiefly portfolio investment) and an increase in the inflow of short-term private capital to the U.S.A. However, there was an increase in U.S. Government grants and loans, and other countries were thus enabled to increase their holdings of gold and dollars by $1·2 billion.

Viewed against the sharp deterioration in 1951, the improvement in the dollar balance of payments position of the sterling area in 1952 is particularly impressive. The deficit with the U.S.A. on goods and services account declined by $92 million to $164 million in 1952, of which $148 million was incurred in the first half. The improvement was the result of import restrictions, liquidation of inventories and restraints placed on internal demand by the sterling area countries, in many cases through monetary policy. There was also an increase in U.S. aid ($178 million) and in U.S. Government loans ($90 million) (*vide* Statement 4). These more than offset the increase in the outflow of private capital, both long-term and short-term, from the sterling area to the U.S.A. Transactions with the U.S.A., however, accounted only partly for the reduction in the deficit with the dollar area; for the area as a whole the improvement was of the order of $913 million.

There was a substantial recovery in the sterling area's overall payments position also. Including aid, the overall *deficit* of £ 531 million in 1951 was changed to a *surplus* of £ 77 million in 1952; it was in the second half of the year that the area had a surplus, totalling £ 242 million, thereby accomplishing the target, laid down at the Commonwealth Finance Ministers' Conference in January 1952, of bringing the sterling area into balance with the rest of the world.

This achievement of the overall surplus of the area is entirely accounted for by the improvement of £ 637 million (including aid) in the U.K.'s current balance.

The improvement of the U.K.'s terms of trade was an important factor. The surplus of £ 164 million* achieved by the overseas sterling area with the non-sterling countries in 1951 was reduced to £ 135 million* in 1952, the surplus being entirely achieved in the second half of the year.

In spite of the above improvement, there was an increase of $238 million in transfers of gold and dollars to the non-dollar area (*vide* Statement 5). This was because of the sliding scales of gold payments to the EPU, which meant that although a smaller deficit was incurred with the EPU in 1952 a higher proportion of the deficit had to be settled in gold. Also, the rest of the sterling area had a dollar surplus in 1952, which was $190 million smaller than in 1951—a combination of the reduction in the earnings of the Colonies and an increase in the deficit of the Dominions. But in spite of these two factors, the sharp reduction of the very high dollar deficit of the U.K. from $1,486 million in 1951 to $383 million enabled the drain on the area's reserves to be brought down to $489 million in 1952 from $965 million in 1951 (*vide* Table below). Actually in the second half of the year, $161 million were added to reserves, as a result of the steep fall in the U.K's dollar deficit, the fall in the deficit with OEEC countries and a sharp rise in the surplus of the overseas sterling area. To this surplus, the rise in the prices of primary commodities, such as wool, as well as the fall in imports made a contribution.

GOLD AND DOLLAR RESERVES

(Millions of U.S. Dollars)

Period	Net deficit or surplus	Receipts under ERP	Changes in reserves	Reserves at end of quarter
1951				
January—March	+ 360	98	+ 458	3,758
April—June	+ 54	56	+ 109	3,867
July—September	− 638	40	− 598	3,269
October—December	− 940	6	− 934	2,335
Total	**−1,164**	**199**	**− 965**	
1952				
January—March	− 636	1	− 635	1,700
April—June	− 14	− 1	− 15	1,685
July—September	—	—	—	1,685
October—December	+ 161	—	+ 161	1,846
Total	**− 488**	**—**	**− 489**	

Another notable feature during the year was the large liquidation of sterling liabilities of the U.K. In 1952, the sterling balances of all countries (excluding

*These figures include capital transactions with non-sterling countries and are estimates made by the U.K.

those of non-territorial organisations and British official holdings of non-dollar currencies) fell by £ 385 million, the biggest drop occurring in the balances of non-sterling countries.

STERLING BALANCES

(Millions of Pounds Sterling)

	Dec. 31, 1949	Dec. 31, 1950	June 30, 1951	Dec. 31, 1951	June 30, 1952	Dec. 31, 1952
Held by non-sterling area countries						
Dollar area	31	79	73	38	19	34
Other western hemisphere	80	45	55	57	8	6
OEEC countries	439	395	422	409	349	321
Other non-sterling countries	514	492	518	514	466	393
Total—non-sterling area countries	**1,064**	**1,011**	**1,068**	**1,018**	**842**	**754**
Held by sterling area countries						
Colonies	582	752	908	964	1,024	1,065
Other sterling area countries	1,771	1,980	2,192	1,825	1,531	1,603
Total—sterling area countries	**2,353**	**2,732**	**3,100**	**2,789**	**2,555**	**2,668**
Total sterling liabilities to all countries	**3,417**	**3,743**	**4,168**	**3,807**	**3,397**	**3,422**

Considerable thought was given during the year to the prospect of achieving full convertibility of currencies. Two Commonwealth Economic Conferences were held towards the beginning and the close of 1952, with the object of studying measures necessary to achieve the convertibility of sterling. As the year progressed, the rates in the New York exchange market for transferable account and other types of sterling moved up considerably and the spot sterling dollar rate itself gained in strength.

The first Commonwealth Economic Conference was held in the setting of an acute balance of payments problem for the sterling area countries, and a series of measures to set the position right immediately as well as to correct the internal economy were agreed upon ; in some cases, these had already been put into operation. The second Conference considered the problem of shaping economic policies to strengthen the balance of payments position and the action necessary to expand world production and trade in the light of consultations that followed. The Conference reiterated the objectives of unrestricted multilateral trade and payments and of convertibility of sterling as a prerequisite for the expansion of world trade on a multilateral basis. These objectives are to be achieved by suitable progressive stages. The Conference laid down three fundamental conditions for achieving convertibility : (1) the continuing success of the action by the sterling Commonwealth countries to curb inflation, increase development, etc., (2) the adoption by trading nations of policies which are conducive to the expansion of world trade and (3) the availability of adequate financial support, particularly through the International Monetary Fund.

It was also agreed that in sterling area countries, development should be concentrated on projects which directly or indirectly contributed to the improvement of the area's balance of payments with the rest of the world. The United Kingdom undertook to make a special effort to provide additional capital for Commonwealth development. The Conference agreed that every effort should be made to create conditions which would encourage a sustained flow of foreign investment, particularly from the U.S.A.

During the year, the International Monetary Fund introduced some important changes in regard to the use of its resources. Firstly, in order to increase the revolving character of its resources, the Executive Board took the decision that exchange purchased from the Fund should not remain outstanding beyond a period reasonably related to the payments problem for which it was purchased: at the outside limit, this stage should not exceed 3 to 5 years. It was also decided that the Fund should arrange drawings to deal with special short-term situations accompanied by arrangements for repurchase in a period not exceeding 18 months. The Fund's stand-by arrangement with Belgium by which the Fund assured Belgium of the right for an initial period of 6 months to purchase currencies of other members from the Fund in exchange for its own currency is an instance of yet another type of arrangement. The need for such an arrangement was the difficulties that arose in the EPU owing to the continuation of Belgium's creditor position in the Union. Later, the Fund stated its willingness to open similar "stand-by" accounts for other members who had complied with certain requirements.

The EPU was extended for another year, with some modifications. To get over the problem of excess of surplus or deficits over the quotas for member countries, the scale by which debtors settled part of their deficits in gold was so amended that in the earlier portions of the deficit, a greater proportion would be settled in gold; a guarantee fund of $100 million was also established. Besides this, special arrangements were made in the case of Belgium and France to deal with the former's surplus and the latter's deficit.

7. GOLD POLICY

Subsequent to the IMF statement on premium gold transactions of September 1951, Canada, Australia, Southern Rhodesia and the British Crown Colonies of Fiji, Kenya, Tanganyika and West Africa permitted their gold producers to engage in external transactions at premium prices under certain specified conditions. Newly mined gold from these countries can now be sold in various forms in premium markets against U.S. dollars. At first, such sales were limited in Southern Rhodesia and the Crown Colonies to 40 per cent of their production, but this limitation was withdrawn in May 1952. Canada and Australia have placed no quantitative limits on premium gold sales.

During the year, the free market price of gold, in terms of U.S. dollars, continued to decline, a trend that had started in September 1951. This may be partly attributed to the relaxation of previous restrictions by various countries upon sales of gold at premium prices following the Fund's policy statement. The premium price declined by the end of December 1952 to about $ 37 per fine troy ounce, but thereafter a slightly rising trend was noticed.

World gold production increased from 26·0 million ounces in 1951 to 26·4 million ounces in 1952 (*vide* Statement 6) or an increase of 1·5 per cent, though it was still about three-fourths of the pre-war peak of 1937. Canada extended and increased its subsidy to its gold mines in 1953 by about $ 1 per ounce in order to help the producers who were hit by the appreciation of the Canadian dollar.

About 30 per cent of the new gold production during the year went to augment the official gold stocks. Some of the remainder was used for industrial and artistic purposes, but the major part probably went to increase private hoards. It is estimated that, during the year 1952, 12 million fine ounces of gold were absorbed by the free gold markets as compared with about 9·5 million during the previous year.

8. EXTERNAL FINANCE FOR REARMAMENT AND DEVELOPMENT

The main events in the sphere of international finance for rearmament and development during the year were : (1) the announcement of a reduced foreign aid allocation by the U.S.A. for 1952-53, (2) increased lending by the Export-Import Bank and the International Bank for Reconstruction and Development and (3) a further extension of activities under the Colombo Plan. The main features are briefly described below.

The U.S. foreign aid allocation of $6·0 billion in 1952-53 was smaller than the previous year's by $1·3 billion. Europe's share was reduced somewhat, though as before, it was still the largest. Of the remaining regions, the Near East and Africa received larger amounts of military and economic aid. In the case of Asia and the Pacific region, economic aid was reduced considerably.

Export-Import Bank Loans.—The loans made by the Export-Import Bank increased considerably from $244 million in 1951 to $597 million in 1952. Of this, $328 million was lent to Europe, France alone accounting for $215 million. The Western Hemisphere received $173 million of which $151 million was on account of Brazil. South Africa, Philippines and Australia received a total of $95 million. $314 million of the total lending was for the development of strategic materials and other defence objectives.

IBRD Operations. IBRD lending also increased during the year. The Bank lent $262 million in 1952-53 (April-March), as against $236 million in the previous year. Of this amount, $80 million was loaned to Europe, $64 million to Latin America, $54 million to India and Pakistan, $50 million to Australia and $14·0 million to Northern Rhodesia. The total gross amount available for lending by the Bank increased by $228 million to $1,575 million. As on March 31, 1953, the IBRD had raised a net amount of $107 million through sales of its bonds in New York and Switzerland, $30 million through sales of its obligations and from current repayments and $16 million from its operations. The loans actually disbursed amounted to $1,053 million out of the total of $1,557 million granted by the Bank as on March 31, 1953. The excess of available funds over the actual disbursements amounted to $522·2 million as on March 31, 1953.

U.S. Private Capital.—The outflow of long-term U.S. private capital amounted to $831 million in 1952 as against $963 million in the previous year. The decline was chiefly in respect of portfolio investment in Canada. Direct investment in 1952 was, however, about $100 million higher than in 1951. Out of the total private capital outflow in 1952, $117 million represented the net purchase of obligations issued or guaranteed by international institutions.

The scale of financial assistance to under-developed countries under the Colombo Plan was slightly smaller during 1952-53. The Technical Co-operation Scheme under the Plan, on the other hand, showed a marked increase in activity. Out of the total aid consisting of 90 experts and facilities for 538 trainees, India, Pakistan and Ceylon received the largest share. Australia, Canada and New Zealand contributed capital equipment and technical assistance for an experimental live-stock farm in the Thal area of Pakistan, while Canada supplied equipment and technicians for pilot project in mechanised fishing in Ceylon. India received 36 experts and sent out 235 trainees and, in turn, the country furnished 5 experts and provided for 56 trainees. The Government of India have earmarked the equivalent of £ 750,000 for the provision of aid to their neighbours under the scheme, which has now been extended till June 1957.

PART II

INDIAN
CURRENCY AND FINANCE

INTRODUCTORY

9. *General*.—The Indian Republic's first Parliament, elected on the basis of adult franchise, assembled in May 1952. In the economic sphere, the year 1952-53, which was the second since the inauguration of the first Five-Year Plan, the revised version of which was approved by Parliament in December 1952, recorded further progress in a number of directions. It was not, however, free from difficulties, some of which had their origin in external factors. The stresses and strains of the post-Partition years and the inflationary pressures of the war and postwar years, particularly following Korea, largely abated, the new monetary policy inaugurated in November 1951 having contributed significantly to this process. Improvements registered during the year in the supply situation, including that of foodgrains, enabled Government to relax some of the existing controls.

The banking situation recorded an improvement compared with the previous two years, which were somewhat abnormal. The seasonal variations in bank credit and money supply generally conformed to the traditional pattern. During the year, money supply recorded a fall of Rs. 37 crores, as compared with Rs. 173 crores during 1951-52. This decline, which occurred despite the running down of Government's cash balances, reflected partly the net contraction in scheduled bank credit over the year and partly the shift from demand to time deposits. It would appear that the legitimate credit requirements of business were met without difficulty. The Reserve Bank continued to provide funds to the banking system which, however, required less accommodation than in the previous year.

Industrial production in general continued to show improvement (*vide* Statement 7 and Graph 2). The average general index (*base* : 1946=100) for 1952 rose by 10 per cent to a postwar record level of 128·9. Higher production was facilitated, among other factors, by the continued prevalence of industrial peace and larger availability of raw materials, including raw jute and cotton. Some industries, however, showed declines in output as a result of the world-wide shift from a sellers' to a buyers' market, with the accompanying recession in prices. There was some evidence of increased unemployment. It is not, however, clear what part of it was due to loss of existing employment and how much to the increase in the number of people seeking employment.

Production of foodgrains, which had declined slightly during 1951-52, is expected to be better for 1952-53. The overall food situation was generally satisfactory throughout the year under review, mainly owing to higher stocks resulting from large imports in the preceding year.

The general price index during the year was comparatively stable, though price movements of some individual commodities showed rather wide fluctuations. After the marked weakness in commodity markets, which had developed during February-March 1952, commodity prices evinced rallying tendencies during the greater part of the year. The Economic Adviser's general index number of wholesale prices (*base :* year ended August 1939=100) moved up from 377·5 in March 1952 to 385·2 in March 1953, or a net rise over the year of 2 per cent.

On the stock exchanges, the gilt-edged market was characterised by a fair measure of stability and strength. This may be attributed, among other factors, to paucity of floating stocks, non-floatation of any new loans by the Union Government, the introduction of the compulsory Provident Fund Scheme for workers and, above all, to the revival of confidence in the stability of the current pattern of interest rates.

The balance of payments position underwent a marked change by the beginning of the second quarter of 1952, the earlier trend towards large deficits having been reversed. The first quarter showed a trade deficit mainly because of large imports of foodgrains, raw cotton and jute, but later, with a decline in imports, the deficit steadily declined and the last quarter closed with a small surplus. The trade deficit for 1952 was greater than that of 1951 ; but the larger surplus on invisibles account for 1952 more than made up for the larger trade deficit, with the result that 1952 closed with a smaller current account deficit of Rs. 37 crores as against Rs. 57 crores in 1951. And this occurred, in spite of a marked deterioration in the terms of trade.

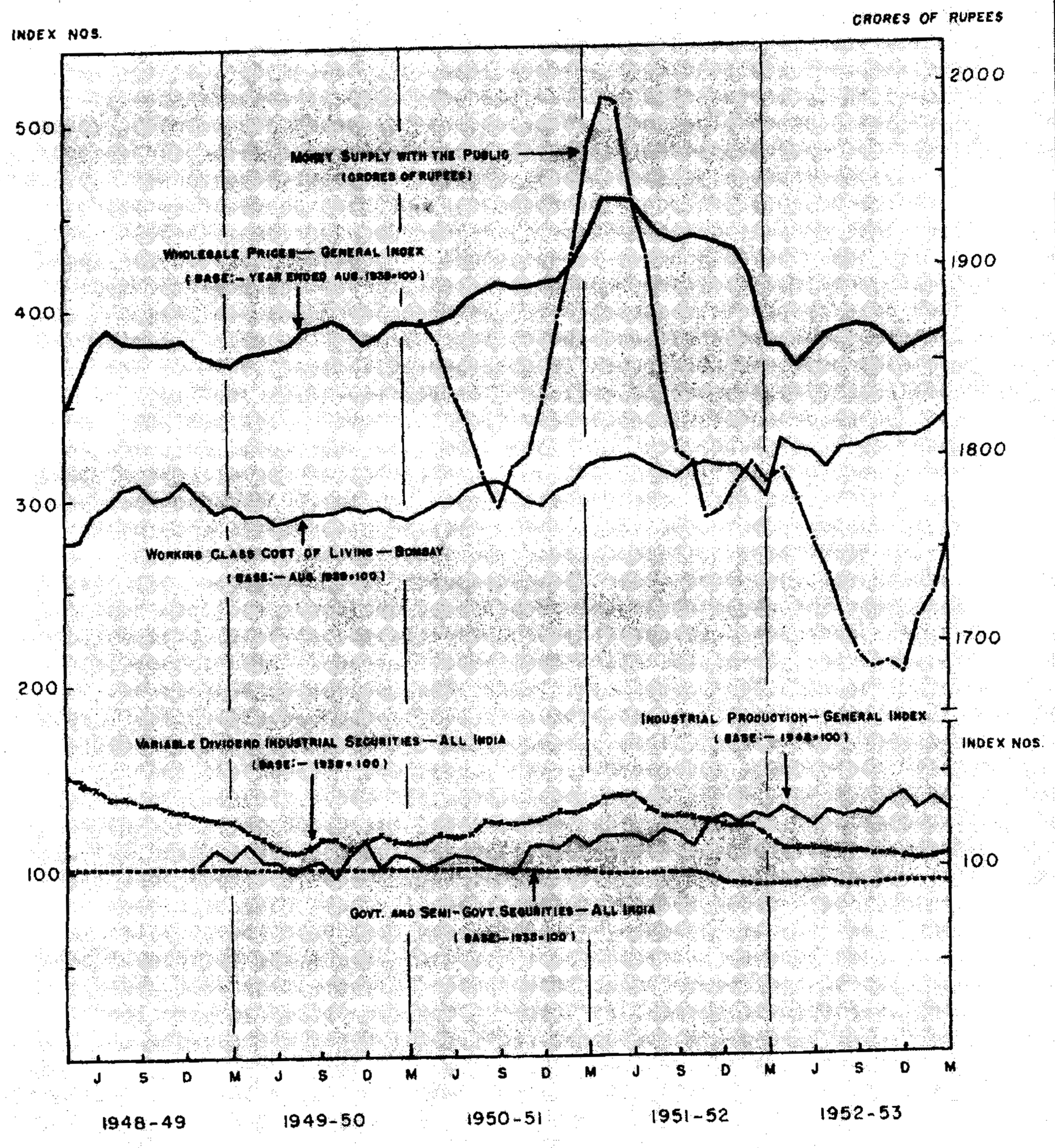
10. *Food and Agricultural Policy.*—The overall food situation during the year under review showed improvement as compared to the previous year. The year 1952 opened with a stock of 1·3 million tons of foodgrains with Government as compared to 0·7 million tons at the beginning of 1951 (*vide* Table on page 25). As the year progressed, the stocks increased due mainly to large imports and reached a figure of 3·3 million tons in June 1952. Consequently, some of the State Governments were allowed to make certain relaxations within the frame-work of the basic policy of controls on foodgrains. These relaxations took the from of reduction in statutory rationing commitments, restoration of free trade within the States, suspension or modification of procurement and liberalisation of austerity measures.

The total population under statutory rationing, which stood at 46 million in May 1952, decreased to 31 million in December 1952. In order to prevent a spurt in the open market prices of foodgrains following the relaxation of controls in the areas where statutory rationing was abolished, the ration shops were converted into fair price shops. The population covered by other types of rationing and fair price shops rose from 68 million to 97 million during the same period. At the same time, the Union Government armed themselves with necessary powers under the Foodgrains (Licensing and Procurement) Order, 1952, which prohibited persons from dealings in purchase, sale or storage of any foodgrains except under a licence issued by the State Government. It was made obligatory on all licensed dealers to submit monthly stock returns to the State Governments ; the State Governments were also empowered to requisition foodstocks from them for the purpose of maintaining or increasing supplies of foodgrains or for securing their equitable distribution at fair prices.

In view of the large stocks with the Union Government and the overall improvement in food supplies, imports of foodgrains were reduced from 4·7 million tons in 1951 to 3·9 million tons during 1952, consisting of 2·5 million tons of wheat and flour, 6·3 lakh tons of milo and 7·2 lakh tons of rice. Of these, 1·1 million tons of wheat and milo were received from the U. S. A., under the India Emergency Food Aid Act of 1951 and 1·7 lakh tons of wheat and flour from Canada and Australia under the Colombo Plan.

GRAPH 2

MAIN ECONOMIC INDICATORS



PROCUREMENT, IMPORTS AND OFFTAKE OF FOODGRAINS

(Lakh Tons)

Calendar year	Opening Stocks	Procurement	Imports†	Offtake from Govt. Stocks	*Procurement as % of Offtake*	*Imports as % of Offtake*	Closing Stocks
1950	15·81	46·17	28·70	75·54	*61·12*	*37·59*	7·29
1951	7·29	37·66	48·49	78·67	*47·88*	*61·64*	13·07
1952*	13·07	34·16	39·32	66·96	*51·02*	*58·72*	15·01**

* Provisional. ** Relates to closing stocks with the State Governments. Besides, the Central Government held a reserve of 410,000 tons at the end of the year. †Imports= total supplies made to the States out of both imported cereals and internal surpluses.

The latest available *Kharif* crop estimates for the 1952-53 season indicate an aggregate increase of 4·7 per cent in the area and 12·4 per cent in the production of rice, jowar, bajra, maize and ragi over 1951-52.

In view of the adequacy of stocks and better crop prospects, the target of imports of foodgrains during 1953 has been further reduced to 2 million tons. In order, however, to ensure a regular and adequate supply of wheat and to meet any emergency, India signed the new International Wheat Agreement on April 17, 1953, which, after ratification by the participating Governments, would be effective for a period of three years from August 1, 1953. India's quota under the Agreement has been fixed at 4·5 million tons. As regards rice, apart from the Agreement of 1951 with Burma, which provides for the supply of 3·5 lakh tons annually to India for four years from 1952, India signed a further agreement with Burma in March 1953 for the supply of 1·5 lakh tons of rice on cash basis.

The system of subsidy on imported foodgrains was discontinued, with certain exceptions after March 1, 1952 (*vide* last year's Report). In order to afford relief, however, to the poorer strata of consumers, imported wheat, coarse and broken rice and milo were supplied to the State Governments at rates below the economic cost, the resulting loss being borne by the Union Government. A special subsidy of Rs. 3 crores was also granted to Travancore-Cochin during the year under review. The total estimated cost to the Government of India on account of these subsidies amounted to Rs. 21 crores during 1952-53, as against the budget provision of Rs. 15 crores.

During the year under review, scarcity conditions prevailed in some parts of the country due to seasonal failures, the number of persons affected being estimated at about 28 million in March 1953. Measures were taken by the Union Government and the State Governments concerned to relieve distress in the affected areas. Besides rendering special financial assistance in the form of loans and grants to the States to meet the scarcity conditions, the Union Government also deputed teams of officers to areas which are chronically liable to famines to recommend measures for preventing their recurrence. The reports of these teams were considered and steps taken to implement some of their recommendations. The Five-Year Plan has also made a provision for assistance by the Centre to the extent of Rs. 15 crores to the areas where scarcity or famine conditions recur frequently, with a view to avoiding adverse effects of crop failures on the implementation of the Plan in the States.

Mention was made in last year's Report of the appointment, in February 1952, of the Grow More Food Enquiry Committee, to examine the working of the Grow More Food campaign with special reference to the additional production obtained *vis-a-vis* the expenditure incurred on it. The Committee, which submitted its report in July 1952, recommended (1) the setting up of an Extension Service Organisation, (2) the acceleration of minor irrigation programme and (3) the provision of adequate rural credit. The recommendations of the Committee, in so far as the Union Government was concerned, were generally accepted and are being implemented, while those which concerned the State Governments were commended to them for adoption.

Following the recommendations of the above-mentioned Committee, a programme of minor irrigation schemes, which could be completed in the course of a year or two and would yield economic returns in terms of additional production, was taken up during 1952-53. An allotment of Rs. 10 crores was made by the Centre for the purpose during the year. The Five-Year Plan has also made a special provision of Rs. 30 crores for additional minor irrigation schemes, a portion of which would be utilised for financing the construction of 2,650 tube-wells. For this purpose, two agreements have been entered into under the Indo-U.S. Technical Co-operation Programme. In addition, a programme for construction of 1,365 tube-wells has been undertaken in the U. P., Bihar, Punjab and Bombay.

11. *Industrial Policy.*—During the year, Government's industrial policy continued to follow the broad objectives of policy as laid down in the Resolution of April 7, 1948 (and in the Prime Minister's Statement of April 6, 1949 relating to participation of foreign capital). This policy announcement has since been generally endorsed by the Planning Commission, which, in its Final Report, has accepted 'mixed economy' as a suitable basis for industrial development of the country and State regulation of the private sector of industry as a corollary to planned development. The main instrument of such regulation is the Industries (Development and Regulation) Act, 1951 (*vide* para. 12 of the 1951-52 Report), which was passed by the Union Parliament in October 1951 and brought into force on May 8, 1952. A further step taken during the year, in pursuance of the objectives of Government's industrial policy was the formation, in May 1952, of a separate Ministry of Production charged with the responsibility to plan and co-ordinate policy and to control and manage industries in the public sector.

Measures were taken during the year to implement the provisions of the Industries (Development and Regulation) Act. As provided in this Act, a Central Advisory Council, comprising representatives of industry, labour, consumers, etc. was established in May 1952, to advise Government on matters relating to development and regulation of industry. The Council met twice during the year and reviewed the progress of registration and licensing under the Act. It also considered some general problems like location of industry, finance for rehabilitation and modernisation. A Licensing Committee set up under the Act, comprising representatives of the Ministries concerned and the Planning Commission, has provided a useful instrument for regulating industrial development in conformity with the objectives and priorities outlined in the Plan. Government also appointed, in the first instance, two Development Councils, one for heavy chemicals (acid) and fertilisers and the other for internal combustion engines and power driven pumps, to suggest improvements in respect of productivity, quality of service, management, etc.

Furthermore, with a view to expanding the scope of the Act and enabling the State to act with promptitude in cases of emergency, Government introduced in Parliament on April 10, 1953 a Bill to amend the Industries (Development and Regulation) Act, which was passed in May 1953. The amendment provides, among other things, for the addition of a few more industries* to the First Schedule to the Act, and for extending the scope of the Act to cover factories with investment of less than Rs. 1 lakh, which were exempted under the original Act. The Act, as amended, also gives Government wider powers to take over the management and control over industrial undertakings and to retain such control beyond five years, if necessary, with the approval of Parliament.

Other measures were also adopted during the year to ensure development of industry on sound lines and to make adequate finance available to it. A high-powered Textile Enquiry Committee has also been appointed to examine the structure and organisation of the various sectors of the cotton textile industry and to make recommendations, which may help Government to formulate a long-term policy for the development of the textile industry as a whole.

Financial facilities are also being provided on an increasing scale to industrial concerns in the private sector. For instance, the scope of the activities of the Industrial Finance Corporation was widened by the enactment of the Industrial Finance Corporation (Amendment) Act, 1952 (*vide* para. 29). In order to facilitate expansion of the steel industry, the Steel Corporation of Bengal Ltd. was merged with the Indian Iron and Steel Co. Ltd., in pursuance of the recommendations of the Tariff Commission, by the issue of the Iron and Steel Companies Amalgamation Ordinance of October 29, 1952 (since replaced by an Act on December 29). Arrangements have been made to obtain a loan of $31·5 million from the World Bank to enable the amalgamated company to proceed with the expansion of its works. In addition, Government have decided to make available to the Company further assistance in the form of loans. Government also subsidised sales of ships built by the Hindustan Shipyard Ltd., the amount of subsidy paid during 1952-53 being about Rs. 1 crore.

Steps were taken during the year to reduce the disparity between the tax payable by foreign companies carrying on business in India through a branch of a foreign subsidiary and by those operating through wholly Indian subsidiaries. The super-tax rebate admissible to foreign companies on their Indian income other than income from dividends received from the wholly subsidiary company was reduced from one anna to six pies in the rupee, while at the same time the rebate admissible on dividends received by foreign companies from their Indian subsidiaries was raised from one anna to one and a half annas (Also see para. 85).

An agreement, similar to those with the Standard Vacuum Oil Company of New York and the Burma-Shell Co. (*vide* para. 12 of this Report for 1951-52) was concluded, during the year, with Messrs. Caltex (India) Ltd. for the establishment of an oil refinery at Visakhapatnam, with an initial annual capacity of 5,00,000 tons of crude oil. This brings the total capacity of the three oil refineries to approximately 3·8 million tons, the total foreign investment involved being over Rs. 50 crores.

* These included silk, artificial silk, dye-stuff, soap, plywood and ferro-manganese industries.

As regards State enterprises, further progress was made in regard to units which went into production earlier as well as in regard to the establishment of several new units. For example, the Sindri Fertiliser factory attained during the year its full production target of 1,000 tons per day, while the Chittaranjan Locomotive factory produced 36 locomotives during 1952-53, as against 17 last year. Work is in progress in connection with the establishment, among others, of the Penicillin factory at Pimpri (in Bombay State), the D. D. T. factory at Delhi and the Hindustan Cables factory at Rupnarainpur (in West Bengal State).

In pursuance of Government's policy of converting industrial undertakings financed by them into private limited companies, statutory corporations, etc. working under Government supervision, the management of some more undertakings was entrusted to private limited companies during the year. Thus, a private limited company, namely, the Hindustan Machine Tools Ltd., in which 85 per cent of the share capital is owned by Government and the rest by the Swiss firm of Oerlikons, took over the management of the Machine Tools factory at Jalahalli as from March 1, 1953. In terms of an agreement signed on December 6, 1952, the Hindustan Housing Factory Ltd. was incorporated on January 27, 1953 as a private limited company, with Government and Messrs. Basakha Singh-Wallenborg Ltd. as equal partners. The management and control of the Telephone Cables factory at Rupnarainpur has also been transferred, with effect from November 10, 1952, to a private limited company, namely, the Hindustan Cables, Ltd.

12. *Labour Situation and Policy.*—Government gave increasing attention during the year to the principles and procedure that should govern the regulation of industrial relations, problems of productivity of labour, industrial housing and provision of provident fund benefits to workers.

The general improvement in the labour situation noticed since the Industrial Truce Resolution of December 1947 continued during 1952-53. The year was free from major industrial disputes. The number of man-days lost at 2·7 million in 1952-53* was lower than that of 3·9 million during 1951-52, being the lowest since 1947-48. An important development in the field of industrial relations was the Tripartite Labour Conference held at Nainital in October 1952, with a view to ascertaining public opinion as regards the principles on which labour legislation should be based. The main achievement of the Conference was the general agreement that employers and workers should settle differences and disputes through voluntary conciliation and voluntary arbitration in preference to compulsory adjudication. The question of finding out a basis for framing the new legislation on industrial relations was referred to a representative sub-committee and the matter was further discussed at a conference of Labour Ministers of the State Governments in February 1953. A Bill embodying proposals emerging from the above discussions is expected to be introduced in the Union Parliament in the near future.

In last year's Report, reference was made to two important labour welfare measures initiated by Government, namely, the Employees' Provident Fund and the Employees' Health Insurance Schemes. The provisions of the contributory Provi-

* Relates to the first eleven months.

dent Fund Scheme were brought into force in stages by November 1, 1952, on which date the collection of contributions commenced. The Scheme at present covers about 1,500 factories in six major industries and extends its benefits to nearly 1·2 million workers. The total amount of annual contributions of the workers and employers is estimated at over Rs. 10 crores. The Employees' Health Insurance Scheme, which was introduced in Kanpur and Delhi in February 1952, could not be extended to other industrial centres during the year, due partly to financial difficulties of the State Governments.

The Union Government introduced their scheme for subsidised industrial housing, referred to in last year's Report, in terms of which houses are to be constructed for accommodating industrial workers through the agency of the State Governments, statutory housing boards, employers and registered co-operative house-building societies of industrial workers. The Union Government will bear the major share of the financial burden of the housing programme under the above scheme. The Union Government's assistance for the implementation of the programme will be given in the form of subsidies and loans on relatively easy terms. Subsidies are to be given to the extent of 50 per cent of the actual cost of construction in the case of State Governments or statutory housing boards, and 25 per cent in the case of employers and registered co-operative societies, while advances will be granted upto 50 per cent of the cost to the former and 37½ per cent of the cost to the latter. The Central Government budget for 1953-54 provides Rs. 8·8 crores for purposes of industrial housing.

13. *Controls.*—During 1952-53, mainly in response to the changes in the supply and demand conditions in several sectors, Government relaxed, in a substantial measure, the existing controls on prices, distribution, etc. The main objectives underlying these relaxations were to minimise the irksome features of controls and to restore normal conditions of trade wherever possible, as well as to help maintain production by stimulating demand through freer distribution. Suitable adjustments were also made in the export trade policy in an endeavour to maintain and stimulate the external demand for Indian products (*vide* para. 80).

Government also took steps to prevent any undue rise in prices from taking place consequent on the relaxation of controls. This was done in the case of foodgrains by the issue of the Foodgrains (Licensing and Procurement) Order, 1952 and the opening of fair price shops, and in the case of sugar by the retention of control over releases of stocks from sugar factories. Also, to meet the situation arising from any possible adverse reaction to decontrol, Government retained their powers of control, as embodied, among others, in the Essential Supplies (Temporary Powers) Act, 1946 and the Supply and Prices of Goods Act, 1950, which stand extended upto January 25, 1955 and August 15, 1953, respectively. With a view to regulating forward trading in commodities, Government enacted the Forward Contracts (Regulation) Act, 1952, though the Act has not yet been brought into effect. A committee has also been appointed to examine the existing control legislation and to make recommendations for its revision or repeal.

The most important measure of relaxation during the year was in respect of foodgrains, which was made possible by the marked improvement in the stock position (*vide* para. 10). In cotton textiles, the relaxations in controls made towards the close of 1951-52, following a slackening in demand and a rapid decline in prices, were carried further during the year. The percentage of production of coarse and medium cloth, which mills were allowed to sell freely, was raised from 50 to 80 in April 1952 and further to 85 in March 1953, while their output of fine and superfine cloth continued to be free from distribution control throughout the year.

Effective from October 1, 1952, the Government of India removed, in stages, the price control on most of the popular varieties of cloth, with the result that by the end of March, price controls covered only one-third of cloth production. As regards cotton yarn, the free sale concession granted to mills in regard to the whole of their output of yarn manufactured from foreign cotton was extended in June 1952 to yarn made out of Indian cotton upto $33\frac{1}{3}$ per cent of the output and in September upto 50 per cent. Price control in respect of all counts of yarn was, however, retained. With the large measure of decontrol as from the second quarter of the year, the usual quarterly revision of cotton textile prices in accordance with the Tariff Board's formula was discontinued and the controlled prices as fixed for the July-September quarter were continued for those varieties of cloth over which price control was retained as well as for all varieties of yarn.

In the case of raw cotton, Government made important modifications in the system of distribution control, with a view to facilitating freer movement of cotton. Thus, the licensing system for cotton trading for the 1952-53 season was simplified and the eligibility requirements of licensees were also relaxed. In view of the satisfactory supply position of cotton, Government permitted in December 1952 forward trading on the East India Cotton Association, Bombay, after a lapse of three years. As regards sugar, Government announced on September 25 the removal of control over prices, movement and distribution of sugar of the 1952-53 season, subject to the regulation of releases of the commodity from factories. Price control over *gur* and *khandsari* was also lifted.

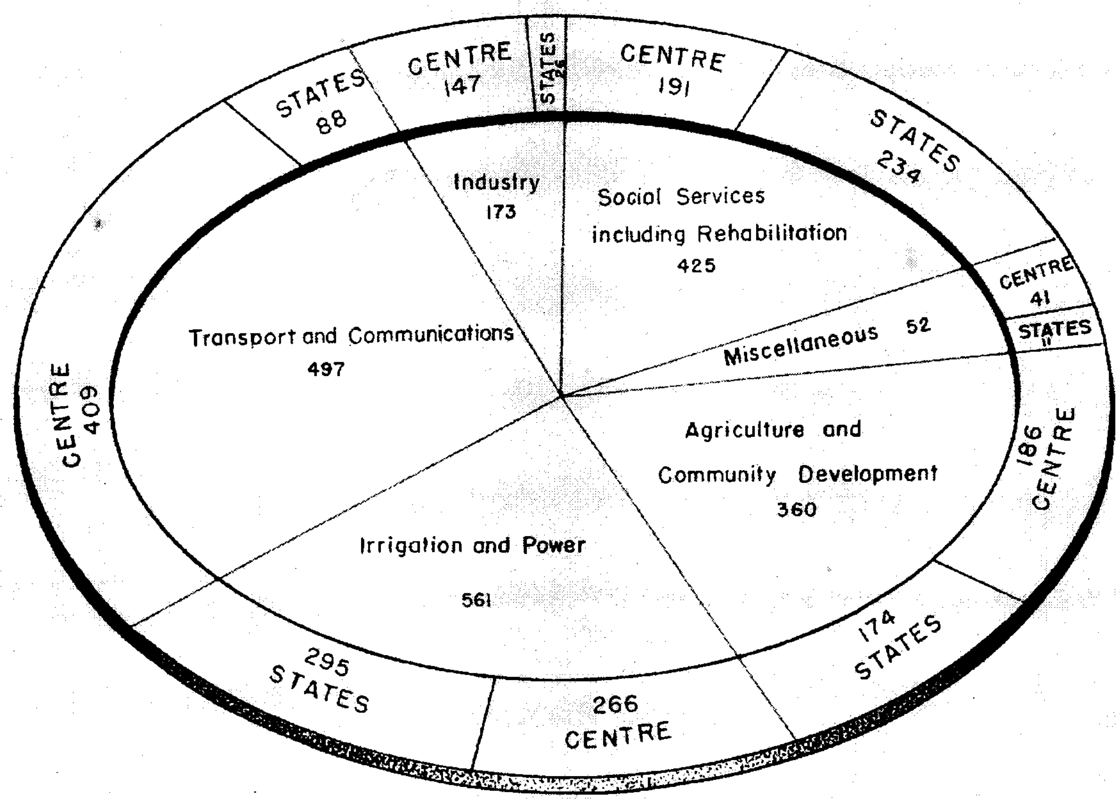
Distribution controls in respect of certain categories of iron and steel manufactures were removed, in order to facilitate the speedy disposal of stocks. Control over prices and distribution of all varieties of iron and steel pipes and tubes were also removed as from January 19, 1953. Control over the movement of raw rubber imposed in 1950, under the Supply and Prices of Goods Act, 1950 was removed in December 1952. Government also lifted, on October 3, 1952, controls regarding prices, submission of stock returns etc. exercised in terms of the above-mentioned Act over bicycles, bicycle parts and accessories, cycle tyres and tubes and electric bulbs. In June 1952, the prices of *vanaspati* were decontrolled, while all restrictions on production, price, movement and distribution of oilcakes were removed in October 1952.

New measures of control adopted during the year were (1) the restriction imposed as from December 1952 on production of *dhoties* by cotton mills to the extent of 60 per cent of their average monthly output during 1951-52, with a view to reserving the rest of the output for the handloom industry, (2) the imposition by the West Bengal Government in December 1952 of a ban on futures trading in jute goods to promote stability of jute prices and (3) the enactment of the Forward Contracts (Regulation) Act, 1952.

GRAPH 3

DISTRIBUTION OF EXPENDITURE UNDER THE FIVE-YEAR PLAN

(Crores of Rupees)



The Forward Contracts (Regulation) Act, 1952, which was passed by the Union Parliament on November 24, 1952 provides for the regulation of forward contracts and prohibits options in goods, including bullion. The regulatory provisions of the Act will be brought into force in respect of different commodities and areas as and when found necessary. Transactions on the Stock Exchanges, which will form the subject of a separate legislation, have been excluded from the purview of this Act. Under the Act, forward contracts, other than non-transferable specific delivery contracts, in commodities would be allowed to be entered into only in accordance with the rules and bye-laws of an association recognised by Government. The rules and bye-laws of a recognised association have to be approved by Government and no alterations or additions thereto shall be made without their prior approval. The associations are required to furnish to Government such periodical returns relating to their affairs as may be prescribed and also a copy of their annual reports. The Act also provides for the creation of a Forward Markets Commission, among other things, to advise the Union Government in the administration of the Act, to undertake inspection of accounts and other documents of recognised associations, and to keep forward markets under observation and undertake a continuous study of the problems relating to them, with a view to bringing to the notice of Government important developments in the markets.

14. *Planning and Development.*—The Draft Outline of India's First Five-Year Plan, published by the Planning Commission in July 1951, was reviewed in the Report for 1951-52 (*vide* para. 15). The Planning Commission published its final Report in December 1952. This Final Report* was prepared after taking into consideration the various suggestions made in Parliament and outside it following the publication of the Draft Outline, and embodies some important changes in emphasis and direction in several aspects of the original Plan. A preliminary Progress Report on the working of the Plan, during the first two years 1951-53, was submitted to Parliament on May 15, 1953. In the final Report, the two parts of the Draft Outline, the first envisaging an expenditure of Rs. 1,493 crores and the second of Rs. 300 crores (which was to be undertaken only if external assistance became available) have been combined into a single Plan, covering the same period as the Draft Outline but envisaging a higher total outlay on development of Rs. 2,069 crores. The changes in the allocation of resources among the main heads of development are brought out in the Table below (*vide* also Graph 3).

(Rupees in Crores)

	Outlay during 1951-56		Percentage of Total Outlay	
	Five-Year Plan	Draft Outline	Five-Year Plan	Draft Outline
Agriculture and Community Development	360	192	*17·4*	*12·8*
Irrigation and Power	561	450	*27·2*	*30·2*
Transport and Communications	497	388	*24·0*	*26·1*
Industry	173	101	*8·4*	*6·7*
Social Services	340	254	*16·4*	*17·0*
Rehabilitation	85	79	*4·1*	*5·3*
Miscellaneous	52	29	*2·5*	*1·9*
Total	**2,069**	**1,493**	**100·0**	**100·0**

* For fuller details see the December 1952 issue of the Reserve Bank of India Bulletin.

Although the magnitude of developmental outlay has been expanded, the scheme of priorities, it will be observed, is much the same as in the Draft Outline, 69 per cent of the total expenditure being accounted for by agriculture, irrigation, power, transport and communications. The outlay in the public sector has to be devoted to creating the necessary basis for more intensified development at a later stage, and hence the need for high priority to be accorded to basic development such as agriculture, irrigation and transport. In the ordering of expenditure, the Planning Commission has also given due consideration to the maladjustments in the economy caused by the War and the Partition. The expenditure in the public sector is expected to make a substantial contribution to the amount of productive equipment available to the economy. Capital formation is estimated to rise by about 20 per cent of the additional national income each year. By 1955-56, the national income, it is stated, will have risen by about 11 per cent to Rs. 10,000 crores and if, from 1956-57 onwards, investment is stepped up each year by about 50 per cent of the additional output, it would be possible to double the *per capita* income in about 27 years.

As regards financing of development in the public sector, the Planning Commission has estimated that the Union and State Governments will be able to raise internal resources, amounting to Rs. 1,258 crores in the five-year period. In addition, external resources already received by India in the form of loans and grants will help finance the programme to the extent of Rs. 156 crores. On present estimates, therefore, the resources available to the public sector amount to Rs. 1,414 crores, leaving a balance of Rs. 655 crores to be covered through further external resources that may be forthcoming, or internal taxation and borrowing or deficit financing. The Commission believes that deficit financing should not exceed Rs. 290 crores, which would be roughly equal to sterling expected to be utilised out of India's accumulated balances. In these circumstances, the attainment of the expenditure target of Rs. 2,069 crores, as the Commission has pointed out, will depend on additional assistance from abroad or increased mobilisation of domestic resources. Should such resources not become available, there will doubtless be some marginal adjustments in the size of the Plan. The following Table shows the financial basis of the Plan (*vide* also Graph 4).

(Rupees in Crores)

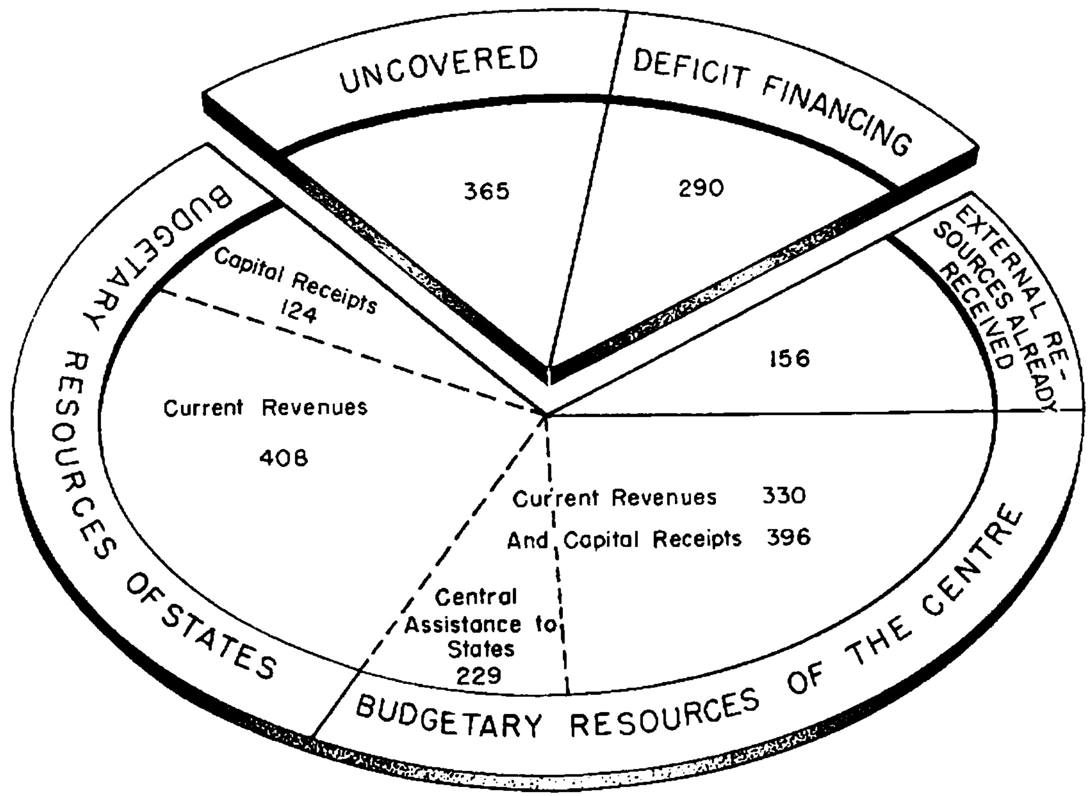
	Central Government	States (including Jammu and Kashmir)	**Total**
1. Planned outlay on development	1,241	828	**2,069**
2. Budgetary resources :			
i) Savings from current revenues	330*	408	**738**
ii) Capital receipts (excluding withdrawals from reserves)	396	124	**520**
iii) Internal inter-Governmental transfers in connection with the Plan (*i. e.* "Central assistance")	−229**	229**	—
	497	761	**1,258**
3. External resources already received	156	—	**156**
4. **Total**	**653**	**761**	**1,414**
5. Gap in resources to be covered through external assistance, or increased taxation and domestic borrowing (1—4)	588	67	**655**

* Includes Rs. 170 crores available from the railway revenue for financing their development programme.

** Includes Rs. 4 crores by way of statutory grants for scheduled tribes which will be available for part of the development expenditure on scheduled tribes in the Assam State Plan.

FINANCING OF THE PLAN

(Crores of Rupees)



As regards the programme for the private sector of industry, the Plan covers 42 major industries and involves a total outlay of Rs. 613 crores. This outlay includes new investment in fixed capital of Rs. 233 crores, expenditure on modernization and replacement of machinery (including current depreciation) of Rs. 230 crores and provision of working capital of Rs. 150 crores. Resources for this investment are to be found, by and large, from corporate and private savings. The Central Government will provide sizeable assistance to the private sector in the form of refunds of wartime Excess Profits Tax Deposits, amounting over the five-year period to Rs. 60 crores. Working capital requirements are expected to be made available by banks and other sources of short-term finance in the country. In addition to these, the Commission expects foreign investment of the order of Rs. 100 crores to materialise during the Plan period.

II. PRODUCTION AND PRICES

A. PRODUCTION

15. *Agricultural Production.*—Agricultural production in 1951-52, on the whole, showed an improvement, as a result of continued efforts under the Integrated Production Programme. Increases were mainly noticed in respect of cotton, jute and sugar, whereas production of foodgrains and oilseeds showed declines of 1·2 per cent and 6·1 per cent, respectively. During 1952-53, there was an increase in acreage under foodgrains and a rise in output is expected.

(1) *Foodgrains.*—The total production of cereals declined from 41·8 million tons in 1950-51 to 41·3 million tons in 1951-52, mainly on account of unfavourable seasonal conditions. These resulted in damage to the standing *kharif* crops and delayed the sowing of *rabi* crops. The production of rice, jowar, maize and small millets, however, showed an improvement, but this was more than offset by decreases in the production of wheat, bajra, ragi and barley (*vide* Statement 8). The production of gram and other pulses also declined from 8·3 million tons in 1950-51 to 7·7 million tons in 1951-52.

During 1951-52, the additional production under the Grow More Food campaign, as reported by the State Governments, has been estimated at 8·8 lakh tons as against the target of 14 lakh tons fixed for the year. In addition, the estimated foodgrains production, as a result of the major irrigation schemes, has been placed at 2·7 lakh tons.

The rainfall during the 1952-53 *kharif* season was generally satisfactory, except in parts of Bombay, Madras, Bihar, Rajasthan, Madhya Bharat, Hyderabad and Mysore, where crops were adversely affected by unduly long spells of dry period in certain areas and deficit rainfall in others. The winter rains were reported to be generally satisfactory except in the Deccan and Karnatak divisions of Bombay and in certain parts of Madras and Mysore. The crop prospects for 1952-53 are reported to be better than in the preceding two years. The available final forecasts for *kharif* cereals for 1952-53 show an increase in the area of 4·7 per cent and in the output of 12·4 per cent over the corresponding estimates for the previous year.

(2) *Other Agricultural Products* (*a*) *Cotton.*—Cotton production increased from 29·7 lakh bales in 1950-51 to 31·3 lakh bales in 1951-52 (*vide* Statement 9). The measures taken by Government for increasing cotton production included, among others, facilities for extension of irrigation to areas under cotton, grant of interest-free loans and subsidies to the cotton-growing States for the purchase of improved varieties of seeds and fertilisers, and appointment of extension staff for carrying on propaganda and offering technical advice to cotton growers. In addition, in 1952-53, the 'floor' prices of the basic varieties of cotton were increased by Rs. 55/- per candy over those for the previous season. Production in 1952-53 is, however, expected to be a little lower than that in 1951-52 owing to deficient rains and adverse weather conditions in some cotton-growing areas.

(*b*) *Jute.* As in the previous years, Government continued their efforts to stimulate the production of jute. After the sharp rise in production during the previous year, there was a further, though slight, increase in production in 1952-53 to 46·95 lakh bales from 46·78 lakh bales in 1951-52. The total area under jute, however, showed a decline from 1·95 million acres in 1951-52 to 1·83 million acres in 1952-53, mainly due to a sharp decline in prices of raw jute and jute goods prior to sowing.

(c) *Sugar (Raw)*.—The dual price policy for sugar, which was continued during 1951-52 also, yielded encouraging results. The production (in terms of raw sugar) increased from 5·6 million tons in 1950-51 to 5·9 million tons in 1951-52. A substantial increase in production was recorded in the Punjab, the U.P. and Bombay, which was slightly offset by a fall in Bihar, Madras and Saurashtra, mainly due to unfavourable weather conditions. The production of white sugar showed a substantial increase from 11·2 lakh tons in the 1950-51 season to 14·9 lakh tons in 1951-52, and nearly attained the target of 15 lakh tons fixed under the First Five-Year Plan. In 1952-53, however, it is expected to show a decline mainly due to (1) decrease in the area under cane, (2) diversion of cane in the factory zones to the production of *gur* (the prices of which are relatively high) and (3) late commencement of crushing by factories.

(d) *Oilseeds*.—The total production of the five major oilseeds (groundnut, linseed, castorseed, sesamum and rape and mustard) declined from 51·03 lakh tons in 1950-51 to 47·91 lakh tons in 1951-52, due mainly to a fall in the production of groundnut, sesamum and linseed. This was attributed to unfavourable weather conditions.

16. *Industrial Production*. Industrial production showed a further substantial increase during 1952. Despite occasional setbacks, the average general index for the year showed a rise of 10·0 per cent over the average figure for 1951 and of 22·8 per cent over the 1950 average. The 1952 average index (*base*: 1946=100) of 128·9 is the highest for any year since the war. Likewise, the December 1952 index of 133·6 is also the postwar highest on record. The progress in industrial production was general, covering basic as well as consumer goods industries, while a number of new industries also went into production during the year. The resultant improvement in the supply position enabled Government to discontinue or relax the existing controls over prices and distribution of certain commodities, including cotton cloth and sugar (*vide* para. 13).

It is noteworthy that the improvement during 1952 was achieved in spite of the difficulties experienced by some industries, following the recent world-wide shift to a buyers' market with the accompanying recession in prices. These difficulties were, to an extent, overcome by measures which Government took to safeguard the level of production and the attention given to the export markets for certain industries.

The rise in industrial output during 1952 was relatively more marked, as in the previous year, in certain consumer goods industries, particularly cotton textiles. As against an output of 4,076 million yards of cloth and 1,304 million lbs. of yarn during 1951, the cotton textile industry achieved during 1952 the postwar record production of 4,598 million yards of cloth and 1,450 million lbs. of yarn (*vide* Statement 10 and Graph 5). The production of jute manufactures also rose from 875,000 tons to 952,000 tons, although during the latter half of the year, the output was somewhat adversely affected by the comparatively low level of export demand. Other industries which recorded increases in production included sugar, salt, matches, paper and paper boards, electric lamps, art silk yarn and sewing machines.

Among the basic industries, the output of coal rose by 5·6 per cent to a new peak of 36·2 million tons, although the output of metallurgical coal for 1952 was limited to 108 per cent of the 1950 figure in pursuance of Government's policy of conserving supplies of high grade coal. Cement production also increased by 10·7 per cent to 3·5 million tons. Finished steel at 1·1 million tons was higher than the last year's output by 2·5 per cent, the present production, however, falling short of the country's estimated annual requirement by 1·3 million tons. Some of the ancillary machine industries also showed further improvement; among them, electric motors registered a rise of 10·1 per cent and power transformers of 9·8 per cent. In the chemicals group, ammonium sulphate recorded a striking increase of 318 per cent as a result of the coming into full operation of the fertiliser factory at Sindri.

As against these improvements, some minor industries recorded declines, owing mainly to the shortage of raw materials, such as sulphur and steel, and the comparative slackness in demand. The important industries which showed declines included sulphuric acid, superphosphates, cigarettes, woollen manufactures, machine tools, electric fans, glass, automobiles, dry batteries and soda ash.

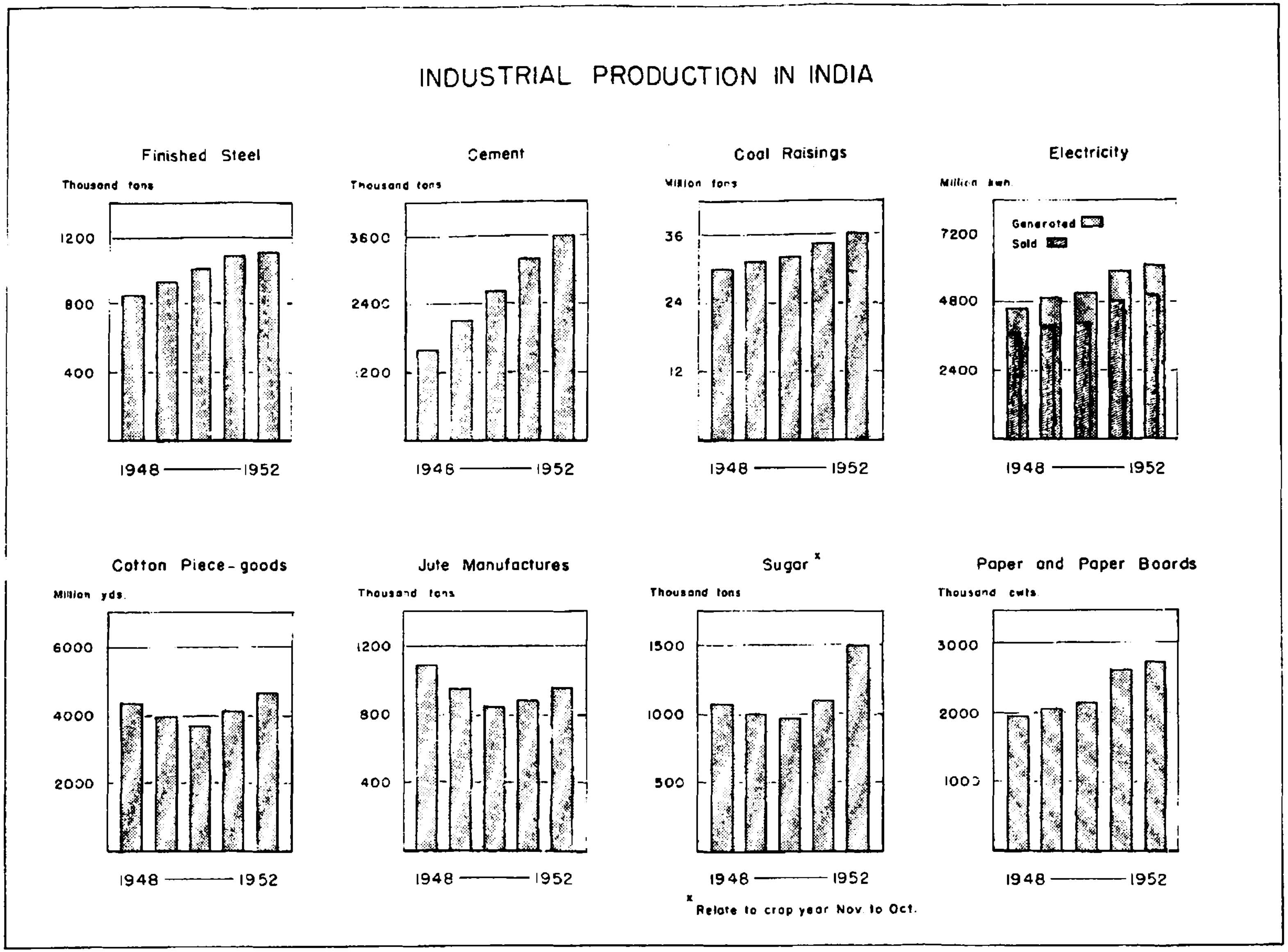
The substantial progress in industrial production cited above was due, among other factors, to the installation of additional production units and expansion of the existing units in some industries, *e.g.*, cement, caustic soda, power-driven pumps, electric motors and paper. A number of new industries such as industrial boilers, power presses and fluorescent tubes also went into production for the first time during the year. Fuller utilisation of the installed capacity during 1952, relatively to the preceding year, was greatly facilitated by the continued improvement in the labour-management relations, the number of man-days lost on account of labour disputes falling further from 3·8 million during 1951 to 3·3 million.

To compensate for the rise in production costs in some industries, upward revisions were made in the controlled prices of certain commodities, such as pig iron, steel and rubber (*vide* para. 18). A further improvement was also witnessed in the transport situation, as shown by a rise of 3·5 per cent in the number of wagons loaded by the railways.

Special efforts continued to be made by Government to make available to the cotton textile and jute industries sufficient supplies of raw cotton and jute. The measures taken in respect of cotton included the raising of the floor prices (*vide* para. 18); the simplification of the distribution scheme for cotton; the assurance by Government to purchase American and East African cottons pledged with scheduled banks at specified prices; and the substantial imports of cotton, amounting to 12 lakh bales during the 1951-52 season and Government's decision to issue licences for the import of a further 5 lakh bales during the current season. The supply situation of raw jute was generally satisfactory, due to a further rise in domestic production. The position is expected to improve further following the conclusion of the three-year Indo-Pakistan Trade Agreement of March 1953, providing for the purchase by India from Pakistan of a minimum of 18 lakh bales of raw jute annually and the removal by Pakistan of the licensing fee levied on exports of raw jute to India.

Steps were taken to ease the situation arising from the accumulation of stocks in some industries. In the early months of 1952, cotton and jute mills were reported to have accumulated large stocks as a result of a slackening in both domestic and foreign demand, while excessive stock accumulation was also reported in the automobile, aluminium, diesel engines and machine tools industries. With a view to preventing further accumulation of stocks, member mills of the Indian Jute Mills Association were permitted by the authorities to reduce their working hours from 48 per week to 42½ as from April 1952. Measures were also taken during the year to revive export demand for both cotton and jute textiles by reducing export duties

GRAPH 5


INDUSTRIAL PRODUCTION IN INDIA
Finished Steel
Thousand tons
1200
800
400
1948 —— 1952
Cement
Thousand tons
3600
2400
1200
1948 —— 1952
Coal Raisings
Million tons
36
24
12
1948 —— 1952
Electricity
Million kwh.
Generated
Sold
7200
4800
2400
1948 —— 1952
Cotton Piece-goods
Million yds.
6000
4000
2000
1948 —— 1952
Jute Manufactures
Thousand tons
1200
800
400
1948 —— 1952
Sugar x
Thousand tons
1500
1000
500
1948 —— 1952
Paper and Paper Boards
Thousand cwts.
3000
2000
1000
1948 —— 1952
x Relate to crop year Nov. to Oct.

and relaxing restrictions on their exports (*vide* para. 80). Further, the existing price and distribution controls on cotton textiles were greatly relaxed to stimulate domestic demand (*vide* para. 13).

The handloom industry also passed through a difficult period, as a result of a fall in demand arising from consumers' resistance and ample supplies of mill-made cloth. To assist the industry, Government restricted, as an interim measure, the production of dhoties by mills to 60 per cent of their average monthly output during 1951-52. Further, Government established a Handloom Board to advise them on the development of the industry and passed legislation for the levy of a cess on mill-made cloth to provide funds to assist the industry.

B. PRICES

17. *Price Trends.*—During 1952-53, the general price level in India, as in most other countries, was comparatively free from the sharp fluctuations noticed since the outbreak of the Korean War (*vide* Statements 11 and 12 and Graph 6). The precipitate decline in wholesale prices during February-March 1952 was followed by the restoration of a measure of stability at the lower levels, notwithstanding the wide variations in prices of some internationally-traded commodities during the course of the year. In pursuance of Government's policy to stabilise the general price level at a reasonable level, the authorities continued to watch the situation with a view to preventing undue fluctuations. Broadly speaking, the price level responded well to the various stabilisation measures (referred to below) adopted by Government. The substantial improvement in industrial production was undoubtedly an important factor in the comparative stability of prices of manufactured goods; it also probably contributed a little to the rise in prices of raw materials. Speculative overtrading and overstocking, which had greatly accentuated price variations in the post-Korean period, were considerably subdued during the year, largely owing to the new monetary policy. Variations in external demand affected considerably the price movements of some commodities like jute manufactures and tea. The general index number of export prices (*base*: 1948-49=100) stood at 105 in February 1953 as compared with 166 a year ago.

Over the year 1952-53, the Economic Adviser's general index of wholesale prices showed a small net rise of 2 per cent, in contrast to a sharp fall of 13·9 per cent during 1951-52. It should be noted that the rise was not of a general character. The increase was mainly under 'food' and 'industrial raw material' groups, whereas the 'manufactures' and 'miscellaneous' groups showed declines (*vide* Table below). It seems not unlikely that the sharp decline in imports was, to some extent, a factor in the net rise in the general index during the year.

It would be of interest to know that the general index at 385·2 for March 1953 was *below* the pre-Korean figure of 393·3 for May 1950. The average index for 1952-53 was 12·1 per cent *lower* than the average for 1951-52 and 1·2 per cent below the average for 1949-50.

Groups	March 1952	March 1953	*Percentage change of 2 over 1*	1951-52	1952-53	*Percentage change of 5 over 4*
	1	2	3	4	5	6
Food Articles	342·7	365·0	+ *6·5*	398·6	357·8	— *10·2*
Industrial Raw Materials ..	424·2	453·1	+ *6·8*	591·9	436·9	— *26·2*
Semi-Manufactures	343·2	349·8	+ *1·9*	374·4	343·8	— *8·2*
Manufactures	383·8	369·0	— *3·9*	401·5	371·2	— *7·5*
Miscellaneous	625·6	585·5	— *6·4*	721·6	614·1	— *14·9*
General Index	**377·5**	**385·2**	**+ 2·0**	**434·6**	**380·6**	**— 12·4**

Three distinct periods could be marked out as regards the price situation during the year. The nervousness in commodity markets, which had developed following the rapid fall in the closing months of 1951-52, gradually disappeared thereafter, and, save for a temporary setback in May, wholesale prices tended to recover till about early September 1952. Thereafter, a downtrend set in, which proceeded till mid-December, there being a decline of 4·8 per cent. Subsequently, prices resumed their earlier uptrend which generally continued during the remaining months of the year. These three phases are brought out in the Table below, which shows the percentage changes during each phase in the component groups as well as in some of the important commodities.

MOVEMENTS IN SELECTED COMMODITY PRICES DURING 1952-53†

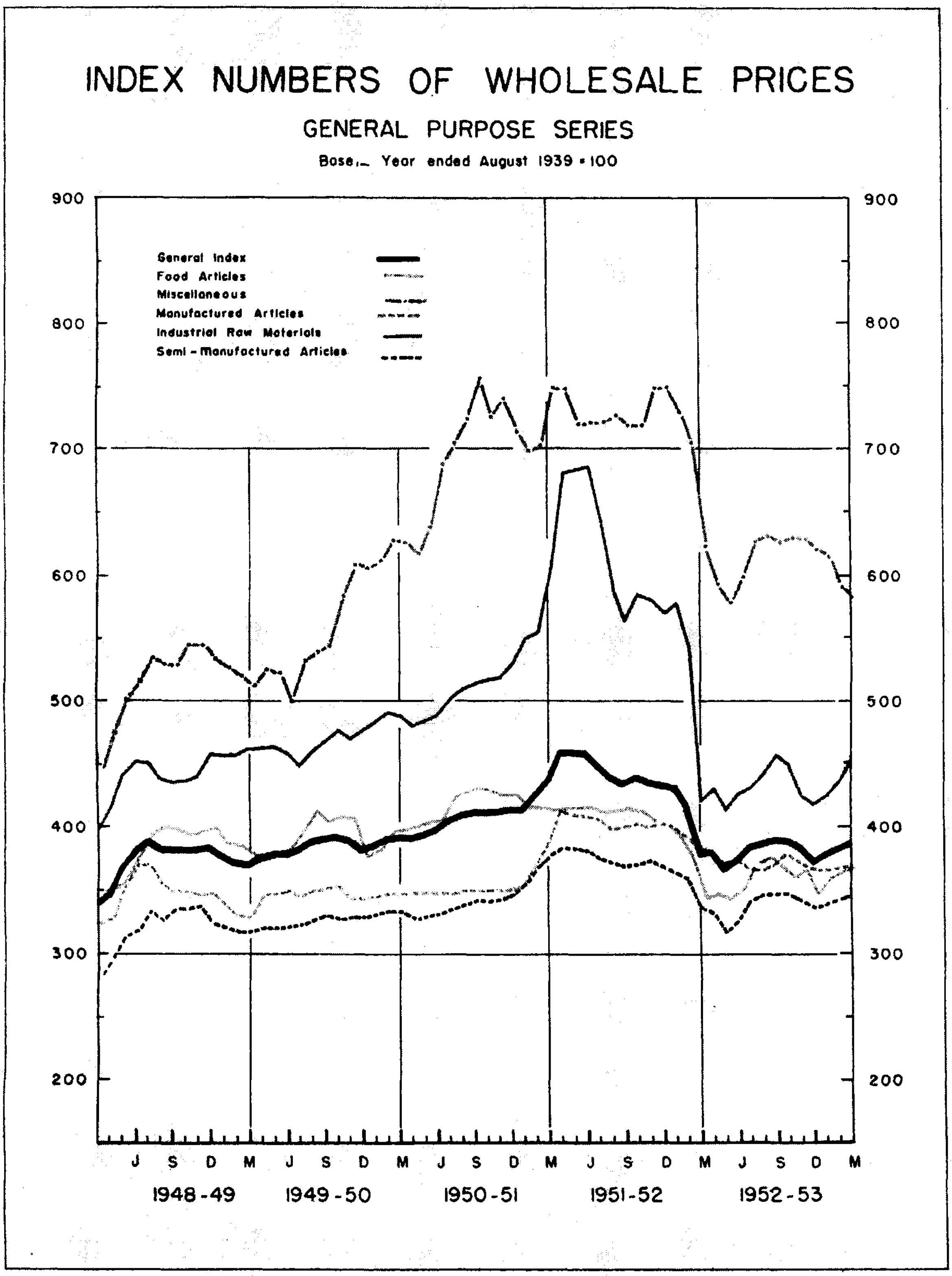
(*Base*: Year ended August 1939 = 100)

Group and Commodity	Weights of individual commodities	End-March to early Sept. 1952	Early-Sept. to mid-Dec. 1952	Mid-Dec. 1952 to end-Mar. 1953	End-March 1952 to end-Mar. 1953
I. *Food Articles (31)**	*100*	+ *11·0*	*9·1*	+ *6·0*	+ *6·9*
1. Rice	36	+ 5·2	10·9	+ 1·6	− 4·8
2. Wheat	12	+ 11·6		+ 1·1	− 12·8
3. Sugar	13		− 11·4	− 1·1	− 12·5
4. Gur	9	+ 49·3	17·0	+ 33·7	+ 65·7
5. Tea	7	+ 11·7	− 21·7	+ 82·1	+ 63·6
II. *Industrial Raw Materials (18)**	*100*	+ *2·6*	− *8·5*	+ *8·5*	− *1·9*
1. Cotton Raw	28	+ 13·3	− 17·7	+ 17·8	+ 9·9
2. Jute	22	− 28·3	− 8·7	7·3	− 39·3
3. Wool	2	+ 47·8	− 18·0	+ 2·7	− 79·1
4. Groundnuts	12	+ 24·8	9·5	− 30·1	+ 46·9
5. Linseed	3	4·6	6·3	− 2·9	− 0·8
6. Manganese Ore	2	5·1	+ 23·5	− 4·6	− 11·8
7. Hides Raw	3	0·3	4·4	− 2·4	− 2·2
III. *Semi-Manufactures (17)**	*100*	*3·1*	− *2·3*	*2·2*	− *2·9*
1. Cotton Yarn	35	− 9·0	− 2·0	0·5	10·4
2. Mustard Oil	7	− 5·3	10·9	+ 9·6	− 7·6
3. Groundnut Oil	3	+ 14·3	6·2	+ 31·2	− 40·7
4. Pig Iron	8	+ 8·0		—	+ 8·0
5. Zinc Spelter	1	30·4	19·0	− 0·9	− 44·1
6. Copper	1	− 0·3	4·3	+ 1·7	+ 5·9
IV. *Manufactures (30)**	*100*	− *3·9*	+ *0·2*	+ *0·3*	− *3·1*
1. Cotton Manufactures	45	− 5·1	+ 4·4	—	− 1·0
2. Jute ,,	11	− 18·1	− 14·0	− 4·6	− 32·8
3. Woollen ,,	2	− 28·6	1·1	− 11·8	− 19·3
4. Iron and Steel ,,	8	+ 11·9	9·0	—	+ 21·9
5. Machinery	7	—	—	− 4·2	− 4·2
V. *Miscellaneous (4)**	*100*	*6·9*	− *1·0*	− *6·1*	− *0·9*
1. Tobacco leaf	42	− 7·0		− 16·6	10·8
2. Betelnuts	9	− 2·9	4·7	− 16·8	18·7
3. Vanaspati Dalda	5	− 15·6	− 3·3	+ 23·0	+ 0·5
4. Black Pepper	..	+ 35·6	− 10·0	+ 0·9	+ 23·2
VI. *ALL COMMODITIES*		+ *3·3*	− *4·8*	+ *3·5*	+ *1·8*

† Percentage variations in the weekly indices. * Represent the respective weights of the five groups.

The recovery in prices in the first half of the year was at the outset partly in the nature of a technical reaction to the previous fall. It was also due, to a considerable extent, to further action taken by Government to stimulate exports as well as internal demand. The measures taken included a further reduction in the export duty

GRAPH 6


INDEX NUMBERS OF WHOLESALE PRICES
GENERAL PURPOSE SERIES
Base,— Year ended August 1939 = 100
General Index
Food Articles
Miscellaneous
Manufactured Articles
Industrial Raw Materials
Semi-Manufactured Articles
900
800
700
600
500
400
300
200
J S D M J S D M J S D M J S D M J S D M
1948-49
1949-50
1950-51
1951-52
1952-53

on jute manufactures and relaxation of export restrictions in respect of raw cotton, cloth, wool, oilseeds, vegetable oils and salt. Internally, distribution controls on some commodities including cotton and cotton textiles were relaxed considerably, while certain relaxations were also allowed in the controls over foodgrains in a number of States. Government also permitted upward revisions in the prices of certain controlled commodities, referred to later. Group-wise, food articles showed the largest rise of 11 per cent.

The gradual downtrend, which lasted for about three months from early September upto the middle of December, was partly the result of the usual seasonal pressure of supplies after the harvesting of agricultural crops. It was also the result of international competition and the resultant slackness in export demand for Indian products, which was particularly marked in jute manufactures and tea. This, coupled with rising domestic production and buyers' reluctance to make purchases in anticipation of a further decline in prices, resulted in heavy accumulation of stocks with producers and dealers (especially in tea, sugar, cotton textiles and jute manufactures) and led to a sagging tendency in prices. During this phase, almost all the group indices showed declines. Food articles registered the largest decline of 9·1 per cent (11 per cent decline in the price of rice) followed by industrial raw materials (8·5 per cent). Manufactures, however, showed a fractional rise, notwithstanding a further decline in the prices of jute goods.

The rise in prices since mid-December, which was relatively more pronounced in certain agricultural commodities like cotton, tea and groundnuts, was attributed to fears of impending shortages in some commodities arising from reports of smaller crops in the 1952-53 season, and plans for restricting production in the next season in the case of tea coupled with higher export demand. Probably the impact of the considerably lower imports during the year was also felt during this period, leading to a rise in prices. In the case of cotton, the general firmness was attributed to the higher rate of textiles production and lower imports of raw cotton. The rise during this phase was also possibly assisted by the expansionist implications of deficit financing envisaged in the Final Report of the Five-Year Plan published early in December.

Groupwise, industrial raw materials showed the largest rise, followed by food articles. The index for manufactures remained almost unchanged, while the miscellaneous group declined by over 6 per cent. As regards individual commodities, tea prices recovered by 82 per cent, while those of *gur*, groundnuts and raw cotton rose by 34, 30 and 18 per cent, respectively. Prices of raw jute and jute manufactures, however, continued to decline and with a view to stabilising them, the West Bengal Government banned, in December 1952, the '*Jatka*' market in jute goods; this had a temporary stabilising effect, but with the continued slackness in export demand, prices again tended to recede towards the close. Cloth prices showed no net change during the period as a whole, notwithstanding the reduction in the export duty on coarse and medium varieties.

Over the year as a whole, there were sharp and conflicting movements in the individual commodities, with the result that the group indices as a whole showed relatively small net changes.

18. *Price Policy.*—During 1952-53, Government adapted their price control policies to the changing conditions of demand and supply; suitable adjustments were also made in the existing controls over production and distribution in an effort to safeguard the interests of both producers and consumers. Price controls were either

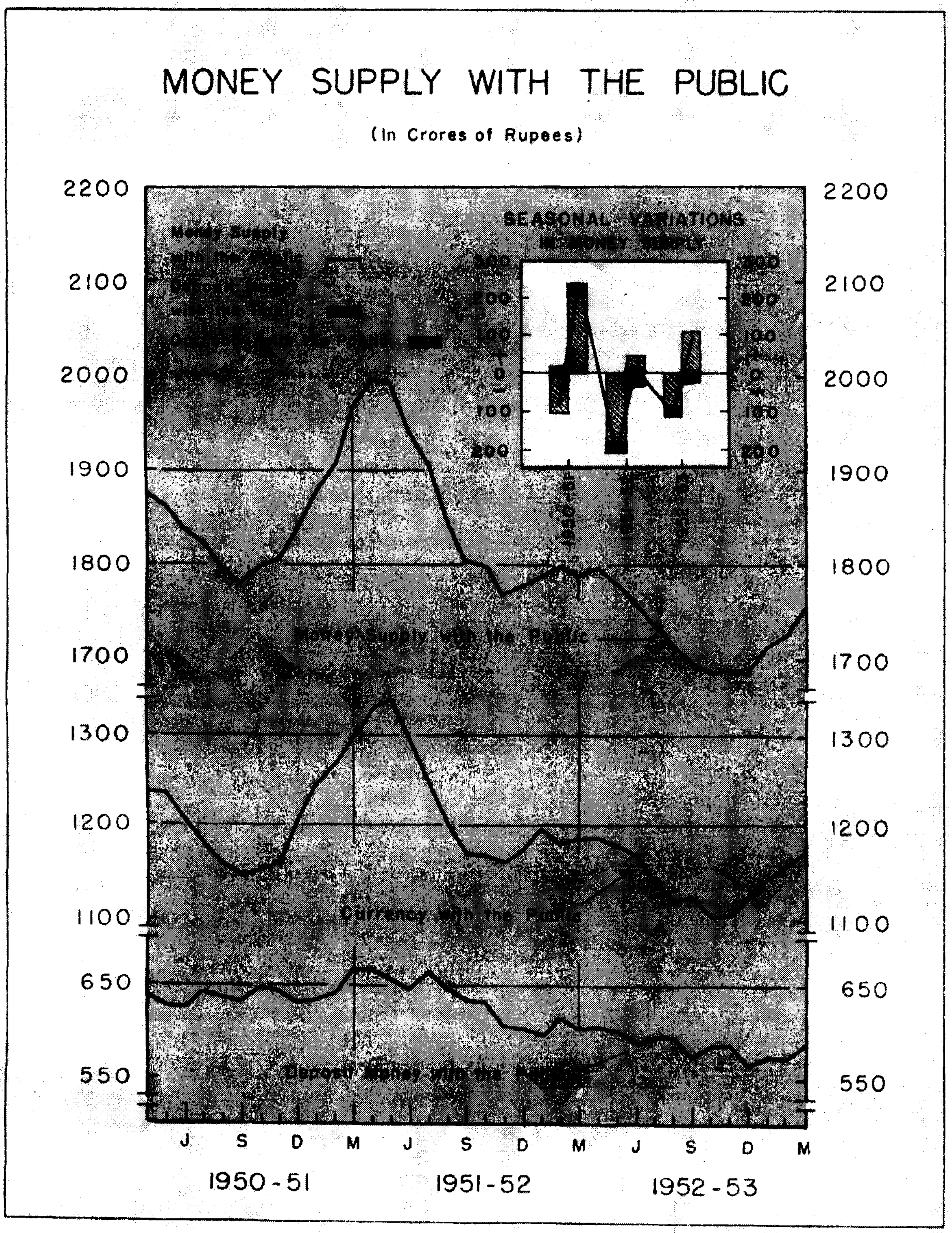
relaxed or removed in a number of consumer goods, including cloth, sugar and foodgrains (*vide* para. 13). To compensate producers for increases in production costs, Government permitted price increases in respect of pig iron, steel and rubber. Effective from June 16, Government granted an increase of Rs. 10 per ton in the statutory selling prices of pig iron (all grades) to meet the increase in railway freights. Government allowed higher retention prices for the Mysore Iron and Steel Company and the Steel Corporation of Bengal on the recommendation of the Tariff Commission. The selling prices of steel were increased twice during the year by Rs. 50 per ton each time, effective from July 1 and September 22, respectively, to reduce the additional strain on the Equalisation Fund arising from the increases in retention prices as well as from higher prices of imported steel. The floor prices of cotton were raised by Rs. 55 per candy for the 1952-53 season. Government also raised, after consultation with the Tariff Commission and the Rubber Price Advisory Committee, the maximum price of Group I raw rubber from Rs. 128 to Rs. 138 per 100 lbs. with suitable differentials for the other grades, effective for a period of three years from October 28, 1952.

On the other hand, downward price adjustments were made in the case of sugarcane, sugar and certain foodgrains. By an announcement made on September 25, Government removed the price and distribution controls over sugar of the 1952-53 season and also reduced the minimum price of sugarcane. With a view to giving consumers the benefit of a lower sugar price in respect of the 1951-52 sugar, Government reduced, as from December 1, the ex-factory prices of the 1951-52 stocks from Rs. 30-8/34-14 to a uniform rate of Rs. 27 per maund in the case of North Indian factories and from Rs. 29-12/33-0 to Rs. 28 per maund in the case of South Indian factories. At the same time, Government decided to levy, for a temporary period, an additional excise duty of Rs. 1-6 per cwt. or Re. 1 per maund on sugar produced after November 5, the proceeds of which would be utilised to compensate sugar producers for the loss arising from the reduction in sugar prices. The price of imported milo was also reduced by Rs. 2 to Rs. 13 per maund, effective from May 1, 1952 and of imported wheat by Re. 1 to Rs. 17-8 per maund as from March 1, 1953.

19. *Cost of Living.*—The working class cost of living indices in most centres showed a rising tendency in the first half of the year, but in the second half, there were declines, in varying degrees, with the exception of some centres, particularly Bombay. The earlier uptrend resulted from increases in the component food indices, which, in some cases, were attributable to the Union Government's decision to withdraw food subsidies as from March 1952. On the whole, the easier supply situation resulting from higher production coupled with lower prices had a general restraining influence on living costs during the year. The all-India average working class cost of living index* (*base* : 1944=100) moved up from 135 in March to 141 in October 1952, but thereafter steadily declined by January 1953 to 139—a level which approximated to the pre-Korean war level of 137 (May 1950). In Bombay city, the working class cost of living index (*base* : August 1939=100) rose sharply from 298 in March 1952 to 329 in April and, after a temporary decline to 314 in July, rose to 341 by the end of the year (*vide* Statement 13). The net rise of 14·4 per cent during 1952-53, which contrasted with the decline of 5·7 per cent during 1951-52, was mainly the result of sharp increases in the component 'food' group, while the other groups either remained steady or tended to decline.

* This is a new series compiled by the Labour Bureau of the Government of India and is based on the working class cost of living indices in respect of 24 important industrial centres in the country.

GRAPH 7


MONEY SUPPLY WITH THE PUBLIC
(In Crores of Rupees)
SEASONAL VARIATIONS IN MONEY SUPPLY
Money Supply with the Public
Currency with the Public
Deposit Money with the Public
2200
2100
2000
1900
1800
1700
1300
1200
1100
650
550
J S D M J S D M J S D M
1950-51
1951-52
1952-53

III. MONEY AND BANKING

20. *General.* The monetary and banking conditions during the year recorded further improvement as compared to the post-Korean phase. Money supply showed a further downward adjustment in 1952-53, though the decline was much less than in 1951-52. Scheduled bank credit, which had continued to expand in the previous year and risen to an all-time high of Rs. 600 crores (representing 70 per cent of total deposit liabilities) on March 7, 1952, showed a sizeable decline during the year and receded, notwithstanding the rise during the busy season of 1952-53, almost to the level of end-March 1951. Total net deposit liabilities of scheduled banks recorded a small rise over the year in contrast to a sizeable fall in the previous year ; there was some shift from demand to time liabilities. The number of scheduled banks declined by 2, while the number of their offices increased by 13.

The recourse to the Reserve Bank for accommodation during the year by banks was considerably less than during 1951-52. Advances by the Reserve Bank against usance bills were also smaller. The investment portfolio of the Reserve Bank showed very small net changes, in accordance with the new open market operations policy announced in November 1951.

Other important developments in the field of banking were (1) the submission of its Report by the Banks' Liquidation Proceedings Committee, appointed in July 1952, (2) the appointment of the Reserve Bank as banker to the Governments of Travancore-Cochin, Madhya Bharat, Mysore and Hyderabad and (3) the issue (in April 1953) of the report of the All-India Industrial Tribunal (Bank Disputes).

21. *Money Supply.* In 1952-53, money supply with the public showed a further decline of Rs. 37 crores as compared to Rs. 173 crores in 1951-52 (*vide* Statement 14 and Graph 7). The variations in the component items of money supply during the last three years are set out in the Table below.

VARIATIONS IN COMPONENTS OF MONEY SUPPLY

(Crores of Rupees)

	1950-51	1951-52	1952-53
1. Currency with the public*	+ 84	− 111	− 11
2. Demand liabilities (net) of scheduled and reporting non-scheduled and co-operative banks	+ 28	− 54	− 18
3. Other deposits (State Governments and 'Others') at the Reserve Bank of India†	11	− 8	− 8
4. Money supply with the public (1 + 2 + 3)	+ 101	− 173	− 37

* These figures are not adjusted to take account of net inward or outward movements of currency. For instance, it is known that in 1951-52 and 1952-53 there was a considerable repatriation of Indian currency from the Middle Eastern countries and, to that extent, the effective decline in money supply with the public will be less (see also Statement 14).

† Excluding balance held on IMF Account No. 1.

The decrease in money supply during the year was mainly a result of the dis-inflationary policies adopted since November 1951. It is somewhat difficult, however, to identify precisely changes in money supply with the net changes in other variables such as budgetary position and balance of payments. Broadly speaking, the two principal factors which accounted for the decline during the year were (1) the *contraction* of scheduled bank credit (Rs. 51 crores as against an *expansion* of Rs. 46 crores in 1951-52) and (2) the increase in net time deposits (Rs. 27 crores). On the other hand, the budget deficit of the Union Government, as indicated by the decline in their balances with the Reserve Bank†, was the main expansionist factor.

The smaller volume of contraction of money supply during 1952-53 in comparison with the previous year is explained by two factors :(1) whereas in 1951-52 there was a considerable deficit in the balance of payments‡, in 1952-53 the external payments were almost in balance ;(2) secondly, in 1952-53 there was a considerable budget deficit on Union Government account, while in the previous year there was a small surplus.

It would appear that the decline in money supply during the year, which was of the order of 2 per cent, in itself did not materially affect the legitimate requirements of credit. In fact, for several reasons, there was, during the year, a noticeable decline in the demand for credit. In the first place, wholesale prices in 1952-53 were on an average 12 per cent below the 1951-52 level, and consequently the demand for funds was comparatively less. Because of the uncertain price outlook, there was no tendency for any unduly large-scale building up of stocks. Indeed it is significant that during 1952, of the total decline of Rs. 74 crores in scheduled bank advances, as much as Rs. 71 crores was accounted for by the decline in advances to commerce. Further, there is evidence of a considerable decline in speculative transactions during the year, and this would have also eased the pressure of demand for funds. As against these, the increase in industrial production of about 10 per cent would have meant an increase in the demand for credit, but it is unlikely that this could have exceeded the decline in demand for credit brought about by the other factors, especially in view of what has been said above of stocks.

An actual decline in the volume of accommodation sought from the Reserve Bank during 1952-53, in the absence of any change in the Bank's lending policy, seems to offer further proof of the fact that available resources in the money market were generally adequate.

As stated earlier, nearly three-fourths of the decline in money supply was accounted for by a rise in time deposits. This means that the funds in fact remained within the banking system, although their turnover was much less than that of demand deposits. The shift also indicates a decline in liquidity preference.

During 1952-53, the seasonal pattern which has been a traditional feature of the Indian credit system was in evidence. In the slack season (April 12, 1952 to October 24, 1952), which was somewhat prolonged, money supply declined by

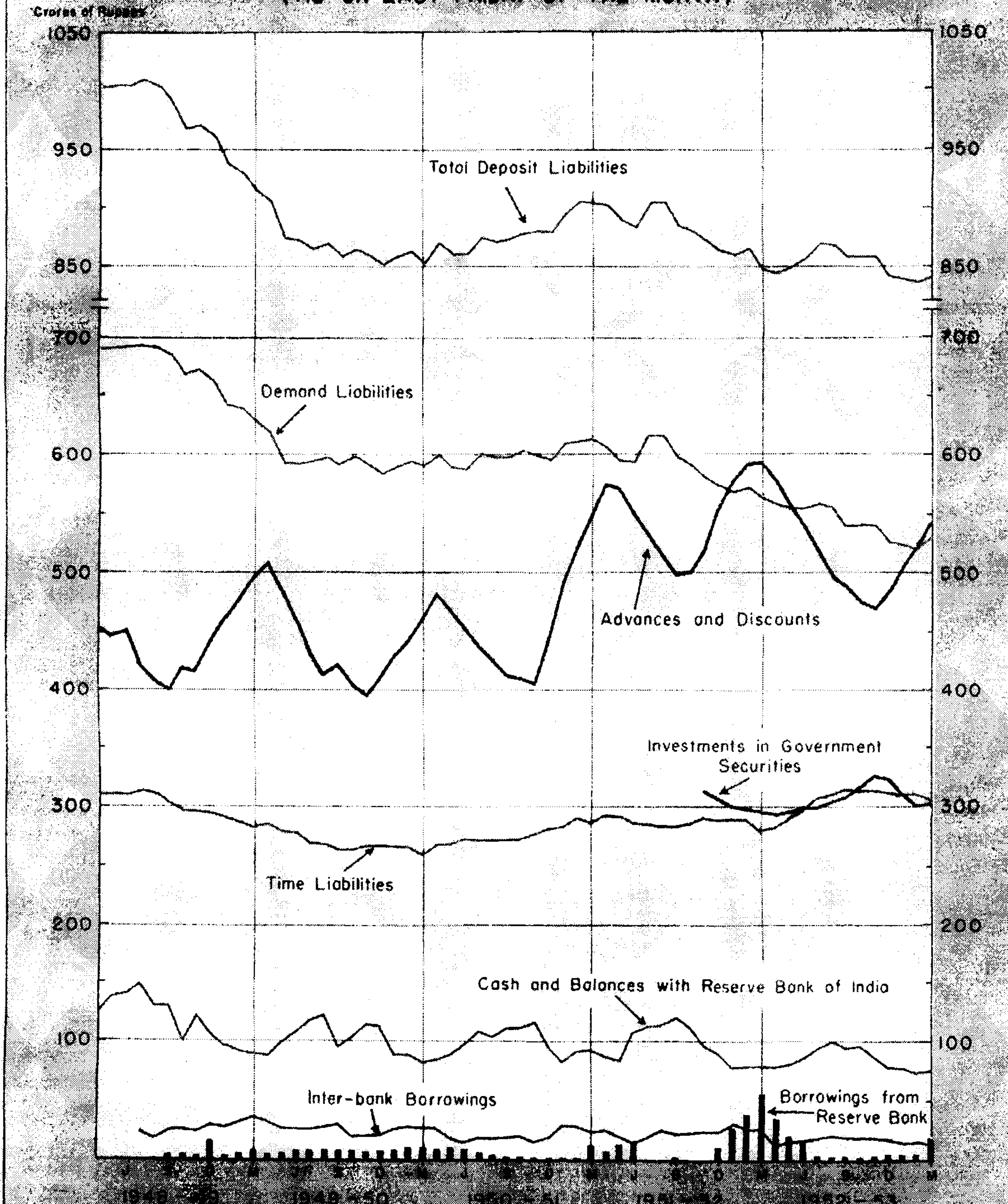
† The decline in Government balances indicates only the gross expansion in money supply: to the extent, for instance, it was due to purchases of securities direct from the Reserve Bank there would be no net increase in money supply.

‡ For purposes of explaining changes in money supply, movements in the foreign assets of the Reserve Bank of India are of primary interest, as they reflect capital movement and currency transfers, besides balance of payments surplus or deficit on current account.

GRAPH 8

BANKING TRENDS

(AS ON LAST FRIDAY OF THE MONTH)*



* Except in the case of borrowings from the Reserve Bank which, during the period April to August 1949, are as of the last Thursday of the month

Rs. 111 crores mostly under currency (*vide* Table below and Statement 15). The decline was accounted for by a sharp fall in scheduled bank credit, to the extent of Rs. 120 crores, as also by the contraction in the foreign assets of the Reserve Bank and a shift towards time deposits. The decline in scheduled bank credit was also reflected in a sharp fall in the credit extended by the Reserve Bank to the banking system.

VARIATIONS IN MONEY SUPPLY AND ALLIED DATA

(Crores of Rupees)

	1950-51		1951-52		1952-53	
	Slack Season	*Busy Season*	Slack Season	*Busy Season*	Slack Season	*Busy Season*
	May 13, 1950 to Sept. 29, 1950	*Sept. 30, 1950 to May 11, 1951*	May 12, 1951 to Oct. 26, 1951	*Oct. 27, 1951 to April 11, 1952*	Apr. 12, 1952 to Oct. 24, 1952	*Oct. 25, 1952 to May 8, 1953*
I. Money Supply with the Public						
1. Currency with the public	−102·3	*+207·1*	−181·0	*+45·4*	− 98·0	*+108·9*
2. Demand liabilities (net) of scheduled and reporting non-scheduled and co-operative banks	+ 18·0	*+ 1·1*	− 12·5	*− 21·9*	− 14·5	*− 19·3*
3. Other Governments' deposits with the Reserve Bank	− 2·2	*+ 9·9*	− 6·9	*− 12·1*	+ 10·5	*− 2·2*
4. Other deposits with the Reserve Bank*	+ 1·0	*+ 17·7*	− 11·4	*—*	− 9·4	*− 0·2*
5. **Total money supply with the public (1+2+3+4)**	**− 85·5**	**+235·8**	**−211·8**	**+ 8·4**	**−111·4**	**+ 87·2**
II. Allied Data						
1. Central Government deposits with the Reserve Bank	+ 30·5	*− 31·0*	+ 58·6	*− 46·6*	− 7·0	*− 39·6*
2. Foreign assets held by the Reserve Bank	− 43·4	*+ 71·0*	− 84·9	*− 81·2*	− 22·3	*+ 26·0*
3. Rupee securities held by the Reserve Bank	+ 1·5	*+ 82·6*	− 27·5	*− 35·4*	+ 8·3	*− 13·2*
4. Other loans and advances by the Reserve Bank	− 6·1	*+ 18·4*	− 16·2	*+ 44·8*	− 42·2	*+ 24·8*
5. Bills purchased and discounted by the Reserve Bank	− 1·3	*+ 2·1*	+ 3·3	*+ 5·7*	− 10·4	*+ 10·8*
6. Loans and advances to Governments by the Reserve Bank	− 4·1	*+ 6·1*	− 1·9	*− 3·8*	+ 2·2	*+ 0·8*
7. Scheduled banks' cash balances ..	+ 26·4	*− 24·8*	+ 25·9	*− 32·3*	+ 19·4	*− 28·2*
8. Time liabilities (net) of scheduled banks	+ 2·5	*+ 20·2*	− 4·8	*− 5·9*	+ 28·2	*+ 8·8*
9. Scheduled bank credit	− 62·0	*+172·6*	− 85·9	*+ 95·7*	−119·6	*+ 78·1*
10. Scheduled banks' investments in Government securities§	+ 31·1	*− 59·3*	+ 9·6	*− 18·8*	+ 20·9	*− 13·1*
11. Wholesale prices (General Index; percentage variation in the weekly indices)	+ 5·2	*+ 10·5*	− 4·6	*− 13·9*	+ 3·4	(Upto Mar.) *+ 1·7*
12. Index of industrial production (index for the closing month)	100·3	117·4	111·9	131·7	127·4	120·9 (Mar.)

Note.—Figures are gross variations; no adjustments have been made in respect of extraordinary transactions.

* Excluding balance held on IMF Account No. I.

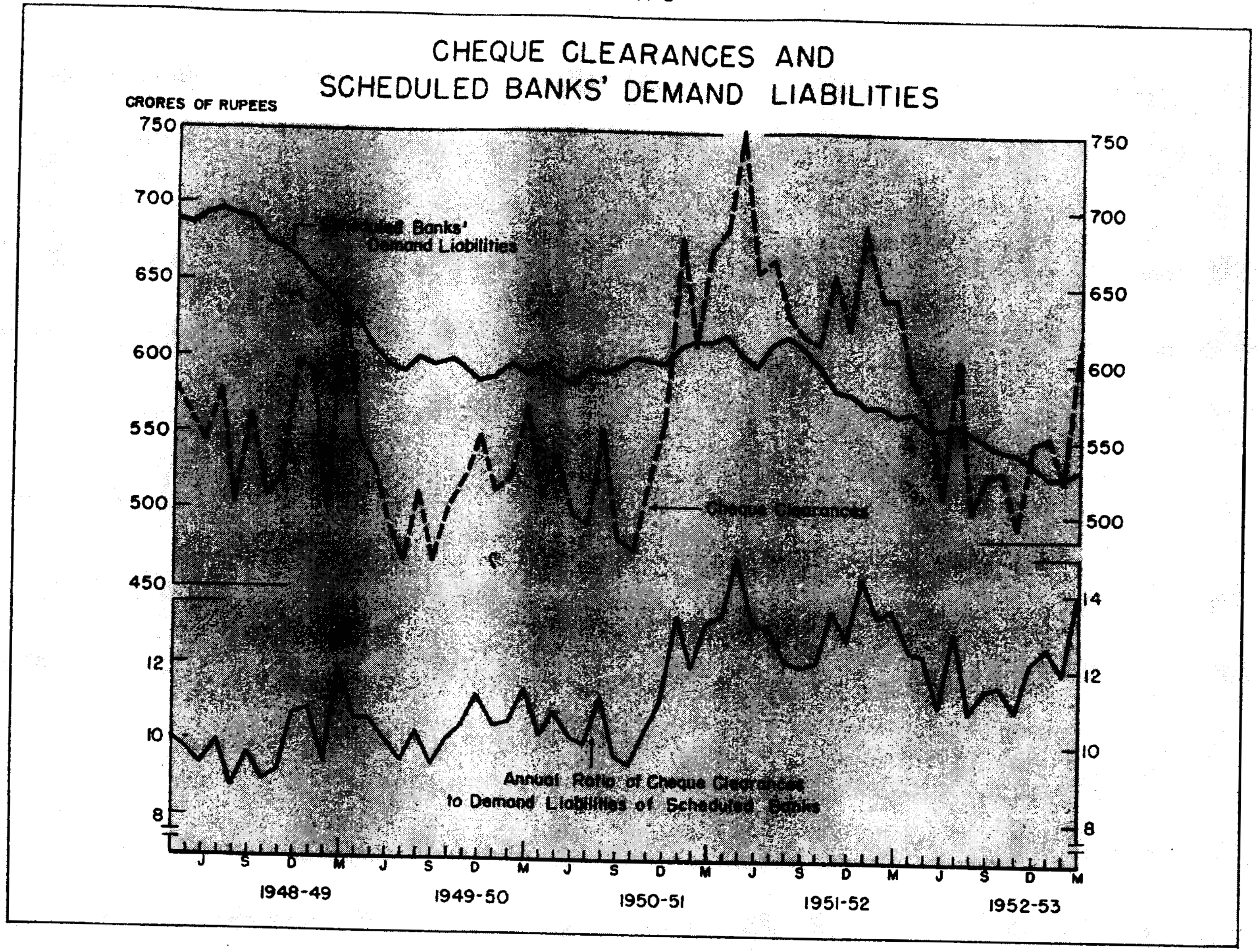
§ Based on monthly figures; these data are taken from Form XIII submitted by scheduled banks under Section 27( ) of the Banking Companies Act, 1949.

The busy season of 1952-53 (which may be considered to have lasted from October 25 to May 8) appears to have been normal as compared with those of the previous two years. Fears of a general recession entertained in some quarters tended to subside and business outlook improved with recovery in prices and expected rise in Government spending. Money supply showed an expansion of Rs. 87 crores during this period (the expansion being concentrated in the four months January through April), as against an expansion of Rs. 8·4 crores only in the 1951-52 busy season. It stemmed from a rise in the scheduled bank credit by Rs. 78 crores and in the Reserve Bank's holdings of foreign assets by Rs. 26 crores. The expansion of scheduled bank credit was facilitated by the extension of Reserve Bank credit, both being, however, smaller than during the previous busy season.

22. *Money Market—Scheduled Banks.*—The 1951-52 busy season pressure for funds had abated some time before the start of the year 1952-53. In fact, the 1952-53 slack season downtrend in credit commenced early in March and continued through the third week of November. During this period the decline in scheduled bank credit between the highest and lowest levels as on March 7 and November 21, respectively, amounted to a record figure of Rs. 132 crores (*vide* Statements 16 and 18 and Graph 8), while its ratio to deposit liabilities dropped by 16 points to 54 per cent, as compared with a drop of 8 points to 57 per cent in the slack season of 1951. Scheduled banks' indebtedness to the Reserve Bank consequently declined rapidly from Rs. 47 crores on April 4 to Rs. 1·4 crores on October 24. Borrowings from the Imperial Bank of India also declined, from Rs. 8.5 crores on April 18 to Rs. 3 crores in the second week of November. Money rates, however, continued to rule at higher levels than in 1951. The call money rate among the larger and smaller scheduled banks remained at around 3 per cent till the first week of May and the three months' deposit rate at 3¼ per cent (*vide* Statement 21). Subsequently, there was a gradual easing of money rates and towards the end of the slack season, the call money rate among the larger scheduled banks eased to ½-¾ per cent and that among the smaller ones to 1½-1¾ per cent; the three months' rate also eased to 2-2½ per cent. Cash and balances of scheduled banks with the Reserve Bank, which together stood at Rs. 79 crores at the end of March 1952, improved to Rs. 103 crores in the first week of September, when the cash ratio stood at 12 per cent, the highest during the year. At the close of the slack season, however, the cash balances and the cash ratio stood lower at Rs. 89 crores and 10 per cent, respectively, as compared to Rs. 112 crores and 13 per cent at the end of the previous slack season. But there was an increase in scheduled banks' holdings of Government securities. These recorded a steady increase from the first week of May to the first week of December, of Rs. 35 crores to Rs. 329 crores, mostly under Treasury bills (after the resumption of their sales in September 1952). The proportion of investments to total deposit liabilities increased from 35 per cent to 38 per cent.

Total net deposit liabilities of scheduled banks maintained an uneven course: they rose by about Rs. 30 crores to Rs. 855 crores by the end of July and receded to Rs. 844 crores by the third week of November (*vide* Statement 18). The shift from demand to time deposits has been referred to earlier : while the former dropped by Rs. 6.2 crores (from March 7 to November 21), the latter increased by Rs. 23 crores during the same period. The fall in demand deposits appears to have been mainly in respect of business deposits and the rise in time deposits in respect of personal deposits.

GRAPH 9


CHEQUE CLEARANCES AND
SCHEDULED BANKS' DEMAND LIABILITIES
CRORES OF RUPEES
750
700
650
600
550
500
450
12
10
8
Scheduled Banks'
Demand Liabilities
Cheque Clearances
Annual Ratio of Cheque Clearances
to Demand Liabilities of Scheduled Banks
14
J S D M J S D M J S D M J S D M J S D M
1948-49
1949-50
1950-51
1951-52
1952-53

The seasonal uptrend in bank credit commenced towards the end of November. Call money rate among the larger scheduled banks firmed up to $1\frac{1}{2}$-2 per cent in early December from the previous low of $\frac{1}{2}$-$\frac{3}{4}$ per cent, ruled at around 3 per cent during January 1953 and maintained a level of about $2\frac{3}{4}$-3 per cent during the rest of the year, while the corresponding rate among the smaller scheduled banks ruled at around 3 per cent from the close of December, barring a temporary rise to $3\frac{1}{4}$ per cent early in January. The three months' deposit rate also stood at around $2\frac{3}{4}$-3 per cent from the closing days of December till the end of the year. Scheduled bank credit increased by Rs. 73 crores to Rs. 511 crores by the end of March 1953, reaching a level almost equal to that two years earlier. It was, however, Rs. 51 crores lower than at the end of the previous year, the proportion to total deposit liabilities at 64 per cent being also 6 points lower. Scheduled banks' indebtedness to the Reserve Bank, which had been practically eliminated by the end of October, increased by the close of the year to Rs. 19 crores, of which borrowings under the Bill Scheme accounted for Rs. 5.2 crores (*vide* Statement 19). Borrowings from the Imperial Bank also rose to Rs. 10 crores by the end of the year.

Cash and balances of scheduled banks with the Reserve Bank, which had been rising till September 5, began to deplete with the progress of the busy season, the decline amounting to Rs. 28 crores to the end of March 1953, the cash ratio also falling from 12 per cent to 9 per cent. Investments in Government securities, which had increased to Rs. 329 crores by the beginning of December, declined gradually to Rs. 303 crores at the end of the year. Part of the decline may be attributed to the maturity and rediscounting of Treasury bills, sales of which were resumed from September 1952 (*vide* para. 71). The average rate of discount in respect of these bills firmed, in line with other money rates, from 2·01 to 2·11 per cent (*vide* Statement 22).

Total net deposit liabilities of scheduled banks at the end of the year stood at Rs. 832 crores, representing a fall of Rs. 12 crores since the commencement of the busy season. Net demand and time liabilities showed declines of Rs. 9·6 crores and Rs. 2·4 crores, respectively. On the other hand, net deposit liabilities showed a rise of Rs. 7·1 crores over the level at the end of 1951-52.

The aggregate deposits of the reporting non-scheduled banks remained around Rs. 53 crores during the greater part of the calendar year 1952; while in February the deposits fell sharply by Rs. 8·5 crores, there was almost an equal recovery in March. Again, during December, there was a sharp rise to Rs. 60 crores. Throughout the year, the cash ratio stood at about 8 per cent. Advances varied between Rs. 37 crores and Rs. 42 crores, their percentage to deposits fluctuating between 70 and 84. Investments fluctuated rather widely, between Rs. 13 crores and Rs. 25 crores, their percentage to deposits varying from 28 to 41.

23. *Reserve Bank of India.* The statement of affairs of the Reserve Bank reflects the cumulative effect of the changes in the fiscal and balance of payments spheres on the one hand, and of the policies of the Bank itself on the other. These are discussed in detail in the various chapters; here a reference is made mainly to the quantitative variations. The returns of the Bank for the year reveal the usual seasonal trend as regards notes in circulation and similar items (*vide* Statements 27-32 and Graphs 10 and 11). Two important features of the

operation of the Bank during the year, however, may be mentioned here: (1) the much smaller resort to the Reserve Bank by the banking system in comparison with the previous year and (2) the comparatively small net changes in the Bank's investment portfolio.

Note circulation rose to a peak of Rs. 1,165 crores * in the week ended April 11, 1952 and thereafter it tended to decline almost continuously reaching a low of Rs. 1,072 crores by the end of October. Thereafter there was again a rise, the circulation at the end of March 1953 being Rs. 1,133 crores, as compared with Rs. 1,141 crores at the end of March 1952; in April and early May 1953 there were further increases, the peak being reached during the week ended May 8, with a figure of Rs. 1,180 crores.

The deposits of banks, which had fallen to a low of Rs. 45 crores in the second week of May 1952, rose almost continuously to Rs. 71 crores by the first week of September, and thereafter there was an equally continuous decline, the level at the close of the year being Rs. 47 crores. The Union Government's deposits during the year showed considerable variations. The deposits declined from Rs. 152 crores in the first week of April to Rs. 97 crores in the first week of June. Thereafter, barring some fluctuations, they rose continuously till about the end of December, reaching the year's peak level of Rs. 176 crores on January 2, 1953. The balances of State Governments showed an erratic movement, varying between about Rs. 1 crore and Rs. 29 crores.

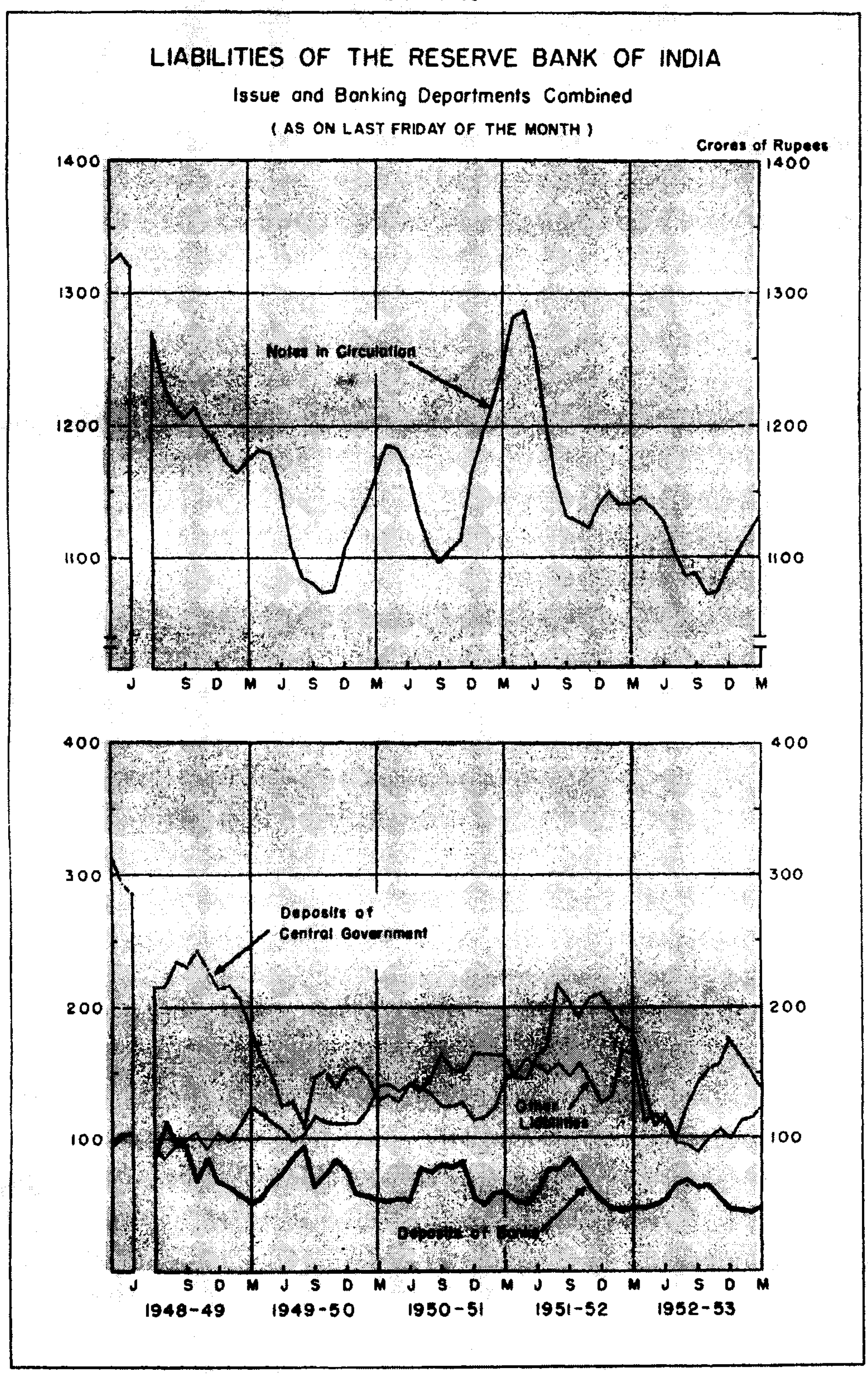
Turning to the assets of the Reserve Bank, it is found that the outstanding amount under the item 'Other loans and advances', which represents mainly the credit granted by the Bank to commercial and co-operative banks, declined almost continuously from Rs. 54 crores at the beginning of the year to a low of Rs. 8·4 crores in the third week of September. The subsequent expansion, which had been rather intermittent, started in the first week of December, reaching a peak of Rs. 27 crores towards the end of the year. The advances outstanding against usance bills were relatively smaller, the amount at the end of the year being Rs. 5.2 crores as against Rs. 28 crores last year. The total of advances availed of by banks under the Bill Scheme amounted to Rs. 40 crores in the current busy season upto the middle of May 1953. In the four months December to March, the Reserve Bank also discounted and purchased (mostly Treasury) bills, which reached a maximum of Rs. 20 crores in the third week of January.

The foreign assets of the Reserve Bank, which reflect mainly the changes in the balance of payments trends, declined almost continuously from Rs. 721 crores at the beginning of the year to Rs. 679 crores by the end of August. Subsequently, there was a rising trend, the assets standing at Rs. 724 crores at the end of the year, which is about the same as at the end of last year.

The Bank's holdings of Government securities remained steady during the year, owing mainly to the operation of the revised monetary policy. The outstanding level of securities showed a small variation, between Rs. 538 crores and Rs. 553 crores. At the end of the year, they stood at Rs. 546 crores as compared with Rs. 567 crores towards the end of 1951-52.

* This and other absolute figures of circulation are inclusive of Rs. 43 crores of notes retired from circulation in Pakistan and awaiting adjustment.

GRAPH 10



LIABILITIES OF THE RESERVE BANK OF INDIA
Issue and Banking Departments Combined
(AS ON LAST FRIDAY OF THE MONTH)
Crores of Rupees
1400
1300
1200
1100
Notes in Circulation
J S D M J S D M J S D M J S D M J S D M
400
300
200
100
Deposits of Central Government
Other Liabilities
Deposits of Banks
1948-49
1949-50
1950-51
1951-52
1952-53

24. *Other Banking Developments.*—During the year, the number of scheduled banks declined by 2 to 93. Two banks, namely, the Karur Vysya Bank Ltd. and the National Bank of Pakistan, were added to the Second Schedule to the Reserve Bank of India Act, while four, namely, the Australasia Bank Ltd., the Bank of Communications (an exchange bank), the Mahaluxmi Bank Ltd. and the Tripura Modern Bank Ltd., were excluded from it. The number of offices of scheduled banks increased from 2,688 at the end of March 1952 to 2,701 at the end of March 1953. An interesting development during the year was the granting of licences to the Central Bank of India Ltd., the Bank of India Ltd., the United Commercial Bank Ltd. and the Bank of Baroda Ltd. to open branches outside India. In September 1952, the Reserve Bank of India refused licence to the Banco Nacional Ultramarino to carry on banking business in India as the Reserve Bank was not satisfied that the Government of the country in which the Banco Nacional Ultramarino was incorporated did not discriminate against banking companies registered in India.

An important development in the field of banking during the year was the introduction in Parliament on November 21, 1952 of the Reserve Bank of India (Amendment and Miscellaneous Provisions) Bill, 1952 in pursuance of the recommendations of the conference on rural finance convened by the Bank in February 1951. The Bill aims at liberalising the scope of credit provided by the Reserve Bank in respect of seasonal agricultural operations and marketing of crops. It also proposes to enable the Bank (1) to extend short-term credit to State Co-operative Banks and the State Financial Corporations for financing production and marketing activities of cottage as well as small scale industries, (2) to grant medium-term credit for agricultural purposes for periods extending upto 5 years to the State Co-operative Banks and (3) to dispense short-term credit to the Industrial Finance Corporation of India.

The Banking Companies Rules, 1949, were extended, with effect from November 22, 1952, to the merged territories in Part A States and certain Part B States and Centrally administered areas.

The Banks' Liquidation Proceedings Committee appointed by the Government of India in July 1952, to review the progress of bank liquidations and consider the need for devising further provisions for the simplification and speedy disposal of winding-up proceedings, submitted its report† in December 1952.

Further progress was made during the year in implementing some of the recommendations of the Rural Banking Enquiry Committee. The Reserve Bank of India was appointed as banker to the Governments of Travancore-Cochin, Madhya Bharat, Mysore and Hyderabad. The Imperial Bank of India opened 8 new branches, upgraded 12 pay offices and converted 4 Treasury pay offices into branches. Steps were also taken towards a further liberalisation of remittance facilities in certain Part A States.

The Standing Advisory Committee on Agricultural Credit, a reference to which was made in last year's Report, reviewed the work of the Agricultural Credit

† For a summary of the recommendations of the Committee, see Appendix IV of the Annual Report on the Trend and Progress of Banking in India, 1952.

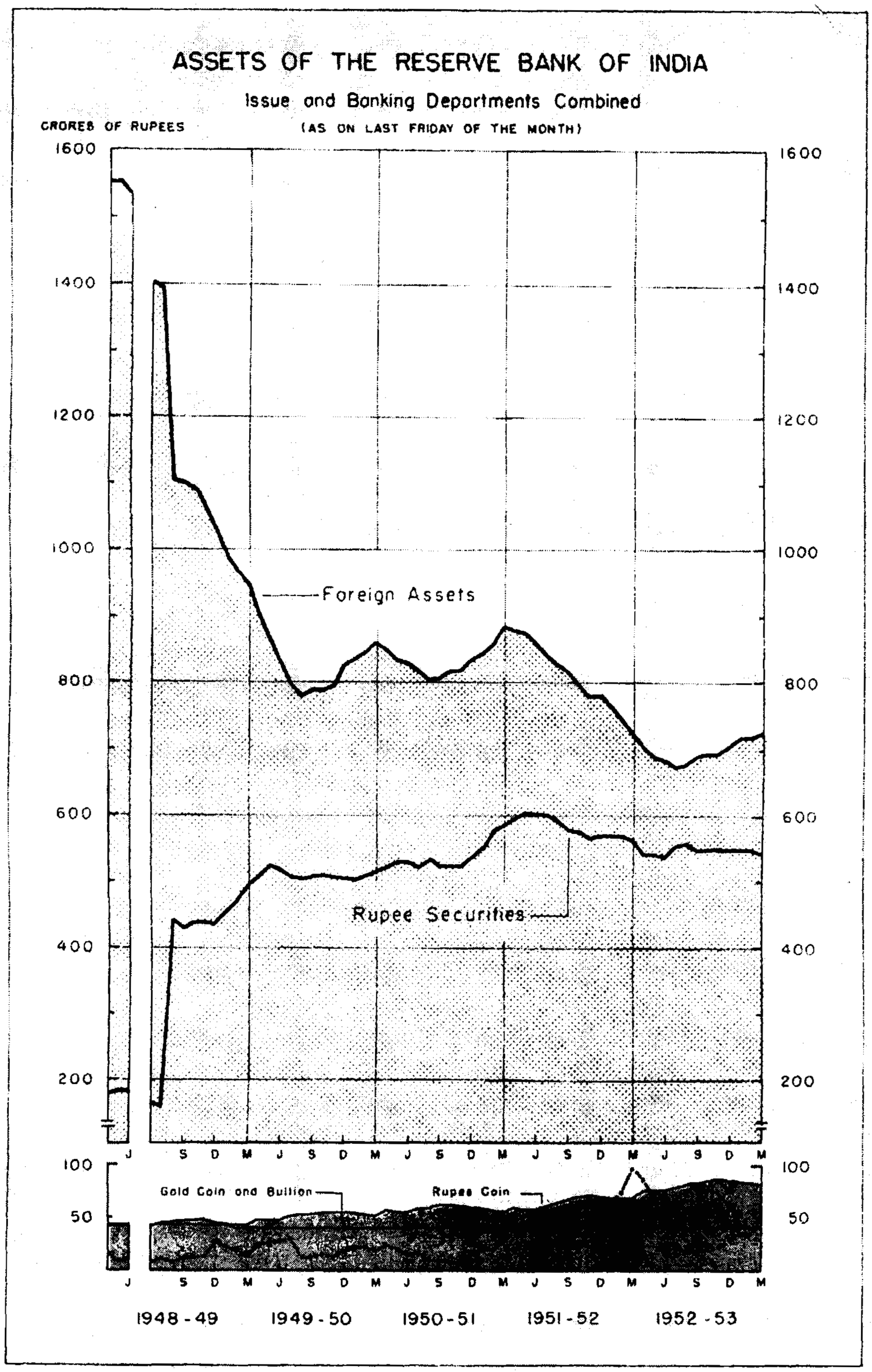
Department and recommended suitable standards in regard to the fixation of credit limits by the Reserve Bank, maintenance of fluid resources by co-operative banks, voluntary inspection, audit classification, etc.

With a view to making the postal savings bank scheme more attractive to small savers, preliminary steps were taken to reorganise it in selected centres on lines approximating to those adopted by well run commercial banks. At these centres, depositors would be permitted limited cheque facilities.

The All-India Industrial Tribunal (Bank Disputes) constituted by the Government of India on January 5, 1952, to adjudicate upon the main issues in dispute between bank employees and employers, issued its report in April 1953. The Award prescribes afresh pay scales, dearness and other allowances and other conditions of work of bank employees. Banks have been grouped into four categories for the purposes of computing pay and allowances of the staff. The Tribunal has also adopted a three-fold classification of areas, with a view to providing for differences in the cost of living in different parts of the country. It has prescribed a uniform time-scale of pay, for each category of banks, though the starting point on the scale and the maxima are different in the different areas. Special allowances and advance increments have been provided for employees either in specified categories or having special qualifications. For clerks, a uniform rate of dearness allowance at 33 1/3 per cent of salary has been allowed subject to different maxima and minima in different areas. The Tribunal has also prescribed two retirement benefits, namely, (1) contributory Provident Funds for employees on prescribed lines and (2) gratuity (where there is no pension). The maximum working hours have now been fixed at 36½ per week as compared to 36 under the previous Award (*vide* Report on Currency and Finance, 1950-51)‡.

‡ On an application made on behalf of bank employees, the Labour Appellate Tribunal has since issued an interim stay order in respect of certain items such as pay scales, dearness allowance, etc.

GRAPH 11



ASSETS OF THE RESERVE BANK OF INDIA
Issue and Banking Departments Combined
(AS ON LAST FRIDAY OF THE MONTH)
CRORES OF RUPEES
1600
1400
1200
1000
800
600
400
200
100
50
Foreign Assets
Rupee Securities
Gold Coin and Bullion
Rupee Coin
J S D M J S D M J S D M J S D M J S D M
1948-49
1949-50
1950-51
1951-52
1952-53

IV. THE CAPITAL MARKET

25. *General.*—The year under review witnessed the establishment of a considerable measure of stability in the capital market, after the period of uncertainty following the adoption of the new monetary policy in November 1951. As the year advanced, fears of a possible further trend towards dearer money seemed to recede and there was a growing feeling of confidence in the pattern of existing structure of interest rates. This lent considerable strength to the gilt-edged market, and there was evidence of increased institutional investment in gilt-edged securities. The Union Government, however, did not float any loan, although there was adequate supply from special quarters. There were also small floatations aggregating about Rs. 15 crores by some State Governments and municipalities. The open market operations of the Reserve Bank were in broad harmony with the new monetary policy enunciated in November 1951 and were so conducted as to contribute to the stability and strength of the Government bond market. As a result of the above factors, the Reserve Bank of India index number of Government securities showed a rise of a little over 1 per cent during the year.

The industrial securities market, on the other hand, evinced on the whole a downward trend, though it was much less marked than in the previous year. The range of fluctuations was narrower and, unlike in the previous year, there were periods when the market ruled rather strong. The decline in the general index of variable dividend securities amounted to 7 per cent over the year, although the average index for the year as a whole showed a much sharper decline. An important factor affecting the price trend during the year was the decline in current corporate profits and anticipations of further declines in the coming year.

During the year, the stock market was by and large narrow, with the result that small fluctuations in demand and supply tended to produce somewhat disproportionate price effects.

The following Table summarises the price trends during 1952-53 as well as the previous year.

ALL-INDIA INDEX NUMBERS OF SECURITY PRICES

(*Base* : 1938=100)

	March 1953	March 1952	*Average for 1952-53*	*Average for 1951-52*
Gilt-edged (Central Government Loans)	92·4	91·4	*91·8*	*95·9*
Fixed Dividend Securities	90·1	92·8	*90·8*	*97·2*
Variable Dividend Securities ..	107·0	115·5	*107·3*	*127·8*

The new issue market continued to be generally stagnant, there being no major issues during the year. While the amount of new issues, for which permission was sought from the Controller of Capital Issues in 1952, was much larger than in the previous year, the amount for which consent was given was much smaller at Rs. 32 crores (excluding bonus issues), the smallest on record for any year. Ploughing back of profits continued to be the principal source of funds for the corporate sector. In a few cases, loans were obtained from Government.

Industries also obtained funds from the Industrial Finance Corporation of India, the outstanding loans of which showed a further increase of Rs. 2 crores during the year. Also, legislation was enacted during the year to widen the scope of assistance offered by the Corporation. Some further progress was also made in the setting up of State Financial Corporations.

26. *Government Securities*.- The sharp downtrend in gilt-edged prices, noticed since the initiation in November 1951 of the new monetary policy, was halted early during the year under review. The market evinced, on the whole, a substantial measure of stability and strength, the all-India index number of Government of India security prices fluctuating narrowly between 91·1 and 92·4 during the year. The index, which stood at 91·4 in March 1952, improved to 92·2 in June and, after sagging to 91·1 in September, firmed up again to 92·4 in March 1953, showing a net rise of 1·1 per cent during the year as against a decline of 7·4 per cent last year (*vide* Statements 33 and 34).

The strength of the Government bond market was, in a large measure, due to the growing confidence among investors about the improbability of a further rise in interest rates a feeling strengthened not only by developments in some foreign countries, but also by certain remarks of the Union Finance Minister in August 1952. This led to a considerable revival of demand by institutional investors, who had kept out of the market for some time. As regards banks, which in the last few years had turned sellers, there was virtually no selling pressure, as a result partly of the liberal accommodation provided to the banking system by the Reserve Bank against Government securities as well as usance bills; indeed, at times they turned buyers. The institution of compulsory Provident Fund Scheme for workers in some major industries was an additional source of demand for Government securities.

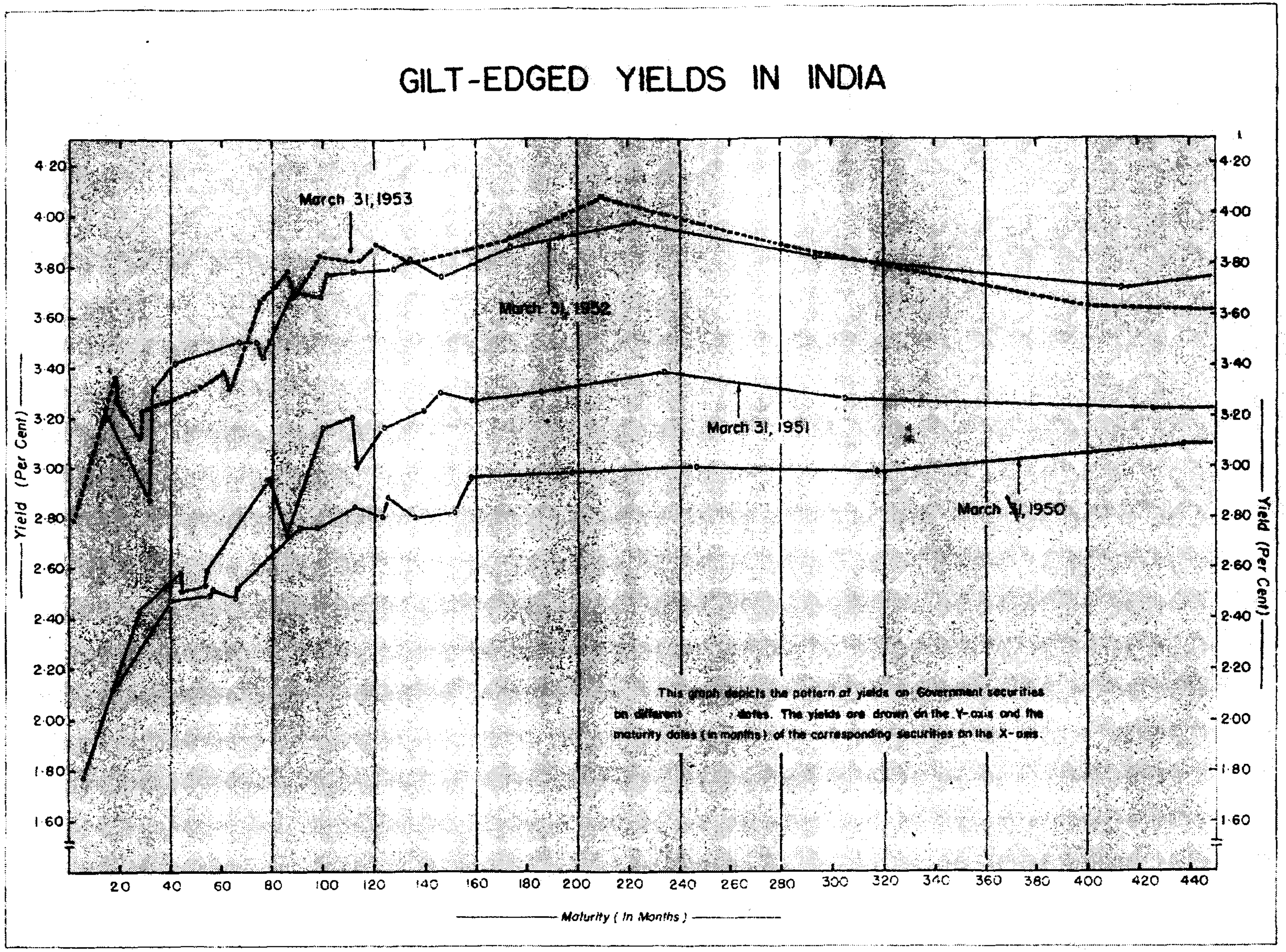
The non-floatation of any Central Government loan during the year provided further strength to the market. However, stocks were made available to the market from special quarters. Also, four State Governments floated 4 per cent 12-year loans for an aggregate sum of Rs. 16·5 crores (or Rs. 12·4 crores of new money, excluding conversions), which, for a while, imparted some easiness to the market, on the expectation that high rates would be offered on Government of India loans also. Some municipalities also issued loans giving a yield around $4\frac{1}{4}$ per cent, for a total of Rs. 3 crores.

The open market policy of the Reserve Bank was governed by the need, on the one hand, to avoid the creation of bank reserves through monetisation of debt (in accordance with the policy enunciated in November 1951) and, on the other, to contribute to the stability and strength of the gilt-edged market. In view of the developments in the market already referred to, there was no net pressure on the Bank to buy securities, unlike in the previous years.

Prices at the close of 1952-53, as well as the *average* prices for March 1953, generally showed a rise in respect of securities in the maturity range of 3-10 years and the non-terminable ones (from annas 2 to nearly Rs. 3 in the case of the 3 per cent Rupee Paper), while the rest generally showed a fall (*vide* Statement 35).

The quotations of State Government securities moved more or less in sympathy with the Government of India loans; short and medium-dated State loans recorded

GRAPH 12


GILT-EDGED YIELDS IN INDIA
March 31, 1953
March 31, 1952
March 31, 1951
March 31, 1950
Yield (Per Cent)
Maturity (In Months)
4·20
4·00
3·80
3·60
3·40
3·20
3·00
2·80
2·60
2·40
2·20
2·00
1·80
1·60
20
40
60
80
100
120
140
160
180
200
220
240
260
280
300
320
340
360
380
400
420
440
This graph depicts the pattern of yields on Government securities on different dates. The yields are drawn on the Y-axis and the maturity dates (in months) of the corresponding securities on the X-axis.

gains ranging upto Re. 1 in the case of the 3 per cent Madras Loan, 1958; medium-longs were, however, easy, with declines upto Rs. 1-2-0 in the case of the 3½ per cent West Bengal Loan, 1962. The 4 per cent Loans, 1964 issued in August 1952 showed rises in the latter part of the year, ranging from 12 annas to Rs. 1-10-0, the yields falling below 4 per cent.

The yields on Government of India loans showed variations corresponding to price movements. Except in regard to short-dated loans, the variations in yields were very narrow, the largest rise and fall amounting to 0·19 per cent and 0·14 per cent, respectively. The spread between long and short yields did not show any significant change as compared with the previous year (*vide* Statement 36 and Graph 12).

27. *Industrial Securities.*—In contrast to the gilt-edged market, the equities market ruled rather easy during the major part of the year under review, though the decline was less pronounced than in the previous year. There were, however, brief periods when the market showed some firmness. The general bearish tendency during the greater part of the year reflected, among other things, the market's reaction to the declining trend in industrial profits as revealed by the reports on the working of a number of companies, particularly in the jute, textile and tea groups. The all-India index of variable dividend industrial securities, which had stood at 115·5 in March 1952, fell to 107·0 in March 1953, representing a decline of a little over 7 per cent. The average index for 1952-53 as a whole was 16 per cent below the average for 1951-52. The trend in India was in sympathy with the behaviour of industrial share markets in many leading countries. The beginning of the year saw a rather sharp decline, which was a continuation of the steep fall witnessed in February-March 1952, the general index declining to 109·8 in April. Consequently, there were settlement difficulties and a disruption of normal trading on the Bombay Stock Exchange. To meet the situation, the stock exchange authorities took, in April, several extra-ordinary measures including complete or partial suspension of forward trading and imposition of restrictions on short sales. This helped to impart some stability to the market in early May. The recovery was further assisted by (1) a revival in the gilt-edged, (2) the absence of additional or new taxation in the Union budget for 1952-53 presented on May 23, 1952, (3) the removal of restrictions on exports of coarse and medium cloth, (4) prospects (since materialised) of State aid to steel companies and (5) the concessions to industry contained in the Income-tax Amendment Bill introduced in May 1952. The index of variable dividend securities moved up to 110·1 in June.

The improvement, however, proved short-lived and the downtrend reasserted itself from July. The principal factors accounting for the decline in prices were stated to be as follows: (1) the institution of the employees' Provident Fund Scheme in six major industries, (2) the difficulties in certain sectors of industry, particularly jute and tea, consequent upon the decline in foreign demand, (3) a slackening in demand, domestic and foreign, for textiles, (4) renewed rumours of an early enactment of the Estate Duty Bill and (5) frequent fluctuations in the bullion and other commodity markets. The index showed a more or less continuous fall from 110·1 in June to the postwar low of 103·7 in January 1953, except for occasional spurts, for example, following the publication of the Planning Commission's Report in early December, envisaging, among other things, a rising tempo of business activity in the coming years and generally bright prospects for industries.

The closing months of the year, however, witnessed a reversal of the down-trend, and the recovery became particularly marked following the presentation on February 27, 1953 of the Union budget for 1953-54. Apart from the reduction in the export duty on jute sacking and other minor concessions in direct taxation, the chief bullish influence was attributed to the view taken by the market in regard to the implications of deficit financing envisaged in the budget in the context of the implementation of the First Five-Year Plan. The index of variable dividend securities moved up thereafter to 107·0 in March 1953.

The index of variable dividend industrial securities showed a net decline during the year of 7·4 per cent to 107·0 in March 1953 as compared to a fall of 13·0 per cent during the previous year.

An analysis of the indices of the various groups shows that, excepting iron and steel, investment trust and cement which gained by 5·2 per cent, 1·4 per cent and 2·9 per cent, respectively, all the other groups showed declines, the fall ranging from 1·3 per cent in respect of general engineering to 29·8 per cent in the case of plantations.

Regionally, the decline was the heaviest in Madras, followed by Calcutta, the declines amounting to 13·5 per cent and 8·0 per cent, respectively. The decline in the Bombay index was only 1·0 per cent. Sharp declines in the indices of plantations, jute and coal mainly contributed to the heavy decline in Madras and Calcutta (*vide* Graph 13).

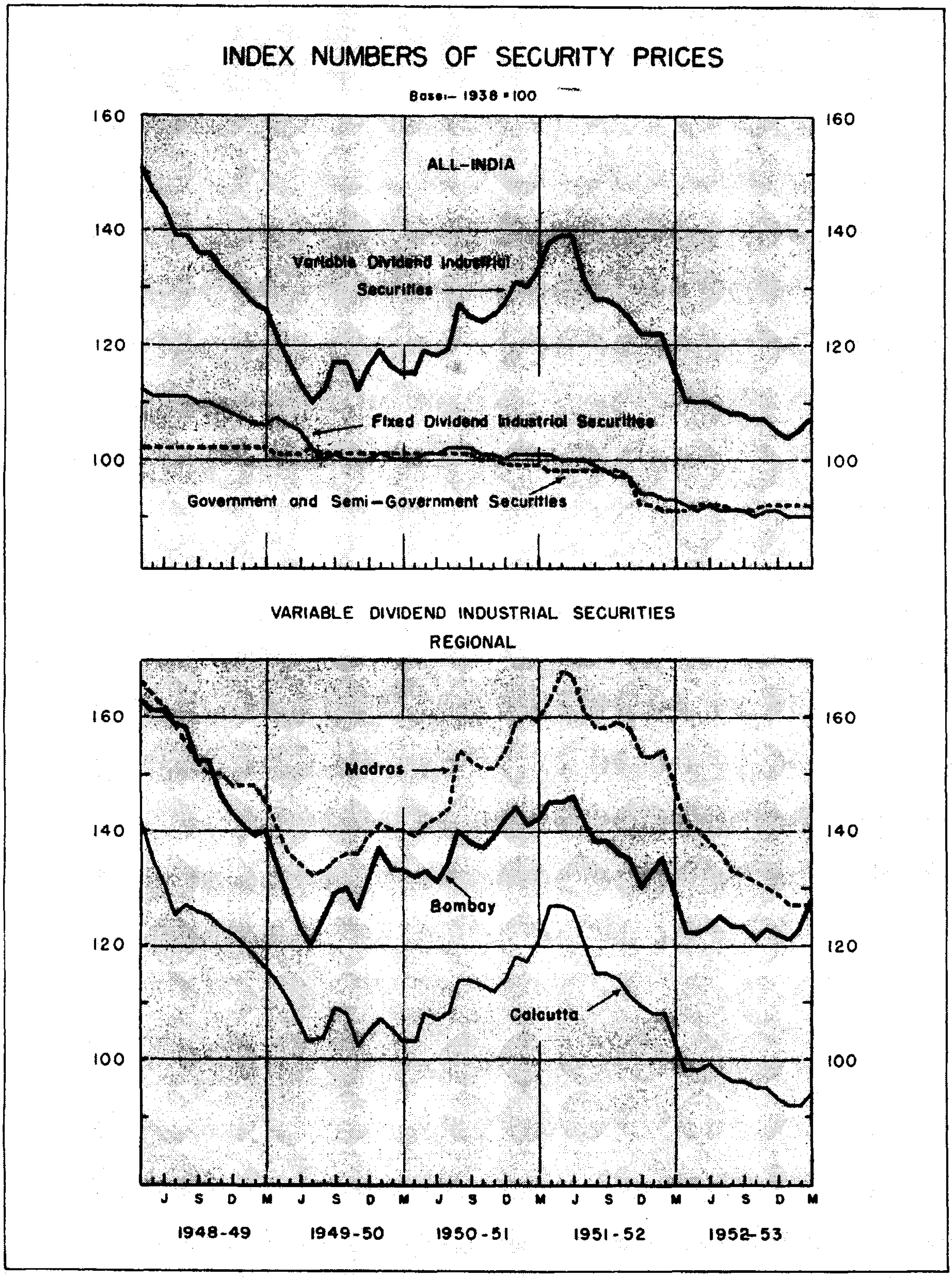
Fixed dividend industrial groups, with the exception of electricity, showed a more or less continuous decline during the year, the fall in the general index over the year amounting to 2·9 per cent. For the first time in the postwar years, the index fell below the gilt-edged price index.

28. *Capital Issues* .—There does not seem to have been much activity in the new issue market during the year, though information in this field is not adequate. Data are, however, available in regard to capital issues that come under the purview of the Capital Issues Control Act. But the data relate only to consents for issue given by the Controller of Capital Issues; statistics are not readily available as regards the actual floatations of new issues. All the same, the main features of the working of the capital issues control during 1952 are indicated below, for such light as they may throw on the investment market.

The consents during 1952 constituted record lows in regard to both the number of companies as well as the amount. Secondly, the amount of issues sanctioned as a proportion to applications was also a record low at about 25 per cent, as compared with the percentage in the previous years around 75.

In 1952, consent was given to 254 companies to issue capital for a total of Rs. 39·8 crores, as against 343 companies for Rs. 59·6 crores in 1951 (*vide* Statement 38).

GRAPH 13


INDEX NUMBERS OF SECURITY PRICES
Base:– 1938 = 100
ALL-INDIA
Variable Dividend Industrial Securities
Fixed Dividend Industrial Securities
Government and Semi-Government Securities
160
140
120
100
VARIABLE DIVIDEND INDUSTRIAL SECURITIES
REGIONAL
Madras
Bombay
Calcutta
J S D M J S D M J S D M J S D M J S D M
1948-49
1949-50
1950-51
1951-52
1952-53

The amount asked for was, however, higher at Rs. 152·3 crores in 1952 as against Rs. 68·3 crores only in 1951. The decline in the amount of issues sanctioned was in continuation of the downtrend noticed since 1946.

During the year, as in previous years, industrial issues predominated in respect of amount sanctioned at Rs. 32·7 crores or 82 per cent of the total amount issued, the highest on record. The industries which were sanctioned relatively large sums for issue were iron and steel, general engineering, shipping, aircraft, cotton textiles and sugar. Also, most of the issues sanctioned, as usual, related to immediate schemes.

Sanctions for 'initial' issues (that is, by new companies) accounted for Rs. 12·7 crores (32 per cent of the total) and 'further' issues for Rs. 27·1 crores (68 per cent). Among the latter, 'bonus' issues accounted for Rs. 7·8 crores (19·6 per cent) whereas 'debentures' accounted for Rs. 1·8 crores (4·4 per cent), representing a further decline.

In some of the capital issues, foreign participation was involved, but the extent of such participation was not large in the aggregate.

29. *Industrial Finance Corporations.*—During the year under review, the outstanding loans and advances of the Industrial Finance Corporation of India recorded a further increase from Rs. 6·6 crores at the end of March 1952 to Rs. 8·6 crores at the end of March 1953. Loans constituted over 75 per cent of the total assets of the Corporation. With an increase in its lending activity, the Corporation's holdings of Government securities showed a decline during the year from Rs. 3·6 crores to Rs. 2·0 crores. The total resources of the Corporation, however, remained at the previous year's level of Rs. 10·8 crores (*vide* Statement 39).

The rate of interest charged by the Corporation on its loans and advances which, since the inception of the Corporation until February 1952, had remained unchanged at $5\frac{1}{2}$ per cent (with a rebate of $\frac{1}{2}$ per cent for prompt repayment) has since been raised to 6 per cent (with a rebate of $\frac{1}{2}$ per cent).

During the year, certain amendments to the Industrial Finance Corporation of India Act, 1948 were enacted to enlarge the scope of the Corporation's operations and augment its resources. The amendments followed the conclusion of negotiations with the International Bank for Reconstruction and Development for a loan. The more important of the new provisions included : (1) empowering the Government of India to guarantee loans in foreign currency which the Corporation may, with the previous consent of the Union Government, seek from the IBRD or otherwise, for the purpose of making advances to industrial concerns; the Act of 1948 did not make any provision for the Union Government to guarantee foreign loans, although under Section 27 the Corporation may raise loans in foreign currency, (2) authorising the Corporation to borrow from the Reserve Bank against Government securities for short periods not exceeding 90 days and also to get loans from the Reserve Bank upto a maximum of Rs. 3 crores for periods not exceeding 18 months against bonds and debentures issued by the Corporation or against such other security as may be required by the Reserve Bank, (3) a provision in terms of which the Union Government and the Reserve Bank shall not draw any dividend payable in respect of the shares of the Corporation held by either of them until the aggregate amount of such dividends to be credited to a Special Reserve Fund reaches Rs. 50 lakhs, (4) the raising of the maximum limit of a loan which the Corporation might grant to any single borrowing concern from Rs. 50 lakhs to Rs. 1 crore, and (5) a provision to include shipping companies in the list of borrowers who are eligible for financial assistance under the Act.

In pursuance of the State Financial Corporations Act of September 28, 1951, referred to in last year's Report, only one State, namely the Punjab, established a corporation called the Punjab Financial Corporation, on February 1, 1953, with an authorised capital of Rs. 2 crores and an issued capital of Rs. 1 crore. Proposals for the establishment of similar institutions are under active consideration in some other States also, like Bombay, Uttar Pradesh, Hyderabad, Mysore and Travancore-Cochin.

V. BULLION

30. *General.*—During the year under review, forward trading in gold and silver under the auspices of the Bombay Bullion Association, the only recognised body under the Bombay Forward Contracts Control Act, 1947, was sought to be further regulated by some new bye-laws promulgated in May 1952, following the crisis of February-March 1952. The new bye-laws were intended to prevent over-trading and also ensure speedy payment of differences when fluctuations were rather excessive. The working of the market during the year indicates that these objects were fulfilled in a large measure. The aggregate volume of business as well as the outstanding business showed a considerable decline to safer levels in comparison with previous years, but the fluctuations in prices continued to be frequent, with a somewhat wider amplitude (in silver) than in the previous year, inevitably owing to the narrower market.

A new bye-law 33F provided for the payment of daily margins at specified rates*, when the outstanding purchases or sales at the close of any working day exceeded 10,000 tolas of gold and/or 200 bars of silver. Further, an amendment to bye-law 104(2) provided for *automatic* interim clearing through payment of differences in respect of transactions in both gold and silver in all the current settlements, when the daily official closing rate of gold or silver for any settlement was higher or lower than its official starting rate or the rate fixed for the last clearing of such settlement by Rs. 5 or more per 100 tolas in the case of silver and Rs. 4 or more per tola in the case of gold. Since the resumption of official forward trading on May 7, 1952, after its suspension for a period of two months, interim clearings came into operation nearly every month, at times twice a month. Bye-law 33C, providing for payment of margins based on price variations†, came into operation in respect of 8 settlements in silver and 5 settlements in gold and except for 2 settlements in silver and 1 settlement in gold, its operation in all the remaining settlements was caused by a fall in prices, indicating the general bearish pressure on the market during the greater part of the year.

The volume of transactions on the Bombay bullion market showed a considerable decline during the year, amounting to 118 million tolas in gold and 4·2 million bars in silver, as against 245 million tolas in gold and 9·5 million bars in silver during 1951-52. The total amount of stamp duty on forward transactions in bullion payable to the Bombay Government was also lower at Rs. 11 lakhs, as against Rs. 25 lakhs in 1951-52.

31. *Price Trends.*—With the restrictions on imports and exports of bullion remaining in force, the bullion market in India continued to be virtually isolated

*The rates are as follows :

Amount of Business	*Rate of Margin Money*
For every bar of silver over 200 but upto 500	Rs. 200 per bar
,, ,, ,, ,, ,, ,, 500	Rs. 500 ,, ,,
,, ,, tola ,, gold ,, 10,000 but up to 25,000	Rs. 4 per tola
,, ,, ,, ,, ,, ,, 25,000	Rs. 10 ,,

†At the rate of Rs. 500 per silver bar and Rs. 7 per tola of gold on all outstanding *purchases* whenever the daily official closing rate of any forward contract is quoted *above* its official starting rate by Rs. 7 or more per 100 tolas of silver or Rs. 5 or more per tola of gold and on all outstanding *sales*, whenever the daily official closing rate of any forward contract is quoted *below* its official starting rate to the same extent.

from world bullion markets during the year under review. Price movements were, therefore, mainly governed by domestic developments, although, as in the previous years, market sentiment continued to be influenced, on occasions, by international factors, especially in regard to gold.

Internally, the action taken by the authorities early in the year (referred to above) had generally a moderating influence on the market. Although the price trends were not uniform, they broadly followed the usual seasonal pattern. Bullion prices also continued to show a large measure of affinity with the price movements in other commodity markets. It was partly because of the general uncertainty underlying the trend of commodity prices that the undertone in bullion was on the whole weak during the greater part of the year ; also, as in the case of other commodities, bullion values showed a general tendency to recover after the sharp break of February-March 1952. As compared to their levels in the preceding years, however, quotations in both gold and silver ruled substantially lower, reflecting, among other factors, the impact of the tight monetary conditions and the continued inflow of smuggled gold, while demand from the rural sector also appeared to have receded following the recession in agricultural prices. On the other hand, the progress of the Estate Duty Bill in Parliament and the possibility of its early enactment exerted a mild bullish influence on the market, particularly in gold. Unlike in the previous year, the seasonal pattern was generally well maintained during the 1952-53 busy season, the prices of both the metals rising after November.

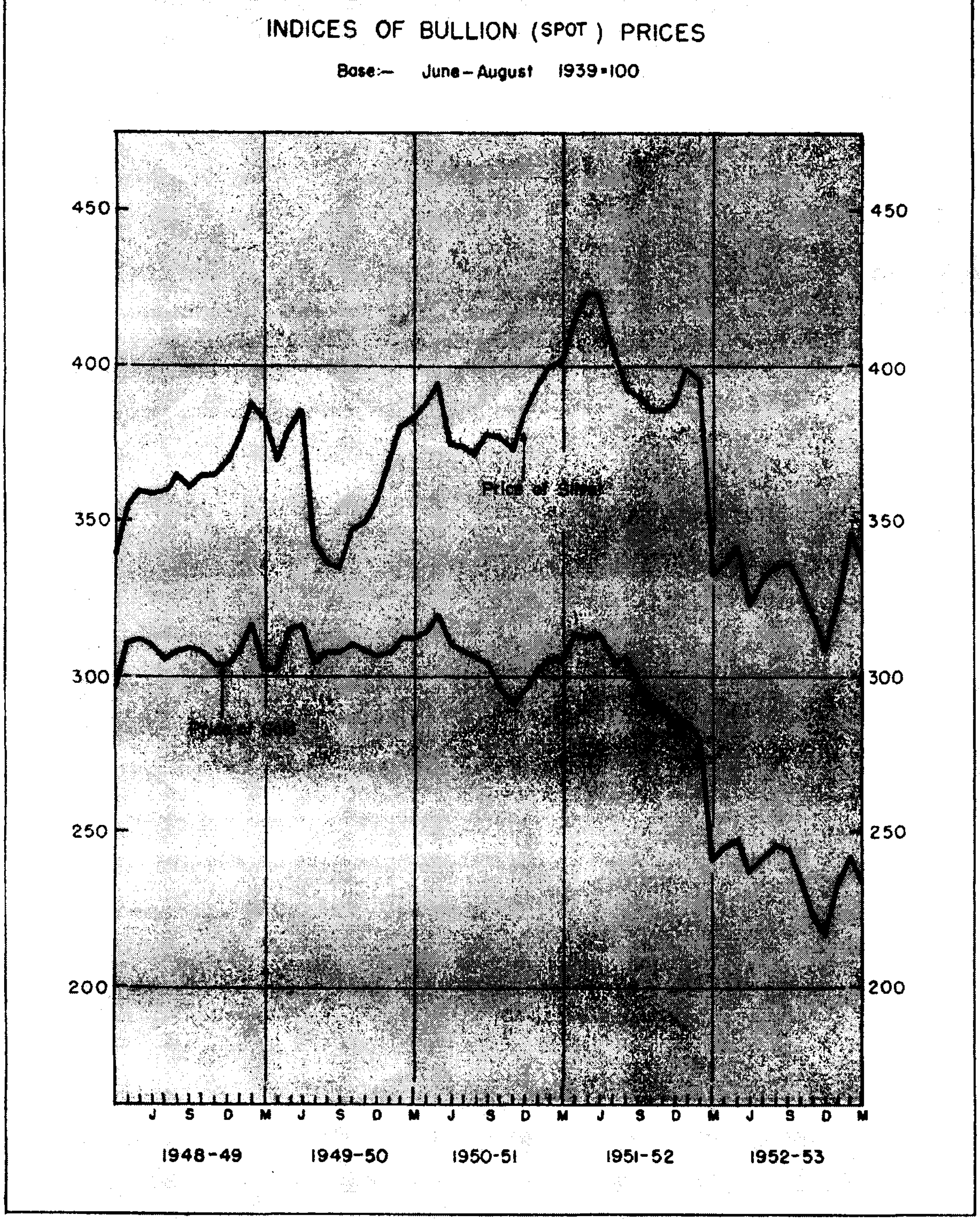
The price movements in the two metals are described in some detail below.

32. *Price of Gold.*—As in the preceding year, the price of gold (ready)* in the Bombay market generally followed the trends in silver, although price variations in gold continued to be less pronounced than in silver (*vide* Statement 40 and Graph 14). The generally nervous tone, which had characterised trading towards the close of the preceding year, gave place to a distinct revival of confidence during April and early May. This was attributed, among other factors, to renewed offtake at the prevailing low levels and prospects of an early resumption of official forward trading, which was suspended in March 1952. Ready gold, which had closed at Rs. 89-8 on March 31, rose to Rs. 95-14 by April 29, this being the highest level reached during the year (*vide* Statement 41). Following the resumption of official forward trading on May 7, however, the market turned distinctly weak, owing partly to the introduction of the new bye-laws referred to above and partly to the reported slackening in offtake with the progress of the slack season, the ready rate dropping to Rs. 85-1 by June 11. Thereafter, till about the end of August, a generally firm tone prevailed, the rate rising to Rs. 93-12 by August 20. The revival of support was mainly attributed to the market's expectation of a sustained demand for bullion in view of the reported better prospects for agricultural crops following the satisfactory progress of the monsoon, while sentiment was also aided by the introduction in Parliament, on August 11, of the Estate Duty Bill. The prevailing bullish feeling was further strengthened by expectations of a possible increase in the dollar price of gold and rumours about impending devaluation of the French franc, which led to an upswing in the free price of gold in Paris.

The uptrend, however, proved temporary and was followed by a resumption of the earlier downtrend, which became more pronounced during October and Novem-

*Throughout this section, only the trends in 'ready' prices have been reviewed since 'ready' and 'forward' rates generally showed parallel movements.

GRAPH 14


INDICES OF BULLION (SPOT) PRICES
Base:— June–August 1939=100
450
400
350
300
250
200
Price of Silver
Price of Gold
J S D M J S D M J S D M J S D M J S D M
1948-49
1949-50
1950-51
1951-52
1952-53

ber, with the rate slumping to the lowest level of the year early in December. The change in sentiment was attributed to renewed weakness in commodity markets and the reported influx of smuggled gold against a relatively poor offtake. A further contributory factor was the reiteration, early in September, by the U. S. Treasury Secretary, of his Government's opposition to any increase in the dollar price of gold, while the market was also affected by developments in regard to Korea. This phase of weakness, which witnessed a drop of Rs. 16 in the ready rate, was reminiscent of the precipitate price decline during the closing quarter of 1951-52, the quotation slumping to Rs. 77-5—a level which was below the bottom level of Rs. 79-8 reached in the middle of March 1952. From about the second week of December, however, a recovery set in with the progress of the busy season, which carried the rate to Rs. 91-5 by February 10. Other bullish factors influencing sentiment were (1) the reversal of the downtrend in other commodity markets, (2) reports of stringent measures taken by the authorities to check smuggling, (3) the reported decision of the Government of French India not to allot any foreign exchange for gold imports and (4) the prospects of an early enactment of the Estate Duty Bill. Thereafter, the passing of a resolution by the Board, on February 10, declaring a state of emergency in the market and some proposals for amendments to the Association's bye-laws governing the levy of margins and delivery (both of which were, however, not approved by the General Body) affected sentiment bearishly. The quotation declined to Rs. 83-6 by March 24, and closed for the year at Rs. 85-3, as against Rs. 89-8 at the close of the preceding year.

The range of fluctuations during the year was smaller at Rs. 18-9, as against Rs. 39-2 during 1951-52; however, if the sharp decline of March 1952 is not taken into account, the range of fluctuations in the two years was about the same. The highest and the lowest rates were Rs. 95-14 (on April 29, 1952) and Rs. 77-5 (on December 6, 1952), the corresponding rates for the preceding year being Rs. 118-10 (on April 17, 1951) and Rs. 79-8 (on March 15, 1952). The average price of gold for 1952-53 was Rs. 88-0 as compared with Rs. 109-1 for 1951-52 or a decline of 19 per cent. Practically throughout the year, the ready price commanded a premium over the forward price ranging upto Rs. 3-9-0; the maximum discount was 4 annas only.

33. *Price of Silver.* The (ready) price of silver also evinced a smart revival early in the year, on renewed buying support based on prospects of an early resumption of official forward trading, the ready rate rising from Rs. 157-0 on March 31 to Rs. 174-12 by May 5 (*vide* Statement 42). Later, however, a distinctly bearish tendency set in, the change in sentiment being attributed to (1) the introduction of the new bye-laws on the basis of which forward trading was resumed, (2) the fall in the price of silver in London and New York and (3) the reported failure of a bull squeeze in silver in the Kanpur market. The ready rate slumped heavily to Rs. 150-6 by June 12, but later recovered to Rs. 159-10 by the end of the month on renewed support. During July and the greater part of August, the rate fluctuated between Rs. 155-6 and Rs. 165-14, with a relatively firm undertone, partly in sympathy with gold and partly as a result of a small rise in silver prices abroad. Thereafter, the market again turned weak and the rate dropped by December 6 to Rs. 141-12—the lowest level of the year. The downtrend, which was more pronounced during November and early December, was attributed to (1) the prospects of peace in Korea, (2) renewed weakness in commodity markets, (3) reports of liquidation by Japan of its silver stocks in the New York market and (4) apprehensions of possible non-materialisation of the usual busy season demand for bullion in view of the reported failure of late rains in parts of the country. A smart recovery

8

ensued thereafter on improved offtake, a contributory factor being the revival in other commodity markets. The ready rate showed an almost continuous rise to Rs. 153-1 by end-December and further to Rs. 172-4 by February 19. Later, however, the bullish fervour gradually tapered off and, from about mid-March, it again gave place to a distinctly bearish tendency, which reflected mainly the market's reaction to the proposed changes in the bye-laws. The rate fell to Rs. 156-12 by March 24 and closed on the 31st at Rs. 159-4, as against Rs.157-0 at the close of 1951-52.

The range of fluctuations in the rates for ready silver during 1952-53 was Rs. 33-0, as against Rs. 65-4 in the preceding year. But if account is not taken of the sharp fall in prices in March 1952, the range of fluctuations in 1952-53 was considerably larger than in 1951-52. The highest and the lowest rates were Rs. 174-12 (on May 5, 1952) and Rs. 141-12 (on December 6, 1952), the corresponding rates in the preceding year being Rs. 207-4 (on June 16, 1951) and Rs. 142-0 (on March 15, 1952). The average price of silver for 1952-53 was Rs. 159-8 as against Rs. 188-4 for 1951-52, or a decline of 15 per cent. In silver too, the ready rates generally commanded a premium over the forward rates, ranging upto Rs. 3-6-0.

34. *Production of Gold and Silver*‡.—The upward tendency in India's gold production noticed since 1950 continued during 1952, the estimated output rising further from 226,364 ounces in 1951 to 252,911 ounces. Its value, as calculated on the basis of the prices at which it was sold in the open market, however, worked out lower at Rs. 6·0 crores, as against Rs. 6·8 crores during 1951. The improvement in the physical output was due to higher production at the Kolar Gold Fields in the Mysore State, which accounted for as much as 243,629 ounces, its percentage to total output rising from 95·8 per cent during 1951 to 96·3 per cent. On the other hand, the output of the mines in Hyderabad State declined slightly from 9,476 ounces to 9,282 ounces. The Indian output during 1952 was still about 20 per cent below the pre-war (1939) figure of 317,000 ounces. India's share of the total estimated world output for 1952 stood at 0·96 per cent, as against 0·87 per cent in the preceding year.

Silver production, which had suffered a setback during 1951, also rose from 14,612 ounces† (valued at Rs. 70,310)† to 20,485 ounces (valued at Rs. 87,464). This level was short of the 1939 figure of 22,746 ounces by about 10 per cent.

Statistics relating to assaying and refining of gold and silver at the Bombay and Alipore Mints are shown in Statement 43.

35. *Imports and Exports of Bullion.*—Imports and exports of gold and silver during 1952-53 continued to be negligible (*vide* Statement 44), in view of the continuance of the restrictions on their imports and exports imposed in terms of the Foreign Exchange Regulation Act, 1947 and the Imports and Exports (Control) Act, 1947 (*vide* para. 95 of the Report for 1950-51). During the year, although the inflow of smuggled gold continued to be reported, the pressure of arrivals seemed to have considerably slackened, owing to the narrowing down of the earlier price disparity between the Indian and world price level, consequent on the decline in prices in India towards the close of last year and during the greater part of the year under review. Other factors, which contributed to this result, were the reported decision of the Government of French India, announced in January 1953, not to allot any foreign exchange for the import of gold into Pondicherry and the vigilant action taken by the Indian authorities to check smuggling.

‡ Figures for 1952 are provisional. † Revised.

VI. PUBLIC FINANCE

36. *General.*—During 1952-53, the budgetary position of the Government of India as well as of the Railways and State Governments deteriorated appreciably. The revenue account of the Centre showed a deficit of Rs. 3·8 crores in 1952-53 (RE) as against the rather abnormal surplus of over Rs. 128 crores in 1951-52 (*vide* Statement 45 and Graph 15). The net surplus of the Railways fell from Rs. 28 crores in 1951-52 to Rs. 9·5 crores in 1952-53 (RE) ; and in the case of Part A and B States, despite an increase in devolution of Central taxes and grants and withdrawals from Revenue Reserve Funds, the revised estimates for 1952-53 reveal a revenue deficit of Rs. 3·4 crores as compared to a surplus of Rs. 13 crores in the previous year (*vide* Statements 48 and 49 and Graph 16). As usual, the capital accounts of Governments show large deficits in 1952-53 (RE) also, that of the Centre amounting to Rs. 78 crores and of Part A and B States together to Rs. 14 crores. In addition, the State Governments depleted their reserves substantially and resorted to considerable short-term borrowing from the banking system. Excluding receipts from sale of securities held in reserve, overdrafts, and net increase in floating debt, the overall deficit, taking the revenue and capital accounts together, amounted in 1952-53 (RE) to Rs. 64 crores in the case of the Centre and Rs. 58 crores in the case of Part A and B States, or an aggregate of Rs. 122* crores as compared to an aggregate *surplus* of Rs. 7 crores in 1951-52.

This worsening of the budgetary position of the Government sector was due to two main factors. In the first place, the change in the general economic situation during 1952-53 resulted in a steep fall in tax revenues and in Railway earnings. Secondly, the development expenditure of the public sector was stepped up substantially in accordance with the targets set in the Five-Year Plan. The manner in which each of these affected the accounts of the various Governments and of the Railways is explained in subsequent paragraphs. Here it need only be added that these two factors have also impinged upon budgetary anticipations, and for 1953-54 an overall deficit of Rs. 186 crores is expected, of which Rs. 138 crores will be incurred by the Centre and Rs. 48 crores by Part A and B States. However, in the Central budget, no credit has been taken for foreign loans and grants that might materialise during the year ; and it is possible that the State Governments may be able to raise additional resources through borrowing or taxation. To the extent that these become available, the size of the deficit will be reduced.

37. *Recommendations of Finance Commission.*—Before passing on to a survey of budgets, it is necessary to refer to a major change in 1952-53 in respect of devolution of taxes and grants-in-aid to the State Governments, as a result of the acceptance by the Government of India of the recommendations of the Finance Commission. The Finance Commission, appointed in November 1951 in terms of Article 280 of the Constitution, recommended (1) an increase in States' share of the net proceeds of income-tax from 50 per cent to 55 per cent, of which four-fifths will be allocated on the basis of population and the balance on the basis of collection, (2) allocation to the States, on a population basis, of 40 per cent of the net proceeds of Union excise duties on tobacco, matches and vegetable products, (3) an increase

Note.—(RE)=Revised Estimates ; (BE)=Budget Estimates.

*However, the actual deficit in the sense of an excess of Government expenditures over receipts *from the public* will be smaller if account is taken of the transactions between the Reserve Bank and Government and the difference between the estimated and actual closing cash balances held by the Union and State Governments (See Planning Commission's Progress Report for 1951-53, pages 4 and 5).

in grants-in-aid to Assam, Bihar, Orissa and West Bengal in lieu of a share in the export duty on jute and jute products and (4) additional general grants-in-aid to certain States which are in need of assistance and special grants to certain less developed States for expansion of primary education facilities.

The allocation of income-tax amongst the States has been based, as mentioned above, on population and collections of income-tax in the respective territories. The percentage shares prescribed for Part A and B States are given below :—

Part A States	Per Cent	Part B States	Per Cent
Assam	2·25	Hyderabad	4·50
Bihar	9·75	Madhya Bharat	1·75
Bombay	17·50	Mysore	2·25
Madhya Pradesh	5·25	PEPSU	0·75
Madras	15·25	Rajasthan	3·50
Orissa	3·50	Saurashtra	1·00
Punjab	3·25	Travancore-Cochin	2·50
Uttar Pradesh	15·75		
West Bengal	11·25		

It will be observed that as a result of the recommendations of the Finance Commission, the distribution formula is applied uniformly to Part A States, including merged territories, and Part B States. Unlike the arrangement under the 'Deshmukh Award', whereby net income-tax collected in Part B States and in the territories merged in Part A States was not to be included in the divisible pool, there will now be a common divisible pool ; Part B States will be entitled to get their percentage share of income-tax fixed on the same basis as for Part A States or the "revenue-gap grant" as guaranteed through the federal financial scheme, whichever is higher. The Finance Commission have also recommended the discontinuance of revenue grants payable to Bihar, Bombay, Madhya Pradesh and West Bengal in respect of merged areas in these States.

As regards Union excise duties, the Finance Commission have selected the duties on tobacco, matches and vegetable products for division, on the ground that these commodities are of common and widespread consumption and yield a sizeable and reasonably stable revenue for distribution. The States' share of these duties amounts, as has been indicated earlier, to 40 per cent of net proceeds and will be distributed amongst them as follows :-

Part A States	Per Cent	Part B States	Per Cent
Assam	2·61	Hyderabad	5·39
Bihar	11·60	Madhya Bharat	2·29
Bombay	10·37	Mysore	2·62
Madhya Pradesh	6·13	PEPSU	1·00
Madras	16·44	Rajasthan	4·41
Orissa	4·22	Saurashtra	1·19
Punjab	3·66	Travancore-Cochin	2·68
Uttar Pradesh	18·23		
West Bengal	7·16		

As a corollary to this recommendation, the Commission have proposed the stoppage, with effect from April 1, 1953, of the yearly compensation paid to Bombay (Rs. 54 lakhs), Madras (Rs. 56 lakhs) and Madhya Pradesh (Rs. 1·5 lakhs) on account, of their refraining from levying a tax on tobacco ; these States, however, will now be free to impose taxes on tobacco.

As a result of the above recommendations, all the States except Bombay, Punjab, Mysore, Travancore-Cochin and Saurashtra are likely to receive a larger share of Central taxes than at present. Mysore, Travancore-Cochin and Saurashtra will, however, continue to receive the revenue-gap grants guaranteed to them in lieu of their share in Central revenues, since the former are higher.

In regard to grants-in-aid, the Commission have recommended increased grants to West Bengal, Bihar, Assam and Orissa in lieu of their share of export duty on jute and jute products under Article 273 of the Constitution. These grants amounting to Rs. 1,50 lakhs for West Bengal, Rs. 75 lakhs each for Bihar and Assam and Rs. 15 lakhs for Orissa have been determined on the basis of the shares of export duty on jute and jute manufactures made over to these States in 1949-50. Grants-in-aid under the substantive portion of Clause (1) of Article 275 have been recommended in the case of 7 States only, after taking into account the budgetary needs of the States, the standard of social services, special obligations or burdens of national concern or of an abnormal nature imposed on the States and certain broad purposes of national importance. The following Table shows the general grants recommended for individual States.

(Lakhs of Rupees)

Assam	100
Mysore	40
Orissa	75
Punjab	125
Saurashtra	40
Travancore-Cochin	45
West Bengal	80

The Commission have also recommended special grants to 8 States for increasing primary education facilities. These grants, the details of which are given below, have been allocated in proportion to the number of children of school-going age not attending school.

(Lakhs of Rupees)

	1953-54	1954-55	1955-56	1956-57
Bihar	41	55	69	83
Madhya Pradesh	25	33	42	50
Hyderabad	20	27	33	40
Rajasthan	20	26	33	40
Orissa	16	22	27	32
Punjab	14	19	23	28
Madhya Bharat	9	12	15	18
PEPSU	5	6	8	9
Total	**150**	**200**	**250**	**300**

All these recommendations of the Finance Commission have been accepted by the Union Government and, in consequence, the total amount transferred to State Governments by way of grants and shares in tax revenue would, in a normal year, be about Rs. 21 crores more than the annual average of Rs. 65 crores transferred during the three-year period 1949-50 to 1951-52 (*vide* Table on page 62).

(Lakhs of Rupees)

	AVERAGE FOR THE PERIOD 1949-50 TO 1951-52					UNDER THE COMMISSION'S SCHEME						
	Share of Income-Tax	Grants-in-aid under Article 273	Grants-in-aid under substantive portion of Article 275(1)	"Revenue Gap Grants"	**Total**	Share of Income-Tax and Union Excise	Grants-in-aid under Article 273	General Grants-in-aid under substantive portion of Article 275 (I)	"Revenue Gap Grants"	Total	Primary Education Grants	**Grand Total**
Assam ..	1,45	46	30	..	**2,21**	1,70	75	1,00	..	3,45	..	**3,45**
Bihar ..	6,14	39	..	2	**6,55**	7,30	75	..	..	8,05	50	**8,55**
Bombay ..	10,18	..	..	1,42	**11,60**	11,25	..	..	..	11,25	..	**11,25**
Hyderabad ..	..	..	..	1,25	**1,25**	3,35	..	..	..	3,35	24	**3,59**
Madhya Bharat ..	6	..	..	..	**6**	1,35	..	..	..	1,35	11	**1,46**
Madhya Pradesh ..	2,91	..	..	44	**3,35**	3,90	..	..	..	3,90	30	**4,20**
Madras ..	8,56	..	..	..	**8,56**	11,10	..	..	..	11,10	..	**11,10**
Mysore ..	..	..	..	3,45	**3,45**	1,70	..	40	1,58*	3,68	..	**3,68**
Orissa ..	1,44	6	40	11	**2,01**	2,65	15	75	..	3,55	19	**3,74**
Patiala & East Punjab States Union ..	16	..	..	..	**16**	60	..	..	..	60	5	**65**
Punjab ..	2,59	..	84**	..	**3,43**	2,40	..	1,25	..	3,65	17	**3,82**
Rajasthan ..	10	..	..	..	**10**	2,65	..	..	..	2,65	24	**2,89**
Saurashtra ..	..	..	..	2,75	**2,75**	75	..	40	1,87*	3,02	..	**3,02**
Travancore-Cochin ..	..	..	..	3,22	**3,22**	1,80	..	45	98*	3,23	..	**3,23**
Uttar Pradesh	8,88	..	..	..	**8,88**	11,70	..	..	..	11,70	..	**11,70**
West Bengal ..	6,32	1,14	..	8	**7,54**	7,30	1,50	80	..	9,60	..	**9,60**
Total ..	**48,79**	**2,05**	**1,54**	**12,74**	**65,12**	**71,50**	**3,15**	**5,05**	**4,43**	**84,13**	**1,80**	**85,93**

Note.—1. Assam and the other States with Scheduled Areas and Scheduled Tribes will in addition receive grants under the two provisos to Article 275 (I) of the Constitution. Assam will also receive Rs. 40 lakhs under sub-clause (a) of the second proviso to Article 275 (I).

2. In addition to the share of revenues under the Commission's scheme, the States will also receive the outstanding arrears of their share of income-tax in respect of the period before April 1, 1952. The budget for 1952-53 assumes that these arrears will be Rs. 5 crores and, if the actual amount is of this order, Madras will receive Rs. 87 lakhs, Bombay Rs. 105 lakhs, West Bengal Rs. 68 lakhs, Uttar Pradesh Rs. 90 lakhs, Punjab Rs. 27 lakhs, Bihar Rs. 63 lakhs, Madhya Pradesh Rs. 30 lakhs, Assam Rs. 15 lakhs and Orissa Rs. 15 lakhs.

*As the share of divisible taxes of these States is expected to be less than the guaranteed "revenue gap grants", the States will receive the latter. The balance of these grants after allowing for the share of divisible taxes is shown in this column.

** Discontinued from 1951-52. The grants-in-aid to Punjab were *ad hoc*.

Source : Report of the Finance Commission, 1952.

38. *Grants and Loans to States.*—Side by side with the increase in financial assistance to the States as a result of the recommendations of the Finance Commission, there has also been an increase in grants and loans to States in order to help them implement their part of the Five-Year Plan. Grants to Part A and B States for development, rehabilitation of refugees, Grow More Food schemes, community projects, relief of damage due to natural calamities, etc., and subventions from the Central Road Fund rose from about Rs. 16 crores in 1951-52 to Rs. 22 crores in 1952-53 (RE) and are expected to reach Rs. 32 crores in 1953-54 (BE). Loans given to States for various purposes increased from Rs. 76 crores in 1951-52 to Rs. 117 crores in 1952-53 (RE); in 1953-54 advances to State Governments are estimated at Rs. 131 crores (*vide* Table below).

RESOURCES MADE AVAILABLE TO PART A AND B STATES BY THE CENTRE

(Crores of Rupees)

		1951-52	1952-53 (Revised)	1953-54 (Budget)
I.	**Share of Tax Revenues**			
	Income-Tax	52·86	56·82	54·90 (—0·42)†
	Union Excise Duties	—	16·42	16·49
	Total of I	**52·86**	**73·24**	**71·39**
II.	**Grants and Subventions**			
	Article 273	1·85	3·15	3·15
	Article 275 (1) (Substantive Provision)	0·70	5·05	6·55
	Provisos to Article 275 (1)	1·58	1·80	2·35
	Article 278	13·17	9·25	9·00
	Development	1·05	0·59	1·36
	Rehabilitation	9·08	6·94	6·84
	Grow More Food	2·46	6·35	4·73
	Natural Calamities	0·23	2·25	1·00
	Community Projects	—	1·75	6·33
	Industrial Housing	—	—	4·00
	Local Works	—	—	3·00
	Welfare of Backward Classes	—	—	1·00
	Central Road Fund	3·22*	4·60*	4·13
	Total of II	**33·34**	**41·73**	**53·44**
	(of which met from the Special Development Fund)	(—)	(0·38)	(0·69)
III.	**Loans****			
	Irrigation		41·34	46·27
	Miscellaneous Development		24·12	26·22
	Grow More Food		17·62	27·86
	Rehabilitation		13·79	10·31
	Community Projects		3·00	11·00
	Industrial Housing		1·95	4·84
	Natural Calamities		6·00	3·00
	Others		9·30	1·71
	Total of III	**75·71**	**117·12**	**131·20**
	(of which met from the Special Development Fund)	(14·94)	(27·12)	(37·45)
	Grand Total (I+II+III)	**161·91**	**232·09**	**256·03**

* Budget Provision. † Effect of Budget proposals. ** Gross.

No advances are given to Part C States since their capital accounts are merged with those of the Union Government. The States of Delhi, Ajmer, Vindhya Pradesh, Himachal Pradesh and Bhopal, which have separate Consolidated Funds receive grants-in-aid to meet the revenue gap amounting to Rs. 3·8 crores in 1952-53 (RE) and Rs. 5 crores in 1953-54 (BE). Other grants to Part C States for refugee rehabilitation, welfare of scheduled tribes and development of scheduled areas amount to Rs. 1 crore in 1952-53 and Rs. 95 lakhs in 1953-54.

39. *Development Expenditure.*—Reference has been made above to the increase in development outlay during 1952-53 as one of the factors contributing to the increase in budget deficits. Expenditure on development schemes included in the Five-Year Plan rose from Rs. 262 crores in 1951-52 to Rs. 322 crores in 1952-53 (RE) for the Union Government, Railways and the State Governments taken together. Estimated outlay in 1953-54 amounts to Rs. 413 crores, of which about Rs. 237 crores will be incurred by the Union Government and the remainder by Part A, B and C States and the State of Jammu and Kashmir. The manner in which this outlay is to be financed is set out in the Table on page 65.

It will be observed that in the two years 1951-52 and 1952-53 (RE), internal resources raised by the Governments on revenue and capital accounts together amounted to about Rs. 363 crores, of which about Rs. 207 crores were raised in 1951-52 and Rs. 156 crores in 1952-53 (RE). The Centre (including railways) mobilised about Rs. 262 crores in the two years 1951-53. Of this, Rs. 78 crores were transferred to State Governments to finance their plans. Part A and B States were able to find by way of savings from revenue, loans from the public, net receipts from unfunded debt and miscellaneous deposits a total amount of Rs. 101 crores during the same period and benefited to the extent of Rs. 72 crores from 'Central assistance'. As between the two years, budgetary resources made available for development by the Union Government and Railways have fallen from Rs. 159 crores in 1951-52 to Rs. 103 crores in 1952-53, whereas in the case of A and B States they have risen from about Rs. 46 crores to Rs. 55 crores.

As regards 1953-54, it is estimated that the Union Government and the Railways will find altogether Rs. 120 crores, or Rs. 16 crores more than in 1952-53. The budgetary resources of Part A and B States are also anticipated to be higher at Rs. 75 crores ; in addition, the States expect 'Central assistance' of the order of Rs. 53 crores.

A good part of the development expenditure was financed through grants and loans received from abroad during 1951-52 and 1952-53. Foreign grants and loans extended to India in this two-year period aggregated Rs. 189 crores, the breakdown of which is as follows :-

	(Crores of Rupees)
International Bank :	
Undrawn balance of loans extended in the pre-Plan period	9·0
Steel project loan (December 1952)	15·2
Loan for Damodar Valley Project (January 1953)	9·5
U. S. Food Loan	90·4
Grants under the Colombo Plan :	
From Canada	13·3
From Australia	6·1
From New Zealand	0·9
U. S. Technical Co-operation Assistance :	
Technical Co-operation Agreement, January 1952	23·8
Supplementary Technical Co-operation Agreement, November 1952	18·0
Other Aid*	2·8
Total	**189·0**

* This covers aid from Norway and from the Ford Foundation.

FINANCING OF THE PLAN 1951-52 to 1953-54

(Crores of Rupees)

	Centre				States			
	1951-52 (Accounts)	1952-53 (Revised)	1953-54 (Budget)	1951-56 (Five-Year Plan)	1951-52 (Accounts)	1952-53 (Revised)	1953-54 (Budget)	1951-56 (Five-Year Plan)
Outlay on the Plan ..	133·5	165·4	236·9	1240·5	128·0	157·2	176·1	828·2
Budgetary Resources ..	127·1	56·5	71·3	497·2	79·6	99·5	128·3	760·3
Savings of public authorities—								
(a) from current revenues	121·1	4·2	29·5	160·0	68·8	57·1	63·0	411·7
(b) from railways ..	37·7	20·7	20·4	170·0	—	—	—	—
Private savings absorbed through—								
(a) loans from the public	—34·2	— 1·2	—16·7	36·0	11·5	15·1	14·1	79·0
(b) small savings and other unfunded debt (excluding floating debt)	48·6	54·4	55·7	270·0	—	—	—	—
(c) deposits, funds and other miscellaneous sources*	14·8	25·8	30·8	90·0	—34·0	—17·5	— 2·3	40·8
Internal inter-governmental transfers in connection with the Plan (i.e., "Central assistance")**	—31·4	—46·8	—48·4	—228·8	33·3	44·8	53·5	228·8
Gap in Resources ..	6·4	108·9	165·6	743·3	48·5	57·7	47·8	67·9
External Assistance ..	61·7	44·4	27·6	..	..	..	..	..
Grants	4·1	13·6	29·7	..	..	..	..	..
Loans (net)†	57·6	30·8	2·1	..	..	..	..	..
Deficit	—55·3	64·5	138·0	..	48·5	57·7	47·8	67·9
Covered by (a) increase in floating debt†† ..	—32·2	—13·3	109·9	..	— 0·3	20·8	20·8	..
(b) sale of securities held in reserve (net)	—22·2	5·0	..	..	34·2	32·0	22·0	
(c) withdrawal from cash reserves ..	— 0·9	82·9	28·1	..	14·6	4·9	5·0	67·9

* The changes in the receipts under this head are partly accounted for by State trading transactions. The net investment in State trading at the Centre and the States in each year is as follows :—

	Centre	States
1951-52 (Accounts)	11·3	29·9
1952-53 (Revised)	— 3·2	— 7·1
1953-54 (Budget)	3·2	— 7·8

**"Central assistance" as calculated from the Central budget is slightly at variance with that calculated from the State budgets. For 1951-52 and 1952-53 taken together the difference is, however, negligible. In the case of all Part C States, it has been assumed for the present that their development expenditure has in effect been entirely met from grants and loans from the Centre. This assumption needs to be checked in the case of those Part C States which, since 1952-53, have separate revenue budgets.

† The entries here are net of small repayments on account of earlier liabilities.

†† In the case of States, this is accounted for mainly by advances from commercial banks.

Source: Planning Commission's Progress Report for 1951-53.

Of the assistance thus made available, about Rs. 106 crores have been utilised to finance development expenditure in the period 1951-53. For 1952-53, according to th estimates of the Planning Commission, Rs. 28 crores will be available from external assistance for financing the Plan. The difference between the aggregate of Rs. 189 crores received from abroad and the credits taken in the Union Government budgets so far represents partly the undrawn balances and partly the loss suffered, as for instance in the case of American Wheat Loan, in raising the rupee counterparts.

The aggregate of internal resources raised by the public sector and appropriations from external assistance thus amounted to Rs. 269 crores in 1951-52 and Rs. 200 crores in 1952-53. As mentioned earlier, developmental outlays in these two years were of the order of Rs. 262 crores and Rs. 322 crores, respectively. In the aggregate, therefore, there was an excess of resources over requirements in 1951-52 amounting to Rs. 7 crores, while in 1952-53 there was a short-fall of Rs. 122 crores. It should be added that the excess of resources in 1951-52 was wholly due to a large surplus at the Centre, made possible by the abnormal receipts on revenue account. In that year, the States had an overall deficit of about Rs. 48 crores. In 1952-53 (RE), however, development outlay has been deficit financed both at the Centre and in the States, to the extent of Rs. 64 crores and Rs. 58 crores, respectively. As regards 1953-54, it is estimated that aggregate resources at Rs. 227 crores would fall short of the estimated planned outlay of Rs. 413 crores by Rs. 186 crores, of which Rs. 138 crores would be in respect of the Centre and about Rs. 48 crores would be in respect of the States. The deficit in 1953-54 is to be covered th ough an increase in floating debt including advances from commercial banks (Rs. 110 crores at the Centre and Rs. 21 crores in the States), sale of securities by the States (Rs. 22 crores) and withdrawal from cash reserves (amounting to Rs. 28 crores in the case of the Centre and Rs. 5 crores in the States). Out of a total of Rs. 726 crores, which the Centre is expected to raise over the five-year period from th ir revenue and capital accounts, about Rs. 262 crores have been found in the first two years and it is expected that another Rs. 120 crores will be provided in 1953-54. The States, however, have been able to find only about Rs. 101 crores in the first two years as against Rs. 532 crores expected to be raised in the period 1951-56.

The performance of the States in raising resources for development has fallen short of expectations largely due to the fact that only some of them were able to resort to increased taxation. The aggregate revenue from State taxes shows an increase from Rs. 222 crores in 1950-51 to only Rs. 230 crores in 1952-53 (RE). The small rise is mainly due to increase under land revenue following land reforms carried out in some of the States ; but this has practically been offset by payments of compensation and other administrative expenditure connected with such reforms. As regards borrowing, the States have been fairly successful and in the two years 1951-53 they have been able to raise altogether a net amount of Rs. 23 crores through long-term loans.

40. *Taxation Commission.*—Mention may be made in this connection of the setting up in April 1953 of the Taxation Enquiry Commission whose terms of reference, which have been settled in consultation with the State Governments, are :

"(i) to examine the incidence of Central, State and Local taxation on various classes of people and in different States ;

(ii) to examine the suitability of the present system of taxation—Central, State and Local—with reference to
  (a) the development programme of the country and the resources required for it, and
  (b) the objective of reducing inequalities of income and wealth ;
(iii) to examine the effects of the structure and level of taxation of income on capital formation and maintenance and development of productive enterprise ;
(iv) to examine the use of taxation as a fiscal instrument in dealing with inflationary or deflationary situations ;
(v) to consider other relevant matters and
(vi) to make recommendations in particular with regard to
  (a) modifications required in the present system of taxation and
  (b) fresh avenues of taxation."

The Commission are expected to submit their report in about two years.

A. BUDGETS

Union Government :

41. *Revenue Account, 1951-52, Accounts.*—The accounts for 1951-52 revealed a revenue surplus of 128 crores or an increase of Rs. 35 crores over the surplus in the revised estimates for that year. This was due to an increase of Rs. 18 crores in revenue to Rs. 515 crores and an equal fall in expenditure to Rs. 387 crores (*vide* Statement 45). The increase in receipts was mainly under income and corporation taxes. On the expenditure side, the fall was due in a large measure to reduction in defence outlay, actual expenditure amounting to only Rs. 171 crores, as against Rs. 181 crores in the revised estimates.

42. *1952-53, Revised.*—In view of the sharp change in the economic situation in the early part of 1952, the Finance Minister had estimated, in the final budget proposals in May 1952, a small surplus of Rs. 3·7 crores on revenue account, with receipts estimated at Rs. 405 crores and expenditure at Rs. 401 crores. In the revised estimates for that year, both receipts and expenditure are larger than the budget estimates by Rs. 14 crores and Rs. 21 crores, respectively. Larger receipts were due to increased collections under customs, corporation tax and income-tax offset by a fall of Rs. 6 crores in Union excise duties (*vide* Statement 46). On the expenditure side, the increased outgo in the revised estimates includes payment of Rs. 16 crores to the States, being their share of the net proceeds of Union excise duties on tobacco, matches and vegetable products as recommended by the Finance Commission. There is also a rise of Rs. 6·1 crores in food subsidies as compared to budget estimates. These increases are compensated to the extent of Rs. 5·2 crores by a fall in defence expenditure.

43. *1953-54, Budget.* At the 1952-53 levels of taxation, total revenue is estimated at Rs. 438 crores or an increase of Rs. 19 crores over the previous year's revised estimates. This is due, as may be seen from Statement 45, not to any increase in tax revenue but to the higher credit taken for repayment of loan by Pakistan under non-tax revenue. In fact, in the 1953-54 budget estimates, tax revenue forms about 85 per cent of the total as compared to 89 per cent in 1951-52 and 1952-53 (RE). Furthermore, the budget proposals, the details of which are given on page 68,

have the net effect of reducing tax revenue by Rs. 0·40 crore and raising non-tax revenue by Rs. 1·9 crores as compared to yields on the basis of the rates in 1952-53.

As regards expenditure, the budget estimates for 1953-54 are, at Rs. 439 crores, Rs. 16 crores higher than in 1952-53 (RE). This results from a rise of a little over Rs. 7 crores in defence outlay and about Rs. 15 crores under civil administration. The latter includes an increase of about Rs. 7 crores under industries and supplies and about Rs. 2 crores each under education and general administration. The budget also provides, in addition to transfer of a share in Union excise duties and the statutory grants-in-aid to States, for special grants for Grow More Food schemes, community development projects, industrial housing, development in Part B States and relief for damage due to natural calamities, totalling Rs. 17 crores. As against this, there is no provision in the budget for food subsidies which amounted in 1952-53 (RE) to Rs. 21 crores.

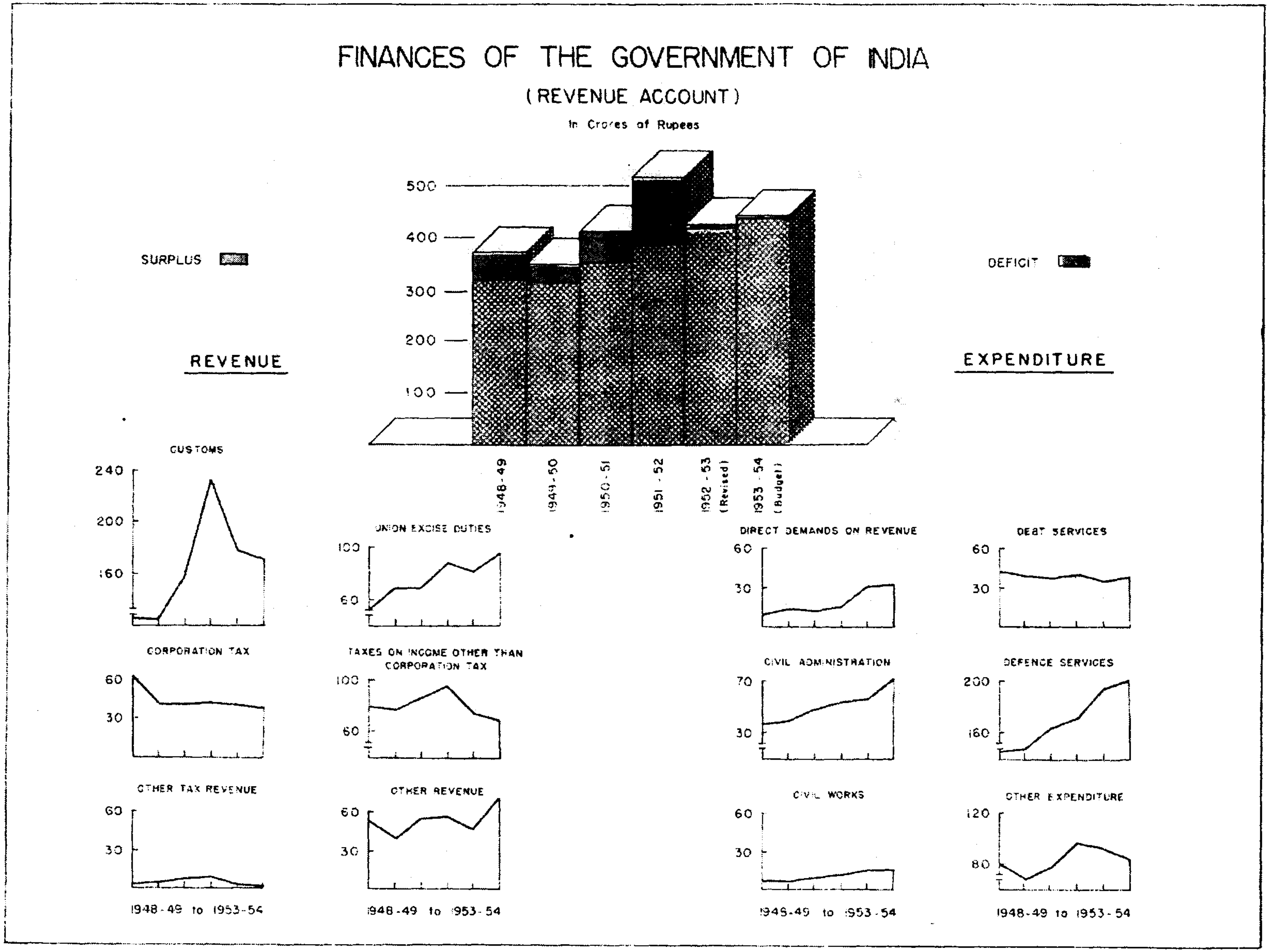
These estimates of revenue and expenditure leave a deficit of Rs. 1·05 crores, which is sought to be converted into a small surplus of Rs. 0·45 crore through certain adjustments in taxes and rates proposed in the budget. The estimated net addition of Rs. 1·50 crores to revenue receipts as a result of budget proposals is accounted for as follows :—

	(Crores of Rupees)
Loss in revenue due to reduction in export duty on sacking	−3·5
Loss in revenue due to raising of exemption limit on personal income-tax (Central share)	−0·4
Increase in revenue due to changes in import duties	+3·5
Adjustments in Union Excise Duties	Nil
Changes in postal rates	+1·9

It will be observed that the budget proposals leave the revenue from customs unaffected on balance, the loss in export duties being neutralised by larger collections under import duties. The reduction in the export duty on sacking from Rs. 175 per ton to Rs. 80 per ton came into effect immediately after the presentation of the budget and is intended to encourage exports of that commodity. As regards import duties, the increases relate mainly to duties on toilet requisites, certain categories of textiles, crockery, glass and earthenware tiles and motor cars ; duties have been imposed on costlier type of horses and precious stones and pearls. These changes have been effected not only for revenue purposes but with a view to preventing any undue expansion in the consumption of such luxury and semi-luxury imports. Amongst the more common articles of consumption, betelnuts are now subject to additional duty of 2 annas per lb. As against these increases, reductions in duties on anti-biotics and sulpha drugs, milk foods for infants and invalids, scientific instruments and appliances, prints, eng avings and pictures and works of art have been proposed. These reductions are not expected to affect revenue materially and the changes in import duties will, as mentioned above, add Rs. 3·5 crores to revenue. Allowing for all these changes, customs receipts in 1953-54 are anticipated at Rs. 170 crores as against Rs. 177 crores in 1952-53 (RE).

The proposal to raise the tax exemption limit for personal incomes from Rs. 3,600 for individuals and Rs. 7,200 for Hindu undivided families to Rs. 4,200 and Rs. 8,400 respectively, has as its objective not merely relief in tax but also some easing of the pressure on the income-tax administration. The loss in revenue resulting from this

GRAPH 15


FINANCES OF THE GOVERNMENT OF INDIA
(REVENUE ACCOUNT)
In Crores of Rupees
SURPLUS
DEFICIT
REVENUE
EXPENDITURE
500
400
300
200
100
1948-49
1949-50
1950-51
1951-52
1952-53 (Revised)
1953-54 (Budget)
CUSTOMS
UNION EXCISE DUTIES
DIRECT DEMANDS ON REVENUE
DEBT SERVICES
CORPORATION TAX
TAXES ON INCOME OTHER THAN CORPORATION TAX
CIVIL ADMINISTRATION
DEFENCE SERVICES
OTHER TAX REVENUE
OTHER REVENUE
CIVIL WORKS
OTHER EXPENDITURE
1948-49 to 1953-54

measure is estimated at Rs. 0·82 crore, of which the Centre's share will be Rs. 0·40 crore. As a result both of reduced aggregate collections and increased allocations to the States as recommended by the Finance Commission, income-tax accruing to the Centre in 1953-54 (BE) amounts to only Rs. 68 crores compared to Rs. 73 crores in 1952-53 (RE) and Rs. 93 crores in 1951-52. The shares of income-tax due to Mysore, Saurashtra and Travancore-Cochin are set off against the revenue gap grants, which they are getting under the scheme of federal financial integration.

In regard to Union excise duties, the budget estimates in 1953-54 are higher than the revised estimates for 1952-53 by Rs. 14 crores. The major part of this increase is under the excise on cotton cloth which is higher in the budget estimates by Rs. 9 crores, including Rs. 6 crores from the new cess levied on mill-cloth for the benefit of handloom and *khadi* industries. Incidentally, with a view to avoiding some administrative difficulties, it has been proposed to do away with *ad valorem* duties on cloth and substitute *specific* duties at the rate of 3¼ annas a yard on superfine cloth and 1¼ annas on fine cloth. These changes are expected to leave receipts unaffected. The States' share of Union excise duties amounting to 40 per cent of the net proceeds from excise on matches, tobacco and vegetable products is debited under 'Direct Demands on Revenue' and on the receipts side credit is taken for the entire collection of duties.

Finally, an increase of Rs. 1·9 crores is expected from the following changes in postal rates proposed in the budget. On parcels the existing rate of 6 annas for every 40 tolas is raised to 8 annas. Postage on book pattern and sample packets goes up from 9 pies for the first 5 tolas and 3 pies for every additional 2½ tolas to one anna and 6 pies, respectively. Registration fee is raised from 4½ annas to 6 annas per article and, lastly, insurance charges are stepped up from 4 annas to 6 annas for the first Rs. 100 and from 2 annas to 3 annas for every additional Rs. 100.

44. *Capital Account.*—Budget estimates of capital receipts and expenditures in 1953-54 are shown in Statement 47. It will be observed that both receipts and expenditures are substantially higher in 1953-54 (BE) than in the preceding years. And yet the deficit on capital account as shown in the Statement is only Rs. 31 crores in 1953-54 as against Rs. 124 crores in 1951-52 and Rs. 78 crores in 1952-53 (RE). This apparent improvement is due to a net increase of Rs. 110 crores under Treasury bills as against net receipts of Rs. 4·7 crores in 1952-53 and a net outgo of Rs. 44 crores in 1951-52. If these changes in floating debt are excluded, the excess of capital expenditure over receipts is of the order of Rs. 141 crores in 1953-54 (BE), Rs. 83 crores in 1952-53 (RE) and Rs. 81 crores in 1951-52.

In 1953-54 (BE), receipts on capital account, excluding Treasury bills, are estimated at Rs. 208 crores, of which Rs. 10. crores are expected to be borrowed from the market. No credit, however, has been taken for foreign loans and grants. Small savings and Treasury Savings Deposits Certificates are estimated to yield about Rs. 45 crores; in 1952-53 (RE) net receipts under these heads are placed at Rs. 44 crores. Both in the budget estimates for 1953-54 and revised estimates for 1952-53, there are net withdrawals from railway funds of Rs. 10 crores and Rs. 12 crores, respectively, as compared to a net addition of Rs. 20 crores in 1951-52. This has been necessitated by a fall in railway receipts since last year.* The reduction in the railway's contri-

* For details relating to railway finances see pages 82 to 84.

bution to the capital account is, however, largely compensated in the 1953-54 budget estimates by a fall in the net outgo under EPT and income-tax deposits.

Reference may be made in this connection to the transactions under the Special Development Fund (SDF) created out of the sales proceeds of American Loan Wheat, sales proceeds of wheat received under the Colombo Plan, other Colombo Plan aid and receipts under the Indo-U. S. Technical Co-operation Agreement. It will be observed from the Table below that instead of net accruals to the SDF as in 1951-52 and 1952-53, net withdrawals are forecast for 1953-54. Further, in the two years 1951-53, credits to the Fund from the sale proceeds of American Loan Wheat amounted to Rs. 74 crores as against the loan of Rs. 90 crores received from the Government of the United States. This difference, amounting to Rs. 16 crores, has been treated as a capital loss and will be written back to revenue in equal instalments over a period of 35 years during which the loan to America is due to be repaid. It will also be seen from the Table that much the greater part of disbursements from the SDF is in the form of loans to States for specified development purposes.

(Crores of Rupees)

	1951-52	1952-53 (Revised)	1953-54 (Budget)
I. Receipts			
(1) Sales Proceeds of Loan Wheat (Debited to Capital Account)	46·97	26·57	—
(2) Sales Proceeds of Wheat under Colombo Plan	3·72	5·10	2·44
(3) Other Colombo Plan Aid	0·33	1·04	7·88
(4) TCA	—	7·52	19·41
	51·02	40·23	29·73
II. Loans to States met from SDF	14·94	27·12	37·45
III. Withdrawals for other purposes		2·04	6·74
IV. Disbursements (II+III)	14·94	29·16	44·19
V. Net Accretions to SDF (I−IV)..	36·08	11·07	—14·46

On the expenditure side, the major items are discharge of permanent debt (to which reference was made above) and advances to the State Governments. In all, Rs. 120 crores of permanent debt will be repaid in 1953-54 as compared to Rs. 6 crores in 1952-53 and Rs. 88 crores in 1951-52. As regards advances to the States, the budget estimates, including advances from the Special Development Fund, come to Rs. 131 crores. The corresponding figures for 1952-53 (RE) and 1951-52 are Rs. 117 crores and Rs. 76 crores, respectively. The budget also provides for a sizeable increase in 'other loans and advances', from Rs. 9·3 crores in 1952-53 (RE) to Rs. 21 crores in 1953-54 (BE). This increase is due to the larger advances to the Rehabilitation Finance Administration, Indian Iron and Steel Co., shipping companies, private firms for industrial housing and the proposed Air-Transport Corporations. In line with the recommendations of the Planning Commission, outlays on Railways, civil works, defence, Posts and Telegraphs, civil aviation and ports have also been stepped up from the previous year's levels.

Since the greater part of the deficit on capital account in 1953-54 is to be covered through the issue of Treasury bills, the cash balances of the Government of India at the end of the year would, at Rs. 52 crores, be only Rs. 28 crores less than the opening balances for the year. So far as the revised estimates for 1952-53 are concerned, cash balances show a decline from Rs. 163 crores at the beginning of the year to Rs. 80 crores at the close, or a fall of Rs. 83 crores.

State Governments* :

Finances of Part A States :

REVENUE ACCOUNT :

45. *General.* The consolidated revenue and expenditure position on revenue account of Part A States is given below (*vide* also Statement 48). The revenues, as shown in the budget papers, are inclusive of withdrawals from the Revenue Reserve Funds. The position exclusive of such transfers is indicated by the bracketed figures. The comments, however, are based on figures as given in the budget papers.

(Crores of Rupees)

	1950-51	1951-52	1952-53 (Budget)	1952-53 (Revised)	1953-54 (Budget)
Revenue	294·37 (289·93)	315·60 (306·81)	314·20* (307·80)*	336·96 (324·66)	350·51 (344·89)
Expenditure	293·08	309·11	330·30 (330·25)	340·06	362·93
Surplus (+) or Deficit (−)	+ 1·29 (−3·15)	+ 6·49 (−2·30)	− 16·10 (−22·45)	3·10 (−15·40)	−12·42 (−18·04)

* Excluding the anticipated revenue of Rs. 9·1 crores on account of additional taxation proposals.

It will be seen that, though both revenue and expenditure show substantial increases in the three years following 1950-51, the increases in expenditure have been larger, except in 1951-52.

46. *1951-52, Accounts.*—The improvement in 1951-52 over the previous year was due to the fact that while the total revenue rose by Rs. 21 crores, total expenditure had increased by only Rs. 16 crores. With the exception of Madras, which had a heavy deficit of Rs. 5 crores, all the States had revenue surpluses, that of Madhya Pradesh at Rs. 5·4 crores being the largest. Bihar's surplus of Rs. 1·5 crores was, however, due to a transfer of Rs. 6 crores from the Revenue Reserve Fund to revenue account.

47. *1952-53, Revised.*—The revised estimates for 1952-53 show a smaller deficit than the budget estimates, notwithstanding the facts that (1) additional taxes could not be levied to the extent proposed, (2) collections fell short of the targets, and (3) acute scarcity conditions made large inroads into revenues and affected tax yields. The reasons for the reduced deficit are large withdrawals (about Rs. 12 crores) from Revenue Reserves and transfer of additional resources (Rs. 13 crores) from the Centre to the States.

*For a detailed account of the Finances of part A and B States, see the *Reserve Bank of India Bulletin*, May 1953.

Five States, namely, Bihar, Madhya Pradesh, Punjab, Orissa and Assam show surpluses totalling Rs. 10 crores, which are more than offset by the deficits incurred by Bombay, West Bengal and Madras totalling Rs. 13 crores, with Madras having the largest deficit (Rs. 5·4 crores). The Uttar Pradesh expects to balance its budget by a transfer of Rs. 3·3 crores from the Revenue Reserve Fund to revenue. Once again, Bihar's surplus of Rs. 4·4 crores is due to a withdrawal of Rs. 6 crores from the Revenue Reserve Fund.

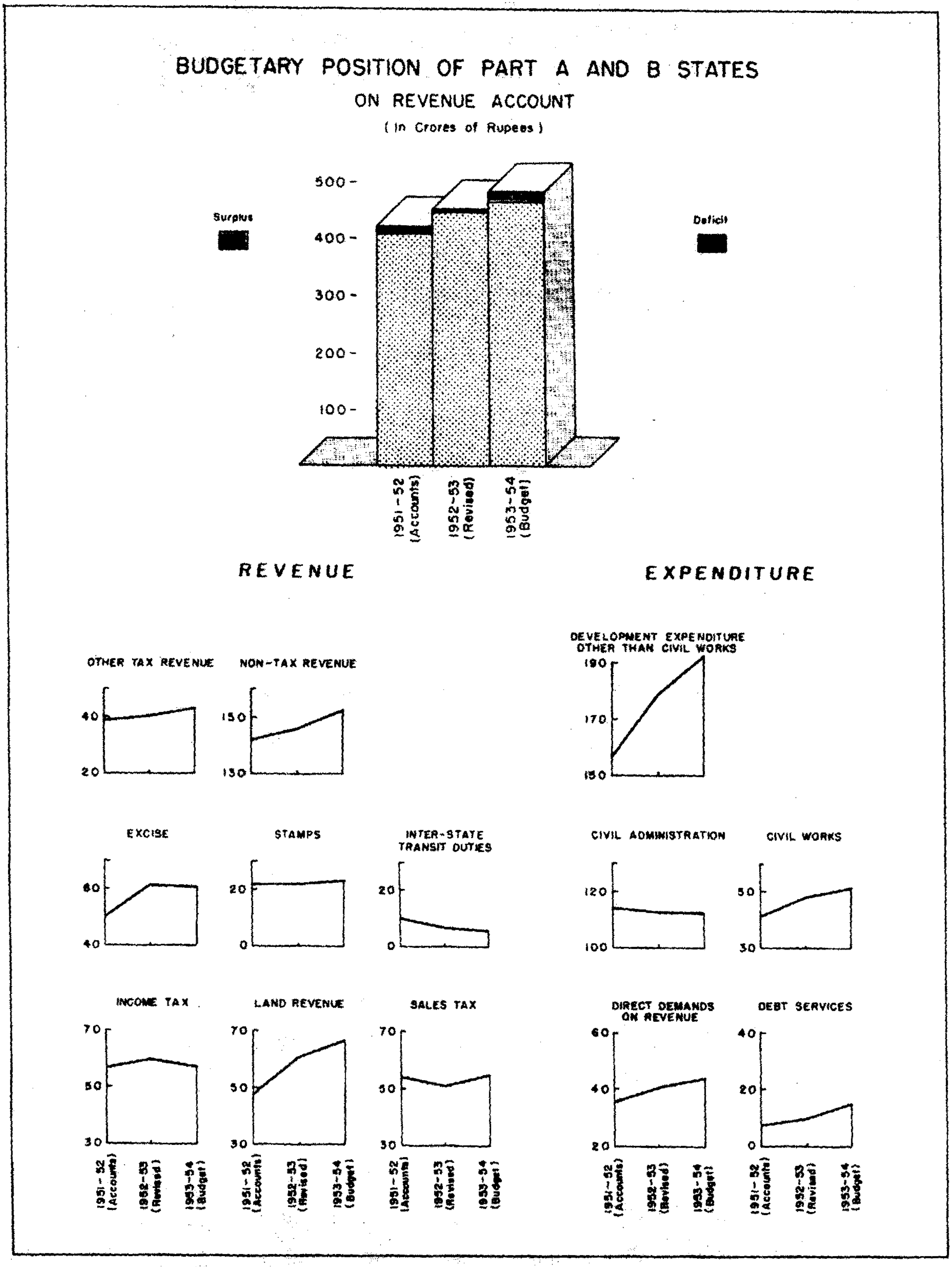
48. *Comparison with 1951-52 Accounts.*—Compared with 1951-52, expenditure shows a larger rise (Rs. 31 crores) than revenue (Rs. 21 crores). Expenditure increased in all the States except Bihar, where it shows a decline of Rs. 1·5 crores. Most of the increase occurs under developmental heads (including civil works) which, for all the States taken together, claim Rs. 20 crores more than in 1951-52. Direct demands on revenue are responsible for a rise of Rs. 3·4 crores. Of the remainder, a large portion is accounted for by the special transactions in the U. P. budget, to which reference is made below. The largest increase in expenditure is in the Uttar Pradesh (Rs. 11 crores), followed by Bombay (Rs. 5·7 crores), West Bengal (Rs. 4·8 crores), Madras (Rs. 4·3 crores) and Madhya Pradesh (Rs. 3·0 crores). In the case of Uttar Pradesh, the increase includes a transfer of Rs. 2·5 crores to Zamindari Abolition Fund and Rs. 2 crores to capital account against loss under schemes of State trading.

Of the increase of Rs. 21 crores in total revenue, Rs. 16 crores are under tax revenue, mainly as a result of the Finance Commission's recommendations. The principal increases are under excise (Rs. 11 crores) and land revenue (Rs. 9·9 crores). The former is wholly due to the allocation of Rs. 14 crores to the States from the Union excise duties, offset by a decline of about Rs. 3 crores in State excise duties. Higher receipts under land revenue are due chiefly to the implementation of land reform schemes in Bombay, Orissa, U. P. and Bihar, especially in the last two States where the collections have increased by Rs. 6·2 crores and Rs. 2·1 crores, respectively. Assam shows a fall, while in the Punjab and Madras there were increases.

The increase in other taxes and duties is entirely due to higher collections (Rs. 2·3 crores) under motor vehicles taxation, including sales tax on motor spirit and lubricants, following the increases in tax rates by some of the States during 1952-53. As against these increases, there are declines in income-tax (Rs. 1·8 crores) as a result of lower collections ; and in sales tax (Rs. 4·0 crores) due to the downward readjustment of prices which occurred during the year. Of the total increase of Rs. 5·4 crores under non-tax revenue, Rs. 3·5 crores is due to larger withdrawals from Revenue Reserves.

49. *1953-54, Budget.*—For 1953-54, total revenue is put at Rs. 350·51 crores. This is inclusive of additional yield from the taxation proposals and the transfer of Rs. 5·6 crores from Revenue Reserve Fund, which is about Rs. 7 crores less than the transfer in 1952-53. The increase of about Rs. 14 crores in total revenue over that in 1952-53 (RE) is, however, outweighed by a rise of Rs. 23 crores in estimated expenditure to Rs. 363 crores. The greater part of the deficit is to be incurred by West Bengal (Rs. 5·1 crores), U. P. (Rs. 4·4 crores) and Assam

GRAPH 16


BUDGETARY POSITION OF PART A AND B STATES
ON REVENUE ACCOUNT
(In Crores of Rupees)
500
400
300
200
100
Surplus
Deficit
1951-52 (Accounts)
1952-53 (Revised)
1953-54 (Budget)
REVENUE
EXPENDITURE
OTHER TAX REVENUE
NON-TAX REVENUE
DEVELOPMENT EXPENDITURE OTHER THAN CIVIL WORKS
EXCISE
STAMPS
INTER-STATE TRANSIT DUTIES
CIVIL ADMINISTRATION
CIVIL WORKS
INCOME TAX
LAND REVENUE
SALES TAX
DIRECT DEMANDS ON REVENUE
DEBT SERVICES

(Rs. 2·0 crores). It may be noted that, unlike in the previous years, only two States, Bombay and Madhya Pradesh, expect surpluses on revenue account. Madras* expects to break even.

50. *Comparison with 1952-53 Revised.*—Excepting Madras and Bombay, in which budgeted expenditures for 1953-54 are less than expenditures in 1952-53 (RE) by Rs. 3·0 crores and Rs. 0·48 crore, respectively, all the other States have stepped up expenditure met from revenue. More than one-half (Rs. 12 crores) of the rise in the total expenditure occurs in U. P. on account of (1) transfer of Rs. 3·3 crores of additional receipts from enhanced irrigation rates to the Special Development Fund to finance capital expenditure on irrigation and electricity schemes, (2) higher debt service charges (Rs. 4·9 crores) due mostly to the provision in the budget for payment of interest and principal in respect of bonds worth Rs. 80 crores proposed to be issued during 1953-54 under the Zamindari Abolition and Land Reforms Act and (3) increase in expenditure on development activities (Rs. 2·3 crores).

As in 1952-53, the major increase in expenditure is under developmental heads (Rs. 9·0 crores). Except Madras, all the States have stepped up outlays on social and economic activities. The increase in debt services (Rs. 5·4 crores) is due almost entirely to the increased provision by Uttar Pradesh mentioned above. All the States participated in the increase under direct demands on revenue (Rs. 3·3 crores).

All the States estimate higher revenues in 1953-54, with the exception of (1) Bihar where the estimated decline of Rs. 2·8 crores is mainly due to a smaller transfer from the Revenue Reserve to revenue and (2) West Bengal and Orissa which show minor declines in tax revenue. Of the combined increase in revenue of Rs. 14 crores, the largest increase is in U. P. (Rs. 8·0 crores), followed by Bombay (Rs. 3·5 crores) and Madras (Rs. 2·4 crores). The increase in Uttar Pradesh is accounted for by increases under land revenue (Rs. 4·8 crores) due to operation of the Zamindari Abolition Act for a full year instead of for one crop only as in 1952-53 and larger receipts under irrigation (Rs. 3·2 crores) as a result of enhancement in rates. In Bombay, sales tax receipts show a rise of Rs. 3·4 crores due to the operation of multi-point tax. Madras expects an increase of Rs. 1·3 crores under non-tax revenue spread over a number of items like irrigation and electricity duties and Rs. 1·1 crores under tax revenue.

In the aggregate, tax revenue accounts for about three-fourths (Rs. 10 crores) of the increase and non-tax revenue for the remainder (Rs. 3·4 crores). Increases anticipated under tax sources are : land revenue (Rs. 5·7 crores) largely in Uttar Pradesh ; sales tax (Rs. 3·3 crores) mainly in Bombay ; and stamps (Rs. 0·9 crore) as a result of changes proposed in the court-fees by some of the States. The net rise of Rs. 3·0 crores in 'other taxes and duties' is accounted for mainly by increases under taxes on motor vehicles (Rs. 2·1 crores) and electricity duties (Rs. 0·95 crore) offset by a small decline of Rs. 0·05 crore in taxes on entertainments, betting, etc. As against these increases, income-tax shows a decline of Rs. 2·4 crores as a result of lower collections under both the Union income-tax and agricultural income-tax (Rs. 0·8 crore). Of the five A States which levy agricultural income-tax, namely, Assam, Bihar, Orissa, Uttar Pradesh and West Bengal, all anticipate lower revenue

*The Madras budget is provisional, due to the impending partition of the State. Only a 'Vote on Account' for a period of six months has been taken.

with the exception of Orissa, wherein the budget estimate is the same as the revised estimate for 1952-53. The estimated revenue in 1953-54 from agricultural income-tax for all these States is Rs. 2·2 crores.

In addition to the reimposition of tax on tobacco by the States of Madras, Bombay and Madhya Pradesh, consequent on the stoppage, in accordance with the recommendations of the Finance Commission, of grants given hitherto by the Centre for refraining from such levies, the following changes in taxes and rates have been proposed or effected :

(Lakhs of Rupees)

		Estimated Yield
Bihar		
(*i*)	Sales tax enhancement on certain luxury articles	8·00
(*ii*)	Increase in water rates in certain canal systems and tube-well areas ..	30·00
(*iii*)	Cess on molasses—Increase in the cess on sugarcane by three pies, offset by withdrawal of sales tax on sugarcane supplied to sugar factories by co-operatives	2·00
(*iv*)	Tolls on important bridges ; tightening up of excise and sales tax administration	20·00
	Total ..	**60·00**
Madhya Pradesh		
(*i*)	Revision of court-fees schedule	..
(*ii*)	Concessions in respect of sales tax to cottage and hand-loom industries	..
Madras		
	Revision of court-fees schedule	**50·00**
Punjab		
	Reduction in *Abiana* (irrigation) rates	— **7·00**
Uttar Pradesh		
(*i*)	Enhancement of irrigation rates	330·00
(*ii*)	Small increases in the rates of sales tax on certain commodities.. ..	34·00
	Total ..	**364·00**
	Grand Total	**467·00**

CAPITAL ACCOUNT :

51. *General.*—Despite a substantial increase in development expenditure, the capital account of Part A States shows no serious deterioration from year to year. This is due, in the main, to two factors, namely, increased loans from the Centre between 1951-52 and 1953-54 (BE), and net receipts from schemes of State trading in 1952-53 and 1953-54 instead of net investment as in 1951-52 (Rs. 21 crores).

Of the investments on development schemes, the most important item is that on multi-purpose river valley schemes and irrigation, the expenditure on which amounts to Rs. 44 crores in 1951-52, Rs. 71 crores in 1952-53 (RE) and Rs. 80 crores in 1953-54 (BE). Next in importance are electricity schemes and construction of roads and buildings (*vide* Table below).

CAPITAL OUTLAY—DEVELOPMENTAL—A STATES

(Lakhs of Rupees)

States	Year	Multi-purpose River Valley Schemes	Construction of Irrigation, Navigation, Embankment and Drainage Works	Schemes of Agricultural Improvement and Research	Electricity Schemes	Road Transport	Buildings and Roads	Industrial Development	Others	**Total**
Assam:	1951-52	..	12	2	—	—	1	1	—	**16**
	1952-53 (RE)	—	10	5	—	..	11	1	—	**27**
	1953-54 (BE)	...	75	1	..		10	—	—	**86**
Bihar:	1951-52	4,21	1,73	2	41	—	—	—	—	**6,37**
	1952-53 (RE)	3,32	2,03	.	92	63	—	23	—	**7,13**
	1953-54 (BE)	2,55	2,11	..	1,65	30	—	36	—	**6,97**
Bombay:	1951-52	—	2,73	.	66*	—	6,20	19	—	**8,78**
	1952-53 (RE)	.	2,71	51	74*	—	3,09	2,23	—	**9,28**
	1953-54 (BE)	.	5,12	1,05	2,47*	—	5,54	30	—	**14,48**
Madhya Pradesh:	1951-52	...	...	17	1,48	4	47	—9	..	**2,07**
	1952-53 (RE)	—	51	33	—	—	4	...	39	**1,27**
	1953-54 (BE)	...	81	34	—		4	—	49	**1,68**
Madras:	1951-52	..	9,55	.	8,07	—4	1,41	11	—	**19,10**
	1952-53 (RE)	.	10,49		8,00	11	1,30	23	—	**20,13**
	1953-54 (BE)	...	6,53	...	9,27	13	1,58	16	—	**17 67**
Orissa:	1951-52	8,58	..	—	57	2	—	—	—	**9,17**
	1952-53 (RE)	12,00	..	—	73	—	—	..	...	**12,73**
	1953-54 (BE)	14,00	...	—	1,22	—	...	..	...	**15,22**
Punjab:	1951-52	—	7,48	30	—	3	7,27	18	—	**15,26**
	1952-53 (RE)	17,95	3,41	14	77	24	2,64	.	..	**25,15**
	1953-54 (BE)	23,43	4,68	—6	96	2	3,20	32	—	**32,55**
Uttar Pradesh:	1951-52	..	2,25	74	2,98	27	1,89	51	8	**7,24**
	1952-53 (RE)		5,27	36	4,14	31	2,37	74	2	**13,21**
	1953-54 (BE)	—	6,51	—30	5,10	18	2,15	1,15	8	**14,87**
West Bengal:	1951-52	7,85	—1	1	21	33	3,09	6	—	**11,54**
	1952-53 (RE)	13,05	..	3	34	36	4,61	4	36	**18,79**
	1953-54 (BE)	13,97	—	1	13	28	7,00	6	1,03	**22,48**
Totals:	**1951-52**	**20,64**	**23,85**	**—22**	**14,38**	**65**	**19,34**	**97**	**8**	**79,69**
	1952-53 (RE)	**46,32**	**24,52**	**1,42**	**15,64**	**1,65**	**14,16**	**3,48**	**77**	**1,07,96**
	1953-54 (BE)	**53,95**	**26,51**	**1,05**	**20,80**	**91**	**19,61**	**2,35**	**1,60**	**1,26,78**

* Excluding expenditure of Rs. 2 crores in 1951-52, Rs. 2·5 crores in 1952-53 (RE) and Rs. 2·5 crores in 1953-54 (BE) financed from Bombay State Development Fund.

52. *1951-52 Accounts.*- Including withdrawals from reserves, which are shown under the "deposits and advances" item on the receipts side, total receipts amounted

to Rs. 133 crores as against disbursements of Rs. 147 crores. Of the disbursements, outlay on development schemes accounted for Rs. 80 crores, and loans and advances to local bodies, agriculturists, etc., for another Rs. 32 crores. Expenditure on schemes of State trading by Bombay (Rs. 12 crores), Bihar, Uttar Pradesh, Punjab, Madhya Pradesh and Assam was offset to some extent by receipts in the other States, resulting in a net outlay of Rs. 21 crores. Repayment of loans to the Centre amounted to Rs. 11 crores, the heaviest repayment being by Punjab (Rs. 6·3 crores). Compensation to land-holders in Madras and appropriation to Contingency Fund in Bihar were of the order of Rs. 2 crores and Rs. 1 crore, respectively. No loan having matured, the repayment under permanent debt was nominal.

On receipts side, loans from the Centre amounted to Rs. 67 crores, Punjab and West Bengal being the leading beneficiaries. Only five States, Bombay, Madras, Uttar Pradesh, West Bengal and Madhya Pradesh raised loans in the market, their total borrowing amounting to Rs. 11 crores. In addition, Bombay increased its floating debt by Rs. 2 crores.

53. *1952-53, Revised.*—In 1952-53 (RE), both receipts at Rs. 154 crores and disbursements at Rs. 157 crores are higher than in 1951-52, the increase in receipts being more than in disbursements. Consequently, the deficit at Rs. 3·6 crores is smaller; but combined with the net outgo of Rs. 6·8 crores under "remittances and miscellaneous" accounted for entirely by the Punjab, the deficit on capital account is estimated at a little over Rs. 10 crores. Capital outlay on development aggregating Rs. 108 crores is higher in all States except Madhya Pradesh. Loans and advances to local bodies and private parties have also increased in all States except Bihar, the Uttar Pradesh and West Bengal. Discharge of permanent debt by Bombay, Madhya Pradesh, Madras, the Uttar Pradesh and Assam amounted in all to Rs. 5·8 crores. Compensation payments to *zamindars* also increased, due largely to the provision made in Madhya Pradesh budget. There is an estimated net receipt of Rs. 1·75 crores under schemes of State trading, net investments in Madras and the Uttar Pradesh being more than offset by receipts in other States.

On the receipts side, long-term borrowings from both the Centre and the open market have gone up. Loans from the Centre amounted to Rs. 88 crores. Four States, namely, Bombay, Madras, the Uttar Pradesh and West Bengal borrowed from the public a net amount of Rs. 12 crores. The Uttar Pradesh and Bihar have had to resort to short-term borrowings of Rs. 4 crores and Rs. 2 crores, respectively, while in Bombay there was a net outgo of Rs. 2 crores under floating debt.

54. *1953-54 Budget.*—The budget estimates for 1953-54 place receipts on capital account at Rs. 151 crores and disbursements at Rs. 161 crores. The estimated deficit on capital account together with the expected net receipts of Rs. 1·7 crores under 'remittances etc.' comes to Rs. 8·6 crores. Capital outlay on development shows an increase of Rs. 19 crores over the previous year to Rs. 127 crores, with increased outlays in all States except Madras and Bihar. With the exception of repayment of loans to the Centre in respect of which there is a small increase (Rs. 0·67 crore), all the other heads show a decline. Schemes of State trading are expected to bring in a much larger amount (Rs. 7·6 crores) than in 1952-53 (RE). Net receipts or very small outlays on State trading are anticipated in all the States; Bombay, however, has budgeted for a fairly large net outgo of Rs. 4 crores.

Under receipts, loans from the Centre estimated at Rs. 107 crores form, once again, the major source and are considerably higher (Rs. 18 crores) than in the previous year. Except Madras, which takes a credit for Rs. 3·4 crores less than in the previous year, larger loans are expected by all the States, particularly the Punjab and West Bengal. A little less than one-third of the loans by the Centre are for the Punjab, largely for the Bhakhra-Nangal project ; the shares of West Bengal and Orissa are also large, because of the Damodar Valley and Hirakud Schemes. Loans aggregating Rs. 11 crores are proposed to be floated by three States, namely, Madras (Rs. 5 crores), Uttar Pradesh (Rs. 4 crores) and West Bengal (Rs. 2 crores). No other State has taken any credit under long-term borrowing.

Mention may be made in this connection of certain special features of the capital transactions of some States. The Uttar Pradesh proposes to issue Compensation Bonds worth Rs. 61·5 crores and Rehabilitation Bonds worth Rs. 18·7 crores under the Zamindari Abolition and Land Reforms Act. The effect of these transactions is only to increase the debt liability of the State ; they do not affect the net position of receipts and disbursements on capital account, as they figure on both sides of the account. Further, Rs. 3·3 crores of the expenditure on irrigation and electricity schemes is expected to be financed out of withdrawals from the Special Development Fund, proposed to be created in 1953-54 by crediting the additional yields from enhancement of irrigation rates. The Government of Madras have decided to invite contribution from those who benefit from extension of electricity facilities towards meeting the capital expenditure on such schemes and to give priority to schemes for which a large measure of contribution is forthcoming from the people. The amounts advanced will be treated as interest-bearing loans and will be repayable after a specified period.

Finances of Part B States :

REVENUE ACCOUNT:

55. *General.*—The following Table gives the consolidated budgetary position of Part B States on revenue account (*vide* also Statement 49). As in the case of A States, revenue and expenditure are in accordance with the figures shown in the budget papers and include transfers from reserves to revenue or *vice versa*. Figures exclusive of such transfers† are shown in brackets. The comments which follow relate, however, to the budget figures.

(Crores of Rupees)

	1950-51	1951-52	1952-53 (Budget)	1952-53 (Revised)	1953-54 (Budget)
Revenue	93·38	106·70 (106·50)	105·64* (104·00)*	110·91 (109·63)	115·29‡ (113·53)‡
Expenditure	91·93	100·53	111·01	111·18	118·62
Surplus (+) or Deficit (−)	+ 1·45	+ 6·17 (+ 5·97)	− 5·37 (− 7·01)	− 0·27 (− 1·55)	− 3·33 (− 5·09)

* Excluding the anticipated revenue of Rs. 2·4 crores from new taxation proposals.
‡ Excluding the anticipated revenue of Rs. 0·7 crore on account of tax and rate changes proposed by Mysore and Madhya Bharat.

† Only Mysore and Madhya Bharat have transferred small amounts from Reserve Funds.

It will be observed that both receipts and expenditures have grown considerably since 1950-51, the latter more than the former, except in 1951-52, when the rise in receipts was larger than in expenditures. The increase in expenditure between 1950-51 and 1953-54 is of the order of Rs. 27 crores, of which increased expenditure on developmental items constitutes Rs. 23 crores, revealing a trend similar to that noticed in Part A States. In the same period, expenditure on civil administration has gone down by Rs. 5·4 crores, while direct demands on revenue show a substantial rise (Rs. 3·3 crores). The latter is due in a large measure to new measures of taxation and strengthening of the tax collecting departments.

56. *1951-52, Accounts.*—The accounts for 1951-52 reveal a surplus of a little over Rs. 6 crores, as against a surplus of Rs. 3 crores in the revised estimates for that year. This was due to a small rise in revenue (Rs. 0·43 crore) and a substantial fall in expenditure (Rs. 2·7 crores), compared to the revised estimates. Four States, namely, Madhya Bharat, PEPSU, Hyderabad and, notably, Travancore-Cochin (Rs. 4·3 crores) recorded surpluses, while the remaining three States had deficits, the largest being in Saurashtra (Rs. 1·1 crores).

57. *1952-53, Revised.*—The revised estimates for 1952-53 show a rise in expenditure of Rs. 11 crores over the 1951-52 level and an increase of Rs. 4·2 crores in revenue. The largest deficit occurs in Saurashtra, though the greatest deterioration is in respect of Travancore-Cochin, where a fall in both tax and non-tax revenue combined with an increase in expenditure have converted the surplus of Rs. 4·3 crores in 1951-52 to a deficit of Rs. 0·1 crore in 1952-53 (RE). Only Hyderabad expects a sizeable surplus. The sharp rise of Rs. 11 crores in expenditure reflects mainly the increased expenditure on nation-building activities (Rs. 9 crores) by all the States. Only Hyderabad shows a decline in total expenditure, the fall in expenditure on civil administration, mostly police, not being fully offset by increases under other heads. Direct demands on revenue and debt services show a rise, by Rs. 1·9 crores and Rs. 0·29 crore, respectively. Expenditure on civil administration shows a decline (Rs. 2·5 crores), entirely on account of reductions in three States, namely, Madhya Bharat, Saurashtra, and Hyderabad, the decline in the last-named State being the largest (Rs. 2·5 crores).

As regards receipts, the increase is entirely under tax revenue (Rs. 5·9 crores). There is a decline under non-tax revenue, due, in the main, to Hyderabad now getting, as a result of the recommendations of the Finance Commission, a share in the divisible revenues collected by the Centre instead of the "revenue gap grants". This has meant, in effect, a rise in tax revenue at the expense of non-tax revenue. But for the windfall of larger shares in revenue from the Centre there would have been a decline under tax revenue. As a result of a larger share accruing to Part B States under the formula recommended by the Finance Commission, receipts under income-tax have increased by Rs. 5 crores. Under land revenue, an increase of Rs. 3 crores is expected, consequent upon, in the main, the institution of land reforms in some of the States. Sales tax receipts rose by only Rs. 0·7 crore, increases in Madhya Bharat and Hyderabad being counter-balanced by decreases in the rest of the States due to the decline in the price level. A change in the basis of sales taxation in Saurashtra and an increase in some rates in Hyderabad effected in 1952-53 were responsible for preventing a fall in Saurashtra and for the higher revenue in Hyderabad. There was a fall of Rs. 3·0 crores under inter-State transit duties, the largest decline being in Hyderabad. This is an inevitable consequence of the agreements with the Centre under the scheme of federal financial integration, according to which these levies have to be abolished by 1954-55.

58. *1953-54, Budget.*—Due to a larger rise in expenditure (Rs. 7·4 crores), mostly under socio-economic activities (Rs. 7·3 crores), than in revenue (Rs.4·4 crores), the net position in 1953-54 (BE) shows a deterioration of Rs. 3 crores compared to 1952-53 (RE). Taking into account the tax changes proposed by Mysore and Madhya Bharat (since these have not been included in their budget receipts), expected to yield Rs. 0·7 crore, the combined revenue deficit anticipated for 1953-54 is Rs. 2·6 crores. Saurashtra has not included, in its revenue, subsidies and grants expected from the Centre against certain schemes provided for in the budget; in the event of these grants being realised, its deficit as well as the combined deficit will be reduced to that extent. Saurashtra also proposes to wipe out the remaining deficit by taking certain measures which have yet to be specified.

Excepting Rajasthan which hopes to balance its budget, all the other States show deficits, notably Mysore.

The large increase in expenditure on developmental items is spread over all the States, with the exception of Saurashtra which shows a decline of Rs. 0·8 crore. Small increases under direct demands on revenue (Rs. 0·3 crore) and debt services (Rs. 0·5 crore) are offset by a decrease of nearly Rs. 1·0 crore under civil administration.

On the revenue side, non-tax revenue accounts for a much larger increase (Rs. 3·5 crores) than tax revenue (Rs. 0·9 crore). Much the greater part of the increase in non-tax revenue is due to larger returns expected from irrigation, industrial and electricity undertakings and civil works. As regards tax sources, increases are anticipated under land revenue (Rs. 0·9 crore) in all States except Mysore and Saurashtra, and under sales tax (Rs. 0·4 crore) by all States save Mysore, PEPSU and Travancore-Cochin. Despite lower collections in Travancore-Cochin (Rs. 0·10 crore), a net increase of Rs. 5 lakhs is expected under agricultural income-tax, as a result of the imposition of this tax in Rajasthan, expected to yield Rs. 0·15 crore. Declines are expected under inter-State transit duties (Rs. 0·7 crore) for reasons already explained, and under income-tax due entirely to the smaller collections expected.

The following changes in taxes and rates have been proposed or effected :—

(Lakhs of Rupees)

	Estimated yield
Hyderabad	
(i) Increasing sales tax on petrol to Union Government rate of 3 annas per gallon with effect from April 1, 1953	2·14
(ii) Rates of taxes on motor vehicles brought to a uniform basis with the Union Government rates	1·72
(iii) Levy of a cess on sugarcane produced locally and crushed in local factories	8·00
Total ..	**11·86**
Madhya Bharat	
Enhancement in :	
(i) Irrigation rates	15·0
(ii) Sales tax on petrol..	5·0
(iii) Registration rates	0·60
Total ..	**20·60**

	Estimated yield
Rajasthan	
Imposition of Agricultural Income-tax	15·00
Mysore	
(*i*) Rate of health cess to be raised by 50 per cent	3·00
(*ii*) Increase in education cess	5·00
(*iii*) (*a*) Alteration in the structure of Motor Vehicles Tax; (*b*) Increase of petrol tax to 6 annas per gallon	40·0—50·0
(*iv*) Levy of licence fees on hotels	4·0
Total ..	**52—62**
Travancore-Cochin	
Betterment levy on lands which have benefited by irrigation works	**6·00**
Grand Total ..	**105·46—115·46**

CAPITAL ACCOUNT :

59. *General.*—On capital account, the main factor contributing to a position of relative comfort has been the increasingly large loans made by the Centre. Despite the continued increase in capital outlay on real investment and substantial loans and advances made by the States, the deficit on capital account, together with net receipts under 'remittances etc.', fell from Rs. 7·5 crores in 1951-52 to Rs. 3·2 crores in 1952-53 (RE) and Rs. 3 crores in 1953-54 (BE). As in the case of A States, these deficits are calculated after taking credit for net receipts from or payments into reserve funds. Market borrowings have been insignificant. It is expected that with the assumption by the Reserve Bank of India of their banking and debt management operations and with the growth in their financial requirements, borrowings from the market will in future play a more important role in financing the capital requirements of Part B States.

60. *1951-52, Accounts.*—Including changes in cash balance investment accounts, the net effect of which is reflected in the item "deposits and advances" on the receipts side, there was a big gap of Rs. 11 crores between receipts at Rs. 32 crores, and disbursements at Rs. 43 crores. This gap was brought down to Rs. 7·5 crores by net receipts of Rs. 3·2 crores on account of remittances and miscellaneous transactions. In addition to a capital outlay on development of Rs. 20·6 crores and loans and advances of Rs. 16·9 crores, schemes of State trading involved a net outgo of Rs. 3·7 crores. This was a material factor in enlarging the deficit. With the exceptions of Mysore and Travancore-Cochin, which had net receipts under schemes of State trading, there were net disbursements on this account in all the other States, largely in Rajasthan which spent a total of Rs. 4·1 crores.

On the receipts side, there was a recovery of loans and advances amounting to Rs. 9·9 crores. Loans from the Centre aggregated Rs. 6·7 crores. Short-term borrowings amounted to Rs. 3·3 crores, entirely on account of Hyderabad, Saurashtra and Rajasthan. There was a net outgo of Rs. 1·0 crore under unfunded debt, accounted for wholly by Travancore-Cochin.

61. *1952-53, Revised.*—With receipts and disbursements put at Rs. 36·80 crores and Rs. 39·95 crores, respectively, the gap on capital account in 1952-53 is estimated at Rs. 3·15 crores. Including a small net outgo under remittances and miscellaneous transactions, the short-fall amounts to Rs. 3·17 crores. Capital outlay on development (*vide* Table on page 81) is estimated at Rs. 22·44 crores. Schemes of State trading are, unlike in 1951-52, expected to bring in Rs. 5·27 crores. The only State which estimates a small outgo under this item, is PEPSU.

Under receipts, short-term borrowing is estimated at Rs. 4·5 crores, the bulk of which, namely, Rs. 4 crores, is by Travancore-Cochin. Loans and advances recovered from others (at Rs. 16 crores) and loans from the Centre (at Rs. 13 crores) also show notable increases over the previous year.

62. *1953-54, Budget.*— In the 1953-54 budget, receipts estimated at Rs. 42·6 crores and disbursements at Rs. 46 crores result in a short-fall of Rs. 3·4 crores, which is reduced to Rs. 3 crores on account of net receipts under remittances and miscellaneous.

Compared with 1952-53, disbursements are higher by Rs. 6 crores, on account of a large increase of Rs. 5·5 crores under capital outlay on development, at Rs. 28 crores. Repayment of loans to the Centre is higher at Rs. 1·3 crores. There are net receipts (Rs. 0·1 crore) under schemes of State trading. The provision for loans and advances to local bodies, etc. at Rs. 16·8 crores is less than in 1952-53 by Rs. 3·4 crores.

Receipts are anticipated to be larger by Rs. 5·8 crores due entirely to a substantial increase of Rs. 9·4 crores in loans from the Centre.

CAPITAL OUTLAY—DEVELOPMENTAL—B STATES

(Lakhs of Rupees)

			Multi-purpose River Valley and Irrigation Schemes	Agricultural Improvement and Research	Public Health	Electricity Schemes	Road Transport	Industrial Development	Buildings and Roads	Others	**Total**
Hyderabad:	1951-52		3,98		20	41	58	—	84	..	**6,01**
	1952-53	(RE)	5,28		23	53	43	—	73	..	**7,20**
	1953-54	(BE)	5,06	..	25	57	..	..	98	—	**6,86**
Madhya Bharat :	1951-52		4	13	3	51	25	—	—	..	**96**
	1952-53	(RE)	9	..	33	1,17	2	..	—	..	**1,61**
	1953-54	(BE)	10	4	78	66	5	.	..	....	**1,63**
Mysore:	1951-52		1,13			1,91	1	15	.	.	**3,20**
	1952-53	(RE)	1,27		.	2,15	5	1,48	4	2	**5,01**
	1953-54	(BE)	1,56		..	1,50	5	1,81	10	10	**5,12**
PEPSU:	1951-52		.		.	5	..	..	—	..	**5**
	1952-53	(RE)	29 (28)*		..		.	3	.	..	**32 (28)***
	1953-54	(BE)	2,18 (1,65)*	66	.	.	.	.	...	—	**2,84 (1,65)***
Saurashtra :	1951-52		70	.	6	16	.	10	38	8	**1,48**
	1952-53	(RE)	1,45	..	3	35	1	5	11	15	**2,15**
	1953-54	(BE)	1,62	..	.	43	—	20	29	19	**7,73**
Rajasthan :	1951-52		61	..	5	42		..	35	—	**1,43**
	1952-53	(RE)	1,02		9	18	.		54	..	**1,83**
	1953-54	(BE)	2,78		2	21	..	5	43	..	**3,49**
Travancore-Cochin:	1951-52		49	2	...	2,10	14	4,59	13	..	**7,47**
	1952-53	(RE)	45	1		2,88	30	43	25	.	**4,32**
	1953-54	(BE)	50	1	.	2,78	32	1,16	52	.	**5,29**
Totals :	**1951-52**		**6,95**	**15**	**34**	**5,56**	**98**	**4,84**	**1,70**	**8**	**20,60**
	1952-53	**(RE)**	**9,85**	**1**	**68**	**7,26**	**81**	**1,99**	**1,67**	**17**	**22,44**
	1953-54	**(BE)**	**13,80**	**71**	**1,05**	**6,15**	**42**	**3,22**	**2,32**	**29**	**27,96**

*Expenditure on Bhakra-Nangal Project.

Finances of Part C States :

63. *Finances during 1952-54.*—Six of the Part C States, namely, Ajmer, Bhopal, Coorg, Delhi, Himachal Pradesh and Vindhya Pradesh have separate revenue budgets, as from the financial year 1952-53. The financial transactions of the remaining C States (Kutch, Bilaspur, Manipur and Tripura) are covered in the budget of the Government of India. Capital outlays and debt, deposit and remittance transactions of the six States with independent budgets are, however, still included in the Union Budget as in the past. Their cash balances also are not separate, except on a *pro forma* basis, but are merged with the cash balances of the Union Government. Unlike Part A and B States, these States do not receive any share of the net proceeds of divisible taxes. Liberal grants-in-aid are, however, given to them by the Centre to enable them to balance their revenue budgets and keep an adequate working balance in their Consolidated Funds.

The main items of revenue and expenditure in respect of five* of these States in 1952-53 (RE) and 1953-54 (BE) are given in Statement 59. With the exception of Delhi, where the yield from the sales tax is substantial, tax revenue in all these States forms a smaller proportion of total revenue than non-tax revenue (largely grants-in-aid from the Centre). To some extent, the smallness of their tax revenue is due to the fact that these States are still in a formative period. Ajmer has proposed imposition of sales tax in the budget for 1953-54 ; Bhopal and Himachal Pradesh have yet to exploit this source. In all the States, expenditure on beneficient and development purposes forms a considerable part of their total expenditure.

RAILWAY BUDGET :

64. *General.*—The railway earnings suffered a setback in 1952-53 and in consequence the revised estimate of net surplus for that year is considerably smaller than what was budgeted for 1952-53 and the actuals in 1951-52. Budget estimates of the net surplus for 1953-54 are more or less the same as in 1952-53 (RE) (*vide* Table below). Despite lower expected receipts no changes in freight or fares are proposed ; on the other hand, certain minor travel concessions, such as concession fares for educational tours and for volunteers working on community projects have been proposed.

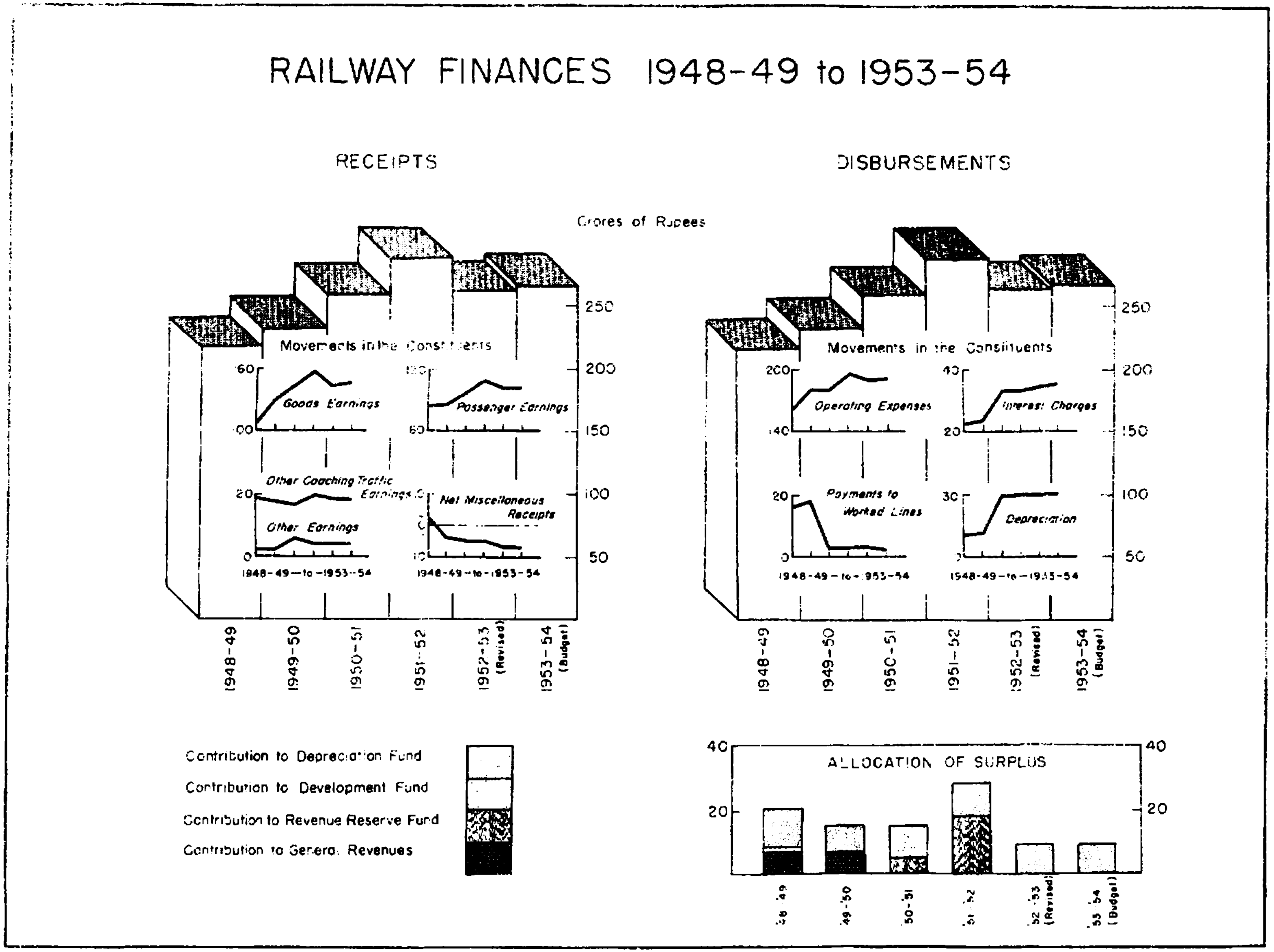
RAILWAY FINANCES

(Crores of Rupees)

	1950-51	1951-52	1952-53 (Budget)	1952-53 (Revised)	1953-54 (Budget)
Gross Traffic Receipts	263·01	290·82	282·16	269·55	272·28
Expenditure	215·45	229·07	224·69	225·96	228·20
of which :					
Ordinary Working Expenses ..	210·23	224·04	217·69	218·85	220·99
Appropriation to Depreciation Fund ..	30·00	30·00	30·00	30·00	30·00
Net Revenue	47·56	61·75	57·47	43·59	44·08
Dividend to General Revenues	32·51	33·41	34·00	34·11	34·77
Surplus	*15·05*	*28·34*	*23·47*	*9·48*	*9·31*
Appropriations to :					
Development Fund	10·00	10·00	12·00	9·48	9·31
Revenue Reserve Fund	5·05	18·34	11·47	...	...

* Data for Coorg are not available.

GRAPH 17


RAILWAY FINANCES 1948-49 to 1953-54
RECEIPTS
DISBURSEMENTS
Crores of Rupees
Movements in the Constituents
Goods Earnings
Passenger Earnings
Other Coaching Traffic Earnings
Other Earnings
Net Miscellaneous Receipts
Operating Expenses
Interest Charges
Payments to Worked Lines
Depreciation
1948-49—to—1953-54
1948-49
1949-50
1950-51
1951-52
1952-53 (Revised)
1953-54 (Budget)
250
200
150
100
50
Contribution to Depreciation Fund
Contribution to Development Fund
Contribution to Revenue Reserve Fund
Contribution to General Revenues
ALLOCATION OF SURPLUS
40
20

65. *1951-52, Accounts.*—The net revenue of the railways in 1951-52 amounted to Rs. 61·7 crores which, after payment of Rs. 33·4 crores as dividend to general revenues, left a net surplus of Rs. 28·3 crores. Of this, Rs. 10 crores were allocated to the Development Fund and the balance to the Revenue Reserve Fund (*vide* Statement 51 and Graph 17).

66. *1952-53, Revised.*—The revised estimates for 1952-53 show a net surplus of Rs. 9·5 crores, or Rs. 14 crores *less* than the net surplus in the budget estimates for that year. The decline is due to (1) a fall of Rs. 12·6 crores in gross traffic earnings and (2) a rise in working expenses (including appropriation to depreciation funds and miscellaneous expenditure) by Rs. 1·3 crores to Rs. 226 crores.

The decline in gross traffic receipts was due to a drop of Rs. 10 crores in passenger earnings and a fall of Rs. 1·1 crores in goods earnings (*vide* Statement 52). On the expenditure side, the increase is due almost entirely to additional staff charges and higher maintenance costs. In 1952-53 (RE), the entire net surplus has been transferred to the Development Fund.

67. *1953-54, Budget.*—Estimated traffic receipts are put at Rs. 2·7 crores more than in 1952-53 (RE), on the assumption that passenger earnings have now been adjusted to a normal level, and that with the increase in the tempo of industrial and agricultural activities as a result of the Five-Year Plan the earnings from goods traffic will improve somewhat. Budget estimates of expenditure are higher than in 1952-53 (RE) by Rs. 2·3 crores, due to increased provision for (1) overtaking arrears of repairs and maintenance of railway assets and (2) meeting additional expenditure on staff, consequent upon annual increments to existing staff and additional personnel required for the implementation of the Adjudicator's Award, mainly on railways in former Indian States.

Although the net estimated revenue in 1953-54 is Rs. 0·49 crore higher than in 1952-53 (RE), the net surplus at Rs. 9·3 crores is lower by Rs. 0·17 crore. This is due to an increase of Rs. 0·66 crore in the dividend payable to general revenues, which stands at Rs. 35 crores. As in the previous year, the net surplus is allocated entirely to the Development Fund.

68. *Capital Expenditure.*—The revised estimate of capital expenditure for 1952-53 is Rs. 2·4 crores lower than the budget estimate, and amounts to Rs. 77 crores, including works chargeable to revenue. This is mainly due to the slow progress of certain works and a decrease in the holdings of stores by the Railways. The budget provision in 1953-54 stands higher at Rs. 80 crores, including works chargeable to revenue amounting to Rs. 5·7 crores. Of this, Rs. 43 crores is for rolling stock and machinery, including a sum of Rs. 15 crores for acquisitions of new rolling stock over and above the programmed deliveries, and Rs. 37 crores for works, including Rs. 6·7 crores for construction of new lines and for restoration of dismantled lines. The capital programme thus places primary emphasis on rehabilitation with due consideration to the augmentation of the rolling stock and the construction of new lines. Work is to commence on five new lines, and seven other projects are to be surveyed.

69. *Reserve Funds.*—The total of the balances in the three reserve funds—Depreciation Reserve Fund, Revenue Reserve Fund and Development Fund—

which showed an increase of Rs. 20 crores in 1951-52 is estimated to decline by Rs. 12 crores and Rs. 10 crores in 1952-53 and 1953-54, respectively, as a result of substantial net withdrawals from Depreciation Fund during these two years (Rs. 13 crores and Rs. 7·3 crores, respectively) and from the Development Fund in 1953-54 (Rs. 3·8 crores). At the end of 1953-54, the total is expected to stand at Rs. 156 crores (*vide* Table below).

RAILWAY FUNDS

(Crores of Rupees)

	Depreciation Reserve Fund			Revenue Reserve Fund			Development Fund			**Total**		
	1951-52	1952-53 (RE)	1953-54 (BE)	1951-52	1952-53 (RE)	1953-54 (BE)	1951-52	1952-53 (RE)	1953-54 (BE)	**1951-52**	**1952-53 (RE)**	**1953-54 (BE)**
Appropriations ..	33·79	33·85	33·57	19·12	1·05	1·08	10·65	10·17	9·96	**63·56**	**45·07**	**44·61**
Withdrawals	35·87	47·28	40·92	—0·18	—0·04	..	7·70	9·60	13·78	**43·39**	**56·84**	**54·70**
Net Accretions during the year	—2·08	—13·43	—7·35	19·30	1·09	1·08	2·95	0·57	—3·82	**20·17**	**—13·95**	**—10·09**
Closing Balance	122·02*	108·59	101·24	33·72*	34·81	35·89	22·48*	23·05	19·23	**178·22***	**166·45**	**156·36**

* Figures are provisional as the balances of the ex-States Railways merged therein have not yet been finalised.

B. PUBLIC DEBT

Union Government :

70. *General*.—At the end of March 1953, Government of India's total interest-bearing obligations* amounted to Rs. 2,646 crores, representing a rise of Rs. 26 crores over the March-end figure of the preceding year (*vide* Statement 53). Internal interest-bearing obligations at Rs. 2,502 crores showed an increase of Rs. 28 crores. Receipts from small savings were higher by Rs 45 crores† at Rs. 418 crores, while receipts under floating debt were lower by Rs. 16 crores at Rs. 319 crores. External debt at Rs. 144 crores (Dollar loans, Rs. 111 crores) remained at about the same level as at the end of March 1952. It is expected that by the end of March 1954 total interest-bearing obligations will amount to Rs. 2,776 crores, owing largely to an increase of Rs. 110 crores under floating debt.

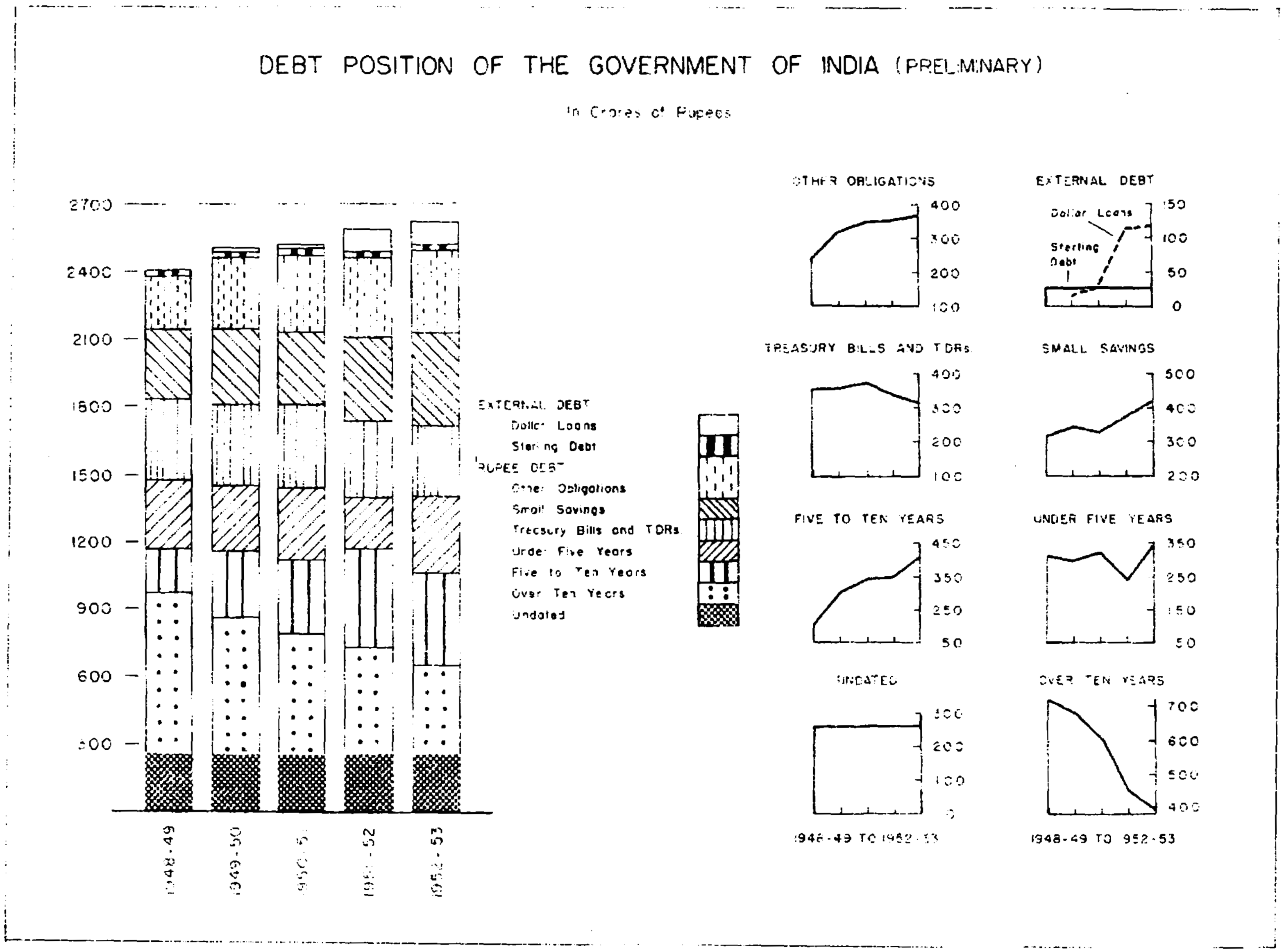
During 1952-53, the Central Government did not float any long-term loans in the internal market, though a provision of Rs. 25 crores had been made in the budget for 1952-53.

Interest-yielding assets of the Government of India, covering capital invested in railways and in other commercial departments, debt due from State Governments, Burma, Pakistan, etc., rose by Rs. 82 crores during the year to

* Includes loans, floating debt, unfunded debt and deposits, but excludes special floating and expired loans.

† Revised estimate as shown in the Budget Memorandum ; provisional estimate of actual receipts is Rs. 36·3 crores (Statement 60).

GRAPH 18


DEBT POSITION OF THE GOVERNMENT OF INDIA (PRELIMINARY)
In Crores of Rupees
EXTERNAL DEBT
Dollar Loans
Sterling Debt
RUPEE DEBT
Other Obligations
Small Savings
Treasury Bills and TDRs
Under Five Years
Five to Ten Years
Over Ten Years
Undated
1948-49
1949-50
1950-51
1951-52
1952-53
OTHER OBLIGATIONS
EXTERNAL DEBT
TREASURY BILLS AND TDRs
SMALL SAVINGS
FIVE TO TEN YEARS
UNDER FIVE YEARS
UNDATED
OVER TEN YEARS
1948-49 TO 1952-53

Rs. 1,863 crores. This resulted from increases in loans to States (Rs. 72 crores), investment in Railways (Rs. 31 crores) and other interest-bearing advances (Rs. 20 crores) offset by reduction in capital advanced to commercial departments (Rs. 32 crores) and in sterling assets (Rs. 10 crores). Total interest—yielding assets constituted 70 per cent of total interest-bearing obligations as compared to 68 per cent at the end of 1951-52. By the end of 1953-54, interest-yielding assets are expected to rise by Rs. 116 crores to Rs. 1,979 crores, constituting 71 per cent of the interest-bearing obligations of the Government of India.

71. *Composition of Debt.*—The total public debt‡ of the Government of India as at the end of March 1953 amounted to Rs. 2,493 crores as against Rs. 2,460 crores at the end of March 1952 (*vide* Statement 54 and Graph 18). Of this, 13·9 per cent was due to mature in 5 years, 16·5 per cent between 5 and 10 years, 15·6 per cent over 10 years, 10·3 per cent undated and 12·7 per cent floating debt, the balance being accounted for by unfunded debt and other obligations. Small savings, etc., constituting 15·2 per cent at the end of 1952, have shown an increase to 16·5 per cent at the end of the year.

Sale of Treasury bills to the public, which had been suspended since December 20, 1949, was resumed on September 9, 1952. At the same time, the sale of Treasury Deposit Receipts which were on tap since October 15, 1948 was discontinued. Treasury bills outstanding at the end of March 1953 amounted to Rs. 315 crores and showed a rise of Rs. 1 crore during the year, compared to a decline of Rs. 44 crores during 1951-52 (*vide* Statement 55). Of the total outstanding as at the end of March 1953, *ad hocs* held by the Reserve Bank amounted to Rs. 261 crores ; State Governments and approved bodies accounted for Rs. 23 crores and Rs. 20 crores, respectively; and Treasury bills held by the public amounted to Rs. 12 crores. Total sales in 1952-53 amounted to Rs. 1,275 crores. Of this, Rs. 1,063 crores represented renewals of *ad hocs* held by the Reserve Bank, Rs. 89 crores investments by State Governments, Rs. 81 crores investments by other approved bodies and Rs. 42 crores sales to the public (Rs. 1 crore representing issue against matured bills and the balance against cash payments). While the sales of Treasury bills have been encouraging there has been a progressive increase in the rate of interest. The average rate at the first auction on September 9, 1952 was 2·0 per cent (*vide* Statement 56) as compared with only 0·5 per cent on December 20, 1949 (when the bills were last offered for sale) ; it rose gradually in subsequent sales to as much as 2·4 per cent in January 1953 and remained at that level at the close of the year.

Treasury Deposit Receipts showed a net outgo of Rs. 18 crores in 1952-53 (RE) as against a net receipt of Rs. 11 crores in 1951-52.

72. *Repatriation of Sterling Debt.*—During 1952-53, sterling debt of the face value of £0·08 million was repatriated at a cost of Rs. 9·6 lakhs (*vide* Statement 57).

73. *Distribution of Rupee Debt : G. P. Notes, Stock Certificates, S.G.L. Accounts.*—Conversion of Government promissory notes into stock certificates during the year amounted to Rs. 13·7 crores in the case of Government of India loans and Rs. 0·45

‡ Includes besides loans, floating debt, and unfunded debt, balances, of special floating and expired loans, but excludes, unlike interest-bearing obligations, deposits.

crore in the case of State Government loans, the corresponding figures for the previous year being Rs. 12·2 crores and Rs. 0·49 crore, respectively. Reconversion of stock certificates into G. P. Notes amounted to Rs. 5·3 crores in respect of the Central loans and Rs. 0·32 crore in respect of State loans. Institutional investors continued to show preference for holding their securities in the Subsidiary General Ledger (S.G.L.) Accounts which now account for over 50 per cent of total rupee debt (*vide* Table below).

PERCENTAGE TO TOTAL RUPEE DEBT

As on March 31	G. P. Notes	Stock Certificates	S. G. L. Accounts	Miscellaneous (*i. e.*, G. P. Notes and Stock Certificates held in London)
1942	53·69	15·40	30·57	0·34
1943	25·60	31·28	42·85	0·27
1945	37·05	25·95	36·85	0·15
1948	33·04	20·94	45·99	0·03
1951	32·37	17·73	49·87	0·03
1952	33·19	17·61	49·18	0·02
1953	32·93	16·25	50·80	0·02

74. *Small Savings* .—Gross receipts of small savings during 1952-53 amounted to Rs. 142·7 crores and gross repayments to Rs. 106·4 crores, showing a net rise of Rs. 36·3 crores as against a net rise of Rs. 38·5 crores in 1951-52 (*vide* Statements 58-60). National savings certificates accounted for Rs. 18·5 crores of this increase as against Rs. 17·9 crores in 1951-52. Consequent upon measures taken in 1951-52* Post Office Savings Bank Deposits rose significantly by Rs. 14·1 crores as against an increase of Rs. 12·8 crores in 1951-52. Treasury Savings Deposit Certificates brought in only Rs. 7·3 crores as compared to Rs. 13·1 crores in the preceding year.

With a view to encouraging small savings and securing closer co-operation of State Governments it was decided at the Finance Ministers' Conference held in October 1952 that collections in each State in excess of the target fixed for it would be made available to that State in the shape of loans for its development projects, subject to the overall limitation that the Centre first retains Rs. 45 crores out of the aggregate all-India collection. It is expected that this arrangement will lead to intensification of States' efforts in the small savings drive.

75. *Government Balances and Ways and Means Advances.*—During 1952-53 the cash balances of the Central Government showed a net decrease of Rs. 63 crores to Rs. 92 crores (*vide* Statement 61). The decline was entirely in balances with the Reserve Bank ; balances in the Government Treasuries were the same as at the end of March 1952. The Centre did not resort to ways and means advances during the year.

State Governments :

76. *Debt Position of Part A States.* During the year 1952-53 the gross debt of Part A States rose by Rs. 77 crores to Rs. 400 crores at the end of March 1953† (*vide* Statement 62). Loans from the Central Government at Rs. 279 crores

* For details of these measures, see page 105 of the Report on Currency and Finance for 1951-52.

† Based on the actual returns submitted by all the States excepting Assam for which figures are taken from the budget papers.

show an increase of Rs. 62 crores during the year and constitute 70 per cent of total debt. Permanent debt, floating debt and unfunded debt at the end of March 1953 were also higher by Rs. 9·3 crores, Rs. 2·7 crores and Rs. 2·9 crores, respectively. Cash balances which had declined by Rs. 13·4 crores in 1951-52 rose by Rs. 3·5 crores in 1952-53 to Rs. 24·6 crores.

No State Government resorted to borrowing through the issue of Treasury bills in 1952-53.

77. *State Loans.* – In August 1952, four Part A States, namely, Bombay, Madras, Uttar Pradesh and West Bengal floated loans amounting to Rs. 3·5 crores, Rs. 5·0 crores, Rs. 2·0 crores and Rs. 2·0 crores, respectively. All these loans carry 4 per cent interest and are due to be repaid in 1961 (*vide* Statement 63). Bombay and West Bengal loans were issued at par, while the U.P. loan was offered at Rs. 99-8 and the Madras loan at Rs. 99-12. Uttar Pradesh and Madras also allowed subscriptions through conversion at par of their 3 per cent 1952 loans, with outstandings at Rs. 1·95 crores and Rs. 2·19 crores, respectively. Such conversions amounted to Rs. 46 lakhs in the case of U.P. and Rs. 75 lakhs in the case of Madras, the remainder of their floatation being absorbed through cash subscriptions.

Uttar Pradesh created two further issues of Rs. 2 crores each of the 4 per cent loan 1961 on December 4, 1952 and March 31, 1953, respectively, for sale to institutional investors. Inclusive of these, total subscriptions to State loans in 1952-53 amounted to Rs. 17 crores.

78. *Balances and Ways and Means Advances.* – The month-end balances of Part A States with the Reserve Bank of India as well as in Government Treasuries are given in Statement 61. On an average, cash balances during the year were lower at Rs. 15·3 crores compared with Rs. 17·6 crores in 1951-52. Balances at the end of 1952-53 standing at Rs. 52·4 crores were, however, Rs. 21·8 crores more than at the end of 1951-52. The principal increases in the individual States are : Uttar Pradesh Rs. 13·5 crores, Bombay Rs. 5·5 crores and Orissa Rs. 3·8 crores. Punjab has, on the other hand, shown a decline of Rs. 6·3 crores.

During 1952-53, seven Part A States (Bombay, Madras, Punjab, Assam, Bihar, U.P. and Orissa) and two Part B States (Madhya Bharat and Travancore-Cochin) resorted to ways and means advances. Such advances amounted to Rs. 5·9 crores in the case of A States and Rs. 1·1 crores for B States. Of the Part A States, Bombay borrowed Rs. 2·6 crores, Punjab Rs. 1·3 crores, Madras Rs. 0·80 crore, U.P. Rs. 0·40 crore and Bihar Rs. 0·52 crore. In the case of A States, advances in January 1953 at Rs. 1·3 crores were the highest for the year. Their outstandings as at the end of March 1953 amounted to Rs. 0·80 crore, due from Madras. Travancore-Cochin and Madhya Bharat borrowed Rs. 0·72 crore and Rs. 0·42 crore, respectively. No advances were outstanding at the end of March 1953 in the case of B States.

VII. TRADE, BALANCE OF PAYMENTS AND EXCHANGE CONTROL

79. *General.*—The record of India's balance of payments position in 1952 was one of adjustment to the disinflationary trends which gathered strength at home and abroad. In exports, the adjustment was mainly in respect of prices, effected partly through lowering of export duties. The progress of disinflation necessitated a number of other changes in trade policy, mainly by way of relaxation of export controls. Even then, the volume of exports declined by some 10† per cent as compared to the previous year. The volume of imports declined by 12† per cent and prices by about 4† per cent. Payments for direct imports by the private sector declined by 15 per cent, as against a fall of 11 per cent in the case of payments for Government imports. The changes in prices are estimated to have caused a deterioration of 24† per cent in the average terms of trade for the year, as compared to the previous year.

The net result of the series of price and volume readjustments was a widening of the trade deficit from Rs. 113 crores in 1951 to Rs. 134 crores in 1952. On the other hand, the current account deficit was actually smaller by Rs. 20 crores, as a result of a favourable swing in invisibles and donations. The Table below compares briefly the position on current account for the years 1951 and 1952 as also between the two halves of 1952*. A more detailed account of the different aspects of the balance of payments position is given at a later stage.

(Crores of Rupees)

	1951	1952 (Preliminary)	1952 (Preliminary) January-June	1952 (Preliminary) July-December
Imports *c. i. f.*				
(a) Private	595·7	509·0	298·4	210·5
(b) Government ..	266·7	237·7	150·2	87·5
Total Imports (a+b) ..	862·4	746·7	448·7	298·0
Exports *f. o. b.*	749·5	612·8	314·7	298·1
Trade Balance	112·9	133·9	134·0	0·1
Invisibles (Net)	55·5	96·6	53·2	43·3
Current Account (Net) ..	−57·4	37·3	−80·8	43·4

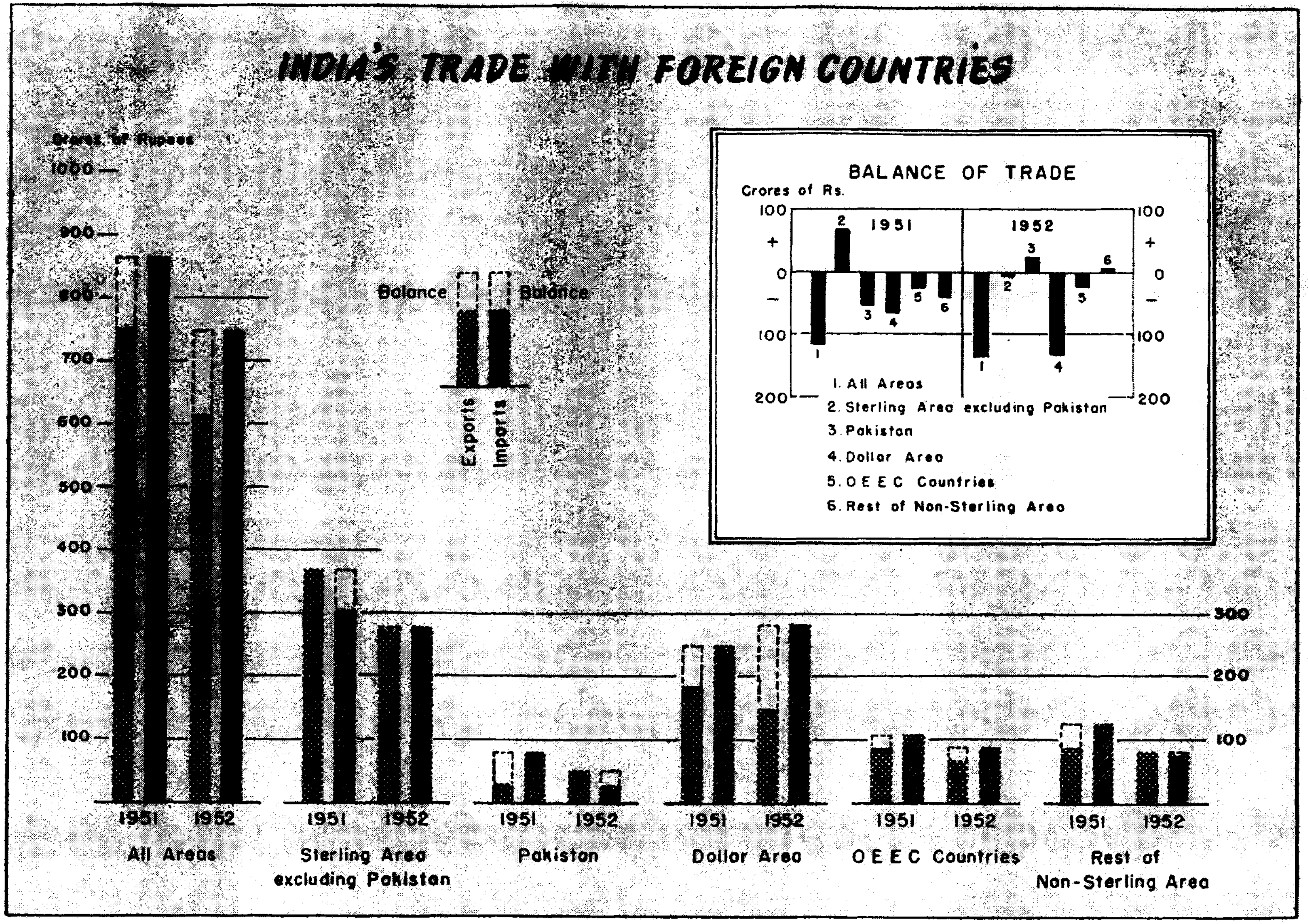
80. *Developments in Trade Policy.*—With the setback received by Indian exports following the end of the Korean boom and the switch-over to the buyers' market the world over, the emphasis in trade policy came to be on the promotion of exports. As regards imports, the policy was fairly liberal in the case of the non-dollar area. Imports from the dollar area were regulated on a strict test of essentiality, in view of the need to reduce the sterling area's dollar deficit. A summary of these measures is given below and further details in Statement 64.

Exports. Chiefly three types of measures were taken, the most important of which was the reduction in export duties on jute goods, raw cotton and cotton textiles. Secondly, export quotas were liberalised, many important commodities like cotton textiles and jute goods having been placed on the free licensing list. Exports

† These figures probably exaggerate the movements in prices because of the changes in the pattern of trade since 1948-49, the base year for the index numbers. This also applies to the figures in the Table on page 89 and Statement 65.

* The figures of imports in 1951 shown in this Table differ from the earlier figures owing to an important methodological revision in the data relating to U. S. Food Loan transactions. Large amounts of loan purchases originally included in the account of 1951 have been transferred to that of 1952 since the earlier entries were estimates based on procurement authorisations for purchase of loan wheat, and not on the date of its transfer to Indian ownership. They have, therefore, been reduced by nearly Rs. 21 crores.

GRAPH 19



INDIA'S TRADE WITH FOREIGN COUNTRIES
Crores of Rupees
1000
900
800
700
600
500
400
300
200
100
Balance
Balance
Exports
Imports
BALANCE OF TRADE
Crores of Rs.
100
+
0
–
100
200
1951
1952
1. All Areas
2. Sterling Area excluding Pakistan
3. Pakistan
4. Dollar Area
5. O E E C Countries
6. Rest of Non-Sterling Area
1951
1952
All Areas
Sterling Area excluding Pakistan
Pakistan
Dollar Area
O E E C Countries
Rest of Non-Sterling Area

of indigenous manufactures like electric ceiling fans, etc. were freely allowed. The existing export quotas were increased in many cases, *e.g.*, raw cotton, castor and groundnut oils. Some commodities, temporarily not allowed to be exported, were granted export quotas as in the case of sugar. Lastly, assistance in the shape of extra allocation of steel to fabricators who could develop overseas markets and Government financial assistance to the Indian Jute Mills Association for a sales promotion campaign for jute goods in the U. S. A. were given. There was also a certain amount of simplification of the licensing procedure.

Imports.—The import policy for the half year July-December 1952 was a little more restrictive than previously, as stocks accumulated earlier and increased indigenous production had augmented the available supplies and reduced the need for imports. Apart from this, the major change in the import policy for this period was the reintroduction of the usual period of validity of licences for six months which, for a number of items, was formerly one year.

The policy for the next half year, namely, January-June 1953 was designed to maintain imports generally at the level prevailing in the previous half year. The exceptions were certain items of machinery and consumer goods in the case of which the cuts made in July-December 1952 were fully or partially restored. Token imports were also allowed for a few minor items of consumer goods, in order to provide healthy competition to indigenous production.

81. *Trends in Balance of Payments.*—The trends in the balance of payments position from quarter to quarter during 1952 and the annual data for 1951 are set out in the Table below (*vide* also Graphs 19 to 21).

(Crores of Rupees)

	1952				Year	
	1st. Qr.	2nd Qr.	3rd Qr.	4th Qr.	1952	1951
Imports : *c. i. f.* Values	265·6	183·1	159·6	134·0	746·7†	862·4
Exports : *f. o. b.* Values	161·1	153·6	152·6	145·5	612·8	749·5
Trade Balance	—104·5	— 29·5	7·0	+ 11·5	—133·9†	—112·9
Invisibles (Net)	+ 29·1	+ 24·1	+ 18·4	+ 20·5	+ 96·6†	+ 55·5
Current Account (Net)	*— 75·1*	*— 5·4*	*+ 11·4*	*+ 32·0*	*— 37·3*	*— 57·4*
Errors & Omissions	*+ 17·3*	*— 4·3*	*+ 2·9*	*— 16·0*	*— 0·1*	*— 31·1*
Capital Account (Net)	*— 58·1*	*— 9·7*	*+ 14·3*	*+ 16·0*	*— 37·4*	*— 88·5*
Imports Quantity Index : 1948-49=100	115	99	74	63	88	100
Exports Quantity Index : 1948-49=100	84	89	106	90	92	102
Imports Unit Values Index : 1948-49=100	148	143	128	123	136	142
Exports Unit Values Index : 1948-49=100	159	126	112	116	128	174
Net Terms of Trade	*107*	*88*	*88*	*94*	*94*	*123*

† These figures include Rs. 4·4 crores of foreign aid received from the U. S. A. for which quarterly breakdown is not available. The quarterly figures will not, therefore, add up.

It will be seen that the current account showed a very large deficit of Rs. 75 crores in the first quarter, an almost nominal deficit in the second and surpluses of Rs. 11 crores and Rs. 32 crores, respectively, in the third and fourth quarters of the year. The deficit in the first quarter of 1952 was even larger than that in the last quarter of 1951 by Rs. 27 crores, and was the result of a sharp rise in imports and a fall in exports. Imports during this period comprised mostly essential goods, helping to build up domestic stocks of items like food, raw cotton and jute. 45 per cent of the entire purchases, during the year, of raw cotton, raw jute and food were made in the first quarter.

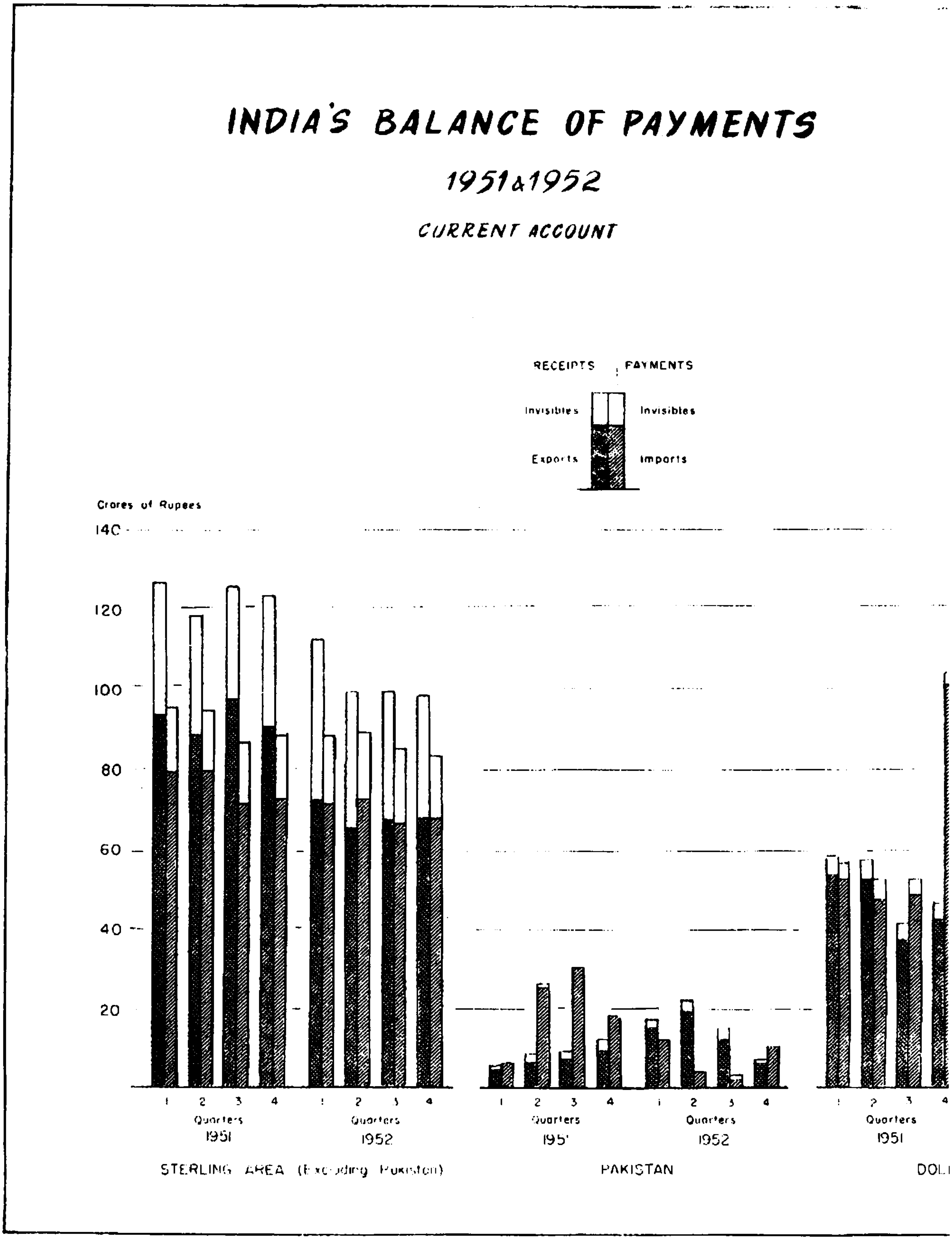
By the end of the second quarter, the deficit on current account was reduced to Rs. 5·4 crores. Payments in this period on account of private and Government imports fell by Rs. 63 crores and Rs. 19 crores, respectively. The quantum of exports registered a small rise, but prices of exports fell by nearly 20 per cent. The trend towards decline in imports continued during the major part of the remaining two quarters of the year, though at a reduced rate. Towards the end of the year, imports started to revive as stocks were used up, and in the last quarter of the year there was an increase in private imports. But this was more than offset by the decline in Government imports. Export earnings continued to decline owing mainly to the fall in export prices ; the slight improvement in prices noticed in the last quarter was more than offset by the fall in quantities exported. But as there was a greater fall in import payments, the trade balance, for the first time since the first quarter of 1951, registered a surplus of Rs. 12 crores. In the last quarter, the surplus on current account was much higher at Rs. 32 crores.

The fourth quarter also witnessed a favourable movement in the terms of trade. The deterioration, which had set in, in the third quarter of 1951, continued until the second half of 1952. The index (*base* : 1948-49=100) dropped from 116 in the last quarter of 1951 to 107 in the first quarter of 1952 and further to 88 in the second quarter of 1952. The terms were stationary in the third quarter, and showed some improvement in the fourth quarter. Both export and import prices continued to fall from the second half of 1951, the former more steeply ; in the fourth quarter of 1952 export prices rose (*vide* Statement 65).

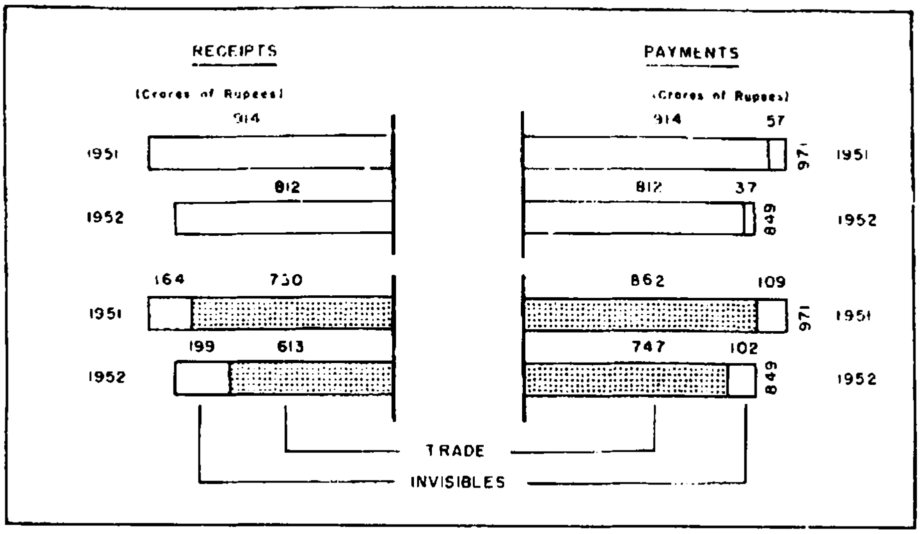
The data for transactions on capital account given in Statement 66 show that net disinvestment on capital account corresponding to the deficit on current account amounted to Rs. 37 crores in 1952. In Statement 67, the data relating to current and capital transactions for 1951 and 1952 have been re-arranged to show the extent of compensatory official financing required to cover not only the current account deficit but also movements of private capital, special official financing, etc. Although the balance on the goods account worsened by Rs. 21 crores, the net decline in payments for travel of Rs. 16 crores and the reduction of Rs. 14 crores in investment income payments enabled the balance on the combined goods and services account to improve by Rs. 5·6 crores.

Private donations and capital movements showed a reduction of Rs. 1·0 crores, owing mainly to larger outflow of long-term private capital. Special official transactions brought in Rs. 12 crores in 1952, an increase of Rs. 8·0 crores over 1951. The major items were donations from foreign Governments amounting to Rs. 13 crores, as against Rs. 1·4 crores in 1951. These comprised mainly aid under the Colombo Plan from Australia, Canada and New Zealand and assistance received from the U. S. A. under the Indo-American Technical Co-operation Agreement. Allowing for these various groups of transactions and for "Errors and Omissions", there was a deficit of Rs. 46 crores to be met by the monetary authorities. This, however, represented a very substantial reduction compared to 1951, when the compensatory official financing totalled Rs. 87 crores. The last section in

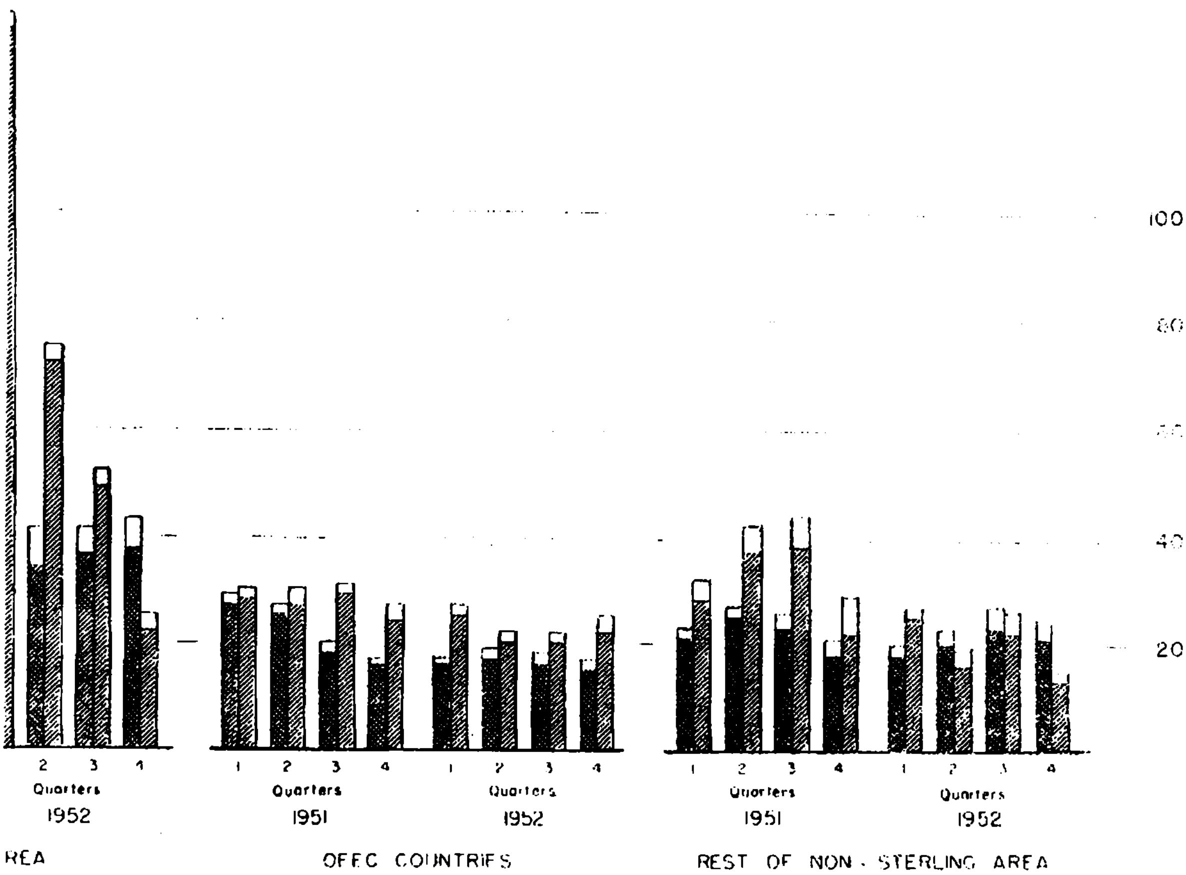
GRAPH 20


INDIA'S BALANCE OF PAYMENTS
1951 & 1952
CURRENT ACCOUNT
RECEIPTS
PAYMENTS
Invisibles
Invisibles
Exports
Imports
Crores of Rupees
140
120
100
80
60
40
20
Quarters
1951
Quarters
1952
STERLING AREA (Excluding Pakistan)
PAKISTAN
1952
Quarters
1951
DOL

GRAPH 20



RECEIPTS
(Crores of Rupees)
PAYMENTS
(Crores of Rupees)
914
1951
812
1952
914
57
971
1951
812
37
849
1952
164
730
1951
199
613
1952
862
109
971
1951
747
102
849
1952
TRADE
INVISIBLES



100
80
20
2
3
4
Quarters
1952
REA
1
2
3
4
Quarters
1951
1
2
3
4
Quarters
1952
OEEC COUNTRIES
1
2
3
4
Quarters
1951
1
2
3
4
Quarters
1952
REST OF NON - STERLING AREA

Statement 67 presents the manner in which the deficit was financed. It will be seen that the drawings on the U. S. Food Loan amounted to Rs. 53 crores. The foreign exchange assets also went down by about Rs. 60 crores. Together, they were able to finance the deficit of Rs. 46 crores and provide for the liquidation of short-term liabilities arising mainly from the transactions of the authorised dealers, and of liabilities from the transfers of Indian currency.

An analysis of the regional pattern of the current account in 1952, as compared with the preceding year, shows major shifts except in regard to OEEC countries (*vide* Table below and Statements 68 and 69). The surplus with the sterling area countries other than Pakistan was more than halved in 1952. Although invisibles and official donations recorded a rise of Rs. 7·5 crores, the trade balance worsened from a *surplus* of Rs. 67 crores in 1951 to a *deficit* of Rs. 6·2 crores in 1952. While imports receded by Rs. 25 crores, almost entirely on private account, exports dropped sharply by Rs. 98 crores. Import restrictions in countries like Australia, together with the general movement towards tighter credit conditions in the area, appear to have led to a contraction in the demand for all types of goods from India. The export of principal commodities such as tea, jute and cotton manufactures suffered both in quantity and price.

REGIONAL SURPLUS (+) OR DEFICIT (—)

(Crores of Rupees)

	1952				Year	
	Ist. Qr.	2nd Qr.	3rd Qr.	4th Qr.	1952	1951
Sterling Area Excluding Pakistan ..	+ 23·2	+ 9·4	+ 14·6	+ 15·6	+ 62·8	+128·7
Pakistan	+ 5·2	+ 18·0	+ 11·9	— 2·6	+ 32·5	— 46·6
Dollar Area	— 87·5	— 33·8	— 11·0	+ 17·5	—114·7	— 61·8
OEEC Countries	— 9·9	— 2·7	— 4·7	— 8·3	— 25·5	— 25·8
Rest of the Non-sterling Area ..	— 6·4	+ 3·6	+ 0·6	+ 9·7	+ 7·6	— 51·8
Total	**75·4**	— **5·4**	+ **11·4**	+ **32·0**	— **37·3**	— **57·4**

The payments position on current account with Pakistan showed a swing of nearly Rs. 79 crores from a *deficit* of Rs. 47 crores in 1951 to a *surplus* of Rs. 32 crores. This improvement was the result of a contraction in imports of Rs. 52 crores, an increase in exports of Rs. 24 crores and an improvement in net invisible receipts of about Rs. 3 crores. The reduction in raw jute purchases alone accounted for a fall of Rs. 39 crores in payments. To this must be added the elimination of food imports which amounted to Rs. 10 crores in 1951. The improvement in exports in 1952 was distributed over a wide category of items including coal, cotton and jute manufactures and tobacco. Transactions in the last quarter, however, recorded a small deficit, owing to the revival of seasonal imports of raw jute and a sharp decline in exports consequent on the imposition of import restrictions and increases in import duties in Pakistan.

The trends in the dollar balance of payments were parallel to the movements in the overall balance of payments during the year. The huge deficit of Rs. 88 crores, in the first quarter of the year, was reduced to moderate levels during the second and third quarters; in the last quarter a sizeable surplus of Rs. 18 crores was recorded, owing mainly to the continuous fall in imports. For the year as a whole, however, the deficit rose from Rs. 62 crores in 1951 to Rs. 115 crores in 1952. While invisibles and official donations showed a net gain of Rs. 15 crores over 1951, the trade balance worsened by Rs. 68 crores. This was the result of a fall of Rs. 35 crores in exports and a rise of Rs. 33 crores in imports. Export earnings declined mainly as a result of lower prices. Imports rose on account of increased purchases on Government account and large payments for raw cotton.

The balance with OEEC countries showed practically no change, there being a fall in the deficit of only Rs. 0·3 crore from Rs. 26 crores in 1951. The fall in exports of Rs. 22 crores was fully covered by the fall in imports and invisible payments. A striking feature of the change in imports was that, while private imports declined rather sharply by Rs. 27 crores, Government imports rose by about Rs. 5 crores.

There was a striking improvement in the balance with the rest of the non-sterling area, the deficit of Rs. 52 crores in 1951 having been converted into a surplus of Rs. 7·6 crores in 1952. The improvement in the invisible account alone was of the order of Rs. 16 crores. Although the comparison of absolute figures for exports and imports is complicated by the inclusion of barter transactions (amounting to Rs. 17 crores under both exports and imports) in the data for 1951, there was a considerable improvement in the merchandise account in 1952. Excluding barter transactions, imports fell by Rs. 33 crores in 1952, owing mainly to reduced payments for raw cotton from Egypt and Sudan and foodgrains from Thailand and China. On the other hand, exports increased by about Rs. 10 crores, increased shipments of raw cotton to Japan being one of the main causes.

82. *Trade in Principal Commodities.*—Statements* 71-75 show the value† and direction of India's foreign trade by commodities.

Imports.—Imports in 1952 were smaller in value than those in 1951 by Rs. 50 crores on account of a small decline in prices and a relatively larger decline in volume, most of the declines taking place in the latter half of the year. The relative importance of the different groups altered only slightly.

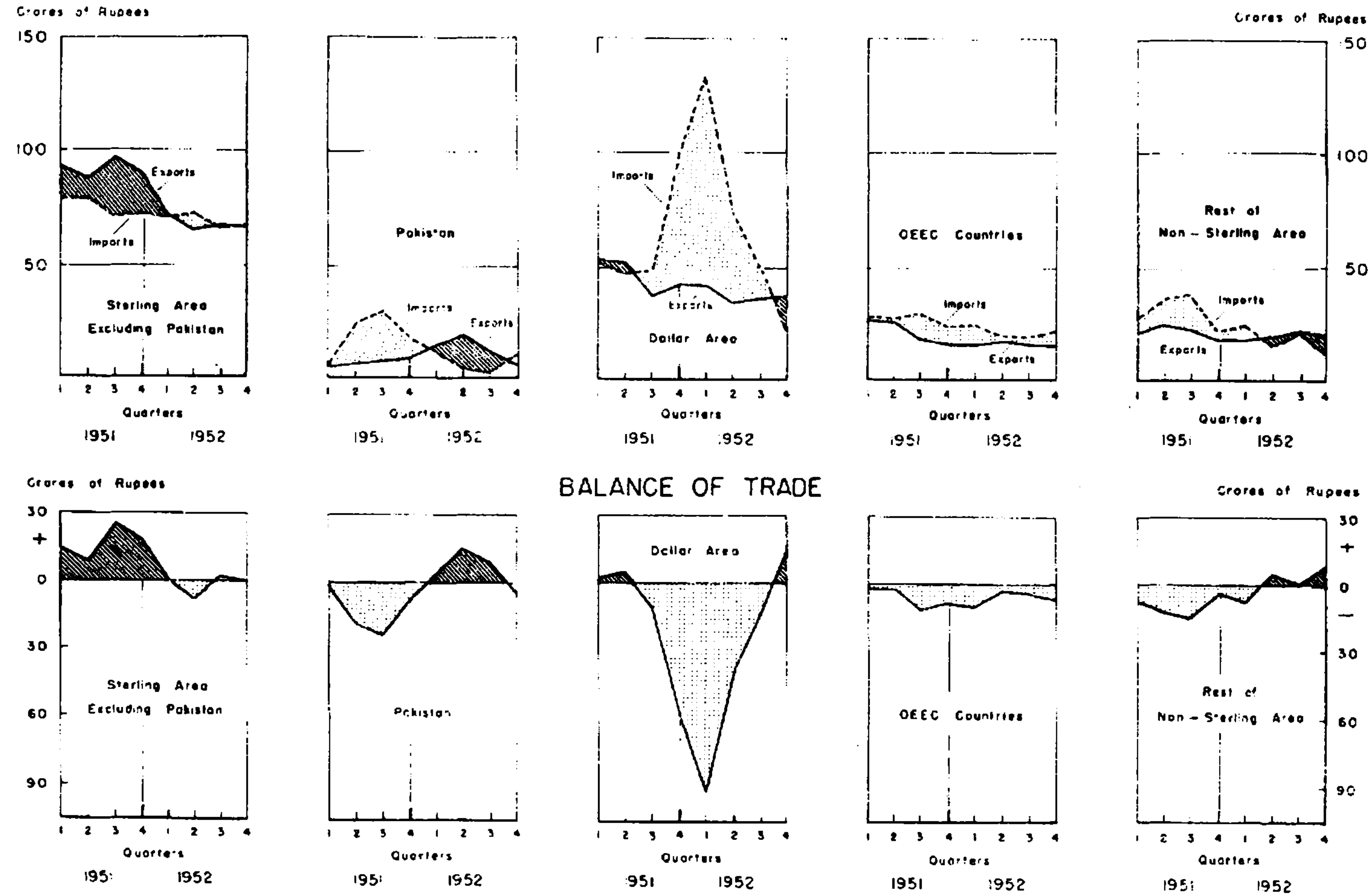
Under the group 'food, drink and tobacco', the quantum of foodgrains imported was actually smaller than in 1951, but the value was higher partly because of rising freight rates over the best part of 1952 and partly because of the inclusion of loan wheat which was purchased at free market prices.

The share of the group 'industrial raw materials' remained unchanged. However, its composition altered considerably, chiefly due to increased imports of raw cotton at 11 lakh bales valued at Rs. 115 crores. The major portion (costing Rs. 85 crores) of these arrived in the first half of the year, pursuant to the import

* Exclude trade with Pakistan; data on Indo-Pakistan trade are given in Statement 76.

† These figures are based on the customs returns and as such differ somewhat from the figures in the previous section, which are compiled from the records of the Exchange Control Department. A short note on the reasons for the difference is given in Appendix II.

QUARTERLY MOVEMENTS IN INDIA'S EXPORTS AND IMPORTS



policy of the previous period. Imports of mineral oils also increased. As against these increases, imports of raw jute fell, as a result of increased domestic production and a fall in demand from mills, following a decline in exports of jute manufactures in the second half of the year. Imports of 'manufactures' declined somewhat, chiefly under dyes and colours, chemicals, cutlery, non-ferrous metals and their manufactures, either because of inflated inventories or increased domestic production. The import policy for the latter half of 1952 was also slightly more restrictive, and this may have had some effect in restraining imports of manufactures.

Exports.—In 1952, the value of exports also showed a considerable fall from the high levels reached in 1951, the main reason for the fall being the decline in prices. The share of exports of 'manufactures' fell by 7 per cent to about 50 per cent, the shares of the other two groups rising almost equally.

The value of exports of jute manufactures declined considerably from Rs. 228 crores in 1951 to Rs. 153 crores in 1952. There was a small decline in the quantities exported, but the major cause of the fall was the decline in prices, which had reached record levels in the earlier year. A part of the readjustment was effected through lowering the export duties ; in May 1952 the duties on hessian and sacking were brought down from Rs. 750 and Rs. 350 to Rs. 275 and Rs. 175 per ton, respectively ; in February 1953 that on sacking was further lowered to Rs. 80 per ton. In the early part of the year, the demand for jute manufactures, particularly from the dollar area, remained quite low, while the readjustment in prices was taking place. Besides the decline in demand, the Indian jute industry experienced some disadvantage on account of the licensing fee and the differential export duty levied by Pakistan on its exports of raw jute to India.

In October 1952, exports of hessian showed some revival consequent on the conclusion of the Indo-Argentine Barter Agreement for the exchange of 40,000 metric tons of hessian for wheat of equivalent value. Exports of sacking, however, experienced increasing difficulties, necessitating the reduction of the export duty in February 1953. Existing high priced stocks abroad and development of alternative methods of handling have been the principal factors responsible for these difficulties. A fact-finding mission composed of representatives of the I. J. M. A. and Government was sent to Australia to investigate the causes of low demand in this and the neighbouring markets.

The value of exports of tea also showed a decline from Rs. 96 crores to about Rs. 80 crores in 1952. Exports to the dollar area recorded a slight decrease, as compared with the previous year. Exports to the U. K. amounted to about Rs. 55 crores as compared with about Rs. 62 crores in 1951. With the gradual decontrol of tea in the U. K. from mid-1952, the consumer preference for quality tea reasserted itself. Consequently, while the better class teas continued to fetch good prices, prices of poorer quality teas slumped. This led to a crisis in the Indian tea industry, and the Government of India appointed an official team at the end of May 1952 to investigate the causes of the crisis.

In the meanwhile, the situation in the U. K. market tended to improve following the complete decontrol of tea from October 6, 1952. There were also other favourable developments. Stocks of poorer quality teas in the U. K. were worked off. Labour in a number of tea gardens in India agreed to the conversion of the foodgrains concession into a cash wage, which slightly eased the burden of overhead costs of tea gardens. Secondly, the industry decided to cut production by 8 per cent in 1953.

The world-wide recession in cotton textiles in 1951-52 affected exports of Indian cotton textiles badly and total exports of mill-made cotton textiles in the first quarter of 1952 were only about 82 million yards in spite of relaxation of restrictions on packing for export from January 1952. Free licensing of cloth was introduced from April-May 1952, but exports during the year as a whole were considerably lower at 487 million yards as compared with 724 million yards in 1951. The value of cotton textile exports declined from about Rs. 71 crores in 1951 to about Rs. 49 crores in 1952. Malaya was still the major market, though its relative share declined; exports to that country totalled about Rs. 9 crores in 1952 as against Rs. 19 crores in 1951. The decline in exports of cotton textiles was not confined to exports from India. To help exports of cotton textiles, the Government of India reduced on January 1, 1953 the export duty on coarse and medium cloth from 25 per cent to 10 per cent *ad valorem*.

Exports of manganese ore to the U. S. A. increased owing to higher output in the U. S. steel industry in 1952. There were, however, signs of increasing competition from Brazil. India also faced foreign competition in other exports, namely, black pepper (from Malaya and Sarawak) and linseed (from Uruguay). Exports of other commodities like cashew kernels and wool increased both in quantity and value.

83. *Trade Agreements.*—During 1952-53, trade agreements with Finland, Norway and Hungary, which had expired, were renewed. The agreement with Pakistan which was due to expire on June 30, 1952 was first extended upto August 7, 1952 and later replaced by a new agreement to last until June 30, 1953. In the meanwhile, on March 19, 1953, India concluded a three-year agreement with Pakistan in terms of which India agreed (1) to buy a minimum of 18 lakh bales of raw jute a year for three years and (2) to discontinue the export surcharge of Rs. 11 per ton on coal exported to Pakistan. In turn, Pakistan agreed (1) to remove the licensing fee of Pakistan Rs. 2-8-0 per maund on raw jute exports to India and (2) to lower the export duty on *kutcha* bales of raw jute to the same level as that on *pucca* bales.

Fresh trade agreements were concluded with Italy, Sweden, Egypt, Austria, Western Germany and Indonesia, and the Treaty of commerce and friendship with Syria was ratified. Negotiations were initiated recently for the renewal of trade agreement with Egypt, which had expired on February 28, 1953*.

During the year, two barter agreements were concluded, namely, (1) the Indo-Argentine barter agreement (of October 1952) for an exchange of 40,000 metric tons of hessian for an equivalent value of Argentine wheat, and (2) the Indo-Pakistan barter deal for 37,700 tons of Pakistan rice in exchange for 39,700 tons of U. S. wheat from India.

Details of these agreements are given in Statement 77.

84. *Tariff Commission.*—Details of the various tariff and price inquiries made by the Indian Tariff Commission during the year are summarised in

* A new agreement was concluded on May 26, 1953.

Statement 78. The more important of these inquiries related to the grant of protection to the automobile industry and to the determination of the retention prices of steel produced by the Steel Corporation of Bengal and the Tata Iron and Steel Co.

85. *Exchange Control—Sterling Transactions.*—During the year under review, the Bank's sterling transactions (excluding Government transactions) resulted in net purchases of £74·0 million (Rs. 98·6 crores) as against net purchases of £39·0 million (Rs. 51·7 crores) in 1951-52 (*vide* Statement 79). There was a steep rise in purchases from August 1952 onwards, the figure touching the peak level of £20·1 million (Rs. 26·9 crores) in December 1952. Sales recorded the lowest level of £0·3 million (Rs. 0·4 crore) during January 1953.

Exchange.—The Reserve Bank continued to buy sterling T. T. from banks for delivery within six months at 1*s*. 6*d*. and to sell for *ready* delivery at 1*s*. 5-63/64*d*. The Bank was also prepared to sell sterling for delivery upto six months *forward* at 1*s*. 5-31/32*d*., but there was no demand.

In the sterling exchange market, banks' quotations to the public for *ready* T. T. remained unchanged throughout the year at 1*s*. 5-31/32*d*. selling and 1*s*. 6-1/32*d*. buying. Banks continued to quote *forward* buying rates for delivery upto one year, the T. T. buying rate for the last three months being quoted at 1*s*. 6-1/16*d*. as against the rate of 1*s*. 6-1/32*d*. during the first nine months. The *forward* selling rate of sterling T.T. for delivery upto six months remained unchanged at 1*s*. 5-15/16*d*.

In the London-New York exchange market, banks continued to operate freely within the official limits of U. S. dollars 2·78 selling and 2·82 buying; the rupee rates in India were adjusted, from time to time, just to correspond with the fluctuations in the cross rate.

Transactions in other foreign currencies in the Indian market were comparatively few, except for a certain amount of business in Canadian dollars.

Developments in Exchange Control.—(1) As from October 15, 1952 Liberia was included in the American Account Area.

(2) From July 7 and November 24, 1952, authorised dealers in India were allowed to cover their permitted transactions in Netherlands guilders and Swedish kroners, respectively, either spot or forward, with their correspondents or branches in the respective countries in addition to U. S. and Canadian dollars, and Belgian, French and Swiss francs.

(3) In order to stimulate investment of foreign capital in desirable channels, further relaxations were made in the exchange restrictions on the repatriation of capital invested from non-sterling area countries after January 1, 1950. In terms of a *Press Note* dated March 3, 1953 issued by the Government of India, capital invested after January 1, 1950, in projects approved by the Government of India may be repatriated at any time, together with any capital appreciation in the value of the investment. These facilities do not, however, apply to purchase of shares on the stock exchange, unless it is an integral part of an investment project approved by Government.

VIII. CURRENCY AND COINAGE

A. Changes in the Circulation of Notes and Coins

86. *Circulation of Currency.*—During 1952-53, the total circulation of all forms of legal tender currency (namely, notes, rupee coin and small coin) recorded a moderate decline of Rs. 18 crores, after the steep fall of Rs. 116 crores noticed during 1951-52 (*vide* Statement 80). Since 1948-49, currency in circulation has shown a tendency to decline, excepting during 1950-51 when it rose sharply as a sequel to the inflationary tendencies which followed the outbreak of the Korean War. The total net contraction in currency circulation in the Indian Union during the five-year period 1948-49 to 1952-53 amounted to Rs. 66 crores.

87. *Circulation of Notes.*—Of the decline of Rs. 18 crores in currency circulation, notes in circulation accounted for Rs. 8·0 crores, as against the record contraction of Rs. 100 crores during 1951-52.

A comparatively moderate expansion of Rs. 46 crores during the 1951-52 busy season was followed by a large slack season return of Rs. 93 crores. As against this, the 1952-53 busy season extending from end-October 1952 to May 8, 1953 witnessed a substantial expansion of Rs. 107 crores. The large outgo of currency and the prolongation of the busy season seem to reflect the impact of decontrol measures and freer private trading as well as the growing tempo of developmental expenditure, particularly in the rural sector. The expansion in currency was also proportionately larger than that in scheduled bank credit.

As usual, the maximum monthly contraction of notes during 1952-53 occurred in July 1952, when a return of Rs. 25 crores was witnessed, as against the record figure of Rs. 56 crores for July 1951. The highest monthly expansion of Rs. 18 crores was witnessed during December 1952, in keeping with the usual seasonal pattern.

88. *Circulation of Notes by Denominations.*—During 1952, the changes in the denominational pattern continued to be in conformity with the trends in recent years. Thus, the proportionate share of Rs. 100 notes in the total circulation of all the current denominations, which has been rising since 1948, went up further from 43·1 per cent at the end of 1951 to 43·8 per cent (*vide* Statement 81). This denomination also continued to be the largest in circulation, as during the preceding two years. The percentage share of Rs. 10 notes also moved up from 41·1 to 41·4. In contrast, the proportion of Rs. 5 notes continued to decline, falling from 13·6 per cent to 12·7 per cent. The percentage share of Rs. 2 notes also declined slightly from 2·2 to 2·1. As between the Government of India one rupee notes and Bank notes of Rs. 2 denomination, the public continued to show a marked preference for the former.

89. *Circulation of Rupee Coin.*—During 1952-53, rupee coin in circulation showed a decline of Rs. 5·7 crores to Rs. 120 crores*, as compared with a decline of Rs. 13 crores during 1951-52. There was a total return amounting to Rs. 11·4 crores during the seven months May to November 1952 and an absorption of Rs. 5·7 crores in the remaining months of the year, namely, April and December 1952 to March 1953 (*vide* Statement 80).

* Since November 1, 1943, on which date standard silver rupee coin ceased to be legal tender, 'rupee coin' circulation in India has comprised of (1) Government of India one rupee notes issued from July 1940, (2) the quaternary silver rupees issued between December 1940 and June 1946 and (3) nickel rupees issued from June 1947.

On April 10, 1952, the Reserve Bank received from the Government of India one rupee notes and coin of the value of Rs. 5 crores, in terms of Section 36(2)* of the Reserve Bank of India Act, against payment of legal tender value.

90. *Circulation of Small Coin.*—During the year, while the contraction in the circulation of notes and rupee coin was smaller than in the previous year, the decline in the circulation of small coin was larger relatively to 1951-52. There was a more or less continuous return, amounting to Rs. 4·8 crores, of small coin from circulation except in the closing month of the year when Rs. 71 lakhs were absorbed. The total net return of small coin during the year thus amounted to Rs. 4·1 crores, as against Rs. 3·1 crores during 1951-52. Since 1949-50, small coin has been continuously returning from circulation, the total amount returned upto the end of 1952-53 being Rs. 13 crores. This continuous return follows the huge absorption in the War and immediate postwar years.

Coins of all the denominations showed returns with the exception of single pice, which continued to be absorbed (*vide* Statement 82). Metal-wise, the return of standard silver subsidiary coins from circulation continued to be negligible (*vide* Statement 83). The return of quaternary small coin during 1952-53 amounted to Rs. 3·0 crores, this figure being the highest on record for any year since the commencement of withdrawals. Circle-wise, excepting Bombay, all the other circles recorded net returns of small coin during the year (*vide* Statement 84).

B. Miscellaneous Matters Relating to Notes and Coins

91. *Purchase and Sale of Pakistan Currency.*—During the year, the Reserve Bank continued to provide facilities for ready purchases and sales of Pakistan currency in exchange for Indian currency at its offices, at the buying and selling rates of Pakistan Rs. 69-8-3 and Pakistan Rs. 69-6-6, respectively, for Indian Rs. 100 as well as for forward purchases and sales (six months' delivery) at the buying and selling rates of Pakistan Rs. 69-9-0 and Pakistan Rs. 69-5-9, respectively, for Indian Rs. 100 (*vide* para. 106 of the Report for 1951-52).

92. *Currency in Hyderabad State.*—With the accession of the Hyderabad State to the Indian Union, India notes and coin were made legal tender in the Hyderabad State as from January 26, 1950, in accordance with the federal scheme for financial integration. The *Hali Sicca* currency also continued to be legal tender, but arrangements were made for its conversion into India notes and coin at the rate of Hyderabad Rs. 116-10-8 for Indian Rs. 100, by establishing Indian currency chests and small coin depots at the offices of the Hyderabad State Bank. The Indian Coinage Act, 1906 was made applicable to the Hyderabad State with effect from April 1, 1951 in terms of the Part B States (Laws) Act, 1951. However, in order to allow sufficient time to the holders to surrender these coins, the Union Government, by a special notification issued in terms of Section 24 of Indian Coinage Act, extended the legal tender character of the Hyderabad coins until March 31, 1953. In March 1953, the Union Parliament also passed the Hyderabad Coinage and Paper Currency (Miscellaneous Provisions) Act, 1953, which provided for the repeal of the Hyderabad Paper Currency Act (No. II of 1327 Fasli), in terms of which the *Hali Sicca* notes were being issued in the Hyderabad State. Provision was,

* This Section provides that, after the close of any financial year in which the maximum amount of rupee coin held in the assets, as so shown, is less than fifty crores of rupees or one-sixth of the total amount of the assets, as so shown, whichever may be the greater, the Central Government shall deliver to the Reserve Bank rupee coin up to the amount of such deficiency, but not without its consent exceeding five crores of rupees, against payment of legal tender value.

however, made for these notes to continue as legal tender for a period not exceeding two years from the commencement of the Act to avoid inconvenience to the public. The Act also extended the period during which Hyderabad coins and notes of the denomination of one rupee may continue to be legal tender upto March 31, 1955 to allow sufficient time for the orderly withdrawal of the *Hali Sicca* currency and to minimise any adverse repercussions of the change-over on the domestic price level. With the same objective, Government also permitted the issue of *Hali Sicca* small coins and one rupee notes for a limited period.

93. *Old Notes.*—Section 34 of the Reserve Bank of India Act provides that any currency note or Bank note, which has not been presented for payment within 40 years from its date of issue, shall be deemed to be no longer in circulation. The value of notes written off under this Section during 1952-53 amounted to Rs. 1,36,950, as compared with Rs. 1,11,850 in the previous year. Notes, which had been written off in previous years under this Section, but which were subsequently presented for payment and paid by the Banking Department of the Bank amounted to Rs. 1,970 during the year, the corresponding figure for the preceding year being Rs. 4,340.

94. *Lost, Destroyed and Mutilated Notes.*—Details regarding lost or wholly destroyed, half and mutilated notes in respect of which claims were admitted during the year are shown in Statement 85.

95. *Note Forgeries.*—The total number of forged notes (including Government of India one rupee notes) received by the Bank during the year under review was 6,595, as against 7,087 in 1951-52. Circle-wise, 4,872 were detected in Calcutta, 687 in Kanpur, 608 in Bombay, 221 in Madras and 204 in Delhi. The distribution of note forgeries according to denominations is shown in Statement 86.

During 1952-53, while forgeries in respect of Government of India Re. 1 notes, Rs. 2 notes and Rs. 100 notes showed increases, those in respect of Rs. 5 and Rs. 10 registered declines. As in the previous year, the largest number of forgeries was in respect of Government of India one rupee notes at 4,257 (or 65 per cent of the total, as against 47 per cent last year), of which the Calcutta Office accounted for 3,654. Statement 86A gives particulars regarding prosecutions on account of note forgeries.

96. *Coinage.*—Since April 1951, there has been no coinage of rupees (*vide* Statement 87). The total mintage of nickel rupees, which were first minted in April 1947, amounted to Rs. 23 crores upto the end of March 1951. The total value of subsidiary coins minted during 1952-53 amounted to Rs. 39 lakhs, as against Rs. 2·0 crores during 1951-52. Statement 88 gives the description of the coins in active circulation as at the end of March 1953.

As during the previous years, the India Government Mints also undertook coinage for foreign countries, the number of pieces minted during 1952-53 amounting to 2,34 lakhs, as against 3,11 lakhs during 1951-52.

97. *Withdrawal of Silver, Cupro-nickel and Copper Coins.*—The amounts of silver, cupro-nickel and copper coins withdrawn from circulation during 1952-53 are given in Statement 89.

98. *Counterfeit Coins.*—Statement 90 gives the number of counterfeit coins, by denominations, cut at Treasuries and railway stations.

STATEMENTS

STATEMENT I

Index Numbers of Wholesale Prices and Cost of Living in Selected Countries

(*Base :* 1948 = 100)

(*Reference paragraph* 2)

Year and Month			Australia P*	Australia C	Canada P	Canada C	France P††	France C	India P	India C§	Union of South Africa P**	Union of South Africa C	United Kingdom P	United Kingdom C	United States P	United States C
1938	..	..	59	60	53	66	6	8	26	35	57	68	46	58	49	59
1945	..	..	83	87	68	77	22	..	67	78	87	89	77	86	66	76
1946	..	..	83	88	72	80	38	..	73	85	89	91	80	87	75	81
1947	..	..	87	92	84	88	58	..	81	92	94	95	87	92	92	93
1948	..	..	100	100	100	100	100	100‡	100	100	100	100	100	100	100	100
1949	..	..	112	109	103	104	112	118	104	101	106	104	105	103	95	99
1950	..	..	132	120	109	107	121	131	109	103	113	108	120	106	99	100
1951	..	..	163	146	124	118	155	154	120	109	129	116	146	116	110	108
1952	..	..	184	170	117	121	163	171	105	111	148	126	149	126	107	110
January	1951	..	146		120	111	138	141	113	105	120	112	137	108	110	106
February	,,	..	152	132†	123	113	146	143	115	106	121	113	139	109	112	107
March	,,	..	161		125	116	150	146	119	110	123	113	143	110	112	107
April	,,	..	158		125	117	158	149	125	111	124	114	145	112	111	107
May	,,	..	160	142†	125	117	158	153	124	111	128	115	148	115	111	108
June	,,	..	166		126	119	155	152	124	111	130	116	146	116	110	108
July	,,	..	166		126	119	152	154	122	110	130	117	146	117	109	108
August	,,	..	173	150†	125	120	150	155	119	108	132	116	148	118	109	108
September	,,	..	171		124	121	154	157	119	107	132	117	148	119	109	109
October	,,	..	169		124	121	164	161	119	110	132	117	150	119	109	109
November	,,	..	170	158†	124	122	170	166	119	110	135	117	150	119	109	110
December	,,	..	173		123	122	170	169	118	109	142	121	151	120	109	110
January	1952	..	171		122	123	171	172	117	109	143	123	153	122	108	110
February	,,	..	178	162†	120	122	171	176	113	107	144	123	150	123	108	109
March	,,	..	180		119	121	167	175	103	103	145	123	152	123	108	109
April	,,	..	182		117	121	165	174	103	114	145	124	150	125	107	110
May	,,	..	186	171†	116	120	162	171	100	112	147	124	149	125	107	110
June	,,	..	188		117	120	161	169	102	112	148	125	149	128	107	110
July	,,	..	192		117	120	162	169	105	109	149	125	149	128	107	111
August	,,	..	191	173†	116	120	162	[illegible]	106	112	150	125	148	127	107	111
September	,,	..	189		115	120	161	173	106	113	150	129	147	126	107	111
October	,,	..	185		114	120	157	171	106	114	151	129	149	128	106	111
November	,,	..	184	173†	115	120	157	170	104	115	152	129	148	128	106	111
December	,,	..	188		114	120	157	171	103	114	151	129	149	128	105	111

P = Wholesale Prices. C = Cost of Living. *Home-consumed goods in Melbourne. ††Home-consumed goods in Paris. §Working class cost of living in Bombay. **Home-consumed goods. †Quarterly indices. ‡September.

Source : International Financial Statistics issued by the International Monetary Fund.

STATEMENT 2

Index Numbers of Money Supply in Selected Countries

(*Base* : 1948=100)

(Reference paragraph 3)

End of		AUSTRALIA			CANADA			FRANCE			ITALY		
		Currency	Deposit Money	Money Supply	Currency	Deposit Money	Money Supply	Currency	Deposit Money	Money Supply	Currency	Deposit Money	Money Supply
1938	..	22	21	22	20	28	26	11	7	9	2	2	2
1945	..	93	67	74	89	78	81	58	37	47	39	28	33
1946	..	96	75	80	93	92	92	74	53	62	50	51	50
1947	..	93	81	84	94	90	91	93	64	77	77	71	74
1948	..	100	100	100	100	100	100	100	100	100	100	100	100
1949	..	110	123	120	100	103	102	131	120	125	109	117	113
1950	..	123	157	148	103	115	112	160	131	144	120	132	126
1951	..	145	178	170	108	113	112	190	153	170	132	157	146
1952	..	154	163	161	116	121	119	214	171	191	146	192	170
January	1952	131	172	162	104	110	108	188	153	169	123	154	139
February	,,	133	174	164	108	109	109	191	152	170	122	154	139
March	,,	135	176	166	107	112	111	193	157	174	125	157	142
April	,,	137	177	167	106	114	112	194	157	174	124	159	143
May	,,	136	167	159	111	111	111	194	159	175	125	161	144
June	,,	137	158	153	110	113	112	196	162	178	126	166	147
July	,,	137	151	147	110	113	112	200	164	180	132	170	152
August	,,	139	148	146	114	112	113	202	168	183	133	171	153
September	,,	141	147	146	112	117	116	205	164	183	135	177	157
October	,,	142	152	149	116	119	119	205	167	185	134	180	158
November	,,	143	158	154	117	119	118	206	167	185	133	182	159
December		[illegible]	[illegible]	[illegible]	[illegible]	121	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	192	[illegible]

End of		JAPAN			UNION OF SOUTH AFRICA			UNITED KINGDOM			UNITED STATES		
		Currency	Deposit Money	Money Supply	Currency	Deposit Money	Money Supply	Currency	Deposit Money	Money Supply	Currency	Deposit Money	Money Supply
1938	..	1	2	1	30	23	24	37	31	32	22	30	28
1945	..	16	11	14	101	78	82	107	79	86	102	89	92
1946	..	27	23	25	97	86	88	110	93	97	102	97	99
1947	..	62	43	53	95	100	100	106	96	98	102	102	102
1948	..	100	100	100	100	100	100	100	100	100	100	100	100
1949	..	99	131	115	98	88	89	102	101	101	97	100	100
1950	..	121	155	138	108	99	100	103	103	103	97	108	105
1951	..	146	212	178	119	98	102	109	103	105	101	115	112
1952	..	..	..	..	129	95	101	116	102	105	105	118	115
January	1952	130	210	170	116	95	99	106	102	102	98	115	111
February	,,	127	204	166	123	94	99	106	96	99	98	112	109
March	,,	125	224	174	121	93	97	107	96	99	98	111	108
April	,,	128	216	172	122	92	97	110	95	98	99	111	108
May	,,	123	222	172	129	92	98	109	94	98	100	111	109
June	,,	127	229	178	127	91	97	110	95	99	102	111	109
July	,,	126	231	178	126	92	97	114	95	100	100	112	109
August	,,	130	238	183	129	90	96	113	96	100	101	112	109
September	,,	126	264	195	127	90	96	111	96	100	102	113	110
October	,,	131	256	193	131	92	98	111	96	100	102	115	112
November	,,	135	262	198	131	93	99	112	97	100	105	116	114
December	,,	..	..	..	129	95	101	116	102	105	105	118	115

ST

Money Marke[illegible]

Countries		Average of months							
		1938	1945	1946	1947	1948	1949	1950	[illegible]
Australia ..	B1	1·75	1·04	1·00	1·00	1·00	0·83	0·75	[illegible]
Belgium ..	B1	2·03†	1·56	1·31	1·31	1·31	1·31	1·31	[illegible]
Canada ..	B1	0·59	0·36	0·38	0·41	0·41	0·48	0·55	0·80
France ..	B1	2·60	1·50	1·50	1·70	2·00	2·00	2·00	[illegible]
	C*	1·49	1·33	1·19	2·04	2·00	2·55	2·41	[illegible]
Indian Union ..	B1	1·30	0·39	0·43	0·44	0·49	0·52		
	D*	1·55	0·25	0·50	0·50	0·63	0·50	0·50	[illegible]
Italy ..	B1	—	3·25	3·25	3·39	3·75	3·41	3·25	[illegible]
Japan ..	C2*	..	..	1·00	1·20	1·60	1·85	1·85	[illegible]
Netherlands ..	B1	0·21	1·71	1·20	1·35	1·30	1·27	1·40	[illegible]
	C*	..	..	0·78	0·53	0·96	1·03	1·09	[illegible]
Switzerland ..	B*	1·00	1·25	1·25	1·38	1·63	1·50	1·50	[illegible]
Union of South Africa ..	B1	0·75	0·74	0·63	0·63	0·64	0·80	1·00	[illegible]
United Kingdom ..	B1	0·61	0·88	0·51	0·51	0·51	0·52	0·51	[illegible]
	A*	0·96	0·53	0·53	0·53	0·56	0·69	0·69	[illegible]
	C*	0·80	0·63	0·63	0·63	0·63	0·63	0·63	[illegible]
United States of America ..	B1	0·05	0·38	0·38	0·60	1·04	1·10	1·22	[illegible]
	A1	2·5	2·2	2·1	2·1	2·5	2·7	2·7	[illegible]
	C1	0·81	0·75	0·81	1·03	1·44	1·48	1·45	[illegible]

A Bankers' acceptances.

A1 Average rates charged on short-term loans to business in 19 cities.

B Private discount rate.

B1 Treasury bill rate.

* Annual figures are for December of each year.

† Three months bills.

Sources :—Monthly Bulletin of Statistics of the United Nations ; Federal Reserve Bulletin ; Finan[illegible] Monthly, Bank of Japan ; and Reserve Bank of India Bulletin.

MENT 3

IN SELECTED COUNTRIES

per annum)

paragraph 3)

1952												
Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Perio
0·75	0·75	0·75	0·75	0·75	0·75	0·75	1·00	1·00	1·00	1·00	1·00	3
1·31	1·31	1·31	1·31	1·31	1·31	1·31	1·31	1·31	1·31	1·31	1·31	4
0·89	0·91	0·94	0·98	1·02	1·08	1·11	1·10	1·14	1·19	1·21	1·35	3
3·00	3·00	3·00	3·00	3·00	3·00	3·00	3·00	3·00	3·00	3·00	3·00	2½–3½
3·50	3·93	3·95	3·88	3·84	3·66	3·84	3·77	4·00	3·98	3·98	3·93	
								2·01	2·11	2·13	2·33	3
2·63	2·80	2·75	2·84	2·60	1·91	1·44	1·38	1·88	1·50	0·75	1·94	
3·25	3·25	3·25	3·25	2·75	2·75	2·75	2·75	2·75	2·75	2·75	2·75	3–4
1·95	2·30	2·30	2·20	2·15	2·20	2·20	2·25	2·20	2·25	2·25	2·20	
1·18	1·19	1·38	1·40	1·25	1·20	1·05	0·85	0·85	0·84	0·87	0·92	3
1·00	1·00	1·00	1·00	0·90	0·75	0·75	0·58	0·62	0·50	0·54	0·58	
1·50	1·50	1·50	1·50	1·50	1·50	1·50	1·50	1·50	1·50	1·50	1·50	
1·00	1·00	1·00	1·25	1·25	1·25	1·25	1·50	1·50	1·50	1·50	1·50	6
0·97	1·00	2·01	2·35	2·37	2·43	2·46	2·46	2·49	2·43	2·38	2·41	3
1·50	1·50	2·48	3·00	3·00	3·00	3·00	3·00	3·00	3·00	3·00	3·00	3
1·00	1·00	1·82	2·25	2·25	2·25	2·25	2·25	2·25	2·25	2·25	2·25	
1·69	1·57	1·66	1·62	1·71	1·70	1·82	1·88	1·79	1·78	1·86	2·13	3
		3·45			3·51			3·49			3·51	
2·38	2·38	2·38	2·35	2·31	2·31	2·31	2·31	2·31	2·31	2·31	2·31	4–6

C Day-to-day money.

C1 Commercial paper rate in New York City.

C2 Average call money rate in Tokyo.

D Call money rate in Bombay quoted by larger scheduled banks.

STATEMENT 4

Balance of International Transactions of the United States during 1952

(Reference paragraph 6)

(Millions of

Item	Sterling Area: Jan.-June 1952	July-Dec. 1952	1952	1951	All Areas: Jan.-June 1952	July-Dec. 1952	195
Exports of goods	1,226	843	**2,069**	**2,331**	8,265	7,594	15,8
Exports of services ..	381	449	**830**	**836**	2,404	2,438	4,8
Total	**1,607**	**1,292**	**2,899**	**3,167**	**10,669**	**10,032**	20,7
Imports of goods	1,069	873	**1,942**	**2,226**	5,806	5,713	11,5
Imports of services ..	390	403	**793**	**685**	1,928	2,281	4,2
Total	**1,459**	**1,276**	**2,735**	**2,911**	**7,734**	**7,994**	15,7
Balance on goods and services ..	+ **148**	+ **16**	+ **164**	+ **256**	+ **2,935**	+ **2,038**	+ 4,9
Unilateral transfers (Net)	– 218	– 293	**511**	– **326**	– 2,286	– 2,757	5,0
Private	– 32	41	– **73**	– **67**	– 190	– 225	
Government :							
Economic aid ..	– 182	– 249	– **431**	– **253**	– 1,002	– 902	1,9
Military aid ..	*	*	*	*	1,029	– 1,565	2,5
Other	– 4	– 3	– **7**	**6**	– 65	– 65	
Balance including unilateral transfers ..	– **70**	– **277**	– **347**	– **70**	+ **649**	– **719**	–
United States capital (Net):	– 122	+ 38	– **84**	– **18**	– 1,104	– 246	1,0
Private	– 6	+ 40	+ **34**	+ **10**	754	– 142	8
Government ..	– 116	– 2	– **118**	– **28**	– 350	– 104	
Foreign capital (Net) : ..	+ 127	+ 132	+ **259**	+ **125**	+ 681	+ 879	+ 1,5
Long-term	– 12	+ 102	+ **90**	+ **57**	+ 11	+ 408	
Short-term	+ 139	+ 30	+ **169**	+ **68**	+ 670	+ 471	1,1
Gold [purchases(–) or sales (+)]	– 532	+ 84	– **448**	– **514**	659	+ 281	
Errors and omissions including multilateral settlements	+ 597	+ 23	+ **620**	+ **477**	+ 433	– 195	

* Military aid to sterling area countries is not shown separately.

STATEMENT 5

Gold and Dollar Accounts of the Sterling Area

(*Reference paragraph* 6)

(Millions of U.[illegible]

	1952 Jan.-June	1952 July-Dec. (Provisional)	19[illegible] (Pro-[illegible] sio[illegible])
I. Transactions with Dollar Area			
A. United Kingdom :			
(*a*) Balance of current transactions including defence aid (Net) ..	− 400	− 54	4[illegible]
(*b*) Other transactions (investment etc.)	+ 39	+ 32	+ [illegible]
Total U. K. Surplus (+) **or Deficit** (−) **(Net)**	**− 351**	**− 22**	38[illegible]
B. Rest of Sterling Area			
(*a*) U. K. Colonies	+ 213	+ 163	+ 37
(*b*) Other sterling area countries	− 313	+ 29	− 26
Gold sales to U. K. :			
(*a*) U. K. Colonies	+ 6	+ 1	+ [illegible]
(*b*) Other sterling area countries	+ 139	+ 55	+ 19
Total R.S.A. Surplus (+) **or Deficit** (−) **(Net)**	**+ 45**	**+ 248**	+ 29
II. Transactions with Non-Dollar Areas			
(*a*) Other Western Hemisphere	+ 21	+ 37	+ 5[illegible]
(*b*) OEEC countries	− 350	− 121	− 47[illegible]
(*c*) Other non-sterling countries	+ 1	+ 22	+ 2[illegible]
(*d*) Non-territorial organisations	− 5	− 4	− [illegible]
Total Gold and Dollar Transfers (Net)	**− 333**	**− 66**	− 39[illegible]
Total Net Gold and Dollar Surplus (+) **or Deficit** (−)	**− 649**	**+ 161**	− 48[illegible]

STATEMENT 6

World Gold Production

(Reference paragraph 7)

(Thousands of fine ounces)

Countries		1938	1945	1946	1947	1948	1949	1950	1951	1952	*Percentage increase (+) or decrease (—) of 1952 over 1951*
I.	British Commonwealth	21,204	17,226	17,193	16,861	17,772	18,511	18,758	18,604	19,100*	+ *2·7*
	(*a*) Australia	1,592	657	824	938	891	893	861	896	978*	+ *9·2*
	(*b*) Canada	4,725	2,697	2,828	3,070	3,530	4,124	4,441	4,392	4,450*	+ *1·3*
	(*c*) Gold Coast	675	539	586	558	672	677	689	699	691	— *1·1*
	(*d*) Indian Union	322	168	132	172	180	164	197	226	253	+*11·9*
	(*e*) New Zealand	152	128	119	112	94	85	77	75	75*	—
	(*f*) Southern Rhodesia	814	568	545	523	514	528	511	487	497	+ *2·1*
	(*g*) Union of South Africa	12,161	12,225	11,927	11,200	11,585	11,705	11,664	11,516	11,800*	+ *2·5*
	(*h*) Others	763	244	232	288	306	335	318	313*	356*	+*13·7*
II.	Latin American Countries										
	(*a*) Brazil	143	212	175	167	157	183	195	200*	180*	—*10·0*
	(*b*) Chile	294	180	231	169	164	179	186	174	180*	+ *3·4*
	(*c*) Columbia	521	507	437	383	335	359	379	431	422	— *2·1*
	(*d*) Mexico	924	499	421	465	368	406	408	394	400*	+ *1·5*
	(*e*) Peru	260	173	158	116	111	138	148	142	140*	— *1·4*
III.	United States of America	4,245	915	1,462	2,165	2,025	1,922	2,289	1,895	1,938	+ *2·3*
IV.	**All Countries †**	**37,239**	**23,161**	**23,539**	**24,004**	**24,959**	**25,878**	**26,579**	**26,018**	**26,400***	+ *1·5*
British Commonwealth :	*Percentage*	*56·9*	*74·4*	*73·0*	*70·2*	*71·2*	*71·5*	*70·6*	*71·5*	*72·3*	+ *1·1*
Union of South Africa :	*Percentage*	*32·7*	*52·8*	*50·7*	*46·7*	*46·4*	*45·2*	*43·9*	*44·3*	*44·7*	+ *0·9*

* Estimated or provisional figures. † Includes estimated production of the U.S.S.R.

Source : Union Corporation Limited, South Africa.

STATEMENT 7

Selected Economic Indicators (Quarterly)—Indian Union

(Reference paragraph 9)

Items	Unit/Base	1950-51 I	1950-51 II	1950-51 III	1950-51 IV	1951-52 I	1951-52 II	1951-52 III	1951-52 IV	1952-53 I	1952-53 II	1952-53 III	1952-53 IV
I. Production and Prices (Average of months)													
A.—Index of Industrial Production													
1. All Industries	.. 1946=100	104·5	103·2	107·9	113·6	117·3	117·7	121·3	126·0	126·7	128·2	133·5	132·4
B.—Price Indices													
2. Wholesale Prices	.. Year ended August 1939=100	393·4	409·0	411·6	425·4	456·9	439·9	435·6	407·9	373·2	386·7	381·2	381·4
3. Cost of Living (Bombay)	.. August 1939=100	295	306	299	308	320	313	316	307	325	321	330	335
4. Index Numbers of Security Prices													
(i) Government and Semi-Government securities..	1938=100	100·8	100·6	99·8	98·7	98·3	98·2	95·6	91·4	91·7	91·3	91·7	92·2
(ii) Fixed Dividend Industrial securities ..	,,	100·7	101·9	100·6	100·7	100·5	99·0	96·2	93·2	91·5	90·9	90·5	90·2
(iii) Variable Dividend Industrial securities ..	,,	117·4	123·3	125·2	131·2	138·5	129·2	124·2	119·8	109·9	108·1	106·3	105·1
5. Bullion (Bombay : Spot)													
(i) Gold	.. (June-Aug. 1939=100)	314·6	306·1	294·4	304·3	312·9	303·0	288·0	268·3	243·2	243·4	224·6	236·5
(ii) Silver	.. ,,	385·7	375·1	378·5	398·7	420·1	396·5	387·0	375·3	333·6	334·0	318·0	336·2

STATEMENT 7—(*Contd.*)

Items	Unite/Base	1950-51 I	1950-51 II	1950-51 III	1950-51 IV	1951-52 I	1951-52 II	1951-52 III	1951-52 IV	1952-53 I	1952-53 II	1952-53 III	1952-53 IV
II. Money and Banking (Quarter-end)													
6. Currency with the public ..	(Crores of Rs.)	1,204·9	1,141·6	1,203·2	1,299·2	1,290·9	1,168·3	1,170·0	1,182·2	1,165·3	1,120·8	1,122·2	1,169·2
7. Deposit Money with the public	,,	629·0	635·4	630·3	667·0	646·5	634·7	603·4	604·8	589·3	572·9	560·6	586·2
8. Money supply with the public (6+7) ..	,,	1,833·9	1,777·0	1,833·5	1,966·2	1,937·4	1,803·0	1,773·4	1,787·0	1,754·6	1,693·6	1,682·8	1,755·4
9. Foreign Assets of the Reserve Bank ..	,,	827·4	807·2	834·4	884·2	857·4	816·0	781·1	723·1	683·3	689·7	705·5	723·7
10. Central Government Deposits with the Reserve Bank	,,	140·7	164·0	164·5	162·0	162·8	205·3	210·5	180·2	117·9	142·5	174·8	135·8
11. 'Other loans and advances' by the Reserve Bank ..	,,	10·0	4·2	4·4	16·7	18·7	6·3	17·1	61·4	23·5	8·7	12·9	26·9
12. Scheduled Banks													
(*i*) Demand liabilities (*a*)	,,	588·7	600·8	597·9	616·3	596·2	600·7	576·1	567·5	558·7	543·3	530·5	534·1
(*ii*) Time liabilities (*a*) ..	,,	274·7	274·6	284·3	290·0	289·7	287·0	293·2	283·5	300·6	318·8	317·1	311·8
(*iii*) Cash and balances with the Reserve Bank ..	,,	97·2	110·5	94·6	93·3	108·0	119·7	89·5	78·8	86·0	94·9	78·5	75·2
(*iv*) Advances and Bills purchased & discounted (*b*)	,,	452·5	413·0	445·2	546·9	550·4	498·1	554·5	592·6	540·2	487·9	485·0	541·2
13. Cheque Clearances (Total)	,,	1,552·2	1,540·8	1,560·5	1,973·1	2,099·5	1,913·7	1,891·7	1,973·7	1,674·7	1,633·7	1,571·1	1,690·8
III. Public Finance													
14. (*d*) Tax Revenue (*c*) ..	,,	71·6	157·9	244·1	397·9	98·5	221·1	329·2	505·1	92·9	197·6	301·7	427·0
15. (*d*) Total Revenue Receipts (net)	,,	75·9	177·9	271·4	393·5	103·5	241·6	361·6	494·5	96·8	214·9	328·4	380·2
16. (*d*) Total Revenue Expenditure (net) ..	,,	54·6	123·6	198·9	334·2	60·5	133·0	211·0	366·4	70·3	148·5	201·1	384·0
17. Rupee Debt of Government of India (Quarter-end) : –													
(*i*) Rupee Loans ..	,,	1,447·4	1,438·5	1,438·5	1,438·5	1,438·5	1,411·6	1,403·5	1,403·5	1,403·5	1,403·5	1,403·6	1,403·6†
(*ii*) Treasury bills outstanding ..	,,	338·4	342·5	348·4	358·0	348·6	331·9	333·6	314·3	304·9	313·2	334·7	315·3
IV. Trade													
18. Total Imports ..	,,	142·1	163·1	132·9	167·2	222·0	226·3	225·9	268·3	223·1	166·4	138·0	130·5
19. Total Exports ..	,,	100·5	129·7	164·7	205·7	202·7	185·7	172·6	171·9	147·9	157·1	140·3	129·6
20. Net Balance of Trade ..	,,	—41·6	—33·4	+31·8	+38·5	—19·3	—40·6	—53·3	—96·4	—75·2	—9·3	+2·3	—0·9
21. Total Number of Wagons loaded ..	(000 Nos)	2,253	2,343	2,710	2,924	2,641	2,672	2,793	2,986	2,827	2,718	2,850	3,003

(*a*) Including borrowings from banks, other than the Reserve Bank and, from the first quarter of 1952-53, also the Imperial Bank of India. (*b*) Including money at call and short notice. (*c*) Relates to customs, Union excise duties and income-tax. (*d*) April to quarter-end ; figures relate to the Union Government.

† Provisional.

STATEMENT 8

PRODUCTION OF FOODGRAINS IN THE INDIAN UNION

(*Reference paragraph* 15)

(Thousands of Tons)

Commodity	Reporting Areas only					Reporting and Non-Reporting Areas			
	1938-39	1945-46	1946-47	1947-48	1948-49	1948-49	1949-50	1950-51	1951-52§
1. Rice	17,847	18,208	19,985	19,584	21,748	22,597	23,170	20,295	20,767
2. Wheat	6,944	5,907	4,744	5,389	5,471	5,650	6,290	6,374	5,768
3. Jowar*	6,368	5,517	5,277	5,967	5,011	5,022	5,777	5,403	5,509
4. Bajra*	2,200	2,803	2,667	2,764	2,120	2,171	2,790	2,549	2,153
5. Maize*	1,521	2,060	2,035	2,127	1,754	2,072	2,014	1,701	1,959
6. Ragi	1,550	1,170	1,476	1,455	1,455	1,465	1,520	1,407	1,167
7. Barley	1,719	1,962	2,414	2,604	2,166	2,206	2,215	2,341	2,136
8. Small Millets† ..	..	..	..	..	..	2,131	2,242	1,716	1,805
Total Cereals ..	**38,149**	**37,627**	**38,598**	**39,890**	**39,725**	**43,314**	**46,018**	**41,786**	**41,264**
9. Gram	2,749	3,141	3,599	4,503	4,535	4,535	3,667	3,593	3,157
Grand Total	**40,898**	**40,768**	**42,197**	**44,393**	**44,260**	**47,849**	**49,685**	**45,379**	**44,421**

Note.—Figures relate to the agricultural year ending June. * Figures from 1945-46 are not strictly comparable with those for the year 1938-39 owing to an increase in the reporting areas. † Relate to non-reporting areas only. § Final estimates ; subject to revision.

Sources : Abstract of Agricultural Statistics of India, 1949 ; Estimates of Area and Yield of Principal Crops in undivided India, 1949 ; Area and Yields of Principal Crops in India, March 1951 ; Area and Production of Principal Crops in India, November 1951 and All-India Final Estimates of Cereals and Gram for 1951-52.

STATEMENT 9

Production of Industrial Raw Materials and other Agricultural Commodities in the Indian Union

(Reference paragraph 15)

(000's omitted)

Commodity	Unit	1938-39	1945-46	1946-47	1947-48	1948-49	1949-50	1950-51	1951-52*
1. Sugar (Raw)	(tons)	2,848	4,552	4,913	5,817	4,869	4,938	5,616	5,895
2. Oilseeds	(„)	4,811	5,013	5,148	5,117	4,502	5,142	5,103	4,791
(*a*) Sesamum	(„)	364	354	323	351	335	431	453	441
(*b*) Groundnut (Nuts in shell)	(„)	3,219	3,466	3,588	3,411	2,901	3,379	3,437	3,037
(*c*) Rape and Mustard	(„)	690	719	792	806	735	793	748	900
(*d*) Linseed	(„)	427	351	328	431	423	411	361	309
(*e*) Castorseed	(„)	111	123	117	118	108	128	104	104
3. Cotton (Lint)	(bales of 392 lbs. each)	3,601	2,167	2,168	2,188	1,767	2,628	2,971	3,134
4. Jute	(bales of 400 lbs. each)	1,638	1,459	1,320	1,658	2,055	3,089	3,301	4,678
5. Tea	(lbs.)	398,091	491,613	534,848	561,740	577,807	585,030	607,309	..
6. Coffee	(tons)	18	21	18	16	16	22	25	..
7. Rubber	(„)	—	16	16	16	15	16	16	17
8. Lac	(mds.)	1,465	1,127	1,767	972	806	1,161	1,003	1,197
9. Silk (Raw)	(lbs.)	—	2,060	2,100	2,122	2,232	2,104	2,127	—
10. Mica	(cwts.)	175	96	210	193	152	271	326	491
11. Iron ore	(tons)	2,744	2,264	2,408	2,498	2,285	2,809	2,965	3,657
12. Manganese ore	(„)	993	211	253	451	467	646	883	1,284

Note.—Figures relate to production in reporting areas only ; estimates of production for non-reporting areas in respect of crops other than foodgrains are not available and are also not likely to be significant. Items 1-4 and 6 refer to the agricultural year. Items 5, 7 and 9-12 refer to the calendar year, i.e., figures for 1938-39 relate to 1938 and so on. Item 8 refers to the financial year. Items 10-12 : figures upto and including 1946 relate to undivided India. * Final estimates ; subject to revision.

Sources : Abstract of Agricultural Statistics of India, 1949 and 1950 ; Estimates of Area and Yield of Principal Crops in Undivided India, 1949 : Area and Production of Principal Crops in India, November 1951 and Final Crop Forecasts. Item 8 : figures supplied by the Indian Lac Cess Committee. Items 7 and 9 : figures supplied by the Ministry of Commerce and Industry. Items 10-12 : figures supplied by the Ministry of Natural Resources and Scientific Research.

STATEMENT 10

INDUSTRIAL PRODUCTION IN INDIA

(Reference paragraph 16)

Industry	Unit/Base	1938	1945	1946	1947	1948	1949	1950	1951	1952
Finished Steel*	(000 tons)	702	954	890	893	857	930	1,004	1,076	1,103
Cotton Yarn	(million lbs.)	1,289	1,644	1,367	1,296	1,447	1,360	1,175	1,304	1,450
Cotton Piece-goods ..	(million yds.)	4,306	4,711	3,908	3,762	4,319	3,905	3,665	4,076	4,598
Jute Manufactures* ..	(000 tons)	1,266	1,086	1,088	1,051	1,088	946†	835†	875†	952†
Paper and Paper Boards ..	(000 cwts.)	1,164	1,964	2,120	1,862	1,958	2,064	2,178	2,638	2,750
Sulphuric Acid	(000 cwts.)	485	734	1,200	1,200	1,600	1,989	2,050	2,139	1,921
Ammonium Sulphate ..	(000 tons)	14·5	22·0	22·5	21·3	35·2	45·9	47·3	52·7	220·3
Paints	(000 cwts.)	572	1,030	768	772	714	618	559	670	643
Matches	(million gross)	21·6	22·8	20·6	23·3	26·6	26·3	26·2	28·9	30·4
Sugar‡	(000 tons)	994	967	923	901	1,075	1,001	977	1,115	1,494
Cement	(000 tons)	1,464	2,209	1,542	1,447	1,553	2,102	2,612	3,196	3,538
Salt§	(000 mds.)	43,968	54,602	47,868	51,600	63,528	55,620	71,316	74,376	76,860
Coal Raisings	(000 tons)	28,344	28,716	28,884	30,000	29,820	31,452	31,992	34,308	36,228
Electricity										
Generated	(million kwh.)	..	4,116	3,802	4,073	4,575	4,909	5,088	5,852	6,125
Sold	(„ „)	..	3,439	3,348	3,415**	3,721	3,984	4,103	4,762	5,033
General Index of Industrial Production	(*Base* : 1946=100)			100·0	97·2	108·4	106·1	105·0	117·2	128·9

Note.— Figures from August 1947 relate to the Indian Union. * Figures relate to the Indian Union. † From August 1949, figures relate to the production by mills in the membership of the Indian Jute Mills Association and also to one non-member mill. ‡ Figures from 1946 relate to the crop year November to October and are for cane sugar only. § Figures upto 1946 relate to fiscal year beginning April. ** Data based on the average for last 5 months.

Sources : Monthly Abstract of Statistics ; Ministry of Commerce and Industry ; Monthly Survey of Business Conditions.

WEEKLY INDEX NUMBERS OF WHOLESALE

(*Base :* Year ended

(*Reference*

	Week Ended		Food Articles				Industrial Raw Materials				
			Cereals	Pulses	Others*	**Group Index**	Fibres	Oilseeds	Minerals	Others†	**Group Index**
			1	2	3	4	5	6	7	8	9
1	April	5, 1952	446	433	212	**347·8**	464	429	466	333	**442·6**
2	,,	12, ,, ...	444	439	200	**341·0**	453	426	449	327	**434·1**
3	,,	19, ,, ...	444	452	204	**344·2**	454	432	464	317	**437·2**
4	,,	26, ,, ...	442	422	223	**351·4**	425	435	453	300	**420·4**
5	May	3, ,, ...	443	391	217	**346·4**	431	431	449	297	**421·9**
6	,,	10, ,, ...	442	413	206	**342·1**	430	423	450	283	**417·7**
7	,,	17, ,, ...	442	414	202	**339·4**	430	421	451	274	**416·1**
8	,,	24, ,, ...	440	415	199	**339·9**	421	416	466	277	**411·5**
9	,,	31, ,, ...	446	427	193	**337·0**	430	415	454	276	**414·7**
10	June	7, ,, ...	443	423	196	**337·0**	446	415	468	278	**423·8**
11	,,	14, ,, ..	444	425	211	**346·1**	444	427	463	289	**427·7**
12	,,	21, ,, ...	446	435	227	**356·2**	450	434	462	286	**432·3**
13	,,	28, ,, ...	447	452	230	**359·6**	448	452	471	287	**437·5**
14	July	5, ,, ...	452	450	235	**364·4**	425	463	456	297	**428·5**
15	,,	12, ,, ...	456	463	233	**365·7**	429	483	461	301	**436·8**
16	,,	19, ,, ...	461	509	238	**373·4**	433	482	467	298	**438·7**
17	,,	26, ,, ..	458	500	229	**366·8**	429	482	465	298	**436·5**
18	August	2, ,, ...	463	503	226	**367·8**	418	486	467	299	**431·8**
19	,,	9, ,, ...	463	497	233	**371·4**	422	500	459	304	**437·4**
20	,,	16, ,, ...	465	513	235	**374·4**	430	506	468	324	**446·3**
21	,,	23, ,, ...	467	510	240	**377·6**	445	524	461	326	**459·0**
22	,,	30, ,, ...	463	515	235	**373·6**	447	517	459	329	**458·2**
23	September	6, ,, ...	464	518	240	**376·5**	450	515	451	332	**458·7**
24	,,	13, ,, ...	462	515	229	**369·6**	453	518	439	333	**460·3**
25	,,	20, ,, ..	457	520	224	**365·0**	453	516	458	341	**462·6**
26	,,	27, ,, ...	451	523	223	**361·4**	446	515	455	339	**457·8**
27	October	4, ,, ...	443	530	215	**353·9**	434	517	469	351	**454·2**
28	,,	11, ,, ..	441	530	216	**353·5**	439	513	456	352	**454·6**
29	,,	18, ,, ...	443	542	227	**361·4**	432	518	462	353	**452·6**
30	,,	25, ,, ...	441	552	230	**362·6**	429	506	459	352	**447·5**
31	November	1, ,, ...	445	567	236	**367·6**	408	498	446	368	**433·0**
32	,,	8, ,, ..	449	564	235	**369·0**	404	502	460	373	**434·2**
33	,,	15, ,, ...	445	552	230	**364·1**	398	498	465	376	**430·7**
34	,,	22, ,, ...	453	545	216	**359·8**	401	500	450	368	**430 8**
35	,,	29, ,, ...	443	527	220	**356·9**	389	476	463	360	**418·2**
36	December	6, ,, ...	436	526	206	**345·7**	385	473	440	371	**413·8**
37	,,	13, ,, ...	428	548	204	**342·1**	393	469	467	371	**419·9**
38	,,	20, ,, ...	430	541	208	**344·5**	397	479	456	372	**424·0**
39	,,	27, ,, ...	428	517	212	**346·1**	402	482	472	373	**429·2**
40	January	3, 1953	431	575	211	**348·0**	398	479	466	372	**425·4**
41	,,	10, ,, ...	436	598	219	**356·2**	414	484	441	374	**433·6**
42	,,	17, ,, ...	433	593	221	**355·6**	395	487	460	375	**426·2**
43	,,	24, ,, ...	433	610	230	**360·8**	394	488	464	374	**425·4**
44	,,	31, ,, ...	436	599	234	**364·2**	394	502	460	361	**427·5**
45	February	7, ,, ..	434	602	230	**361·4**	399	514	462	361	**433·3**
46	,,	14, ,, ..	431	600	231	**359·9**	401	521	470	366	**437·9**
47	,,	21, ,, ...	427	627	234	**361·0**	408	536	451	362	**443·9**
48	,,	28, ,, ...	430	617	239	**364·3**	410	536	456	362	**445·3**
49	March	7, ,, ...	430	552	242	**362·6**	410	540	442	358	**444·4**
50	,,	14, ,, ..	439	544	245	**368·6**	417	558	457	356	**453·8**
51	,,	21, ,, ...	439	502	244	**365·6**	417	574	459	359	**458·3**
52	,,	28, ,, ...	440	438	245	**362·6**	418	558	462	363	**455·7**

* Comprising tea, coffee, sugar, gur and salt. † Comprising hides raw, skins raw, lac and rubber.

MENT II

Prices (Groups and Sub-Groups), 1952-53

August 1939 = 100)

paragraph 17)

Semi-Manufactures								Manufactured Articles						
Leather	Mineral oils	Vegetable oils	Cotton yarn	Metals	Oil cakes	Others**	**Group Index**	Textiles	Metal Products	Others ††	**Group Index**	**Miscellaneous ‡**	**All Commodities**	
10	11	12	13	14	15	16	17	18	19	20	21	22	23	
253	218	441	498	197	415	277	**338·6**	432	311	300	**381·5**	**598·1**	**379·9**	*1*
250	218	438	498	199	409	277	**337·8**	431	311	299	**380·3**	**594·7**	**375·7**	*2*
252	218	429	499	198	422	264	**337.0**	435	311	299	**383.0**	**598.1**	**378.0**	*3*
274	218	434	500	198	419	266	**339·8**	430	311	299	**379·9**	**601·5**	**377·4**	*4*
252	218	421	455	198	428	266	**325·3**	418	311	299	**372·8**	**580·8**	**370·6**	*5*
256	218	415	455	197	418	264	**324·2**	418	311	299	**372·9**	**581·9**	**368·3**	*6*
256	218	409	444	196	418	264	**320·6**	414	311	299	**370·8**	**580·3**	**365·9**	*7*
310	218	405	444	196	412	263	**324·7**	411	311	297	**368·8**	**583·4**	**365·6**	*8*
288	218	398	444	194	412	261	**321·4**	415	311	298	**370·9**	**588·8**	**365·2**	*9*
296	218	398	454	195	429	262	**325·5**	424	311	298	**376·0**	**586·9**	**368·9**	*10*
293	218	403	454	195	419	263	**325·6**	423	311	298	**375·5**	**584·2**	**372·3**	*11*
341	221	409	456	202	422	262	**333·7**	415	311	298	**371·0**	**618·4**	**377·5**	*12*
339	221	429	456	202	425	291	**337·8**	416	311	297	**371·7**	**623·6**	**380·6**	*13*
343	221	443	457	219	431	291	**345·1**	408	328	297	**370·1**	**624·3**	**381·6**	*14*
345	221	458	453	219	438	291	**346·5**	407	328	297	**369·3**	**632·0**	**383·5**	*15*
349	221	469	453	220	440	291	**348·5**	406	328	297	**368·8**	**629·9**	**386·6**	*16*
376	221	467	452	219	449	267	**348·8**	402	328	297	**366·4**	**631·6**	**383·4**	*17*
377	226	469	452	219	439	267	**349·5**	398	328	298	**364·7**	**655·4**	**383·1**	*18*
377	226	477	453	218	445	265	**350·4**	404	328	296	**367·8**	**627·9**	**385·7**	*19*
383	226	480	453	217	462	263	**351·7**	402	328	296	**366·4**	**627·0**	**387·8**	*20*
385	226	485	453	217	465	262	**352·5**	404	328	296	**367·7**	**634·2**	**391·4**	*21*
390	226	466	453	217	465	262	**350·6**	401	328	296	**365·9**	**633·3**	**389·1**	*22*
401	226	459	453	218	473	263	**351·0**	404	328	296	**367·6**	**631·6**	**390·7**	*23*
400	226	465	453	217	470	264	**351·5**	405	328	296	**368·1**	**631·3**	**389·0**	*24*
391	226	464	453	217	476	264	**350·9**	412	328	296	**371·9**	**628·5**	**388·9**	*25*
380	226	458	453	228	477	264	**352·6**	409	343	296	**373·6**	**628·1**	**387·8**	*26*
373	226	461	453	228	471	264	**352·3**	419	343	295	**378·6**	**628·5**	**386·2**	*27*
379	226	455	453	227	464	269	**351·5**	418	343	294	**378·3**	**627·0**	**385·9**	*28*
388	226	454	453	227	471	253	**351·3**	421	343	294	**379·9**	**640·7**	**389·0**	*29*
398	226	458	453	226	448	254	**351·5**	420	343	294	**379·2**	**639·6**	**388·4**	*30*
405	226	450	441	226	454	253	**348·7**	415	343	294	**376·1**	**640·9**	**386·3**	*31*
408	226	450	441	226	455	253	**349·1**	416	343	294	**376·7**	**638·4**	**387·2**	*32*
413	226	444	411	227	443	253	**348·5**	411	342	294	**374·0**	**629·1**	**383·8**	*33*
426	226	439	444	227	430	252	**348·2**	411	342	294	**373·5**	**630·5**	**382·3**	*34*
430	226	424	444	227	424	252	**346·1**	407	342	294	**371·4**	**627·9**	**378·2**	*35*
431	223	418	444	227	402	251	**343·8**	402	342	290	**367·4**	**623·7**	**372·0**	*36*
429	223	416	444	227	391	251	**343·1**	403	342	290	**368·3**	**625·5**	**371·9**	*37*
418	223	427	434	228	396	251	**341·2**	400	342	290	**366·7**	**626·9**	**372·7**	*38*
413	223	429	434	229	413	251	**342·2**	403	342	291	**368·1**	**625·0**	**374·5**	*39*
411	223	436	437	229	396	251	**343·1**	401	342	290	**367·0**	**636·9**	**374·7**	*40*
406	223	444	437	228	405	250	**344·1**	401	342	287	**366·1**	**621·0**	**378·2**	*41*
402	223	444	439	228	407	250	**344·4**	398	342	288	**364·4**	**612·7**	**376·1**	*42*
402	223	445	439	229	407	250	**344·5**	396	342	288	**363·5**	**612·2**	**377·5**	*43*
409	223	447	439	228	416	249	**345·4**	404	342	288	**368·0**	**617·3**	**380·6**	*44*
411	223	453	441	228	416	249	**346·8**	404	336	288	**367·2**	**601·0**	**380·2**	*45*
421	223	459	441	228	407	251	**347·9**	405	336	288	**367·4**	**602·0**	**380·8**	*46*
429	223	469	439	227	416	211	**346·2**	407	336	288	**368·6**	**586·8**	**381·7**	*47*
426	223	469	446	227	416	211	**347·8**	406	336	288	**368·1**	**589·9**	**383·2**	*48*
429	223	473	446	227	402	211	**348·1**	407	336	288	**368·8**	**592·8**	**382·9**	*49*
434	223	478	446	227	407	211	**349·0**	407	336	288	**368·5**	**579·2**	**386·0**	*50*
441	223	491	446	227	426	211	**351·8**	406	336	291	**369·2**	**584·2**	**386·6**	*51*
444	223	482	446	227	413	211	**350·5**	407	336	290	**369·4**	**585·5**	**385·0**	*52*

** Comprising timber and coir yarn. †† Comprising shoes, tyres and tubes, cement, paper, matches, glass, soap, chemicals, paints, cigarettes, liquors and dyestuffs.

‡ Comprising vanaspati dalda, spices and condiments, betelnuts, cashewnuts, bricks and tiles and tobacco leaf.

Source : Office of the Economic Adviser to the Government of India.

STATEMENT II (A)

Movements in Price Indices of Selected Commodities

(*Base :* Year ended August 1939=100)

(*Reference paragraph* 17)

Group and Commodity	Pre-devaluation (Sept. 17, 1949)	Pre-Korean (June 24, 1950)	January 26, 1952	Mid-March 1952	March 29, 1952	Sept 6, 1952	Dec. 13, 1952	March 28, 1953	Percentage variations of: 4 over 3	8 over 5	8 over 2
	1	2	3	4	5	6	7	8	9	10	11
I. Food Articles	**392·6**	**407·1**	**392·3**	**335·2**	**339·3**	**376·5**	**342·1**	**362·6**	**— 14·6**	**+ 6·9**	**— 10·9**
Cereals	**460**	**456**	**464**	**438**	**444**	**464**	**428**	**440**	**— 5·6**	**— 0·9**	**— 3·5**
Rice	498	501	541	506	521	548	488	496	— 6·5	— 4·8	— 1·0
Wheat	544	515	512	512	501	559	559	565	—	+ 12·8	+ 9·7
Pulses	**409**	**429**	**506**	**391**	**418**	**518**	**548**	**438**	**— 22·7**	**+ 4·8**	**+ 2·1**
Gram	318	345	381	350	350	449	454	375	— 8·1	+ 7·1	+ 8·7
Others	**293**	**327**	**273**	**200**	**200**	**240**	**204**	**245**	**— 26·7**	**+ 22·5**	**— 25·1**
Tea	385	432*	361	255	217	249	195	355	— 29·4	+ 63·6	— 17·8
Gur	328	485	250	116	134	200	166	222	— 53·6	+ 65·7	— 54·2
Sugar	288	278	297	297	297	297	263	260	—	— 12·5	— 6·5
II. Industrial Raw Materials	**470·1**	**494·2**	**573·8**	**382·8**	**447·1**	**458·7**	**419·9**	**455·7**	**— 33·3**	**+ 1·9**	**— 7·8**
Fibres	**437**	**468**	**609**	**379**	**476**	**450**	**393**	**418**	**— 37·8**	**— 12·2**	**— 10·7**
Cotton Raw	412	440	504	326	415	470	387	456	— 35·3	— 9·9	+ 3·6
Jute Raw	474	479	811	463	590	423	386	358	— 42·9	— 39·3	— 25·3
Wool Raw	337	597	433	337	335	495	584	600	— 22·2	+ 79·1	+ 0·5
Oilseeds	**644**	**657**	**602**	**370**	**423**	**515**	**469**	**558**	**— 38·5**	**+ 31·9**	**— 15·1**
Groundnuts	715	746	656	452	488	609	551	717	— 31·1	+ 46·9	— 3·9
Linseed	473	539	588	376	393	411	385	396	— 36·1	+ 0·8	— 26·5
Castorseed	457	481	680	449	458	593	536	509	— 34·0	+ 11·1	+ 5·8
Cottonseed	485	454	429	241	282	402	357	435	— 43·8	+ 54·3	— 4·2
Copra	951	954	836	487	585	751	782	831	— 41·7	+ 42·1	— 12·9
Minerals	**331**	**342**	**449**	**466**	**462**	**451**	**467**	**462**	**+ 3·8**	**—**	**+ 35·1**
Manganese Ore (export prices)	388	452	691	782	752	714	882	841	+ 13·2	+ 11·8	+ 86·1
Mica	368	418	572	572	572	487	470	470	—	— 17·8	+ 12·4
Others	**347**	**371**	**422**	**360**	**336**	**332**	**371**	**363**	**— 14·7**	**+ 8·0**	**— 2·2**
Hides Raw	326	383	444	405	361	362	378	369	— 8·8	+ 2·2	— 3·7
Lac	858	694	863	640	643	493	453	472	— 25·8	— 26·6	— 32·0
Rubber	199	201	294	294	294	294	316	313	—	+ 6·5	+ 55·7

III. Semi-Manufactures	**334·4**	**335·5**	**370·1**	**339·0**	**340·6**	**351·0**	**343·1**	**350·5**	**− 8·4**	**+ 2·9**	**+ 4·5**
Leather	**315**	**335**	**329**	**341**	**283**	**401**	**429**	**444**	**+ 3·6**	**− 56·9**	**+ 32·5**
Mineral Oils	**183**	**190**	**218**	**218**	**218**	**226**	**223**	**223**	**—**	**+ 2·3**	**+ 17·4**
Vegetable Oils	**662**	**663**	**597**	**376**	**435**	**459**	**416**	**482**	**− 37·0**	**+ 10·8**	**− 27·3**
Coconut Oil	827	935	826	544	619	718	741	853	− 34·1	+ 37·8	− 8·8
Groundnut Oil	817	801	737	487	568	649	609	799	− 33·9	+ 40·7	− 0·2
Linseed Oil	568	609	672	453	486	463	406	412	− 32·6	− 15·2	− 32·3
Cotton yarn	**435**	**409**	**495**	**498**	**498**	**453**	**444**	**446**	**+ 0·6**	**− 10·4**	**+ 9·0**
Oil Cakes	**421**	**467**	**483**	**403**	**397**	**473**	**391**	**413**	**− 16·6**	**− 4·0**	**− 11·6**
Metals	**175**	**174**	**206**	**201**	**199**	**218**	**227**	**227**	**− 2·4**	**− 14·1**	**+ 30·5**
Pig Iron	118	123	150	150	150	162	162	162		— − 8·0	+ 31·7
Zinc Spelter	515	723	1346	1084	993	691	560	555	− 19·5	− 44·1	− 23·2
Copper	255	318	447	394	392	391	408	415	− 11·9	+ 5·9	+ 30·5
Others	**256**	**315**	**320**	**286**	**277**	**263**	**251**	**211**	**− 10·6**	**− 23·8**	**− 33·0**
IV. Manufactured Articles	**350·0**	**346·9**	**399·4**	**376·6**	**382·4**	**367·6**	**368·3**	**369·4**	**− 5·7**	**− 3·4**	**+ 6·5**
Textiles	**405**	**398**	**468**	**424**	**434**	**404**	**403**	**407**	**− 9·4**	**− 6·2**	**− 2·3**
Jute Manufactures	555	561	768	479	558	457	393	375	− 37·6	− 32·8	− 33·2
Cotton Manufactures	375	353	410	410	410	389	406	406	—	− 1·0	− 15·0
Rayon and Silk Manufactures	456	591	541	443	439	488	453	528	− 18·1	+ 20·3	+ 10·7
Woollen Manufactures	283	283	388	388	388	277	280	313	—	− 19·3	+ 10·6
Metal Products	**272**	**269**	**298**	**311**	**311**	**328**	**342**	**336**	**+ 4·4**	**+ 8·0**	**+ 24·9**
Others	**268**	**273**	**304**	**301**	**300**	**296**	**290**	**290**	**− 1·0**	**− 3·3**	**+ 6·2**
Chemicals	273	281	339	339	343	338	313	301	—	− 12·2	+ 7·1
Dyestuffs	297	297	309	311	311	297	297	306	+ 0·6	− 1·6	+ 3·0
Tyres and Tubes	262	262	366	366	366	362	335	314	—	− 14·2	− 19·8
V. Miscellaneous	**557·8**	**692·4**	**734·5**	**610·8**	**590·9**	**631·6**	**625·5**	**585·5**	**− 16·8**	**− 0·9**	**− 15·4**
Vanaspati Dalda	409	430	436	436	436	368	356	438	—	+ 0·5	+ 1·9
Black Pepper	2522	2805	2957	2400	2289	3105	2794	2819	− 18·8	+ 23·2	− 0·5
Cashewnuts	284	356	638	547	584	721	681	563	− 14·3	− 3·6	− 58·1
Tobacco Leaf	644	1003	1216	944	902	965	965	805	− 22·4	− 10·8	− 19·7
VI. All Commodities	**386·7**	**397·1**	**428·8**	**364·9**	**378·2**	**390·7**	**371·9**	**385·0**	**− 14·9**	**+ 1·8**	**− 3·0**

* As on June 10, 1950.

Source: Office of the Economic Adviser to the Government of India.

STATEMENT 12

INDEX NUMBERS OF WHOLESALE PRICES IN INDIA

General Purpose Sseries

(*Reference paragraph* 17)

(*Base :* Year ended August 1939=100)

Average of weeks				Food Articles	Industrial Raw Materials	Semi-Manufactures	Manufactured Articles	Miscellaneous	**General Index**
1947-48	..	..	..	306·1	377·5	261·6	286·4	456·2	**308·2**
1948-49	..	..	..	382·9	444·8	327·3	346·1	525·2	**376·2**
1949-50	..	..	..	391·3	471·7	331·6	347·2	570·7	**385·4**
1950-51	..	..	..	416·4	523·1	318·9	354·2	707·4	**409·7**
1951-52	..	..	..	398·6	591·9	374·4	401·5	721·6	**434·6**
1952-53	..	..	..	357·8	436·9	343·8	371·2	614·1	**380·6**
April	1951	..	..	412·5	683·1	387·8	411·7	751·5	**457·5**
May	„	..	..	412·9	686·1	387·9	410·2	723·3	**456·8**
June	„	..	..	412·8	688·7	386·0	409·4	724·4	**456·5**
July	„	..	..	408·3	644·0	379·6	405·6	724·6	**447·0**
August	„	..	..	408·8	590·6	376·1	399·1	729·7	**437·6**
September	„	..	..	412·2	567·4	374·3	399·5	721·1	**435·1**
October	„	..	..	409·5	588·0	375·8	401·9	720·9	**438·0**
November	„	..	..	401·9	583·8	377·9	400·2	750·9	**435·6**
December	„	..	..	399·1	574·1	373·6	402·1	752·1	**433·1**
January	1952	..	..	393·0	580·6	369·3	400·9	735·0	**430·3**
February	„	..	..	375·4	545·4	364·2	394·1	709·8	**415·8**
March	„	..	..	342·7	424·2	343·2	383·8	625·6	**377·5**
April	„	..	..	346·1	433·5	338·3	381·2	598·1	**377·8**
May	„	..	..	341·0	416·4	323·2	371·2	583·0	**367·1**
June	„	..	..	349·6	430·3	330·6	373·6	603·2	**374·8**
July	„	..	..	367·6	435·1	347·2	368·7	629·5	**383·8**
August	„	..	..	372·9	446·4	351·0	366·4	635·4	**387·4**
September	„	..	..	368·1	459·8	351·5	370·3	629·8	**389·0**
October	„	..	..	357·9	452·3	351·7	379·0	634·0	**387·5**
November	„	..	..	363·4	429·3	348·1	374·3	633·3	**383·4**
December	„	..	..	344·5	421·7	342·6	367·6	625·3	**372·7**
January	1953	..	..	357·0	427·6	344·3	365·9	620·0	**377·5**
February	„	..	..	361·6	440·1	347·2	367·8	595·0	**381·5**
March	,	..	..	365·0	453·1	349·8	369·0	585·5	**385·2**

Source : Office of the Economic Adviser to the Government of India.

STATEMENT 13

INDEX NUMBERS OF COST OF LIVING * (WORKING CLASS)

(*Base*: August 1939=100)

(*Reference paragraph* 19)

Month and year	All-India**	Bombay	Calcutta	Madras
1945-46	100†	228	..	229
1946-47	106†	252	..	246
1947-48	120†	268	316	289
1948-49	134†	297	345	320
1949-50	138†	291	349	330
1950-51	138†	302	353	333
1951-52	143	314	369	343
1952-53	..	328	348	339
April 1951	143	319	365	340
May ,, ...	144	319	374	342
June ,, ...	146	321	382	344
July ,, ...	145	317	385	344
August ,, ...	145	312	387	345
September ,, ...	145	310	375	347
October ,, ...	146	316	375	343
November ,, ...	146	317	374	344
December ,, ...	144	315	370	344
January 1952	142	315	357	345
February ,, ...	140	309	343	343
March ,, ...	135	298	340	340
April ,, ...	141	329	339	333
May ,, ...	140	323	330	334
June ,, ...	140	322	343	337
July ,, ...	142	314	354	338
August ,, ...	144	324	369	337
September ,, ...	143	325	364	335
October ,, ...	144	329	363	334
November ,, ...	143	330	357	335
December ,, ...	139	330	346	334
January 1953	139	330	337	334
February ,, ...	..	334	334	358
March ,, ...	..	341	333	360

* Annual figures are averages of monthly indices.
** Interim Series; *base*: 1944=100. † Relates to calendar year.

STATE

MONEY SUPPLY

(Reference

CURRENCY WITH THE PUBLIC (a)

	Last Friday		Notes in circulation (b)	Circulation of rupee coin (c)	Notes and coin with Treasuries (d)	Cash on hand of scheduled, non-scheduled (e) and co-operative (f) banks	Currency with the public (excluding small coin) (1 + 2 – 3 – 4)	Variation in currency with the public (g)
			1	2	3	4	5	6
								UNDIVIDED
1	1938-39		178·36	..	2·02	6·93**§	..	12·46
2	1945-46		1,218·77	165·73	7·16	43·47**	1,333·87	+139·40
3	1946-47		1,242·03	167·67	2·42	44·71**	1,362·57	+ 28·70
4	1947-48		1,304·36	155·33	1·40††	43·52**	1,414·77	+ 52·20
								INDIAN
5	1948-49		..	..	1·28	39·14**	..	– 11·66
6	1949-50		1,120·35	132·61	1·63	35·79**	1,215·54	– 1·06
7	1950-51		1,204·24	138·45	4·42	39·13**	1,299·14	+ 83·60
8	1951-52		1,097·94	125·45	3·70	37·45	1,182·24	–110·80
9	1952-53		1,089·95	119·71	2·92	37·51	1,169·23	– 11·33
10	April	1951	1,237·76	134·57	5·13	40·13	1,327·07	+ 27·93
11	May	,,	1,243·11	136·54	4·74	39·49	1,335·42	+ 8·35
12	June	,,	1,214·31	136·48	5·43	54·51	1,290·85	– 44·57
13	July	,,	1,158·44	134·28	6·04	42·37	1,244·31	– 46·54
14	August	,,	1,115·11	130·47	5·37	43·37	1,196·84	– 47·47
15	September	,,	1,087·50	126·71	5·13	40·79	1,168·29	– 28·55
16	October	,,	1,085·09	126·70	5·20	40·61	1,165·98	– 0·56
17	November	,,	1,079·41	124·97	6·02	40·24	1,158·12	– 6·68
18	December	,,	1,097·92	125·51	6·10	47·32	1,170·01	+ 14·28
19	January	1952	1,106·94	126·77	4·46	36·23	1,193·02	+ 23·58
20	February	,,	1,096·43	126·70	4·99	39·01	1,179·13	– 13·68
21	March	,,	1,097·94	125·45	3·70	37·45	1,182·24	3·11
22	April	,,	1,102·61	126·56	4·90	38·39	1,185·88	+ 5·32
23	May	,,	1,093·48	125·17	4·91	37·32	1,176·42	– 9·46
24	June	,,	1,085·59	124·26	4·69	39·89	1,165·27	11·15
25	July	,,	1,060·91	121·11	5·65	37·62	1,138·75	– 26·52
26	August	,,	1,042·59	118·35	6·05	37·34	1,117·55	– 21·20
27	September	,,	1,044·35	118·14	4·99	36·71	1,120·79	+ 3·24
28	October	,,	1,020·31	116·21	5·64	37·62	1,102·26	18·53
29	November	,,	1,030·49	115·14	4·41	37·22	1,104·00	+ 1·74
30	December	,,	1,048·95	116·47	3·27	39·98	1,122·17	+ 18·17
31	January	1953	1,063·21	116·73	3·46	37·72	1,138·76	+ 16·59
32	February	,,	1,076·65	118·07	2·94	36·30	1,155·51	+ 16·75
33	March	,,	1,089·95	119·71	2·92	37·51	1,169·23	+ 13·72

Note. –Revised figures. (a) The figures are not adjusted to take account of net inward or outward movements of from the Middle Eastern Countries. No adjustments have also been made in regard to the issue, from January 26, 1950, the return of about Rs. 43 crores from Pakistan, awaiting adjustment. (c) Figures from March 1950 relate to the Indian April 1952 figures in respect of non-scheduled banks incorporated in and confining their activities to Part 'B' States relate to the reporting co-operative banks only. (g) Figures from October 1951 are net of adjustments made in respect inter-bank demand deposits of scheduled and co-operative banks upto March 1948, and those of non-scheduled banks the Reserve Bank as these are not available separately. † Including inter-bank demand deposits. § Relate to scheduled

WITH THE PUBLIC*

paragraph 21)

(Crores of Rupees)

Demand liabilities (excluding inter-bank demand deposits) (c) of scheduled, non-scheduled (e) and co-operative (f) banks	DEPOSIT MONEY — Deposits with the Reserve Bank: Central Government	Banks	Other Governments	Other Deposits (h)	Deposits with the Reserve Bank (h) excluding those of Central Govt. & Banks (10+11)	Deposit money with the public (7+12)	Variation in deposit money	**Money supply with the public (excluding small coin) (5+13)**	**Variation in money supply with the public (g) (6+14)**	
7	8	9	10	11	12	13	14	15	16	
INDIA										
128·40§	9·25	11·41	6·82	0·77	7·59	135·99	+ 5·05†	**305·40**	**7·41**	*1*
741·65	521·01	76·90	35·90	9·56	45·46	787·11	103·78†	**2,120·98**	**−243·18**	*2*
719·21	431·76	71·32	30·28	15·41	45·69	764·90	22·21†	**2,127·47**	**+ 6·49**	*3*
776·80	320·03	78·90	24·23	20·93	45·16	821·96	57·06†	**2,236·73**	**109·26**	*4*
UNION										
620·33	183·93	55·04	24·56	22·44	47·00	667·33	31·60†	..	**43·26**	*5*
586·78	129·28	52·92	45·63	17·31	62·94	649·72	17·61	**1,865·26**	**- 18·67**	*6*
614·56	162·04	59·28	26·40	26·01	52·41	666·97	17·25	**1,966·11**	**100·85**	*7*
560·11	180·16	46·99	25·06	19·60	44·66	604·77	61·98	**1,787·01**	**172·78**	*8*
549·79	135·78	46·52	19·85	16·51	36·36	586·15	25·62	**1,755·38**	**36·95**	*9*
605·94	146·66	52·19	30·79	29·69	60·48	666·42	0·33	**1,993·49**	**27·60**	*10*
600·48	145·02	49·60	24·25	29·56	53·81	654·29	12·13	**1,987·71**	**3·78**	*11*
604·53	162·83	58·74	17·65	24·92	41·97	646·50	7·79	**1,937·35**	**- 52·36**	*12*
622·83	169·84	76·02	17·26	22·04	39·30	662·13	15·63	**1,906·44**	**30·91**	*13*
615·65	216·67	75·63	10·25	21·42	31·67	647·32	14·81	**1,844·16**	**62·28**	*14*
600·16	205·28	84·43	13·55	21·01	34·56	634·72	12·60	**1,803·01**	**41·15**	*15*
593·07	191·65	74·34	19·36	20·67	40·03	633·10	1·62	**1,799·08**	**2·18**	*16*
579·21	206·50	60·40	11·70	18·54	30·24	609·45	23·65	**1,767·57**	**30·33**	*17*
573·23	210·49	50·72	10·19	19·96	30·15	603·38	6·07	**1,773·39**	**+ 8·21**	*18*
560·86	198·24	46·02	10·58	22·61	33·19	594·05	9·33	**1,787·07**	**14·25**	*19*
570·54	186·41	44·81	26·43	21·26	47·69	618·23	24·18	**1,797·36**	**+ 10·50**	*20*
560·11	180·16	45·99	25·06	19·60	44·66	604·77	13·46	**1,787·01**	**10·35**	*21*
578·20	137·96	47·22	9·31	19·90	29·21	607·41	4·36	**1,793·29**	**0·96**	*22*
570·32	109·38	47·96	10·53	19·92	30·45	600·77	6·64	**1,777·19**	**16·10**	*23*
571·64	117·90	53·29	1·80	15·85	17·65	589·29	11·48	**1,754·56**	**22·63**	*24*
573·45	100·25	64·08	7·70	15·92	23·62	597·07	7·78	**1,735·82**	**18·74**	*25*
569·64	124·70	68·34	11·40	12·78	24·18	593·82	3·25	**1,711·37**	**24·45**	*26*
554·80	142·53	62·10	6·31	11·74	18·05	572·85	20·97	**1,693·64**	**17·73**	*27*
557·75	151·87	64·14	15·05	11·06	28·11	583·86	11·01	**1,686·12**	**7·52**	*28*
558·02	157·11	54·83	15·08	11·52	26·60	584·62	0·76	**1,688·62**	**- 2·50**	*29*
543·63	174·79	45·09	3·55	13·46	17·01	560·64	23·98	**1,682·81**	**5·81**	*30*
543·49	163·07	45·06	12·72	17·64	30·36	573·85	13·21	**1,712·61**	**- 29·80**	*31*
540·66	149·99	43·23	11·40	18·09	29·49	570·15	3·70	**1,725·66**	**13·05**	*32*
549·79	135·78	46·52	19·85	16·51	36·36	586·15	16·00	**1,755·38**	**29·72**	*33*

currency. For instance, it is known that in 1951-52 and 1952-53 there was a considerable repatriation of Indian currency of Indian currency in Hyderabad. (*b*) Figures of notes in circulation from March 1950 have been revised and are net of Union (for details see footnote to Statement 80). (*d*) Figures are as on last day of the month/year. (*e*) From have been included; figures from that month are, therefore not strictly comparable with the earlier figures. (*f*) Figures of India notes returned from circulation in Aden. (*h*) Excluding balance held on IMF Account No. 1. (*i*) Including upto March 1951. * Excluding small coin. ** Figures in respect of non-scheduled banks include their balances with and non-scheduled banks only. †† Relates to the Indian Union only.

STATEMENT 15

SEASONAL VARIATIONS IN MONEY SUPPLY WITH THE PUBLIC

(Reference paragraph 21)

(Crores of Rupees)

	Currency with the public (a)	Deposit Money with the public (b)	Money Supply with the public
		Undivided India	
April 16, 1938 to August 26, 1938	*− 27·57*	*+ 1·94*	*− 25·63*
August 27, 1938 to March 31, 1939	+ 11·55	+ 3·32	+ 14·87
July 21, 1945 to July 27, 1945	*− 6·60*	*+ 4·13*	*− 2·47*
July 28, 1945 to May 10, 1946	+119·53	+ 74·60	+194·13
May 11, 1946 to July 5, 1946	*− 10·53*	*+ 6·73*	*− 3·80*
July 6, 1946 to April 11, 1947	+ 27·35	− 21·11	+ 6·24
April 12, 1947 to September 26, 1947	*− 90·74*	*+ 15·03*	*− 75·71*
September 27, 1947 to March 26, 1948	+131·97	+ 45·87	+177·84
		Indian Union	
March 27, 1948 to April 30, 1948	+ 13·51	+ 16·81	+ 30·32
May 1, 1948 to September 24, 1948	*− 76·46*	*+ 9·45*	*− 67·01*
September 25, 1948 to May 13, 1949	+ 77·16	− 103·91	− 26·75
May 14, 1949 to October 28, 1949	*− 128·51*	*+ 14·10*	*− 114·41*
October 29, 1949 to May 12, 1950	+ 130·03	− 29·98	+ 100·05
May 13, 1950 to September 29, 1950	*− 102·32*	*+ 16·78*	*− 85·54*
September 30, 1950 to May 11, 1951	+ 207·09	+ 28·68	+ 235·77
May 12, 1951 to October 26, 1951	*− 181·03*	*− 30·76*	*− 211·79*
October 27, 1951 to April 11, 1952	+ 45·39	− 36·99	+ 8·40
April 12, 1952 to October 24, 1952	*− 97·95*	*− 13·41*	*− 111·36*
October 25, 1952 to May 8, 1953 (c)	+ 108·89	− 21·72	+ 87·17

Note. Slack season periods have been indicated in italics.

(a) The figures are not adjusted to take account of net inward or outward movements of currency and also the issue of Indian currency in Hyderabad; figures for the period October 1951 to February 1952 are net of adjustments made in respect of India notes withdrawn from circulation in Aden. (b) For components of deposit money see Statement 14. (c) Provisional.

STATEMENT 16

SEASONAL TRENDS IN SELECTED ITEMS OF SCHEDULED BANKS' LIABILITIES AND ASSETS

(Reference paragraph 22)

(Lakhs of Rupees)

Period	Demand Liabilities §	Time Liabilities §	Total of 1 and 2	Cash	Balances with Reserve Bank	Total of 4 and 5	*Cash ratio* at the end of period*	Advances‡	Bills Discounted‡	Total of 8 and 9	*Advances ratio† at the end of period*
	1	2	3	4	5	6	7	8	9	10	11
INDIA AND BURMA											
April 16, 1938 to November 18, 1938 . .	*– 7,53*	*– 3,19*	*– 4,34*	*+ 1,43*	*+ 4,96*	*+ 6,33*	*10·17*	*– 23,74*	*– 3,53*	*– 27,27*	*43·79*
November 19, 1938 to March 31, 1939	+ 3,61	+ 1,01	– 2,60	– 1,51	– 6,01	– 7,52	*7·12*	+ 26,21	+ 4,33	+ 30,54	*57·10*
UNDIVIDED INDIA											
July 21, 1945 to September 28, 1945 . .	*+ 20,97*	*+ 14,69*	*+ 35,66*	*+ 1,32*	*– 43,04*	*+ 44,36*	*16·08*	*– 39,26*	*– 1,98*	*– 41,24*	*28·80*
September 29, 1945 to May 10, 1946	+ 62,59	+ 50,54	+113,13	+ 3,40	– 29,23	– 25,93	*11·73*	+ 131,35	+ 7,58	+ 138,93	*39·25*
May 11, 1946 to July 5, 1946	*+ 10,51*	*+ 5,95*	*+ 16,46*	*+ 7,17*	*– 27,51*	*+ 34,68*	*14·90*	*– 24,13*	*– 49*	*– 24,62*	*36·27*
July 6, 1946 to February 7, 1947 . .	– 2,77	+ 30,30	+ 33,07	– 4,55	– 44,99	– 49,54	*9·79*	+ 117,94	+ 4,39	+ 122,33	*46·61*
February 8, 1947 to October 10, 1947 . .	*– 19,46*	*– 2,50*	*– 21,96*	*– 71*	*+ 50,27*	*+ 49,56*	*14·75*	*– 73,07*	*– 10,21*	*– 83,28*	*39·35*
October 11, 1947 to April 16, 1948	– 74,37	+ 7,56	– 66,81	+ 1,54	– 31,89	– 30,35	*11·12*	+ 82,93	+ 4,27	+ 87,20	*45·78*
INDIAN UNION											
April 17, 1948 to September 24, 1948 . .	*+ 1,12*	*– 9,11*	*– 13,26*	*+ 1,33*	*+ 19,52*	*+ 20,85*	*13·19*	*– 53,58*	*– 4,28*	*– 57,86*	*40·57*
September 25, 1948 to May 6, 1949	– 66,61	– 19,96	– 86,57	– 2,60	– 41,19	– 43,79	*9·62*	+ 107,22	+ 4,32	+ 111,54	*56·75*
May 7, 1949 to November 25, 1949 . .	*– 27,71*	*– 15,95*	*– 43,66*	*+ 1,49*	*+ 28,80*	*+ 27,31*	*13·27*	*– 116.14*	*– 3,00*	*– 119.14*	*45·81*
November 26, 1949 to April 21, 1950	– 7,13	+ 20	+ 7,33	– 1,58	– 32,98	– 31,39	*9·55*	+ 91,50	– 63	+ 90,87	*55·87*
April 22, 1950 to November 24, 1950 . .	*+ 2,09*	*+ 9,76*	*– 11,85*	*– 32*	*– 33,70*	*+ 3,337*	*13·21*	*– 79,76*	*– 1,05*	*– 80,81*	*45·96*
November 25, 1950 to May 11, 1951	– 6,71	– 15,18	+ 21,89	+ 94	– 31,74	– 30,80	*9·48*	+ 182,19	+ 1,91	+ 180,29	*64·79*
May 12, 1951 to October 26, 1951 . .	*+ 14,71*	*– 5,03*	*– 19,74*	*+ 1,27*	*+ 24,58*	*+ 25,85*	*12·61*	*– 84,69*	*– 1,17*	*– 85,86*	*76·53*
October 27, 1851 to March 7, 1952 . .	– 28,34	+ 86	– 27,49	– 3,71	– 29,45	– 33,16	*9·15*	+ 62,36	+ 37,60	+ 99,96	*70·01*
March 8, 1952 to November 21, 1952	*– 23,22*	*– 28,79*	*+ 5,58*	*– 80*	*+ 11,40*	*– 10,60*	*10·32*	*– 110,50*	*– 21,11*	*– 131,61*	*54·29*
November 22, 1952 to March 27, 1953	+ 9,26	– 7,06	– 16,33	– 34	– 13,43	– 13,78	*8·89*	+ 44,82	+ 28,28	+ 73,10	*63·98*

Note.—The variations shown in this Statement are based on trends in scheduled bank credit only. Slack season periods have been indicated in italics. * Percentage of Cash and Balances with the Reserve Bank of India to Total Liabilities. ‡ 'Advances' exclude 'Inland Bills Purchased' from November 1951, which are included under 'Bills Discounted' as from that month. † Percentage of Advances and Bills Purchased and Discounted to Total Liabilities. § Excluding borrowings from the Reserve Bank of India and with effect from April 18, 1952 those from the Imperial Bank of India.

CONSOLIDATED POSITION

	Average of Friday Figures	No. of Reporting Banks at the end of period	Demand Liabilities	*Percentage of (2) to (6)*	Time Liabilities	Savings Deposits†	Total Demand and Time Liabilities	Inter-bank Borrowings‡ Demand	Time	Total	Net Liabilities	Borrowings from Reserve Bank
		1	2	3	4	5	6	7	8	9	10	11
												UNDIVIDED
1	1938-39 ..	51	123,81	*54·5*	103,30		227,11	..	..	..	..	..
2	1945-46 ..	91	654,53	*71·6*	259,52	121,56	914,05	..	..	..	..	..
3	1946-47 ..	96	725,54	*69·2*	323,11	133,01	1,048,65	..	..	..	..	..
4	1947-48 ..	101	706,65	*67·3*	313,89	149,71	1,050,54	..	..	..	..	..
												INDIAN
5	1948-49 ..	94	674,56	*68·9*	303,88	140,39	978,44	26,59*	49*	27,08*	951,36	3,33
6	1949-50 ..	94	597,79	*68·7*	272,59	133,95	870,38	26,06	48	26,54	843,84	7,43
7	1950-51 ..	93	599,13	*68·3*	278,45	137,85	877,59	20,75	1,01	21,76	855,83	4,46
8	1951-52 ..	94	593,73	*67·1*	290,82	135,66	884,55	23,20	61	23,81	860,74	13,82
9	1952-53 ..	91	549,23	*64·2*	309,26	138,05	855,49	13,04	3,43	16,46	839,03	11,20
10	April 1951 ..	94	615,99	*67·73*	293,54	138,95	909,53	24,32	32	24,64	884,89	10,04
11	May	93	606,08	*67·29*	294,68	138,40	900,76	23,43	69	24,12	876,64	14,31
12	June	93	597,45	*67·07*	293,31	139,41	890,76	17,13	76	17,89	872,87	12,04
13	July	93	611,94	*67·97*	288,33	139,62	900,27	17,37	60	17,97	882,30	4,32
14	Aug.	93	615,96	*68·11*	288,38	140,05	904,35	22,27	45	22,72	881,63	48
15	Sept.	93	609,63	*68·00*	286,92	139,85	896,55	22,95	80	23,75	872,80	46
16	Oct.	93	597,71	*67·47*	288,17	138,81	885,88	23,44	53	23,97	861,91	67
17	Nov.	94	582,90	*66·64*	291,85	138,03	874,75	22,56	49	23,05	851,70	46
18	Dec.	94	579,55	*66·47*	292,33	137,63	871,88	25,19	63	25,82	846,06	5,03
19	Jan. 1952 ..	94	571,90	*66·09*	293,37	137,25	865,27	26,95	60	27,55	837,72	24,80
20	Feb.	94	571,70	*66·18*	292,12	137,24	863,82	26,57	73	27,30	836,52	38,20
21	Mar.	94	565,70	*66·40*	286,22	135,66	851,92	27,34	65	28,00	823,92	56,07
22	April	93	568,21	*66·57*	285,34	135,73	853,55	16,64	1,36	18,00	835,55	41,02
23	May	94	557,98	*65·80*	290,00	136,26	847,97	10,75	1,98	12,72	835,25	31,00
24	June	93	557,25	*65·10*	298,72	137,45	855,97	14,68	2,88	17,55	838,42	18,77
25	July	93	559,78	*64·37*	309,90	138,18	869,69	15,36	3,70	19,05	850,64	7,03
26	Aug.	93	556,29	*63·95*	313,64	138,72	869,92	12,86	5,77	18,63	851,29	2,68
27	Sept.	93	549,13	*63·39*	317,19	138,83	866,32	14,50	3,78	18,28	848,04	2,36
28	Oct.	93	546,05	*63·31*	316,42	138,39	862,48	12,31	4,82	17,13	845,35	1,81
29	Nov.	93	542,19	*62·99*	318,51	137,92	860,70	11,67	6,25	17,92	842,78	1,62
30	Dec.	93	535,07	*62·73*	317,85	138,17	852,92	12,59	4,44	17,03	835,89	3,05
31	Jan. 1953 ..	92	526,17	*62·53*	315,25	137,87	841,44	12,28	1,96	14,23	827,21	6,95
32	Feb.	93	526,03	*62·52*	315,32	137,90	841,35	11,80	1,99	13,79	827,56	5,51
33	Mar.	91	530,19	*62·85*	313,43	138,05	843,61	12,01	1,99	14,00	829,61	13,23

Note.—Data are exclusive of Burma. † Annual figures for savings deposits are as on the last Friday of March and monthly figures as on the last Friday of the month. For the purpose of Section 42 of the Reserve Bank of India Act, savings deposits are classified under demand or time liabilities according to the rules of the various scheduled banks in respect of withdrawal of these deposits. * For nine months ending March 1949. ‡ Excluding borrowings from the Reserve Bank of India and with effect from April 18, 1952 those from the Imperial Bank of India.

MENT 17

OF SCHEDULED BANKS

(Lakhs of Rupees)

Cash	Balances with Reserve Bank	Excess of (13) over the Statutory Minimum	Total Cash and Balances with Reserve Bank	*Percentage of (15) to (6)*	Balances with other Banks in Current Account	Investments in Government Securities††	*Percentage of (18) to (6)*	Money at Call and Short Notice‡	Inland Bills Discounted‡	Advances‡	Total Scheduled Bank Credit (20+21+22)	*Percentage of (23) to (6)*	
12	13	14	15	16	17	18	19	20	21	22	23	24	
INDIA													
6,38	15,88	7,62	22,26	*9·80*	..	..	..	..	4,60	111,34	115,94	*51·05*	*1*
34,80	89.91	51,99	124,71	*13·61*	..	..	..	..	16,05	285,07	301,12	*32·94*	*2*
41,11	81.25	38,51	122,36	*11·67*	..	..	..	..	21,32	406,39	427,71	*40·79*	*3*
39,92	100,81	58,60	140,73	*13·40*	..	..	..	..	16,82	427,54	444,36	*42·30*	*4*
UNION													
37,51	76,63	36,82	114,14	*11·67*	..	..	..	..	16,44	424,85	441,29	*45·10*	*5*
34,47	65,85	30,51	100,32	*11·53*	..	..	..	..	15,35	426,74	442,09	*50·79*	*6*
34,68	60,78	25,25	95,46	*10·88*	..	..	..	..	11,87	447,03	458,90	*52·29*	*7*
37,33	57,29	21,79	94,62	*10·70*	11,91§	303.48§	*34·31*	11,40§	22,81	523,59	551,20	*62·32*	*8*
33,33	51,82	18,32	85,15	*9·95*	11,57	306.34	*35·81*	17.26	38,47	461,64	517,37	*60·48*	*9*
34,96	52,06	15.39	87,02	*9·57*	..	..	..	..	12,42	554,27	566,69	*62·31*	*10*
36,01	49.32	13.12	85,33	*9·47*	..	..	..	..	10,71	568,78	579,49	*64·33*	*11*
39,41	54,52	18,78	93,93	*10·54*	..	..	..	..	9,14	556,41	565,55	*63·49*	*12*
38,74	64,24	27,88	102,98	*11·44*	..	..	..	..	9,21	538,18	547,39	*60·80*	*13*
38,90	72,25	35,68	111,15	*12·29*	..	..	..	..	9,46	515,95	525,41	*58·10*	*14*
38,17	75,91	39,69	114,08	*12·72*	..	..	..	..	8,76	499,59	508,35	*56·70*	*15*
39,49	73,51	37,86	113,00	*12·76*	..	..	..	..	8,88	496,83	505,71	*57·09*	*16*
38,11	62,15	27,17	100,26	*11·46*	12,69	313,39	*35·83*	12,04	37,97	462,78	512,79	*58·62*	*17*
38,39	47,82	13,00	86,21	*9·89*	12,92	308,54	*35·39*	11,09	38,25	493,98	543,32	*62·32*	*18*
35,89	45,87	11,41	81,76	*9·45*	11,66	299,55	*34·62*	11,01	38,03	526,49	575,53	*66·51*	*19*
34,80	43,24	8,81	78,04	*9·03*	11.13	298,57	*34·56*	10,69	39,32	540,49	590,50	*68·36*	*20*
34,60	45.80	11.79	80,40	*9·14*	11,12	296,08	*34·75*	12.20	50,35	534,01	596,56	*70·03*	*21*
34,12	46.94	12,82	81,08	*9·50*	11,14	294,72	*34·53*	13,01	51,48	523,25	587,74	*68·86*	*22*
33,45	48,74	15,04	82,19	*9·69*	10,93	295,03	*34·79*	15,13	49,46	502,53	567,12	*66·88*	*23*
33,01	50,13	16,29	83.14	*9·71*	11,92	298,17	*34·83*	18,33	45,90	483,75	547,98	*64·02*	*24*
33.71	55,10	20,91	88,81	*10·21*	12.15	299,95	*34·49*	20.94	45,15	466,25	532,34	*61·21*	*25*
32,81	61,28	27.19	94,09	*10·82*	12,21	302,30	*34·75*	20,22	38,18	448,58	506,98	*58·28*	*26*
33,04	65,75	31,95	98,79	*11·40*	12.39	305,43	*35·26*	20,48	27,49	442,73	490,70	*56·61*	*27*
33,95	61,88	28,25	95,83	*11·11*	12,00	312,63	*36·25*	17,01	25,82	439,48	482,31	*55·92*	*28*
32,81	55,14	21,66	87,95	*10·22*	12,08	321,54	*37·36*	17,76	26,65	426,22	470,63	*54·68*	*29*
33,42	44,65	11,54	78,07	*9·15*	11,61	327,66	*38·42*	16,69	28,08	432,43	477,20	*55·95*	*30*
34,14	45,08	12.47	79,22	*9·41*	10,98	313.69	*37·28*	16.47	32,29	450,25	499,01	*59·30*	*31*
32,64	43,06	10,45	75,70	*9·00*	10,74	303.13	*36·03*	16,46	40,96	459,73	517,15	*61·47*	*32*
32,58	41,66	8,88	74.24	*8·80*	10,81	302,29	*35·83*	14,62	52,18	465,93	532,73	*63·15*	*33*

†† At book value : including Treasury bills and Treasury Deposit Receipts.

‡ Advances exclude 'Money at Call and Short Notice' and 'Inland Bills Purchased' from November 1951, the latter being included under 'Inland Bills Discounted' as from that month.

§ Average of weeks from November 1951.

Weekly Consolidated Position

Reference

	1952-53 Fridays		No. of Reporting Banks 1	Demand Liabilities* 2	Time Liabilities* 3	**Total Liabilities* (2 + 3)** 4	Inter-bank Borrowings† Demand 5	Inter-bank Borrowings† Time 6	**Net Liabilities (4—5—6)** 7	Borrowings from Reserve Bank 8	Cash in India 9	Balances with Reserve Bank 10
1	April	4	94	574,69	284,36	**859,05**	23,96	96	**834,13**	47,20	34,75	50,27
2	,,	11	94	572,79	284,21	**857,00**	22,71	1,33	**832,93**	42,47	33,30	45,97
3	,,	18	93	563,36	285,86	**849,23**	10,25	1,66	**837,32**	40,11	35,11	45,83
4	,,	25	93	561,99	286,93	**848,92**	9,59	1,50	**837,83**	34,29	33,32	45,70
5	May	2	93	560,65	285,45	**846,09**	9,75	1,80	**834,54**	36,67	32,74	53,90
6	,,	9	93	554,61	287,85	**842,46**	9,56	2,00	**830,90**	36,48	33,68	44,78
7	,,	16	93	557,73	289,55	**847,29**	9,75	2,12	**835,42**	35,24	34,71	48,54
8	,,	23	93	558,82	291,76	**850,58**	11,69	2,06	**836,83**	26,48	33,54	48,18
9	,,	30	94	558,07	295,38	**853,46**	12,98	1,90	**838,58**	20,15	32,59	48,30
10	June	6	94	555,55	297,15	**852,70**	14,82	2,50	**835,38**	21,06	31,82	48,98
11	,,	13	94	559,08	297,51	**856,58**	16,25	2,71	**837,62**	20,54	32,56	50,71
12	,,	20	94	555,72	299,58	**855,30**	14,64	3,16	**837,50**	18,88	32,49	49,98
13	,,	27	93	558,65	300,63	**859,29**	12,99	3,16	**843,14**	14,69	35,18	50,86
14	July	4	93	560,63	306,44	**867,07**	15,10	2,89	**849,17**	11,10	34,79	53,49
15	,,	11	93	556,74	310,26	**867,00**	16,09	3,73	**847,18**	10,22	33,31	51,37
16	,,	18	93	560,16	311,29	**871,46**	16,18	4,10	**851,18**	3,70	33,57	53,67
17	,,	25	93	561,60	311,62	**873,22**	14,05	4,15	**855,02**	3,09	33,17	61,89
18	August	1	93	558,04	313,71	**871,75**	12,62	6,11	**853,02**	2,91	32,12	61,52
19	,,	8	93	555,36	313,52	**868,88**	12,59	6,19	**850,10**	2,61	32,74	58,47
20	,,	15	93	554,41	312,70	**867,11**	12,81	6,04	**848,26**	2,81	33,59	56,93
21	,,	22	93	554,83	314,76	**869,59**	11,93	5,51	**852,15**	2,67	32,82	64,66
22	,,	29	93	558,78	313,50	**872,29**	14,33	5,02	**852,94**	2,39	32,78	66,78
23	September	5	93	556,51	314,42	**870,92**	14,05	3,78	**853,09**	2,65	33,82	69,17
24	,,	12	93	551,72	317,69	**869,41**	14,97	3,62	**850,82**	2,25	33,24	68,62
25	,,	19	93	544,98	317,88	**862,86**	15,29	3,39	**844,18**	2,17	33,02	62,43
26	,,	26	93	543,30	318,80	**862,10**	13,70	4,33	**844,07**	2,37	32,07	62,80
27	October	3	93	552,27	315,49	**867,76**	14,21	3,02	**850,53**	2,64	36,96	59,99
28	,,	10	93	544,82	315,97	**860,79**	13,18	4,10	**843,51**	1,90	33,10	62,95
29	,,	17	93	541,57	315,58	**857,15**	12,67	4,97	**839,51**	1,67	30,64	60,63
30	,,	24	93	547,08	316,77	**863,85**	10,20	5,72	**847,93**	1,38	35,79	62,87
31	,,	31	93	544,54	318,29	**862,83**	11,27	6,28	**845,28**	1,48	33,24	62,97
32	November	7	93	540,96	317,76	**858,71**	11,75	6,15	**840,81**	1,61	32,46	56,40
33	,,	14	93	540,40	318,60	**859,00**	11,56	6,35	**841,09**	1,61	33,26	53,20
34	,,	21	93	543,31	318,89	**862,20**	11,59	6,52	**844,09**	1,51	32,83	56,13
35	,,	28	93	544,10	318,78	**862,88**	11,78	5,97	**845,13**	1,74	32,67	54,82
36	December	5	93	541,98	318,58	**860,56**	12,28	5,06	**843,22**	2,18	33,04	47,56
37	,,	12	93	537,84	318,31	**856,15**	12,71	4,60	**838,84**	2,56	33,04	45,45
38	,,	19	93	529,98	317,48	**847,46**	12,35	4,32	**830,79**	2,93	32,64	42,00
39	,,	26	93	530,46	317,06	**847,52**	13,01	3,79	**830,72**	4,54	34,95	43,58
40	January	2	93	531,23	313,96	**845,19**	12,64	1,94	**830,61**	11,27	35,37	46,07
41	,,	9	93	521,40	315,24	**836,64**	11,70	1,87	**823,07**	8,39	33,88	43,02
42	,,	16	93	524,44	316,29	**840,73**	13,14	2,15	**825,44**	5,71	34,66	44,99
43	,,	23	93	524,70	315,53	**840,23**	11,61	1,89	**826,73**	5,13	33,84	46,60
44	,,	30	92	529,10	315,29	**844,39**	12,29	1,93	**830,17**	4,26	32,96	44,71
45	February	6	92	525,00	315,27	**840,27**	12,39	1,83	**826,05**	6,48	32,09	41,96
46	,,	13	92	526,64	314,79	**841,43**	11,58	1,83	**828,02**	7,03	34,31	44,60
47	,,	20	92	527,03	315,44	**842,46**	11,07	1,93	**829,46**	4,36	32,92	43,22
48	,,	27	93	525,46	315,78	**841,24**	12,16	2,38	**826,70**	4,15	31,25	42,47
49	March	6	92	526,48	314,81	**841,29**	11,91	2,01	**827,37**	9,38	33,35	41,62
50	,,	13	92	529,00	314,63	**843,63**	12,38	2,01	**829,24**	9,99	32,51	40,58
51	,,	20	91	531,22	312,45	**843,66**	11,84	2,06	**829,76**	14,69	31,95	41,74
52	,,	27	91	534,05	311,83	**845,87**	11,91	1,86	**832,10**	18,87	32,49	42,70

* Including inter-bank borrowings. † Excluding borrowings from the Reserve Bank of India and with effect from April 18, 1952 those from the Imperial Bank of India.

MENT 18

OF SCHEDULED BANKS, 1952-53

paragraph 22)

(Lakhs of Rupees)

Excess of 10 over the Statutory Minimum	**Total Cash and Balances with Reserve Bank 9 + 10**	*Percentage of 12 to 4*	Balances with other Banks in Current Account	Investments in Government Securities**	*Percentage of 15 to 4*	Money at Call and Short Notice	Inland Bills Purchased and Discounted	Advances	**Total Scheduled Bank Credit (17 + 18 + 19)**	*Percentage of 20 to 4*	
11	12	13	14	15	16	17	18	19	20	21	
15,85	**85,02**	*9·90*	11,70	296,07	*34·16*	12,17	51,09	532,44	**595,70**	*69·34*	*1*
11,65	**79,27**	*9·25*	10,81	294,80	*34·40*	13,44	51,51	530,47	**595,42**	*69·48*	*2*
11,94	**80,94**	*9·53*	11,08	294,10	*34·63*	12,45	52,70	518,19	**583,33**	*68·69*	*3*
11,86	**79,03**	*9·31*	10,95	293,91	*34·62*	13,98	50,64	511,92	**576,54**	*67·91*	*4*
20,46	**86,64**	*10·21*	10,20	294,14	*34·76*	14,34	49,95	514,30	**578,60**	*68·28*	*5*
11,29	**78,47**	*9·31*	10,63	294,88	*35·00*	14,66	50,00	508,67	**573,33**	*68·05*	*6*
14,86	**83,25**	*9·83*	11,14	294,89	*34·80*	14,94	50,18	502,53	**567,64**	*66·99*	*7*
14,40	**81,72**	*9·61*	11,12	295,03	*34·69*	15,55	50,00	495,25	**560,80**	*65·93*	*8*
14,49	**80,89**	*9·48*	11,55	296,23	*34·71*	16,14	47,19	491,92	**555,24**	*65·06*	*9*
15,24	**80,78**	*9·47*	11,30	296,61	*34·78*	18,04	47,23	489,39	**554,66**	*65·05*	*10*
16,81	**83,27**	*9·72*	11,58	296,46	*34·61*	20,01	46,36	485,71	**552,08**	*64·45*	*11*
16,20	**82,47**	*9·64*	11,81	299,64	*35·02*	18,79	45,69	480,54	**545,02**	*63·72*	*12*
16,91	**86,05**	*10·01*	12,98	299,96	*34·91*	16,49	44,31	479,36	**540,17**	*62·86*	*13*
19,33	**88,28**	*10·18*	12,26	300,03	*34·60*	19,33	46,87	475,75	**541,94**	*62·50*	*14*
17,33	**84,67**	*9·77*	11,98	299,94	*34·60*	22,09	46,53	471,84	**540,43**	*62·33*	*15*
19,44	**87,24**	*10·01*	12,13	299,67	*34·39*	22,59	43,67	462,79	**529,05**	*60·71*	*16*
27,58	**95,06**	*10·87*	12,25	300,16	*34·32*	19,78	43,54	454,66	**517,98**	*59·32*	*17*
27,34	**93,64**	*10·74*	11,83	300,86	*34·51*	19,90	41,91	452,91	**514,73**	*59·05*	*18*
22,43	**89,21**	*10·27*	11,49	302,26	*34·79*	21,15	41,81	452,48	**515,44**	*59·32*	*19*
22,99	**90,55**	*10·41*	11,85	302,21	*34·85*	19,55	40,16	448,55	**508,26**	*58·62*	*20*
30,62	**97,48**	*11·21*	12,96	302,58	*34·80*	19,48	34,08	445,70	**499,27**	*57·41*	*21*
32,57	**99,56**	*11·11*	13,03	303,61	*34·81*	21,03	32,93	443,26	**497,22**	*57·00*	*22*
35,06	**102,98**	*11·82*	12,89	302,83	*34·77*	20,47	29,31	445,76	**495,53**	*56·90*	*23*
34,68	**101,85**	*11·72*	12,30	304,57	*35·03*	20,12	28,65	440,92	**489,69**	*56·32*	*24*
28,82	**95,45**	*11·06*	12,12	306,31	*35·50*	20,46	27,34	441,89	**489,69**	*56·75*	*25*
29,26	**94,83**	*11·01*	12,43	308,01	*35·73*	20,87	24,67	442,35	**487,88**	*56·59*	*26*
26,07	**96,94**	*11·17*	11,82	308,09	*35·50*	18,58	26,52	445,95	**491,06**	*56·59*	*27*
29,39	**96,05**	*11·16*	12,29	311,68	*36·21*	16,83	25,41	444,24	**486,48**	*56·52*	*28*
27,24	**91,27**	*10·65*	11,65	312,57	*36·47*	16,02	25,07	441,13	**482,22**	*56·26*	*29*
29,18	**98,66**	*11·42*	11,97	314,55	*36·41*	15,44	25,95	434,46	**475,85**	*55·08*	*30*
29,38	**96,21**	*11·15*	12,26	316,27	*36·65*	18,17	26,16	431,60	**475,93**	*55·16*	*31*
23,00	**88,86**	*10·35*	11,60	318,18	*37·05*	17,81	27,22	428,73	**473,75**	*55·17*	*32*
19,81	**86,46**	*10·07*	12,26	320,45	*37·31*	17,40	26,65	426,03	**470,69**	*54·80*	*33*
22,59	**88,96**	*10·32*	12,07	322,52	*37·41*	17,40	26,32	424,38	**468,10**	*54·29*	*34*
21,24	**87,49**	*10·11*	12,39	324,99	*37·66*	18,42	26,40	425,15	**469,97**	*54·46*	*35*
14,09	**80,59**	*9·36*	12,04	329,28	*38·26*	16,64	27,59	428,05	**472,28**	*54·88*	*36*
12,19	**78,49**	*9·15*	11,49	329,23	*38·35*	17,37	27,59	428,71	**473,66**	*55·32*	*37*
9,15	**74,65**	*8·81*	11,69	328,95	*38·82*	16,07	27,65	434,15	**477,86**	*56·39*	*38*
10,72	**78,53**	*9·27*	11,20	323,20	*38·13*	16,70	29,50	438,83	**485,03**	*57·23*	*39*
13,23	**81,44**	*9·61*	11,69	320,36	*37·90*	16,38	32,75	443,13	**492,26**	*58·24*	*40*
10,65	**76,90**	*9·19*	10,59	315,97	*37·77*	14,70	32,33	450,53	**497,56**	*59·47*	*41*
12,44	**79,65**	*9·47*	11,36	310,91	*36·98*	16,75	31,37	450,69	**498,80**	*59·33*	*42*
14,05	**80,45**	*9·57*	10,87	309,82	*36·87*	16,44	31,60	451,34	**499,37**	*59·43*	*43*
11,95	**77,66**	*9·20*	10,38	311,38	*36·88*	18,09	33,41	455,55	**507,05**	*60·05*	*44*
9,40	**74,05**	*8·81*	10,54	307,45	*36·59*	16,87	34,53	463,05	**514,45**	*61·22*	*45*
11,97	**78,91**	*9·38*	11,00	301,82	*35·87*	15,06	41,46	459,22	**515,74**	*61·29*	*46*
10,56	**76,15**	*9·04*	11,07	302,06	*35·85*	16,95	41,20	458,47	**516,63**	*61·32*	*47*
9,88	**73,72**	*8·76*	10,34	301,21	*35·81*	16,96	46,66	458,17	**521,78**	*62·03*	*48*
9,00	**74,98**	*8·91*	10,77	300,90	*35·77*	16,38	51,20	459,64	**527,22**	*62·67*	*49*
7,84	**73,09**	*8·66*	10,82	301,83	*35·78*	15,86	50,24	462,55	**528,65**	*62·66*	*50*
8,93	**73,69**	*8·73*	10,64	303,13	*35·93*	13,57	52,69	467,61	**533,87**	*63·28*	*51*
9,76	**75,18**	*8·89*	11,01	303,31	*35·86*	12,67	54,60	473,93	**541,20**	*63·98*	*52*

** At book-value ; including Treasury bills and Treasury Deposit Receipts.

STATEMENT 19

SCHEDULED BANKS: BORROWINGS FROM THE RESERVE BANK OF INDIA AND THE IMPERIAL BANK OF INDIA, 1952-53

(Reference paragraph 22)

(Lakhs of Rupees)

1952-53		Borrowings from Reserve Bank			Borrowings from Imperial Bank
Friday		Against usance bills and/or promissory notes	Others	**Total**	
April	4	28,13	19,07	**47,20**	..
,,	11	24,88	17,59	**42,47**	..
,,	18	26,50	13,61	**40,11**	8,50
,,	25	24,39	9,90	**34,29**	7,41
May	2	28,62	8,05	**36,67**	8,62
,,	9	26,03	10,45	**36,48**	7,95
,,	16	29,08	6,16	**35,24**	7,90
,,	23	22,20	4,28	**26,48**	6,31
,,	30	16,38	3,77	**20,15**	5,81
June	6	17,43	3,63	**21,06**	4,60
,,	13	17,86	2,68	**20,54**	4,24
,,	20	16,71	2,17	**18,88**	5,00
,,	27	12,73	1,87	**14,60**	4,83
July	4	9,24	1,86	**11,10**	3,84
,,	11	8,34	1,88	**10,22**	3,71
,,	18	1,81	1,89	**3,70**	3,74
,,	25	1,65	1,44	**3,09**	3,56
August	1	1,54	1,37	**2,91**	3,21
,,	8	1,23	1,38	**2,61**	4,99
,,	15	1,23	1,58	**2,81**	4,74
,,	22	1,12	1,55	**2,67**	3,55
,,	29	1,09	1,30	**2,39**	4,21
September	5	1,09	1,56	**2,65**	4,44
,,	12	1,04	1,21	**2,25**	3,51
,,	19	1,24	93	**2,17**	3,89
,,	26	1,24	1,13	**2,37**	4,58
October	3	1,11	1,53	**2,64**	5,85
,,	10	1,10	80	**1,90**	4,14
,,	17	99	68	**1,67**	5,03
,,	24	99	39	**1,38**	4,02
,,	31	99	49	**1,48**	3,46
November	7	99	62	**1,61**	3,23
,,	14	99	62	**1,61**	2,96
,,	21	99	52	**1,51**	3,00
,,	28	99	75	**1,74**	3,47
December	5	99	1,19	**2,18**	4,51
,,	12	99	1,57	**2,56**	3,91
,,	19	99	1,94	**2,93**	4,85
,,	26	99	3,55	**4,54**	5,15
January	2	99	10,28	**11,27**	5,72
,,	9	99	7,40	**8,39**	6,00
,,	16	99	4,72	**5,71**	6,18
,,	23	99	4,14	**5,13**	5,48
,,	30	99	3,27	**4,26**	6,49
February	6	74	5,74	**6,48**	7,11
,,	13	74	6,29	**7,03**	7,14
,,	20	74	3,62	**4,36**	5,42
,,	27	1,74	2,41	**4,15**	6,64
March	6	3,24	6,14	**9,38**	7,76
,,	13	4,24	5,75	**9,99**	8,36
,,	20	4,24	10,45	**14,69**	9,65
,,	27	5,24	13,63	**18,87**	10,46

STATEMENT 20

Indices of the Consolidated Position of Scheduled Banks

Average of Friday Figures	Demand Liabilities*	Time Liabilities*	Total Demand and Time Liabilities*	Cash	Balances with Reserve Bank	Excess of 5 over the Statutory Minimum	Total Cash and Balances with Reserve Bank	*Percentage of 7 to 3*	Total Advances and Bills Discounted	*Percentage of 9 to 3*
	1	2	3	4	5	6	7	8	9	10
UNDIVIDED INDIA										
(Base : 1938-39 = 100)										
1945-46	528·7	251·2	402·5	545·5	566·2	682·3	560·2	*139·2*	259·7	*64·5*
1946-47	586·0	312·8	461·7	644·4	511·6	505·4	549·7	*119·1*	368·9	*79·9*
1947-48	579·8	332·9	462·6	625·7	634·8	769·0	632·2	*136·7*	383·3	*82·9*
INDIAN UNION										
(Base : 1948-49 = 100)										
1949-50	88·6	89·7	89·0	91·9	85·9	82·9	87·9	*98·8*	100·2	*112·6*
1950-51	88·8	91·6	89·7	92·5	79·3	68·6	83·6	*93·2*	104·0	*115·9*
1951-52	88·0	95·7	90·4	99·5	74·8	59·2	82·9	*91·7*	124·9	*138·2*
1952-53	81·0	101·8	87·4	88·9	67·6	49·8	74·6	*85·3*	117·2	*134·1*
April 1952	84·2	93·0	87·2	91·0	61·3	34·8	71·0	*81·4*	133·2	*152·8*
May ,, ...	82·7	95·4	86·7	89·2	63·6	40·8	72·0	*83·0*	128·5	*148·2*
June ,, ...	82·6	98·3	87·5	88·0	65·4	44·2	72·8	*83·2*	124·2	*141·9*
July ,, ...	83·0	102·0	88·9	89·9	71·9	56·8	77·8	*87·5*	120·6	*135·7*
August ,, ...	82·5	103·2	88·9	87·5	80·0	73·8	82·4	*92·7*	114·9	*129·2*
September ,, ...	81·4	104·4	88·5	88·1	85·8	86·8	86·6	*97·9*	111·2	*125·6*
October ,, ...	80·9	104·1	88·1	90·5	80·8	76·7	84·0	*95·3*	109·3	*124·1*
November ,, ...	80·4	104·8	88·0	87·5	72·0	58·8	77·1	*87·6*	106·6	*121·1*
December ,, ...	79·3	104·6	87·2	89·1	58·3	31·3	68·4	*78·4*	108·1	*124·0*
January 1953	78·0	103·7	86·0	91·0	58·8	33·9	69·4	*80·7*	113·1	*131·5*
February ,, ...	78·0	103·8	86·0	87·0	56·2	28·4	66·3	*77·1*	117·2	*136·3*
March ,, ...	78·6	103·1	86·2	86·9	54·4	24·1	65·0	*75·4*	120·7	*140·0*

* Excluding borrowings from the Reserve Bank of India and with effect from April 18, 1952 those from the Imperial Bank of India.

STATEMENT 21

MONEY RATES IN BOMBAY AND CALCUTTA

(Reference paragraph 22)

(Per cent per annum)

	Call Money Rate: Bombay Highest		Call Money Rate: Bombay Lowest	Call Money Rate: Calcutta Highest	Call Money Rate: Calcutta Lowest	Bazaar Bill Rate*: Bombay Highest	Bazaar Bill Rate*: Bombay Lowest	Bazaar Bill Rate*: Calcutta Highest	Bazaar Bill Rate*: Calcutta Lowest
1938-39 ..	2¾ Jan.-Feb.		¼ July, Sept. & Nov.	2½ Jan.-Feb.	¼ July	5½ Apr. & Feb.	3 Oct.	8 Apr.-June	6 July-Mar
1945-46 ..	1 March		¼	½		5¼		7	6
1946-47 ..	¾ Aug.-Nov.		½ July-Aug.	½		7½ Jan.-Mar.	5½ Apr.-Oct.	10 Dec.-Mar.	6 Apr.-Nov.
1947-48	½			½		7½		10	9

	Call Money Rate: Bombay, Larger Banks† Highest	Larger Banks† Lowest	Smaller Banks Highest	Smaller Banks Lowest	Call Money Rate: Calcutta Highest	Calcutta Lowest	Bazaar Bill Rate*: Bombay Highest	Bombay Lowest	Bazaar Bill Rate*: Calcutta Highest	Calcutta Lowest
1948-49 ..	1 Jan.-Mar.	½ Apr.-Dec.	1¾ Jan.	1 Feb.-Mar.	¾ Jan.	½ Apr.-Dec. & Feb.-Mar.	8½ Jan.-Mar.	7½ Apr.-Jan.	15 Feb.-Mar.	9 Apr.-Feb.
1949-50 ..	1¼ Apr.-May.	½ June-Mar.	1½ Apr.-May.	⅞ June-Oct.	½		8½ Feb.-Mar.	7½ Apr.-Feb.	12-15 Apr.-Aug.	10-12 Aug.-Mar.
1950-51 ..	1¼ Jan.-Mar.	½ June-Jan.	1½ Feb.-Mar.	1 June-Dec.	½		9 Jan.-Mar.	8¼ Apr.-Jan.	10-12	
1951-52 ..	3 Feb. & Mar.	½ Sept.-Nov.	3¼ March	1½ Apr. May & Sept.-Nov.	2½ March	½ Apr.-Jan.	9		10-12	
1952-53 ..	3 Apr., May & Dec.-Mar.	½ Nov.	3¼ Jan.	1½ July, Aug., Oct. & Nov.	3 Apr.-June	1½ Nov.-Dec.	9¾ July-Jan.	9 Apr.-July, Feb. & Mar.	10-12	
1st of										
April 1952	2¾		3		2½		9		10-12	
May ,,	3	2¾	3		3		9		10-12	
June ..	2¾	2½	3		3		9		10-12	
July ,,	1¾		1¾		2½		9		10-12	
August ,,	1½	1¼	2½	2	2		9¾		10-12	
September ,,	2	1½	2	1¼	2		9¾		10-12	
October ..	1¾	1¼	2		2½		9¾		10-12	
November ..	1	¾	1¾	1½	2½	2	9¾		10-12	
December ..	2	1½	2		2	1½	9¾		10-12	
January 1953	3	2¾	3		2		9¾		10-12	
February ..	3	2¾	3		2½		9		10-12	
March ,,	3	2¾	3		2½		9		10-12	

* Rates at which bills of small traders are reported to have been discounted by shroffs. These are unofficial quotations. † Including Exchange Banks

STATEMENT 21—(*Contd.*)

Deposit Rates

	3 months Bombay Highest	3 months Bombay Lowest	3 months Calcutta Highest	3 months Calcutta Lowest	6 months Bombay Highest	6 months Bombay Lowest	6 months Calcutta Highest	6 months Calcutta Lowest	12 months Bombay Highest	12 months Bombay Lowest
1938-39 ..	2½ January	¾ Aug.-Sept.	1¼ Apr., Feb. & Mar.	¾ July-Oct.	2¼ Dec.-Jan.	1¾ Aug-Sept.	1¾ Feb.-Mar.	1 April-Nov.	2 Dec.-Jan.	1½ Aug-Sept.
1945-46 ..	1 Jan.-Mar.	½ June-Dec.	½		1¾ Jan.-Mar.	½ June-Aug.	¾		1¾ Jan.-Mar.	1¼ Apr.-Dec.
1946-47 ..	1¼ Feb.-Mar.	½ Aug.-Sept.	½		1¼ Jan.-Mar.	¾ July-Nov. & Mar.	¾		1¾	1¼ Apr.-June
1947-48 ..	1¼ Feb.-Mar.	½ Aug.-Feb.	½		1½ May-Aug. Feb.,Mar.	¾ Aug.-Nov.	¾		2 Feb.-Mar.	1½ Apr.-Feb.
1948-49 ..	1½ January	1	½		1¾ Jan.-Mar.	1¼ Apr.-Dec.	¾		2	1¾
1949-50 ..	1¾ Jan.-Mar.	1 Apr. & June-Sept.	½		1¾	1½ Apr.-Jan.	¾		2	1¾
1950-51 ..	2¼ Jan.-Mar.	1 June-Nov.	½-¾ July-Mar.	½ Apr.-June	2¼ Jan.-Mar.	1¼ July-Nov.	¾-1 July-Mar.	¾ Apr.-June	2 Apr.-May, Feb. & Mar.	1½ June-Jan.
1951-52 ..	3¼ March	1¾ Apr.&May	2¼ Dec.-Mar.	½-¾ Apr.-Nov.	3¼ March.	2 Apr.-Nov.	1½ Dec.-Mar.	¾-1 Apr.-Dec.	2½ Nov.&Dec.	1¾ Apr.-Nov.
1952-53 ..	3½ April & May	1¾ August.	2¼		3¼ April	2 June	1½		2¾ Apr., May & Nov.-Mar.	2 Apr.-Sept., Nov. & Dec.
1st of									2	
April 1952	3¼	2¾	2¼		3¼	2¾	1½		2¾	2½
May ,,	3¼	3	2¼		3	2¾	1½		2	
June ,,	3	2¾	2¼		2¾	2½	1½		2	
July ,,	2¾	2½	2¼		2¼		1½		2¼	2
August ..	2½		2¼		2¼		1½		2	
September ,,	2¾	2½	2¼		3	2¾	1½		2¼	
October ,,	3	2¾	2¼		3		1½		2½	2¼
November ,,	2½	2¼	2¼		2¾	2½	1½		2½	2
December ..	2½	2	2¼		3	2½	1½		2¾	2½
January 1953	3	2¼	2¼		3		1½		2¾	2½
February ,,	3		2¼		3	2¾	1½		2½	
March ,,	3		2¼		3	2¾	1½			

STATEMENT 22

MONEY RATES IN INDIA

(Reference paragraph 22)

(Per cent per annum)

	Bank Rate*	Treasury Bill Rate (Average)	Imperial Bank of India: Call Loan Rate: Rs. 5 lakhs and over: Highest	Lowest	Below Rs. 5 lakhs: Highest	Lowest	Hundi Rate†: Highest	Lowest	Advance Rate: Highest	Lowest
1938-39	3	1·63	3	1½	3½	2	3		3	
			Dec.-Feb.	Apr.-Dec.	Dec.-Feb.	Apr.-Dec.				
1945-46	3	0·40	2½		3		3		3½	
1946-47	3	0·42	2½		3		3		3½	
1947-48	3	0·45	2½		3		3		3½	
1948-49	3	0·49	2¾	2½	3		3½	3	3½	
			Jan.-Mar.	Apr.-Jan.			Jan.-Mar.	Apr.-Jan.		
1949-50	3	0·51	2¾		3		3½		3½	
1950-51	3	--	3	2¾	3¼	3	4	3½		
			March		March		Jan.-Mar.	Apr.-Jan.	3½	
1951-52	3½ (3 upto Nov. 14)	--	3½	2¾	3¾	3	4½	4	4	3½
			Dec.-Mar.	Apr. & Jul.-Nov.	Dec.-Mar.	Apr. & Jul.-Nov.	Nov.-Mar.	Apr.-Nov.	Nov.-Mar.	Apr.-Nov.
1952-53	3½	2·22	3½		3¾		4½		4	
1st of										
April 1952	3½	—	3½		3¾		4½		4	
May ,,	3½	--	3½		3¾		4½		4	
June ,,	3½	—	3½		3¾		4½		4	
July ,,	3½	-	3½		3¾		4½		4	
August ,,	3½	--	3½		3¾		4½		4	
Sept. ,,	3½	2·01	3½		3¾		4½		4	
Oct. ,,	3½	2·11	3½		3¾		4½		4	
Nov. ,,	3½	2·13	3½		3¾		4½		4	
Dec. ,,	3½	2·33	3½		3¾		4½		4	
Jan. 1953	3½	2·43	3½		3¾		4½		4	
Feb. ,,	3½	2·44	3½		3¾		4½		4	
March ,,	3½	2·44	3½		3¾		4½		4	

* The standard rate at which the Reserve Bank of India is prepared to buy or rediscount bills of exchange or other commercial paper eligible for purchase under the Reserve Bank of India Act. † The rate at which the Imperial Bank discounts first class three months commercial bills.

STATEMENT 23

CHEQUE CLEARANCES (ANNUAL)

(Lakhs of Rupees)

	Ahmedabad	Bombay	Calcutta	Delhi	Kanpur	Karachi	Lahore	Madras	Other Centres†	**Total**
1938-39 ..	14,80	786,22	934,65	18,58	11,76	32,66	10,36	98,91	13,51	**1,921,45**
1945-46 ..	256,14	2,487,60	2,826,21	146,02	113,47	145,49	103,39	298,23	195,82	**6,572,37**
1946-47 ..	233,78	2,859,08	2,842,25	156,37	142,66	201,82	136,92	378,00	270,50	**7,221,38**
1947-48 ..	219,40	2,452,64	2,599,96	126,46	109,83	274,81	49,54	347,94	299,56	**6,480,14**
1948-49 ..	233,67	2,738,53	2,655,26	148,68	140,46	*	*	402,02	367,92	**6,686,54**
1949-50 ..	218,57	2,599,80	2,356,18	140,39	128,56			374,64	391,89	**6,209,94**
1950-51 ..	225,53	2,877,54	2,386,37	149,73	136,18			432,13	430,63	**6,638,11**
1951-52 ..	315,52	3,039,06	3,254,51	166,19	145,80			474,88	482,70	**7,878,66**
1952-53 ..	265,38	2,613,95	2,495,88	159,00	138,36			416,99	480,84	**6,570,40**

† Agra (from May 1945); Allahabad (from October 1943); Alleppey (from November 1946); Amritsar; Bangalore (from October 1944); Bareilly (from April 1951); Coimbatore; Dehra Dun (from February 1946); Gaya (from March 1947); Hyderabad-Deccan (from November 1949); Jaipur (from April 1952); Jullundur City (from February 1945); Kozhikode; Lucknow; Lyallpur (from September 1944 to September 1947); Mangalore; Mathurai; Muzaffarpur (from November 1950); Nagpur; New Delhi (from August 1947); Patna (from April 1943); Poona (from August 1947); Rajkot (from January 1947); Rawalpindi (from April 1941 to October 1947) and Simla.

* Rs. 71,01 lakhs and Rs. 10,97 lakhs for the Karachi and Lahore Centres, respectively, during the quarter ended June 1948.

STATEMENT 24

CHEQUE CLEARANCES (MONTHLY), 1952-53

(Rupees in Lakhs)

CENTRE	1952-53 April	May	June	July	August	September	October	November	December	January	February	March	Total
AHMEDABAD—													
Number ..	90,466	1,07,657	99,738	1,23,192	81,764	96,198	97,178	83,132	1,11,580	1,21,518	1,14,545	1,19,608	**12,46,576**
Amount ..	19,81	24,73	25,00	31,82	19,32	20,88	16,54	14,78	20,62	24,25	23,71	23,92	**265,38**
BOMBAY—													
Number ..	8,66,369	9,06,951	8,01,189	9,85,208	8,12,356	9,22,406	9,31,353	8,74,817	9,33,530	9,64,895	8,99,162	9,80,671	**1,08,78,907**
Amount ..	220,62	222,05	198,41	245,17	200,23	220,51	211,48	192,02	215,87	234,10	212,03	241,46	**2,613,95**
CALCUTTA—													
Number ..	6,27,671	6,18,759	5,57,700	6,45,767	5,46,570	5,39,886	5,80,591	5,68,404	6,04,617	5,79,939	5,73,044	6,55,968	**70,98,916**
Amount ..	245,61	228,93	198,38	214,61	188,97	195,23	200,71	193,14	213,06	188,07	192,76	236,41	**2,495,88**
DELHI—													
Number ..	1,17,650	1,28,896	1,10,961	1,36,500	1,14,012	1,15,427	1,33,309	1,30,203	1,39,305	1,42,777	1,32,256	1,51,398	**15,53,594**
Amount ..	13,34	13,26	11,43	14,19	12,21	11,54	12,93	12,72	13,57	14,75	13,84	15,22	**159,00**
KANPUR—													
Number ..	58,252	64,150	56,192	67,650	54,131	51,754	57,893	61,719	72,941	74,296	63,221	65,455	**7,47,654**
Amount ..	11,90	12,16	10,67	14,14	9,50	9,40	9,41	10,11	14,08	14,50	11,28	11,21	**138,36**
MADRAS—													
Number ..	2,82,124	2,83,833	2,70,297	3,38,204	3,08,463	2,75,551	3,31,024	3,06,422	2,99,426	2,81,647	2,85,504	3,12,395	**35,74,890**
Amount ..	35,61	34,40	31,34	38,56	34,67	32,14	39,59	33,18	32,14	34,06	30,58	40,72	**416,99**
OTHER CENTRES*—													
Number ..	3,75,659	3,71,840	3,39,984	4,12,281	3,56,870	3,58,796	4,06,616	3,75,760	3,86,925	4,08,260	3,77,392	4,27,496	**45,97,679**
Amount ..	41,86	39,82	35,38	44,29	38,98	37,38	39,63	37,12	38,41	42,43	39,17	46,37	**480,84**
Total—													
Number	**24,18,191**	**24,82,086**	**22,36,061**	**27,08,802**	**22,74,866**	**23,60,018**	**25,37,964**	**24,00,457**	**25,48,324**	**25,73,332**	**24,45,124**	**27,12.991**	**2,96,98,216**
Amount	**588,75**	**575,35**	**510,61**	**602,78**	**503,89**	**527,08**	**530,29**	**493,07**	**547,75**	**552,16**	**523,37**	**615,31**	**6,570,40**

*Agra, Allahabad, Alleppey, Amritsar, Bangalore City, Bareilly, Coimbatore, Dehra Dun, Gaya, Hyderabad (Deccan), Jaipur, Jullundur City, Kozhikode, Lucknow, Mangalore, Mathurai, Muzaffarpur, Nagpur, New Delhi, Patna, Poona, Rajkot and Simla.

STATEMENT 25

(A) REMITTANCES THROUGH THE RESERVE BANK OF INDIA

Telegraphic Transfers Issued and Paid

(Lakhs of Rupees)

Centre	1951-52				1952-53							
	October to December		January to March		April to June		July to September		October to December		January to March	
	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid
Bombay ..	44,73	117,72	43,81	121,03	49,71	115,46	46,06	87,44	53,43	89,97	45,60	84,11
Calcutta ..	129,28	52,82	133,24	47,97	127,24	59,77	93,45	69,07	116,75	62,35	112,95	43,87
Delhi ..	29,21	19,86	28,06	19,34	35,24	26,53	31,53	17,69	26,05	26,91	27,47	18,57
Kanpur ..	19,01	10,84	14,02	10,68	14,34	11,49	22,85	6,29	16,15	12,57	9,78	13,14
Madras ..	19,15	44,60	21,09	41,30	18,94	32,15	21,89	32,42	18,50	30,90	15,10	44,06
Total ..	**241,38**	**245,84**	**240,22**	**240,32**	**245,47**	**245,40**	**215,78**	**212,91**	**230,88**	**222,70**	**210,90**	**203,75**

(B) REMITTANCES* THROUGH THE IMPERIAL BANK OF INDIA

(Lakhs of Rupees)

From Offices in	To Offices in							
	1951-52				1952-53			
	Bengal Circle	Bombay Circle	Madras Circle	**Total**	Bengal Circle	Bombay Circle	Madras Circle	**Total**
Bengal Circle	372,81	144,38	41,17	**558,36**	356,03	141,86	30,67	**528,56**
Bombay Circle	146,75	350,70	41,73	**539,18**	114,48	309,53	36,06	**460,07**
Madras Circle	38,35	75,50	261,66	**375,51**	31,07	59,55	224,72	**315,34**
Total	**557,91**	**570,58**	**344,56**	**1,473,05**	**501,58**	**510,94**	**291,45**	**1,303,97**

Note.—Figures relate to the Indian Union. * Telegraphic Transfers paid, Mail Transfers received, Drafts paid and Demand Drafts purchased.

STATEMENT 25—(*Contd.*)

(C) Remittances effected between the Reserve Bank of India and the Imperial Bank of India and Treasury Agencies

(Rupees in Lakhs)

	Half year ended September 30, 1951				Half year ended March 31, 1952				Half year ended September 30, 1952			
	Telegraphic Transfers		Drafts and Mail Transfers		Telegraphic Transfers		Drafts and Mail Transfers		Telegraphic Transfers		Drafts and Mail Transfers	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
The General Public	21,420	67,93	3,20,082	82,75	22,640	73,00	3,32,959	88,41	22,336	59,76	3,30,602	82,23
Scheduled Banks:												
At par	11,276	419,87	3,985	13,96	10,918	372,66	5,911	13,86	12,146	388,51	5,067	12,10
At a premium	7,634	60,65	22,750	22,65	10,876	71,01	23,918	24,67	9,496	75,98	23,352	24,65
Approved Non-Scheduled Banks and Indigenous Bankers (under para. 3C of the Remittance Facilities Scheme) ..	554	2,04	4,265	2,31	545	2,38	5,509	3,87	712	2,31	4,632	2,83
Co-operative Banks and Societies :												
At par	174	4,72	484	3,97	181	33,75	338	3,17	267	5,28	622	4,18
At a premium	1,019	6,59	17,036	18,96	1,400	9,13	20,326	21,25	1,384	6,24	19,088	15,65
Local Funds at a premium (under para. 3E (i) (f) of the Remittance Facilities Scheme)	121	37	4,227	1,59	57	12	3,649	61	22	(a)	3,902	59
Other Remittances at par	2,395	40,33	1,26,718	60,56	2,551	36.72	1,36,374	60,82	2,703	27,56	1,10,747	57,57
Government :												
Intra-Provincial at par	4,656	3,53	1,60,144	55,51	697	2,49	1,94,077	74,15	873	3,16	1,68,088	46,90
Extra-Provincial at a premium	179	13	20,833	7,89	216	12	32,492	8,40	419	88	21,636	8,65
Total ..	**49,428**	**606,16**	**6,80,524**	**270,15**	**50,081**	**601,38**	**7,55,553**	**299,21**	**50,358**	**559,68**	**7,17,736**	**255,35**

Note. Figures relate to the Indian Union. (a) Less than Rs. 50,000.

STATEMENT 26

Encashment of Foreign Circle Notes, 1952-53

(Rupees)

	Cashed at					
	Bombay	**Calcutta**	**Delhi**	**Kanpur**	**Madras**	**Total**
Bombay		5,38,51,110	7,55,89,420	4,90,22,650	9,92,23,950	**27,76,87,130**
Calcutta	14,26,52,900		10,56,23,050	11,07,04,500	1,42,11,250	**40,31,91,700**
Delhi	18,22,81,100	2,06,38,700		3,21,91,100	1,02,25,200	**24,53,36,100**
Kanpur	3,31,24,250	3,77,75,600	5,39,09,820		1,23,41,500	**13,71,51,170**
Madras	7,52,71,800	1,76,68,650	1,42,95,250	99,81,200		**11,72,16,900**
Karachi	1,76,67,850	94,650	84,44,100	1,70,150	1,27,550	**2,65,04,300**
Lahore	4,81,50,700	4,89,900	7,14,69,050	8,84,500	3,37,150	**12,13,31,300**
Rangoon	5,200	—	20,450	13,850	11,950	**51,450**
Total ..	**49,91,53,800**	**13,05,18,610**	**32,93,51,140**	**20,29,67,950**	**16,64,78,550**	**132,84,70,050**

STATEMENT 27

RESERVE BANK OF INDIA : BANKING DEPARTMENT

(Reference paragraph 23)

(Lakhs of Rupees)

Average of Friday figures	LIABILITIES: Deposits: Central Govern-ment	Other Govern-ments	Banks	Others	**Total**	Other Liabili-ties	**Total Liabi-lities* or Assets**	ASSETS: Notes and Coin	Balances held abroad†	Loans and Advances to Govern-ments	Other Loans and Ad-vances	Bills Pur-chased and Dis-counted	Invest-ments	Other Assets
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1938-39	14,90		16,19	75	**31,84**	1,28	**43,12**	28,38	4,21	1,72	2	1,53	6,36	90
1945-46	386,93	20,68	90,22	16,56	**514,39**	16,32	**540,71**	16,72	488,23	22	12	3,35	24,65	7,42
1946-47	469,54	21,62	85,04	14,24	**590,44**	18,32	**618,76**	32,85	528,83	5	82	2,33	31,70	22,18
1947-48	366,79	16,93	102,47	34,21	**520,40**	14,55	**544,96**	47,24	406,95	1,57	21	2,62	81,53	4,85
	(21,20)	(2,43)												
1948-49	222,17	16,62	80,53	56,52	**393,72**	15,33	**419,05**	22,12	307,78	1,71	3,34	4,28	75,65	4,14
	(14,83)	(3,04)						(—)		(1)				
1949-50	141,19	23,12	67,00	64,39	**295,69**	15,76	**321,45**	24,12	180,91	3,35	8,39	4,30	96,04	4,34
1950-51	148,60	17,71	62,22	62,29	**290,82**	18,14	**318,97**	17,31	207,70	2,37	6,77	3,05	76,72	5,06
1951-52	181,30	15,95	58,68	69,22	**325,15**	18,62	**353,77**	27,92	187,14	5,90	10,42	6,31	95,19	11,91
1952-53	136,40	7,79	52,89	61,93	**259,02**	23,69	**292,71**	28,03	133,56	2,85	19,03	6,64	89,77	12,83
April 1952 ..	145,76	8,33	47,35	66,72	**268,16**	25,54	**303,70**	24,89	108,10	1,15	49,23	12,67	76,41	31,25
May ,, ..	121,24	6,17	49,07	65,91	**242,40**	29,60	**281,99**	34,25	90,39	90	39,74	8,14	76,57	32,01
June ,, ..	107,05	4,09	51,88	63,28	**226,31**	33,74	**270,05**	36,24	85,69	1,02	27,65	8,87	75,73	34,85
July ,, ..	100,06	4,60	55,89	62,69	**223,22**	15,25	**248,47**	31,96	105,48	3,46	13,40	1,46	87,00	5,72
August ,, ..	111,41	8,85	62,82	60,73	**243,82**	16,02	**269,83**	32,74	130,13	3,33	9,50	1,30	87,70	5,14
September ,, ..	131,93	5,42	66,91	58,49	**262,76**	14,84	**287,60**	32,03	148,51	3,30	8,87	1,41	88,10	5,38
October ,, ..	142,62	11,09	62,39	57,79	**273,88**	17,25	**301,14**	35,86	154,53	3,42	9,23	1,93	90,36	5,80
November ,, ..	150,31	13,22	56,17	57,55	**277,25**	22,01	**309,26**	32,35	156,64	3,45	9,49	1,99	99,23	6,11
December	166,39	4,93	46,17	58,60	**276,08**	24,41	**310,50**	23,09	162,95	3,31	11,22	4,04	99,48	6,43
January 1953 ..	169,43	5,45	45,83	62,97	**283,68**	26,49	**320,17**	18,66	161,15	3,77	15,35	14,87	99,58	6,79
February ,, ..	154,49	6,05	43,97	64,74	**269,25**	29,05	**308,30**	17,20	152,32	3,68	13,79	13,89	100,14	7,28
March ,, ..	138,39	15,22	44,13	63,76	**259,50**	31,42	**300,92**	14,75	146,30	3,40	21,44	9,19	98,19	7,65

Note.—Annual figures : Data for Burma excluded. Figures upto 1947-48 and for the three months April to June 1948 relate to undivided India and thereafter to the Indian Union. Figures shown within brackets for 1947-48 relate to Pakistan and are averages for the period August 15, 1947 to March 1948. Figures shown in brackets for 1948-49 relate to Pakistan and are annual averages of weekly figures for the period April-June 1948. *Including capital and reserves, Rs. 10 crores. † Including cash and short-term securities.

STATEMENT 28

Reserve Bank of India: Banking Department
Weekly Statement of Assets and Liabilities, 1952-53

(*Reference paragraph* 23)

(Lakhs of Rupees)

1952-53		LIABILITIES							ASSETS						
		Deposits					Other Liabilities	Total Liabilities* or Assets	Notes and Coin	Balances held abroad[+]	Loans and Advances to Governments	Other Loans and Advances	Bills purchased and discounted	Investments	Other Assets
		Central Government	Other Governments	Banks	Others	**Total**									
Friday		1	2	3	4	5	6	7	8	9	10	11	12	13	14
April	4 ..	152,02	11.94	48,14	67,45	**279,54**	24,41	**313,95**	19,59	118,20	1,20	54,48	13,01	76,42	31,06
,,	11 ..	145,10	7,29	46,24	66,98	**265,61**	25,31	**300,92**	16,31	111,91	1,20	51,15	12,75	76,41	31,19
,,	18 ..	147,96	4,76	47,79	66,27	**266,78**	26,29	**303,08**	26,32	105,39	1,10	48,65	13,90	76,41	31,31
,,	25 ..	137,96	9,31	47,22	66,26	**260,69**	26,16	**296,86**	37,35	96,91	1,10	42,62	11,01	76,41	31,45
May	2 ..	131,31	7,99	53,59	66,78	**259,67**	27,21	**296,88**	34,45	97,39	90	45,08	10,91	76 41	31,73
,,	9 ..	129,58	1,09	44,57	65,54	**240,77**	30,10	**280,87**	23,20	93,99	1,20	44,43	9,81	76,42	31,84
,,	16 ..	124,07	4,19	49,22	65,14	**242,61**	29,91	**282,52**	28,48	91,21	80	44,49	9,19	76,35	32,02
,,	23 ..	111,87	7,08	50,01	65,89	**234,85**	30,28	**275,13**	38,93	84,82	80	35,59	6,03	76,85	32,11
,,	30 ..	109,38	10,53	47,96	66,22	**234,09**	30,48	**274,57**	46,20	84,55	80	29,12	4,77	76,81	32,33
June	6 ..	96,67	7,65	49,38	64,08	**217,78**	33,32	**261,10**	31,19	82,81	80	30,14	4,97	77,28	33,91
,,	13 ..	103,23	2,03	52,41	63,47	**221,13**	33,25	**264,38**	33,60	79,82	90	29,36	9,38	77,28	34,05
,,	20 ..	110,42	4,87	52,45	63,43	**231,17**	32,47	**273,64**	45,02	79,96	90	27,64	10,86	74,77	34,51
,,	27 ..	117,90	1,80	53,29	62,15	**235,15**	35,92	**281,06**	35,17	100,17	1,47	23,47	10,28	73,58	36,93
July	4 ..	99,29	2,35	52,48	63,75	**217,88**	15,18	**243,05**	28,28	98,45	3,98	17,66	1,74	86,94	6,01
,,	11 ..	102,25	1,97	51,80	62,43	**218,45**	15,49	**243,94**	33,52	96,41	2,98	16,54	1,42	87,03	6,04
,,	18 ..	98,44	6,37	55,19	62,34	**222,34**	15,03	**247,36**	33,04	107,07	3,48	9,95	1,38	87,03	5,41
,,	25 ..	100,25	7,70	64,08	62,22	**234,24**	15,29	**259,53**	33,00	120,00	3,38	9,44	1,28	87,00	5,43
August	1 ..	103,74	8,61	62,68	60,47	**235,51**	16,32	**261,83**	36,84	118,41	3,38	9,56	1,17	86,83	5,62
,,	8 ..	102,42	5,12	57,31	63,16	**228,01**	18,05	**256,06**	26,02	123,17	3,34	9,50	1,12	87,33	5,58
,,	15 ..	105,29	9,67	58,36	61,38	**234,71**	18,40	**263,11**	30,95	126,22	3.31	9,59	1,34	88,05	3,64
,,	22 ..	120,90	9,43	67,43	59,58	**257,34**	13,04	**280,38**	30,83	141,70	3,30	9,56	1,43	88,23	5,34
,,	29 ..	124,70	11,40	68,34	59,08	**263,52**	14,27	**287,79**	39,06	141,11	3,30	9,29	1,43	88,06	5,52

September	5	..	118,84	9,10	70,78	59,03	**257,75**	14,31	**282,06**	28,94	145,77	3,30	9,59	1,24	88,02	5,19
,,	12	..	127,84	2,44	70,61	58,84	**259,73**	14,75	**284,48**	29,78	147,70	3,30	8,84	1,44	88,12	5,31
,,	19	..	138,51	3,85	64,16	58,06	**264,57**	15,54	**290,11**	34,47	149,07	3,30	8,37	1,45	88,07	5,38
,,	26	..	142,53	6,31	62,10	58,04	**268,99**	14,75	**293,74**	34,92	151,52	3,30	8,69	1,52	88,18	5,62
October	3	..	144,76	2,43	60,79	57,82	**265,79**	15,89	**291,69**	31,14	152.72	3,30	9,40	1.24	88,18	5,71
,,	10	..	146,00	2,43	60,91	57,85	**267,20**	17,76	**294,95**	30,61	155,34	3,56	9,22	2.22	88,28	5,73
,,	17	..	132,32	17,74	60,98	58,29	**269,33**	17,93	**297,26**	33,30	154,85	3,40	9,35	2,34	88,28	5,75
,,	24	..	138,14	17,77	65,15	57,62	**278,68**	17,65	**306,33**	42,88	154,63	3,40	8,90	2,33	88,29	5,81
,,	31	..	151,87	15,05	64,14	57,36	**288,42**	17,03	**315,45**	41,35	155,11	3,46	9,18	1,54	98,78	6,01
November	7	..	146,56	11,87	57,17	57,63	**273,24**	19,87	**303,11**	25,20	158,62	3,46	9,42	1,39	98,97	6,04
,,	14	..	149,89	9,92	55,28	57,29	**272,39**	22,17	**304,55**	28,08	156,41	3,42	9,49	2,11	98,99	6.06
,,	21	..	147,68	16,01	57,39	57,46	**278,55**	22,74	**311,28**	36,00	154,76	3,46	9,56	2,19	99,24	6,08
,,	28	..	157,11	15,08	54,83	57,82	**284,84**	23,25	**318,09**	40,11	156,78	3,46	9,49	2,27	99,70	6,28
December	5	..	153,63	13,71	49,28	58,09	**274,72**	23,36	**308,08**	25,88	159,84	3,30	10,27	2,76	99,69	6,34
,,	12	..	163,49	1,16	47,34	57,76	**269,75**	24,84	**304,59**	21,15	160,56	3,33	10,70	3.16	99,33	6,35
,,	19	..	173,63	1,27	42,98	58,78	**276,67**	25,05	**311,72**	24,31	164,04	3,30	11,01	3,21	99,45	6,38
,,	26	..	174,79	3,55	45,09	59,76	**283,19**	24,41	**317,61**	20,99	167.34	3,30	12,89	7,01	99,45	6,63
January	2	..	176,07	3,54	47,85	61,23	**288,69**	25,78	**324,47**	13.73	172,60	3,32	19,47	9,23	99,45	6,67
,,	9		173,74	1,50	43,18	62,65	**281,08**	25,97	**317,04**	15,38	156.42	3,99	16,94	18,31	99,30	6.71
,,	16	..	170,22	2,37	47,03	63,06	**282,67**	27,73	**320,40**	16,50	159,22	4,52	14.14	19,98	99,28	6,76
,,	23	..	164,03	7,14	46,05	63,97	**281,19**	27,18	**318,37**	21,80	157,52	3,62	13,56	15,28	99,79	6,80
,,	30	..	163,07	12,72	45,06	63,94	**284,79**	25,78	**320,57**	25,88	159,97	3,40	12,66	11,55	100,10	7,00
February	6	..	157,46	6,70	41,70	65,10	**270,97**	26,58	**307,55**	17,11	151,48	3,50	14,97	13,26	100,07	7,17
,,	13	..	157,40	1,02	45,44	65,04	**268,90**	28,32	**307,22**	11,26	152,60	4,48	15,61	16,56	100,09	7,23
,,	20	..	153,12	5,07	45,52	64,42	**268,13**	31,69	**309,82**	19,39	153,53	3,42	12,27	13,80	100,14	7,27
,,	27	..	149,99	11,40	43,23	64,39	**269,00**	29,63	**308,63**	21,05	152,26	3,30	12,33	11,96	100,27	7,46
March	6	..	139,72	10,48	43,50	64,96	**258,65**	30,55	**299,20**	13,48	146,23	3,30	17,54	10,77	100,30	7,58
,,	13	..	147,51	1,44	43,44	63,66	**256,04**	31,44	**297,48**	11,41	146,81	3,55	18,37	9,63	100,20	7,61
,,	20	..	122,54	29,10	43,08	63,62	**258,33**	33,02	**301,35**	16,88	146,62	3,46	22,89	7,67	96,12	7,70
,,	27	..	135,78	19,85	46,52	62,81	**264,96**	30,69	**305,65**	17,24	145,53	3,30	26,95	8,80	96,12	7,72

* Including capital and reserves, Rs. 10 crores. † Including cash and short-term securities.

STATEMENT 29

Reserve Bank of India : Issue Department

(Reference paragraph 23)

(Lakhs of Rupees)

Average of Friday figures	LIABILITIES: Notes in Circulation	LIABILITIES: Notes held in the Banking Department	Total Liabilities (Total Notes Issued) or Assets	ASSETS: Gold Coin and Bullion†	ASSETS: Foreign Securities	ASSETS: Rupee Coin *	ASSETS: Rupee Securities	4+5 as percentage of (3)
	1	2	3	4	5	6	7	8
1938-39	182,36	28,28	**210,64**	44,42	66,95	67,11	32,16	*52·91*
	(7,97)	(1)	**(7,98)**					
1945-46	1,162,64	16,41	**1,179,05**	44,42	1,061,26	15,53	57,84	*93·78*
1946-47	1,222,96	32,61	**1,255,57**	44,42	1,133,88	19,43	57,84	*93·85*
1947-48	1,227,82	47,12	**1,274,95**	44,42	1,135,32	32,36	62,84	*92·53*
1948-49	1,231,84	22,02	**1,253,86**	42,49	907,47	42,96	265,62	*75·43*
	(5,58)	(–)	**(5,58)**			(90)		
1949-50	1,128,94	24,00	**1,152,94**	40,02	647,04	50,53	415,36	*59·59*
1950-51	1,163,21	17,19	**1,180,40**	40,02	624,70	57,21	458,47	*56·31*
1951-52	1,189,84	27,78	**1,217,62**	40,02	625,27	63,98	488,36	*54·64*
1952-53	1,114,84	27,87	**1,142,72**	40,02	564,40	80,22	458,08	*52·89*
April 1952 ..	1,155,99	24,75	**1,180,74**	40,02	603,15	72,94	464,64	*54·47*
May ,, ...	1,148,23	34,10	**1,182,33**	40,02	603,15	74,53	464,64	*54·40*
June ,, ...	1,141,45	36,09	**1,177,54**	40,02	598,15	74,73	464,64	*54·19*
July ,, ...	1,121,98	31,85	**1,153,83**	40,02	571,90	77,27	464,64	*53·03*
August ,, ...	1,099,48	32,61	**1,132,10**	40,02	547,15	80,29	464,64	*51·87*
September ,, ...	1,091,45	31,85	**1,123,30**	40,02	538,15	82,25	462,88	*51·47*
October ,, ...	1,084,95	35,68	**1,120,64**	40,02	538,15	83,36	459,11	*51·59*
November ,, ...	1,080,75	32,17	**1,112,92**	40,02	538,15	84,43	450,33	*51·95*
December ,, ...	1,089,91	22,92	**1,112,83**	40,02	538,15	84,60	450,07	*51·95*
January 1953 ..	1,109,57	18,49	**1,128,06**	40,02	554,15	83,83	450,06	*52·67*
February ,, ...	1,123,58	17,04	**1,140,61**	40,02	568,15	82,54	449,91	*53·32*
March ,, ...	1,135,06	14,59	**1,149,66**	40,02	578,15	81,63	449,86	*53·77*

Note.—For 1938-39 Burma notes are shown within brackets below totals for India and Burma. Figures up to 1947-48 relate to undivided India. Annual averages since 1948-49 are net of adjustments made on account of (*i*) transfer of liabilities to the State Bank of Pakistan in respect of inscribed Pakistan Notes issued between April and June 1948 and (*ii*) cancellation of India Notes returned from circulation in Pakistan under Section 4 (2) of Part IV of the Pakistan (Monetary System and Reserve Bank) Order, 1947, as amended. Figures within brackets for 1948-49 are annual averages of weekly figures for the period April-June 1948 in respect of inscribed Pakistan Notes in column 1 and Rupee coin in column 6. Figures from October 1951 are net of adjustments made in respect of India notes returned from circulation in Aden.

† Valued at the statutory rate of Rs. 21-3-10 per tola. * Including one rupee notes from July 1940.

STATEMENT 30

Reserve Bank of India : Issue Department

Weekly Statement of Assets and Liabilities, 1952-53

(Reference paragraph 23)

(Lakhs of Rupees)

1952-53	LIABILITIES			ASSETS				
Friday	Notes in Circulation+	Notes held in the Banking Department	**Total Liabilities (Total Notes Issued)† or Assets**	Gold Coin* and Bullion	Foreign Securities	Rupee Coin††	Rupee Securities	*Percentage of 4+5 to 3*
	1	2	3	4	5	6	7	8
April 4 ..	1,157,07	19,46	**1,176,54**	40,02	603,15	68,73	464,64	*54·67*
,, 11 ..	1,165,18	16,18	**1,181,36**	40,02	603,15	73,55	464,64	*54·44*
,, 18 ..	1,155,93	26,17	**1,182,10**	40,02	603,15	74,30	464,64	*54·41*
,, 25 ..	1,145,78	37,19	**1,182,97**	40,02	603,15	75,17	464,64	*54·37*
May 2 ..	1,148,49	34,36	**1,182,85**	40,02	603,15	75,05	464,64	*54·37*
,, 9 ..	1,158,89	23,04	**1,181,93**	40,02	603,15	74,13	464,64	*54·42*
,, 16 ..	1,153,68	28,33	**1,182,01**	40,02	603,15	74,21	464,64	*54·41*
,, 23 ..	1,143,45	38,76	**1,182,21**	40,02	603,15	74,41	464,64	*54·40*
,, 30 ..	1,136,65	46,01	**1,182,66**	40,02	603,15	74,86	464,64	*54·38*
June 6 ..	1,150,65	31,10	**1,181,75**	40,02	603,15	73,95	464,64	*54·42*
,, 13 ..	1,148,59	33,44	**1,182,03**	40,02	603,15	74,23	464,64	*54·41*
,, 20 ..	1,137,80	44,82	**1,182,62**	40,02	603,15	74,81	464,64	*54·39*
,, 27 ..	1,128,76	34,99	**1,163,75**	40,02	583,15	75,95	464,64	*53·55*
July 4 ..	1,135,40	28,20	**1,163,60**	40,02	583,15	75,79	464,64	*53·56*
,, 11 ..	1,130,70	33,41	**1,164,10**	40,02	583,15	76,30	464,64	*53·53*
,, 18 ..	1,117,75	32,92	**1,150,68**	40,02	568,15	77,87	464,64	*52·85*
,, 25 ..	1,104,08	32,85	**1,136,93**	40,02	553,15	79,13	464,64	*52·17*
August 1 ..	1,100,78	36,76	**1,137,54**	40,02	553,15	79,74	464,64	*52·14*
,, 8 ..	1,111,06	25,95	**1,137,01**	40,02	553,15	79,20	464,64	*52·17*
,, 15 ..	1,106,73	30,80	**1,137,53**	40,02	553,15	79,73	464,64	*52·15*
,, 22 ..	1,093,09	30,69	**1,123,78**	40,02	538,15	80,97	464,64	*51·45*
,, 29 ..	1,085,76	38,87	**1,124,63**	40,02	538,15	81,82	464,64	*51·41*
September 5 ..	1,095,43	28,84	**1,124,28**	40,02	538,15	81,48	464,64	*51·43*
,, 12 ..	1,095,06	29,59	**1,124,65**	40,02	538,15	81,85	464,63	*51·41*
,, 19 ..	1,087,80	34,21	**1,122,01**	40,02	538,15	82,71	461,13	*51·53*
,, 26 ..	1,087,52	34,74	**1,122,26**	40,02	538,15	82,98	461,11	*51·52*
October 3 ..	1,091,13	31,00	**1,122,13**	40,02	538,15	82,85	461,11	*51·52*
,, 10 ..	1,091,72	30,47	**1,122,19**	40,02	538,15	82,90	461,11	*51·52*
,, 17 ..	1,089,27	33,12	**1,122,39**	40,02	538,15	83,12	461,10	*51·51*
,, 24 ..	1,080,16	42,67	**1,122,83**	40,02	538,15	83,56	461,10	*51·49*
,, 31 ..	1,072,48	41,16	**1,113,64**	40,02	538,15	84,37	451,10	*51·92*
November 7 ..	1,087,83	25,07	**1,112,90**	40,02	538,15	83,63	451,10	*51·95*
,, 14 ..	1,084,36	27,92	**1,112,28**	40,02	538,15	84,04	450,07	*51·98*
,, 21 ..	1,077,15	35,82	**1,112,97**	40,02	538,15	84,73	450,07	*51·95*
,, 28 ..	1,073,66	39,89	**1,113,55**	40,02	538,15	85,31	450,07	*51·92*
December 5 ..	1,087,06	25,77	**1,112,84**	40,02	538,15	84,60	450,07	*51·95*
,, 12 ..	1,091,68	20,97	**1,112,65**	40,02	538,15	84,42	450,07	*51·96*
,, 19 ..	1,088,78	24,15	**1,112,93**	40,02	538,15	84,69	450,07	*51·95*
,, 26 ..	1,092,12	20,78	**1,112,90**	40,02	538,15	84,67	450,06	*51·95*
January 2 ..	1,099,30	13,63	**1,112,92**	40,02	538,15	84,69	450,06	*51·95*
,, 9 ..	1,116,61	15,22	**1,131,83**	40,02	558,15	83,60	450,06	*52·85*
,, 16 ..	1,115,35	16,33	**1,131,67**	40,02	558,15	83,45	450,06	*52·86*
,, 23 ..	1,110,20	21,63	**1,131,82**	40,02	558,15	83,59	450,06	*52·85*
,, 30 ..	1,106,38	25,67	**1,132,05**	40,02	558,15	83,82	450,06	*52·84*
February 6 ..	1,123,93	16,97	**1,140,90**	40,02	568,15	82,67	450,06	*53·31*
,, 13 ..	1,129,20	11,10	**1,140,30**	40,02	568,15	82,27	449,86	*53·33*
,, 20 ..	1,121,36	19,22	**1,140,58**	40,02	568,15	82,55	449,86	*53·32*
,, 27 ..	1,119,82	20,86	**1,140,68**	40,02	568,15	82,65	449,86	*53·32*
March 6 ..	1,136,12	13,34	**1,149,46**	40,02	578,15	81,43	449,86	*53·78*
,, 13 ..	1,138,01	11,26	**1,149,27**	40,02	578,15	81,24	449,86	*53·79*
,, 20 ..	1,133,01	16,73	**1,149,74**	40,02	578,15	81,71	449,86	*53·77*
,, 27 ..	1,133,12	17,03	**1,150,15**	40,02	578,15	82,12	449,86	*53·75*

+ Including Rs. 43 crores of India notes retired from circulation in Pakistan and awaiting cancellation.

* Valued at the statutory rate of Rs. 21-3-10 per tola. †† Including one rupee notes.

Liabilities and Assets of the

(Issue and Banking

(Reference

LIABILITIES

Last Friday			Capital and Reserves	Notes in Circulation	Deposits: Central Government	Deposits: Other Governments	Deposits: Banks	Deposits: Others	Deposits: Total	Other Liabilities
1 1938-39		..	10,00	189,10	9,25	10,43	11,41	77	**31,85**	18,94
2 1945-46		..	10,00	1,218,77	521,01	35,90	76,90	9,56	**643,37**	39,52
3 1946-47		..	10,00	1,242,03	431,76	30,28	71,32	28,65	**562,01**	34,74
4 1947-48		..	10,00	1,304,36	320,03	24,23	78,90	34,16	**457,32**	34,51
5 1948-49		..	10,00	1,169,35	183,93	24,56	55,04	68,75	**332,29**	42,62
6 1949-50		..	10,00	1,163,52	129,28	45,63	52,92	63,61	**291,44**	38,02
7 1950-51		..	10,00	1,247,41	162,04	26,40	59,28	72,31	**320,03**	34,82
8 1951-52		..	10,00	1,141,11	180,16	25,06	46,99	65,90	**318,11**	61,72
9 1952-53		..	10,00	1,133,12	135,78	19,85	46,52	62,81	**264,96**	47,73
10 April	1951	..	10,00	1,280,93	146,66	30,79	52,19	75,99	**305,63**	31,37
11 May	,,	..	10,00	1,286,28	145,02	24,25	49,60	75,86	**294,73**	50,01
12 June	,,	..	10,00	1,257,48	162,83	17,05	58,74	71,22	**309,84**	56,63
13 July	,,	..	10,00	1,201,61	169,84	17,26	76,02	68,34	**331,45**	53,55
14 August	,,	..	10,00	1,158,28	216,67	10,25	75,63	67,72	**370,27**	68,13
15 September	,,	..	10,00	1,130,67	205,28	13,55	84,43	67,31	**370,57**	54,98
16 October	,,	..	10,00	1,128,26	191,65	19,36	71,34	66,97	**352,31**	60,52
17 November	,,	..	10,00	1,122,58	206,59	11,70	60,40	64,84	**343,44**	54,68
18 December	,,	..	10,00	1 141 09	210,49	10,19	50,72	66,26	**337,65**	40,66
19 January	1952	..	10,00	1,150,11	198,21	10,58	46,02	68,91	**323,75**	42,30
20 February	,,	..	10,00	1,139,60	186,41	26,43	44,81	67,56	**325,21**	61,88
21 March	,,	..	10,00	1,141,11	180,16	25,06	46,99	65,90	**318,11**	61,72
22 April	,,	..	10,00	1,145,78	137,96	9,31	47,22	66,20	**260,69**	63,35
23 May	,,	..	10,00	1,136,65	109,38	10,53	47,96	66,22	**234,09**	76,49
24 June	,,	..	10,00	1 128,76	117,90	1,80	53,29	62,15	**235,15**	70,91
25 July	,,	..	10,00	1,104,08	100,25	7,70	64,08	62,22	**234,24**	48,15
26 August	,,	..	10,00	1,085,76	124,70	11,40	68,34	59,08	**263,52**	53,14
27 September	,,	..	10,00	1,087,52	142,53	6,31	62 10	58,04	**268,99**	49,49
28 October	,,	..	10,00	1,072,48	151,87	15,05	64,14	57,36	**288,42**	58,19
29 November	,,	..	10,00	1,073,66	157,11	15,08	54,83	57,82	**284,84**	63,14
30 December	,,	..	10,00	1,092,12	174,79	3,55	45,09	59,76	**283,19**	45,19
31 January	1953	..	10,00	1,106,38	163,07	12,72	45,06	63,94	**284,79**	51,45
32 February	,,	..	10,00	1,119,82	149,99	11,40	43,23	64,39	**269,00**	50,49
33 March	,,	..	10,00	1,133,12	135,78	19,85	46,52	62,81	**264,96**	47,73

Note.—Figures for 1938-39 relate to India and Burma, from 1942-43 to 1947-48 to undivided India and thereafter to the Indian Union. Figures for the Indian Union are net of adjustments on account of (*i*) transfer of liabilities to the State Bank of Pakistan in respect of inscribed Pakistan notes issued between April and June 1948 and (*ii*) cancellation of India notes returned from circulation in Pakistan under Section 4(2) of Part IV of the Pakistan (Monetary System and Reserve Bank) Order, 1947, as amended. Figures from October 1951 are net of adjustments made in respect of India notes returned from circulation in Aden.

Reserve Bank of India

Departments Combined)

paragraph 23)

(Lakhs of Rupees)

Total Liabilities or Assets	ASSETS: Gold Coin and Bullion†	Foreign Assets‡	Rupee Coin*	Notes	Rupee Securities	Loans and Advances to Governments	Other Loans and Advances	Bills Purchased and Discounted	Other Assets	
249,89	44,12	73,93	71,10	18,13	38,96	—	2	2,63	71	*1*
1,911,66	44,42	1,724,30	16,02	19.64	88,47	-	18	2,60	16,04	*2*
1,848,79	44.42	1,612,54	20,64	16,05	121,16		55	3,25	27,18	*3*
1,806,19	44,42	1,527.97	37,05	15,13	175,65	3	.	1,81	4.14	*4*
1,554,25	40,02	944,14	42,14	21,76	493,42	--	6,36	2,13	4,29	*5*
1,502,98	40,02	858.78	51,23	18,21	515,94	24	11,21	1,97	5,38	*6*
1,612,27	40,02	884,18	54,51	11,72	585,83	1,56	16,75	8,21	9,50	*7*
1,530,94	40,02	723,07	69.29	35,82	566,73	94	61,37	3,72	29,99	*8*
1,455,80	40,02	723.68	82.32	17,03	545,98	3.30	26,95	8.80	7.72	*9*
1,627,92	40,02	889,38	58,51	7,21	597,41	6,68	14,53	12,29	10,83	*10*
1,641,03	40,02	874.52	57,35	25,71	604,63	7.24	16,66	3,65	11,27	*11*
1,633,95	40,02	857.42	57,66	34,84	604,08	7,50	18,71	2,09	11,64	*12*
1,596,61	40,02	840,59	60,45	38.48	590,56	5,16	5,05	2,81	4.50	*13*
1,606,68	40,02	827,14	64.07	60,42	591,98	5,19	5,64	8,35	3,89	*14*
1,566,22	40,02	816,04	67,88	43,33	577,40	5,11	6,33	6,55	3,56	*15*
1,551,10	40,02	796,24	69,18	47,04	576,41	5,00	6,39	7,03	3,79	*16*
1,530,70	40,02	778,95	69,95	38,49	566,86	5,00	6,56	8,73	16,13	*17*
1,529,41	40,02	781,09	69,17	19,22	569,31	7,96	17,11	6,73	18,81	*18*
1,526,16	40,02	763,77	68.47	19,51	569,38	7,98	32,27	5,63	19,15	*19*
1,536,68	40,02	744,61	68,45	39,97	569,38	6,79	45,30	2,46	19,71	*20*
1,530,94	40.02	723,07	69,29	35,82	566,73	94	61,37	3,72	29,99	*21*
1,479,83	40,02	700,07	75,32	37,19	541,05	1,10	42,62	11,01	31,45	*22*
1,457,23	40,02	687.70	75,04	46.01	541,41	80	29,12	4,77	32,33	*23*
1,444,81	40,02	683,32	76,12	34,99	538,22	1,47	23,47	10,28	36,93	*24*
1,396,46	40,02	673,15	79,27	32,85	551,64	3.38	9,44	1,28	5,43	*25*
1,412,41	40,02	679,29	82,01	38,87	552,69	3.30	9,29	1,43	5,52	*26*
1,416,00	40,02	689,67	83,16	34.74	549,29	3,30	8,69	1,52	5,62	*27*
1,429,09	40,02	693,27	84,56	41,16	549,88	3,46	9,18	1,54	6,01	*28*
1,431,64	40,02	694,93	85,53	39,89	549,77	3,46	9,49	2,27	6,28	*29*
1,430,51	40,02	705,49	84,87	20,78	549,51	3,30	12,89	7,01	6,63	*30*
1,452,62	40,02	718,12	84,03	25,67	550,16	3,40	12,66	11,55	7,00	*31*
1,449,31	40,02	720,41	82,84	20,86	550,13	3,30	12,33	11,96	7,46	*32*
1,455,80	40,02	723,68	82,32	17,03	545,98	3.30	26,95	8,80	7,72	*33*

† Valued at the statutory rate of Rs. 21-3-10 per tola.
‡ Including cash and short-term securities.
* Including subsidiary coin from 1938-39 and one rupee notes from 1940-41.

STATE

LIABILITIES AND ASSETS (WEEKLY) OF

(Issue and Banking

(Reference

	1952-53 Friday		LIABILITIES Capital and Reserves	Notes in Circulation*	Deposits: Central Government	Other Governments	Banks	Others	Total	Other Liabilities	Total Liabilities or Assets
			1	2	3	4	5	6	7	8	9
1	April	4	10,00	1,157,07	152,02	11,94	48,14	67,45	**279,54**	43,87	**1,490,49**
2	,,	11	10,00	1,165,18	145,10	7,29	46,24	66,98	**265,61**	41,49	**1,482,27**
3	,,	18	10,00	1,155,93	147,96	4,76	47,79	66,27	**266,78**	52,46	**1,485,18**
4	,,	25	10,00	1,145,78	137,96	9,31	47,22	66,20	**260,69**	63,35	**1,479,83**
5	May	2	10,00	1,148,49	131,31	7,99	53,59	66,78	**259,67**	61,57	**1,479,73**
6	,,	9	10,00	1,158,89	129,58	1,09	44,57	65,54	**240,77**	53,14	**1,462,80**
7	,,	16	10,00	1,153,68	124,07	4,19	49,22	65,14	**242,61**	58,24	**1,464,54**
8	,,	23	10,00	1,143,45	111,87	7,08	50,01	65,89	**234,85**	69,04	**1,457,34**
9	,,	30	10,00	1,136,65	109,38	10,53	47,96	66,22	**234,09**	76,49	**1,457,23**
10	June	6	10,00	1,150,65	96,67	7,65	49,38	64,08	**217,78**	64,42	**1,442,85**
11	,,	13	10,00	1,148,59	103,23	2,03	52,41	63,47	**221,13**	66,69	**1,446,41**
12	,,	20	10,00	1,137,80	110,42	4,87	52,45	63,43	**231,17**	77,29	**1,456,26**
13	,,	27	10,00	1,128,76	117,90	1,80	53,29	62,15	**235,15**	70,91	**1,444,81**
14	July	4	10,00	1,135,40	99,29	2,35	52,18	63,75	**217,88**	43,38	**1,406,65**
15	,,	11	10,00	1,130,70	102,25	1,97	51,80	62,43	**218,45**	48,90	**1,408,05**
16	,,	18	10,00	1,117,75	98,44	6,37	55,19	62,34	**222,34**	47,95	**1,398,04**
17	,,	25	10,00	1,104,08	100,25	7,70	64,08	62,22	**234,24**	48,15	**1,396,46**
18	Aug.	1	10,00	1,100,78	103,74	8,61	62,68	60,47	**235,51**	53,09	**1,399,37**
19	,,	8	10,00	1,111,06	102,42	5,12	57,31	63,16	**228,01**	43,99	**1,393,07**
20	,,	15	10,00	1,106,73	105,29	9,67	58,36	61,38	**234,71**	49,20	**1,400,64**
21	,,	22	10,00	1,093,09	120,90	9,43	67,43	59,58	**257,34**	43,73	**1,404,16**
22	,,	29	10,00	1,085,76	124,70	11,40	68,34	59,08	**263,52**	53,14	**1,412,41**
23	Sept.	5	10,00	1,095.43	118,84	9,10	70,78	59,03	**257,75**	43,15	**1,406,34**
24	,,	12	10,00	1,095,06	127,84	2,44	70,61	58,84	**259,73**	44,34	**1,409,13**
25	,,	19	10,00	1,087,80	138,51	3,85	64,16	58,06	**264,57**	49,75	**1,412,12**
26	,,	26	10,00	1,087,52	142,53	6,31	62,10	58,04	**268,99**	49,49	**1,416,00**
27	Oct.	3	10,00	1,091,13	144,76	2,43	60,79	57,82	**265,79**	46,89	**1,413,82**
28	,,	10	10,00	1,091,72	146,00	2.43	60,91	57,85	**267,20**	48.22	**1,417,14**
29	,,	17	10,00	1,089,27	132,32	17,74	60,98	58,29	**269,33**	51,05	**1,419,65**
30	,,	24	10,00	1,080,16	138,14	17,77	65,15	57,62	**278,68**	60,32	**1,429,17**
31	,,	31	10,00	1,072,48	151,87	15,05	64,14	57,36	**288.42**	58,19	**1,429,09**
32	Nov.	7	10,00	1,087,83	146,56	11,87	57,17	57,63	**273,24**	44.94	**1,416,00**
33	,,	14	10,00	1,084.36	149,80	9,92	55,28	57,29	**272,39**	50,09	**1,416,83**
34	,,	21	10,00	1,077,15	147,68	16,01	57,39	57,46	**278,55**	58,55	**1,424,25**
35	,,	28	10,00	1,073,66	157,11	15,08	54,83	57,82	**284,84**	63,14	**1,431,64**
36	Dec.	5	10,00	1,087,06	153,63	13,71	49,28	58,09	**274,72**	49,13	**1,420,92**
37	,,	12	10,00	1,091,68	163,49	1,16	47,34	57,76	**269,75**	45,81	**1,417,24**
38	,,	19	10,00	1,088,78	173,63	1,27	42,98	58,78	**276,67**	49.20	**1,424,65**
39	,,	26	10,00	1,092,12	174,79	3,55	45,09	59,76	**283,19**	45,19	**1,430,51**
40	Jan.	2	10,00	1,099,30	176,07	3,54	47,85	61,23	**288,69**	39,41	**1,437,40**
41	,,	9	10,00	1,116,61	173,74	1,50	43,18	62,65	**281,08**	41,19	**1,448,88**
42	,,	16	10.00	1,115,35	170,22	2.37	47,03	63,06	**282,67**	41,06	**1,452,07**
43	,,	23	10,00	1,110,20	164,03	7,14	46.05	63,97	**281,19**	48,80	**1,450,19**
44	,,	30	10,00	1,106,38	163,07	12,72	45,06	63,94	**284,79**	51,45	**1,452,62**
45	Feb.	6	10,00	1,123,93	157,16	6,70	41,70	65,10	**270,97**	43,55	**1,448,45**
46	,,	13	10,00	1,129,20	157,40	1,02	45,44	65,04	**268,90**	39,42	**1,447,52**
47	,,	20	10,00	1,121,36	153,12	5,07	45,52	64,12	**268,13**	50,90	**1,450,40**
48	,,	27	10,00	1,119.82	149,99	11,40	43,23	64,39	**269,00**	50,49	**1,449,31**
49	March	6	10,00	1,136,12	139,72	10,48	43,50	64,96	**258,65**	43,89	**1,448,66**
50	,,	13	10,00	1,138,01	147,51	1,44	43,44	63,66	**256,04**	42,70	**1,446,75**
51	,,	20	10,00	1,133.01	122,54	29,10	43,08	63,62	**258,33**	49,75	**1,451,09**
52	,,	27	10,00	1,133,12	135,78	10,85	46,52	62,81	**264,96**	47,73	**1,455,80**

* Including Rs. 43 crores of India notes retired from circulation in Pakistan and awaiting cancellation.

THE RESERVE BANK OF INDIA, 1952-53

Departments Combined)

paragraph 23)

(Lakhs of Rupees

ASSETS

Gold coin and Bullion**	Foreign Assets	Rupee coin†	Notes	Rupee Securities	Loans and Advances to Governments	Other Loans and Advances	Bills Purchased and Discounted	Other Assets	
10	11	12	13	14	15	16	17	18	
40,02	721,35	68,86	19,46	541,05	1,20	54,48	13,01	31,06	*1*
40,02	715,06	73,69	16,18	541,05	1,20	51,15	12,75	31,19	*2*
40,02	708,55	74,45	26,17	541,05	1,10	48,65	13,90	31,31	*3*
40,02	700,07	75,32	37,19	541,05	1,10	42,62	11,01	31,45	*4*
40,02	700,54	75,14	34,36	541,05	90	45,08	10,91	31 73	*5*
40 02	697 14	74,28	23,04	541,05	1,20	44,43	9,81	31,84	*6*
40,02	694,36	74,36	28,33	540,99	80	44,49	9,19	32,02	*7*
40,02	687,97	74,57	38,76	541,48	80	35,59	6,03	32,11	*8*
40,02	687,70	75,04	46,01	541,44	80	29,12	4,77	32,33	*9*
40,02	685,96	74,04	31,10	541,92	80	30,14	4,97	33,91	*10*
40,02	682,97	74,38	33,44	541,92	90	29,36	9,38	34,05	*11*
40,02	683,11	75,01	44,82	539,40	90	27,64	10,86	34,51	*12*
40,02	683,32	76,12	34,99	538,22	1,47	23,47	10,28	36,93	*13*
40,02	681,60	75,88	28,20	551,57	3,98	17,66	1,74	6,01	*14*
40,02	679,56	76,41	33,41	551,66	2,98	16,54	1,42	6,04	*15*
40,02	675,22	77,99	32,92	551,66	3,48	9,95	1,38	5,41	*16*
40,02	673,15	79,27	32,85	551,64	3,38	9,44	1,28	5,43	*17*
40,02	671,56	79,82	36,76	551,47	3,38	9,56	1,17	5,62	*18*
40,02	676,32	79,28	25,95	551,97	3,34	9,50	1,12	5,58	*19*
40,02	679,37	79,88	30,80	552,68	3,31	9,50	1,34	3,64	*20*
40,02	679,85	81,12	30,69	552,86	3,30	9,56	1,43	5,34	*21*
40,02	679,29	82,01	38,87	552,69	3,30	9,29	1,43	5,52	*22*
40,02	683,92	81,58	28,84	552,66	3,30	9,59	1,24	5,19	*23*
40,02	685,85	82,04	29,59	552,75	3,30	8,84	1,44	5,31	*24*
40,02	687,22	82,97	34,21	549,21	3,30	8,37	1,45	5,38	*25*
40,02	689,67	83,16	34,74	549,29	3,30	8,69	1,52	5,62	*26*
40,02	690,87	82,99	31,00	549,29	3,30	9,40	1,24	5,71	*27*
40,02	693,49	83,05	30,47	549,39	3,56	9,22	2,22	5,73	*28*
40,02	693,00	83,30	33,12	549,38	3,40	9,35	2,34	5,75	*29*
40,02	692,78	83,76	42,67	549,39	3,40	8,99	2,33	5,81	*30*
40,02	693,27	84,56	41,16	549,88	3,46	9,18	1,54	6,01	*31*
40,02	696,77	83,76	25,07	550,08	3,46	9,42	1,39	6,04	*32*
40,02	694,56	84,21	27,92	549,06	3,42	9,49	2,11	6,06	*33*
40,02	692,91	84,92	35,82	549,30	3,46	9,56	2,19	6,08	*34*
40,02	694,93	85,53	39,89	549,77	3,46	9,49	2,27	6,28	*35*
40,02	697,99	84,71	25,77	549,75	3,30	10,27	2,76	6,34	*36*
40,02	698,71	84,60	20,97	549,40	3,33	10,70	3,16	6,35	*37*
40,02	702,19	84,88	24,15	549,52	3,30	11,01	3,21	6,38	*38*
40,02	705,49	84,87	20,78	549,51	3,30	12,89	7,01	6,63	*39*
40,02	710,75	84,80	13,63	549,51	3,32	19,47	9,23	6,67	*40*
40,02	714,57	83,77	15,22	549,36	3,99	16,94	18,31	6,71	*41*
40,02	717,38	83,62	16,33	549,34	4,52	14,14	19,98	6,76	*42*
40,02	715,67	83,77	21,63	549,85	3,62	13,56	15,28	6,80	*43*
40,02	718,12	84,03	25,67	550,16	3,40	12,66	11,55	7,00	*44*
40,02	719,63	82,80	16,97	550,13	3,50	14,97	13,26	7,17	*45*
40,02	720,15	82,43	11,10	549,95	4,48	15,61	16,56	7,23	*46*
40,02	721,68	82.72	19,22	550,00	3,42	12,27	13,80	7,27	*47*
40,02	720,41	82,84	20,86	550,13	3,30	12,33	11,96	7,46	*48*
40,02	724,38	81,57	13,34	550,16	3,30	17,54	10,77	7,58	*49*
40.02	724,96	81,39	11,26	550,06	3,55	18,37	9,53	7,61	*50*
40.02	724,78	81,85	16.73	545,98	3,46	22,89	7,67	7,70	*51*
40,02	723,68	82,32	17,03	545,98	3,30	26,95	8,80	7,72	*52*

** Valued at the statutory rate of Rs. 21-3-10 per tola.

† Including one rupee notes and subsidiary coin.

STATEMENT 33

Index Numbers of Security Prices—All-India

(*Base*: 1938=100)

(Compiled by the Department of Research and Statistics of the Reserve Bank of India)

(*Reference paragraph* 26)

Average of weeks		GROUP INDICES: Government and Semi-Government Securities	GROUP INDICES: Industrial Securities: Fixed Dividend	GROUP INDICES: Industrial Securities: Variable dividend	SUB-GROUP INDICES OF GOVERNMENT AND SEMI-GOVERNMENT SECURITIES: Government of India	States (Part B)	Municipal, Port Trust and Improvement Trust	SUB-GROUP INDICES OF FIXED DIVIDEND INDUSTRIAL SECURITIES: Electricity	Cotton	Jute	Coal	Iron & Steel	Sugar	Paper	Plantations
1946-47		104·7	140·6	252·5	105	107	103	102	203	144	149	118	152	137	153
1947-48		103·3	120·2	181·5	103	104	102	85	185	125	133	100	129	127	136
1948-49		102·0	109·4	136·5	102	102	98	81	166	112	116	89	129	121	126
1949-50		101·2	101·9	115·4	101·4	99·4	97·3	80	151	95	109	90	112	104	110
1950-51		100·0	101·0	124·2	100·1	98·7	96·6	82	147	91	105	92	107	98	112
1951-52		95·8	97·2	127·8	95·9	97·6	92·6	77	140	87	107	88	107	93	109
1952-53		91·7	90·8	107·3	91·8	94·9	86·8	76	128	81	96	84	92	87	101
April	1951	98·4	100·7	138·0	98·5	98·3	95·0	81	144	92	110	91	107	96	113
May	..	98·3	100·4	138·8	98·4	98·3	94·8	80	145	92	110	90	109	95	113
June	..	98·2	100·4	138·6	98·3	98·2	94·6	79	144	92	110	91	110	95	112
July	..	98·2	99·5	131·9	98·3	98·2	94·6	79	142	90	110	91	111	93	109
August	,,	98·3	99·1	127·9	98·4	98·2	94·2	78	142	90	109	91	111	92	108
September	..	98·1	98·4	127·9	98·2	98·1	93·5	78	141	89	111	90	110	91	108
October	..	97·9	97·4	126·7	98·1	97·9	93·3	78	140	88	111	88	108	91	108
November	,,	96·7	97·0	124·5	96·8	97·6	93·3	77	139	87	110	88	108	91	109
December	,,	92·1	94·1	121·5	92·0	96·8	93·2	76	138	84	103	84	107	90	108
January	1952	91·5	93·5	121·6	91·4	96·5	89·5	75	135	83	101	84	105	93	105
February	,,	91·4	93·2	122·2	91·5	96·5	87·6	75	134	82	99	85	100	94	105
March	,,	91·4	92·8	115·5	91·4	96·5	87·6	75	133	82	98	85	97	93	104
April	,,	91·3	91·8	109·8	91·3	96·0	87·5	74	131	81	96	85	96	91	105
May	,,	91·8	91·2	109·9	91·9	95·6	87·4	73	130	81	95	84	95	91	105
June	,,	92·1	91·5	110·1	92·2	95·4	87·5	74	129	82	96	84	93	90	106
July	,,	91·6	91·1	109·1	91·7	95·1	87·5	75	128	81	96	85	93	89	102
August	,,	91·2	91·0	107·8	91·2	95·0	87·1	75	128	80	96	85	92	88	101
September	,,	91·0	90·5	107·5	91·1	94·9	86·0	76	128	81	96	83	92	86	101
October	,,	91·1	90·3	106·8	91·2	94·6	86·0	76	128	81	96	82	92	86	101
November	,,	91·9	90·7	107·1	92·1	94·6	86·0	77	128	82	97	83	92	86	100
December	,,	92·2	90·6	104·9	92·3	94·5	86·4	75	128	82	96	83	91	87	101
January	1953	92·1	90·4	103·7	92·3	94·4	86·5	77	127	82	95	83	91	85	99
February	,,	92·2	90·2	104·5	92·3	94·4	86·8	78	126	80	95	84	88	85	98
March	,,	92·2	90·1	107·0	92·4	94·5	86·9	79	127	80	95	84	88	85	97
Percentage Variation of Mar. '53 over Mar. '52	..	*+0·9*	*−2·9*	*−7·4*	*+1·1*	*−2·1*	*−0·8*	*−5·3*	*−4·5*	*−2·4*	*−3·1*	*−1·2*	*−9·3*	*−8·6*	*−6·7*

SUB-GROUP INDICES OF VARIABLE DIVIDEND INDUSTRIAL SECURITIES

Average of weeks	Banks	Insurance	Investment Trust	Electricity & Tramways	Shipping & other Transport	Railways	Plantations	Cotton, Woollen & Silk Mills	Jute Mills	Coal	Mining & Oil	Iron and Steel	General Engineering	Sugar	Breweries	Chemicals	Paper	Cement
1946-47	195	292	297	137	295	105	284	437	275	284	196	278	324	219	332	282	367	208
1947-48	152	206	229	104	193	95	223	298	183	188	116	189	236	161	183	203	254	147
1948-49	133	159	193	87	144	90	157	202	112	129	82	150	192	183	117	176	125	134
1949-50	122	123	173	84	99	91	124	155	84	108	61	134	154	116	105	157	99	120
1950-51	123	124	163	89	94	92	153	158	93	121	72	160	176	101	102	173	114	136
1951-52	116	112	149	90	99	87	177	169	100	126	77	163	172	97	84	176	128	144
1952-53	103	100	139	83	86	75	127	135	78	91	63	131	140	84	60	135	114	141
April 1951	122	119	166	95	111	92	182	175	118	145	88	195	200	103	112	184	140	139
May ,, ...	121	121	163	94	114	92	192	184	114	144	87	195	202	103	96	193	141	140
June ,, ...	120	119	159	94	111	93	196	186	112	143	87	192	199	103	88	194	141	143
July ,, ...	119	115	152	93	102	91	187	177	101	135	79	174	176	96	87	181	126	142
August ,, ...	118	115	147	93	96	90	180	170	96	127	75	160	168	94	89	175	123	146
September ,, ...	118	115	145	93	96	89	178	167	98	127	76	161	169	96	90	175	125	147
October ,, ...	117	114	146	91	95	87	176	164	98	127	76	159	163	98	87	172	126	145
November ,, ...	116	111	145	89	93	86	175	164	93	122	75	150	161	97	84	172	123	144
December ,, ...	112	103	144	86	89	85	168	162	94	116	73	145	158	95	73	167	122	145
January 1952	112	105	142	86	92	81	167	165	94	113	72	146	158	96	71	171	124	150
February ,, ...	112	106	143	86	96	82	169	165	94	110	71	155	162	95	70	175	125	147
March ,, ...	108	105	140	85	90	81	161	156	85	104	66	135	152	92	68	158	118	139
April ,, ...	105	103	139	83	84	78	152	146	80	97	64	121	138	87	63	147	115	131
May ,, ...	104	102	141	84	84	77	149	143	80	95	64	127	140	87	60	142	115	137
June ,, ...	105	100	141	84	85	76	141	140	84	94	63	132	142	86	63	140	115	138
July ,, ...	104	104	139	84	85	74	138	139	81	91	61	133	139	86	64	141	113	141
August ,, ...	103	102	139	83	84	74	130	137	78	91	63	134	139	87	62	139	113	139
September ,, ...	102	101	139	82	87	74	125	135	78	92	63	136	138	86	61	134	113	143
October ,, ...	102	100	137	81	87	74	120	132	80	92	64	133	139	85	58	132	115	144
November ,, ...	102	99	138	82	89	74	120	130	82	90	65	135	140	83	58	132	116	145
December ,, ...	103	97	140	82	85	73	114	128	78	90	62	127	137	81	56	126	115	144
January 1953	102	95	139	82	84	73	111	128	74	87	63	124	137	79	54	123	113	143
February ,, ...	103	95	140	83	86	75	109	129	72	87	64	129	142	79	58	120	114	140
March ,, ...	104	97	142	83	88	76	113	135	72	89	64	142	150	81	60	134	116	143
Percentage Variation of March 1953 over March 1952 ..	−3·7	−7·6	+1·4	−2·4	−2·2	−6·2	−29·8	−13·5	−15·3	−14·4	−3·0	+5·2	−1·3	−11·9	−11·8	−15·2	−1·7	+2·9

STATEMENT 34

All-India and Regional Indices (Weekly) of Security Prices

(Base : 1938= 100)

(Computed by the Department of Research and Statistics of the Reserve Bank of India)

(Reference paragraph 26)

1952-53			Government and Semi-Government Securities				Fixed Dividend Industrial Securities				Variable Dividend Industrial Securities			
Week ended			All-India	Bombay	Calcutta	Madras	All-India	Bombay	Calcutta	Madras	All-India	Bombay	Calcutta	Madras
April	5	..	91·2	91·2	91·7	90·6	92·3	92·2	89·7	109·6	110·4	122·6	98·5	142·5
..	12	..	91·2	91·2	91·7	90·6	92·1	92·0	89·5	109·6	109·4	121·6	97·6	141·4
..	19	..	91·2	91·1	91·7	90·6	91·6	91·2	89·2	109·5	109·5	120·8	98·3	140·5
,,	26	..	91·4	91·3	91·9	90·8	91·3	90·7	89·0	109·2	109·9	121·1	98·8	139·9
May	3	..	91·6	91·5	92·2	91·1	91·3	90·8	89·0	109·0	110·2	122·5	98·6	139·2
,,	10	..	91·8	91·6	92·3	91·3	91·4	91·1	89·0	108·7	110·4	123·5	98·4	139·5
,,	17	..	91·8	91·7	92·3	91·4	91·4	91·2	88·9	108·6	109·4	121·4	98·1	139·7
,,	24	..	91·8	91·7	92·3	91·4	91·0	90·3	89·0	108·7	109·3	121·5	97·7	139·9
,,	31	..	91·9	91·7	92·4	91·4	91·1	90·4	89·0	108·7	110·1	122·9	98·3	140·2
June	7	..	92·1	91·9	92·6	91·6	91·4	90·8	89·2	108·8	110·5	123·2	99·1	138·6
,,	14	..	92·3	92·2	92·8	91·9	91·5	91·0	89·4	108·3	110·3	122·9	98·9	138·1
,,	21	..	92·2	92·0	92·6	91·9	91·6	91·3	89·5	108·3	109·8	123·0	98·2	138·1
,,	28	..	92·0	91·8	92·5	91·6	91·6	91·2	89·6	108·1	109·7	123·3	97·8	137·7
July	5	..	91·8	91·7	92·3	91·3	91·3	91·1	89·5	106·6	109·1	123·2	97·0	137·2
,,	12	..	91·7	91·6	92·2	91·1	91·1	91·1	89·1	106·5	109·0	124·5	96·4	137·0
,,	19	..	91·6	91·6	92·1	91·0	91·1	91·4	88·7	106·3	109·4	125·7	96·7	135·5
,,	26	..	91·4	91·5	91·8	90·7	91·0	91·5	88·4	106·0	109·0	124·5	96·7	135·1
August	2	..	91·3	91·5	91·7	90·6	91·0	91·8	88·1	106·1	108·5	123·6	96·4	133·8
,,	9	..	91·2	91·3	91·7	90·5	90·8	91·8	87·7	106·1	107·6	122·0	95·8	133·4
,,	16	..	91·1	91·2	91·6	90·5	90·7	91·7	87·5	106·0	107·4	121·8	95·7	133·3
,,	23	..	91·1	91·2	91·5	90·5	91·3	92·5	88·1	106·0	107·8	122·8	95·7	132·9
,,	30	..	91·1	91·2	91·6	90·5	90·9	91·5	88·2	106·1	107·7	123·1	95·5	132·8
September	6	..	91·0	91·1	91·5	90·4	90·8	91·1	88·3	106·3	107·9	123·9	95·6	132·7
,,	13	..	91·0	90·9	91·5	90·4	90·5	90·5	88·4	105·8	107·8	123·8	95·5	132·6
,,	20	..	90·9	90·9	91·5	90·4	90·4	90·4	88·2	105·9	107·4	122·7	95·5	131·6
,,	27	..	91·0	90·9	91·5	90·4	90·4	90·3	88·4	105·7	107·1	121·8	95·5	131·3
October	4	..	91·0	91·0	91·7	90·5	90·2	90·1	88·4	105·5	106·7	120·9	94·9	131·0
,,	11	..	91·1	91·0	91·6	90·8	90·3	90·2	88·5	105·3	106·1	120·2	95·1	130·7
,,	18	..	91·0	91·0	91·8	90·5	90·4	90·4	88·7	105·3	106·5	121·1	96·2	130·5
,,	25	..	91·2	91·1	*	90·7	90·5	90·4	*	105·3	107·7	122·5	*	130·4
November	1	..	91·6	91·5	92·3	91·1	90·6	90·6	88·9	105·0	107·9	122·7	96·5	130·2
,,	8	..	91·7	91·5	92·3	91·4	90·6	90·5	89·0	105·1	107·6	122·2	96·3	130·0
,,	15	..	92·0	91·7	92·6	91·7	90·7	90·5	89·1	105·2	107·3	122·7	95·8	129·9
,,	22	..	92·1	91·8	92·7	91·8	90·8	90·7	89·1	105·3	106·8	123·2	94·7	129·8
,,	29	..	92·2	91·8	92·8	92·0	90·7	90·4	89·1	105·3	106·0	122·4	94·0	129·7
December	6	..	92·2	91·8	92·9	92·0	90·5	90·1	89·1	105·2	105·1	121·5	93·2	129·3
,,	13	..	92·2	91·9	92·8	91·9	90·6	90·3	89·0	105·2	104·7	121·7	92·6	129·1
,,	20	..	92·2	91·9	92·8	91·9	90·6	90·4	88·9	105·2	104·9	122·9	92·3	129·2
,,	27	..	92·2	91·9	92·7	91·9	90·7	90·7	88·9	105·1	104·7	122·8	92·1	128·7
January	3	..	92·1	91·9	92·7	91·9	90·4	90·6	88·7	104·0	104·5	122·4	92·0	128·0
,,	10	..	92·1	91·9	92·6	91·9	90·4	90·7	88·6	103·8	104·1	122·1	91·7	127·3
,,	17	..	92·1	91·9	92·6	91·8	90·5	91·2	88·5	103·4	103·3	121·1	91·0	127·0
,,	24	..	92·1	91·9	92·7	91·8	90·4	91·6	88·1	102·8	103·3	120·8	91·2	126·9
,,	31	..	92·1	91·9	92·7	91·8	90·3	91·7	87·6	102·7	103·4	120·6	91·4	126·8
February	7	..	92·2	91·9	92·8	91·9	90·2	91·9	87·3	102·5	104·1	122·2	91·8	126·5
,,	14	..	92·2	91·9	92·8	91·9	90·2	92·2	86·8	102·7	104·2	122·5	92·0	126·7
,,	21	..	92·2	92·0	92·8	91·9	90·2	92·3	86·8	103·1	104·5	123·3	92·1	127·0
,,	28	..	92·2	92·0	92·7	91·9	90·0	92·1	86·5	102·4	105·2	124·5	92·7	127·1
March	7	..	92·2	92·0	92·7	91·8	90·0	92·2	86·5	102·4	106·7	127·3	93·6	126·7
,,	14	..	92·2	92·0	92·8	91·9	90·1	92·4	86·5	102·2	107·4	128·1	94·3	127·5
,,	21	..	92·3	92·1	92·9	91·9	90·2	92·7	86·3	102·3	107·2	128·0	94·0	127·8
,,	28	..	92·3	92·1	92·8	91·9	90·2	92·7	86·4	102·3	106·9	127·2	93·8	127·7

* Market closed.

STATEMENT 35

Prices in Bombay of Government of India Securities, 1952-53

(Reference paragraph 26)

LOANS	End of March 1952	End of April 1952	May 1952	June 1952	July 1952	Aug. 1952	Sept. 1952	Oct. 1952	Nov. 1952	Dec. 1952	Jan. 1953	Feb. 1953	March 1953	1952-53 Highest	1952-53 Lowest	Difference of March 1953 Over Mar. 1952
	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.	Rs. as.
Terminables																
Under 5 years																
3 % 1953-55	99 12	100 1	100 3	100 4	100 6	100 3	100 3	100 2	100 4	100 3	100 1	100 1	100 1	100 8	99 12	+0 5
2¼% 1954	98 7	98 6	98 4	98 7	98 8	98 9	98 9	98 7	98 5	98 3	98 3	98 3	98 4	98 9	98 3	−0 3
2½% 1955	98 2	98 1	98 4	98 7	98 8	98 9	98 9	98 6	98 4	98 4	98 2	98 3	98 4	98 9	97 14	+0 2
4½% 1955-60	103 8	103 6	103 6	103 6	103 8	103 8	103 8	103 8	103 9	103 9	103 6	103 4	103 4	103 9	103 4	−0 4
3 % 1957	97 9	97 12	97 15	98 7	98 5	98 5	98 8	98 12	98 12	98 9	98 8	98 12	98 11	98 12	97 7	+1 2
Between 5 and 10 years																
3 % 1958	97 8	97 10	97 14	98 5	98 3	98 2	98 3	98 4	98 5	98 5	98 6	98 6	98 8	98 8	97 4	+1 0
3 % 1959-61	95 8	95 5	95 8	96 5	96 0	95 9	95 15	96 3	96 4	96 0	95 15	96 1	96 4	96 5	95 2	+0 12
2¾% 1960	93 6	93 4	93 6	93 6	93 6	93 6	93 6	93 6	93 7	93 7	93 5	93 6	93 8	93 10	93 4	+0 2
4 % 1960-70	101 10	102 1	102 10	103 0	102 14	101 12	101 8	101 4	101 5	101 5	101 6	101 14	102 2	103 4	101 2	+0 8
2½% 1961	90 0	89 11	90 0	90 8	90 6	90 6	90 6	90 6	90 6	90 6	90 6	90 4	90 8	90 8	89 10	+0 8
2¾% 1962	91 0	90 14	91 0	91 4	91 4	91 4	91 4	91 4	91 4	91 3	91 5	91 6	91 8	91 8	90 10	+0 8
Between 10 and 15 years																
3 % 1963-65	92 8	92 9	92 12	92 9	92 3	92 3	92 9	92 10	92 10	92 6	92 7	92 9	92 10	92 12	92 0	+0 2
3 % 1964	92 10	92 9	92 11	92 8	92 3	92 3	92 8	92 9	92 9	92 6	92 7	92 9	92 10	92 11	92 0	—
3 % 1966-68	90 6	90 8	90 8	90 6	89 10	89 9	90 0	90 4	90 6	90 6	90 6	90 7	90 9	90 9	89 6	+0 3
Between 15 and 20 years																
3 % 1970-75	87 6	87 12	87 10	87 8	86 8	86 3	87 0	87 14	87 7	87 0	86 8	86 9	86 11	88 0	86 0	−0 11
Over 20 years																
2¾% 1976	83 0	83 0	82 8	82 12	82 12	82 12	82 12	82 12	82 12	82 12	82 12	82 12	82 12	83 0	82 8	−0 4
Non-Terminables																
3 % Conversion Loan 1986 or later	80 14	82 8	82 15	81 8	80 0	80 3	80 7	83 4	83 2	82 14	83 1	82 10	82 9	84 5	80 0	+1 11
3 % Rupee Paper	80 1	80 10	80 8	81 0	79 11	79 11	79 12	80 0	83 0	83 4	83 4	82 14	83 0	83 4	79 11	+2 15
Rupee Counterparts																
3½% 1954-59	100 8	100 8	100 8	100 8	100 8	100 8	100 4	100 6	100 6	100 6	100 6	100 6	100 6	100 8	100 4	−0 2
4½% 1958-68	105 8	105 8	105 8	105 8	105 8	105 8	105 8	105 8	105 8	105 8	105 8	105 4	105 4	105 8	105 3	−0 4

STATEMENT 36

Monthly and Annual Average Yields on Government of India Securities, 1952-53

(Reference paragraph 26)

(Per cent per annum)

Loans	March 1951	March 1952	Monthly Average Yield, 1952-53 April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	Annual Average Yield 1952-53	1951-52
Terminables :																
Under 5 years																
3 % 1953-55 ..	2·44	3·09	3·10	2·94	2·71	2·61	2·72	2·76	2·82	2·70	2·67	2·73	2·85	2·81	2·79	2·66
2¼% 1954 ..	2·57	2·86	2·91	2·95	2·92	2·92	2·94	2·94	3·00	3·09	3·23	3·27	3·32	3·33	3·07	2·67
2½% 1955 ..	2·59	3·06	3·13	3·07	3·02	3·00	3·01	3·00	3·05	3·18	3·16	3·23	3·25	3·22	3·11	2·77
4½% 1955-60 ..	2·52	3·43	3·42	3·42	3·39	3·32	3·30	3·27	3·23	3·20	3·14	3·12	3·15	3·15	3·26	2·85
3 % 1957 ..	2·96	3·45	3·50	3·46	3·33	3·36	3·35	3·35	3·32	3·30	3·31	3·34	3·35	3·32	3·36	3·13
Between 5 and 10 years																
3 % 1958 ..	—	3·42	3·46	3·41	3·30	3·33	3·35	3·34	3·33	3·32	3·32	3·32	3·33	3·30	3·34	3·22
3 % 1959-61	3·12	3·67	3·75	3·74	3·62	3·61	3·72	3·71	3·67	3·63	3·68	3·70	3·70	3·67	3·68	3·35
2¾% 1960 ..	3·19	3·68	3·71	3·69	3·69	3·70	3·72	3·73	3·74	3·74	3·75	3·77	3·79	3·78	3·73	3·42
4 % 1960-70 ..	3·00	3·77	3·75	3·67	3·58	3·56	3·63	3·77	3·81	3·82	3·81	3·80	3·75	3·67	3·72	3·29
2½% 1961 ..	3·15	3·77	3·82	3·79	3·78	3·74	3·77	3·80	3·80	3·81	3·82	3·83	3·87	3·84	3·81	3·40
2¾% 1962 ..	3·22	3·79	3·80	3·81	3·80	3·78	3·79	3·80	3·80	3·81	3·81	3·83	3·82	3·82	3·81	3·47
Between 10 and 15 years																
3 % 1963-65 ..	3·26	3·82	3·85	3·81	3·82	3·85	3·91	3·86	3·86	3·86	3·88	3·89	3·89	3·88	3·86	3·53
3 % 1964 ..	3·25	3·75	3·77	3·75	3·77	3·80	3·84	3·80	3·80	3·80	3·81	3·81	2·82	3·82	3·80	3·51
3 % 1966-68 ..	3·29	3·85	3·89	3·87	3·88	3·91	3·98	3·97	3·94	3·92	3·91	3·91	3·91	3·91	3·92	3·57
Between 15 and 20 years																
3 % 1970-75 ..	3·31	3·88	4·02	3·93	3·96	3·99	4·10	4·08	4·00	3·98	4·03	4·07	4·07	4·07	4·03	3·58
Over 20 years																
2¾% 1976 ..	3·24	3·83	3·83	3·83	3·85	3·85	3·86	3·86	3·86	3·87	3·86	3·87	3·87	3·88	3·86	3·54
Non-Terminables :																
3 % Conversion Loan 1986 or later*	3·23	3·71	3·69	3·63	3·61	3·72	3·75	3·74	3·69	3·62	3·61	3·62	3·62	3·62	3·66	3·51
3 % Rupee Paper*	3·23	3·75	3·74	3·73	3·68	3·76	3·77	3·76	3·76	3·65	3·60	3·60	3·61	3·61	3·69	3·42
Rupee Counterparts—																
3½% 1954-59 ..	2·52	3·31	3·30	3·30	3·29	3·28	3·28	3·32	3·31	3·31	3·30	3·29	3·28	3·27	3·29	2·84
4½% 1958-68 ..	2·73	3·51	3·50	3·49	3·47	3·46	3·45	3·43	3·42	3·41	3·39	3·38	3·38	3·39	3·43	3·02

Note :—Income-tax is neglected in calculating yields. Since November 1951, yields are calculated to earlier dates of redemption.

* Flat yield.

STATEMENT 37

PRICES OF REPRESENTATIVE INDUSTRIAL SHARES, 1952-53

SCRIPS	End of				As on		End of										1952-53				*Percentage variation of 8 over 2*	*Percentage variation of 8 over 4*
	June 1950		June 1951		November 14, 1951		March 1952		June 1952		September 1952		December 1952		March 1953		Highest		Lowest			
	1		2		3		4		5		6		7		8		9		10		11	12
	Rs.	a.	Rs.	a.	Rs.	a.	Rs.	a.	Rs.	a.	Rs.	a.	Rs.	a.	Rs.	a.	Rs.	a.	Rs.	a.		
Steels :																						
Tata Deferred ..	1,650	0	2,123	12	1,852	8	1,630	0	1,727	8	1,662	8	1,695	0	1,830	0	1,915	0	1,592	8	*−13·8*	*+12·2*
Tata Ordinary ..	324	12	375	0	328	0	315	8	333	4	309	8	302	8	316	8	353	8	291	8	*−15·6*	*+ 0·3*
Indian Iron ..	29	11	35	2	29	10	21	10	23	5	24	14	24	5½	24	15	28	1	20	8	*−29·0*	*+15·3*
Textiles :																						
Bombay Dyeing	953	12†	486	14	422	8	377	8	375	0	350	0xd	355	0	387	8	413	2	331	4	*−20·4*	*+2·7*
Kohinoor ..	294	0	369	8	320	0	289	0	288	0	267	0	261	0	294	8	317	8	252	0	*−20·3*	*+1·9*
Swadeshi ..	245	8	304	8	262	0	249	8xd	257	8	236	0	236	12	257	0	264	0	225	0	*−15·6*	*+3·0*
Buckingham ..	135	0	160	0	159	0	130	12xd	127	0	122	8	116	0	121	0	130	12	112	0	*−24·4*	*−7·4*
Banks and Insurance :																						
India ..	178	0	157	0	170	0	161	8	154	0	155	0	157	0	153	8	162	8	150	0	*−2·2*	*−4·9*
Central ..	82	4	78	4	77	0	68	0xd	68	8	65	8	69	8	65	12	72	0	61	8	*−15·9*	*−3·3*
Imperial ..	1,840	0	1,915	0	1,860	0	1,720	0	1,730	0	1,697	8	1,792	8	1,847	8	1,875	0	1,690	0	*−3·5*	*+7·4*
Oriental ..	4,870	0	5,725	0	4,750	0	4,950	0	4,300	0	4,510	0	4,690	0	6,710	0	6,810	0	4,300	0	*−17·1*	*+35·5*
New India ..	63	8	50	4xd	50	0	44	8	41	0	41	0	43	0	42	4	45	0	40	0	*−15·9*	*−5·1*
Jute :																						
Anglo-India ..	231	1	388	0	314	0	265	0	264	0	271	0	232	0	225	0	288	0	214	0	*−42·0*	*−15·1*
Howrah ..	29	12xd	37	3xd	32	11	24	14	26	7	27	4	24	1	23	0	28	12	22	2	*−38·1*	*−7·6*
Coal :																						
Bengal ..	510	0	602	0	560	0	498	0	533	0	535	0	507	0	540	0	545	0	490	0	*−10·3*	*+8·4*
Burrakur ..	13	8	16	6	15	1xd	11	3	11	13	11	10	10	9xd	11	1	12	12	9	13	*−32·4*	*−1·2*
Tea :																						
Hasimara ..	42	9	44	8	37	4	32	8	32	0	20	12	19	4	26	8	33	0	19	8	*−40·4*	*−18·5*
Patrakola ..	201	12	238	8	181	0	130	0	104	0	97	0	97	0	104	0	121	0	70	0	*−56·4*	*−20·0*
Miscellaneous :																						
Carew Sugar ..	8	2	7	11	6	7	5	7	6	0	5	9	4	7	6	1	6	4	4	1	*−21·1*	*+11·4*
Belapur Sugar ..	223	0	264	8	277	0	224	0	210	8	204	0	209	0xd	235	8	242	8	195	0	*−10·9*	*+5·1*
Chembra Peak ..	5	5	5	0	4	6	4	4½	3	14	2	15	2	11	2	12	4	4	2	8	*−45·0*	*−35·8*
Cochin Malabar	5	5	10	6	9	15	6	10xd	6	2	6	2	6	5	6	4	6	10	5	9	*−38·9*	*−5·7*
Associated Cement Companies ..	154	0	171	4	177	4	165	8	170	0	174	12	178	8	170	12	182	8	160	0	*−0·3*	*+3·1*
Fertilisers and Chemicals, Travancore-Cochin	5	13	6	10	5	12	4	10	3	13	3	14	3	11	3	2¼	4	10	3	2½	*−52·3*	*−31·8*
Scindia Steam ..	11	9	16	14½	14	10	13	8	13	9½	13	15	14	10	13	14½	15	12	12	7	*−17·7*	*+3·0*

† Before the issue of bonus shares. xd = ex-dividend.

STATEMENT 38

Control of Capital Issues, 1952

(*Reference paragraph* 28)

(Rupees in Crores)

CLASSIFICATION	Immediate Schemes				Long-Range Schemes				Immediate and Long-Range Schemes Combined			
	Applications*		Consents		Applications*		Consents		Applications*		Consents	
	No. of Companies	Amount	No. of Companies	Amount	No. of Companies	Amount	No. of Companies	Amount	No. of Companies	Amount	No. of Companies	Amount
I. Industrial	122	88·98	99	31·83 *(35·77)*	3	0·86	3	0·86 *(100·00)*	125	89·84	102	32·69 *(36·39)*
II. Agricultural	17	1·06	15	0·98 *(92·45)*					17	1·06	15	0·98 *(92·45)*
III. Financial	128	5·96	88	2·30 *(38·59)*					128	5·96	88	2·30 *(38·59)*
IV. Trade and Transport	39	3·97	34	2·41 *(60·71)*					39	3·97	34	2·41 *(60·71)*
V. Miscellaneous	17	51·50	15	1·40 *(2·72)*					17	51·50	15	1·40 *(2·72)*
VI. Total Non-Industrial	201	62·49	152	7·10 *(11·36)*					201	62·49	152	7·10 *(11·36)*
Total for 1952†	**323**	**151·47**	**251**	**38·93** *(25·70)*	**3**	**0·86**	**3**	**0·86** *(100·0)*	**326**	**152·33**	**254**	**39·79** *(26·12)*
Total for 1951†	**395**	**57·19**	**328**	**48·43** *(84·67)*	**15**	**11·13**	**15**	**11·13** *(100·00)*	**410**	**68·32**	**343**	**59·56** *(87·18)*
Total for 1950†	**295**	**69·78**	**238**	**59·80** *(85·69)*	**25**	**15·15**	**25**	**14·95** *(98·68)*	**320**	**84·93**	**263**	**74·75** *(87·91)*
Grand Total† from May 17, 1943 to December 31, 1952**	**7,756**	**1,086·82**	**6,059**	**679·97** *(62·57)*	**858**	**475·76**	**771**	**444·23** *(93·37)*	**8,614**	**1,562·58**	**6,830**	**1,124·19** *(71·94)*

Note.—Figures in brackets represent consents as percentages of the total amounts applied for.

* Figures relate only to applications disposed of during the period and not to applications actually received during the period.

** Figures relate to undivided India upto August 15, 1947. † Industrial and Non-Industrial.

STATEMENT 39

Assets and Liabilities of the Industrial Finance Corporation of India

(Reference paragraph 29)

(Lakhs of Rupees)

Liabilities

	1949	1950	1951	1952	1953
1. Capital Authorised (10,00·00)					
Issued and Paid-up	4,95·35	5,00·00	5,00·00	5,00·00	5,00·00
2. Reserve Fund	..	0·50	1·00	2·00	3·00
3. Bonds and Debentures	—	5,30·00	5,30·00	5,80·50	5,80·50
4. Fixed Deposits	..	..	..	..	..
5. Contingent Liabilities under Guarantees and Underwriting Agreements per contra	—	..	..	..	..
6. Other Liabilities	4·38	34·76	36·79	40·44	60·52
Total	**4,99·73**	**10,65·26**	**10,67·79**	**11,22·94**	**11,44·02**

Assets

	1949	1950	1951	1952	1953
1. Cash in hand and with Bankers	94·26	26·11	47·28	55·08	25·60
2. Investments in Government Securities	3,58·41	6,95·83	4,58·33	3,58·27	2,00·38
3. Loans and Advances	29·90	3,15·06	5,20·79	6,55·42	8,61·67
4. Debentures			..	..	..
5. Guarantees and Underwriting Agreements per contra	..	..	..		..
6. Other Assets	17·16	28·26	41·39	54·17	56·37
Total	**4,99·73**	**10,65·26**	**10,67·79**	**11,22·94**	**11,44·02**

Note.—Figures are as at the end of March.

STATEMENT 40

PRICES* (WEEKLY) OF GOLD AND SILVER AND ESTIMATED STOCKS IN BOMBAY, 1952-53

(Reference paragraph 32)

1952-53 Friday			Gold: Spot (Per fine tola)	Gold: Forward† (Per fine tola)	Gold: Premium (+) or Discount (–) of spot over forward	Gold: Estimated Stocks	Silver: Spot (Per 100 tolas gross)	Silver: Forward† (Per 100 tolas gross)	Silver: Premium (+) or Discount (–) of spot over forward	Silver: Estimated Stocks
			Rs. a.	Rs. a.	Rs. a.	(Tolas)	Rs. a.	Rs. a.	Rs. a.	(In bars of 2,800 tolas)
April	4	..	90 0			40,000	158 0			2,100
..	11	..	90 0			40,000	160 4			1,500
..	18	..	90 10			35,000	162 8			1,400
..	25	..	91 14			30,000	165 2			1,100
May	2	..	93 0			30,000	171 0			1,100
..	9	..	93 7	90 11	+ 2 12	30,000	169 14	167 14	+ 2 0	1,100
..	16	..	91 14	89 6	+ 2 8	30,000	164 7	162 7	+ 2 0	1,100
..	23	..	89 4	86 10	+ 2 10	30,000	158 9	156 9	+ 2 0	1,000
..	30	..	90 12	88 14	+ 1 14	40,000	159 8	157 8	+ 2 0	1,000
				(87 10)	+ 3 2			(157 4)	2 4	
June	6	..	88 11	88 3	+ 0 8	50,000	157 4	155 4	+ 2 0	1,000
				(86 13)	+ 1 14			(154 2)	+ 3 2	
..	13	..	87 5	84 9	+ 2 12	25,000	153 3	151 11	+ 1 8	1,200
..	20	..	89 4	87 12	+ 1 8	30,000	155 13	154 5	+ 1 8	1,200
..	27	..	89 1	88 1	+ 1 0	27,000	157 15	156 15	+ 1 0	1,500
July	4‡	..	88 3	87 11	+ 0 8	25,000	156 2	155 6	+ 0 12	1,700
				(86 10)	+ 1 9			(155 12)	+ 0 6	
..	11	..	89 6	87 12	+ 1 10	35,000	157 13	157 1	+ 0 12	1,800
..	18	..	89 15½	89 9½	+ 0 6	40,000	163 7	162 11	+ 0 12	1,800
..	25	..	89 5½	88 14½	+ 0 7	35,000	160 3	159 7	+ 0 12	1,900
August	1	..	89 12	89 6	+ 0 6	30,000	161 11	160 15	+ 0 12	2,000
				(88 13)	+ 0 15			(160 15)	+ 0 12	
..	8	..	90 14	89 10	+ 1 4	25,000	161 7	160 8	+ 0 15	2,100
								(160 7)	+ 1 0	
..	15‡	..	91 ½	90 3½	+ 0 13	45,000	161 1	159 13	+ 1 4	2,200
..	22	..	92 8	92 6	+ 0 2	40,000	164 0	162 10	+ 1 6	2,100
..	29	..	91 12	91 9	+ 0 3	35,000	162 10	161 6	+ 1 4	2,300
				(91 4)	+ 0 8			(161 11)	+ 0 15	

September	5	..	91 9½	91 7½	— 0 2	30,000	164 12	163 8	+ 1 4
								(163 6½)	+ 1 5½	2,700
,,	12	..	90 14½	90 2½	+ 0 12	32,000	162 13	161 9	+ 1 4	2,600
,,	19	..	89 14½	89 8½	+ 0 6	30,000	162 5½	161 3½	+ 1 2	2,900
,,	26	..	89 5	88 11	+ 0 10	30,000	160 6	158 14	+ 1 2	3,000
October	3	..	90 3	90 1	+ 0 2	37,000	161 9	160 5	+ 1 4	3,100
				(89 3)	— 1 0			(159 14)	+ 1 11	
,,	10	..	88 3	87 11	— 0 8	50,000	158 3	156 13	+ 1 6	3,000
,,	17	..	86 6	86 4	+ 0 2	50,000	157 15	156 9	+ 1 6	3,200
,,	24	..	87 9	87 5	+ 0 4	45,000	159 6	158 0	+ 1 6	3,300
,,	31	..	84 4	84 4	—	32,000	156 11	155 5	+ 1 6	2,800
				(84 4½)	— 0 ½			(154 11)	+ 2 0	
November	7	..	82 15	82 8	+ 0 7	55,000	154 2	152 12	+ 1 6	2,800
,,	14	..	82 8	82 1	+ 0 7	55,000	155 9	154 5	— 1 4	2,800
,,	21	..	82 9½	82 4½	+ 0 5	45,000	154 1	153 1	— 1 0	3,200
,,	28	..	81 5	80 15	+ 0 6	35,000	149 9	148 9	+ 1 0	2,800
				(80 9)	+ 0 12			(147 0)	+ 2 9	
December	5	..	77 10	77 2	+ 0 8	40,000	143 7	142 5	+ 1 2	3,100
,,	12	..	79 0	78 12	+ 0 4	40,000	145 15	144 9	— 1 6	3,100
,,	19	..	79 12½	79 8½	— 0 4	50,000	150 15	149 9	+ 1 6	3,000
,,	26	..	80 5	79 15	— 0 6	26,000	149 8	148 4	— 1 4	3,000
				(79 13)	— 0 8			(147 15)	+ 1 9	
January	2	..	84 6	83 11	+ 0 11	28,000	153 6	152 8	+ 0 14	3,000
								(152 2)	+ 1 4	
,,	9	..	86 2	84 14	+ 1 4	30,000	155 3	153 13	+ 1 6	2,500
,,	16	..	87 9	86 3	+ 1 6	28,000	156 14	155 6	+ 1 8	2,200
,,	23	..	88 12	87 6	+ 1 6	25,000	155 14	154 6	+ 1 8	2,000
				(86 10)	+ 2 2			(154 5)	+ 1 9	
,,	30‡	..	88 7	87 11	+ 0 12	50,000	161 2	159 10	+ 1 8	2,100
				(87 0)	+ 1 7			(159 3)	+ 1 15	
February	6	..	89 5	88 15	+ 0 6	50,000	166 0	164 0	+ 2 0	2,100
,,	13	..	89 14	89 9	+ 0 5	50,000	166 2	164 10	+ 1 8	2,000
,,	20‡	..	91 1	90 11	+ 0 6	50,000	172 0	170 8	+ 1 8	1,600
,,	27‡	..	90 2	89 14	+ 0 4	45,000	168 12	168 0	+ 0 12	1,400
				(89 11)	+ 0 7			(168 4)	+ 0 8	
March	6	..	89 6	88 13	+ 0 9	40,000	168 2	167 2	+ 1 0	1,700
,,	13	..	87 6½	87 2½	+ 0 4	60,000	165 14	164 14	+ 1 0	1,800
,,	20	..	85 0	85 0	—	60,000	162 2	161 2	+ 1 0	1,800
,,	27	..	86 3	86 1	+ 0 2	50,000	158 8	157 8	+ 1 0	1,800
				(85 14)	+ 0 5			(157 11)	+ 0 13	

* Closing quotations. † Monthly settlements; market for forward business officially closed from March 4 to May 6, 1952. When two settlements run during one week, the quotation for the new settlement is shown in brackets. ‡ Market closed; preceding working day's quotations given.

STATEMENT 41

Prices of Bar Gold and Sovereigns in Bombay and Import Duty

(*Reference paragraph* 32)

	Gold (per fine tola)						Sovereigns			Average estimated stocks of gold in Bombay (d)	Import Duty per tola
	SPOT			FORWARD (a)			SPOT				
	Highest	Lowest	Average (b)	Highest	Lowest	Average (b)	Highest (c)	Lowest (c)	Average (b)		
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	(Tolas)	Rs. a. p.
1938-39	37 10 6	34 12 3	35 10 3	37 10 6	34 12 0	36 4 3					
1945-46	97 12 0	63 6 0	80 3 0	89 14 0	62 6 0	77 6 9	68 8 0	44 0 0	55 13 5	1,09,808	*25 0 0 (e)*
1946-47	111 0 0	84 4 0	101 1 2	107 4 0	83 0 0	96 14 0	71 8 0	61 8 0	67 3 11	22,817	*25 0 0* *12 8 0 (f)*
1947-48	117 12 0	95 14 0	108 0 4	107 8 0	102 2 0	103 6 9	74 14 0	64 0 0	70 9 9	69,615	*12 8 0*
1948-49	121 0 0	103 0 0	114 9 10	118 8 0	109 14 0	113 14 1	79 8 0	69 4 0	75 0 1	39,808	*12 8 0*
1949-50	119 10 0	107 2 0	114 14 11	118 14 0	106 6 0	113 8 4	79 0 0	71 11 0	75 2 5	43,660	*12 8 0*
1950-51	120 2 0	104 12 0	113 7 4	118 11 0	104 8 0	113 3 5	78 4 0	73 13 0	76 0 9	77,308	*12 8 0* *13 2 0 (e)**
1951-52	118 10 0	79 8 0	109 1 1	118 7 0	95 0 0	110 14 10	80 0 0	61 6 0	76 2 7	69,173	*13 2 0**
1952-53	95 14 0	77 5 0	88 0 1	93 6 0	76 14 0	86 12 7	66 4 0	55 0 0	61 4 6	38,327	*13 2 0**
April 1952 ..	95 14 0 (29)	86 4 0 (2)	91 1 3				66 4 0 (29)	64 4 0 (1 & 2)	65 3 0	30,250	
May ,, ..	95 0 0 (5)	89 4 0 (22,23,27-29)	91 14 11	92 14 0 (7)	86 4 0 (29)	88 13 8	65 14 0 (5)	63 10 0 (24)	64 13 5	32,000	
June ,, ..	90 10 0 (2)	85 1 0 (11)	88 1 6	89 10 0 (2)	82 12 0 (12)	86 15 0	64 4 0 (2)	61 4 0 (12)	62 11 0	33,000	
July ,, ..	92 2 0 (15)	88 3 0 (3)	89 12 1	91 10 0 (15)	86 10 0 (3)	88 11 1	63 0 0 (15)	62 0 0 (2,5-9)	62 5 3	33,750	
August ,, ..	93 12 0 (20)	88 14 0 (4)	91 3 4	93 6 0 (20)	87 11 0 (4)	90 8 0	63 0 0 (19, 22, 30)	62 2 0 (1 & 2)	62 9 10	35,000	
September	92 10 6 (2)	88 13 0 (17)	90 9 4	92 9 6 (2)	88 6 0 (26)	90 3 8	62 8 0 (4)	61 8 0 (16,20-23)	61 12 7	30,500	
October ,, ..	90 6 0 (3)	83 13 0 (31)	87 8 7	90 4 0 (3)	83 13 0 (31)	87 2 9	62 4 0 (6,16,20)	61 10 0 (13,31)	61 14 11	42,800	
November	84 8 0 (3)	80 10 0 (29)	82 9 10	84 4 0 (3)	79 15 0 (27)	82 0 0	61 0 0 (3)	58 12 0 (28 & 29)	60 0 8	47,500	
December ,, ..	84 14 0 (30)	77 5 0 (6)	80 6 7	84 13 0 (31)	76 14 0 (6)	80 5 0	59 0 0 (30)	56 0 0 (5)	57 8 4	39,000	
January 1953 ..	90 4 0 (20)	83 4 0 (2)	87 3 2	88 8 0 (20)	82 9 0 (2)	86 3 3	60 12 0 (13 & 29)	58 8 0 (2,7 & 8)	59 14 8	31,800	
February ,, ..	91 5 0 (10)	87 10 0 (3)	89 13 3	90 15 0 (10)	86 12 0 (3)	89 8 5	60 8 0 (2)	58 8 0 (25 & 26)	59 6 6	48,750	
March ,, ..	89 14 0 (2)	83 6 0 (24)	86 13 8	89 10 0 (2)	83 7 0 (24)	86 9 6	58 6 0 (2-4 & 6)	55 0 0 (19)	56 12 4	52,500	

The United States Treasury's price of gold : $35 per fine ounce from February 1, 1934.
The United Kingdom Treasury's buying price of gold: £ 8-12-3 per fine ounce from June 9, 1945 and £ 12-8-0 from September 19, 1949.

(*a*) Monthly settlements: market for forward business officially closed from March 4 to May 6, 1952. In arriving at the highest, lowest and average prices, all settlement rates have been taken into account. (*b*) Average of closing quotations on working days. (*c*) Figures relate to closing prices on working days. (*d*) Average of week-end stocks. (*e*) Effective from March. (*f*) Effective from August 12. * Including a surcharge of 5 per cent.

Note.—Figures within brackets refer to dates of quotations.

STATEMENT 42

PRICES OF SILVER IN BOMBAY AND IMPORT DUTY

(Reference paragraph 33)

	Market Price (Per 100 tolas gross): Spot: Highest	Spot: Lowest	Spot: Average(c)	Forward (a): Highest	Forward (a): Lowest	Forward (a): Average(c)	Average Estimated Stocks in Bombay(b) (in bars of 2,800 tolas)	*Import Duty per 100 tolas*
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1938-39	53 1 6	48 2 0	51 11 3	52 15 6	48 2 0	50 14 8		*7 0 6*
1945-46	159 6 0	118 0 0	135 1 11	157 14 0	117 0 0	133 15 4	3,817	*8 7 0(d)* *18 12 0(e)*
1946-47	195 0 0	127 0 0(g)	162 4 10	179 10 0	122 4 0	153 10 4	2,429	*18 12 0* *9 6 0(f)*
1947-48	183 13 0(g)	142 8 0	166 12 6	173 4 0	156 0 0	158 8 11	6,821	*9 6 0*
1948-49	190 8 0	166 8 0	177 9 0	180 10 0	165 14 0	173 13 2	5,446	*9 6 0*
1949-50	192 12 0	158 14 0	174 11 10	192 12 0	153 12 0	175 14 2	3,466	*9 6 0*
1950-51	198 12 0	173 14 0	185 14 3	197 4 0	173 7 0	184 11 10	3,727	*9 6 0* *9 13 6(e)**
1951-52	207 4 0	142 0 0	188 4 3	207 0 0	176 4 0	192 4 2	4,456	*9 13 6**
1952-53	174 12 0	141 12 0	159 8 4	171 14 0	140 10 0	157 6 6	2,127	*9 13 6**
April 1952 ..	172 8 0 (29)	152 0 0 (2)	162 10 11				1,525	
May ,, ..	174 12 0 (5 & 6)	157 11 0 (29)	165 3 5	171 14 0 (7)	155 5 0 (29)	160 9 6	1,060	
June ,, ..	161 10 0 (2)	150 6 0 (12)	156 0 0	159 13 0 (30)	148 2 0 (11)	154 7 2	1,225	
July ,, ...	165 4 0 (15)	155 6 0 (9)	160 4 3	164 8 0 (15)	154 4 0 (9)	159 0 3	1,800	
August ,, ..	165 14 0 (20)	158 1 0 (4)	161 14 8	164 8 0 (20)	157 5 0 (4)	160 11 11	2,140	
September ,, ...	165 10 0 (4)	159 3 0 (27)	162 4 11	164 6 0 (4)	158 1 0 (27)	161 5 6	2,800	
October ,, ..	162 6 0 (3)	155 10 0 (31)	158 12 4	161 2 0 (3)	154 2 0 (31)	157 6 5	3,080	
November ,, ...	157 5 0 (3)	147 10 0 (29)	153 9 9	155 7 0 (3)	145 9 0 (29)	151 9 3	2,900	
December ,, ..	154 3 0 (31)	141 12 0 (6)	148 14 2	152 15 0 (31)	140 10 0 (6)	148 0 7	3,050	
January 1953 ..	162 2 0 (29)	152 2 0 (2)	156 7 9	160 13 0 (31)	150 14 0 (2)	155 6 5	2,360	
February ,, ..	172 4 0 (19)	160 12 0 (2)	167 7 9	170 12 0 (19)	159 12 0 (3)	166 2 8	1,775	
March	169 7 0 (9)	156 12 0 (24)	163 10 4	168 13 0 (2)	155 12 0 (24)	162 0 5	1,775	

(a) Monthly settlements ; market for forward business officially closed from March 4 to May 6, 1952. In arriving at the highest, lowest and average prices, all settlement rates have been taken into account. (b) Average of week-end stocks. (c) Average of closing quotations on working days. (d) Including a surcharge of 20 per cent. (e) Effective from March. (f) Effective from August 12. (g) Unofficial. *Including a surcharge of 5 per cent.

Note.—Figures within brackets refer to dates of quotations.

STATEMENT 43

Assaying and Refining of Gold and Silver

At the Bombay, Calcutta and Alipore Mints

(*Reference paragraph* 34)

(Thousands of Tolas)

	Melting and Assaying			Refining* Bombay
	Bombay	Calcutta	**Total**	
		GOLD		
1938-39	64,78	8,27	**73,05**	9,54
1945-46	7,57	31	**7,89**	15,32
1946-47	1,40	28	**1,68**	20,01
1947-48	1,91	73	**2,65**	29,36
1948-49	34	73	**1,06**	27,35
1949-50	25	1,02	**1,27**	19,91
1950-51	14	2,45	**2,59**	18,64
1951-52	20	40†	**60**	27,43
1952-53	2	26‡	**28**	24,11
		SILVER		
1938-39	76	1,07	**1,83**	51,58
1945-46	4,52	11,38	**15,89**	5,11,31
1946-47	14,76	12,54	**27,30**	7,23,06
1947-48	9,11	39,91	**49,01**	5,49,82
1948-49	28	3,41	**3,69**	1,89,94
1949-50	30	20,55	**20,86**	8,74,33
1950-51	1,27	96,29	**97,56**	16,50
1951-52	1,21	62,98†	**64,19**	44,46
1952-53	40	62,15‡	**62,55**	28,92

* The Calcutta and Alipore Mints did not undertake any refining work.

† Includes figures in respect of the Alipore Mint.

‡ Figures relate to the Alipore Mint.

STATEMENT 44

Quantity and Value of Imports and Exports of Gold and Silver (Private and Government)

(Reference paragraph 35)

		IMPORTS		EXPORTS		NET IMPORTS (+) OR EXPORTS (—)	
		Quantity in thousands of ounces	Value in lakhs of rupees	Quantity in thousands of ounces	Value in lakhs of rupees	Quantity in thousands of ounces	Value in lakhs of rupees
				GOLD			
1938-39(*a*)	..	78	73	14.35	13,80	— 23.88(*b*)	— 23,26(*b*)
1945-46(*c*)	..	11	22	21	50	— 10	— 28
1946-47	..	3,89	9.46	1,03	1,52	+ 2,86	+ 7,94
1947-48	..	3,50	9.82	1	2	+ 3.50	+ 9.80
1948-49	..	1	3	..	1	+ 1	+ 2
1949-50	..	1	2	..	..	+ 1	+ 2
1950-51	..	7	21	1	4	+ 6	+ 17
1951-52	..	49	1,16		1	+ 40	+ 1,15
1952-53	..	1	2	..	..	+ 1	2
				SILVER(*d*)			
1938-39(*a*)	..	1,14,41	1,49	74,04	91	+ 40,37	+ 58
1945-46	..	5,62,82	8,07	5,46	16	+ 5,57,36	+ 791
1946-47	..	7,05,57	24,59	51	2	+ 7,05,06	+ 24,57
1947-48	..	2,62,05	11,60	2	..	+ 2,62,03	+ 11,60
1948-49	..	18,20	84	..	—	+ 18,20	+ 84
1949-50	..	1,49	6	78	4	+ 71	+ 2
1950-51	..	66	3	..	..	+ 66	+ 3
1951-52	..	1,67	9	..	—	+ 1,66	+ 9
1952-53	..	1,28	5	..	..	+ 1,28	+ 5

Note.—Figures upto the end of February 1948 are on a pre-partition basis (*i.e.* for undivided India), but those relating to the ports of Karachi and Chittagong have been excluded from August 1 and 15, 1947, respectively. Since March 1948, the data have been worked out on a post-partition basis (*i.e.* the figures include Indian Union's trade with Pakistan). Foreign trade of Kutch has been included from June 1948 and of Travancore, Saurashtra and Okha from April 1949. Foreign air-borne trade of Delhi air-ports has been included from April 1950.

(*a*) Figures relate to India and Burma. (*b*) Including 1,030,420 ounces of gold valued at Rs. 10,19 lakhs earmarked on account of purchasers abroad. (*c*) Figures for 1945-46 do not include the sale of 0·9 million ounces made in India on behalf of the Allied Governments during that year. (*d*) Government of India rupees are shown at face value.

UNION GOVERNMENT	1938-39	1945-46	1946-47	1947-48§ Revised
I.—REVENUE ACCOUNT				
A.—(1) Revenue	**84·47**	**361·18**	**342·89**	**178·77**
(2) Tax Revenue	73·90	282·14	274·46	162·05
(3) (2) as percentage of (1)	*87·5*	*78·1*	*80·0*	*90·7*
(4) Non-Tax Revenue	10·57	79·05	68·43	16·72
B. (1) Expenditure	**85·11**	**484·61**	**343·49**	**185·29**
(2) Defence (Net)	46·18	360·23	207·37	86·63
(3) *(2) as percentage of (1)*	*54·3*	*74·3*	*60·4*	*46·8*
(4) Civil Expenditure	38·93	124·38	136·12	98·66
C.—Surplus (+) or Deficit (—)	**— 0·64**	**123·43**	**0·60**	**6·52**
II.—CAPITAL ACCOUNT				
A. Receipts				
Permanent Debt (Net)		275·94	38·06	..
Other Debt (Net)	17·83	169·81	125·84	--
Repayment of Loans and Advances granted by Central Government (Net)	2·53	16·82		
B. Disbursements				
Recoverable War Expenditure	—	374·54	51·62	..
Capital Outlay outside the Revenue Account	9·07	57·46	208·74	56·89
Redemption of Permanent Debt (Net)	3·24			18·62
Repayment of other Debt (Net)				37·51
Loans and Advances by Central Government (Net) ..			12·15	20·39
C. Surplus (+) or Deficit (—)	**8·05**	**405·11**	**56·99**	**133·41**
III. MISCELLANEOUS* (Net)	5·58	18·43	— 53·99	29·25
IV. OVERALL SURPLUS (+) OR DEFICIT (—)	**1·83**	**263·25**	**111·58**	**110·68**
V. CASH BALANCE				
Opening	11·31	266·28	529·53	270·30
Closing	13·14	529·53	417·95	159·62
VI.—UNION GOVERNMENT DEBT AT THE END OF THE YEAR†				
(1) Sterling Debt‡	164·94	33·84	32·84	26·42
(2) Rupee Loans	437·87	1,492·22	1,529·75	1,517·09
(3) Small Savings**	141·45	221·52	273·20	233·10
(4) Treasury Bills, Ways and Means Advances and TDRs.	46·30	83·33	79·20	86·84
(5) Total Interest-Bearing Obligations (including unfunded debt and deposits)	1,205·76	2,282·38	2,359·36	2,162·34

Note.—Figures upto and including 1946-47 relate to undivided India ; later figures relate to the Indian Union.

§ From August 15, 1947 to March 31, 1948. * Including Miscellaneous Deposits and Advances, Remittances and others. † From 1947-48, accounts figure are not available. Items (1) and (5) : Capital portion of Railway Annuities is excluded from 1942-43. ‡ Excludes Unfunded Debt. ** Including since 1944-45 (1) Post Office Cash Certificates, (2) Savings Bank Deposits, (3) Defence Savings Certificates, (4) Defence Savings Bank Deposits, (5) National Savings Certificates and since 1950-51 Ten-year Treasury Savings Deposit Certificates.

MENT 45

EXPENDITURE AND DEBT

paragraphs 36,41 & 43)

(Crores of Rupees)

Item	1948-49†	1949-50†	1950-51†	1951-52†	1952-53 Budget	1952-53 Revised	1953-54 Budget§
	371·70	**350·39**	**410·66**	**515·36**	**404·98**	**418·64**	**437·76**
							(+1·50)‡
	319·94	311·54	357·60	459·99	357·24	372·29	370·44
							(−0·40)‡
	86·1	*88·9*	*86·9*	*89·3*	*88·2*	*88·9*	*84·6*
	51·76	38·85	53·66	55·37	47·74§§	46·35	67·32§§
							(+1·90)‡
	320·86	**317·12**	**351·44**	**387·27**	**401·25**	**422·43**	**438·81**
	146·05	148·86	164·13	170·96	197·95	192·73	199·84
	45·5	*46·9*	*46·7*	*44·1*	*49·3*	*45·6*	*45·5*
	174·81	168·26	187·31	216·31	203·30	229·70	238·97
	+ 50·84	**+ 33·27**	**+ 59·22**	**+128·09**	**+ 3·73**	**− 3·79**	**+ 0·45‡‡**
	—	—	—	23·36	32·76	29·60	—
	317·71	124·14	59·09	30·58	43·75	50·52	161·23
	—	—	—	—	—	—	—
	—	—	—	—	—	—	—
	408·99	120·30	55·73	118·12¶	78·42¶	75·83¶	76·64
	47·54	28·32	7·76	—	—	—	18·83
	—	—	—	—	—	—	—
	28·66	55·57	57·63	60·16	77·85	82·78	96·33
	−167·48	**− 80·05**	**− 62·04**	**−124·39**	**− 79·76**	**− 78·49**	**− 30·57**
	+ 34·97	+ 2·98	+ 15·25	− 2·79	+ 0·43	− 0·57	+ 1·97
	− 81·67	**− 43·80**	**+ 12·44**	**+ 0·91**	**− 75·60**	**− 82·85**	**− 28·15**
	273·90	193·28	149·50	161·78	158·68	162·69	79·84
	192·23	149·48	161·94	162·69	83·08	79·84	51·69
	24·01	23·35	21·97	21·86	21·81	21·82	21·77
	1,478·39	1,452·15	1,438·46	1,402·10	1,427·10	1,405·58	1,389·58
	271·73	293·80	331·56	372·57	417·14	417·64	462·57
	373·33	361·48	373·20	335·01	330·01	319·19	429·04
	2,440·27	2,499·64	2,550·54	2,611·16	2,670·16	2,640·26	2,772·04

† Accounts of the Central Government not finalised.
§ As presented to Parliament.
§§ Including credit taken in the budget for the recovery from Pakistan of Rs. 9 crores in 1952-53 (Budget) and Rs. 18 crores in 1953-54 (Budget).
¶ Including Rs. 46·97 crores in 1951-52, Rs. 10 crores in 1952-53 (Budget) and Rs. 26·57 crores in 1952-53 (Revised) of the sale proceeds of the U. S. Loan wheat transferred to the Special Development Fund.
‡ Effect of budget proposals. ‡‡ Taking into account the effect of budget proposals.

STATEMENT 46

IMPORTANT HEADS OF REVENUE AND EXPENDITURE OF THE GOVERNMENT OF INDIA

(*Reference paragraph* 42)

(Crores of Rupees)

	1938-39	1948-49‡	1949-50‡	1950-51‡	1951-52‡	1952-53 Budget	1952-53 Revised	1953-54 Budget
I. Revenue								
Customs	40·51	126·16	124·71	157·15	231·69	165·00	177·00	170·00
Union Excise Duties ..	8·66	50·63	67·85	67·54	85·78	86·00	80·00	94·00
Corporation Tax ..	2·04	62·26	39·53	40·49	41·41	30·53	39·83	36·62
(Excess Profits Tax)		(14·38)	(3·98)	(3·81)	(1·03)	(1·00)	(0·72)	(0·85)
Taxes on Income other than Corporation Tax‡‡ ..	15·24	119·50	121·59	132·73	146·19	124·47	130·17	123·38
(Excess Profits Tax)	(—)	(8·11)	(3·46)	(2·49)	(2·44)	(3·00)	(1·81)	(1·40) (−0·82)*
Currency and Mint	0·58	12·63	11·22	12·27	11·30	10·39	10·77	15·69
(Profits of the Reserve Bank)	(0·20)	(..)	(..)	(..)	(..)	(7·50)	(7·50)	(12·50)
Net Contribution to General Revenues :								
Railways	1·37	7·34	7·00	6·50	6·93	7·65	7·68	7·65
Posts and Telegraphs	0·19	2·36	2·38	3·98	3·43	1·16	1·40	0·40 (+1·90)*
Total Tax Revenue Collected by the Union Government‡‡	75·40	361·73	357·28	404·52	512·85	408·08	429·11	425·34†
Percentage of taxes on Income †† to total Tax Revenue ..	*22·9*	*50·2*	*45·1*	*42·8*	*36·6*	*38·0*	*39·6*	*37·6*
Total Revenue ..	**84·47**	**371·70**	**350·39**	**410·66**	**515·36**	**404·98¶**	**418·64**	**437·76¶** (−1·50)*
II. Expenditure								
Direct Demands on Revenue	4·24	8·62	13·90	12·50	16·23	15·76	31·05	32·49
Irrigation	0·10	0·06	0·08	0·22	0·17	0·18	0·17	0·19
Debt Services**	14·12	42·53	39·43	37·36	39·00	36·16	35·03	37·17
Civil Administration ..	10·90	35·56	39·30	48·80	53·67	55·98	56·23	71·27
Currency and Mint	0·36	2·13	2·08	2·55	2·51	3·20	3·05	2·57
Civil Works, etc.	2·52	6·61	6·53	10·38	11·36	14·95	14·82	15·06
Miscellaneous	3·63	56·89	52·44	52·88	65·14	40·93	53·11	29·37
Defence Services (Net) ..	46·18	146·05	148·86	164·13	170·90	197·95	192·73	199·84
Contributions and Miscellaneous Adjustments between Union and State Governments§	3·06	2·96	2·96	15·59	17·31	20·28	23·04	26·37
Extraordinary Items ..	0·01	19·45	11·54	7·03	10·91	15·86	13·21	24·48§§
Total Expenditure met from Revenue ..	**85·11**	**320·86**	**317·12**	**351·44**	**387·27**	**401·25**	**422·43**	**438·81**
Surplus (+) or Deficit (−) ..	*−0·64*	*+50·84*	*+33·27*	*+59·22*	*+128·09*	*+3·73*	*−3·79*	*+0·45†*

Note.—Figures for 1938-39 relate to undivided India.

‡ Accounts are provisional. * Effect of budget proposals. † Taking into account the effect of budget proposals. ‡‡ Including States' share of Rs. 52·86 crores in 1951-52 ; Rs. 50·84 crores in 1952-53 (budget) ; Rs. 56·82 crores in 1952-53 (revised) and Rs. 54·90 crores (− Rs. 42 lakhs being the effect of budget proposals on States' share) in 1953-54 (budget). †† Including Corporation Tax. ¶ Including credit taken in the budget for the recovery from Pakistan of Rs. 9 crores in 1952-53 (budget) and Rs. 18 crores in 1953-54 (budget). ** Including appropriation for reduction or avoidance of debt. § Including grants-in-aid to States. §§ Including provision for grants to States for (*i*) G.M.F. schemes, (*ii*) relief in natural calamities, (*iii*) Community Development schemes, (*iv*) Industrial housing schemes and (*v*) Grants to B States for development schemes.

STATEMENT 47

CAPITAL BUDGET OF THE GOVERNMENT OF INDIA

(Reference paragraph 44)

(Crores of Rupees)

	1950-51†	1951-52†	1952-53 Budget	1952-53 Revised	1953-54 Budget
I. Receipts					
New Loans	38·09	111·30	39·06	35·79	100·79
Treasury Bills*	16·10	-43·69	—	4·69	110·00
Treasury Deposit Receipts*	-7·13	11·47	-5·00	-18·03	0·15
Treasury Savings Deposit Certificates*	5·47	13·10	15·00	8·00	9·00
Small Savings*	28·05	25·38	29·57	35·98	35·93
Other Unfunded Debt*	8·30	10·16	6·77	10·37	10·74
Railway Funds*	17·55	20·04	0·72	-11·78	-10·09
Other Reserve Funds*	0·16	0·26	-0·15	0·45	-0·71
Appropriation for Reduction or Avoidance of Debt* ..	5·00	5·00	5·00	5·00	5·00
E. P. T. and Income-Tax Deposits*	-33·21	-39·27	-26·62	32·94	-10·92
Repayment of Loans by States	8·08	12·22	11·06	16·55	17·57
Special Development Fund††	—	51·02	18·83	40·22	29·72
Contingency Fund	15·00		—	—	—
Other Items	19·09	-7·95	31·19	36·61	20·63
Total Receipts	**120·55**	**169·04**	**125·43**	**130·01**	**317·51**
II. Disbursements					
Capital Outlays :					
Railways	25·41	23·21	15·36	14·12	18·97
Civil Works	7·72	10·15	16·79	15·93	17·81
Defence Capital Outlay	4·19	10·17	17·00	8·71	15·00
Posts and Telegraphs	7·07	4·96	4·85	5·39	7·60
Industrial Development	8·90	8·34	10·10	1·95	6·75
Multi-purpose River Schemes	2·50	3·77	3·07	4·15	3·80
Schemes of Government Trading	-2·26	12·63	0·94	-0·20	3·52
Civil Aviation	1·82	1·51	1·92	1·77	2·32
Ports	0·70	0·90	2·58	2·13	3·25
Sterling Pensions	-7·37	-7·31	-7·26	-7·26	-7·16
Special Development Fund‡	—	46·97	10·00	26·57	—
Other Heads	22·35	2·88	3·63	2·60	4·78
Total Capital Outlay	**71·03**	**118·18**	**78·98**	**75·86**	**76·64**
Discharge of Permanent Debt	45·85	87·94	6·30	6·19	119·62
Advances to States	61·46	60·77	72·84	90·00	93·75
Advances to States from Special Development Fund ..	—	14·94	31·00	27·12	37·45
Other Loans and Advances*	4·25	11·60	16·07	9·33	20·62
Total Disbursements ..	**182·59**	**293·43**	**205·19**	**208·50**	**348·08**
Deficit on Capital Account	*62·04*	*124·39*	*79·76*	*78·49*	*30·57*

† Accounts are provisional. * Figures are net. †† Receipts in the Special Development Fund on account of sale proceeds of (*i*) the U. S. (Loan) Wheat and (*ii*) wheat received under the Colombo Plan and assistance under (*i*) the Colombo Plan and (*ii*) Indo-U.S. Technical Co-operation Agreement. ‡ Transfer of the sale proceeds of the U.S. (Loan) Wheat.

STATEMENT 48

Budgetary Position of Part A States

(On Revenue Account)

(Reference paragraphs 36 & 45)

(Lakhs of Rupees)

States	REVENUE: In-come-Tax	Land Reve-nue	Sales Tax	Excise	Stamps	Other Tax Reve-nue	**Total Tax Reve-nue**	**Non-Tax Reve-nue***	**Total Reve-nue**	EXPENDITURE: Direct Demands on Revenue	Debt Ser-vices‡	Civil Admi-nistra-tion¶	Civil Works	Develop-mental Expen-diture other than civil works§	**Total Ex-pen-di-ture**	**Surplus (+) or Deficit (−)**
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Assam																
1950-51 (Accounts)	2,21	1,90	54	93	24	67	**6,49**	**3,43**	**9,92**	81	10	1,86	1,35	3,03	**9,28**	**+ 64**
1951-52 (Accounts)	2,48	1,81	76	1,21	29	76	**7,31**	**3,98**	**11,29**	97	9	2,32	2,04	3,58	**10,93**	**+ 36**
1952-53 (Revised)	2,35	1,72	81	1,48	27	72	**7,35**	**5,37**	**12,72**	1,03	8	2,06	3,49	4,08	**12,68**	**+ 4**
1953-54 (Budget)	1,90	1,66	71	1,58	28	72	**6,85**	**6,16**	**13,01**	1,21	12	2,24	3,85	5,44	**14,97**	**− 1,96**
Bihar																
1950-51 (Accounts)	6,61	1,59	4,40	5,26	2,48	1,30	**21,64**	**7,33**	**28,97**	1,64	5	8,09	4,07	974	**26,05**	**+ 2,92**
1951-52 (Accounts)	7,10	1,45	4,09	5,19	2,24	1,42	**21,49**	**12,81**	**34,30**	1,76	− 9	8,94	6,50	12,84	**32,82**	**+ 1,48**
1952-53 (Revised)	6,36	3,50	3,21	6,53	1,97	1,56	**23,13**	**12,64**	**35,77**	2,83	23	8,15	5,30	12,42	**31,36**	**+ 4,41**
1953-54 (Budget)	6,08	3,31	2,70	6,55	2,07	1,73	**22,44**	**10,56**	**33,00**	3,37	27	8,20	5,74	13,29	**33,34**	**− 34**
Bombay																
1950-51 (Accounts)	9,95	6,31	14,58	1,07	4,10	9,83	**45,84**	**18,47**	**64,31**	5,59	1,57	20,48	4,43	25,83	**64,37**	**− 6**
1951-52 (Accounts)	10,99	6,14	11,88	92	4,14	10,48	**44,55**	**18,15**	**62,70**	5,43	1,88	20,07	3,00	25,78	**62,58**	**− 12**
1952-53 (Revised)	10,67	6,26	10,60	2,79	4,12	10,87	**45,31**	**19,03**	**64,34**	6,59	2,09	20,25	4,12	28,60	**68,24**	**− 3,90**
1953-54 (Budget)	10,31	6,67	14,00	2,95	4,20	11,07	**49,20**	**18,64**	**67,84**	7,11	2,38	19,67	5,25	27,53	**67,76**	**+ 8**
Madhya Pradesh																
1950-51 (Accounts)	2,84	3,75	2,35	2,31	1,00	1,27	**13,52**	**6,13**	**19,65**	2,00	35	4,87	2,32	5,22	**16,74**	**+ 2,91**
1951-52 (Accounts)	3,14	4,39	2,32	2,56	1,07	1,47	**14,95**	**8,65**	**23,60**	2,47	41	5,08	2,44	6,00	**18,22**	**+ 5,38**
1952-53 (Revised)	3,19	5,04	2,25	3,39	1,03	1,49	**16,39**	**7,51**	**23,90**	2,64	87	5,13	3,11	7,41	**21,20**	**+ 2,70**
1953-54 (Budget)	3,08	5,44	2,12	3,39	1,03	1,51	**16,57**	**8,49**	**25,06**	2,99	79	5,92	3,31	9,22	**24,53**	**− 53**
Madras																
1950-51 (Accounts)	8,29	6,94	15,87	55	4,88	7,65	**44,18**	**13,98**	**58,16**	5,24	−66	16,40	8,28	26,00	**59,45**	**− 1,29**
1951-52 (Accounts)	9,15	6,57	15,59	41	4,54	8,63	**44,89**	**14,54**	**59,43**	5,94	−86	17,93	7,63	29,34	**64,44**	**− 5,01**
1952-53 (Revised)	9,26	7,39	14,00	3,27	4,98	9,20	**48,10**	**15,26**	**63,36**	5,95	−53	17,17	8,90	33,51	**68,75**	**− 5,39**
1953-54 (Budget)	8,95	7,36	14,00	3,32	5,48	10,08	**49,19**	**16,56**	**65,75**	6,14	−88	17,03	6,02	33,49	**65,75**	—

Orissa																	
1950-51 (Accounts)	1,52	1,03	80	2,13	65	37	**6,50**	**3,81**	**10,31**	87	2	2,95	2,50	5,02	**12,01**	**— 1,70**	
1951-52 (Accounts)	1,70	1,03	1,11	2,00	69	44	**6,97**	**4,99**	**11,96**	85	34	3,03	1,74	4,33	**10,86**	**+ 1,10**	
1952-53 (Revised)	2,22	1,14	1,00	2,56	76	46	**8,14**	**5,46**	**13,60**	1,09	23	3,19	1,89	5,22	**12,40**	**+ 1,20**	
1953-54 (Budget)	2,15	1,19	1,00	2,32	78	46	**7,90**	**5,67**	**13,57**	1,28	35	3,38	2,60	5,88	**14,46**	**— 89**	
Punjab																	
1950-51 (Accounts)	2,61	1,84	1,78	2,08	65	87	**9,83**	**7,03**	**16,86**	1,37	— 3	5,65	1,38	5,78	**16,00**	**— 86**	
1951-52 (Accounts)	2,88	1,98	1,68	2,78	59	1,06	**10,97**	**7,20**	**18,17**	1,47	58	5,11	1,39	5,45	**16,45**	**+ 1,72**	
1952-53 (Revised)	1,95	2,02	1,67	2,98	58	1,21	**10,41**	**8,15**	**18,56**	1,72	— 11	5,28	1,47	5,76	**16,89**	**+ 1,67**	
1953-54 (Budget)	1,89	2,32	1,78	2,95	58	1,54	**11,06**	**8,68**	**19,74**	2,18	12	5,31	2,20	7,22	**20,05**	**— 31**	
Uttar Pradesh																	
1950-51 (Accounts)	9,91	7,72	4,92	6,51	2,44	3,95	**35,45**	**16,44***	**51,89***	4,98	71	14,94	3,32	18,80	**51,84***	**+ 5**	
1951-52 (Accounts)	10.42	7,58	4,80	6,32	2,34	5,27	**36,73**	**18,83***	**55,56***	5,47	1,42	14,95	3,21	19,49	**55,50***	**+ 6**	
1952-53 (Revised)	10,26	13,73	4,75	8,89	2,38	4,77	**44,78**	**21,63***	**66,41***	5,92	1,98	16,52	3,95	22,37	**66,41***	**—**	
1953-54 (Budget)	9,72	18,52	5,24	8,71	2,55	6,13	**50,87**	**23,51***	**74,38***	6,01	6,90	16,80	4,38	24,20	**78,80***	**— 4,42**	
West Bengal																	
1950-51 (Accounts)	7,03	2,13	5,20	6,29	2,78	4,72	**28,06**	**6,24**	**34,30**	1,89	20	9,56	3,11	11,31	**37,33**	**— 3,03**	
1951-52 (Accounts)	7,70	2,10	5,62	6,72	2,93	5,28	**30,35**	**8,24**	**38,59**	1,89	18	10,44	4,02	12,51	**37,31**	**+ 1,28**	
1952-53 (Revised)	7,47	2,10	5,58	6,99	2,87	5,90	**30,61**	**7,69**	**38,30**	1,89	34	10,86	4,55	15,12	**42,13**	**— 3,83**	
1953-54 (Budget)	7,27	2,10	5,58	6,57	2,87	5,90	**30,29**	**7,87**	**38,16**	2,02	52	10,94	5,11	15,48	**43,27**	**— 5,11**	
TOTAL																	
1950-51 (Accounts)	**50,97**	**33,21**	**50,44**	**27,04**	**19,22**	**30,63**	**211,51**	**82,86**	**294,37**	**24,30**	**2,31**	**84,20**	**30,76**	**110,73**	**293,08**	**+ 1,29**	
1951-52 (Accounts)	**55,56**	**33,05**	**47,85**	**28,11**	**18,83**	**34,81**	**218,21**	**97,39**	**315,60**	**26,23**	**3,95**	**87,87**	**31,97**	**119,32**	**309,11**	**+ 6,49**	
1952-53 (Revised)	**53,73**	**42,90**	**43,87**	**38,88**	**18,96**	**35,88**	**234,22**	**102,74**	**336,96**	**29,66**	**5,16**	**88,61**	**36,77**	**134,49**	**340,06**	**— 3,10**	
1953-54 (Budget)	**51,35**	**48,57**	**47,13**	**38,64**	**19,84**	**38,84**	**244,37**	**106,14**	**350,51**	**32,91**	**10,57**	**89,49**	**38,46**	**141,75**	**362,93**	**— 12,42**	

† Including grants-in-aid, extraordinary items, superannuation, transfers from revenue reserve funds, etc.
‡ Including appropriation for reduction or avoidance of debt.
¶ Includes General Administration, Administration of Justice, Jails and Convict Settlements, Police and Miscellaneous Departments (excluding developmental heads).
§ Including Scientific Departments, Education, Medical and Public Health, Agriculture, Veterinary, Co-operation, Industries, Rural Development, Labour Welfare, Aviation, Broadcasting, Electricity Schemes and Community Development Projects.
* Revenue and Expenditure include gross receipts and expenditure on account of State Transport Services.

STATEMENT 49

Budgetary Position of Part B States

(On Revenue Account)

(Lakhs of Rupees)

(Reference paragraphs 36 & 55)

States	REVENUE: Inter-State Transit Duties	Income Tax	Land Revenue	Sales Tax	Excise	Stamps	Other Tax Revenue	**Total Tax Revenue**	**Non-Tax Revenue§**	**Total Revenue**	EXPENDITURE: Direct demands on Revenue	Debt Services*	Civil Administration†	Civil Works	Developmental Expenditure other than Civil Works‡	**Total Expenditure**	**Surplus (+) or Deficit (−)**
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Hyderabad																	
1950-51 (Accounts) ..	3,54	—	4,47	73	9,89	49	21	**19,13**	**7,05**	**26,18**	2,97	2,57	8,51	1,96	7,68	**27,55**	**−1,37**
1951-52 (Accounts) ..	4,03	10	4,82	1,06	10,16	51	22	**20,90**	**8,97**	**29,87**	3,06	2,15	9,01	1,52	8,36	**28,19**	**+1,68**
1952-53 (Revised) ..	2,23	2,54	4,92	1,93	10,36	51	36	**22,85**	**5,06**	**27,91**	3,32	2,71	6,54	1,78	8,18	**26,82**	**−1,09**
1953-54 (Budget) ..	1,71	2,45	5,02	1,97	10,38	51	54	**22,58**	**5,44**	**28,02**	3,22	3,22	5,54	2,03	8,92	**28,22**	**− 20**
Madhya Bharat																	
1950-51 (Accounts) ..	1,41	6	2,47	42	1,89	36	23	**6,84**	**3,54**	**10,38**	92	—	3,39	78	3,90	**11,77**	**−1,39**
1951-52 (Accounts) ..	1,27	6	2,53	91	1,85	41	17	**7,20**	**4,29**	**11,49**	1,02	—	3,66	1,02	4,07	**11,31**	**+ 18**
1952-53 (Revised) ..	1,00	96	3,41	1,08	1,99	39	17	**9,00**	**4,01**	**13,01**	1,09	5	3,16	1,36	4,67	**12,73**	**+ 28**
1953-54 (Budget) ..	85	93	3,46	1,38	2,20	40	18	**9,40**	**4,90**	**14,30**	1,16	3	3,00	1,64	5,70	**14,49**	**− 19**
Mysore																	
1950-51 (Accounts) ..	—	—	1,29	1,25	2,00	49	82	**5,85**	**8,56**	**14,41**	80	91	1,85	1,52	6,73	**13,51**	**+ 90**
1951-52 (Accounts) ..	—	—	1,31	1,37	2,07	46	1,09	**6,30**	**12,01**	**18,31**	91	1,28	2,12	2,13	10,40	**18,35**	**− 4**
1952-53 (Revised) ..	—	—	1,34	1,21	1,77	47	1,13	**5,92**	**13,75**	**19,67**	93	1,32	2,41	2,46	11,77	**20,21**	**− 54**
1953-54 (Budget) ..	—	—	1,21	98	1,72	48	1,15	**5,54**	**15,08**	**20,62**	1,00	1,29	2,42	2,37	13,70	**22,20**	**−1,58**
PEPSU																	
1950-51 (Accounts) ..	—	16	99	30	1,90	16	33	**3,84**	**2,20**	**6,04**	40	—	1,44	42	1,44	**5,03**	**+1,01**
1951-52 (Accounts) ..	—	15	90	46	2,35	19	40	**4,45**	**1,64**	**6,09**	48	—	1,64	67	1,26	**4,66**	**+1,43**
1952-53 (Revised) ..	—	40	1,09	45	1,86	19	37	**4,27**	**1,98**	**6,25**	73	1	1,72	72	1,84	**5,79**	**+ 46**
1953-54 (Budget) ..	—	40	1,31	45	1,76	20	36	**4,48**	**1,87**	**6,35**	83	41	1,74	1,14	2,39	**7,04**	**− 69**
Rajasthan																	
1950-51 (Accounts) ..	3,73	8	4,21	—	2,49	43	23	**11,17**	**3,44**	**14,61**	1,63	21	4,74	1,29	4,38	**13,91**	**+ 70**
1951-52 (Accounts) ..	4,19	13	3,15	—	2,99	47	30	**11,23**	**4,28**	**15,51**	2,03	20	5,17	88	5,22	**15,76**	**− 25**
1952-53 (Revised) ..	3,51	1,92	3,80	—	3,23	53	34	**13,33**	**4,17**	**17,50**	2,38	7	5,24	1,25	6,45	**17,14**	**+ 36**
1953-54 (Budget) ..	3,49	2,00	4,25	—	3,48	54	39	**14,15**	**5,29**	**19,44**	2,63	25	5,52	1,69	7,67	**19,44**	**—**
Saurashtra																	
1950-51 (Accounts) ..	63	—	2,25	6	15	22	36	**3,67**	**4,10**	**7,77**	41	3	2,35	67	3,27	**7,42**	**+ 35**
1951-52 (Accounts)	40	—	1,52	16	17	23	43	**2,91**	**4,61**	**7,52**	57	2	2,59	91	3,29	**8,63**	**−1,11**
1952-53 (Revised) ..	14	—	2,80	16	10	21	36	**3,77**	**6,07**	**9,84**	1,42	13	2,47	1,30	5,20	**11,66**	**−1,82**
1953-54 (Budget) ..	11	—	2,79	58	9	22	38	**4,17**	**5,25**	**9,42**	1,27	10	2,09	1,47	4,19	**9,95**	**− 53**
Travancore-Cochin																	
1950-51 (Accounts) ..	—	59	69	2,59	2,18	82	81	**7,59**	**6,40**	**13,99**	1,13	1,05	1,65	1,93	4,37	**12,74**	**+1,25**
1951-52 (Accounts) ..	—	99	71	2,44	2,40	89	1,27	**8,70**	**9,21**	**17,91**	1,25	88	1,80	1,82	5,23	**13,63**	**+4,28**
1952-53 (Revised) ..	—	85	72	2,27	2,60	90	1,08	**8,40**	**8,33**	**16,73**	1,36	53	1,96	2,20	6,69	**16,83**	**− 10**
1953-54 (Budget) ..	—	75	87	2,12	2,40	90	1,07	**8,11**	**9,03**	**17,14**	1,42	5	2,21	2,44	7,78	**17,28**	**− 14**
TOTAL																	
1950-51 (Accounts)..	**9,31**	**80**	**16,37**	**5,35**	**20,30**	**2,97**	**2,99**	**58,09**	**35,29**	**93,38**	**8,26**	**4,77**	**27,89**	**8,58**	**31,77**	**91,93**	**+1,45**
1951-52 (Accounts)..	**9,89**	**1,43**	**14,94**	**6,40**	**21,99**	**3,16**	**3,88**	**61,69**	**45,01**	**10,670**	**9,32**	**4,53**	**25,99**	**8,95**	**37,83**	**10,053**	**+6,17**
1952-53 (Revised) ..	**6,88**	**6,67**	**17,99**	**7,10**	**21,91**	**3,20**	**3,79**	**67,54**	**43,37**	**11,091**	**11,23**	**4,82**	**23,50**	**11,07**	**44,80**	**11,118**	**− 27**
1953-54 (Budget) ..	**6,16**	**6,53**	**18.91**	**7,48**	**22,03**	**3,25**	**4,07**	**68,43**	**46,86**	**11,529**	**11,53**	**5,35**	**22,52**	**12,78**	**50,44**	**11,862**	**−3,33**

§ Including grants-in-aid, extraordinary items, superannuation and transfers from revenue reserve funds.

* Including appropriation for reduction or avoidance of debt. † Including General Administration, Administration of Justice, Jails and Convict Settlements, Police and Miscellaneous Departments. ‡ Including Scientific Departments, Education, Medical and Public Health, Agriculture, Veterinary, Co-operation, Industries, Rural Development, Labour Welfare, Aviation, Broadcasting, Electricity Schemes and Community Development Projects.

STATEMENT 50

BUDGETARY POSITION OF PART C STATES*

(On Revenue Account)

(Reference paragraph 63)

(Thousands of Rupees)

States	REVENUE: Land Revenue	State Excise	Stamps	Sales Tax	Other Tax Revenue	Total Tax-Revenue	Non-Tax Revenue	**Total Revenue**	EXPENDITURE: Direct Demands on Revenue	Civil Administration**	Civil Works	Development Expenditure† (excluding Civil Works)	**Total Expenditure**	**Surplus (+) or Deficit (−)**
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Ajmer														
1952-53 (Revised) ..	2,99	32,72	4,12	—	70	40,53	1,85,76	**2,26,29**	9,71	42,99	8,60	1,60,68	**2,22,69**	**+ 3,60**
1953-54 (Budget)	3,35	27,77	4,33	10,00	3,95	49,40	1,39,36	**1,88,76**	11,91	43,85	16,51	1,14,51	**1,88,76**	—
Bhopal														
1952-53 (Revised) ..	41,79	15,00	2,64	—	4,18	63,61	1,43,11	**2,06,72**	15,65	48,83	36,81	90,47	**2,02,32**	**+ 4,40**
1953-54 (Budget) ..	43,28	15,61	2,74	—	4,41	66,04	1,67,00	**2,33,04**	16,90	45,26	43,84	1,19,38	**2,32,59**	**+ 45**
Delhi														
1952-53 (Revised) ..	6,22	68,92	40,30	1,05,00	47,25	2,67,69	94,84	**3,62,53**	24,55	48,19	20,56	2,67,93	**3,62,53**	—
1953-54 (Budget) ..	6,48	75,62	40,30	1,25,00	54,53	3,01,93	1,23,70	**4,25,63**	26,68	51,42	28,60	3,13,94	**4,25,63**	—
Himachal Pradesh														
1952-53 (Revised) ..	19,41	14,99	3,49	—	2,19	40,08	1,99,61	**2,39,69**	43,71	44,06	37,17	1,03,06	**2,36,94**	**+ 2,75**
1953-54 (Budget)	19,16	16,53	4,40	—	2,09	42,18	2,24,65	**2,66,83**	37,68	46,06	47,66	1,24,14	**2,65,96**	**+ 87**
Vindhya Pradesh														
1952-53 (Revised) ..	81,47	33,60	5,30	16,00	5,50	1,41,87	1,76,43	**3,18,30**	40,34	83,67	48,00	1,21,84	**3,07,93**	**+ 10,37**
1953-54 (Budget) ..	82,51	30,00	5,30	17,96	10,33	1,46,10	2,93,50	**4,39,60**	55,91	1,03,99	72,21	1,91,65	**4,39,49**	**+ 11**
Total														
1952-53 (Revised) ..	**1,51,88**	**1,65,23**	**55,85**	**1,21,00**	**59,82**	**5,53,78**	**7,99,75**	**13,53,53**	**1,33,96**	**2,67,74**	**1,51,14**	**7,43,98**	**13,32,41**	**+ 21,12**
1953-54 (Budget) ..	**1,54,78**	**1,65,53**	**57,07**	**1,52,96**	**75,31**	**6,05,65**	**9,48,21**	**15,53,86**	**1,49,08**	**2,90,58**	**2,08,82**	**8,63,62**	**15,52,43**	**+ 1,43**

* Excluding Coorg, whose budget papers are not available.

** Including General Administration, Administration of Justice, Jails and Convict Settlements, and Miscellaneous Departments.

† Including Education, Medical and Public Health, Agriculture, Veterinary, Co-operation, Industries and Supplies.

STATEMENT 51

Railway Finances

(Reference paragraph 65)

(Lakhs of Rupees)

		1938-39	1946-47	1948-49	1949-50	1950-51	1951-52	1952-53 Budget	1952-53 Revised	1953-54 Budget
		1	2	4	5	6	7	8	9	10
1	Capital-at-charge	7,55,26	8,07,76	7,01,89	7,36,14	8,27,04	8,50,11	8,62,16	8,64,23	8,83,21
2	Gross Traffic Receipts ..	99,62	2,03,35	2,13,10	2,36,35	2,63,01	2,90,82††	2,82,16	2,69,55	2,72,28
3	Operating Expenses ..	54,01	1,56,67	1,60,41	1,81,53	1,80,23	1,94,04††	1,87,69	1,88,85	1,90,99
4	Appropriation to Depreciation Reserve Fund ..	12,56	13,21	11,29	11,58	30,00	30,00	30,00	30,00	30,00
5	Payments to Worked Lines as Share of Earnings	2,61	1,82	1,62	1,80	25	31	24	25	21
6	Net Traffic Receipts ..	30,44	31,65	39,78	41,44	52,53	66,47	64,23	50,45	51,08
7	Net Miscellaneous Receipts	23	3,39	2,56	−3,67	−4,97	−4,72	−6,76	−6,86	−7,01
8	Net Revenue	30,67	35,04	42,34	37,77	47,56	61,75	57,47	43,59	44,08
9	Interest Charges§ ..	29,30	26,52	22,36	23,18	—	—	—	—	—
10	**Contribution to General Revenues§ ..**	**1,37**	**5,40**	**7,34**	**7,00**	**32,51**	**33,41**	**34,00**	**34,11**	**34,77**
11	**Surplus (+) or Deficit (−)**	**+ 1,37**	**8,52**	**+19,98**	**+14,59**	**+15,05**	**+28,34**	**+23,47**	**+9,48**	**+9,31**
12	Transfer to Revenue Reserve Fund† ..	—	12	—	—	5,05	18,34	11,47	—	—
13	Transfer to Development Fund‡	—	3,00	84	—	10,00	10,00	12,00	9,48	9,31
14	Repayment to Depreciation Reserve Fund‡‡	—	..	11,80	7,59	—	..	—	—	—
15	*Ratio of Working Expenses to Gross earnings ..*	*69·3*	*83·1*	*80·4*	*84·0*	*81·9*	*78·8*	*79·6*	*83·8*	*83·8*
16	*Ratio of Net Profit (Item 11) to Capital-at-charge ..*	*0·2*	*1·1*	*2·8*	*2·0*	*2·8*	*3·3*	*2·7*	*1·1*	*1·0*
17	*Percentage of Net Traffic Receipts (Item 6) to Capital-at-charge .. ..*	*4·0*	*3·9*	*5·7*	*5·6*	*6·4*	*7·8*	*7·4*	*5·8*	*5·8*

Note.—Figures for 1938-39 and 1946-47 relate to undivided India, while those from 1947-48 relate to the Indian Union. From 1950-51, data for ex-India State Railways have been included.

††The figures of actuals, both of earnings and ordinary working expenses for 1951-52 are inclusive of the freight charges on railway materials including coal and other fuel of Rs. 16·31 crores and Rs. 15·01 crores, respectively. Figures from 1952-53 do not include these freight charges. † Known as Railway Reserve Fund till the end of 1949-50. ‡As from 1950-51, a Railway Development Fund was set up, in which was merged the Betterment Fund. § From 1950-51 Dividend to General Revenues at 4 per cent on Capital-at-charge is paid in lieu of interest charges and the *ad hoc* contribution to General Revenues. ‡‡ According to the Revised Convention, an amount of Rs. 30 crores is paid into the Depreciation Reserve Fund each year from 1950-51 and is shown under item 4.

STATEMENT 52

Railways : Receipts and Working Expenses

(*Reference paragraph* 66)

(Crores of Rupees)

	1951-52 Revised	1951-52 Accounts	1952-53 Budget	1952-53 Revised	1953-54 Budget
GROSS TRAFFIC RECEIPTS					
Passenger Earnings	113·22	109·88	112·19	102·05	101·78
Other Coaching Traffic Earnings	19·65	19·87	19·40	18·54	18·50
Goods Earnings	151·23	156·79*	145·66	144·56	147·60
Other Earnings	4·62	5·05	4·70	4·70	4·64
Suspense	−0·66	−0·77	0·21	−0·30	−0·24
Total	**288·06**	**290·82***	**282·16**	**269·55**	**272·28**
WORKING EXPENSES					
Administration	24·95	24·62	25·67	26·17	26·70
Repairs and Maintenance	62·58	62·57	63·03	64·53	65·46
Operating Staff	39·82	38·93	41·06	41·06	42·33
Operation (Fuel)	31·85	31·00	22·25	22·56	21·58
Operation (other than Staff and Fuel)	14·23	14·40	13·52	13·50	13·56
Miscellaneous	20·80	20·49	19·37	17·91	17·53
Labour Welfare	3·72	3·60	3·85	3·96	4·11
Suspense	−2·23	−1·57	−1·06	−0·84	−0·28
Depreciation	30·00	30·00	30·00	30·00	30·00
Payments to Worked Lines	0·22	0·31	0·24	0·25	0·21
Total	**225·94**	**224·35***	**217·93**	**219·10**	**221·20**
Net Miscellaneous Expenditure	6·71	4·72	6·76	6·86	7·00

* The figures of actuals, both of earnings and ordinary working expenses for 1951-52, are inclusive of the freight charges on railway materials including coal and other fuel of Rs. 16·31 crores and Rs. 15·01 crores, respectively. Figures from 1952-53 do not include these freight charges.

STATEMENT 53

INTEREST-BEARING OBLIGATIONS AND INTEREST-YIELDING ASSETS OF THE GOVERNMENT OF INDIA

(*Reference paragraph* 70)

(Lakhs of Rupees)

	1938-39	1946-47 Revised	1947-48 Revised	1948-49 Revised	1949-50 Revised	1950-51 Revised	1951-52 Revised	1952-53 Revised	1953-54 Budget
I. Interest-Bearing Obligations									
In India									
1 Loans	437,87	1,529,75	1,517,09	1,478,39	1,452,15	1,438,46	1,402,10	1,405,58	1,389,58
2 Treasury Bills, Ways and Means Advances and Treasury Deposit Receipts	46,30	79,20	86,84	373,33	361,48	373,20	335,01	319,19	429,04
3 Small Savings ..	141,45	273,20	233,10	271,73	293,80	326,25	372,57	417,64	462,57
4 Depreciation and Reserve Funds ..	27,34	143,97	112,15	116,77	126,15	155,56	171,47	170,18	159.40
5 Others	83,68	297,03	183,41	172,74	222,75	207,26	193,02	189,14	194,13
6 **Total**	**736,64**	**2,323,15**	**2,132,59**	**2,412,96**	**2,456,33**	**2,500,73**	**2,474,17**	**2,501,73**	**2,634,62**
In England									
7 Loans	396,50	12,22	5,80	3,39	2,73	1,35	1,24	1,20	1,15
8 Others	72,62	46,52	43,60	39,45	37,10	34,82	32,24	29,03	27,84
9 **Total**	**469,12**	**58,74**	**49,40**	**42,84**	**39,83**	**36,17**	**33,48**	**30,23**	**28,99**
10 *Dollar Loans* ..	—	..	..	..	16,77	24,60	112,04	113,74	112,76
11 **Total Interest-Bearing Obligations**	**1,205,76**	**2,381,89**	**2,181,99**	**2,455,80**	**2,512,93**	**2,561,50**	**2,619,69**	**2,645,70**	**2,776,37**
II. Interest-Yielding Assets									
12 Capital advanced to Railways ..	725,24	808,16	675,87	692,47	723,80	814,13	833,63	864,23	883,20
13 Capital advanced to other Commercial Departments	27,42	48,63	43,86	48,85	68,97	90,11	112,95	81,25	90,34
14 Capital advanced to States and other Interest-bearing loans ..	143,99	73,78	73,15	110,44	158,92	216,97	284,32	377,47	473,79
15 Debt due from Burma and Pakistan	49,73	48,15	348,15	348,15	348,15	348,15	348,15	348,15	348,15
16 Deposits with U. K. Govt. for redemption of Railway Annuities ..	—	22,44	19,65	15,53	13,29	10,96	8,53	5,44	4,33
17 Purchase of Annuities for Sterling Pensions	—	—	—	215,68	208,26	200,89	193,58	186,32	179,16
18 **Total Interest-Yielding Assets**	**946,38**	**1,001,16**	**1,160,68**	**1,431,12**	**1,521,39**	**1,681,21**	**1,781,16**	**1,862,86**	**1,978,97**
19 Cash and Securities held on Treasury Account ..	30,30	513,76	246,12	235,81	172,99	141,97	198,70	136,18	106,53
20 Balance of total Interest-bearing Obligations not covered by the above	229,08	866,97	775,19	788,87	818,55	738,32	639,83	644,66	688,87

STATEMENT 54

Debt Position of the Government of India

(Reference paragraph 71)

(Crores of Rupees)

End of March	Rupee Debt: Un-dated	*Percentage to Total*	Over 10 years	*Percentage to Total*	Between 5 and 10 years	*Percentage to Total*	Under 5 years	*Percentage to Total*	Treasury Bills	*Percentage to Total*	Small Savings*	*Percentage to Total*	Other obligations**	*Percentage to Total*	**Total**	*Percentage increase (+) or decrease (−)*	**External Debt§§**
1939 ..	128·46	*18·1*	113·80	*16·0*	124·71	*17·6*	70·89	*9·9*	46·30	*6·5*	141·46	*19·8*	84·34	*11·8*	**709·96**	+ *2·4*	**469·10**
1945 ..	284·03	*18·1*	396·17	*25·2*	282·44	*18·0*	249·50	*15·9*	86·71	*5·5*	159·18	*10·1*	113·39	*7·2*	**1,571·42**	+ *17·0*	**38·13**
1946 ..	284·04	*14·7*	663·80	*34·3*	222·75	*11·5*	321·59	*16·6*	83·33	*4·3*	221·52	*11·4*	139·92	*7·2*	**1,936·95**	+ *23·3*	**37·69**
1947 ..	257·47	*12·1*	752·62	*35·5*	171·09	*8·1*	343·18	*16·2*	77·59	*3·6*	268·30	*12·6*	251·68	*11·9*	**2,121·93**	+ *9·6*	**36·52**
1948§ ..	257·74	*12·1*	682·42	*31·9*	285·62	*13·3*	287·23	*13·4*	98·68	*4·6*	283·90‡	*13·3*	244·42	*11·4*	**2,140·01**	+ *0·9*	**29·83**
1949§ ..	257·85	*10·8*	711·59	*29·9*	196·90	*8·3*	309·80	*13·0*	354·36†	*14·9*	313·27‡	*13·2*	234·34	*9·9*	**2,378·11**	+ *11·1*	**27·36**
1950§ ..	257·86	*10·5*	597·93	*24·3*	303·08	*12·3*	291·08	*11·8*	355·70†	*14·4*	339·16‡	*13·8*	317·91	*12·9*	**2,462·71**	+ *3·6*	**43·38¶**
1951§ ..	257·85	*10·4*	519·33	*21·0*	342·51	*13·9*	318·77	*12·9*	364·72†	*14·8*	326·25	*13·2*	342·81	*13·9*	**2,472·24**	+ *2·3*	**49·81¶**
1952§ ..	257·85	*10·5*	463·47	*18·8*	450·14	*18·3*	232·05	*9·4*	332·51†	*13·5*	372·57	*15·2*	351·24	*14·3*	**2,459·83**	− *0·9*	**136·99¶**
1953§ ..	257·85	*10·3*	387·60	*15·6*	411·67	*16·5*	346·46	*13·9*	315·44†	*12·7*	411·78	*16·5*	361·82	*14·5*	**2,492·62**	+ *0·6*	**138·53¶**

* Including Ten-year Treasury Savings Deposit Certificates since 1950-51. ** Including (1) unclaimed balances of old loans which have ceased to bear interest from the date of discharge, (2) balance of special loans, (3) balances of State Provident Funds, Pension Funds, and other accounts such as General Family Pension Fund, the Hindu Family Annuity Fund, the Postal Insurance and Life Annuity Fund, etc., and (4) the amount of Three-year Interest-Free Bonds and Five-year Interest-Free Prize Bonds. §§ Consisting of only Sterling Debt till the end of March 1949 and excluding Railway Annuities since 1942-43, but including dollar loans thereafter. § Preliminary. † Including Treasury Deposits Receipts. ‡ Including Pakistan's share of the liabilities as on August 14, 1947. ¶ Including Dollar loans of Rs. 16·77 crores, Rs. 24·60 crores, Rs. 112·04 crores and Rs. 113·74 crores at the end of March 1950, 1951, 1952 and 1953, respectively.

STATEMENT 55

Government of India Treasury Bills

(*Reference paragraph* 71)

(Lakhs of Rupees)

Year		Amount offered for tender	Amount tendered	Amount Sold	*Average yield per cent per annum*	Amount sold in favour of the Reserve Bank of India†	Amount outstanding at the end of period ††
1938-39	..	83,50	1,28,90	97,49**	*1·63*	1,00,12	46,30
1945-46	..	1,60,00	2,04,78	1,17,91	*0·40*	1,61,99	83,33
1946-47	..	80,00	1,04,97	51,27	*0·42*	2,20,30	77,59
1947-48	..	1,09,00	1,40,31	84,56	*0·45*	2,71,33	98,68
1948-49*	..	63,00	75,71	46,01	*0·49*	11,17,85	3,50,47
1949-50*	..	44,00	61,39	38,76	*0·51*	13,81,12	3,41,86
1950-51*	..	—	—	—	—	13,94,35	3,58,02
1951-52*	..	—	—	—	—	13,35,50	3,14,34
1952-53*	..	42,00	65,61	42,00	*2·22*	12,33,11	3,15,29
April 1952	..	—	—	—	—	15,86	3,18,21
May ,,	..	—	—	—	—	2,70,92	3,09,35
June ,,	..	—	—	—	—	18,10	3,04,87
July ,,	..	—	—	—	—	12,47	3,01,48
August ,,	..	—	—	—	—	2,76,22	3,06,78
September ,,	..	6,00	14,08	6,00	*2·01*	22,06	3,13,24
October ,,	..	10,00	16,58	10,00	*2·11*	19,91	3,30,68
November ,,	..	8,00	14,16	8,00	*2·13*	2,69,58	3,35,55
December ,,	..	6,00	6,78	6,00	*2·33*	21,20	3,34,69
January 1953	..	4,00	4,90	4,00	*2·43*	12,30	3,19,98
February ,,	..	4,00	4,82	4,00	*2·43*	2,66,53	3,14,03
March ,,	..	4,00	4,29	4,00	*2·41*	27,96	3,15,29

* Sales of Treasury bills to the public were suspended from December 20, 1949 upto September 9, 1952.

† Including renewals of *ad hoc* bills from 1948-49.

†† Including amount outstanding on account of the Reserve Bank of India, States and others and also from 1948-49 outstandings on account of *ad hoc* bills created to replace sterling securities transferred to the U. K. Government, in terms of the Sterling Balances Agreement of July 1948. The outstandings of *ad hoc* bills amounted to Rs. 202·84 crores at the end of 1948 49. Rs. 281·54 crores at the end of 1949-50 Rs. 274·51 crores at the end of 1950-51, Rs. 267·51 crores at the end of 1951-52 and Rs. 260·51 crores at the end of 1952-53.

** Including Rs. 15,36 lakhs of intermediates sold.

STATEMENT 56

Government of India Three Months Treasury Bills (Weekly), 1952-53

(Reference paragraph 71)

(Thousands of Rupees)

1952-53 Week ended	Sales to Public*: Amount offered	Amount tendered	Amount sold	Amount discharged	Amount outstanding	*Average rate of discount of accepted tenders*	Amount sold in favour of the Reserve Bank of India†	Total Amount out-standing**
April 1 to 4 ..	—	—	—	—	—	—	9,19,00	321,75,50
,, 11 ..	—	—	—	—	—	—	3,71,75	321,79,50
,, 18 ..	—	—	—	—	—	—	—	321,79,50
,, 25 ..	—	—	—	—	—	—	2,14,75	318,92,50
May 2 ..	—	—	—	—	—	—	2,95,00	318,25,50
,, 9 ..	—	—	—	—	—	—	260,41,00	317,27,50
,, 16 ..	—	—	—	—	—	—	3,38,50	315,99,50
,, 23 ..	—	—	—	—	—	—	3,85,75	311,34,50
,, 30 ..	—	—	—	—	—	—	61,25	309,34,50
June 6 ..	—	—	—	—	—	—	93,25	306,84,50
,, 13 ..	—	—	—	—	—	—	8,47,00	306,84,50
,, 20 ..	—	—	—	—	—	—	1,26,25	305,17,25
,, 27 ..	—	—	—	—	—	—	7,59,00	304,87,25
July 4 ..	—	—	—	—	—	—	52,75	295,86,25
,, 11 ..	—	—	—	—	—	—	4,46,75	296,61,25
,, 18 ..	—	—	—	—	—	—	1,00,00	297,61,25
,, 25 ..	—	—	—	—	—	—	3,01,75	298,48,25
August 1 ..	—	—	—	—	—	—	4,90,06	301,43,25
,, 8 ..	—	—	—	—	—	—	1,65,00	301,58,25
,, 15 ..	—	—	—	—	—	—	259,91,00	301,58,25
,, 22 ..	—	—	—	—	—	—	7,42,50	305,58,25
,, 29 ..	—	—	—	—	—	—	5,33,00	306,48,25
September 5 ..	—	—	—	—	—	—	1,41,25	307,21,25
,, 12 ..	2,00,00	4,99,00	1,91,00	—	1,91,00	*2·00*	9,97,00	310,37,25
,, 19 ..	2,00,00	4,06,25	2,08,50	—	3,99,50	*1·99*	1,89,50	309,61,00
,, 26 ..	2,00,00	5,03,00	2,00,50		6,00,00	*2·04*	9,58,00	313,23,75
October 3 ..	2,00,00	4,00,00	—		6,00,00		—	313,05,75
,, 10 ..	2,00,00	2,20,00	4,00,00	—	10,00,00	*2·08*	4,62,75	317,21,75
,, 17 ..	2,00,00	2,06,50	2,00,00	—	12,00,00	*2·12*	4,00,00	322,21,25
,, 24 ..	2,00,00	4,26,25	1,99,50	—	13,99,50	*2·12*	6,20,00	327,40,00
,, 31 ..	2,00,00	4,05,00	2,00,50		16,00,00	*2·12*	5,08,00	330,68,00
November 7 ..	2,00,00	4,10,00	1,98,00	—	17,98,00	*2·12*	2,48,00	332,69,00
,, 14 ..	2,00,00	5,12,00	1,91,00	—	19,89,00	*2·12*	256,84,75	334,73,75
,, 21 ..	2,00,00	2,91,50	1,77,00	—	21,66,00	*2·10*	4,77,50	333,89,75
,, 28 ..	2,00,00	2,02,50	2,32,75	—	23,98,75	*2·17*	4,97,75	335,84,50
December 5 ..	2,00,00	2,01,25	2,00,75	—	25,99,50	*2·25*	96,00	337,38,75
,, 12 ..	2,00,00	2,15,00	1,91,50	1,91,00	26,00,00	*2·37*	9,46,50	336,88,75
,, 19 ..	2,00,00	2,61,75	2,08,50	2,08,50	26,00,00	*2·37*	1,89,50	336,88,75
,, 26 ..	—	—	50	2,00,50	24,00,00	*2·37*	9,38,00	334,68,75
January 2 ..	—	—	—	—	24,00,00	—	13,00	334,81,75
,, 9 ..	1,00,00	1,45,25	1,00,00	2,00,00	23,00,00	*2·40*	1,55,00	333,65,75
,, 16 ..	1,00,00	1,21,50	99,50	2,00,00	21,99,50	*2·42*	3,91,75	330,15,25
,, 23 ..	1,00,00	1,23,25	50	2,00,00	20,00,00	*2·44*	2,50,00	325,35,75
,, 30 ..	1,00,00	1,00,25	2,00,00	2,00,00	20,00,00	*2·44*	3,10,00	322,17,75
February 6 ..	1,00,00	1,14,25	98,00	2,00,00	18,98,00	*2·43*	2,19,00	320,66,75
,, 13 ..	1,00,00	1,18,50	91,00	2,00,00	17,89,00	*2·44*	256,69,00	319,42,00
,, 20 ..	1,00,00	1,39,50	77,00	2,00,00	16,66,00	*2·43*	3,27,50	316,69,00
,, 27 ..	1,00,00	1,09,25	1,32,75	3,97,50	14,01,25	*2·44*	5,47,75	314,04,25
March 6 ..	1,00,00	1,01,75	1,01,25	2,02,50	13,00,00	*2·44*	6,62,00	313,92,00
,, 13 ..	1,00,00	1,16,50	1,00,00	2,00,00	12,00,00	*2·43*	5,34,00	312,92,00
,, 20 ..	1,00,00	1,08,75	1,00,00	2,00,00	11,00,00	*2·44*	7,80,00	313,22,00
,, 27 ..	1,00,00	1,01,50	1,00,00		12,00,00	*2·44*	8,13,00	315,22,00
,, 28 to 31 ..	—		—		12,00,00		7,00	315,29,00

* Sales of Treasury bills to the public were suspended from December 20, 1949 upto September 9, 1952.

† Including renewals of *ad hoc* bills.

** Including amount outstanding on account of the Reserve Bank of India, States, and others and also outstandings on account of *ad hoc* bills created to replac. sterling securities transferred to the U. K. Government, in terms of the Sterling Balances Agreement of July 1948. The outstandings of *ad hoc* bills amounted to Rs. 260·51 crores at the end of 1952-53.

STATEMENT 57

AMOUNT OF STERLING DEBT REPATRIATED SINCE 1937-38

(Reference paragraph 72)

Year	Face Value (Millions of Pounds Sterling)	Purchase Value (Millions of Pounds Sterling)	Purchase Value (Crores of Rupees)	Rupee counterparts created (Crores of Rupees)
1937-38	2·99	3·04	4·05	1·12
War Years (1939-40—1944-45)	**319·85**	**317·88**	**424·86**	**272·44**
1945-46	0·28	0·29	0·37	0·01
1946-47	0·76	0·80	1·06	0·01
1947-48	4·65	5·12	6·83	0·45
1948-49	0·18	0·19	0·25	0·02
1949-50	0·08	0·08	0·11	—
1950-51	0·04	0·04	0·05	0·01
1951-52	0·06	0·05	0·07	0·01
Total	**328·89**	**327·49**	**437·65**	**274·07**
1952-53				
1. First Compulsory Scheme of February 8, 1941 (including special arrangements)	0·061	0·062	0·083	0·073
2. Second Compulsory Scheme of December 24, 1941 (including special arrangements)	0·009	0·005	0·007	—
3. Redemption of 3½ per cent Sterling Stock, 1931 or after	0·004	0·004	0·005	—
4. Repatriation of Railway Debenture Stocks	0·001	0·001	0·001	—
Total	**0·075**	**0·072**	**0·096**	**0·073**
Grand Total ..	**328·97**	**327·56**	**437·75**	**274·14**

STATEMENT 58

(*Reference paragraph* 74)

(A) Post Office Cash Certificates†

(Lakhs of Rupees)

	Receipts	Repayments	Net receipts	**Amount outstanding****
1938-39	14,71	15,35	−64	**59,57**
1945-46	6,67	3,72	2,95	**38,76**
1946-47	4,97	4,51	46	**39,22**
1947-48				
April 1 to August 14	1,06	2,59	−1,53	**37,69**
August 15 to March 31	—	3,07	−3,07	**— 3,07§**
1948-49	—	4,42	−4,42	**— 7,49§**
1949-50	1	3,88	−3,87	**−11,36§**
1950-51	—	4,54	− 4,54	**−15,90§**
1951-52	—	4,39	4,39	**20,29§**
1952-53	—	2,89	−2,89	**23,18§**

† The series was closed for further deposits from June 16, 1947. § Since August 15, 1947 figures represent only progressive net repayments.

(B) Post Office Defence Savings Certificates*

	Receipts	Repayments	Net receipts	**Amount outstanding****
1945-46		50	−50	**5,92**
1946-47		74	−74	**5,18**
1947-48				
April 1 to August 14	—	39	39	**4,79**
August 15 to March 31	−1	39	−40	**— 40§**
1948-49	—	35	−35	**75§**
1949-50	—	27	−27	**— 1,02§**
1950-51	—	77	−77	**— 1,79§**
1951-52		77	−77	**— 2,56§**
1952-53		55	−65	**— 3,11§**

* Replaced by the Twelve-year National Savings Certificates from October 1, 1953.
§ Since August 15, 1947 figures represent only progressive net repayments.

(C) Post Office National Savings Certificates‡

	Receipts	Repayments	Net receipts	**Amount outstanding****
1945-46‡	23,21	10	23,11	**51,30**
1946-47‡	21,76	2,44	19,32	**70,62**
1947-48‡				
April 1 to August 14‡ ..	7,18	2,82	4,36	**74,98**
August 15 to March 31	13,22	4,01	9,21	**9,21**
1948-49	22,70	6,85	15,85	**25,06**
1949-50	23,79	8,26	15,53	**40,59**
1950-51	23,71	6,37	17,34	**57,93**
1951-52	24,60	6,73	17,87	**75,80**
1952-53	25,90	7,43	18,47	**94,27**

‡ Including Hyderabad State National Savings Certificates.

Note.—Figures from August 15, 1947 relate to the Indian Union only ; outstandings since March 31, 1948 do not include the Indian Union's share of the pre-partition liabilities. ** At the end of the period.

STATEMENT 59

(Reference paragraph 74)

(A) Post Office Savings Bank

(Lakhs of Rupees)

	Deposits	Interest	Withdrawals	Net increase in Deposits	**Amount outstanding†**
1938-39	44,61	1,42	41,65	4,38	**81,88**
1945-46	74,42	1,70	41,30	34,82	**1,15,04**
1946-47	89,45	2,23	64,37	27,31	**1,42,35**
1947-48					
April 1 to August 14	37,68	1,00	34,21	4,47	**1,46,82**
August 15 to March 31	45,79	1,22	36,89	10,12	**10,12**
1948-49	83,26	2,41	65,88	19,79	**29,91**
1949-50	86,01	2,95	73,78	15,18	**45,09**
1950-51	97,80	3,27	84,80	16,27	**61,36**
1951-52	1,03,98	3,57	94,73	12,82	**74,18**
1952-53	1,09,18	8	95,14	14,12	**88,30**

(B) Post Office Defence Savings Bank**

	Deposits‡	Withdrawals	Net increase in Deposits	**Amount outstanding†**
1945-46	1,99	2	1,97	**10,50**
1946-47	49	6	43	**10,93**
1947-48				
April 1 to August 14	—	4,91	−4,91	**6,02**
August 15 to March 31	—	3,16	−3,16	**−3,16§**
1948-49	—	91	− 91	**−4,07§**
1949-50	—	39	− 39	**−4,46§**
1950-51	—	17	− 17	**−4,63§**
1951-52	—	7	− 7	**−4,70§**
1952-53	—	4	− 4	**−4,74§**

** Closed for further deposits from July 1, 1946. ‡ Including interest. § Since August 15, 1947 figures represent only progressive net repayments.

(C) Ten-Year Treasury Savings Deposit Certificates*

	Receipts	Repayments	Net Receipts	**Amount outstanding†**
1950-51	5,31	—	5,31	**5,31**
1951-52	13,10	2	13,08	**18,39**
1952-53	7,55	30	7,25	**25,64**

* Issued from February 1, 1951.

Note.—Figures from August 15, 1947 relate to the Indian Union ; outstandings since March 31, 1948 do not include the Indian Union's share of the pre-partition liabilities. † At the end of the period.

STATEMENT 60

PRINCIPAL ITEMS OF SMALL SAVINGS (MONTHLY)

(Reference paragraph 74)

(Lakhs of Rupees)

	Post Office Cash Certificates	Defence Savings Certificates	National Savings Certificates: 12 years		7 years		5 years				Post Office Savings Bank Deposits		Defence Savings Bank Deposits	3½% Ten-year Treasury Savings Deposit Certificates			
	Month-end Out-standings*	Month-end Out-standings*	Receipts	Month-end Out-standings	Receipts	Month-end Out-standings	Receipts	Month-end Out-standings	Total Receipts	Total Month-end Out-standings	Receipts	Month-end Out-standings	Month-end Out-standings*	Receipts	Month-end Out-standings	Total Receipts	Total Month-end Out-standings
1951-52																	
April ..	16,29	1,85	2,02	52,07	6	2,38	14	5,09	2,22	59,54	9,10	62,70	4,61	2,28	7,69	13,70	1,07,15
May ..	16,66	-1,91	1,79	53,25	6	2,50	15	5,19	2,00	60,94	9,51	63,16	-4,65	1,28	8,97	12,79	1,09,85
June ..	17,06	1,96	1,71	54,52	8	2,56	13	5,26	1,92	62,34	8,75	64,26	4,66	86	9,83	11,53	1,12,75
July ..	17,44	-2,02	1,83	55,95	7	2,60	14	5,34	2,04	63,89	8,98	66,07	4,66	1,17	11,00	12,19	1,16,84
August ..	17,84	2,09	1,90	57,46	7	2,65	13	5,42	2,10	65,53	8,89	67,50	4,67	1,13	12,13	12,12	1,20,56
September ..	18,39	-2,16	1,85	58,95	5	2,68	11	5,48	2,01	67,11	7,97	68,14	4,68	1,36	13,49	11,34	1,23,71
October ..	-18,53	-2,23	1,76	60,17	5	2,71	11	5,57	1,95	68,45	7,83	68,04	-4,68	1,39	14,88	11,17	1,25,93
November ..	18,90	2,30	1,80	61,40	5	2,73	13	5,65	1,98	69,78	7,85	67,97	-4,69	94	15,82	10,77	1,27,68
December ..	19,25	-2,36	1,64	62,59	6	2,77	13	5,72	1,83	71,08	7,66	67,89	-4,69	70	16,51	10,19	1,29,18
January ..	19,56	2,42	1,51	63,63	7	2,82	13	5,80	1,71	72,25	7,75	68,02	4,70	66	17,17	10,12	1,30,76
February ..	19,86	-2,46	1,64	64,80	5	2,84	13	5,88	1,82	73,52	8,22	68,26	4,70	53	17,70	10,57	1,32,46
March ..	20,29	−2,56	2,63	66,81	10	2,91	29	6,08	3,02	75,80	15,04	74,18	-4,70	71	18,39	18,77	1,40,82
Total ..	**20,29**	**2,56**	**22,08**	**66,81**	**77**	**2,91**	**1,75**	**6,08**	**24,60**	**75,80**	**1,07,55**	**74,18**	**4,70**	**13,11**	**18,39**	**1,45,26**	**1,40,82**
1952-53																	
April ..	20,60	-2,61	2,28	68,57	4	2,92	14	6,15	2,46	77,64	10,01	76,52	-4,71	95	19,33	13,42	1,45,57
May ..	-20,90	−2,65	2,12	70,23	8	2,98	12	6,20	2,32	79,41	9,95	77,85	4,71	56	19,86	12,83	1,48,86
June ..	−21,18	−2,69	1,81	71,64	6	3,01	12	6,27	1,99	80,92	9,38	80,03	-4,71	69	20,53	12,06	1,52,90
July ..	21,46	-2,74	2,03	73,14	10	3,08	15	6,33	2,28	82,55	10,29	82,54	4,72	75	21,25	13,32	1,57,42
August ..	-21,68	-2,78	1,76	74,45	6	3,11	15	6,40	1,97	83,96	8,61	83,76	−4,72	65	21,89	11,23	1,60,45
September ..	−21,88	−2,81	1,84	75,73	3	3,11	10	6,44	1,97	85,28	8,79	84,91	-4,72	52	22,38	11,28	1,63,16
October ..	-22,11	-2,86	1,71	76,77	5	3,14	11	6,48	1,87	86,38	8,36	85,25	4,72	56	22,92	10,79	1,64,86
November ..	-22,36	−2,90	1,71	77,99	3	3,16	10	6,50	1,84	87,65	8,03	85,54	-4,73	58	23,48	10,45	1,66,68
December ..	−22,54	−2,95	1,86	79,34	3	3,16	8	6,51	1,97	89,01	8,45	85,95	−4,74	48	23,04	10,91	1,68,67
January ..	−22,77	-3,06	2,02	80,77	4	3,19	10	6,54	2,16	90,50	8,38	86,09	-4,74	59	24,48	11,13	1,70,56
February ..	-22,97	-3,05	1,86	82,14	5	3,22	14	6,61	2,05	91,97	8,36	86,36	−4,74	62	25,08	11,03	1,72,65
March† ..	−23,18	-3,11	2,64	84,17	8	3,27	30	6,83	3,02	94,27	10,65	88,30	−4,74	60	25,64	14,27	1,77,18
TOTAL ..	**-23,18**	**−3,11**	**23,64**	**84,17**	**65**	**3,27**	**1,61**	**6,83**	**25,90**	**94,27**	**1,09,26**	**88,30**	**−4,74**	**7,55**	**25,64**	**1,42,71**	**1,77,18**

Note.—Figures relate to the Indian Union: the outstandings do not include the Indian Union's share of the pre-partition liabilities.

* Represent progressive net repayments since August 15, 1947. Receipts are nil.

† Provisional

STATEMENT 61

Government Balances in India with the Reserve Bank of India and at Government Treasuries

(Reference paragraphs 75 & 78)

(Lakhs of Rupees)

Reserve Bank of India: Central Government 1951-52	Reserve Bank of India: Central Government 1952-53	Reserve Bank of India: Part A States 1951-52	Reserve Bank of India: Part A States 1952-53	Reserve Bank of India: Part B States* 1952-53	End of	Government Treasuries**: Central Government 1951-52	Government Treasuries**: Central Government 1952-53	Government Treasuries**: Part A States 1951-52	Government Treasuries**: Part A States 1952-53
1,42,94	1,40,48	32,58	11,65	..	April	1,31	1,38	3,82	3,52
1,45,17	1,13,91	25,82	11,08	..	May	1,07	1,42	3,67	3,49
1,62,97	1,23,54	17,05	3,19	—	June	1,35	1,51	4,08	3,18
1,83,14	1,05,80	13,88	9,25	81	July	1,40	1,77	4,64	3,88
2,18,37	1,28,09	10,25	8,83	1,79	August	1,38	1,93	3,99	4,12
2,10,79	1,48,29	13,38	5,68	1,33	September	1,12	1,58	4,01	3,41
2,05,18	1,50,51	17,96	14,70	36	October	86	1,87	4,34	3,77
2,17,15	1,70,01	11,70	11,03	40	November	1,67	1,58	4,35	2,83
2,12,99	1,90,11	9,16	4,40	66	December	1,50	1,32	4,60	1,95
2,15,28	1,68,96	6,06	10,41	2,26	January	1,90	1,38	2,56	2,08
1,89,81	1,49,71	26,43	7,71	4,06	February	1,53	1,20	3,46	1,71
1,55,28	92,05	27,17	49,73	6,63	March	27	27	3,43	2,65

* Data relate to Madhya Bharat, Mysore and Travancore-Cochin. ** Figures in respect of Part B States are not available.

STATEMENT 62

Consolidated Debt Position of Part A States †

(Reference paragraph 76)

(Lakhs of Rupees)

	At the end of 1939-40	1945-46	1946-47	1947-48	1948-49	1949-50	1950-51	1951-52*	1952-53*
I. Public Debt—									
(a) Permanent Debt	19,60	59,28	63,57	44,17	45,94	50,41	58,07	69,11	78,36
(b) Floating Debt	1,80	20,51	10,84	2,56	3,83	1,47	2,26	2,62	5,33
(c) Loans from Central Government	121,77	52,21	52,57	49,98	67,38	106,71	155,12	217,23	279,38
II. Unfunded Debt	24,44	30,97	30,81	21,43	25,77	27,65	30,41	33,92	36,79
III. Gross Total Debt (Total of I and II)	**167,61**	**162,97**	**157,79**	**118,14**	**142,92**	**186,24**	**245,86**	**322,88**	**399,86**
IV. Appropriation for Reduction or Avoidance of Debt	87	4,94	4,51	4,99	4,25	2,85	2,84	6,58	8,26
V. Closing Cash Balance	8,83	32,31	16,73	7,26	23,68	26,34	34,50	21,14	24,61

Note.—Figures for 1939-40 and 1945-46 relate to Provinces in undivided India: figures for 1946-47 include those for the undivided Provinces of the Punjab and Bengal. † Based on actual returns furnished by the States excepting in the case of Assam where the information for 1951-52 and 1952-53 is taken from budget papers. * Provisional.

STATEMENT 63

Central and State Government Loans

(OUTSTANDINGS AS ON MARCH 31, 1953)

(Reference paragraph 77)

(Lakhs of Rupees)

Central Government Loans	Amount Outstanding
3 % Loan, 1953-55	114,60·58
2¼% ,, 1954	35,06·06
3½% ,, 1954-59	12,95·22
2⅛% ,, 1955	60,45·01
4½% ,, 1955-60	9,05·64
3 % Victory Loan, 1957	114,06·89
3 % Loan, 1958	50,35·63
4½% ,, 1958-68	5,85·20
3 % Second Victory Loan, 1959-61 ..	113,65·64
2¾% Loan, 1960	45,63·07
4 % ,, 1960-70	63,30·26
2½% ,, 1961	57,00·69
2¾% ,, 1962	75,86·72
3 % ,, 1963-65	116,17·46
3 % ,, 1964	30,33·10
3 % Funding Loan, 1966-68	110,11·78
3 % First Development Loan, 1970-75 ..	115,05·83
2¾% Loan, 1976	14.77·48
2½% Bhopal War Bonds, 1957	26·25
3 % ,, Loan, 1966-76..	1,14·73
3 % Loan 1986 or later (Conversion Loan of 1946)	248,91·66
3 % Non-terminable Loan, 1896-97 ..	8,93·35
	1,403,58·25
Loans not bearing interest	3,08·01
Grand Total ..	**1,406,66·26**

State Government Loans	Amount Outstanding
3 % Bombay Loan, 1955	3,33·49
3 % ,, 1956	3,34·50
3 % ,, 1958	3,28·76
3 % Bombay Development Loan, 1960 ..	2,97·28
3 % Bombay Tapi Irrigation and Development Loan, 1961	68·29
3 % Bombay Development Loan, 1962 ..	5,90·92
3½% Bombay State Development Loan, 1962	3,04·07
4 % ,, ,, ,, ,, 1964	3,66·73
	26,24·04
3 % Madras Loan, 1953	1,42·08
3 % ,, 1955	1,23·25
3 % ,, 1956	1,25·10
3 % ,, 1958	1,07·95
3 % ,, 1959	1,23·96
3 % Development Loan, 1960	2,78·44
3 % Madras ,, Bonds, 1960	4,38·25
2¾% Madras Loan, 1961	3,81·77
3½% ,, ,, 1962	3,01·49
4 % Madras Development Loan, 1964 ..	5,24·56
	25,46·85
3 % Madhya Pradesh Loan, 1955 ..	50·00
3 % ,, 1956 ..	50·54
3 % ,, 1958 ..	52·70
3 % ,, 1960 ..	1,01·45
3½% ,, 1962 ..	1,02·18
3 % ,, 1964 ..	2,03·29
	5,60·16
3 % Uttar Pradesh Loan, 1958	3,08·00
3 % ,, 1960 ..	2,24·80
2¾% ,, 1961 ..	2,29·09
3 % ,, 1961-66 ..	1,6?·89
3½% ,, 1962 ..	2,00 29
4 % Development Loan, 1964 ..	6,11·45
3¼% U. P. E. E. Act Bonds ..	2,22·35
	19,57·87
3½% West Bengal Loan, 1962	1,75·00
4 % ,, ,, 1964	2,00·00
	3,75·00
Grand Total	**80,63·92**

STATEMENT 64

(Reference paragraph 80)

(A) Changes in Export Duties, 1952-53

	Item	From	To	Effective From
1.	*Jute Goods*			
	Hessian	Rs. 750/- per ton	Rs. 275/- per ton	May 7, 1952
	Sacking	Rs. 350/- ,, ,,	Rs. 175/- ,, ,,	-do-
		Rs. 175/- ,, ,,	Rs. 80/- ,, ,,	February 27, 1953
2.	*Cotton Textiles*			
	Coarse & Medium	25% *ad valorem*	10% *ad valorem*	January 4, 1953
3	*Raw Cotton*			
	Bengal Deshi	Rs. 200/- per bale	Rs. 125/- per bale	November 19, 1952
	Assam/Comilla	Rs. 200/- ,, ,,	Nil.	-do-
4.	Mercury		Levied at Rs. 300/- per flask of 75 lbs.	October 8, 1952

(B) Major Export Liberalisation Measures, 1952-53

	Item	Date of Announcement	Details
1.	Cotton Textiles	April 2, 1952	Free licensing of fine and superfine cloth from April 1, 1952.
		May 19, 1952	Coarse and medium cloth freely licensed from May 17, 1952. (Free licensing of cloth exports till the end of December 1953 announced recently).
2.	Sugar	April 15, 1952	Export of 50,000 tons of sugar valid upto June 1952. Subsequently extended.
		September 25, 1952	2 lakh tons of sugar, 50,000 tons of gur or jaggery and 10,000 tons of khandsari.
		January 30, 1953	Exports banned and Pre-ban commitments allowed.
3.	Raw Cotton (Export Quotas)	April 11, 1952	52,000 bales of Dholleras, Assam, etc.
		April 29, 1952	50,000 bales of Bengal Deshi and 25,000 bales of Central India. Deshi. C. P. I. and II and Oomra Deshi.
		May 17, 1952	50,000 bales of Zoda Cotton, C. P. I. and II, etc.
		August 18, 1952	50,000 bales of Bengal Deshi.
		October 6, 1952	100,000 bales of Bengal Deshi.
		October 29, 1952	150,000 bales of short staple. Assam Comillas to be allowed freely.
		February 17, 1953	Persons holding export quotas for certain short staples other than Bengal Deshi were permitted to convert half of such quotas for Bengal Deshi.
4.	Niger Seed, Kardi Seed and their Oils.	May 2 and May 7, 1952	Free licensing till July 1952.
		July 15, 1952	Extended upto December 1952.
		December 12, 1952	Extended upto June 30, 1953.

STATEMENT 64—(*Contd.*)

	Item	Date of Announcement	Details
5.	Cotton Yarn	May 14, 1952	6,000 bales of yarn produced from foreign cotton to all permissible destinations till end of June 1952.
		June 18, 1952	Yarn out of Indian cotton also to be permitted, subject to certain conditions upto August 31, 1952; licensing ceased on August 31, 1952.
		July 1, 1952	6,000 bales of cotton yarn manufactured out of foreign cotton to be exported till August 30, 1952. Subsequently extended.
		October 1, 1952	6,000 bales of yarn of certain counts made out of foreign cotton allowed upto Dec. 31, 1952.
		October 22, 1952	Yarn of certain counts manufactured solely out of Indian cotton packed in April 1952 and earlier allowed to be freely exported to all permissible destinations till December 31, 1952.
		January 27, 1953	No distinction between yarn made out of Indian and foreign cotton. Allotments of certain counts upto end of August 1953.
6.	Raw Wool	June 12, 1952	Licensed freely till August 31, 1952.
		August 18, 1952	Licensed freely till December 1952.
		December 17, 1952	Licensed freely till March 1953.
		March 30, 1953	Exports freely licensed upto December 1953 with ceiling limit of 9 million lbs.
7.	Flax Manufactures	February 1953	Exports freely licensed upto December 31, 1953.
8.	Mustard Oil	June 21, 1952	Permitted without quantitative restrictions to all destinations including Pakistan upto September 1952.
		September 25, 1952	Permitted without quantitative restrictions to all destinations including Pakistan upto June 30, 1953.
9.	Vanaspati	March 27, 1953	Removed from O. G. L. for export but licensed freely upto an overall quota of 3,000 tons for 1953.
10.	Tea	July 2, 1952	Re-exports from London to Continental Europe permitted, but not to Dollar Area.
11.	Cotton Waste	August 16, 1952	61,000 cwts. of hardwaste for July-December 1952—subsequently free licensing allowed for Jan.-June 1953 subject to a limited ceiling.
		November 19, 1952	15,000 bales of soft cotton waste upto August 1953.
12.	Groundnut and Oil and Linseed Oil	June 27, 1952	A quota of 20,000 tons each of groundnut and linseed oil allowed for July-Dec. 1952.
		December 15, 1952	A quota of 40,000 tons in terms of oil (groundnut) was fixed. A portion (15 per cent) in the form of H.P.S. Groundnuts allowed for export to hard currency countries; ordinary groundnuts not allowed.
		February 20, 1953	Subsequently 1/3 of this was allowed to be exported to soft currency countries.
13.	Castor Oil	January 31, 1953	Licensed freely from February 1, 1953 to April 30, 1953.
14.	Black Pepper	April 5, 1952 and October 29, 1952	Exports to be licensed freely to all permissible soft currency destinations with the exception of certain countries; exports to dollar area allowed under O.G.L.

STATEMENT 64—(*Contd.*)

(C) Changes in Import Controls and Import Policy, 1952-53

Item	Date of Announcement	Details
1. July-December 1952	June 16, 1952	Broad features of policy same as in Jan.-June 1952. Most of the items on O.G.L. XXIII expiring on June 30, 1952 continued on O.G.L. XXIV and XXV valid till the end of March 1953 for hard and soft currency countries respectively. Transfer of 50 items from dollar O.G.L. to soft currency O.G.L. Some items freely licensed in the preceding half year now added to the O.G.L. and a few items taken out of the O.G.L. Cuts in import quotas were made in a relatively small number of items and in many cases, reductions confined to dollar quotas alone. The general procedure remained same except for the validity period which in case of many items, has been restored to six months.
2. Open General Licence, XXVI	Sept. 5, 1952	Certain imports from Pakistan which include mainly poultry, fish, fruits and vegetables etc., valid upto the end of November 1952.—Extended upto March 31, 1953.
3. January-June 1953	December 31, 1952	The policy broadly followed the pattern for the corresponding period of 1952. Imports proposed to be maintained at July-Dec. 1952 level. Policy for 70 per cent of items unaltered. These include non-ferrous metals, metal manufactures, motors and generators, cables and wires, spices, liquor, stationery, etc. O.G.Ls. XIV and XVI expired on December 31, 1952. O.G.L. XXVII replaced O.G.L XIV and in O.G.L. XXVIII effort has been made to bring together all the essential items of XVI, XXIV and XXV requiring advance orders for long periods of delivery. A few items dropped including ball-bearings, power-driven duplicators, textile mill stores etc. whose imports will be regulated on a quota basis.
		Import quotas of certain items cut down in the preceding licensing period due to substantial stocks restored partially in some cases and fully in others. These include twist drills and reamers, power-driven pumps, garage tools, machinery and parts thereof, etc. Small quota licences for biscuits and confectionery, playing cards, metal buttons, vulcanised fibre suitcases etc. to provide healthy competition to indigenous manufacturers. Due to improvement in indigenous manufactures, quotas for some items, such as iron and steel structures, bolts, nuts and rivets, leather belting, shuttles for textile and jute machinery, aluminium tea chest linings, umbrella fittings etc. reduced.
		Procedure remained substantially unaltered. List of items licensable to actual users enlarged. Opportunity given to newcomers to participate in imports of a wide variety of items including fluorescent tubes, electric instruments, motor-cycles and motor-vehicle spares, drugs and medicines, chemicals, etc.
4. Open General Licence XXIX and XXX	March 16, 1953	Valid upto September 30, 1953 replacing O.G.Ls. XXIV and XXV due to expire on March 31, 1953. O.G.L. XXIX valid for imports from all countries except South Africa. O.G.L. XXX for soft currency area only. A few items including certain non-ferrous metal manufactures and semi-manufactures, aluminium ingots, rock phosphate and sodium nitrate, DDT, etc. removed from the scope of the existing O.G.Ls.
5. Open General Licence XXVII	,, ,,	Imports from Persian Gulf Sheikhdoms and Portuguese possessions in India extended upto September 30, 1953.

STATEMENT 65

Index Numbers of Exports and Imports

(Reserve Bank of India Series. *Base* : 1948-49 = 100)

(Reference paragraph 81)

Period		Exports: Food, Drink and Tobacco	Exports: Raw Materials	Exports: Manufactured Articles	Exports: General	Imports: Food, Drink and Tobacco	Imports: Raw Materials	Imports: Manufactured Articles	Imports: General	Net Terms of Trade
Quantity Index										
1949-50		108	91	109	105	86	81	108	94	
1950-51		111	80	122	110	62	101	83	83	
1951-52		115	63	89	89	141	107	89	108	
1952-53		107	83	93	94	79	79	67	74	
April	1952	55	80	75	72	154	125	73	110	
May	,,	77	107	96	94	142	116	68	102	
June	,,	96	103	102	101	134	70	60	82	
July	,,	111	99	103	101	99	57	76	76	
August	,,	120	94	118	113	94	65	74	77	
September	,,	125	71	103	101	89	55	61	67	
October	,,	146	67	99	102	40	88	60	64	
November	,,	105	61	80	82	30	90	59	61	
December	,,	113	79	78	86	35	96	56	63	
January	1953	113	73	83	88	32	67	58	54	
February	,,	105	92	65	80	49	51	50	50	
March	,,	118	72	106	101	73	59	53	60	
Price Index*										
1949-50		113	106	100	105	96	103	95	98	107
1950-51		130	143	122	129	97	106	113	106	122
1951-52		151	191	185	178	118	173	145	147	121
1952-53		134	120	108	116	132	116	137	128	91
April	1952	138	136	113	141	132	139	166	146	97
May	,,	123	123	125	125	138	139	157	144	87
June	,,	128	115	114	118	135	149	160	148	80
July	,,	140	93	109	112	130	134	153	139	81
August	,,	139	112	103	114	124	126	141	130	88
September	,,	139	133	108	120	113	118	136	122	98
October	,,	156	129	110	124	114	114	138	122	102
November	,,	129	129	104	114	117	112	140	123	93
December	,,	125	112	100	108	106	110	151	123	88
January	1953	123	123	93	105	110	110	143	121	87
February	,,	123	118	94	105	112	109	144	123	85
March	,,	132	115	88	103	123	107	142	123	84

* Export Price Indices inclusive of duty.

STATEMENT 66

INDIA'S BALANCE OF PAYMENTS (INCLUDING PAKISTAN), 1952

(Reference paragraph 81)

A. CURRENT ACCOUNT

(Crores of Rupees)

Item	January-March 1952			April-June 1952			July-September 1952			October-December 1952			Year : 1952 (Preliminary)		
	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*
1. Merchandise (Exports *f. o. b.* Imports *c. i. f.*)															
(a) Private	159·6	180·7	*21·1*	151·7	117·6	*+34·1*	151·0	102·0	*49·0*	144·7	108·5	*+36·2*	607·0	509·0	*98·0*
(b) Government Food and Stores (1)	1·5	84·9	*−83·4*	1·9	65·5	*63·6*	1·6	57·6	*−56·0*	0·8	25·5	*24·7*	5·8	237·7(2)	*231·9*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign travel	0·1	1·9	*1·8*	0·1	2·8	*2·7*	0·1	3·7	*3·6*	0·2	1·8	*1·6*	0·6	10·1	*9·5*
4. Transportation (3) ..	9·6	3·2	*— 6·4*	8·6	5·2	*3·4*	8·1	7·1	*1·0*	8·1	4·3	*3·8*	34·4	19·8	*14·5*
5. Insurance	1·4	1·0	*0·4*	1·2	1·1	*0·1*	1·6	0·6	*1·0*	1·9	1·0	*0·9*	6·0	3·7	*2·3*
6. Investment income (4) ..	3·6	5·0	*1·4*	2·6	6·0	*3·4*	5·8	7·8	*2·0*	4·2	7·8	*3·6*	16·2	26·6	*10·4*
7. Government, not included elsewhere (5)	12·3	8·7	*+ 3·6*	6·5	4·9	*+ 1·6*	6·0	3·9	*+ 2·1*	6·5	3·6	*+ 2·9*	31·2	21·0	*10·2*
8. Miscellaneous (6) ..	7·0	2·4	*+ 4·6*	7·2	2·4	*+ 4·8*	6·7	2·3	*+ 4·4*	6·8	2·2	*4·6*	27·8	9·3	*18·5*
9. Donations															
(i) Official (7) ..	3·8	..	*— 3·8*	3·9	..	*3·9*	0·3	..	*+ 0·3*	0·1		*0·1*	12·5		*12·5*
(ii) Private (8)	5·5	1·5	*+ 4·0*	5·6	1·5	*+ 4·1*	5·9	1·3	*4·6*	5·3	1·2	*4·1*	22·3	5·5	*16·8*
9a. Unclassified	11·0	1·5	*+ 9·5*	13·7	1·7	*12·0*	11·9	1·4	*10·5*	11·1	1·6	*9·5*	47·7	6·2	*41·5*
10. Total Current Transactions	**215·4**	**290·8**	*75·4*	**203·1**	**208·5**	*5·4*	**199·1**	**187·7**	*11·4*	**189·5**	**157·5**	*32·0*	**811·6**	**848·9**	*37·3*
Errors and omissions			*+ 17·3*			*— 1·2*			*2·9*			*16·0*			*— 0·1*

(1) Transactions under Government barter deals have not been included. (2) The quarterly figures will not add up. Please see note (7) below. (3) Covers on the receipts side, estimated amounts for re-imbursement of freight paid in advance by exporters and disbursements of foreign ships in Indian ports, etc., and on the payments side, operating expenses abroad of Indian steam-ship companies and some freight payments. (4) Receipts include interest on investments of the Reserve Bank of India. The payments figures are estimates. (5) The payments figures represent disbursements of the Government, such as those for the upkeep of its organisations abroad and contributions to international organisations. (6) Covers mainly receipts and payments for services such as those for film rentals, technicians and agency services. (7) Represents aid received under the Colombo Plan, Indo-American Technical Co-operation Agreement and from the Ford Foundation. The data for the third and fourth quarters, however, exclude aid received under the Indo-American Technical Co-operation Agreement during the second half of 1952 amounting to Rs. 4·4 crores as no quarterly breakdown is available. For the year 1952 this amount has been included and hence the quarterly figures will not add up. (8) Comprises unilateral transfers like maintenance remittances and receipts of missionaries.

B. CAPITAL ACCOUNT

Net Movement increasing (+) or decreasing (−)

(Crores of Rupees)

Movement of Capital and Monetary Gold	January-March 1952			April-June 1952			July-September 1952			October-December 1952			Year : 1952 (Preliminary)		
	Assets	Liabilities	*Net Assets*	Assets	Liabilities	*Net Assets*	Assets	Liabilities	*Net Assets*	Assets	Liabilities	*Net Assets*	Assets	Liabilities	*Net Assets*
Private (excluding banking institutions)															
11. Long-Term Capital ..	−2·9	−4·4	*+1·5*	−2·3	−5·6	*+3·3*	−2·4	−3·8	*+1·4*	−2·2	−2·7	*+0·5*	−9·9	−16·6	*+6·7*
12. Short-Term Capital ..	—	+0·7	*−0·7*	—	+0·4	*−0·4*	—	+1·0	*−1·0*	—	+0·1	*−0·1*	—	+2·0	*−2·0*
Official and Banking Institutions															
13. Long-Term Capital															
13·1 Official Loans (9) ..	—	+20·6	*−20·6*	—	+18·4	*−18·4*	—	+15·9	*−15·9*	—	+0·4	*−0·4*	—	+55·3	*−55·3*
13·2 Bank Loans ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13·3 Portfolio Securities(10)	—	−1·0	*+1·0*	−0·2	−0·3	*+0·1*	—	−1·0	*+1·0*	—	−0·1	*+0·1*	−0·2	−2·3	*+2·1*
13·4 Amortisation(11) ..	−1·9	−3·0	*+1·1*	−1·9	−3·0	*+1·1*	−1·8	−2·9	*+1·1*	−1·8	−3·8	*+1·9*	−7·4	−12·8	*+5·3*
13·5 Other Contractual Repayments ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13·6 Other(12) ..	—	−3·2	*+3·2*	—	—	—	—	—	—	—	—	—	—	−3·2	*+3·2*
14. Short-Term Capital															
14·1 Payments and Clearing Agreements ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14·2 Liabilities to IMF & IBRD	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14·3 Other Liabilities to Official and Banking Institutions(13)	—	+1·9	*−1·9*	—	−22·5	*+22·5*	—	−19·3	*+19·3*	—	+2·5	*−2·5*	—	−37·4	*+37·4*
14·4 Other(14) ..	−57·8	−16·2	*−41·6*	−23·9	−6·0	*−17·9*	−5·6	−2·9	*−8·4*	−10·9	−5·4	*−16·3*	−65·3	−30·4	*−34·8*
15. Monetary Gold	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16. Total Movement of Capital and Monetary Gold	**−62·6**	**−4·5**	*−58·1*	**−28·3**	**−18·7**	*−9·7*	**+1·3**	**−13·0**	*+14·3*	**+6·9**	**−9·1**	*+16·0*	**−82·8**	**−45·4**	*−37·4*

(9) Represents mainly drawings on the U.S. Food Loan for the first three quarters and IBRD drawings for April-December 1952. (10) Includes on the assets side changes in holdings of foreign securities by the commercial banks and on the liabilities side movement in rupee securities held on account of foreigners and small amounts of sterling stock repatriated during January-December 1952. (11) Principal repayment of Railway Loan and Agricultural Loan to the IBRD is entered on the liabilities side in addition to payments to Railway Annuity holders and disbursements under Pensions Annuities. The entry on the assets side relates to withdrawals from Pensions Annuities. (12) The entry is an offset to certain extraordinary transfers of sterling to Aden included in item 14·4. (13) Includes movement in the rupee balances held by non-resident banks and official institutions, foreign exchange liabilities of authorised dealers and Treasury bills held by foreign official institutions in India. (14) Includes on the assets side mainly the changes in the foreign assets of the Reserve Bank of India, the balances of India Supply Mission, Washington and foreign exchange assets of authorised dealers. Liabilities cover movement in the rupee balances of non-resident individuals and net inflow of Indian currency in circulation from abroad.

STATEMENT 67

Financing of International Transactions (Including Pakistan)

(*Reference paragraph* 81)

(Crores of Rupees)

	1952 1st Half	1952 2nd Half	Year 1952	Year 1951
A. *Goods and Services* :				
1. Exports, *f. o. b.* ..	314·7	298·1	612·8	749·5
2. Imports, *c. i. f.* ..	448·7	298·0	746·7	862·4
3. Trade Balance ..	− 134·0	+ 0·1	− 133·9	112·9
4. Non-monetary gold ..	—	.		—
5. Investment income ..	− 4·8	5·6	− 10·4	24·1
6. Government, not included elsewhere ..	+ 5·3	+ 4·9	+ 10·2	+ 5·0
7. Other Services ..	+ 36·9	+ 30·5	+ 67·4	+ 59·7
Total ..	**96·6**	**+ 29·9**	**− 66·7**	**− 72·3**
B. *Private Donations and Capital Movements* :				
1. Donations ..	+ 8·1	+ 8·7	+ 16·8	+ 13·4
2. Long-term Capital ..	− 6·0	2·9	− 8·9	− 3·4
3. Short-term Capital ..	+ 1·0	0·3	+ 0·8	− 2·7
Total ..	**+ 3·2**	**+ 5·5**	**+ 8·7**	**+ 12·7**
C. *Special Official Financing* :				
1. Amortization and other Contractual Repayments	1·9	− 1·8	− 3·7	− 2·8
2. IBRD Loans ..	+ 0·5	+ 2·3	+ 2·7	+ 4·9
3. Aid received under the Colombo Plan from Australia, New Zealand and Canada ..	7·6	..	+ 7·6	+ 1·4
4. Aid received under the Indo-U. S. Technical Co-operation Agreement and from the Ford Foundation ..	+ 0·1	4·8	+ 4·9	..
Total ..	**+ 6·3**	**+ 5·2**	**+ 11·5**	**+ 3·5**
D. *Extraordinary Transactions* :				
1. Sterling paid in settlement of demonetised India notes repatriated from Aden ..	+ 3·2	—	+ 3·2	+ 2·9
2. Reduction in Liabilities to Aden ..	− 3·2	—	− 3·2	− 2·9
Total ..	—	—	—	—
E. *Errors and Omissions* ..	**+ 13·1**	**− 13·2**	**− 0·1**	**− 31·1**
F. *Surplus* (+) *or Deficit* (−) (*A to E*) ..	**73·9**	**+ 27·5**	**− 46·4**	**− 87·3**
G. *Compensatory Official Financing*† :				
1. Barter Deals ..		—	—	+ 0·7
2. U. S. Food Loan ..	+ 38·4	+ 14·1	+ 52·5	+ 38·0
3. Transfers of Indian Currency ..	− 22·1	− 7·0	− 29·1	− 19·3
4. Foreign Official Holdings of Rupee Securities ..	—	—	—	− 1·5
5. Short-term Liabilities ..	− 20·6	− 16·8	− 37·4	+ 23·1
6. Foreign Exchange Assets ..	+ 78·2	− 17·8	+ 60·4	+ 46·3
Total ..	**+ 73·9**	**− 27·5**	**+ 46·4**	**+ 87·3**

Note :—The scope of the items B2, B3 and C1 is not the same as that of the corresponding items appearing in Statement 66 (B).

† Financing undertaken by monetary authorities to cover a surplus or deficit in the rest of the balance of payments.

STATEMENT 68

INDIA'S BALANCE OF PAYMENTS

CURRENT ACCOUNT : REGION-WISE SUMMARY

(*Reference paragraph* 81)

(Crores of Rupees)

	1951	1952
Sterling area (Excluding Pakistan)		
Imports c.i.f.	301·1	276·4
Exports f.o.b.	368·3	270·2
Trade Balance	+ 67·2	— 6·2
Official Donations (Net)	+ 1·4	+ 2·8
Other Invisibles (Net)	+ 60·1	+ 66·2
Current Account (Net)	+ 128·7	+ 62·8
Pakistan		
Imports c.i.f.	79·3	27·2
Exports f.o.b.	26·2	50·6
Trade Balance	— 53·1	+ 23·4
Official Donations (Net)	..	—
Other Invisibles (Net)	+ 6·5	+ 9·1
Current Account (Net)	— 46·6	+ 32·5
Dollar Area		
Imports c.i.f.	247·5	280·2
Exports f.o.b.	183·2	148·2
Trade Balance	— 64·3	— 132·0
Official Donations (Net)	—	+ 9·7
Other Invisibles (Net)	+ 2·5	+ 7·6
Current Account (Net)	— 61·8	— 114·7
OEEC Countries		
Imports c.i.f.	108·9	86·8
Exports f.o.b.	85·0	63·1
Trade Balance	— 23·9	— 23·7
Official Donations (Net)	..	..
Other Invisibles (Net)	— 1·9	— 1·8
Current Account (Net)	— 25·8	— 25·5
Rest of Non-Sterling Area		
Imports c.i.f.	125·7	76·2
Exports f.o.b.	86·9	80·7
Trade Balance	— 38·8	+ 4·5
Official Donations (Net)	—	—
Other Invisibles (Net)	— 13·0	+ 3·1
Current Account (Net)	— 51·8	+ 7·6

STATEMENT 69

India's Balance of Payments, 1952 : Current Account—Region-wise

(*Reference paragraph* 81)

STERLING AREA (Excluding Pakistan)

(Crores of Rupees)

Item	January-March 1952			April-June 1952			July-September 1952			October-December 1952			Year : 1952		
	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*
1. Merchandise															
(*a*) Private	71·5	54·7	*−16·8*	64·7	54·7	*+10·0*	67·2	48·9	*+18·3*	66·8	56·3	*−10·5*	270·2	214·7	*+55·5*
(*b*) Government, Food and Stores	—	15·8	*−15·8*	—	17·7	*−17·7*	—	17·3	*−17·3*	..	10·9	*−10·9*	.	61·7	*—61·7*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign travel	..	1·0	*− 1·0*	..	1·2	*− 1·2*	..	1·0	*− 1·0*	..	1·0	*− 1·0*	..	4·2	*− 4·2*
4. Transportation	5·5	1·5	*+ 4·1*	4·7	2·4	*+ 2·4*	4·2	4·2	—	4·6	2·0	*+ 2·6*	19·0	10·0	*+ 9·0*
5. Insurance	1·0	0·8	*+ 0·2*	0·8	0·8	—	1·0	0·5	*+ 0·5*	1·2	0·6	*+ 0·6*	3·9	2·7	*+ 1·2*
6. Investment income ..	3·5	3·8	*− 0·3*	2·5	4·9	*− 2·4*	5·3	6·9	*− 1·6*	3·9	6·2	*− 2·3*	15·2	21·8	*− 6·6*
7. Government, not included elsewhere	11·0	7·3	*− 3·7*	4·9	4·1	*+ 0·8*	4·2	2·4	*+ 1·8*	4·6	2·5	*− 2·1*	24·7	16·3	*+ 8·4*
8. Miscellaneous	5·7	1·3	*+ 4·4*	5·8	1·3	*+ 4·5*	6·0	1·6	*+ 4·4*	6·1	1·4	*+ 1·7*	23·6	5·6	*+18·0*
9. Donations															
(*i*) Official	1·4	—	*+ 1·4*	1·5	—	*+ 1·5*	—	—	—	—	—	—	2·8	—	*+ 2·8*
(*ii*) Private	4·4	1·2	*+ 3·2*	4·4	1·2	*+ 3·2*	4·4	1·0	*+ 3·4*	4·0	1·0	*+ 3·0*	17·3	4·3	*+13·0*
9*a*. Unclassified	7·6	0·9	*+ 6·7*	9·2	0·9	*+ 8·3*	6·8	0·8	*+ 6·0*	7·2	0·8	*+ 6·4*	30·7	3·4	*+27·3*
Total ..	**111·5**	**88·3**	*+23·2*	**98·5**	**89·0**	*+ 9·4*	**99·1**	**84·5**	*+14·6*	**98·3**	**82·7**	*+15·6*	**407·4**	**344·6**	*+62·8*

PAKISTAN

Item	January-March 1952			April-June 1952			July-September 1952			October-December 1952			Year : 1952		
	Re-ceipts	Pay-ments	*Net*	Re-ceipts	Pay-ments	*Net*	Re-ceipts	Pay-ments	*Net*	Re-ceipts	Pay-ments	*Net*	Re-ceipts	Pay-mnets	*Net*
1. Merchandise															
(*a*) Private	13·3	11·9	– *1·4*	16·6	3·5	+ *13·1*	10·0	2·4	+ *7·6*	4·9	9·5	– *4·6*	44·8	27·2	+*17·6*
(*b*) Government, Food and Stores	1·5	–	+ *1·5*	1·9	–	+ *1·9*	1·6	—	+ *1·6*	0·8	–	+ *0·8*	5·8	—	+ *5·8*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign travel	..	—	—	..	—	—	..	—	—	..	—	—	..	—	—
4. Transportation	0·3	0·1	+ *0·2*	0·5	0·1	+ *0·4*	0·4	—	+ *0·4*	0·3	—	+ *0·3*	1·5	0·2	+ *1·3*
5. Insurance	—	—	—	0·1	—	+ *0·1*	—	—	–	—	—	—	0·1	0·1	—
6. Investment income ..	—	—	—	—	0·1	– *0·1*	0·3	—	+ *0·3*	0·2	–	+ *0·2*	0·4	0·2	+ *0·2*
7. Government, not included elsewhere	0·2	–	+ *0·2*	0·2	–	+ *0·2*	0·2	—	+ *0·2*	–	–	—	0·7	—	+ *0·7*
8. Miscellaneous	0·6	–	+ *0·6*	0·9	–	+ *0·9*	0·1	0·1	–	0·1	–	+ *0·1*	1·7	0·1	+ *1·6*
9. Donations															
(*i*) Official	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(*ii*) Private	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9*a*. Unclassified	1·5	0·1	+ *1·4*	1·8	0·1	+ *1·7*	1·8	0·1	+ *1·7*	0·7	0·1	+ *0·6*	5·8	0·4	+ *5·4*
Total ..	**17·3**	**12·1**	+ *5·2*	**21·9**	**3·9**	+*18·0*	**14·5**	**2·6**	+*11·9*	**7·0**	**9·6**	– *2·6*	**60·8**	**28·3**	+*32·5*

STATEMENT 69—*(Contd.)*

DOLLAR AREA*

(Crores of Rupees)

Item	January-March 1952			April-June 1952			July-September 1952			October-December 1952			Year : 1952		
	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*
1. Merchandise															
(*a*) Private	41·7	70·8	−29·1	33·5	33·3	−0·2	35·6	21·9	+13·7	37·4	15·1	+22·3	148·2	141·1	+7·1
(*b*) Government, Food and Stores	—	62·7	−62·7	—	38·2	−38·2	—	27·2	−27·2	—	6·7	−6·7	—	139·1†	−139·1
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign travel	0·1	0·3	−0·2	0·1	0·3	−0·3	0·1	0·3	−0·2	0·1	0·2	−0·1	0·4	1·2	−0·8
4. Transportation	1·6	0·5	−1·2	1·2	0·6	−0·6	1·2	0·7	+0·5	1·2	0·6	+0·6	5·2	2·3	+2·9
5. Insurance	0·1	0·1	—	0·1	0·1	−0·1	0·2	—	+0·2	0·4	—	−0·4	0·9	0·2	+0·7
6. Investment income ..	0·1	1·1	−1·1	0·1	0·9	−0·8	0·1	0·8	−0·7	0·1	1·4	−1·3	0·4	4·2	−3·8
7. Government, not included elsewhere	0·4	0·4	—	0·7	0·4	+0·3	0·6	0·7	−0·1	0·6	0·4	+0·2	2·3	1·9	+0·4
8. Miscellaneous	0·3	0·4	−0·1	0·2	0·4	−0·2	0·2	0·3	−0·1	0·2	0·5	−0·3	0·9	1·6	−0·7
9. Donations															
(*i*) Official† ..	2·5	—	+2·5	2·4	—	+2·4	0·3	—	−0·3	0·1	—	+0·1	9·7	—	+9·7
(*ii*) Private	1·0	0·1	+0·9	1·2	0·1	+1·1	1·3	0·2	+1·1	1·2	0·1	+1·1	4·7	0·4	+4·3
9*a*. Unclassified	1·2	0·2	+1·0	1·4	0·3	+1·1	1·7	0·3	+1·4	1·4	0·2	+1·2	5·6	1·0	+4·6
Total ..	**49·0**	**136·5**	−87·5	**40·7**	**74·5**	−33·8	**41·4**	**52·4**	−11·0	**42·7**	**25·2**	+17·5	**178·2**	**292·9**	−114·7

* Comprises the United States, other American Account Countries and Canada.

† Please see notes (2) and (7) to Statement 66.

OEEC COUNTRIES*

(Crores of Rupees)

Item	January-March 1952 Re-ceipts	Pay-ments	Net	April-June 1952 Re-ceipts	Pay-ments	Net	July-September 1952 Re-ceipts	Pay-ments	Net	October-December 1952 Re-ceipts	Pay-ments	Net	Year : 1952 Re-ceipts	Pay-ments	Net
1. Merchandise															
(a) Private	15·5	20·8	– 5·3	17·1	15·0	+ 2·1	15·6	16·0	– 0·4	15·0	18·4	– 3·4	63·1	70·2	– 7·1
(b) Government, Food and Stores	—	4·2	– 4·2	—	4·6	– 4·6	—	3·8	– 3·8	—	4·0	– 4·0	—	16·6	–16·6
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign travel	—	0·2	– 0·2	—	0·5	– 0·5	—	0·5	– 0·5	—	0·4	– 0·4	0·1	1·8	– 1·7
4. Transportation	1·0	0·5	+ 0·5	1·0	0·6	+ 0·4	1·1	0·8	+ 0·3	0·9	0·8	+ 0·1	3·9	2·7	+ 1·2
5. Insurance	0·1	0·1	+ 0·1	0·1	0·1	—	0·1	—	+ 0·1	0·1	0·2	– 0·1	0·5	0·5	—
6. Investment income ..	—	0·1	– 0·1	—	—	—	0·1	—	+ 0·1	—	0·2	– 0·2	0·1	0·3	– 0·2
7. Government, not included elsewhere	0·1	0·8	– 0·7	0·1	0·2	– 0·1	0·1	0·6	– 0·5	0·1	0·5	– 0·4	0·4	2·0	– 1·6
8. Miscellaneous	0·3	0·4	– 0·1	0·3	0·3	—	0·3	0·2	+ 0·1	0·4	0·2	+ 0·1	1·3	1·1	+ 0·2
9. Donations															
(i) Official	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(ii) Private	0·1	0·1	—	0·1	0·1	—	0·1	0·1	—	0·1	0·1	—	0·4	0·4	—
9a. Unclassified	0·2	0·2	—	0·5	0·4	+ 0·1	0·3	0·2	+ 0·1	0·3	0·3	—	1·2	1·0	+ 0·2
Total ..	**17·3**	**27·3**	– 9·9	**19·1**	**21·8**	– 2·7	**17·6**	**22·3**	– 4·7	**16·9**	**25·2**	– 8·3	**71·0**	**96·5**	–25·5

*Including their associated territories.

STATEMENT 69—(*Contd.*)

REST OF NON-STERLING AREA

(Crores of Rupees)

Item	January-March 1952			April-June 1952			July-September 1952			October-December 1952			Year : 1952		
	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*	Receipts	Payments	*Net*
1. Merchandise															
(*a*) Private	17·7	22·6	− *4·9*	19·9	11·2	+ *8·7*	22·6	12·9	+ *9·7*	20·6	9·2	+*11·4*	80·7	55·8	+*24·9*
(*b*) Government, Food and Stores	—	2·2	− *2·2*	—	5·0	− *5·0*	—	9·3	− *9·3*	—	3·9	− *3·9*	—	20·4	−*20·4*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign travel	—	0·3	− *0·3*	—	0·8	− *0·8*	—	1·8	− *1·8*	—	0·2	− *0·2*	—	3·1	− *3·1*
4. Transportation	1·2	0·7	+ *0·5*	1·2	1·6	− *0·3*	1·2	1·5	− *0·3*	1·1	1·0	+ *0·1*	4·8	4·7	+ *0·1*
5. Insurance	0·2	—	+ *0·1*	0·2	—	+ *0·1*	0·2	—	+ *0·2*	0·2	0·1	—	0·7	0·2	+ *0·5*
6. Investment income ..	—	0·1	− *0·1*	—	—	—	0·1	—	+ *0·1*	—	0·1	—	0·1	0·1	—
7. Government, not included elsewhere	0·5	0·2	+ *0·3*	0·7	0·3	+ *0·4*	0·9	0·2	+ *0·7*	1·0	0·1	+ *0·9*	3·1	0·8	+ *2·3*
8. Miscellaneous	0·2	0·4	− *0·2*	0·1	0·4	− *0·3*	0·1	0·1	—	0·1	0·1	—	0·5	0·9	− *0·4*
9. Donations															
(*i*) Official	—	—	—	—	—	—	—	—	—	—		—	—	—	—
(*ii*) Private	—	0·1	− *0·1*	—	0·1	− *0·1*	—	0·1	− *0·1*	—	—	—	—	0·4	− *0·4*
9*a*. Unclassified	0·5	0·1	+ *0·4*	0·9	0·1	+ *0·8*	1·4	—	+ *1·4*	1·5	0·2	+ *1·3*	4·3	0·3	+ *4·0*
Total ..	**20·2**	**26·6**	− *6·4*	**23·0**	**19·3**	+ *3·7*	**26·5**	**25·9**	+ *0·6*	**24·5**	**14·8**	+ *9·7*	**94·2**	**86·6**	+ *7·6*

STATEMENT 70

India's Balance of Trade in Merchandise, 1952-53

(Sea, Air and Land)

(PRIVATE AND GOVERNMENT)

(Lakhs of Rupees)

1951-52					Month	1952-53				
Imports	Exports	Re-Exports	Total Exports	**Balance of Trade**		Imports	Exports	Re-Exports	Total Exports	**Balance of Trade**
59,57	51,60	66	52,26	**- 7,31**	April	81,08	44,68	22	44,90	**- 36,18**
(2,66)	(1,23)		(1,23)	**(- 1,43)**		(1,70)	(2,72)		(2,72)	**(+ 1,02)**
82,10	84,91	1,04	85,95	**+ 3,85**	May	79,26	50,85	17	51,02	**- 28,24**
(11,92)	(1,45)		(1,45)	**(- 10,47)**		(1,35)	(3,00)		(3,00)	**(- 1,65)**
80,35	64,01	43	64,44	**- 15,91**	June	62,80	51,66	31	51,97	**- 10,83**
(10,76)	(1,75)		(1,75)	**(- 9,01)**		(1,47)	(3,55)		(3,55)	**(+ 2,08)**
74,51	59,48	23	59,71	**- 14,80**	July	58,84	53,85	39	54,24	**- 4,60**
(7,20)	(1,27)		(1,27)	**(- 5,93)**		(1,18)	(2,39)		(2,39)	**(+ 1,21)**
76,74	63,73	16	63,89	**- 12,85**	August	58,89	54,99	25	55,24	**- 3,65**
(7,33)	(1,93)		(1,93)	**(- 5,40)**		(1,77)	(2,06)		(2,06)	**(+ 29)**
75,06	61,97	13	62,10	**- 12,96**	September	48,62	47,39	27	47,66	**- 96**
(8,23)	(1,81)		(1,81)	**(- 6,42)**		(1,39)	(97)		(97)	**(- 42)**
72,19	48,32	15	48,47	**- 23,72**	October	46,97	52,90	61	53,51	**+ 6,54**
(7,30)	(2,13)		(2,13)	**(- 5,17)**		(3,45)	(60)		(60)	**(- 2,85)**
76,04	64,96	15	65,11	**- 10,93**	November	43,67	40,71	36	41,07	**- 2,60**
(7,80)	(3,02)		(3,02)	**(- 4,78)**		(3,65)	(71)		(71)	**(- 2,94)**
77,62	58,91	15	59,06	**- 18,56**	December	47,35	45,23	44	45,67	**- 1,68**
(4,02)	(3,05)		(3,05)	**(- 97)**		(3,73)	(1,24)		(1,24)	**(- 2,49)**
93,05	65,87	25	66,12	**- 26,93**	January	43,46	43,09	1,17	44,26	**+ 80**
(4,44)	(2,09)		(2,09)	**(- 2,35)**		(2,58)	(69)		(69)	**(- 1,89)**
83,81	48,73	21	48,94	**- 34,87**	February	39,95	38,80	50	39,30	**- 65**
(5,28)	(3,87)		(3,87)	**(- 1,41)**		(1,32)	(51)		(51)	**(- 81)**
91,46	56,44	35	56,79	**- 34,67**	March	47,04	45,73	33	46,06	**- 98**
(3,52)	(3,53)		(3,53)	**(+ 1)**		(1,58)	(39)		(39)	**(- 1,19)**
942,49	**728,94**	**3,92**	**732,86**	**- 209,63**	**Total**	**657,92**	**569,88**	**5,04**	**574,92**	**- 83,00**
(80,45)	**(27,14)**	(—)	**(27,14)**	**(- 53,29)**		**(25,16)**	**(18,84)**	(—)	**(18,84)**	**(- 6,32)**

Note.—(1) Figures relating to the transit trade of foreign countries passing through India have been excluded. (2) Figures include those for land frontier trade with Pakistan, Afghanistan, Iran and Burma which have been shown separately within brackets. Land trade statistics relating to Burma included only from August, 1951. (3) Exports are on *f. o. b.* basis. (4) Land trade figures with Pakistan being incomplete, the total land trade statistics shown are provisional.

Source : Accounts relating to the Foreign (Sea, Air and Land) Trade and Navigation of India.

India's Imports of

Reference

Commodities	January-March 1952 Dollar Area	January-March 1952 Others (excluding Pakistan)	January-March 1952 Total	April-June 1952 Dollar Area	April-June 1952 Others (excluding Pakistan)	April-June 1952 Total	July-September 1952 Dollar Area	July-September 1952 Others (excluding Pakistan)	July-September 1952 Total
Class I									
Fruits and Vegetables	—	4,07	**4,07**	—	1,06	**1,06**		1,87	**1,87**
Grain, Pulse and Flour	55,94	12,55	**68,49**	56,44	19,56	**76,00**	22,81	20,09	**42,90**
Provisions and Oilman's Stores ..	32	2,78	**3,10**	7	1,26	**1,33**	10	2,51	**2,61**
Spices	.	1,33	**1,33**	..	99	**99**	—	94	**94**
Tobacco	57	9	**66**	52	15	**67**	34	3	**37**
Others	—	50	**50**	1	59	**60**	1	44	**45**
Total for the Group	**56,83**	**21,32**	**78,15**	**57,04**	**23,61**	**80,65**	**23,26**	**25,88**	**49,14**
Class II									
Other non-metallic mining and quarry products and the like ..	15	86	**1,01**	67	82	**1,49**	76	1,00	**1,76**
Oils—Vegetable, Mineral and Animal	5,15	14,26	**19,41**	5,21	15,04	**20,25**	4,56	13,78	**18,34**
Cotton, raw and waste	36,41	12,59	**49,00**	27,83	9,08	**36,91**	4,07	11,51	**15,58**
Wool, raw and waste	.	11	**11**	..	13	**13**		14	**14**
Others	48	7,26	**7,74**	49	2,79	**3,28**	20	3,43	**3,63**
Total for the Group	**42,19**	**35,08**	**77,27**	**34,20**	**27,86**	**62,06**	**9,59**	**29,86**	**39,45**
Class III									
Chemicals, Drugs and Medicines ..	3,70	6,74	**10,44**	2,62	4,96	**7,58**	2,25	4,59	**6,84**
Cutlery, Hardware etc.	82	4,38	**5,20**	93	3,01	**3,94**	75	2,91	**3,66**
Dyes and Colours	23	3,41	**3,64**	19	2,33	**2,52**	25	4,60	**4,85**
Electrical goods and apparatus ..	41	2,74	**3,15**	29	2,65	**2,94**	23	3,28	**3,51**
Machinery of all kinds	4,73	24,25	**28,98**	4,80	18,62	**23,42**	3,57	18,28	**21,85**
Metals—Iron and Steel and manufactures thereof	99	5,60	**6,59**	1,62	5,68	**7,30**	92	5,61	**6,53**
Metals—other than Iron and Steel and manufactures thereof ..	2,60	3,43	**6,03**	1,90	2,16	**4,06**	1,41	3,33	**4,74**
Paper, Paste board and Stationery	46	2,52	**2,98**	67	2,23	**2,90**	58	2,41	**2,99**
Vehicles	4,18	6,34	**10,52**	2,88	4,78	**7,66**	2,61	4,54	**7,15**
Cotton yarns and manufactures ..	—	1,51	**1,51**	10	1,64	**1,74**	.	73	**73**
Woollen ,, ...	—	1,72	**1,72**	—	1,05	**1,05**	—	1,95	**1,95**
Other yarns and textile fabrics ..	1	2,18	**2,19**	—	1,67	**1,67**	—	2,99	**2,99**
Others	1,04	6,04	**7,08**	1,46	3,95	**5,41**	69	3,85	**4,54**
Total for the Group	**19,17**	**70,86**	**90,03**	**17,46**	**54,73**	**72,19**	**13,26**	**59,07**	**72,33**
TOTAL FOR ALL GROUPS ..	**118,31**	**129,50**	**247,81**	**108,80**	**108,09**	**216,89**	**46,20**	**115,33**	**161,53**

Note.—Imports from Pakistan have been excluded.

Principal Commodities*

paragraph 82)

(Lakhs of Rupees)

October-December 1952			January-March 1953			January-December 1952			April 1952-March 1953		
Dollar Area	Others (excluding Pakistan)	Total	Dollar Area	Others (excluding Pakistan)	Total	Dollar Area	Others (excluding Pakistan)	Total	Dollar Area	Others (excluding Pakistan)	Total
—	2,21	**2,21**	—	4,15	**4,15**	—	9,21	**9,21**	—	9,30	**9,30**
3,79	11,64	**15,43**	14,95	3,44	**18,39**	138,98	63,84	**202,82**	97,99	54,73	**152,72**
3	61	**64**	2	1,10	**1,12**	52	7,16	**7,68**	22	5,48	**5,70**
—	1,01	**1,01**	—	83	**83**		4,27	**4,27**	—	3,77	**3,77**
23	7	**30**	29	17	**46**	1,66	34	**2,00**	1,38	42	**1,80**
—	42	**42**	—	42	**42**	3	1,94	**1,97**	2	1,87	**1,89**
4,05	**15,96**	**20,01**	**15,26**	**10,12**	**25,38**	**141,19**	**86,76**	**227,95**	**99,61**	**75,57**	**175,18**
44	1,74	**2,18**	11	1,51	**1,62**	2,02	4,42	**6,44**	1,98	5,67	**7,65**
6,34	19,29	**25,63**	1,41	16,14	**17,55**	21,26	62,37	**83,63**	20,52	61,26	**81,78**
4,54	8,94	**13,48**	84	9,86	**10,70**	72,85	42,12	**114,97**	37,28	39,39	**76,67**
—	16	**16**	—	23	**23**	-	54	**54**	—	66	**66**
11	2,93	**3,04**	20	2,57	**2,77**	1,28	16,41	**17,69**	1,00	11,72	**12,72**
11,43	**33,06**	**44,49**	**5,56**	**27,32**	**32,88**	**97,41**	**125,86**	**223,27**	**60,78**	**118,10**	**178,88**
1,68	3,66	**5,34**	1,52	3,58	**5,10**	10,25	19,95	**30,20**	8,07	16,79	**24,86**
42	2,62	**3,04**	56	3,06	**3,62**	2,92	12,92	**15,84**	2,66	11,60	**14,26**
16	1,25	**1,41**	16	1,48	**1,64**	83	11,59	**12,42**	76	9,66	**10.42**
20	3,11	**3,31**	28	3,77	**4,05**	1,13	11,78	**12,91**	1,00	12,81	**13,81**
3,01	17,21	**20,22**	3,65	18,73	**22,38**	16,11	78.36	**94,47**	15,03	72,84	**87,87**
58	4,45	**5,03**	59	4,26	**4,85**	4,11	21.34	**25,45**	3,71	20,00	**23,71**
62	3,62	**4,24**	1,92	4,41	**6,33**	6,53	12,54	**19,07**	5,85	13,52	**19,37**
21	3,43	**3,64**	13	3,13	**3,26**	1,92	10,59	**12.51**	1,59	11,20	**12.79**
1,45	4,12	**5,57**	1,79	5,98	**7,77**	11,12	19.78	**30,90**	8,73	19,42	**28.15**
—	1,40	**1,40**	—	1,12	**1,12**	10	5,28	**5,38**	10	4,89	**4,99**
—	2,20	**2,20**	—	1,52	**1,52**	—	6,92	**6,92**	—	6,72	**6.72**
1	2,46	**2,47**	2	2,36	**2,38**	2	9,30	**9,32**	3	9,48	**9,51**
56	3,08	**3,64**	56	3,33	**3.89**	3,75	16,92	**20.67**	3,27	14,21	**17,48**
8,90	**52,61**	**61,51**	**11,18**	**56,73**	**67,91**	**58,79**	**237,27**	**296,06**	**50,80**	**223,14**	**273,94**
24,51	**102,13**	**126,64**	**32,13**	**95,11**	**127,24**	**297,82**	**455,05**	**752,87**	**211,64**	**420,66**	**632,30**

* Provisional. *Source :* Director-General of Commercial Intelligence and Statistics.

STATE

INDIA'S EXPORTS* OF

(Reference

Commodities	January-March 1952			April-June 1952			July-September 1952		
	Dollar Area	Others (excluding Pakistan)	**Total**	Dollar Area	Others (excluding Pakistan)	**Total**	Dollar Area	Others (excluding Pakistan)	**Total**
Class I									
Fruits and Vegetables	94	1,29	**2,23**	2,84	1,46	**4,30**	2,61	1,14	**3,75**
Spices	4,16	4,39	**8,55**	2,33	2,19	**4,52**	3,27	1,80	**5,07**
Tea	2,93	19,06	**21,99**	1,57	8,29	**9,86**	2,95	20,74	**23,69**
Tobacco	—	2,49	**2,49**	—	4,06	**4,06**	..	3,47	**3,47**
Others	1	1,84	**1,85**	—	2,74	**2,74**	1	4,30	**4,31**
Total for the Group	**8,04**	**29,07**	**37,11**	**6,74**	**18,74**	**25,48**	**8,84**	**31,45**	**40,29**
Class II									
Other non-metallic mining and quarry products and the like	1,06	1,96	**3,02**	1,20	1,47	**2,67**	1,05	1,28	**2,33**
Gums, Resins and Lac	1,52	1,33	**2,85**	1,11	1,13	**2,24**	1,23	73	**1,96**
Hides and Skins, raw	78	86	**1,64**	78	69	**1,47**	80	47	**1,27**
Metallic ores and scrap Iron or Steel for re-manufacture	2,28	2,41	**4,69**	2,78	3,12	**5,90**	3,73	4,70	**8,43**
Oils Vegetable, Mineral and Animal	37	4,95	**5,32**	1,44	7,12	**8,56**	1,77	4,39	**6,16**
Seeds	66	1,31	**1,97**	80	1,40	**2,20**	11	57	**68**
Cotton, raw and waste	29	1,40	**1,69**	77	6,55	**7,32**	68	9,27	**9,95**
Wool, raw and waste	77	1,34	**2,11**	80	83	**1,63**	89	1,41	**2,30**
Others	63	5,41	**6,04**	44	4,15	**4,59**	27	3,17	**3,44**
Total for the Group	**8,36**	**20,97**	**29,33**	**10,12**	**26,46**	**36,58**	**10,53**	**25,99**	**36,52**
Class III									
Hides and Skins, tanned or dressed and Leather	51	4,06	**4,57**	43	2,45	**2,88**	42	3,65	**4,07**
Cotton yarns and manufactures ..	2	13,45	**13,47**	2	12,83	**12,85**	9	23,58	**23,67**
Jute yarns and manufactures ..	20,40	34,60	**55,00**	15,51	26,87	**42,38**	17,78	15,37	**33,15**
Woollen yarns and manufactures	36	59	**95**	22	42	**64**	18	41	**59**
Others	74	7,88	**8,62**	67	7,03	**7,70**	73	6,82	**7,55**
Total for the Group	**22,03**	**60,58**	**82,61**	**16,85**	**49,60**	**66,45**	**19,20**	**49,83**	**69,03**
TOTAL FOR ALL GROUPS ..	**38,44**	**111,61**	**150,05**	**33,72**	**95,73**	**129,45**	**38,58**	**108,26**	**146,84**

Note.—Exports to Pakistan have been excluded. * Indian Merchandise.

MENT 72

PRINCIPAL COMMODITIES**

paragraph 82)

(Lakhs of Rupees)

October-December 1952			January-March 1953			January-December 1952			April 1952-March 1953		
Dollar Area	Others (excluding Pakistan)	Total	Dollar Area	Others (excluding Pakistan)	Total	Dollar Area	Others (excluding Pakistan)	Total	Dollar Area	Others (excluding Pakistan)	Total
2,67	1,91	**4,58**	1,85	1,08	**2,93**	9,06	5,80	**14,86**	9,97	5,59	**15,56**
2,22	2,05	**4,27**	3,64	2,76	**6,40**	11,98	10,43	**22,41**	11,46	8,80	**20,26**
2,71	21,70	**24,41**	2,97	19,23	**22,20**	10,16	69,80	**79,96**	10,20	69,97	**80,17**
—	3,40	**3,40**	-	1,91	**1,91**	—	13,42	**13,42**	—	12,84	**12,84**
2	2,65	**2,67**	2	1,76	**1,78**	4	11,52	**11,56**	5	11,44	**11,49**
7,62	**31,71**	**39,33**	**8,48**	**26,74**	**35,22**	**31,24**	**110,97**	**142,21**	**31,68**	**108,64**	**140,32**
1,26	1,18	**2,44**	1,08	1,34	**2,42**	4,57	5,89	**10,46**	4,59	5,27	**9,86**
1,02	1,06	**2,08**	1,15	80	**1,95**	4,88	4,25	**9,13**	4,51	3,72	**8,23**
86	64	**1,50**	56	89	**1,45**	3,22	2,66	**5,88**	3,00	2,69	**5,69**
4,56	7,09	**11,65**	3,50	7,51	**11,01**	13,35	17,32	**30,67**	14,57	22,42	**36,99**
1,35	3,71	**5,06**	1,41	3,72	**5,13**	4,93	20,17	**25,10**	5,97	18,94	**24,91**
5	28	**33**	59	75	**1,34**	1,62	3,56	**5,18**	1,55	3,00	**4,55**
56	4,72	**5,28**	96	5,35	**6,31**	2,30	21,94	**24,24**	2,97	25,89	**28,86**
65	1,87	**2,52**	52	1,15	**1,97**	3,11	5,45	**8,56**	2,86	5,56	**8,42**
43	3,57	**4,00**	46	3,36	**3,82**	1,77	16,30	**18,07**	1,60	14,25	**15,85**
10,74	**24,12**	**34,86**	**10,23**	**25,17**	**35,40**	**39,75**	**97,54**	**137,29**	**41,62**	**101,74**	**143,36**
47	5,18	**5,65**	52	6,96	**7,48**	1,83	15,34	**17,17**	1,84	18,24	**20,08**
9	15,82	**15,91**	29	12,17	**12,46**	22	65,68	**65,90**	49	64,40	**64,89**
13,55	13,56	**27,11**	11,10	12,51	**23,61**	67,24	90,40	**157,64**	57,94	68,31	**126,25**
18	79	**97**	22	81	**1,03**	94	2,21	**3,15**	80	2,43	**3,23**
1,15	9,47	**10,62**	76	8,63	**9,39**	3,29	31,20	**34,49**	3,31	31,95	**35,26**
15,44	**44,82**	**60,26**	**12,89**	**41,08**	**53,97**	**73,52**	**204,83**	**278,35**	**64,38**	**185,33**	**249,71**
33,80	**101,56**	**135,36**	**31,64**	**94,09**	**125,73**	**144,54**	**417,16**	**561,70**	**137,74**	**399,64**	**537,38**

** Provisional.

Source : Director-General of Commercial Intelligence and Statistics.

STATEMENT 73

EXPORTS OF GUNNY CLOTH AND GUNNY BAGS TO PRINCIPAL COUNTRIES

(Reference paragraph 82)

Principal Countries	Jan.-Mar. 1952 Quantity	Jan.-Mar. 1952 Value	April-June 1952 Quantity	April-June 1952 Value	July-Sept. 1952 Quantity	July-Sept. 1952 Value	Oct.-Dec. 1952 Quantity	Oct.-Dec. 1952 Value	Jan.-Mar. 1953 Quantity	Jan.-Mar. 1953 Value	**Jan.-Dec. 1952 Quantity**	**Jan.-Dec. 1952 Value**	**April 1952-March 1953 Quantity**	**April 1952-March 1953 Value**
GUNNY CLOTH (Millions of yards) (Lakhs of Rupees)														
Sterling Area Countries :														
U. K. ..	29·4	3,35	28·0	2,40	2·6	26	1·5	9	34·2	1,80	**61·5**	**6,14**	**66·3**	**4,55**
Australia ..	4·2	57	3·1	30	3·0	30	2·9	23	9·0	57	**13·2**	**1,40**	**18·0**	**1,40**
New Zealand	0·9	9	0·9	10	1·3	10	1·5	16	1·1	7	**4·6**	**45**	**4·8**	**43**
Other Soft Currency Countries :														
Egypt ..	2·6	29	2·2	21	1·2	9	1·1	6	1·1	6	**7·1**	**65**	**5·6**	**42**
Uruguay ..	2·8	29	3·7	19	8·7	45	12·8	35	6·0	32	**28·0**	**1,29**	**31·2**	**1,32**
Argentina ..	2·[illegible]	21	—	—	0·4	2	73·6	4,01	47·2	2,65	**76·1**	**4,24**	**121·2**	**6,68**
Dollar Countries :														
U. S. A. ..	144·0	12,52	193·6	10,82	204·7	9,94	205·8	8,54	173·4	7,39	**748·1**	**41,82**	**777·5**	**36,69**
Canada ..	21·2	1,72	19·7	1,13	33·3	1,49	14·9	70	25·2	1,06	**89·1**	**5,07**	**93·1**	**4,47**
Philippines ..	1·2	6	2·0	18	4·1	24	5·6	23	6·2	33	**13·9**	**83**	**18·9**	**1,0[illegible]**
Total (all countries excluding Pakistan)	**215·9**	**20,20**	**270·8**	**16,59**	**299·2**	**14,90**	**348·3**	**16,53**	**318·1**	**14,99**	**1,135·2**	**68,22**	**1,236·4**	**63,01**
GUNNY BAGS (Millions of bags) (Lakhs of Rupees)														
Sterling Area Countries :														
U. K. ..	30·2	3,42	4·3	77	2·9	46	3·3	44	7·4	86	**40·7**	**5,09**	**17·9**	**2,53**
Australia ..	17·5	6,67	20·7	6,43	7·1	1,68	2·3	35	9·4	1,02	**48·0**	**15,13**	**39·5**	**9,48**
Burma ..	6·0	1,51	16·1	2,30	2·6	34	0·1	1	0·1	1	**24·8**	**4,16**	**18·9**	**2,66**
Nigeria ..	3·6	94	7·3	1,61	4·2	51	2·3	30	3·4	36	**17·4**	**3,36**	**17·2**	**2,78**
Other Soft Currency Countries :														
Egypt ..	5·2	1,67	3·3	1,01	2·1	48	1·1	15	1·1	9	**11·7**	**3,34**	**7·6**	**1,76**
Peru ..	2·3	55	3·3	71	2·8	29	3·6	48	2·3	27	**12·0**	**2,03**	**12·0**	**1,75**
Thailand ..	2·7	71	6·6	1,40	4·0	61	1·0	19	2·5	29	**14·3**	**2,91**	**14·1**	**2,49**
Dollar Countries :														
U.S.A. ..	0·5	6	0·5	5	0·4	3	—	—	0·9	6	**1·4**	**14**	**1·8**	**14**
Cuba ..	5·7	1,84	4·0	97	20·0	4,03	10·8	1,96	4·5	51	**40·5**	**8,80**	**39·3**	**7,47**
Total (all countries excluding Pakistan)	**136·8**	**33,24**	**115·0**	**24,66**	**106·2**	**17,15**	**67·9**	**9,75**	**65·5**	**7,31**	**425·9**	**84,80**	**354·6**	**58,87**

Source : Accounts relating to the Foreign (Sea, Air and Land) Trade and Navigation of India.

STATEMENT 74

EXPORTS OF TEA TO PRINCIPAL COUNTRIES

(Reference paragraph 82)

(Millions of lbs.)
(Lakhs of Rupees)

Principal Countries	Jan.-Mar. 1952 Quantity	Jan.-Mar. 1952 Value	April-June 1952 Quantity	April-June 1952 Value	July-Sept. 1952 Quantity	July-Sept. 1952 Value	Oct.-Dec. 1952 Quantity	Oct.-Dec. 1952 Value	Jan.-Mar. 1953 Quantity	Jan.-Mar. 1953 Value	**Jan.-Dec. 1952 Quantity**	**Jan.-Dec. 1952 Value**	**April 1952-March 1953 Quantity**	**April 1952-March 1953 Value**
Sterling Area Countries :														
U. K.	67·5	13,90	34·6	6,10	86·8	17,24	86·7	17,99	73·2	13,90	**275·6**	**55,23**	**281·3**	**55,23**
Irish Republic ..	4·3	1,01	0·4	11	3·6	68	5·3	80	3·1	58	**13·6**	**2,60**	**12·4**	**2,17**
Australia ..	2·2	46	1·0	17	5·3	78	2·7	42	3·6	59	**11·6**	**1,83**	**12·6**	**1,96**
Kuwait	2·9	68	1·9	31	2·9	40	2·0	36	2·2	34	**9·7**	**1,75**	**9·0**	**1,41**
Other Soft Currency Countries :														
Netherlands ..	1·9	32	2·4	29	1·6	29	1·7	30	1·9	36	**7·6**	**1,20**	**7·6**	**1,24**
A. E. Sudan ..	1·5	18	1·2	12	2·7	26	2·7	27	1·0	11	**8·1**	**83**	**7·6**	**77**
Chile	2·2	37	2·9	45	0·3	4	—	-	0·3	6	**5·4**	**86**	**3·5**	**55**
Dollar Countries :														
U.S.A.	9·0	2,07	4·0	77	7·6	1,66	8·8	1,71	9·2	1,81	**29·4**	**6,21**	**29·6**	**5,95**
Canada	4·1	86	4·3	79	6·4	1,29	5·8	98	6·1	1,18	**20·6**	**3,93**	**22·6**	**4,25**
Total (all countries excluding Pakistan)	**105·1**	**21,99**	**57·0**	**9,86**	**124·5**	**23,69**	**123·1**	**24,41**	**118·7**	**22,20**	**409·7**	**79,97**	**423·3**	**80,17**

Source : Accounts relating to the Foreign (Sea, Air and Land) Trade and Navigation India.

STATEMENT 75

EXPORTS OF COTTON PIECEGOODS* TO PRINCIPAL COUNTRIES

(Reference paragraph 82)

(Millions of yards)
(Lakhs of Rupees)

Principal Countries	Jan.-Mar. 1952 Quantity	Jan.-Mar. 1952 Value	April-June 1952 Quantity	April-June 1952 Value	July-Sept. 1952 Quantity	July-Sept. 1952 Value	Oct.-Dec. 1952 Quantity	Oct.-Dec. 1952 Value	Jan.-Mar. 1953 Quantity	Jan.-Mar. 1953 Value	**Jan.-Dec. 1952 Quantity**	**Jan.-Dec. 1952 Value**	**April 1952-March 1953 Quantity**	**April 1952-March 1953 Value**
Sterling Area Countries :														
U. K.	4·8	46	0·5	6	0·2	2	0·4	5	1·1	10	**5·9**	**59**	**2·2**	**23**
Malaya (including Singapore) ..	8·5	86	5·9	56	44·7	4,33	31·8	2,92	17·1	1,42	**90·9**	**8,67**	**99·5**	**9,23**
Aden and Dependencies.. ..	10·5	1,02	8·6	78	31·6	2,84	8·1	74	19·7	1,37	**58·8**	**5,38**	**68·0**	**5,73**
Ceylon	2·5	32	6·7	88	4·8	54	2·6	27	3·2	29	**16·6**	**2,01**	**17·3**	**1,98**
Nigeria	1·2	12	0·9	9	3·5	34	4·1	36	6·3	46	**9·7**	**91**	**14·8**	**1,25**
Tanganyika Territory	4·5	58	5·6	62	9·9	1,26	2·4	26	2·8	23	**22·4**	**2,72**	**20·7**	**2,38**
Kenya Colony and Zanzibar and Pemba	5·7	73	5·7	69	11·0	1,27	6·2	64	5·1	41	**28·6**	**3,33**	**28·0**	**3,00**
Australia ..	5·0	90	0·8	16	1·1	12	1·8	22	2·8	29	**8·7**	**1,40**	**6·5**	**79**
Burma	6·9	85	25·4	2,48	21·8	2,07	15·8	1,59	15·5	1,28	**69·9**	**6,99**	**78·5**	**7,42**
Other Soft Currency Countries :														
A. E. Sudan ..	7·0	57	13·2	1,02	13·7	92	19·1	1,23	13·0	72	**53·0**	**3,74**	**59·0**	**3,89**
Afghanistan ..	5·7	65	5·8	70	8·2	99	6·2	64	5·9	58	**26·0**	**2,99**	**26·1**	**2,91**
Total (all countries excluding Pakistan)	**82·1**	**9,31**	**92·8**	**9,60**	**181·8**	**17,96**	**130·0**	**11,92**	**114·6**	**9,09**	**486·6**	**48,80**	**519·1**	**48,57**

* Mill made cotton piecegoods.

Source : Accounts relating to the Foreign (Sea, Air and Land) Trade and Navigation of India.

STATEMENT 76

INDO-PAKISTAN TRADE**

(Sea, Air and Land)

(Lakhs of Rupees)

Items	Units	1948–49		1949–50		1950–51		1951–52		1952–53	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
						EXPORTS†					
1. Fruits and Vegetables ..	Value	..	1,68	..	2,08	..	2,25	..	5,61	..	1,91
2. Spices	000 Cwts.	4,21	2,49	1,44*	1,57	1,40	90	4,22	4,12	1,21	67
3. Tobacco— Unmanufactured	Million lbs.	21·3	97	14·7	1,63	17·1	1,98	14·5	2,27	4·5	77
4. Tobacco—Manufactured ..	,,	..	5,03	3·2*	3,75	9·9	3,51	9·2	4,73	2·4	1,57
5. Coal	000 tons	6,72*	1,78*	15,58	4,42	26	8	5,90	2,36	7,56	3,21
6. Mustard Oil	000 Cwts.	3,31	3,27	3,86	3,52	1,48	1,91	1,75	2,60	1,61	1,89
7. Hides and Skins, Tanned..	Value	..	1,37	..	89	..	47	..	32	..	39
8. Cotton Twist and Yarn ..	Million lbs.	7·3	1,27	8·0*	1,54	2·1	67	1·3	38	1·2	28
9. Cotton Piecegoods ..	Million Yards	214·5	21,98	35·1	2,63	51·5	5,98	27·3	3,79	45·4*	4,61*
10. Jute Gunny Bags	Value }	..	5,51	..	2,22	..	2,54	..	4,10	..	2,87
11. Jute Gunny Cloth ..	,, }	..		..	18	..	65	..	28	..	29
12. Others	,,		29,66		17,00		9,49		14,79		12,79
13. **Total**			**75,01**		**41,43**		**30,43**		**45,26**		**31,10**
						IMPORTS					
1. Grain, Pulse and flour ..	Value	..	1,80	..	3,58	..	2,47	..	11,58	..	40
2. Fruits and Vegetables ..	,,	..	2,91	..	1,81	..	1,26	..	1,10	..	86
3. Hides and Skins, Raw ..	000 tons	8·0*	1,78*	..	57	5·9	2,11	3·5	80	3·0	56
4. Oilseeds	,,	..	6,12	..	3,26	1,25	3,58	48	2,69	2·4	10
5. Raw Jute	000 bales	41,91	71,24	13,48	21,17	18,69	27,48	23,78	67,08	13,23	16,48§
6. Raw Cotton	000 tons	65·0	16,51	24·7	6,99	0·8	27	9·1	7	..	—
7. Others	Value		8,90		6,63		6,70		4,78		3,48
8. **Total**	,,		**109,29**		**44,04**		**43,87**		**87,50**		**21,88§**

** Data shown do not necessarily represent the latest figures as revisions are carried out from time to time.
† Indian Merchandise only. * Incomplete. § Provisional.

STATEMENT 77

India's Trade Agreements, 1952-53

(*Reference paragraph* 83)

Countries	Date of Agreement	Duration	Important Imports into India	Important Exports from India
1. Italy ..	Letters exchanged on April 7, 1952	For the year 1952	Chemicals and chemical products, paper, raw silk, moulding powders, electric transformers, generators and motors, machine tools, etc.	Oils and oilseeds, spices, tea, coffee, manganese ore, mica, coal, etc.
2. Sweden ..	Letters exchanged on May 5, 1952	For the year 1952	Newsprint, aluminium covered steel cables, etc.	Kyanite ore, manganese ore, jute goods, castor oil, cotton waste, etc.
3. Egypt ..	Letters exchanged on June 28, 1952	March 1, 1952 to February 28, 1953	Raw cotton, cotton yarns of counts 80s and above, rock phosphates, gypsum anhydrite, etc.	Tea, vegetable oils, cotton piecegoods, shellac, iron and steel manufactures, etc.
4. Pakistan ..	July 11, 1952	February 1951 agreement extended upto August 7, 1952	Raw jute, raw cotton, hides and skins, rice, wheat etc.	Coal, iron and steel products hard timber, jute manufactures, cotton textiles, mustard oil etc.
	New agreement signed on August 5, 1952	Effective upto June 30, 1953	Hides and skins, fish, bamboo, spices, etc.	Certain categories of iron and steel and machinery, railway materials, wood and timber, beedies, beedi leaves, tobacco, etc.
	March 19, 1953	Three years beginning from July 1, 1953	Raw jute	Coal
5. Austria ..	July 19, 1952	July 1, 1952 to June 30, 1954. Schedules 'A' and 'B' of the agreement will, however, cease to have effect after one year unless extended by mutual agreement	Building and engineering materials, woollen piecegoods, cotton thread, hand knitting-wool, newsprint, aluminium circles, sheets, plates, wires and tubes, tungsten and molybdenum products, machine tools, etc.	Tea, tobacco, handloom products, coir and coir products, spices, cotton and cotton waste, vegetable oils, iron ore, manganese ore, hides and skins tanned, shellac, raw wool, etc.
6. Finland ..	Letters exchanged on September 2, 1952	Agreement which expired on December 31, 1951 extended for a further period of two years from January 1, 1952. Schedules will be renewed for 1953 by negotiations	Newsprint, woodpulp board, folding-box board, container board, paper and paper products (permissible types), steel files, farming machinery, cables, etc.	Tobacco, cashewnuts, spices, jute goods, tea, coffee, shellac, sugar, vegetable oils, chemical products, cotton waste, textile and hosiery goods (including woollen textiles), etc.

STATEMENT 77—(*Contd.*)

Countries	Date of Agreement	Duration	Important Imports into India	Important Exports from India
7. Norway ..	Letters exchanged on September 13, 1952	Agreement which expired on December 31, 1951 extended further for two years from January 1, 1952. Schedules attached to the agreement effective only for 1952	Newsprint, mechanical and chemical pulp, welding equipments, machine tools, certain types of machinery, iron and steel soil pipes, etc.	Jute goods, tobacco, spices, oils and oilseeds, cottage industry products, iron ore, coir and coir products, cotton waste, manganese ore, drugs and medicines, rubber goods, etc.
8. Western Germany ..	November 5, 1952	November 1, 1952 to October 31, 1953	Chemicals and related products, machinery, metal products etc.	Tobacco, cotton, ores, coffee, tea, raw wool, mica, seeds, shellac, essential oils, etc., without quantitative restrictions and cotton piecegoods (grey), jute manufactures, woollen carpets, etc., to be provided with quotas of specified values.
9. Hungary ..	Letters exchanged and signed on November 22, 1952	Agreement which expired on December 31, 1951 renewed for a period of two years from January 1, 1952	Machine tools, agricultural machines, X-ray and electro-medical apparatus, locomotive engines, carriages and parts for railways, optical articles, etc.	Tea, tobacco, shellac, spices, vegetable oils, jute goods, cotton waste, cotton yarns and thread, chemicals and drugs, cottage industry products, etc.
10. Indonesia ..	January 30, 1953	January 1, 1953 to December 31, 1953	Copra, coconut oil, palm oil, spices, betelnuts, timber, tin, rubber etc.	Jute goods, tobacco, handloom products, cotton and woollen piecegoods, cement, soap, chemicals, etc.
Barter Agreements :				
Pakistan ..	June 24, 1952		37,700 tons of Sind rice	39,700 tons of U. S. wheat
Argentina	October 22, 1952		Wheat equivalent to the value of jute goods.	40,000 tons of jute goods
Treaty of Friendship and Commerce :				
Syria ..	Signed on February 25, 1952 and came into force from December 5, 1952 with the exchange of instruments of ratification.	Valid for a period of three years commencing from the date of its execution	Provided for the strengthening of the existing ties of friendship, culture and commerce and stipulates mutual assistance in each other's industrial and agricultural progress. The commercial article provides for the maintenance and development of mutually advantageous commercial and trade relations and assistance in furthering trade in respect of certain exportable commodities. These goods include in the case of India, cotton piecegoods, rubber tyres and tubes, soap, steel manufactures etc. and sulphur, raw cotton, copper, coarse grains, etc., from Syria.	

STATEMENT 78

Tariff Commission, 1952-53

(Reference paragraph 84)

Industry	Purpose	Main Observations of the Commission	Government's action on the recommendations
A. Tariff and other miscellaneous Inquiries			
Sago (tapioca and globules), Cocoa powder and chocolate, Preserved fruits, Glucose, Soda ash, Calcium chloride, Bichromates, Oleic and stearic acids, Pencils, Coated abrasives, Plywood and tea-chests, Sericulture, Artificial silk and cotton and artificial silk mixed fabrics, Cotton and hair belting, Sheet glass, Wood screws, Steel bailing hoops, Ferro-silicon, Non-ferrous metals, Aluminium, Antimony, Hurricane lantern, Pickers, Dry battery, Plastics, Bicycles, Cotton textile machinery including fluted rollers and tin rollers.	Seeking extension of protection due to expire on December 31, 1952.	Pending detailed inquiries to be held, the Commission after *prima-facie* examination recommended continuation of protection upto December 31, 1953.	Recommendations of the Commission were accepted and given effect to by Government by the Indian Tariff Fourth Amendment Act, 1952.
Motor vehicle battery	Seeking continuance of protection at the same rate for 3 more years.	Protection recommended for another three years ending December 31, 1955. Standard rate of duty should, however, be reduced from 80 per cent to 42½ per cent *ad valorem* exclusive of surcharge for motor vehicle batteries and plates for such batteries of British manufacture.	Accepted by Government.
Starch*	Seeking continuance and also an increase in the quantum of protection.	Continuation of protection recommended for three years.	Accepted the continuance of protection upto December 31, 1954.

* Report submitted by the late Tariff Board.

STATEMENT 78—(*Contd.*)

Industry	Purpose	Main Observations of the Commission	Government's action on the recommendations
Grinding wheels†	Seeking continuance of protection and total ban on imports of grinding wheels upto 21" diameter.	Extension of protection granted for 3 years, the quantum of protection subject to being reviewed after two years; the protective duty on grinding wheels and segments of all kinds (other than those that are to be excluded from the scheme of protection) to be reduced from 105 per cent *ad valorem* including surcharge to 47½ per cent *ad valorem* excluding surcharge or 50 per cent *ad valorem* including surcharge.	Recommendations accepted subject to the following modifications. (1) The protective duty will be reduced to 50 per cent *ad valorem* exclusive of surcharge. (2) Thread grinding wheels will not be excluded from the scheme of protection. (3) The revenue duty on the deprotected categories of grinding wheels will be fixed at 25 per cent *ad valorem* plus the usual surcharge.
Ball bearings and Steel balls industry.	Fresh case for protection.	The inquiry was restricted to certain categories of ball bearings and steel balls alone. The ball bearings industry was alone granted protection for two years.	Accepted and protection was granted with effect from March 16, 1953 to December 31, 1954.
Woollen hosiery.	Protection sought for the first time.	As the existing rate of import duty afforded ample protection, the claim of the industry for protection was rejected.	Accepted.
Para-aminosalicylic acid.	Reduction in import duty on Meta-aminophenol used in manufacture of Para-aminosalicylic acid.	Claim rejected.	Accepted.
Power & distribution transformers and Flax goods.	Fresh cases.	Reports submitted to Government.	Decisions awaited.
Glucose.	Continuance of protection.	Report submitted to Government	,, ,,
Hydroquinone.		,, ,,	,, ,,
Fair ratio between the ordinary shares of SCOB and IISCO.		,, ,,	,, ,,
Automobile.*	Fresh case.	Inquiry completed but report yet to be submitted.	
Plywood and tea-chests, Wood screws and Dry battery.	Continuance of protection.	Inquiry completed but reports to be submitted.	
Titanium di-oxide (Pigments).	Fresh case	Under investigation	
Sericulture, Hydroquinone and Pencils.	Continuance of protection.	Under investigation	

† Report submitted by the late Tariff Board * Government's action announced on May 31, 1953.

B. Price Inquiries

Retention prices of steel produced by the Mysore Iron & Steel Works.	Revision of the existing retention price of steel.	Recommended among other things, fair ex-works retention prices that should remain in force till the end of 1953-54.	Accepted. The ex-works retention prices granted are : From — to — Rs. per ton. (*i*) 1-4-50 — 31-3-51 — 308 (*ii*) 1-4-51 — 30-9-51 — 329 (*iii*) 1-10-51 — 31-3-54 — 384 Price shown against (*iii*) is subject to revision when found necessary.
Fair retention prices of steel produced by the SCOB.	Revision of the existing retention price of steel.	Suggested revision of retention prices for the periods January—June 1951, July—December 1951 and 1952.	Accepted.
Prices of raw rubber.	Revision of existing prices.	Recommended a maximum price of Rs. 138 per 100 lbs for group (*i*) raw rubber with suitable differentials for other grades for three years.	Accepted. Prices to be effective for three years from October 28, 1952.
Retention prices of tin plates payable to the Tin Plate Co. of India. Ltd.,	Review of the retention prices.	Recommended the fixation of the selling prices of tin plate on the basis of the international system. The schedule of fair retention prices determined by the Commission to remain in force for the year 1952 and the company to be paid provisionally till the end of June 1953 the prices recommended for 1952 when the position is to be reviewed if necessary. The prices of tin plates, however, are to be revised in the event of a revision of selling prices of steel.	Accepted.
Ex-works prices of indigenous Superphosphate for the period January 1952 to August 15, 1952.	Revision of fair ex-works prices.	Recommended a schedule of prices for the different producers for the period January—June 1952. The same schedule of prices was made applicable for the period upto August 15, 1952. (As the Central Phosphate Pool was terminated with effect from August 15, 1952 the recommendaations of the Commission relate to January to August 15, 1952 only).	Accepted.
Conversion charges for bars and rods and retention price for electric furnace billets produced by registered re-rollers.		Report submitted to Government.	Decision awaited.
Retention prices of steel for the Tata Iron and Steel Co. Ltd.		,,	,,
Cement Prices.	Fresh case	Under investigation.	

STATEMENT 79

Purchases and Sales of Sterling by the Reserve Bank of India*

(Reference paragraph 85)

	Purchases †		Sales ‡		Net Purchases (+) Sales (−)	
	£ thousands	Rs. lakhs	£ thousands	Rs. lakhs	£ thousands	Rs lakhs
1938-39	25,468	33,96	.	.	+ 25,468	+ 33,96
1945-46	104,599	1,39,47	47,509	63,40	+ 57,090	+ 76,07
1946-47	74,181	98,91	93,405	1,24,65	− 19,224	− 25,74
1947-48	94,561	1,26,08	59,185	78,98	+ 35,376	+ 47,10
1948-49	83,617	1,11,49	77,825	1,03,86	+ 5,792	+ 7,63
1949-50	121,245	1,61,66	61,560	82,16	+ 59,685	+ 79,50
1950-51	218,049	2,90,73	88,822	1,18,56	+ 129,227	+ 1,72,17
1951-52	263,387	3,51,18	224,386	2,99,45	+ 39,001	+ 51,73
1952-53	141,300	1,88,41	67,318	89,84	+ 73,982	+ 98,57
April 1951	20,800	27,73	8,054	10,75	+ 12,746	+ 16,98
May ,, ...	23,135	30,85	13,605	18,16	+ 9,530	+ 12,69
June ,, ...	24,855	33,14	13,795	18,41	+ 11,060	+ 14,73
July ,, ...	20,125	26,83	20,660	27,57	− 535	− 74
August ,, ...	27,755	37,01	28,022	37,40	− 267	− 39
September ,, ...	30,585	40,78	25,645	34,22	+ 4,940	+ 6,56
October ,, ...	18,097	24,13	17,875	23,85	+ 222	+ 28
November ,, ...	20,335	27,11	26,060	34,78	− 5,725	− 7,67
December ,, ...	25,615	34,15	15,900	21,22	+ 9,715	+ 12,93
January 1952	20,795	27,73	20,020	26,72	+ 775	+ 1,01
February ,, ...	14,960	19,95	19,285	25,74	− 4,325	− 5,79
March ,, ...	16,330	21,77	15,465	20,64	+ 865	+ 1,13
April ,, ...	9,155	12,21	14,510	19,36	− 5,355	− 7,15
May ,, ...	9,865	13,15	9,160	12,23	+ 705	+ 92
June ,, ...	7,545	10,06	7,200	9,61	+ 345	+ 45
July ,, ...	4,805	6,41	13,280	17,72	− 8,475	− 11,31
August ,, ...	12,410	16,55	4,375	5,84	+ 8,035	+ 10,71
September ,, ...	15,075	20,10	3,960	5,28	+ 11,115	+ 14,82
October ,, ...	11,040	14,72	4,752	6,34	+ 6,288	+ 8,38
November ,, ...	10,005	13,34	5,470	7,30	+ 4,535	+ 6,04
December ,, ...	20,145	26,86	1,136	1,52	+ 19,009	+ 25,34
January 1953	15,005	20,01	320	43	+ 14,685	+ 19,58
February ,, ...	11,660	15,55	1,335	1,78	+ 10,325	+ 13,77
March ,, ...	14,590	19,45	1,820	2,43	+ 12,770	+ 17,02

* Excluding Government Transactions.
† Figures in respect of purchases include deliveries against forward contracts.
‡ Similarly, sales include deliveries against forward contracts.

STATEMENT 80

Currency Circulation

(Reference paragraphs 86 & 89)

(Lakhs of Rupees)

		Circulation(a)			Increase (+) or Decrease (−) in Circulation(b)			
		Notes(c)	Rupee Coin(d)	**Total (1+2)**	Notes(e)	Rupee Coin	Small Coin	**Total (4+5+6)**
		1.	2	3	4.	5.	6.	7
				UNDIVIDED INDIA				
1938-39		178,36	..		+ 7	− 13,39	+ 7	− **13,25**
1945-46		1,218,77	165,73	**1,384,50**	+ 133,89	+ 18,35	+ 9,98	+ **162,22**
1946-47		1,242,03	167,67	**1,409,70**	+ 23,26	+ 1,94	+ 5,91	+ **31,11**
1947-48		1,304,36	155,33	**1,459,69**	+ 62,33	− 12,34	+ 3,98	+ **53,97**
				INDIAN UNION				
1948-49		..	..	..	− 7,84	− 4,31	+ 24	− **11,91**
1949-50		1,120,35	132,61	**1,252,96**	− 5,84	+ 1,78	− 2,16	− **6,22**
1950-51		1,204,24	138,45	**1,342,69**	+ 83,89	+ 5,84	− 3,20	+ **86,53**
1951-52		1,097,94	125,45	**1,223,39**	− 100,21	− 13,00	− 3,05	− **116,26**
1952-53		1,089,95	119,71	**1,209,66**	− 7,99	− 5,74	− 4,09	− **17,82**
April	1951	1,237,76	134,57	**1,372,33**	+ 33,52	− 3,88	+ 1	+ **29,65**
May	,,	1,243,11	136,54	**1,379,65**	+ 5,35	+ 1,97	+ 31	+ **7,63**
June	,,	1,214,31	136,48	**1,350,79**	− 28,81	− 6	− 34	− **29,21**
July	,,	1,158,44	134,28	**1,292,72**	− 55,87	2,20	− 44	− **58,51**
August	,,	1,115,11	130,47	**1,245,58**	− 43,33	3,81	− 52	− **47,66**
September	,,	1,087,50	126,71	**1,214,21**	− 27,61	3,76	− 44	− **31,81**
October	,,	1,085,09	126,70	**1,211,79**	− 67	− 1	− 33	**1,01**
November	,,	1,079,41	124,97	**1,204,38**	− 4,50	— 1,73	− 22	− **6,45**
December	,,	1,097,92	125,51	**1,223,43**	+ 20,90	+ 54	41	+ **21,03**
January	1952	1,106,94	126,77	**1,233,71**	+ 9,58	+ 1,26	− 33	+ **10,51**
February	,,	1,096,43	126,70	**1,223,13**	− 10,30	− 7	+ 12	− **10,25**
March	,,	1,097,94	125,45	**1,223,39**	+ 1,51	− 1,25	− 47	− **21**
April	,,	1,102,61	126,56	**1,229,17**	+ 4,67	+ 1,11	− 12	+ **5,66**
May	,,	1,093,48	125,17	**1,218,65**	9,13	− 1,39	− 2	**10,54**
June	,,	1,085,59	124,26	**1,209,85**	7,89	− 91	− 45	− **9,25**
July	,,	1,060,91	121,11	**1,182,02**	− 24,68	− 3,15	− 79	− **28,62**
August	,,	1,042,50	118,35	**1,160,94**	− 18,32	− 2,76	− 61	− **21,69**
September	,,	1,044,35	118,14	**1,162,49**	+ 1,76	− 21	− 65	+ **90**
October	,,	1,029,31	116,21	**1,145,52**	− 15,04	− 1,93	− 73	− **17,70**
November	,,	1,030,49	115,14	**1,145,63**	+ 1,18	− 1,07	− 61	− **50**
December	,,	1,048,95	116,47	**1,165,42**	+ 18,46	+ 1,33	− 41	+ **19,38**
January	1953	1,063,21	116,73	**1,179,94**	+ 14,26	+ 26	− 29	+ **14,23**
February	,,	1,076,65	118,07	**1,194,72**	+ 13,44	+ 1,34	− 12	+ **14,66**
March	,,	1,089,95	119,71	**1,209,66**	+ 13,29	+ 1,64	+ 71	+ **15,64**

(*a*) At the end of period. (*b*) The figures are not adjusted to take account of net inward or outward movements of currency. For instance, it is known that in 1951-52 and 1952-53 there was a considerable repatriation of Indian currency from the Middle Eastern countries. No adjustments have also been made in regard to the issue, from January 26, 1950, of Indian currency in Hyderabad. (*c*) Figures of notes in circulation from March 1950 have been revised and are net of the return of about Rs. 43 crores from circulation in Pakistan, awaiting adjustment. (*d*) Estimated circulation of rupee coin in the Indian Union at the end of March 1948 (since when India rupee coin started being withdrawn from Pakistan circulation) has been assumed to be Rs. 135·14 crores, being, as in the case of notes, 87 per cent of the total circulation of rupee coin in undivided India at the end of March 1948. This assumption has to be made, as not all India coin in circulation in Pakistan were returnable by the State Bank of Pakistan in terms of Section 3 of Part IV of the Pakistan (Monetary System and Reserve Bank) Order, 1947 (as amended). Subsequent figures have been based on the data regarding net issues or returns in the Indian Union. (*e*) Figures from October 1951 to February 1952 are net of adjustments made in respect of India notes returned from circulation in Aden.

STATEMENT 81

CIRCULATION OF INDIA NOTES BY DENOMINATIONS

(*Reference paragraph* 88)

(Rupees in Lakhs)

Year ended December	Rs. 2	*Percentage of (1) to (9)*	Rs. 5	*Percentage of (3) to (9)*	Rs. 10	*Percentage of (5) to (9)*	Rs. 100	*Percentage of (7) to (9)*	**Total (1+3+5+7)**
	1	2	3	4	5	6	7	8	9
1938‡			33,84	*19·4*	77,89	*44·6*	62,81	*36·0*	**174,54**
1945	14,45	*1·3*	153,87	*14·1*	425,37	*39·1*	495,84	*45·5*	**1,089,53**
1946	25,42	*2·0*	197,09	*15·7*	545,40	*43·4*	488,71	*38·9*	**1,256,62**
1947	33,09	*2·5*	195,10	*14·7*	557,70	*42·1*	540,11	*40·7*	**1,326,00**
1948	29,21	*2·4*	180,53	*15·1*	533,23	*44·5*	454,29	*38·0*	**1,197,26**
1949	26,62	*2·4*	179,91	*16·1*	486,42	*43·4*	425,91	*38·1*	**1,118,86**
1950	25,15	*2·2*	166,03	*14·1*	483,87	*41·1*	500,98	*42·6*	**1,176,03**
1951	25,43	*2·2*	157,41	*13·6*	477,42	*41·1*	500,90	*43·1*	**1,161,16**
1952	23,43	*2·1*	141,20	*12·7*	461,64	*41·1*	487,49	*43·8*	**1,113,76**

Note.—Figures from 1948 are net of India notes returned from circulation in Pakistan and Aden, but are inclusive of the balance of India notes retired from circulation in Pakistan and awaiting adjustment. ‡ Including Burma notes.

STATEMENT 82

Movements in Circulation of Small Coin (Denomination-wise)

ABSORPTION (+) OR RETURN(—)

(*Reference paragraph* 90)

(Thousands of Rupees)

	Half rupees†	Four anna pieces‡	Two anna pieces§	One anna pieces	Half anna pieces*	Single pice**	Half pice	Pie pieces	**Total**
1938-39	− 2,40	− 9,55	+ 3,55	+ 6,34		+ 14,80	+ 84	+77	+ **19,15**
1945-46	+ 2,95,54	+ 2,99,29	+ 1,35,65	+ 1,54,94	+ 61,18	+ 51,16	+ 3	+ 4	+**9,97,83**
1946-47	+ 2,07,92	+ 1,75,80	+ 68,96	+ 61,18	+ 39,22	+ 37,60	—	+ 4	**+5,90,72**
1947-48	+ 1,76,71	+ 1,28,23	+ 28,25	− 24,51	+ 16,79	− 24,03	—	+ 3	**+3,98,55**
1948-49	+ 18,94	+ 6,71	− 12,60	− 13,55	+ 9,24	+ 15,45	—	—	+ **24,19**
1949-50	− 67,01	− 56,24	− 47,47	− 57,79	+ 1,40	+ 11,52	—	—	**−2,15,59**
1950-51	− 1,00,54	− 97,53	− 60,09	− 65,54	− 3,78	+ 7,73	− 7	+ 3	**−3,19,79**
1951-52	− 1,06,57	− 84,04	− 61,78	− 62,55	− 1,73	+ 11,28	+ 6	+ 1	**−3,05,32**
1952-53	− 1,52,06	− 1,02,45	− 75,89	− 75,47	− 9,54	+ 6,04	− 2	—	**−4,09,40**

Note.—Figures for 1938-39 include those for Burma. Figures from 1948-49 relate to the Indian Union ; those for 1945-46 to 1947-48 relate to undivided India. † Since the inauguration of the Reserve Bank in 1935, silver half rupees have been included in statistics relating to small coin ; including pure nickel half rupees introduced in May 1946. ‡ Including pure nickel four anna pieces introduced in May 1946. § Including nickel two anna pieces introduced in 1917-18. * Nickel half anna pieces introduced in January 1942. ** Including single pice pieces with a circular hole issued from February 1943.

STATEMENT 83

Movements in Circulation of Small Coin (Metal-wise)

ABSORPTION (+) OR RETURN (−)

(Reference paragraph 90)

(Lakhs of Rupees)

	1938-39	1945-46	1946-47	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53
I. Standard Silver									
8 annas	+ 2	− 1	− 2	—	—	− 1	—	—	—
4 annas	− 5	− 1	− 1	—	− 1	− 3	—	..	..
Total Standard Silver Coin	**− 3**	**− 2**	**− 3**	..	**− 1**	**− 4**	—	—	—
II. Quaternary Silver									
8 annas		+ 2,96	− 92	− 57	− 95	− 1,42	− 1,51	− 1,23	− 1,64
4 annas		+ 3,03	− 81	− 57	− 88	− 1,24	− 1,34	− 99	− 1,33
Total Quaternary Silver Coin ..		**+ 5,99**	**− 1,73**	**− 1,14**	**− 1,83**	**− 2,66**	**2,85**	**− 2,22**	**2,97**
III. Pure Nickel									
8 annas			+ 1,18	− 2,34	+ 1,14	+ 77	+ 50	− 17	+ 13
4 annas			− 99	+ 1,89	+ 97	+ 73	+ 41	+ 19	+ 35
Total Pure Nickel Coin			**− 2,16**	**+ 4,23**	**+ 2,11**	**+ 1,50**	**+ 91**	**+ 36**	**48**
IV. Nickel-Alloy*									
4 annas	− 4	− 3	− 2	− 3	− 2	− 3	− 4	− 4	4
2 annas	+ 4	+ 1,36	+ 69	+ 28	− 13	− 47	− 60	− 62	− 76
1 anna	+ 6	+ 1,55	+ 61	+ 25	− 14	− 58	− 66	− 63	− 75
½ anna		+ 61	+ 39	+ 17	+ 9	+ 1	− 4	− 2	− 10
Total Nickel-Alloy Coin	**+ 6**	**+ 3,49**	**− 1,67**	**+ 67**	**− 20**	**− 1,06**	**− 1,34**	**− 1,31**	**− 1,65**
Total Nickel Coin (III+IV)	**+ 6**	**+ 3,49**	**− 3,83**	**+ 4,90**	**+ 1,91**	**+ 44**	**− 43**	**− 95**	**− 1,17**
V. Copper**									
Single Pice	+ 15	+ 51	+ 38	+ 24	+ 15	+ 12	+ 8	+ 11	+ 6
Half Pice	+ 1	—	—	—	—	—	—	—	—
Pie Pieces	+ 1	—	—	—	—	—	—	—	—
Total Copper Coin	**+ 17**	**+ 51**	**+ 38**	**− 24**	**+ 15**	**+ 12**	**+ 8**	**+ 11**	**+ 6**
VI. Total Small Coin	**+ 19**	**+ 9,98**	**+ 5,91**	**+ 3,99**	**+ 24**	**− 2,16**	**− 3,20**	**− 3,05**	**− 4,09**

Note.— Figures for 1938-39 include those for Burma. Figures from 1948-49 relate to the Indian Union only, while those for 1945-46 to 1947-48 relate to undivided India. * Cupro-nickel and nickel-brass coins. ** Including bronze coins.

STATEMENT 84

Movements in Circulation of Small Coin (Circle-wise)

ABSORPTION (–) OR RETURN (+)

(Reference paragraph 90)

(Thousands of Rupees)

	Bombay	Calcutta	Delhi	Kanpur	Madras	**Total**
1948-49	+ 47,33	+ 67,21	+ 32,97	– 8,58	– 48,80	**+ 24,19**
1949-50	– 30,67	+ 16,13	+ 30,10	81,28	– 57,41	**– 2,15,59**
1950-51	32,43	+ 1,51,36	22,78	1,14,13	+ 91	**– 3,19,79**
1951-52	16,89	1,79,93	– 8,77	90,07	+ 9,66	**– 3,05,32**
1952-53	+ 23,96	– 2,15,28	– 9,84	– 1,51,58	56,66	**– 4,09,40**

Note.—Figures relate to the Indian Union.

STATEMENT 85

Lost, Destroyed and Mutilated Notes, 1952-53

(Reference paragraph 94)

	No. of claims admitted	No. of pieces	Amount of claims admitted	Amount paid against claims
			Rs.	Rs.
Lost or wholly destroyed notes	572	1,147	1,14,700	86,100*
Half notes	765	1,402	1,40,050	29,350
Mutilated Notes :—				
Registered (Denominations of Rs. 20 to Rs. 100)	6,840**	13,994	14,01,000	11,97,480
Unregistered (Denominations of Re. 1 to Rs. 10)	70,814**	4,73,239	26,56,357	25,26,101
Government of India one rupee notes ..		6,14,530	6,14,530	5,62,555

* Includes amount paid during 1952-53 in respect of claims admitted in previous years.
** Excludes figures for soiled notes in respect of the Bombay circle.

STATEMENT 86

NOTE FORGERIES

(Reference paragraph 95)

Year	Re. 1 (Government of India Notes)	Rs. 2	Rs. 5	Rs. 10	Rs. 100	Total Number	Total Value Rs.
1945-46*	12,306	584	494	10,389	17	**23,790**	**1,21,534**
1946-47	1,537	250	831	7,229	13	**9,860**	**79,782**
1947-48	1,571	159	1,667	10,238	19	**13,657**	**1,14,507**
1948-49	2,469	175	1,884	6,499	15	**11,042**	**78,729**
1949-50	4,464	117	1,703	4,726	35	**11,045**	**63,973**
1950-51	2,400	84	1,676	2,783	182	**7,125**	**56,978**
1951-52	3,334	35	1,669	1,901	148	**7,087**	**45,559**
1952-53	4,257	74	966	1,060	238	**6,595**	**43,635**

Note.—Figures from 1948-49 relate to the Indian Union only. *Including Rangoon.

STATEMENT 86 (A)

PROSECUTIONS ON ACCOUNT OF NOTE FORGERIES

(Reference paragraph 95)

Year	Fresh Prosecutions	Pending at the end of the previous year	Total Trials	Discharges	Convictions	Pending
1945-46*	39	36	**75**	18	18	39
1946-47	41	39	**80**	13	10	57
1947-48	33	57	**90**	15	19	56
1948-49	34	47	**81**	24	24	33
1949-50	42	33	**75**	22	10	43
1950-51	48	43	**91**	38	28	25
1951-52	36	25	**61**	19	23	19
1952-53	39	19	**58**	17	12	29

Note.—Figures from 1948-49 relate to the Indian Union only.
*Including Rangoon.

STATEMENT 87

MINTAGE OF RUPEES AND SMALL COIN

(Reference paragraph 96)

(Lakhs of Rupees)

	Coined in Bombay		Coined in Calcutta		Coined in Lahore		Total Coined		Grand Total
	Whole Rupees*	Small Coin	Whole Rupees*	Small Coin	Whole Rupees*	Small Coin	Whole Rupees* (1+3+5)	Small Coin (2+4+6)	(7+8)
	1	2	3	4	5	6	7	8	9
1945-46 ..	8,95	6,70	-	2,54	7,79	3,46	16,74	12,70	**29,44**
1946-47 ..	79	5,59	--	1,69	92	76	1,71	8,03	**9,74**
1947-48 ..	7,32	4,23	—	93	4,19	26	11,51	5,42	**16,94**
1948-49 ..	5,43	2,80	--	90	—	—	5,43	3,70	**9,13**
1949-50 ..	3,57	2,16	--	17		—	3,57	2,33	**5,89**
1950-51 ..	2,80	1,08	—	5		—	2,80	1,12	**3,92**
1951-52 ..	--	1,38	—	61†	--	—	—	1,99	**1,99**
1952-53 ..	-	21	--	18	--	—	—	39	**39**

Note :— From July 1951, the old Calcutta Mint was closed for coinage with the opening of the new Mint at Alipore (Calcutta).

* Quaternary rupees in 1945-46 and 1946-47 and India nickel rupees thereafter. † Including coins of the value of Rs. 13,000 minted at the old Calcutta Mint.

STATEMENT 87 (A)

MINTAGE OF INDIA COINS BY DENOMINATIONS, 1952-53

(Reference paragraph 96)

Denomination	Bombay Mint Rs. as.	Alipore Mint Rs. as.	**Total Rs. as.**
Nickel Rupees	—	--	—
,, Half Rupees	—	--	—
,, Quarter Rupees	—	57,167—8	**57,167—8**
Cupro-nickel Two annas	—	—	**—**
,, One anna	—	—	--
,, Half anna	--	--	--
Bronze Single Pice	21,18,100—0	16,98,800—0	**38,16,900—0**
Total	**21,18,100—0**	**17,55,967—8**	**38,74,067—8**

STATEMENT 88

Description of Coins in Active Circulation at the end of March 1953

(*Reference paragraph* 96)

Denomination	Gross Weight (Grains)	Composition (Proportion of Metals)	Diameter	Edge	Remarks
Standard Silver Quarter Rupee	45	Silver 916·6 per mille and the rest base metal	0·75" Round Coin	Milled	
,, ,, One-eighth Rupee	22·5	,,	0·60" ,,	Plain	
Quaternary Alloy Rupee	180	Silver 50 per cent and rest base metal	1·2" ,,	Milled and security edged	
,, ,, Half Rupee	90	,,	0·95" ,,	,,	
,, ,, Quarter Rupee	45	,,	0·75" ,,	,,	
Pure Nickel Rupee	180	Nickel 100 per cent	1·1" ,,	,,	
,, ,, Half Rupee	90	,,	0·95" ,,	Milled	
,, ,, Quarter Rupee	45	,,	0·75" ,,	,,	
Cupro-Nickel Four anna	105	75 per cent Copper and 25 per cent Nickel	0·925" Across Flats 1·000" ,, Corners	Plain	Scalloped Coin
,, ,, Two anna	90	,,	0·88" ,, Flats 1·00" ,, Corners	,,	Square Coin with round corners
,, ,, Two anna (George V)	90	,,	0·827" ,, Flats 1·000" ,, Corners	,,	Square Coin with round corners
,, ,, One anna	60	,,	0·827" Maximum 0·7795" Minimum	,,	Scalloped Coin
,, ,, Half anna	45	,,	0·778" Across Diagonal 0·684" ,, Sides	,,	Square coin with round corners
Nickel-Brass Two anna	90	79 per cent Copper, 1 per cent Nickel and 20 per cent Zinc	Same as Cupro-Nickel Coins above		Same as Cupro-Nickel Coins above
,, ,, One anna	60	,,		,,	
,, ,, Half anna	45	,,			
Copper Single Pice	100	100 per cent Copper	1·00" Round Coin	,,	
,, Half Pice	50	,,	0·84" ,,	,,	
,, Pie Pieces	33·3	,,	0·68" ,,	,,	
Bronze* Single Pice	75	97 per cent Copper, 2½ per cent Zinc and ½ per cent Tin	1·00" ,,	,,	
,, ,, ,,	30	,,	0·84" ,,	(with a circular hole)	
,, ,, ,,	60	,,	0·84" ,,	Plain	
,, ,, ,,	45	,,	0·84" ,,	,,	
,, Half Pice	37·5	,,	0·84" ,,	,,	
,, Pie Pieces	25	,,	0·68" ,,	,,	

* The alloy for bronze coin had to be changed during the period of war due to the scarcity of tin. The proportion of this alloy upto February 1936 was 95% copper, 4% tin and 1% zinc; from February 1936 to end of 1942, it was 95·5% copper, 3% tin and 1·5% zinc; from 1943 to date, it is in the proportion of copper 97%, tin 0·5% and zinc 2·5%.

STATEMENT 89

Withdrawal of Silver, Cupro-Nickel and Copper Coins, 1952-53

(*Reference paragraph* 97)

	Rs.	a.	p.
I. Uncurrent coin			
Silver Rupees †			
Standard Silver Rupees	98,731	0	0
Defective Quaternary Rupees	6,810	0	0
Other uncurrent coin (shroff marked, soldered, etc.) ..	19,725	0	0
Total Silver coin	**1,25,266**	**0**	**0**
Cupro-nickel* eight anna	20,832	0	0
Bronze Double Pice	56	7	6
Total of Uncurrent coin	**1,46,154**	**7**	**6**
II. Badly worn and defaced coins			
Nickel and Nickel-Alloy Coins			
Nickel Rupees	1,03,654	0	0
Cupro-nickel* -/4/- pieces	6,72,208	1	0
Cupro-nickel‡ -/2/- ,, ...	69,22,042	6	0
Cupro-nickel‡ -/1/-	70,26,444	0	0
Cupro-nickel‡ -/½/- ,, ...	13,81,520	7	0
Copper and Bronze Coins			
Single Pice	9,65,374	5	6
Half Pice	225	7	0
Pie Pieces	159	5	9
Total of Badly worn and defaced coins	**170,71,628**	**3**	**3**

* Including worn-out pure nickel coins. † Provisional.

‡ Including nickel brass coins.

STATEMENT 90

Number of Counterfeit Coins Cut at Treasuries and Railway Stations

(*Reference paragraph* 98)

	1945-46	1946-47	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53
Silver Coins								
Rupees	8,056	7,846	9,159	9,742	12,825	9,200	12,176	9,658
Half Rupees ..	9,293	9,323	13,361	10,817	9,249	8,252	7,248	6,279
Quarter Rupees	9,795	10,783	12,052	11,321	13,524	13,642	9,615	8,382
Eighth Rupees ..	142	81	301	1,393	3	1	16	18
Total ..	**27,286**	**28,033**	**34,873**	**33,273**	**35,601**	**31,098**	**29,055**	**24,337**
Nickel Coins								
Rupees	—	—	79	1,291	5,896	4,429	6,317	4,841
Half Rupees ..	10	306	1,856	4,198	7,447	12,886	8,686	8,103
Quarter Rupees	3,170	3,787	4,220	7,762	13,231	23,073	13,956	12,942
Two Annas ..	40,530	69,621	76,774	1,03,969	1,35,784	1,70,327	1,29,644	1,56,190
One Anna ..	4,509	8,795	7,536	10,995	14,452	23,820	13,420	22,126
Half Anna ..	3	91	55	29	226	1,771	967	2,000
Total ..	**48,222**	**82,660**	**90,520**	**1,28,244**	**1,77,036**	**2,36,306**	**1,72,990**	**2,06,202**

Note.—Figures from 1948-49 relate to the Indian Union; earlier figures relate to undivided India.

APPENDIX I

Approved Non-Scheduled Banks and Indigenous Bankers Eligible for Concessional Rates of Remittances under the Reserve Bank's Scheme for Remittances as on March 31, 1953

I. *Non-Scheduled Banks*

1. Agricultural and Industrial Bank Ltd., Coondapur.
2. Amrit Bank Ltd., Amritsar.
3. Bank of Aundh Ltd., Aundh.
4. Bank of Chittoor Ltd., Chittoor.
5. Bank of Citizens Ltd., Belgaum.
6. Bank of Karad Ltd., Karad.
7. Bank of Konkan Ltd., Malvan.
8. Bank of Madura Ltd., Madurai.
9. Bank of the East (1927), Gauhati.
10. Banthia Bank Ltd., Panvel.
11. Bareilly Bank Ltd., Bareilly.
12. Bharat Industrial Bank Ltd., Poona.
13. Bishnupur Bank Ltd., Bishnupur.
14. Chawla Bank Ltd., Dehra Dun.
15. Chotanagpur Banking Association Ltd., Hazaribagh.
16. Cochin Commercial Bank Ltd., Cochin.
17. Commonwealth Bank Ltd., Kumbakonam.
18. Dass Bank Ltd., Calcutta.
19. Frontier Bank Ltd., New Delhi.
20. Gauhati Bank Ltd., Gauhati.
21. Himalya Bank Ltd., Kangra.
22. Hira Bullion Bank Ltd., Meerut.
23. India's Ideal Banking Corporation Ltd., Bangalore.
24. Jaya Laxmi Bank Ltd., Mangalore.
25. Kannika Bank Ltd., Madras.
26. Karnataka Bank Ltd., Mangalore.
27. Kotagiri Bank Ltd., Kotagiri.
28. Kulitalai Bank Ltd., Tiruchirapalli.
29. Lakshmi Vilas Bank Ltd., Karur.
30. Laxmi Industrial Bank Ltd., Calcutta.

31. Maharashtra Apex Bank Ltd., Udipi.

32. Manipur State Bank Ltd., Imphal.

33. Mannargudi Bank Ltd., Mannargudi.

34. Melarkode Bank Ltd., Palghat.

35. Naini Tal Bank Ltd., Naini Tal.

36. National Bank of Sialkot Ltd., Gurdaspur.

37. Pollachi Union Bank Ltd., Pollachi.

38. Punjab and Kashmir Bank Ltd., Ludhiana.

39. Rajapalaiyam Commercial Bank Ltd., Rajapalaiyam.

40. Rayalaseema Bank Ltd., Bellary.

41. Reliance Bank of India Ltd., Madras.

42. Safe Bank Ltd., Nagpur.

43. Sahukara Bank Ltd., Ludhiana.

44. Salem Bank Ltd., Salem.

45. Satara Swadeshi Commercial Bank Ltd., Satara.

46. Shillong Banking Corporation Ltd., Shillong.

47. Sind National Bank Ltd., Bombay.

48. Southern India Apex Bank Ltd., Udipi.

49. Sri Mayuram Bank Ltd., Mayuram.

50. Sree Poornathrayeesa Vilasom Bank Ltd., Tripunithura.

51. Supreme Bank of India Ltd., Belgaum.

52. Surat Banking Corporation Ltd., Surat.

53. Sylhet Commercial Bank Ltd., Shillong.

54. Tennur Bank Ltd., Tiruchirapalli.

55. Tezpur Industrial Bank Ltd., Tezpur.

56. Union Bank of Bengal Ltd., Calcutta.

57. Union Bank of Bijapur and Sholapur Ltd., Bijapur.

58. United Bank of Karnatak Ltd., Bagalkot.

59. Vijaya Bank Ltd., Mangalore.

II. *Indigenous Bankers*

1. Messrs. Balak Ram Dwarkadas, Simla.
2. Messrs. Bhaulal Bankers, Shahjahanpur.
3. Messrs. Durga Sah Mohanlal Sah, Ranikhet.
4. Messrs. Harjiwandas Khushaldas Parikh, Kapadwanj.
5. Messrs. Moolchand Ramprasad, Banda.
6. Shri Ranchodbhai Bhaichandbhai Sura, Bombay.
7. Messrs. S. S. Dhanyakumar Dharamdas & Co., Katni.
8. Union Banking Service, Chiplun.

APPENDIX II

Divergence between Exchange Control and Customs Data in regard to Merchandise Transactions

The data for merchandise transactions as shown in the balance of payments statements, which are based on the records of the Exchange Control Department, differ from the compilations of the Director-General, Commercial Intelligence and Statistics (Statements 70-76), mainly on account of differences in coverage, valuation and timing. The difference in regard to coverage arises from the fact that while the Customs records include all the foreign trade of Nepal, Tibet and Portuguese and French India routed through Indian ports, the E.C.D. records cover only that portion of their foreign trade for which India provides or receives foreign exchange. There are also some differences in the coverage of items in the two records. For example, items such as gifts received in kind and personal effects are included in the Customs records but are omitted in the E.C.D. figures for merchandise. E.C.D. data, which are on a payments basis, also exclude barter transactions which are covered by the D.G.C.I. & S. compilations. Differences in valuation are particularly significant in respect of exports. Figures for exports are recorded by the E.C.D. mostly on a *c.i.f.* and *c.f.* basis and estimated amounts for insurance and freight are deducted so that exports are shown on *f.o.b.* basis in the balance of payments Statements. The Customs data, on the other hand, represent *f.o.b.* values including export duties. In regard to imports, the Customs values are uniformly *c.i.f.* and therefore include certain portions of freight and insurance payable to companies resident in India, although these do not constitute any foreign exchange expenditure. E.C.D. values for imports also recorded on a *c.i.f.* basis, however, exclude the amounts of (1) freight and insurance paid to companies resident in India and (2) freight on imports which are collected in rupees by foreign shipping companies and subsequently remitted by them. Differences in timing arise because a given set of transactions is not entered in the two sets of data at the same time. This is particularly significant in the case of imports. While the Customs records for imports are maintained on the basis of their actual arrival in India, in the E.C.D. records which are on a payments basis, the corresponding figures may be entered earlier or later than the arrival of goods. In the case of capital goods, for instance, a part of the payment is made in advance. Imports on consignment basis, on the other hand, are paid for much later. Recording of Government imports particularly, foodgrains, also causes large differences. While E.C.D. enters them when actual disbursements are made, they are entered in the Customs data only on their arrival. Further, owing to the special system of clearing imports of foodgrains on Government account, they are often not fully recorded in the Customs data as full particulars are not available at the time of clearing.

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B—*Contd.*

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