

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 YEARS

1935-36 and 1936-37

1937.

Price As. 12 or 1 s. 3 d.

CONTENTS.

Introductory.

	Paragraph.	Page.
General features	2	1
The Reserve Bank of India	3	2

I.—Public Finance.

Indian Government Finances	4	3
Revised Central Government Budget estimates, 1935-36 and 1936-37	5	4
Provincial Finances	6	4
Central Government Budget estimates, 1937-38	7	5
Separation of Provincial Balances	8	5

II.—Foreign trade.

India and World trends	9	7
Total visible balance of trade	10	8
Kathlawar and Travancore	11	9
Remittances of funds and balance of accounts	12	9
Exports of merchandise	13	10
Value and quantity of exports	14	11
Imports of merchandise	15	11

III.—Bullion.

Gold	16	12
Transactions in gold	17	12
Price of gold	18	13
Melting and assaying of gold at the Mints	19	13
Silver	20	13
Transactions in silver	21	14
Price of silver	22	14
Melting and assaying of silver at the Mints	23	15

IV.—Exchange and remittances to the Secretary of State.

Sterling purchases of the Reserve Bank of India	24	15
Exchange	24	16

V.—Government balances and reserves.

Government balances at the Reserve Bank of India	25	16
Balances at Government treasuries	26	17

	Paragraph.	Page.
Treasury bills and ways and means advances	27	17
Transactions in treasury bills	28	18
Yield on treasury bills	29	18
Treasury balances in London	30	19

VI.—Currency.

Transfer of currency to the Issue Department	31	20
Liabilities and assets of the Issue Department	32	22
The Silver Redemption Reserve	33	23

VII.—Money conditions in India.

Cash balances of the Reserve Bank of India	34	23
Money rates	35	23
Cash position of Scheduled Banks	36	24
Clearing house and internal remittance statistics	37—38	24

VIII.—Public Debt.

Provision for reduction of debt	39	25
Rupee loan flotation 1935-36	40—41	25
" " " 1936-37	42	26
Sterling loan flotation	43	26
Post Office Cash Certificates	44	27
Post Office Savings Bank Deposits	45	27
Prices of securities	46	28

IX.—Demand for Various forms of Currency.

Absorption of Currency	47	29
Seasonal absorption	48	29
Absorption of rupees	49—50	31
Absorption of small coin	51	31

X.—Note circulation and miscellaneous matters connected with currency notes and coinage.

Statistics of note circulation	52	31
Character of note circulation	53	31
Life of currency notes	54—55	32
Printing of currency notes	56	33
Note forgeries	57—59	33
Claims on wholly destroyed, lost, and mutilated notes, etc.	60	34
False claims	61	35
Writing off old notes	62	35
Withdrawal of silver coin	63—64	35
Withdrawal of nickel and copper coin	65	37
Counterfeit coin	66	38
Special examination of rupees at the Mints	67	39
Balance sheet of the Reserve Bank of India	68	40

INTRODUCTORY.

1. When the Reserve Bank of India took over the control of Currency from the Government of India in April 1935 the annual Currency Report which was previously prepared by the Controller of the Currency was discontinued. There have since been numerous requests for its revival for the sake of statistical continuity. Though the Reserve Bank publishes an annual report and a monthly and annual statistical summary, these are based on the calendar year and vary widely in form from the previous Currency Reports so that complaints have been made of the difficulty of correlating previous statistics with those now published. The Reserve Bank appreciates the desirability of maintaining statistical continuity and has therefore decided to continue to publish an annual review based generally on the frame-work of the previous Currency Reports, which will also include a brief commentary on the statistics with such minor alterations as are entailed by the changes in circumstances due to the creation of the Bank. This report covers the two financial years 1935-36 and 1936-37 but the intention is that in future the review should be published annually as soon as possible after the close of each financial year.

2. *General Features.*—The period under review as revealed by statistics of production, of prices, and of foreign trade is one of sustained progress. The depression which swept over the world in the latter part of 1929 hit the producers of primary products with particular severity. The two years under review indicate an upward trend in general prices as a result of an increased demand for raw materials, with the result that the Calcutta Index number of wholesale prices for the first time in many years rose to 100 in March 1937 (*vide* Statement I) as against 87 in March 1935. Tea rose from 100 in March 1935 to 142 in March 1937 while cereals, oil-seeds, and other food articles improved by 5; 13; and 19 points respectively during the same period. Raw cotton rose by 36 and raw jute by 7 points as against a decline of 5 points in cotton manufactures and 11 points in jute manufactures, showing that the disparity between the prices of raw materials and finished goods is dwindling and that agriculture is having its full share in the benefit of the rise in prices. The industrial production of cotton and jute manufactures has also

improved, the former registering a rise of 49 per cent in March 1937 over the average for March during the period 1926-29 while the latter improved by 17 per cent between March 1936 and 1937. The iron and steel industry also showed continued progress. The production of sugar in 1936-37 rose by 18 per cent over the corresponding figure for 1935-36, though its price recorded a fall of 10 points from 124 to 114 between March 1935 and 1937 due to price-cutting due to the large increase in the number of sugar factories. The security index number (base July 1914) of non-speculative industrial shares showed an increase of 27 per cent at the end of March 1937 over the average for March during the period 1926-29, while that for speculative shares showed an improvement of 17 per cent during the same period. The balance of trade in merchandise showed a remarkable improvement during the year 1936-37 as compared with the preceding two years being Rs. 77,75 lakhs in favour of India, the corresponding figures for 1935-36 and 1934-35 being Rs. 30,60 lakhs and Rs. 23,42 lakhs respectively. Net exports of gold on private account declined from Rs. 52,54 lakhs in 1934-35 and Rs. 37,35 lakhs in 1935-36 to Rs. 27,85 lakhs in 1936-37. Exchange remained very steady throughout the period owing to the marked improvement in India's balance of trade in merchandise and the steady rise in prices of primary products, despite the decline in exports of gold. The strength of exchange enabled the Reserve Bank of India to put Government in a position to repay the 5½ per cent India Bonds 1936-38 on the 15th July 1936 amounting to £16,858,000. As in other financial centres, conditions in the money market continued very easy and this was reflected in a reduction of the Bank Rate from 3½ to 3 per cent on the 28th November 1935 where it has remained since then.

3. *The Reserve Bank of India.*—With the inauguration on the 1st April 1935 of the Reserve Bank of India, the Issue Department of the Bank took over the management of currency from the Government of India. The first official Bank Rate was announced on the 4th July 1935, followed next day by the establishment of official contact with the Scheduled Banks and the lodging of their statutory deposits with the Bank, as required under Section 42 of the Reserve Bank of India Act, 1934. The Bank duly published its first two annual reports (that for 1935 being for 9 months only) and declared on both occasions a cumulative dividend of 3½ per cent per annum in accordance with Section 47 of the Reserve Bank of India Act. The reports disclosed net profits of

Rs. 56,05,744-5-5 and Rs. 53,42,100-0-0 for the years 1935 and 1936 respectively. The table below gives the distribution of the Bank's shares on the 1st April 1935 and the 31st December 1936.

Distribution of Shares.

Area.	1st April 1935.		31st December 1936.	
	Distribution of shares.	Number of shareholders.	Distribution of shares.	Number of shareholders.
Bombay	140,000	28,000	189,838	22,342
Calcutta	145,000	23,890	131,423	15,571
Delhi	115,000	23,000	97,314	16,744
Madras	70,000	14,000	61,217	9,702
Rangoon ...	30,000	3,157	20,208	1,914
Total	500,000	92,047	500,000	66,273

I.—Public Finance.

4. *Indian Government Finances.*—The international easiness of money, balanced budgets, and the favourable balance of trade in merchandise raised the credit of the Central Government to record levels and enabled them to float their new sterling and rupee loans without difficulty at very low rates. The record was reached with the rupee loan issued in May 1936 for Rs. 12 crores at par with a maturity 1948-52 at 2½ per cent. Government were equally fortunate in their short term borrowings. In their sales of treasury bills, due to the plethora of funds in the market they succeeded in securing rates which lowered all previous records, the average rate for 1935-36 and 1936-37 being 1.21 per cent and .78 per cent respectively as against 1.58 per cent in 1934-35. The lowest levels touched during the two years were .54 per cent on the 25th March 1936 and .43 per cent on the 4th August 1936 respectively, beating the 1934-35 record of .69 per cent. The yield on Post Office Cash Certificates was also reduced from 3 to 2½ per cent with effect from the 1st July 1936, the lowest rate in the history of Cash Certificates.

5. *Revised Central Government Budget Estimates. 1935-36 and 1936-37.*—The final revised estimates of the Government of India for the year 1935-36 showed a surplus of Rs. 1,84 lakhs instead of the original estimate of Rs. 1,97 lakhs. Returns under customs duties on sugar showed a decline of Rs. 36 lakhs. In the following year, however, the revised forecast disclosed a deficit of Rs. 1,97 lakhs instead of a surplus of Rs. 6 lakhs. Returns under customs duties on sugar were once more responsible for a decline of Rs. 1,45 lakhs. Other contributory factors to the debacle of 1936-37 were:—

(1) A fall of Rs. 37 lakhs in Income-tax.

(2) Receipts under Currency showed a shortfall of Rs. 28 lakhs owing to a decline of Rs. 29 lakhs in Government's share of the Reserve Bank's profits.

(3) The revised forecast on the expenditure side also showed an increase of Rs. 25 lakhs chiefly due to heavier discharges of Post Office Cash Certificates than expected.

Under these circumstances as the Hon'ble Finance Member observed, reduction of taxation and grants for nation-building activities, a feature of the 1934-35 budget when Rs. 2,91 lakhs out of a total surplus of Rs. 3,27 lakhs were allotted to various types of development, had to be deferred till the return of better times.

6. *Provincial Finances.*—Sir Otto Niemeyer's Report, which deals with the financial implications of the New Constitution and had as its objective the starting of the autonomous Provinces on a financially solvent condition, was published early in 1936. His recommendations which were accepted by the Secretary of State for India deal with (1) the allocation of Taxes on Income, (2) the assignment of the net proceeds of the Jute Export Duty, and (3) grants by the Centre in aid of the revenues of Provinces as required under Sections 138 (1) and (2); 140 (2); and 142 of the Government of India Act, 1935 respectively. They provide for (1) the allotment of 50 per cent of Taxes on Income to Provinces subject to certain conditions; (2) an increase from 50 per cent as provided in the Government of India Act to 62½ per cent of the surrender by the Centre of the proceeds of the Jute Export Duty to the jute producing Provinces of Bengal, Bihar, Assam, and Orissa; and (3) an assistance to Provinces for varying periods

of an approximate annual amount of Rs. 4,50 lakhs, constituting a recurrent additional cost to the Centre of Rs. 1,92 lakhs a year in view of the provision for Rs. 2,58 lakhs already made in the budget of the Government of India for 1936-37. This assistance is inclusive of debt remissions, grants in aid of revenues of Provinces, and the additional concession in regard to the Jute Export Duty.

7. *Central Government Budget Estimates 1937-38.*—The introduction of Provincial Autonomy, the separation of Burma, and the creation of the new Provinces of Sind and Orissa lend special significance to the budget for the financial year 1937-38. These will involve an extra burden on the budget of Rs. 4,18 lakhs, which sum includes (1) Rs. 2,33 lakhs being the net cost of the separation of Burma, and (2) Rs. 1,85 lakhs being the total cost for the year to the Centre of Provincial Autonomy. Among other important changes the Provinces will not be granted any further loans from the Provincial Loan Fund which will be wound up, and in future they will borrow from the market through the Reserve Bank of India. The existing Provincial debts to the Government of India will be consolidated and with certain exceptions will be repaid by fixed annuities spread over a period of 45 years.

The budget estimates for 1937-38 disclose a gross deficit of Rs. 3,42 lakhs and a net deficit of Rs. 1,58 lakhs after credit is taken for Rs. 1,84 lakhs in the Revenue Reserve Fund, the figures for the revenue and expenditure sides being Rs. 79,99 lakhs and Rs. 83,41 lakhs respectively. As against this net deficit of Rs. 1,58 lakhs fresh taxation is expected to yield Rs. 1,65 lakhs from the following two sources:—

(1) Rs. 1,15 lakhs to be realized from an increase in the sugar excise duty from Rs. 1-5-0 to Rs. 2-0-0 per cwt. while the substantive protection of Rs. 7-4-0 per cwt. to which the sugar industry is entitled up to March 31, 1938 in accordance with the recommendations of the Tariff Board of 1931 will be raised by the amount of this excise duty, i.e. by Rs. 2 per cwt.

(2) An additional Rs. 50 lakhs are expected from an increase in the import duty on silver from two annas to three annas per ounce.

8. *Separation of Provincial Balances.*—The banking accounts of the Provinces were also to be separated from those of the Central Government with effect from the 1st April

1937. In future they will resort on their own to the market for loans through the agency of the Reserve Bank of India, which will open a separate account for each of the Provinces and will arrange directly with them after the 1st April 1938 for their ways and means finance.

The accompanying statement shows the position of the Provincial budgets for the years immediately preceding the separation covered by the Report and their estimates for 1937-38 after inclusion of the Niemeyer Award figures.

Statement showing Surplus or Deficit in Provincial Budgets.

Surplus (+).

Deficit (-).

(In lakhs of rupees.)

Province.	1935-36.		1936-37.		1937-38.
	Budget.	Revised.	Budget.	Revised.	Budget.
1. Madras	+ 5	- 32	Nil	- 18	+ .06
2. Bombay	- 2 ^(a)	- 22 ^(a)	+ .41	- 11	- 19
3. Bengal	- 68	- 13	- 41	+ 3	+ 34
4. United Provinces	- 30	- 5	- 63	- 37	- 13
5. Burma (c)	- 93	+ 13	- 21	+ 18	+179
6. Central Provinces and Berar	+ .38	- 26	- 9	- 15	+ .31
7. Assam	- 55	- 45	- 57	- 47	+ 37
8. Punjab	+ 1	- 21	- 16	+ 23	+ 2
9. Bihar and Orissa	- 5 ^(b)	+ 14 ^(b)	- 7	+ 4	- 36
10. North West Frontier Province	- 12	- 5	- 10	- 6	- 5
11. Orissa ... ..	...	...	+ .38	+ 4	+ 15
12. Sind ... ..	...	...	Nil	+ 29	+ 15
Total Surplus	+ 6.38	+ 27	+ .79	+ 81	+282.37
Total Deficit	-265	-169	-224	-134	- 73
Net Surplus or Deficit	-258.62	-142	-223.21	- 53	+209.37

(a) These figures pertain to Bombay including Sind.

(b) " " " " Bihar and Orissa upto 1935-36 and thereafter to Bihar only.

(c) Separated from India with effect from the 1st April 1937.

II.—Foreign Trade.

9. *India and World Trends.*—The Statement below shows the commodity composition of the gold value of world trade in the years 1929 to 1936.

Percentage share in world trade of:—	1929.	1932.	1933.	1934.	1935.	1936.
Foodstuffs . .	24.5	29	26.5	25	24.5	24
Materials, raw or partly manufactured . .	36	33	36	37	37.5	38
Manufactured articles .	39.5	38	37.5	38	38	38
Total	100	100	100	100	100	100

There has been in evidence a sustained recovery in wholesale prices particularly due to an increase in the demand for raw materials the slump in which, combined with factors such as the cessation of long-term international lending by creditor powers and their refusal to accept payments through commodity trade, was the main feature of the world trade depression. These tendencies were aggravated by various forms of exchange control and the chaos in world currencies as well as by tariffs, quotas, and subsidies due to the worsening of international relations and the increasing drive in many countries towards economic self-sufficiency. The turning point came with the adoption of a new sterling level, checking deflationary tendencies, by Great Britain in 1931, followed by a great number of countries forming what is known as the Sterling area. The movement gathered strength with the abandonment of their old levels by the United States in 1933, by Belgium, and lastly by France and other "Gold Block" countries in October 1936, which was followed by a large practical measure of stabilisation embodied in the Tripartite Currency Agreement supported by the Exchange Equalisation Funds of the countries concerned.

The recovery took the form of a larger demand for raw materials in the industrial countries and of greater imports of manufactured capital goods by agricultural countries where industrialisation as in India is proceeding apace. India offers

a striking illustration of these world trends. Thus though her total imports in 1936-37 fell by Rs. 9,11 lakhs as compared with 1935-36 and by Rs. 7,22 lakhs as compared with 1934-35, her imports of machinery of all kinds recorded an increase from Rs. 13,28 lakhs in 1934-35 to Rs. 14,78 lakhs in 1936-37. Similarly in conformity with the general picture India's exports of raw materials such as raw jute, raw cotton, raw hides and skins, and seeds registered a steady increase during the years under report viz. 1935-36 and 1936-37 over 1934-35, the total value of the export of these materials rising from Rs. 59,99 lakhs in 1934-35 to Rs. 62,64 lakhs in 1935-36 and to Rs. 82,84 lakhs in 1936-37. A reference has already been made to a rise in the internal prices of most of these materials. Besides export and import prices have tended in recent years to move more in favour of agricultural as compared with industrial countries. These facts combined with the steady improvement in India's balance of trade in merchandise may be said to lead the country nearer to the solution of what the British Trade Commissioner for India in one of his annual reports calls, "This paramount question of prices," which, "lies at the root of most of India's economic ills, and particularly of the decline in her active balance of trade in merchandise."

10. *Total Visible Balance of Trade.*—The total value of the foreign trade of India in merchandise (*vide* Statement II) amounted to Rs. 3,26,91 lakhs in 1936-37 and Rs. 2,97,98 lakhs in 1935-36 compared with Rs. 2,87,02 lakhs in 1934-35. The balance of trade in merchandise in favour of India rose to Rs. 77,75 lakhs in 1936-37, the corresponding figures for 1935-36 and 1934-35 being Rs. 30,60 lakhs and Rs. 23,42 lakhs respectively. This was mainly the result of the improvement in exports, the figures for the three years 1934-35, 1935-36, and 1936-37 being respectively Rs. 1,51,67 lakhs, Rs. 1,60,52 lakhs, and Rs. 1,96,13 lakhs. The total visible balance of trade in favour of India for the years 1936-37 and 1935-36 was Rs. 92,25 lakhs and Rs. 66,97 lakhs respectively as against Rs. 75,96 lakhs in 1934-35. The main factors responsible for changes in these figures are movements in exports or imports of treasure. Thus while exports of gold on private account steadily declined, imports of silver registered a big rise in 1936-37. The years 1935-36 and 1936-37, particularly the latter, as compared with five pre-depression and five depression years, registered a marked improvement in the balance of trade in merchandise as the following table shows:—

Balance of Trade in Merchandise in Favour of India.

Year.	Balance of trade in merchandise.	Percentage of 2 to the average of five pre-depression years (Rs. 1,12,80 lakhs) ending 1928-29.	Percentage of 2 to the average of five depression years (Rs. 42,76 lakhs) ending 1933-34.
(1)	(2)	(3)	(4)
1934-35 ...	+ Rs. 23,42 lakhs	20.76	54.77
1935-36 ...	+ Rs. 30,60 ..	27.13	71.56
1936-37 ...	+ Rs. 77,75 ..	68.93	181.83

11. *Kathiawar and Travancore.*—The Trade figures for the Kathiawar ports and Travancore, which are not included in Statement II, are shown below:—

(In lakhs of rupees.)

	1934-35.	1935-36.	1936-37.
Total value of imports of foreign merchandise	5,47	5,09	2,92
Total value of exports of foreign merchandise	2,84	3,86	4,68
Balance of trade in merchandise	—2,63	—1,23	+ 1,76
Balance of transactions in treasure (private)	— 42	— 15	— 16
Total visible balance of trade	—3,05	—1,38	+ 1,60

12. *Remittances of Funds and Balance of Accounts.*—Purchases of sterling by the Reserve Bank of India amounted to Rs. 70,87 lakhs in 1936-37 and Rs. 45,58 lakhs in 1935-36 as against Rs. 49,82 lakhs purchased by Government in 1934-35. Rs. 71,34 lakhs in 1936-37 and Rs. 46,45 lakhs in 1935-36 represent the net balance of remittances as against the figure of Rs. 49,78 lakhs in 1934-35. The total visible balance of accounts for the years 1936-37, 1935-36, and 1934-35 amounted

to Rs. 20,91 lakhs, Rs. 20,52 lakhs, and Rs. 26,18 lakhs respectively. The above figures are exclusive of invisible items that enter into the country's balance of accounts such as shipping services, private remittances and exports and imports of capital, insurances, expenses of tourists, etc.

Net payments in India of British Postal Orders and of Foreign Money Orders of countries which settle their accounts through London together with Government transfers on account of Iraq and Mauritius, both of which items do not figure in the balance of accounts, amounted to Rs. 44 lakhs in 1935-36 as against Rs. 1,05 lakhs in 1934-35. In 1936-37 there were no transfers through Government on account of Iraq and Mauritius, while net payments in India of British Postal Orders and of Foreign Money Orders amounted to Rs. 39 lakhs.

13. *Exports of Merchandise.*—Private exports of merchandise including re-exports for the years 1936-37 and 1935-36 amounted to Rs. 2,02,33 lakhs and Rs. 1,64,29 lakhs respectively. The year 1936-37 recorded a rise of 23.15 per cent over 1935-36 and of 30.35 per cent over 1934-35. The table below gives the index numbers of the chief export commodities as calculated by the Director-General of Commercial Intelligence and Statistics in Calcutta.

(Prices in July, 1914=100.)

	Sep- tember 1933.	March 1934.	Sep- tember 1934.	March 1935.	Sep- tember 1935.	March 1936.	Sep- tember 1936.	March 1937.
Cereals	68	62	74	73	71	76	80	78
Pulses	83	84	84	84	82	77	77	84
Tea	104	144	111	100	114	122	126	142
Oilseeds	73	78	100	97	109	95	104	110
Jute (raw)	38	42	37	47	47	55	45	54
Jute (manufac- tured)	75	79	75	78	69	65	62	67
Cotton (raw)	82	72	72	71	76	80	92	107
Hides & skins...	57	59	44	55	58	77	67	83

For purposes of comparison the quantities as well as the values of jute (raw and manufactured), raw cotton, and tea for the years 1934-35, 1935-36, and 1936-37 are given below:—

	1934-35.		1935-36.		1936-37.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	(000 omitted.)	(Lakhs of Rs.)	(000 omitted.)	(Lakhs of Rs.)	(000 omitted.)	(Lakhs of Rs.)
Cotton (bales) ...	3,490.3	35,45	3,396.6	34,47	4,268.0	45,17
Jute manufactures (tons) ...	684.7	21,47	752.0	23,49	971.6	27,94
Raw Jute (tons)...	752.4	10,87	771.3	13,71	820.6	14,77
Tea (lbs) ...	324.8	20,13	312.7	19,32	301.9	20,04

14. *Value and Quantity of Exports.*—Almost all articles showed a rise both in quantity and value between 1934-35 and 1936-37 with the exception of tea, which however registered a marked increase in its internal prices from 100 to 142 during the period. Of the total rise in the value of exports by Rs. 44,46 lakhs during these two years, raw cotton accounted for Rs. 9,72 lakhs, jute manufactures for Rs. 6,47 lakhs, seeds for Rs. 7,93 lakhs, and grain, pulse, and flour for Rs. 3,55 lakhs. The exports of jute manufactures amounting to 971,635 tons in 1936-37 were the highest since 1929-30.

15. *Imports of Merchandise.*—As compared with the figures for 1934-35, 1936-37 showed a decline of Rs. 7,22 lakhs though 1935-36 registered a rise of Rs. 1,89 lakhs. With the exceptions of machinery of all kinds, provisions and oilman stores, and other yarn and textile fabrics which advanced in value by Rs. 40 lakhs, Rs. 8 lakhs, and Rs. 47 lakhs respectively, many of the principal items of imports registered decreases. Imports of cotton yarns and manufactures fell by Rs. 3,67 lakhs, sugar by Rs. 1,67 lakhs, iron and steel and manufactures thereof by Rs. 1,28 lakhs, and other metals by Rs. 1,07 lakhs during the year 1936-37. On the quantity side the imports of cotton piece-goods in 1936-37 amounting to 764 million yards were the lowest since 1929-30, while exports of raw cotton amounting to 4268 thousand bales in 1936-37 were the highest

during the period. Sugar showed a phenomenal decline during the year amounting only to 23 thousand tons valued at Rs. 23.92 lakhs as against the annual average of 894.37 thousand tons valued at Rs. 16,62.85 lakhs during the period 1926-29.

III.—Bullion.

16. *Gold.*—Statements III and IV give details of the imports and exports of gold for 1935-36 and 1936-37, while Statement V gives the London-New York cross rate, the franc-sterling rate, and the highest and lowest prices of gold in London and in Bombay for each month of the period under review. The estimated world production of gold rose from 20,809,000 ounces (5,90,000 kilogrammes) in 1927 to 37,034,000 ounces (10,50,000 kilogrammes) in 1936. The devaluation of the franc and of the remaining gold block currencies in the beginning of October 1936 was the most outstanding event of the period. From October 1936 onwards both the course of foreign exchanges and the sterling and rupee prices of gold remained comparatively stable as a result of the devaluation of the franc and of the Tripartite Currency Agreement between the United States of America, Great Britain, and France. On the 24th November 1936 the United States imposed restrictions on private exports of gold.

On the 21st October 1935, as a result of two false communiques purporting to have been issued by Government imposing an export duty on gold and remitting the import duty on silver, the price of gold in Bombay suddenly dropped from Rs. 35-0-0 to Rs. 31-4-0 per tola. Normal conditions were, however, restored within a few hours by the issue of an announcement by the Collector of Customs, Bombay, stating that Government had issued no such communiques and further that they did not contemplate any such action.

17. *Transactions in Gold.*—India was till 1930-31 a steady importer of gold. The value of the net imports of gold during the 31 years 1900-1901 to 1930-31 amounted to about Rs. 547.76 crores. Between 1910-11 and 1930-31 the net imports amounted to 75,139,670 ounces valued at Rs. 457.86 crores. Since 1931-32 India has been an exporter and net exports of gold during the last six years 1931-32 to 1936-37 were 35,404,000 ounces valued at Rs. 298.29 crores, giving an annual average of 5,901,000 ounces valued at Rs. 49.71 crores. Net exports of gold on private account during the two years under review steadily declined, being 4,019,262

ounces valued at Rs. 37.36 crores in 1935-36 and 3,011,036 ounces valued at Rs. 27.85 crores in 1936-37 as against 5,694,820 ounces valued at Rs. 52.54 crores in 1934-35. The approximate value of gold exports in 1935-36 and 1936-37 on the basis of the former statutory parity would amount to Rs. 22.71 crores and Rs. 16.90 crores respectively. The production of gold in India in the calendar years 1934, 1935, and 1936 was estimated at 353,000; 359,000; and 367,000 ounces respectively.

18. *Price of Gold.*—The table below gives the highest and lowest prices of gold during 1934-35, 1935-36, and 1936-37.

Year.	Prices of gold in London per fine ounce. £.		Prices of gold in Bombay per tola. Rs.	
	Highest.	Lowest.	Highest.	Lowest.
1934-35 ...	7-9-4 (March)	6-14-4 (April)	36-12-0 (March)	33-3-3 (April)
1935-36 ...	7-5-8½ (April)	6-19-9¼ (August)	36-12-0 (April)	31-3-6 (October)
1936-37 ...	7-2-11½ (October)	6-17-2½ (September)	35-8-0 (September)	33-15-3 (September)

The sterling and rupee prices of gold rose following the devaluation of the franc in the beginning of October 1936. Prices have shown comparative stability since then.

19. *Melting and Assaying of Gold at the Mints.*—Receipts of gold from the public for melting and assaying at the Bombay Mint amounted to 8,202,572 tolas in 1935-36 and 6,224,761 tolas in 1936-37. In addition raw gold weighing 983,514 tolas in 1935-36 and 974,788 tolas in 1936-37 was received from the Indian mines and the public for refining. 1,695,988 tolas and 1,241,684 tolas were tendered by the public for melting and assaying at the Calcutta Mint respectively in 1935-36 and 1936-37.

20. *Silver.*—Details of the imports and exports of silver for 1935-36 and 1936-37 are given in Statements VI and VII. Statement VIII gives the highest and lowest prices in Bombay, London, and New York for each month of the period under review.

21. *Transactions in Silver.*—The table below gives the balance of transactions in silver in 1934-35, 1935-36, and 1936-37.

(In lakhs of rupees.)

Year.	Exports.			Imports.			Net Exports—Imports+.
	Government.	Private.	Total.	Government.	Private.	Total.	
1934-35	5.78	4.08	9.86	...	4.45	4.45	— 5.41
1935-36	3.84	3.19	7.03	1.99	4.46	6.46	— 57
1936-37	...	28	28	...	13.87	13.87	+ 13.59

With a view to discourage smuggling, the import duty on silver was reduced from five annas to two annas per ounce in 1935-36. The budget for 1937-38 again raised it to three annas. Of the private imports of silver in 1935-36 and 1936-37 silver worth Rs. 3.55 crores and Rs. 12.83 crores respectively was received from the United Kingdom.

22. *Price of Silver.*—The table below gives the highest and lowest prices of silver in Bombay, London, and New York for 1934-35, 1935-36, and 1936-37.

Year.	Price in Bombay per 100 tolas.		Price in London per standard ounce.		Price in New York per fine ounce.		
	Highest.	Lowest.	Highest.	Lowest.	Highest.	Lowest.	
	Rs. a. p.	Rs. a. p.	d.	d.	Cents.	Cents.	
1934-35	...	67-12-0 (November)	50-12-0 (May)	20½ (March)	18½ (May)	61½ (March)	41½ (April & May)
1935-36	...	87-0-0 (April)	46-12-0 (January)	36½ (April)	19 (January)	81 (April)	44½ (January)
1936-37	...	56-2-0 (November)	47-0-0 (August)	22½ (November)	19½ (August)	47½ (November)	44½ (Through-out the year excepting December.)

The year 1935-36 witnessed a greater range of fluctuations in prices of silver than 1934-35 and 1936-37. These fluctuations reflect the changes in the purchasing policy of the United States of America. The American Government, in pursuance of the Silver Purchase Act of 1934, continued to buy at higher prices with the result that sterling and rupee prices reached the high levels of 36½d. per ounce and Rs. 87-0-0 per 100

tolas in April 1935 as against the London price of 28½d. and the Bombay price of Rs. 65-9-0, the highest for March 1935. The rise in the price of silver led the Chinese Government to nationalise the silver held in the country and adopt a managed currency. In December 1936 a change of policy on the part of the American Government led to a heavy drop in prices. Prices both in London and Bombay registered a heavy fall, and thereafter improvement in the home demand was the mainstay of the price of silver in India. These violent fluctuations led to considerable speculation and ultimate loss in India. During 1935-36 the Bombay Bullion Exchange was twice compelled to adopt emergency measures by fixing minimum trading rates, on the first occasion to meet a local crisis and on the second to ease the situation created by the change of policy of the American Government in December 1935. The increase in the local demand was maintained during 1936-37, and the net imports of silver on private account amounted to Rs. 13.59 crores in 1936-37 as against Rs. 1.27 crores in 1935-36 and Rs. 37 lakhs in 1934-35.

23. *Melting and Assaying of Silver at the Mints.*—9,643,434 tolas and 18,468 tolas were received from the public and dealt with at the Calcutta Mint respectively in 1935-36 and 1936-37. The total quantity of silver melted at the Bombay Mint was 26,419,413 tolas in 1935-36 and 18,556 tolas in 1936-37. 28,993,053 tolas of silver in 1935-36 and 307,939 tolas in 1936-37 were received for refining at the Silver Refinery, Bombay.

IV.—Exchange and Remittances to the Secretary of State.

24. *Sterling Purchases of the Reserve Bank of India.*—From the 1st April 1935 the Reserve Bank of India took over the duty of supplying the Secretary of State with sterling for his London requirements. Statement IX gives the highest and lowest quotations for telegraphic transfers on London for each month of the years 1935-36 and 1936-37. Statement X gives the details of purchases of sterling by the Reserve Bank of India during this period. As before, the Bank continued to invite weekly tenders and those below 1s. 6½d. were consistently rejected. Intermediates were purchased at 1s. 6⅓d. In 1935-36 sterling purchases to the extent of £34.43 million were made against the budget requirement of £26.7 million. No tenders were allotted during the weeks ending the 12th April, the 5th July, and the 9th August. In 1936-37 the total purchases amounted to £53.53 million at 1s. 6½d. including intermediates of the value of £6,032,000 at 1s. 6⅓d.

The budget estimate of £41 million provided for the redemption of the 5½ per cent India Bonds 1936-38 amounting to £16,858,000 which were repaid on the 15th July 1936. On account of the strength of exchange the Bank found no difficulty in effecting its purchases, which were made at the average rate of ls. 6.127d. in 1936-37 and ls. 6.126d. in 1935-36 as compared with ls. 6.086d. in 1934-35.

Exchange.—Throughout the period under review exchange remained firm at ls. 6½d. as against ls. 6¼d. in 1934-35. Thus it was consistently above parity and rose to ls. 6½d. in the busy season. The average rate of exchange in 1936-37 was ls. 6.10d. as against ls. 6.09d. in 1935-36 and ls. 6.05d. in 1934-35. While during the three and a half years ending 1935-36 gold exports were the mainstay of exchange, its firmness in 1936-37 was due to the marked improvement in India's balance of trade in merchandise. It may be also mentioned that owing to the decline in net gold exports to Rs. 27,85 lakhs and the rise in net silver imports to Rs. 13,59 lakhs, the balance of transactions in treasure in favour of India in 1936-37 fell to Rs. 14,50 lakhs as compared with Rs. 52,54 lakhs in 1934-35 and Rs. 36,37 lakhs in 1935-36.

V.—Government Balances and Reserves.

25. *Government Balances at the Reserve Bank of India.*—Under Section 21 (1) of the Reserve Bank of India Act the Bank has been entrusted with the banking transactions of Government. The Bank took over Government balances from the Imperial Bank of India with effect from the 1st April 1935 retaining the Imperial Bank as its agent at places at which it had no office of its own. Statement XI shows Government balances at the Reserve Bank of India and at Government treasuries on the last day of each month of the years 1935-36 and 1936-37. The total Government balances at the Bank and at the treasuries on the 31st March 1936 and 1937 respectively stood at Rs. 14.52 crores and Rs. 20.55 crores compared with Rs. 16.23 crores at the end of 1934-35.

Out of these total balances, those deposited with the Bank amounted to Rs. 11.42 crores and Rs. 17.90 crores at the close of the years 1935-36 and 1936-37 respectively compared with Rs. 12.85 crores (with the Imperial Bank of India) at the end of 1934-35. The year 1935-36 opened with a balance of Rs. 18.37 crores according to the first weekly statement of the

Reserve Bank of India of the 5th April 1935. There was a decline from Rs. 22.34 crores to Rs. 7.80 crores on the 1st July, when the sterling balances of Government were transferred to the Bank against a corresponding reduction of India treasury bills in the Issue Department from Rs. 38.49 crores to Rs. 26.49 crores. The sterling securities in the Issue Department of the Bank correspondingly rose by Rs. 12 crores from Rs. 53.19 crores to Rs. 65.19 crores. The average monthly balance at the Bank amounted to Rs. 12.61 crores in 1935-36 compared with Rs. 8.23 crores in 1934-35. The Bank's opening statement for the financial year 1936-37 showed the Government balance at Rs. 7.87 crores. It rose to Rs. 18.38 crores at the end of May mainly owing to the receipts of the rupee loan. The monthly average balance at the Bank during the year 1936-37 was Rs. 11.64 crores, the corresponding figure for 1935-36 being Rs. 12.61 crores.

26. *Balances at Government Treasuries.*—The balances at Government Treasuries on the 31st March 1936 and 1937 respectively amounted to Rs. 3.10 crores and Rs. 2.65 crores compared with Rs. 3.38 crores in 1934-35. The average monthly balance for the period under review stood at Rs. 1.98 crores in 1935-36 and Rs. 1.65 crores in 1936-37 as against Rs. 2.13 crores in 1934-35 and Rs. 2.30 crores in 1933-34.

27. *Treasury Bills and Ways and Means Advances.*—Details of the sales of treasury bills week by week during the years 1935-36 and 1936-37 are given in Statement XII. Statement XIII shows transactions in treasury bills and ways and means advances from the Reserve Bank of India month by month and also gives the amount outstanding at the end of each month during this period.

The total sales of treasury bills to the public in 1935-36 and 1936-37 amounted respectively to Rs. 70.51 crores and Rs. 80.99 crores compared with Rs. 112.13 crores in 1933-34 and Rs. 88.82 crores in 1934-35. Treasury bills to the value of Rs. 100.52 crores in 1935-36 and Rs. 62.94 crores in 1936-37 were sold in favour of the Issue Department of the Bank. The total amount of treasury bills outstanding with the public was Rs. 12.03 crores at the end of 1935-36 and Rs. 15.98 crores at the end of 1936-37, the corresponding figures for 1934-35 and 1933-34 being Rs. 18.27 crores and Rs. 33.31 crores respectively. The Bank in its Issue Department held treasury bills of the nominal value of Rs. 18.97 crores at the end of March 1936 compared with Rs. 12.56 crores at the end of March 1937.

During 1935-36 Government did not have recourse to the Bank for their ways and means advances till September when they borrowed Rs. 2 crores. At the close of 1935-36 as well as 1936-37 there were no outstandings, though Government continued to borrow from the Bank according to their requirements.

28. *Transactions in Treasury Bills.—1935-36.* The weekly sales of three months treasury bills which had been suspended from the 12th March 1935 were resumed on the 16th April 1935 when tenders for Rs. 1 crore were invited. This offer was maintained till the 16th July. There were no sales during the next six weeks, the suspension coinciding with the flotation of the new rupee loan. Rupees 2 crores were offered for the auction of the 3rd September and thereafter until the 21st January when the amount was reduced to Rs. 1 crore. Allotments of Rs. 1 crore continued to be made until the end of the year with the exception of the period from the 11th February to the 10th March when sales were again discontinued. During the year 1935-36 intermediate treasury bills of the value of Rs. 12.74 crores were sold from the 18th September to the 15th October.

1936-37. The weekly sales of treasury bills amounting to Rs. 1 crore continued till the 21st April when the amount offered was raised to Rs. 2 crores. This was maintained for four weeks more until the sales were suspended with effect from the 27th May in connection with the loan flotation. After a lapse of five weeks the offer of Rs. 2 crores was renewed in the beginning of July and remained in force till the 11th January. It was again reduced to Rs. 1 crore on the 19th January and remained at that figure till the end of the year. No intermediates were sold during the year. Almost throughout the entire period of these two years under review there was a steady demand, as can be seen from the large offerings of tenders, for this form of investment owing to abundance of funds in the market, and Government were able to meet their requirements at very favourable rates.

29. *Yield on Treasury Bills.—*The table below gives the average true yield per cent on treasury bills during the years 1935-36 and 1936-37.

(In thousands of rupees.)

Month.	1935-36.		1936-37.	
	Amount of 3 months Treasury Bills sold.	Average yield per cent per annum.	Amount of 3 months Treasury Bills sold.	Average yield per cent per annum.
April ...	2,00,00	1.75	5,00,00	.79
May	4,98,25	1.73	8,00,00	.63
June ...	4,00,00	1.74	...	...
July	3,00,00	1.72	9,99,50	.62
August ...	...	...	8,00,00	.47
September ...	16,65,00	1.07	8,00,00	.57
October ...	11,87,25	.91	9,99,75	.73
November ...	10,00,00	1.00	8,00,00	.73
December ...	6,00,00	1.04	8,01,50	.96
January	8,00,00	.99	7,98,25	1.13
February	1,00,00	.75	4,00,00	.99
March	3,00,00	.57	3,99,50	.98
Total	70,50,50	1.21	80,98,50	.78

The highest monthly average yield during the two years was 1.75 per cent in April 1935 and 1.13 per cent in January 1937 compared with 2.40 per cent in April 1934. The lowest monthly average yield was .57 in March 1936 and .47 in August 1936 as against .86 in July 1934. The annual average rates for 1935-36 and 1936-37 were 1.21 per cent and .78 per cent respectively, that for 1934-35 being 1.58 per cent.

30. *Treasury Balances in London.*—The table below gives the treasury balances in England as well as in India on the opening day of the period under review and at the close of the years 1935-36 and 1936-37.

(In crores of rupees.)

Date.	In India.	In England.	Total.
1-4-35	16.18	21.02	37.20
31-3-36	14.52	.76	15.28
31-3-37	20.54	.78	21.32

The drop in the figures of treasury balances held in England is due to the fact that the Reserve Bank of India took over the responsibility for supplying the Secretary of State with his London requirements from the 1st April 1935. There was therefore no longer any need to maintain larger balances in London

than was necessary for his day to day transactions with the Bank of England.

Below are given the transactions of the Home Treasury for 1935-36 and 1936-37:—

	Disbursements.		(In millions of £.)
	1935-36.	1936-37.	
Excess of expenditure over revenue of the Central Government in London	24.2	23.0	
Expenditure on behalf of Provincial Governments	2.5	2.7	
Capital expenditure on railways	1.2	1.9	
Debt discharged (net) . . . . .	.7 ^(a)	14.0 ^(a)	
Total	28.6	41.6	

(a) Excludes £ 6.7 million and £ 4.9 million representing India Bonds purchased in previous years but cancelled during 1935-36 and 1936-37 respectively.

Receipts.		
Transfers through the Reserve Bank (net)	11.2	41.1
Sale of Silver	1.5	..
Miscellaneous receipts (net) . . . . .	.7	.5
Reduction in cash balance	15.2	..
Total	28.6	41.6

VI.—Currency.

31. *Transfer of Currency to the Issue Department.*—With effect from the 1st April 1935 the liability for all the currency notes of the Government of India for the time being in circulation and assets equal to the total amount of this liability were made over by Government to the Issue Department of the Bank in terms of Section 35 of the Reserve Bank of India Act. The Issue Department from this date became responsible for the maintenance and regulation of currency and for the investment of the currency reserves. The notes issued by the Bank during the period under review were those of the Government of India, as provided under Section 22 (1) according to which the Bank may continue to issue currency notes of the Government of India until such time as its own issues are ready. The table below gives the liabilities and assets of the Issue Department as shown in that Department's first weekly statement dated the 5th April 1935. It brings out the nature of the changes in the various items, particularly on the assets side, owing to the

transfer of currency to the Bank compared with the liabilities and assets of the Currency Department of the Government of India as they stood on the eve of the transfer i.e. on the 31st March 1935.

Account pursuant to the Reserve Bank of India Act 1934 for the week ending the 5th April 1935 :—

(In thousands of rupees.)

Issue Department.

Liabilities:—

Assets:—

Notes held in Bank- ing Department ..	19,05,29	A. Gold coin and Bullion.	
Notes in Circula- tion	1,66,99,97	(a) Held in India..	41,55,19
		(b) Held outside India ..	2,86,98
		(c) Sterling secu- rities ..	48,62,95
		Total of A ..	93,05,12
		B. Rupee coin ..	49,94,95
		Government of In- dia Rupee Se- curities ..	43,05,19
		Internal Bills of Ex- change and others ..	.. ..
Total liabilities ..	1,86,05,26	Total Assets ..	1,86,05,26

The liabilities show very little change amounting to Rs. 186.05 crores as against Rs. 186.10 crores of the Currency Department of Government on the last day of 1934-35. On the assets side gold coin and bullion is shown at Rs. 44.42 crores valued at the statutory parity, made up of the gold holdings of the Government of India of the value of Rs. 41.55 crores in the Paper Currency Reserve and Rs. 2.87 crores in the Gold Standard Reserve. Sterling and rupee securities increased respectively from Rs. 18.28 crores to Rs. 48.63 crores and from Rs. 35.90 crores to Rs. 43.05 crores. Rupee coin declined from Rs. 77.25 crores to Rs. 49.95 crores, silver bullion and silver coin in excess of Rs. 50 crores being no longer held as part of the assets. The gold coin and bullion combined with the sterling securities stood at Rs. 93.05 crores and together amounted to 50.01 per cent of the total liabilities. The percentage has since then risen to 58.88 per cent in March 1937.

32. *Liabilities and Assets of the Issue Department.*—Statement XIV gives details of the liabilities and assets of the Issue Department for each month of the period under review, and also shows monthly fluctuations under each of the heads during the two years.

1935-36. Notes held in the Banking Department increased from Rs. 18.58 crores in April to Rs. 35.98 crores in September. A reverse tendency set in thereafter and in the last month of the year the notes in the Banking Department declined to Rs. 24.95 crores, while those in circulation rose to Rs. 169.98 crores. On the assets side gold coin and bullion remained unaltered at Rs. 44.42 crores throughout the year, while sterling securities improved from Rs. 48.63 crores to Rs. 67.32 crores, the greatest single increase being in July when they rose by Rs. 12.25 crores owing to the transfer of the sterling balance of the Secretary of State to the control of the Bank. This strengthening of sterling securities was reflected in the improvement in the ratio of gold and sterling securities to the total notes issued from 50.02 per cent in April to 57.32 per cent in March in spite of an increase of Rs. 8.84 crores in the total notes issued during the period. Rupee coin rose from Rs. 49.99 crores to Rs. 58.77 crores, while rupee securities fell from Rs. 43.05 crores to Rs. 24.42 crores, the decline in July coinciding with the corresponding improvement in sterling securities in the same month. The total liabilities and assets of the Issue Department stood at Rs. 194.93 crores in the last month of the year.

1936-37. Tendencies similar to those in 1935-36 were also in evidence during this year. Thus after rising to Rs. 38.54 crores in August notes held in the Banking Department fell to Rs. 13.45 crores in March. Similarly notes in circulation after declining to Rs. 163.32 crores in July increased to Rs. 194.55 crores in the last month of the year. Sterling securities continued to increase to Rs. 78.06 crores at the end of the period under review compared with Rs. 48.63 crores in April 1935. Gold coin and Bullion remained unchanged at Rs. 44.42 crores. The increase in sterling securities was responsible as in the previous year for a further improvement to 58.88 per cent as compared with 50.02 per cent in April 1935 in the ratio of gold and sterling securities to the total notes issued, although the latter increased from Rs. 195.36 crores to Rs. 208.00 crores during the period. Rupee coin rose to Rs. 61.90 crores while rupee securities did not show any great change. The total liabilities and assets of the Issue Department stood at Rs. 208.00

crores in March 1937, the corresponding figure for 1935-36 being Rs. 194.93 crores. There was no return of rupee coin to Government during the year.

33. *The Silver Redemption Reserve.*—Section 36 (1) of the Bank's Act requires Government to pay full legal tender value for surplus rupees returned by the Bank under the provisions of that Section. To meet this obligation the Silver Redemption Reserve amounting to Rs. 10 crores was constituted by Government with effect from the 1st April 1935. The assets of the Reserve which are invested by Government in gold or sterling securities were valued at Rs. 10 crores and Rs. 9.82 crores respectively at the end of 1935-36 and 1936-37.

VII.—Money Conditions in India.

34. *Cash Balances of the Reserve Bank of India.*—Statement XV shows the cash balances of the Reserve Bank of India on the last Friday of each month of the years 1935-36 and 1936-37, as also the percentage that cash bore to the total liabilities of the Bank to the public. During this period the cash balances showed a rise for the first four or five months of the year, and a reverse tendency thereafter. Thus during the slack season in 1935-36 cash balances doubled from Rs. 19.44 crores in April to Rs. 38.72 crores in August, and in the year 1936-37 they rose from Rs. 24.69 crores in April to Rs. 41.10 crores in July. They stood at Rs. 26.85 crores and Rs. 13.74 crores respectively at the close of the years 1935-36 and 1936-37. The highest amount of cash held during the two years was Rs. 41.10 crores in July 1936. During the latter part of the year, however, owing to the increasing requirements of trade as shown by the fall in the Scheduled Banks' balances with the Bank, the Bank's cash declined to Rs. 9.37 crores at the end of December. The liabilities of the Bank to the public at the beginning and at the end of 1935-36 respectively amounted to Rs. 27.29 crores and Rs. 45.55 crores, the corresponding figures for 1936-37 being Rs. 43.85 crores and Rs. 38.70 crores. The proportion of cash to liabilities which was 58.95 per cent at the end of 1935-36 declined to 35.50 per cent at the close of 1936-37.

35. *Money Rates.*—Statement XVI gives the money rates on the first day of each month of the two years under review. The Bank Rate is the standard rate at which the Bank is prepared to buy or rediscount bills of exchange or other commercial paper eligible for purchase under the Act. The Imperial Bank hundi rate is the rate at which the Imperial Bank is prepared to dis-

count first class three months' bills. The bazar rates are those at which the bills of small traders are reported as discounted by Shroffs though, of course, there are no official quotations.

General Features.—Most of the factors for cheap money conditions noted in the Report of the Controller of the Currency for 1934-35 continued to operate throughout the period under review. Money at times was so plentiful as to be almost unlendable. The Bank Rate was reduced from $3\frac{1}{2}$ per cent to 3 per cent with effect from the 28th November 1935. The inter-bank call rate both at Calcutta and Bombay varied between $\frac{3}{4}$ per cent and $\frac{1}{4}$ per cent during the greater part of the period under review. During these two years the bazar bill rates showed a decline both at Calcutta and Bombay, though they remained at a higher level at Calcutta.

36. Cash Position of Scheduled Banks.—Statement XVII shows the cash position of banks included in the Second Schedule to the Reserve Bank of India Act on the last Friday of each month since July 1935 when the provisions of Section 42 of the Act relating to the Scheduled Banks became operative. With effect from the 5th July 1935 the Scheduled Banks lodged their statutory deposits with the Bank as required under subsection 1 of Section 42 according to which the Scheduled Banks' balances with the Bank at the close of business on any day must not be less than five per cent and two per cent respectively of their demand and time liabilities in India. The above statement also gives the percentage of the Scheduled Banks' cash in India, which includes their balances with the Bank, to their demand and time liabilities. The Scheduled Banks' demand and time liabilities show a steady growth having risen from Rs. 208.50 crores in July 1935 to Rs. 221.96 crores at the end of that year and to Rs. 238.94 crores at the close of 1936-37. Between July 1935 and April 1936 their cash and its proportion to their demand and time liabilities improved respectively from Rs. 34.23 crores and 16.42 per cent to Rs. 42.02 crores and 18.80 per cent. A downward tendency set in thereafter and at the end of the year the cash stood at Rs. 28.72 crores, giving a proportion of 12.02 per cent to the liabilities. Indicative of the same tendency was the decline in the Scheduled Banks' balances with the Bank from Rs. 35.96 crores on the 27th March 1936 to Rs. 22.62 crores on the 26th March 1937.

37. Clearing House and Internal Remittance Statistics.—Statement XVIII gives details of the clearances of cheques year

by year since 1918-19 to 1936-37. The number of clearing houses at the beginning of the period under review rose to 8 with the institution of one at Delhi. Prior to August 1928 all the transactions were not effected through the clearing house, as in Bombay inter-bank transactions were adjusted by direct credit or debit with the Imperial Bank. During these two years practically every centre showed an improvement in the amount of cheques cleared and its total rose to Rs. 18,43 crores in 1935-36 and to Rs. 19,32 crores in 1936-37 compared with Rs. 17,33 crores in 1934-35. During the biennial period therefore there was an increase of about Rs. 1,99 crores out of which 1935-36 accounted for Rs. 1,10 crores and 1936-37 for Rs. 89 crores. The figure for 1936-37 is the highest since 1930-31.

38. Statement XIX shows remittances through the Reserve Bank of India as well as the Imperial Bank of India, while Statements XX and XXI give figures showing the remittance of funds through Government agency.

VIII.—Public Debt.

39. *Provision for Reduction of Debt.*—In paragraph 24 of the Controller of the Currency's Report for 1924-25, details were given of a scheme for the reduction of debt from revenue. This scheme has been temporarily suspended since 1933-34 and a lump provision of Rs. 3 crores made thereafter for the reduction of debt. Below are given the specific items of debt against which provision has been made in the budgets since 1934-35.

(In lakhs of rupees.)

	Revised. 1934-35.	Revised. 1935-36.	Revised. 1936-37.	Budget. 1937-38.
1. Sinking Fund Provision for 5 per cent rupee loans ...	1,36.71	1,36.71	1,36.71	1,36.71
2. Railway Sinking Funds ...	26.62	23.10	22.85	22.94
3. A part of the capital por- tion of Railway annuities...	1,36.67	1,40.19	1,40.44	1,40.35
Total ...	3,00.00	3,00.00	3,00.00	3,00.00

40. *Rupee Loan Flotation. 1935-36.*—On the 30th July Govern- ment issued a 3 per cent 1951-54 taxable loan of Rs. 15 crores at Rs. 96-8 per cent. Subscriptions to the loan were payable in cash, 5 per cent Bonds 1935, and 6½ per cent Treasury Bonds 1935. Securities of the 5 per cent Bonds and 6½ per

cent Treasury Bonds respectively were accepted as the equivalent of cash at Rs. 100-7 and Rs. 100-11 of each Rs. 100 nominal value of the bonds tendered. The lists were opened for subscription from the 5th August. It was announced in the notification that the loan would be closed without notice as soon as it appeared that the total subscriptions amounted approximately to Rs. 32 crores (nominal value) and in any case not later than the 10th August.

41. General market conditions on the eve of the issue were favourable and the lists were closed in a few minutes of their opening. The total amount offered was Rs. 29.53 crores of which Rs. 16.53 crores were by tender of cash, Rs. 8.37 crores by tender of 5 per cent 1935 Bonds, and Rs. 4.63 crores by tender of $6\frac{1}{2}$ per cent 1935 Treasury Bonds. Tenders of 5 per cent 1935 Bonds were accepted in full as also tenders by cash for Rs. 5,000 and over, while other cash applications were allotted 11 per cent. This year there were three maturing loans in India viz., (1) 5 per cent 1935 Bonds amounting to Rs. 11.43 crores, (2) $6\frac{1}{2}$ per cent Treasury Bonds amounting to Rs. 16.10 crores, and (3) $6\frac{1}{2}$ per cent Bombay Development Loan amounting to Rs. 9.38 crores aggregating Rs. 36.91 crores. Government repaid the Bombay Development Loan as well as the portion of the 5 per cent and $6\frac{1}{2}$ per cent Bonds outstanding after the conversion operations. Thus they redeemed nearly Rs. 37 crores as against a fresh borrowing of Rs. 15 crores.

42. *Rupee Loan Flotation. 1936-37.*—Government had no loans to pay during this year and no provision was made for a new rupee loan in the budget for 1936-37. They, however, decided to take advantage of the exceptionally favourable conditions in the money market and issued a taxable $2\frac{3}{4}$ per cent loan 1948-52 for Rs. 12 crores at par. Subscriptions to the loan were receivable in the form of cash only, and the minimum amount for application was Rs. 5,000. The lists were opened for subscription on the 26th May and, as in the case of the rupee loan in 1935-36, the present issue was over-subscribed within a few minutes.

43. *Sterling Loan Flotation.*—Government exercised the option of repaying £ 11.9 million of 6 per cent Sterling Bonds 1935-37 by floating a new 3 per cent Sterling Loan 1949-52 for £ 10 million at £ 98 per cent. The lists for the new loan were opened on the 11th July and, as in the case of other loans issued during the period under review, this loan was over-subscribed. Subscriptions to the loan amounted to more than

£ 72 million and only 14 per cent of the applications over £ 500 could be allotted, all tenders below that amount being rejected. The new loan was immediately quoted at a premium. No sterling loan was raised in 1936-37.

44. *Post Office Cash Certificates.*—The following table shows the transactions on account of Post Office Cash Certificates from 1917-18 when they were first introduced.

(In lakhs of rupees.)

Year.	Receipts.	Repay-ments.	Net Receipts.	Outstanding at the end of the year.
1917-18	10,00	1,12	8,88	8,88
1918-19 and 1919-20	4,03	7,16	— 3,13	5,75
1920-21 and 1921-22	1,00	2,41	— 1,41	4,34
1922-23 and 1923-24	7,61	3,53	4,08	8,42
1924-25 and 1925-26	15,65	3,10	12,55	20,97
1926-27 and 1927-28	13,61	3,88	9,73	30,70
1928-29	4,91	3,31	1,60	32,30
1929-30	7,15	4,45	2,70	35,00
1930-31	11,78	8,35	3,43	38,43
1931-32	14,49	8,34	6,15	44,58
1932-33	15,74	4,68	11,06	55,64
1933-34	13,31	5,24	8,07	63,71
1934-35	9,95	7,70	2,25	65,96
1935-36	13,45	13,43	2	65,98
1936-37	14,88	16,46	— 1,58	64,40

Continued easy money conditions coupled with the very favourable terms on which Government could float their sterling and rupee loans made it possible for them to reduce the yield on Cash Certificates from 3 per cent free of tax to 2½ per cent free of tax with effect from the 1st July 1936. During 1934-35 the rate was reduced twice, once from 4 per cent to 3½ per cent on the 3rd April 1934 and again from 3½ per cent to 3 per cent on the 1st December 1934. These repeated reductions account for the fall in net receipts from Rs. 2,25 lakhs in 1934-35 to only Rs. 2 lakhs in 1935-36. In 1936-37 repayments exceeded receipts and the outstandings for the first time since 1921-22 showed a decline from Rs. 65,98 lakhs in 1935-36 to Rs. 64,40 lakhs in 1936-37.

45. *Post Office Savings Bank Deposits.*—Similarly the rate of interest on Post Office Savings Bank Deposits was reduced from 2½ per cent to 2 per cent with effect from the 1st July 1936. It may be mentioned that on the 1st November 1933 the rate was brought down to 2½ per cent from 3 per cent at which it had remained for 28 years. The net deposits amounted to Rs. 9 crores in 1935-36 and to Rs. 7½ crores in 1936-37 compared with Rs. 5½ crores in 1934-35 and Rs. 8½ crores in 1933-34.

46. *Prices of Securities.*—Statement XXII compares the highest and lowest prices of the more important rupee loans in 1935-36 and 1936-37 with the prices of previous years, and Statement XXIII shows similar figures for each month of this biennial period. Prices maintained their upward trend, excepting on one or two occasions when international political conditions caused a temporary set-back as in April and September 1935. In the last three months of the year 1936-37, however, prices declined owing to a change in market sentiment in London and increasing demand for money, and in March touched the lowest level of the year. The table below shows the highest and lowest monthly prices of the representative rupee and sterling securities as also the lead established by the former over the latter since March 1936 and maintained till the end of the period under review.

Month.	3½ per cent Rupee Paper.		3½ per cent Sterling Stock.	
	Highest.	Lowest.	Highest.	Lowest.
	Rs.	Rs.	£.	£.
April 1935 ..	94	88½	98	92
May " ..	95½	92½	99	97
June " ..	95½	94½	97½	96
July " ..	95½	94½	99	97½
August " ..	95½	88½	99	94½
September " ..	91½	88½	94½	91
October " ..	93½	87½	95½	91½
November " ..	96½	93½	97½	95½
December " ..	96½	95½	97½	97
January 1936 ..	96½	95½	97½	97
February " ..	98½	96½	99	97½
March " ..	99½	95½	99½	97
April " ..	98½	97½	98	97½
May " ..	99½	98½	97½	97½
June " ..	99½	98½	98	96½
July " ..	100½	99½	99½	98
August " ..	100	99½	99½	99½
September " ..	99½	98½	99½	98½
October " ..	100½	99½	99½	98½
November " ..	100½	100½	99½	99½
December " ..	100½	98½	99½	97½
January 1937 ..	100½	95½	98½	93½
February " ..	98½	92½	95½	89½
March " ..	95½	91½	92½	87½

IX.—Demand for Various Forms of Currency.

47. *Absorption of Currency.*—Statement XXIV shows the average annual absorption of currency notes and rupee coin for the five years 1914-15 to 1918-19 and the absorption during the eighteen subsequent years. Sovereigns and half-sovereigns are omitted as they are no longer legal tender. Since the Bank assumed the management of currency, the figures for absorption or return of currency are arrived at in the following manner. The absorption or return of currency notes is the variation in the totals of notes in circulation as shown in the returns of the Issue Department of the Bank. Notes in circulation thus now include amounts held in Government treasuries as well as notes in circulation among the public. The absorption or return of rupee coin means the decline or rise respectively in the amount of rupee coin held in the Issue Department of the Bank. There was an absorption of currency notes of the amount of Rs. 1.82 crores in 1935-36 and Rs. 25.53 crores in 1936-37 as against a return of rupee coin amounting to Rs. 9.46 crores in 1935-36 and Rs. 2.49 crores in 1936-37. Thus during the period under review there was a net absorption of Rs. 15.40 crores.

48. *Seasonal Absorption.*—The statement below gives the absorption during each busy season and return during each slack season for the past seventeen years from the 1st February 1920 to the 12th February 1937, those months (and weeks since the 1st April 1935) being chosen in each year in which the seasonal fluctuations reached their respective maxima. It will be seen that the absorption in the busy season of 1936-37 was the largest since 1931-32 when the increase was exceptionally large owing to the devaluation of sterling.

(In lakhs of rupees.)

Period.	Busy Season Absorption.			Slack Season Return.		
	Notes.	Coin.	Total.	Notes.	Coin.	Total.
1st Feb. 1920 to 31st August 1920.	..	..	..	35,68	14,67	50,35
1st Sept. 1920 to 31st March 1921.	20,15	—10,26	9,89	..	..	..
1st April 1921 to 31st July 1921.	..	..	..	3,48	8,47	11,95
1st Aug. 1921 to 31st December 1921.	18,19	71	18,90	..	..	..
1st Jan. 1922 to 31st Aug. 1922.	..	..	..	21,60	13,91	35,51
1st Sept. 1922 to 31st Dec. 1922.	22,15	1,24	23,39	..	..	..

Period.	Busy Season Absorption.			Slack Season Return.		
	Notes.	Coin.	Total.	Notes.	Coin.	Total.
1st Jan. 1923 to 31st Aug. 1923.	..	..	..	21,82	8,12	29,94
1st Sept. 1923 to 29th February 1924.	32,15	14,87	47,02	..	..	..
1st March 1924 to 31st July 1924.	..	..	..	26,09	1,82	27,91
1st August 1924 to 28th Feb. 1925.	21,37	6,41	27,78	..	..	..
1st March 1925 to 31st July 1925.	..	..	..	28,00	8,69	36,69
1st Aug. 1925 to 31st December 1925.	39,13	1,41	40,54	..	..	..
1st Jan. 1926 to 31st August 1926.	..	..	..	35,40	16,53	51,93
1st Sept. 1926 to 28th February 1927.	24,05	— 3,24	20,81	..	..	..
1st March 1927 to 31st July 1927.	..	..	..	19,86	9,11	28,97
1st Sept. 1927 to 31st December 1927.	28,29	1,97	30,26	..	..	..
1st Jan. 1928 to 31st August 1928.	..	..	..	16,43	4,41	20,84
1st Sept. 1928 to 31st December 1928.	24,13	4,13	28,26	..	..	..
1st Jan. 1929 to 30th September 1929.	..	..	..	25,63	17,46	43,09
1st October 1929 to 31st December 1929.	12,77	1,95	14,72	..	..	..
1st Jan. 1930 to 31st July 1930.	..	..	..	24,45	16,00	40,45
1st Aug. 1930 to 31st December 1930.	7,07	— 6,38	69	..	..	..
1st Jan. 1931 to 31st August 1931.	..	..	..	18,49	18,99	37,48
1st Sept. 1931 to 29th Feb. 1932.	34,69	15,72	50,41	..	..	..
1st March 1932 to 31st July 1932.	..	..	..	24,82	4,19	29,01
1st Aug. 1932 to 31st December 1932.	12,27	— 37	11,90	..	..	..
1st Jan. 1933 to 31st August 1933.	..	..	..	6,88	4,82	11,70
1st Sept. 1933 to 28th February 1934.	14,18	2,47	16,65	..	..	..
1st March 1934 to 31st August 1934.	..	..	..	8,77	4,58	13,35
1st Sept. 1934 to 28th February 1935.	11,37	1,67	13,04	..	..	..
1st March 1935 to 30th August 1935.	..	..	..	15,06	7,19	22,25
31st August 1935 to 10th April 1936.	18,75	— 2,24	16,51	..	..	..
11th April 1936 to 31st July 1936.	..	..	..	12,80	7,31	19,91
1st August 1936 to 12th Feb. 1937.	36,82	4,49	41,31	..	..	..
TOTAL	377,53	34,55	412,08	345,06	166,27	511,33

49. *Absorption of Rupees.*—Statement XXV gives the monthly absorption of rupees, and Statement XXVI distributes the figures by circles. There was a net return of Rs. 9.46 crores in 1935-36 and Rs. 2.49 crores in 1936-37.

50. Statement XXVII shows the number of rupees minted since 1835 and Statement XXVIII tabulates the result of the annual census of each mintage in typical samples of rupees examined at treasuries throughout the country. These results are summarised under the heads (1) William IV (2) Victoria Queen (3) Victoria Empress (4) Edward VII and (5) George V. There has been no mintage of rupees since 1922.

51. *Absorption of Small Coin**.—Statement XXIX summarises the figures of absorption of small coin for the whole of India and compares them with similar figures for the average of the five pre-war years, the average for the five war years 1914-15 to 1918-19 and the years following the war. The absorption of small coin amounted to Rs. 20.96 lakhs in 1935-36 and Rs. 99.07 lakhs in 1936-37 compared with Rs. 46.70 lakhs in 1934-35 and Rs. 63.60 lakhs in 1933-34. In 1935-36 excluding silver half rupees the decrease of Rs. 20 lakhs was mainly accounted for by the Provinces of Madras, Burma, and Bihar and Orissa counter-balanced by a somewhat heavier absorption in Bengal. The absorption of small coin in 1936-37 was the largest since 1920-21 and was mainly due to silver half and quarter rupees and nickel 2 anna and 1 anna pieces. Madras showed a remarkably larger absorption in all the above denominations, while Bengal and the Punjab showed higher figures for half rupees only.

X.—Note Circulation and Miscellaneous Matters Connected With Currency Notes and Coinage.

52. *Statistics of Note Circulation.*—Statistics of the note circulation are given in Statements XXX to XXXIV. Active circulation since the 1st April 1935 means the amount of notes issued less those held in the Banking Department of the Bank. The average amount of notes in active circulation was Rs. 162.98 crores in 1935-36 and Rs. 175.38 crores in 1936-37 as against Rs. 161.60 crores in 1934-35. The lowest note circulation in the two years was Rs. 154.48 crores in August 1935 and Rs. 160.62 crores in July 1936.

53. *Character of Note Circulation.*—The details in Statement XXXIII indicate the relative popularity of the different denominations of notes. For the purposes of this statement

*Excludes half pice and pie pieces.

Rs. 10,000 notes are excluded. They hardly enter into ordinary circulation at all, but are used by banks as a convenient means of effecting large transactions. Rupee 1 and Rs. 2½ notes have not been issued for some years, and notes of these denominations are being cancelled on receipt at treasuries and Currency Offices. The ten rupee note continues to be the most popular denomination, representing 40.3 per cent of the total circulation in 1935 and 40.2 per cent in 1936. Next to the ten rupee note comes the hundred rupee note with a circulation of 36 per cent in 1935 and 35.9 per cent in 1936. Rs. 500 and Rs. 1,000 notes were made universal in 1931-32.

54. *Life of Currency Notes.*—The following tables give a rough measure of the life of each denomination of notes. The life of a note is reckoned to be the period from the time of its issue to the time of its cancellation, the calculation being based on the ratio of the number of notes outstanding in a year to the number of notes cancelled in that year.

Year.	Rs. 5	Rs. 10	Rs. 50	Rs. 100	Rs. 500	Rs. 1,000	Rs. 10,000
	Months.	Months.	Months.	Months.	Months.	Months.	Months.
1936-37	15	14	12½	15	15	4	4
1935-36	15	14½	13	14	15½	4	5
1934-35	13	12½	11½	14	10½	3½	3
1933-34	15½	16½	15	16½	14½	3½	4½
1932-33	18½	17½	16½	17½	16½	4	5½
1931-32	15½	15½	13½	16	15½	2½	2½

The increase in the life of notes during 1932-33 was due to the extensive re-issue of notes throughout the year in order to effect economy in the cost of note forms. The re-issue of Rs. 5 and Rs. 10 notes from Currency Offices has, however, been stopped since November 1933. The decrease in the life of the notes of the denominations of Rs. 5 and Rs. 10 during 1934-35 was mainly the result of the use of thinner paper which was subsequently given up.

55. In the above calculations notes in currency chests are reckoned as in circulation; if these notes are excluded from circulation the life of the various denominations works out for 1935-36 and 1936-37 as follows:—

Year.	Rs. 5	Rs. 10	Rs. 50	Rs. 100	Rs. 500	Rs. 1,000	Rs. 10,000
	Months.	Months.	Months.	Months.	Months.	Months.	Months.
1934-35	6½	7½	5½	7½	3½	2½	2½
1935-36	7	8	6	8	2½	2½	3½
1936-37	6½	8	6	8	2½	2	3

The actual period for which the several denominations of notes ordinarily remain in circulation appears to lie between these two periods.

56. *Printing of Currency Notes.*—The quality of paper for notes of Rs. 5 and Rs. 10 denominations was improved in 1934-35. During the years under report there was no change of any kind in respect of any denomination.

57. *Note Forgeries.*—The total number of forged notes received at the various Currency Offices amounted to 1,405 in 1935-36 and 1,271 in 1936-37 as against 1,750 in 1934-35 and 1,872 in 1933-34. The progressive decrease is due partly to the success of the efforts of the police in arresting gangs of forgers in recent years, and partly also to the difficulty of counterfeiting the latest patterns of the Nasik notes. As in 1933-34 and 1934-35 the largest number of forgeries during the period under review was traced in the Rangoon Circle, being 487 in 1935-36 and 368 in 1936-37, followed by the Calcutta, Madras, and Bombay Circles with 440, 238, and 106 pieces respectively in 1935-36 and Madras, Calcutta, and Bombay Circles with 266, 264, and 210 pieces respectively in 1936-37. In 1935-36, of the total number of forged notes 5 were of the Re. 1; 131 of the Rs. 5; 1,211 of the Rs. 10; 1 of the Rs. 50; and 57 of the Rs. 100 denominations, while in 1936-37 7 were of the Re. 1; 88 of the Rs. 5; 1,135 of the Rs. 10; and 41 of the Rs. 100 denominations.

58. Of the Re. 1 note forgeries, 2 each were found in the Calcutta and Bombay Circles and 1 in the Madras Circle in 1935-36, while 3 each were traced in the Madras and Calcutta Circles and 1 in the Rangoon Circle in 1936-37.

No forgery of the Rs. 2½ denomination was detected during this period.

Of the Rs. 5 note forgeries, 39 were found in the Cawnpore Circle and 34 in the Bombay Circle in 1935-36, while 28 were found in the Calcutta Circle and 18 in the

Bombay Circle in 1936-37. The series which was predominant amongst the forgeries of the old pattern in these Circles was N|4.

Of the total forgeries of all denominations those of the Rs. 10 were the largest in both the years. Of these 481; 408; and 213 were found in the Rangoon, Calcutta, and Madras Circles respectively in 1935-36, while 364; 243; 221; and 183 were detected in the Rangoon, Madras, Calcutta, and Bombay Circles respectively in 1936-37. Of the forgeries, the most common were of the E|23, J|4, K|23, K|68, M|11, M|68, M|74, and P|49 series.

One forgery of the Rs. 50 denomination was detected in the Bombay Circle in 1935-36. It belonged to the WD|78 series. was a process made forgery retouched by hand, and a crude production. No forgery of this denomination was detected in 1936-37.

Of the 57 forgeries of the Rs. 100 denomination in 1935-36, 14 were found in the Lahore Circle, 13 in the Bombay Circle, and 11 each in the Madras and Calcutta Circles; while of the 41 forgeries of this denomination in 1936-37, 12 were discovered in the Calcutta Circle, 7 in the Madras Circle, and 9 each in the Lahore and Bombay Circles. Of these forgeries the most common were of the RE|55, RE|11, T|4, and TE|87 series.

No forgery of the Rs. 500 and Rs. 1000 denominations was detected during the period under review.

59. 41 prosecutions in 1935-36 and 43 in 1936-37 were launched in connection with forged notes. 21 cases resulted in the conviction of the accused in each of these two years under review. Of the cases pending at the close of the previous year 10 each were convicted in 1935-36 and 1936-37.

60. *Claims on Wholly Destroyed, Lost, and Mutilated Notes, etc.*—The following table shows the number of wholly destroyed and other notes in respect of which claims were admitted during the years 1935-36, 1936-37, and the two preceding years:—

	1933-34.	1934-35.	1935-36.	1936-37.
Wholly destroyed notes...	244	178	358	139
Half-notes	2,344	1,034	594	866
Mutilated notes	27,307	36,568	39,925	54,364

61. *False claims.*—Three cases in 1935-36 and two cases in 1936-37 of apparent false claims on defective and other currency notes were investigated and prosecutions were launched in all the cases. The accused were convicted in all the three cases in 1935-36, while in 1936-37 there was one conviction and the other case is still pending.

62. *Writing off Old Notes.*—The value of notes written off under Section 34 (2) of the Reserve Bank of India Act amounted to Rs. 9,83,000 in 1935-36 and Rs. 1,27,770 in 1936-37 as against Rs. 41,950 in 1934-35. Under this Section which replaces Section 19 of Act X of 1923 notes of all denominations and not only those of the Rs. 50 and Rs. 100 denominations as heretofore are deemed not to be in circulation, if not presented within 40 years of their issue. This explains the largeness of the amount written off in 1935-36.

63. *Withdrawal of Silver Coin.*—The total value of silver coin withdrawn from circulation was Rs. 248.9 lakhs in 1935-36 and Rs. 214.9 lakhs in 1936-37 compared with Rs. 214.4 lakhs in 1934-35. Details are shown in the statement below:—

(In thousands of rupees.)

Province.	1835.	1840.	1862 and 1874-76.	1911.	Shroff marked.	Other uncur- rent.
India 1935-36 ..	22	1,41	7,35	9	1	25,25
1936-37 ..	20	1,31	31	45	..	28,44
N.W. Frontier Province 1935-36 ..	..	3	72	..	..	4
1936-37 ..	..	2	9	..	..	31
Madras 1935-36 ..	8	89	14,57	2	..	8,40
1936-37 ..	6	70	1,98	1	..	8,34
Bombay 1935-36 ..	7	94	4,46	7	3	25,30
1936-37 ..	27	62	2,84	2	2	25,77
Bengal 1935-36 ..	13	61	8,71	..	..	3,16
1936-37 ..	12	60	3,85	..	..	3,12
United Provinces 1935-36 ..	22	2,28	15,33	3	..	18,34
1936-37 ..	20	2,03	48,16	2	1	16,69
Punjab 1935-36 ..	14	1,17	11,97	1	..	11,80
1936-37 ..	11	1,13	3,51	..	..	17,31
Burma 1935-36 ..	1	11	31,16	..	..	3,56
1936-37 ..	1	8	7,12	..	..	4,95
Bihar and Orissa 1935-36 ..	13	88	19,89	2	..	14,35
1936-37 ..	14	90	11,00	2	..	15,00

Province.	1935.	1840.	1862 & 1874-76.	1911.	Shroff Marked.	Other un- current.
Central Provinces						
1935-36 ..	1	24	11,08	..	..	20
1936-37 ..	1	22	3,61	..	..	65
Assam						
1935-36 ..	3	12	2,52	..	..	2,68
1936-37 ..	4	11	1,20	..	..	70
Total 1935-36 ..	1,04	8,68	1,25,78	24	4	1,13,08(a)
1936-37 ..	1,16	7,72	84,17	52	3	1,21,28,(b)

In addition Rs. 3,43 lakhs in 1935-36 and Rs. 2,05 lakhs in 1936-37 of Victoria Empress coin (1877 to 1901) were withdrawn from the Currency Offices and treasuries for melting as compared with Rs. 10,25 lakhs in 1934-35. The gross total of silver coins withdrawn in recent years is as follows:—

1929—30	9,39 lakhs
1930—31	11,78 „
1931—32	11,80 „
1932—33	13,28 „
1933—34	10,43 „
1934—35	12,39 „
1935—36	5,92 „
1936—37	4,20 „

64. The following table shows the number of light-weight silver coins withdrawn from circulation and remitted to the Mints during the years 1935-36 and 1936-37.

- (a) Includes small silver coin worth about Rs. 13 lakhs.
(b) „ „ „ „ „ „ Rs. 17 lakhs.

NUMBER OF COINS REDUCED IN WEIGHT.						
Denomina- tion.	Whole Rupees.		Small Silver Coins.		All Silver Coins.	Total.
	Over 2 per cent but not more than 6½ per cent.	Over 6½ per cent but not more than 25 per cent.	Over 2 per cent but not more than 12½ per cent.	Over 12½ per cent but not more than 25 per cent.	Over 25 per cent.	
1	2	3	4	5	6	7
Rupees. 1935-36	32,10,736	81,291	..	..	64,109	33,56,136
1936-37	35,09,558	55,212	..	..	60,815	36,25,585
Half rupees. 1935-36	..	..	21,22,926	1,01,078	11,468	22,35,469
1936-37	..	..	20,04,635	39,343	32,600	20,76,578
Quarter rupees. 1935-36	..	..	..	4,85,468	3,383	4,88,851
1936-37	..	..	..	2,84,022	2,865	2,86,887
Eighth rupees. 1935-36	..	..	..	15,151	1,017	16,168
1936-37	..	..	..	2,050	1,153	3,212
Total						
1935-36	32,10,736	81,291	21,22,926	6,01,697	79,974	60,96,624
1936-37	35,09,558	55,212	20,04,635	3,25,424	97,433	59,92,262

Grand Total:—

1936-37	..	..	..	59,92,262
1935-36	..	..	..	60,96,624
1934-35	..	..	..	27,63,049
1933-34	..	..	..	36,12,571
1932-33	..	..	..	39,23,506
1931-32	..	..	..	36,57,224
1930-31	..	..	..	42,02,599
1929-30	..	..	..	51,36,489

Silver two anna pieces are still legal tender but their re-issue has been stopped since 1925-26. The total amount withdrawn from circulation and remitted to the Mints during the years 1935-36 and 1936-37 was Rs. 3.35 lakhs and Rs. 2.97 lakhs respectively as against Rs. 3.58 lakhs in 1934-35.

65. *Withdrawal of Nickel and Copper Coin.*—Eight anna nickel coins were called in under Section 15-A of the Indian Coinage Act, 1906 with effect from the 1st October 1924. They are now received at Currency Offices only. The total amount withdrawn and sent to the Mints during the years 1935-36 and 1936-37 was of the nominal value of Rs. 2,783 and Rs. 2,828 respectively. Double pice, though still legal tender, are being

withdrawn from circulation at treasuries and Currency Offices, the total amount so withdrawn being of the nominal value of Rs. 17,382 in 1935-36 and Rs. 15,845 in 1936-37. The amounts of badly worn and defaced nickel, and copper and bronze coins withdrawn from circulation during the years 1935-36 and 1936-37 were as follows:—

Year.	Four anna pieces. Rs.	Two anna pieces. Rs.	One anna pieces. Rs.	Copper and Bronze pieces. Rs.
1935-36	12,722	30,193	6,29,622	53,501
1936-37	16,402	44,041	6,35,431	1,94,048

66. *Counterfeit Coin.*—The number of counterfeit silver coins cut at treasuries and railways was as follows:—

Year.	Rs.	½Rs.	¼Rs.	¼Rs.	Total.
1936-37	1,61,436	12,891	10,762	1,283	1,87,372
1935-36	1,58,412	12,788	9,777	1,327	1,80,304
1934-35	1,66,580	14,163	10,216	1,001	1,91,960
1933-34	1,54,526	13,041	10,646	1,351	1,79,564

Of the rupee counterfeits during the period under review, a large number appeared in Bombay, the Punjab, Bengal, Madras, the United Provinces, Bihar, and Sind. The total number of nickel counterfeit coins cut at railway stations and treasuries during the years 1935-36 and 1936-37 is shown below:—

Year.	Eight anna.	Four anna.	Two anna.	One anna.
1935-36	409	11,320	35,458	20,946
1936-37	239	13,914	52,015	20,180

67. *Special Examination of Rupees at the Mints.*—The table below shows the results of the special examination at the Mints of rupees shroffed at each of the seven Currency Offices to test the adequacy of shroffing.

Amount Examined.	Calcutta.	Bombay.	Madras.	Cawnpore.	Lahore.	Bangoon.	Karachi.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	10,00,000	5,00,000	3,00,000	5,00,000	5,00,000	3,00,000	1,00,000
Counterfeits.							
1935-36 ..	20	15	14	68	37	23	10
1936-37 ..	24	22	31	40	68	30	25
Fraudulently defaced.							
1935-36 ..	10	2	..	10	2	5	2
1936-37 ..	6	..	3	8	..	2	..
Loss between 2 per cent and 6½ per cent.							
1935-36 ..	1,383	3,436	1,138	6,072	2,684	1,791	772
1936-37 ..	4,112	4,981	631	8,120	4,855	2,054	586
Loss between 6½ per cent and 12½ per cent.							
1935-36 ..	2	15	2	8	1	2	..
1936-37 ..	7	3	..	10	..	3	..
Loss between 12½ per cent and 18½ per cent.							
1935-36 ..	..	..	..	1	..	..	..
1936-37 ..	1	..	..	1	..	..	..
Loss between 18½ per cent and 25 per cent.							
1935-36 ..	..	..	..	..	..	..	..
1936-37 ..	..	..	..	..	..	..	..
Total							
1935-36 ..	1,415	3,468	1,154	6,157	2,724	1,821	784
1936-37 ..	4,150	5,006	665	8,179	4,923	2,089	611
Percentage of light-weight rupees in							
1935-36 ..	.1385	.6902	.3800	1.2158	.5370	.5977	.7720
1936-37 ..	.4120	.9968	.2103	1.6262	.9710	.6856	.5860
Average rate of loss per light-weight rupee in							
1935-36 ..	.0227	.0231	.0236	.0229	.0231	.0236	.0241
1936-37 ..	.0224	..	..	.0228	..	.0227	..
Percentage of light-weight rupees in							
1934-35 ..	.3910	.2870	.1300	.3340	.5380	.1680	.1860
Average rate of loss per light-weight rupee in 1934-35	.0220	.0230	.0220	.0220	.0230	.0220	.0230

68. *Balance Sheet of the Reserve Bank of India.*—Statement XXXV gives the balance sheets of the Reserve Bank of India as at the 31st December 1935 and the 31st December 1936. The table below shows the accounts of the Bank for the years 1935 (1st April—31st December) and 1936.

—	1935. (1st April —31st December)		1936.	
	Rs.	a. p.	Rs.	a. p.
Net Profits ..	56,05,744	5 5	53,42,100	0 0
Payment of a dividend at the rate of 3½ per cent per annum in accordance with Section 47 of the Reserve Bank of India Act, 1934 ..	13,12,500	0 0	17,50,000	0 0
Payment to the Governor-General in Council in accordance with the said section ..	42,93,244	5 5	35,92,100	0 0

Lower profits in the year ended the 31st December 1936 are accounted for firstly by the fact that the Bank had to incur additional expenditure during the year in connection with the opening of the London Office, depreciation charges due to the expansion of the building programme and the acquisition of premises, etc. Secondly the Bank's investments both in the Issue and Banking Departments have to be maintained in a very liquid form, and the fact that short-term money rates were extremely low both in England and India during 1936 meant a drastic limitation in the Bank's profits. Statement XXXVI gives details of the Profit and Loss Account of the Bank for the years ending the 31st December 1935 (1st April—31st December) and 1936.

STATEMENTS.

Number.	Page.
I.—Index numbers of wholesale prices in India and certain foreign countries	42
II.—Balance of trade for 1935-36 and 1936-37	43
III.—Monthly imports and exports of gold coin and bullion during the years 1935-36 and 1936-37	44—45
IV.—Average quantity and value of imports and exports of gold coin and bullion for each quinquennium from 1900-01 to 1924-25 and for each of the official years from 1925-26 to 1936-37	46—47
V.—London-New York Cross rate, franc-sterling rate, and price of gold in London and in Bombay	48
VI.—Monthly imports and exports of silver during the years 1935-36 and 1936-37	49
VII.—Average value of imports and exports of silver coin and bullion for each quinquennium from 1900-01 to 1924-25 and value of such imports and exports for each of the official years from 1925-26 to 1936-37	50
VIII.—Price of silver in Bombay, London, and New York during 1935-36 and 1936-37	51
IX.—The highest and lowest quotations for telegraphic transfers on London for each month of the years 1935-36 and 1936-37	52
X.—Monthly purchases of sterling by the Reserve Bank of India and the average rate of purchase	53
XI.—Government balances in India; with the Reserve Bank of India, and at Government treasuries	53
XII.—Details of sales of three months Treasury Bills in India, 1935-36 and 1936-37	54—56
XIII.—Ways and Means advances and Treasury Bills transactions (with the public) during 1935-36 and 1936-37	57
XIV.—Liabilities and assets of the Issue Department of the Reserve Bank of India during 1935-36 and 1936-37	58
XV.—Cash balances of the Reserve Bank of India on the last Friday of each month and percentages of cash to liabilities	59
XVI.—Indian money rates per cent	60
XVII.—Cash balances of Scheduled Banks on the last Friday of each month and percentages of cash to demand and time liabilities	61
XVIII.—Clearing house statistics	62
XIX.—Remittances through (A) the Reserve Bank of India and (B) the Imperial Bank of India	63
XX.—Movement of funds within the Provinces during the years 1935-36 and 1936-37	64
XXI.—Payment by Government on account of transfer of funds effected by the public between Provinces during the years 1935-36 and 1936-37	65
XXII.—Representative rupee securities of the Government of India (Prices since 1914)	66
XXIII.—Representative rupee securities of the Government of India (Monthly price fluctuations)	67
✓ XXIV.—Absorption of currency since 1914	68
XXV.—Monthly absorption of rupees	68
XXVI.—Absorption of rupees by circles	69
XXVII.—Whole rupees coined and issued from the Indian Mints from 1835	70—71
XXVIII.—Rupee Census from 1835	72
XXIX.—Annual absorption of small coin	73
XXX.—Total value of currency notes issued on the last day of each month from 1889-90	74—75
XXXI.—Active note circulation during 1935-36 and 1936-37	76
XXXII.—Note circulation	77
XXXIII.—Details of comparative circulation of notes	78
XXXIV.—Encashment of foreign circle notes	79—80
XXXV.—Balance Sheet of the Reserve Bank of India	81—82
XXXVI.—Profit and Loss account of the Reserve Bank of India	83

STATEMENT I.

(Reference paragraph 2.)

Index numbers of wholesale prices in India and certain foreign countries.

	India. (a)		United Kingdom. (b)	United States of America. (b)	Japan. (b)
	Calcutta.	Bombay.			
1915 Annual average ..	112	...	...	70	97
1916 " " ..	128	...	...	86	117
1917 " " ..	145	...	...	118	149
1918 " " ..	178	239	...	131	196
1919 " " ..	196	223	...	139	236
1920 " " ..	201	216	307	154	259
1921 " " ..	178	198	197	98	200
1922 " " ..	176	187	159	97	196
1923 " " ..	172	181	159	101	199
1924 " " ..	173	182	166	98	207
1925 " " ..	159	163	159	104	202
1926 " " ..	148	149	148	100	179
1927 " " ..	148	147	141	95	170
1928 " " ..	145	146	140	97	171
1929 " " ..	141	145	100	100	100
1930 " " ..	116	126	88	91	82
1931 " " ..	96	109	77	77	70
1932 " " ..	91	109	75	68	73
1933 " " ..	87	98	75	69	82
1934 " " ..	89	95	77	79	81
1935 " " ..	91	99	78	84	84
1936 " " ..	92	97	83	85	90
1935 April ..	88	98	77	84	83
" May ..	91	99	77	84	83
" June ..	91	99	78	84	82
" July ..	91	100	77	83	82
" August ..	89	99	78	85	83
" September ..	89	100	79	85	86
" October ..	93	100	80	85	88
" November ..	92	98	80	85	88
" December ..	93	97	80	85	87
1936 January ..	92	96	80	85	87
" February ..	91	95	80	85	87
" March ..	91	95	80	84	87
" April ..	92	94	81	84	88
" May ..	90	94	81	83	88
" June ..	90	95	81	83	88
" July ..	91	97	82	85	90
" August ..	90	98	83	86	91
" September ..	91	97	84	86	91
" October ..	93	97	86	86	91
" November ..	93	98	86	87	93
" December ..	94	101	88	88	98
1937 January ..	98	104	90	90	106
" February ..	99	103	91	91	105
" March ..	100	110	94	92	109

(a) Monthly Survey of Business Conditions in India (1914=100) after April 1935.

(b) League of Nations Monthly Bulletin of Statistics after 1928.

United Kingdom 1914=100 upto 1929, thereafter 1929=100.

United States of America 1926=100 upto 1929, thereafter 1929=100.

Japan 1914=100 upto 1929, thereafter 1929=100.

STATEMENT II.

(Reference paragraph 10.)

*Balance of trade * for 1935-36 and 1936-37.*

(In lakhs of rupees.)

	Average of 10 pre-war years ending 1913-14.	Average of 12 years ending 1933-34.	1934-35.	1935-36.	1936-37.
Exports of Indian merchandise (private) ..	+1,84,67	+2,77,27	+1,51,67	+1,60,52	+1,96,13
Re-exports of Foreign merchandise (private) ..		+ 8,43	+ 3,55	+ 3,77	+ 6,20
Imports of Foreign merchandise (private) (a) ..	-1,22,93	-1,97,41	-1,31,80	-1,33,69	-1,24,58
BALANCE OF TRADE IN MERCHANDISE (PRIVATE) ..	+ 71,74	+ 88,29	+ 23,42	+ 30,60	+ 77,75
Gold (private) (b) ..	- 20,87	- 7,02	+ 52,54	+ 37,35	+ 27,85
Silver (private) (b) ..	- 7,67	- 12,29	- 37	- 1,27	- 13,59
Currency Notes (private) ..	..	- 17	+ 37	+ 29	+ 24
BALANCE OF TRAN- SACTIONS IN TREASURE (PRIVATE) ..	- 28,54	- 19,48	+ 52,54	+ 36,37	+ 14,50
TOTAL VISIBLE BA- LANCE OF TRADE...	+ 43,20	+ 68,81	+ 75,96	+ 66,97	+ 92,25
Purchases of sterling by the Reserve Bank of India ..	- 38,47 (c)	- 35,70 (c)	- 49,82 (c)	- 45,58	- 70,87
Sales of sterling by the Reserve Bank of India ..	+ 1,22 (d)	+ 2,38 (d)	.. (d)	..	..
Transfers of Govern- ment securities ..	- 71	- 15	+ 32	- 56	- 18
Interest drafts on In- dia in respect of Government of In- dia securities ..	..	- 37	- 28	- 31	- 29
BALANCE OF RE- MITTANCES OF FUNDS ..	- 37,96	- 33,84	- 49,78	- 46,45	- 71,34
TOTAL VISIBLE BA- LANCE OF AC- COUNTS ..	+ 5,24	+ 34,97	+ 26,18	+ 20,52	+ 20,91

*Excludes figures for Kathiawar and Travancore ports.

- (a) Excludes the value of Railway materials imported direct by the State Railways working under Company management.
- (b) These exclude transactions which do not enter into the balance of trade.
- (c) Sterling purchases in India by Government.
- (d) Sterling transfers on London sold in India by Government.

STATE

(Reference

Monthly imports and exports of gold coin and

GO

Month.	IMPORTS.					
	Bullion.		Sovereigns and other British gold coin.		TOTAL.	
	Quantity in ounces.	Value in rupees.	Quantity in ounces.	Value in rupees.	Quantity in ounces.	Value in rupees.
1935-36.						
April 1935	3,682	3,46,210	753	71,834	4,435	4,18,044
May "	4,924	4,50,141	13,789	13,09,755	18,713	17,59,896
June "	4,121	3,77,271	5,144	4,80,917	9,265	8,58,188
July "	3,957	3,61,496	8,158	7,55,695	12,115	11,17,191
August "	3,820	3,46,413	2,280	2,10,999	6,100	5,57,412
September "	4,419	3,98,560	11,462	10,66,032	15,881	14,64,592
October "	5,159	4,70,778	2,393	2,23,195	7,552	6,93,973
November "	8,438	7,46,582	1,422	1,32,356	9,860	8,78,938
December "	3,233	2,90,296	770	71,635	4,003	3,61,931
January 1936	5,949	5,37,085	435	40,404	6,384	5,77,489
February "	3,392	2,99,048	56	5,145	3,448	3,04,193
March "	5,106	4,48,219	599	55,344	5,705	5,03,563
TOTAL 1935-36	56,200	50,72,099	47,261	44,23,311	103,461	94,95,410
1936-37.						
April 1936	4,412	3,97,066	3,448	3,20,165	7,860	7,17,231
May "	18,484	18,81,852	10,882	10,10,594	29,366	28,92,446
June "	4,161	3,76,625	5,790	5,30,803	9,951	9,07,428
July "	3,343	2,99,229	9,757	8,92,423	13,100	11,91,652
August "	2,421	2,18,227	16,489	15,07,435	18,910	17,25,662
September "	4,243	3,71,867	3,217	2,93,102	7,460	6,64,969
October "	3,707	3,35,057	6,059	5,66,909	9,766	9,01,966
November "	3,307	2,99,649	4,733	4,43,697	8,040	7,43,346
December "	3,437	3,15,450	5,656	5,28,849	9,093	8,44,299
January 1937	3,308	3,01,623	10,000	9,35,044	13,308	12,36,667
February "	4,861	4,38,909	27,505	25,81,992	32,366	30,20,901
March "	5,402	4,74,326	8,159	7,87,226	13,561	12,41,552
TOTAL 1936-37	61,086	57,09,880	111,695	1,03,78,239	172,781	1,60,88,119

MENT III.

paragraph 16.)

bullion during the years 1935-36 and 1936-37.

LD

EXPORTS.						Net imports or exports.	
Bullion.		Sovereigns and other British gold coin.		TOTAL.		Imports+ Exports—.	
Quantity in ounces.	Value in rupees.	Quantity in ounces.	Value in rupees.	Quantity in ounces.	Value in rupees.	Quantity in ounces.	Value in rupees.
80,617	76,87,366	28,828	27,40,232	109,445	1,04,27,598	— 105,010	— 1,00,09,554
201,552	1,89,08,530	5,859	5,54,443	207,411	1,94,62,973	— 188,698	— 1,77,03,077
118,525	1,10,61,356	...	...	118,525	1,10,61,356	— 109,260	— 1,02,03,168
651,637	6,04,25,831	...	...	651,637	6,04,25,831	— 639,522	— 5,93,08,640
733,642	6,76,96,385	...	...	733,642	6,76,96,385	— 727,542	— 6,71,38,973
341,586	3,17,91,304	...	...	341,586	3,17,91,304	— 325,705	— 3,03,28,712
326,116	3,04,36,800	281	26,473	326,397	3,04,63,273	— 318,845	— 2,97,69,300
420,410	3,91,62,347	4,875	4,53,625	425,285	3,96,15,972	— 415,425	— 3,87,37,034
293,677	2,73,26,122	4,689	4,36,217	298,366	2,77,62,339	— 294,363	— 2,74,00,408
396,352	3,66,93,898	4,571	4,23,440	400,923	3,71,17,338	— 394,539	— 3,65,39,849
283,676	2,62,89,339	1,072	99,292	284,748	2,63,88,631	— 281,300	— 2,60,84,438
224,758	2,08,42,365	...	...	224,758	2,08,42,365	— 219,053	— 2,03,38,802
40,72,548	37,83,21,643	50,175	47,33,722	4,122,723	38,30,55,365	— 4,019,262	—37,35,59,955
303,606	2,79,88,777	...	...	303,606	2,79,88,777	— 295,746	— 2,72,71,546
353,848	3,28,06,718	...	...	353,848	3,28,06,718	— 324,482	— 2,99,14,272
305,817	2,79,58,630	...	...	305,817	2,79,58,630	— 295,886	— 2,70,51,202
442,593	4,04,83,248	...	...	442,593	4,04,83,248	— 429,493	— 3,92,91,596
246,982	2,25,74,039	3	257	246,985	2,25,74,296	— 228,075	— 2,08,48,634
243,823	2,21,31,425	...	...	243,823	2,21,31,425	— 236,363	— 2,14,06,456
340,510	3,19,07,804	...	...	340,510	3,19,07,804	— 330,744	— 3,10,05,838
274,855	2,58,05,729	246	23,051	275,101	2,58,28,780	— 267,061	— 2,50,85,434
166,346	1,55,65,809	59	5,484	166,405	1,55,71,293	— 157,312	— 1,47,26,994
255,444	2,38,56,665	59	5,469	255,503	2,38,62,134	— 242,195	— 2,26,25,467
122,686	1,15,09,856	...	...	122,686	1,15,09,856	— 90,320	— 84,88,755
126,940	1,19,26,487	...	...	126,940	1,19,26,487	— 113,379	— 1,06,84,935
3,183,450	29,45,14,987	367	34,261	31,83,817	29,45,49,248	— 3,011,036	— 27,84,61,129

STATE

(Reference)

Average quantity and value of imports and exports of gold coin and bullion
years from

	IMPORTS.					
	Bullion.		Sovereigns and other British gold coin.		TOTAL.	
	Quantity in ounces.	Value in rupees.	Quantity in ounces.	Value in rupees.	Quantity in ounces.	Value in rupees.
Average for 1900-01 to 1904-05.	(a)	5,72,18,318	(a)	9,34,97,221	(a)	15,07,15,539
Average for 1905-06 to 1909-10.	(a)	9,65,96,452	(a)	7,83,64,043	(a)	17,49,60,495
Average for 1910-11 to 1914-15.	2,115,569	13,49,74,877	2,786,453	16,42,39,395	4,902,022	29,92,14,272
Average for 1915-16 to 1919-20.	2,423,885	14,94,65,235	796,983	4,70,19,473	3,220,868	19,64,84,708
Average for 1920-21 to 1924-25.	4,344,849	28,54,42,004	1,183,850	7,90,80,246	6,528,699	36,45,22,250
1925-26	4,447,036	25,26,78,970	1,754,479	9,96,20,393	6,201,515	35,22,99,363
1926-27	2,420,259	13,86,46,145	982,747	5,63,65,857	3,403,006	19,50,12,002
1927-28	2,001,041	11,42,46,018	1,186,985	6,70,98,044	3,188,026	18,13,44,062
1928-29	2,070,197	11,81,68,903	1,718,388	9,40,20,789	3,788,585	21,21,89,692
1929-30	1,194,246	6,83,46,025	1,331,001	7,39,65,452	2,525,247	14,23,11,477
1930-31	1,099,230	6,31,40,997	1,230,396	6,93,11,456	2,329,626	13,24,52,453
1931-32	235,609	1,53,60,459	214,441	1,26,34,905	450,050	2,79,95,364
1932-33	119,742	91,13,200	52,670	40,68,191	172,412	1,31,81,391
1933-34	105,507	85,60,464	29,394	24,33,821	134,901	1,09,94,285
1934-35	62,015	55,38,348	17,977	16,54,753	79,992	71,93,101
1935-36	56,200	50,72,099	47,261	44,23,311	103,461	94,95,410
1936-37	61,086	57,09,880	111,695	1,03,78,239	172,781	1,60,88,119
Total for 21 years from 1910-11 to 1930-31	57,853,524	360,46,37,638	32,040,426	191,20,77,561	89,693,950	551,67,15,199
Total for 6 years from 1931-32 to 1936-37	640,159	4,93,54,450	473,438	3,55,93,220	1,113,597	8,49,47,670

(a) Figures are not available.

MENT IV.

paragraph 16.)

for each quinquennium from 1900-01 to 1924-25 and for each of the official 1925-26 to 1936-37.

EXPORTS.						Net imports or exports. Imports + Exports—	
Bullion.		Sovereigns and other British gold coin.		TOTAL.		Quantity in ounces.	Value in rupees.
Quantity in ounces.	Value in rupees.	Quantity in ounces.	Value in rupees.	Quantity in ounces.	Value in rupees.		
(a)	4,85,71,823	(a)	3,97,99,942	(a)	8,83,71,765	(a)	+ 6,23,43,774
(a)	3,34,76,990	(a)	2,40,30,440	(a)	5,75,07,430	(a)	+ 11,74,53,065
535,654	3,07,89,183	254,980	1,50,03,372	790,634	4,57,92,555	+ 4,111,388	+ 25,34,21,717
851,352	4,91,96,247	223,682	1,31,45,685	1,075,034	6,23,41,932	+ 2,145,834	+ 13,41,42,776
907,000	6,99,52,231	101,892	74,74,737	1,008,892	7,74,26,968	+ 4,519,807	+ 28,70,95,282
41,037	23,26,183	24,897	14,27,381	65,934	37,53,564	+ 6,135,581	+ 34,85,45,799
8,587	4,91,792	8,910	5,14,762	17,477	10,06,554	+ 3,385,529	+ 19,40,05,448
2,052	98,300	4,215	2,45,739	6,267	3,44,039	+ 3,181,759	+ 18,10,00,023
1,577	1,05,457	1,567	97,257	3,144	2,02,714	+ 3,785,441	+ 21,19,86,978
1,083	65,559	602	37,522	1,685	1,03,081	+ 2,523,562	+ 14,22,08,396
86,884	49,29,307	89	5,031	86,973	49,34,338	+ 2,242,853	+ 12,75,18,115
7,758,315	58,43,62,379	321,112	2,33,60,827	8,079,427	60,77,23,206	— 7,629,377	— 57,97,27,842
8,102,406	63,46,29,876	423,835	3,37,79,671	8,526,241	66,84,09,347	— 8,353,829	— 65,52,27,956
6,645,012	56,59,86,325	185,187	1,55,43,921	6,830,199	58,15,30,246	— 6,695,298	— 57,05,35,961
5,723,675	52,76,09,980	51,137	49,57,728	5,774,812	53,25,67,708	— 5,694,820	— 52,53,74,607
4,072,548	37,83,21,643	50,175	47,33,722	4,122,723	38,30,55,365	— 4,019,262	— 37,35,59,955
3,183,450	29,45,14,987	367	34,261	3,183,817	29,45,49,248	— 3,011,036	— 27,84,61,129
11,611,230	75,77,04,903	2,943,050	18,04,46,662	14,554,280	93,81,51,565	+75,139,870	+457,85,63,634
35,485,406	298,54,24,990	1,031,813	8,24,10,130	36,517,219	306,78,35,120	—35,403,822	—298,28,87,450

STATEMENT V.

(Reference paragraph 16.)

London-New York cross rate, franc-sterling rate, and price of gold in London and in Bombay.

—	London-New York <i>cross rate;</i> dollars to pound sterling.		Franc-sterling rate; francs to pound.		Price of gold in London.		Price of country bar gold at Bombay.									
	Highest.	Lowest.	Highest.	Lowest.	Highest.	Lowest.	Highest.	Lowest.								
<i>1935-36.</i>					£.	s.	d.	£.	s.	d.	Rs. a.	p.	Rs. a.	p.		
April 1935 .	4.83½	4.76½	73.71	72.72	7	5	8½	7	3	4	36	12	0	35	10	0
May .. .	4.95½	4.82½	75.28	72.93	7	5	0	7	1	0	36	0	6	34	13	0
June .. .	4.95½	4.91½	75.26	74.31	7	2	0	7	0	7	35	6	0	34	14	0
July .. .	4.97	4.93½	75.10	74.44	7	1	7	7	0	5	35	0	0	34	10	0
August .. .	4.98½	4.95½	75.16	74.75	7	0	11	6	19	9½	34	12	3	34	7	6
September .. .	4.95½	4.91½	75.16	74.57	7	1	6½	7	0	3	35	1	3	34	11	3
October .. .	4.92½	4.89½	74.71	74.26	7	2	2	7	1	3½	35	7	0	31	3	6
November .. .	4.93½	4.91½	75.03	74.59	7	1	7	7	0	11	35	0	6	34	13	0
December .. .	4.93½	4.92½	74.94	74.35	7	1	3	7	0	11	34	15	3	34	13	0
January 1936 .	5.00½	4.92½	75.07	74.41	7	1	4	7	0	7½	34	14	3	34	8	9
February .. .	5.02½	4.97½	75.04	74.66	7	1	2	7	0	6	34	13	6	34	8	3
March .. .	4.99½	4.94½	75.10	74.66	7	1	1½	7	0	8	34	13	3	34	10	9
<i>1936-37.</i>																
April 1936 .	4.95½	4.93½	75.16	74.90	7	1	½	7	0	7	34	14	9	34	10	6
May .. .	4.99½	4.93½	75.94	74.98	7	0	10	6	19	3	34	13	9	34	6	3
June .. .	5.04	4.99½	76.57	75.78	6	19	4	6	18	3	34	7	9	34	1	0
July .. .	5.03½	5.01½	76.03	75.66	6	19	1½	6	18	7	34	5	6	34	3	6
August .. .	5.03½	5.01½	76.44	76.13	6	18	8	6	18	2	34	5	9	34	3	0
September .. .	5.07½	4.93½	76.98	76.43	7	0	9	6	17	2½	35	8	0	33	15	3
October .. .	4.94½	4.88½	105.71	104.81	7	2	11½	7	0	5½	35	3	9	34	12	6
November .. .	4.90½	4.87½	105.46	105.10	7	2	8½	7	1	10½	35	5	9	35	1	3
December .. .	4.91½	4.89½	105.16	105.13	7	2	1	7	1	4	35	2	9	35	0	0
January 1937 .	4.91½	4.89½	105.16	105.09	7	2	0	7	1	5½	35	2	9	34	15	3
February .. .	4.90	4.88½	105.15	105.04	7	2	4	7	1	11	35	5	6	35	0	0
March .. .	4.89½	4.87½	107.31	105.13	7	2	7½	7	2	2½	35	7	6	35	2	6

STATEMENT VI.

(Reference paragraph 20.)

Monthly imports and exports of silver during the years 1935-36 and 1936-37.

Month.	Imports.	Exports.	Net exports or imports. Imports + Exports —.
<i>1935-36.</i>			
	Rs.	Rs.	Rs.
April 1935	13,75,071	33,90,555	— 20,15,484
May "	5,93,616	46,31,601	— 40,37,985
June "	20,09,260	7,17,409	+ 12,91,851
July "	16,35,660	6,69,034	+ 9,66,626
August "	6,75,797	1,02,67,612	— 95,91,815
September "	3,14,136	9,52,707	— 6,38,571
October "	2,35,919	11,92,122	— 9,56,203
November "	8,16,309	9,81,037	— 1,64,728
December "	6,27,241	4,62,28,893	— 4,56,01,652
January 1936	87,26,884	9,28,790	+ 77,98,094
February "	3,76,97,834	2,04,373	+ 3,74,93,461
March "	98,60,890	1,45,346	+ 97,15,544
TOTAL 1935-36	6,45,68,617	7,03,09,479	— 57,40,862
<i>1936-37.</i>			
April 1936	87,68,003	2,18,632	+ 85,49,371
May "	2,00,69,721	2,06,336	+ 1,98,63,385
June "	1,35,01,596	2,23,725	+ 1,32,77,871
July "	94,83,356	3,50,420	+ 91,32,936
August "	80,84,695	1,97,420	+ 78,87,275
September "	92,29,381	2,01,393	+ 90,27,988
October "	86,79,316	3,39,453	+ 83,39,863
November "	1,50,57,717	2,08,246	+ 1,48,49,471
December "	60,96,955	2,06,176	+ 58,90,779
January 1937	1,70,54,957	1,99,915	+ 1,68,55,042
February "	2,19,29,391	1,00,000	+ 2,18,29,391
March "	8,09,819	3,95,720	+ 4,14,099
TOTAL 1936-37	13,87,64,907	28,47,436	+ 13,59,17,471

STATEMENT VII.

(Reference paragraph 20.)

Average value of imports and exports of silver coin and bullion for each quinquennium from 1900-01 to 1924-25 and value of such imports and exports for each of the official years from 1925-26 to 1936-37.

	IMPORTS.			EXPORTS.			Net imports or exports. Imports— Exports—
	Government of India rupees.	Other coin and bullion.	Total.	Government of India rupees.	Other coin and bullion.	Total.	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Average for 1900-01 to 1904-05	67,26,879	13,97,40,050	14,64,66,929	1,28,77,265	3,24,28,150	4,53,05,415	+ 10,11,61,514
Average for 1905-06 to 1909-10	71,70,528	17,54,54,903	18,26,25,431	1,54,89,147	57,15,912	2,12,05,059	+ 16,14,20,372
Average for 1910-11 to 1914-15	62,50,314	13,51,08,288	14,13,58,602	1,92,99,276	1,59,18,000	3,52,17,276	+ 10,61,41,326
Average for 1915-16 to 1919-20	41,61,453	30,28,89,073	30,70,50,526	1,99,49,474	74,62,366	2,74,11,840	+ 27,96,38,686
Average for 1920-21 to 1924-25	(Figures not available for 1923-24 and 1924-25.)		19,18,47,079	(Figures not available for 1923-24 and 1924-25.)		3,45,76,258	+ 15,72,70,821
1925-26	(Details not available.)		19,89,70,504	(Details not available.)		2,77,29,354	+ 17,12,41,150
1926-27	Do.		21,76,34,160	Do.		1,89,53,825	+ 19,86,80,335
1927-28	Do.		16,47,37,417	Do.		2,63,69,190	+ 13,83,68,227
1928-29	Do.		15,92,18,307	Do.		6,15,11,381	+ 9,77,06,926
1929-30	Do.		13,41,90,827	Do.		4,79,78,629	+ 8,62,12,198
1930-31	Do.		13,46,62,717	Do.		3,38,69,661	+ 10,07,93,056
1931-32	Do.		4,42,63,962	Do.		4,84,81,050	— 42,17,088
1932-33	Do.		1,62,95,157	Do.		3,64,26,108	— 2,01,30,951
1933-34	Do.		81,72,592	Do.		7,17,44,018	— 6,35,71,426
1934-35	Do.		4,45,10,039	Do.		9,85,74,841	— 5,40,64,802
1935-36	Do.		6,45,68,617	Do.		7,03,09,479	— 57,40,862
1936-37	Do.		13,87,64,907	Do.		28,47,436	+ 13,59,17,471

STATEMENT VIII.

(Reference paragraph 20.)

*Price of silver in Bombay, London, and New York during
1935-36 and 1936-37.*

		Price in Bombay per 100 tolas (country bar).		Price in London per standard oz.		Price in New York per fine oz.	
		Highest.	Lowest.	Highest.	Lowest.	Highest.	Lowest.
<i>1935-36.</i>		Rs. a.	Rs. a.	d.	d.	Cents.	Cents.
April	1935	87 0	67 10	36½	28½	81	61½
May	"	83 12	76 13	35½	32½	77	71½
June	"	80 2	71 14	33½	31	74½	69½
July	"	74 9	69 8	31¾	30¾	69½	67½
August	"	71 4	64 5	30¾	29	67½	65½
September	"	67 11	65 10	29¾	29	65½	65½
October	"	69 8	66 0	29½	29¾	65½	65½
November	"	67 3	64 8	29½	29¾	65½	65½
December	"	65 3	48 0	29½	20½	65½	49½
January	1936	55 8	46 12	22½	19	49½	44½
February	"	50 8	48 5	20¾	19¾	44½	44½
March	"	50 4	47 12	20¾	19¾	44½	44½
<i>1936-37.</i>							
April	1936	52 8	49 7	20½	19½	45½	44½
May	"	52 8	49 4	20½	19½	45½	44½
June	"	50 1	48 6	20¾	19¾	44½	44½
July	"	49 5	48 5	19½	19½	44½	44½
August	"	49 2	47 0	19½	19½	44½	44½
September	"	50 7	48 4	20¾	19¾	44½	44½
October	"	50 3	49 0	20¾	19½	44½	44½
November	"	56 2	49 7	22½	20	47½	44½
December	"	53 3	51 12	21½	20½	46½	44½
January	1937	52 14	50 2	21¾	20½	45½	44½
February	"	51 9	49 12	20¾	19½	44½	44½
March	"	54 0	50 15	21½	20¾	45½	44½

STATEMENT IX.

(Reference paragraph 24.)

EXCHANGE.

The highest and lowest quotations for telegraphic transfers on London for each month of the years 1935-36 and 1936-37.

Months.		Highest.	Lowest.
<i>1935-36.</i>		s. d.	s. d.
April	1935	1 6 $\frac{1}{2}$	1 6 $\frac{1}{2}$
May	"	1 6 $\frac{1}{2}$	1 6 $\frac{1}{2}$
June	"	1 6 $\frac{1}{2}$	1 6 $\frac{3}{4}$
July	"	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$
August	"	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$
September	"	1 6 $\frac{3}{4}$	1 6 $\frac{1}{2}$
October	"	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$
November	"	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$
December	"	1 6 $\frac{1}{2}$	1 6 $\frac{3}{4}$
January	1936	1 6 $\frac{1}{2}$	1 6 $\frac{3}{4}$
February	"	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$
March	"	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$
<i>1936-37.</i>			
April	1936	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$
May	"	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$
June	"	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$
July	"	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$
August	"	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$
September	"	1 6 $\frac{3}{4}$	1 6 $\frac{1}{4}$
October	"	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$
November	"	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$
December	"	1 6 $\frac{1}{2}$	1 6 $\frac{3}{4}$
January	1937	1 6 $\frac{1}{2}$	1 6 $\frac{1}{2}$
February	"	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$
March	"	1 6 $\frac{3}{4}$	1 6 $\frac{3}{4}$

STATEMENT X.

(Reference paragraph 24.)

Monthly purchases of sterling by the Reserve Bank of India and the average rate of purchase.

(In thousands of £ and Rs.)

Months.	1935-36.				1936-37.			
	Sterling purchased in India.		Average rate.		Sterling purchased in India.		Average rate.	
	£.	Rs.	s.	d.	£.	Rs.	s.	d.
April	388	51.30	1	6.127	3,570	4,72.72	1	6.125
May	5,340	7,07.01	1	6.127	1,000	1,32.41	1	6.125
June	2,768	3,66.46	1	6.125	2,225	2,94.62	1	6.125
July	1,100	1,45.66	1	6.125	2,555	3,38.32	1	6.125
August	2,645	3,50.23	1	6.125	1,430	1,89.35	1	6.125
September	3,190	4,22.40	1	6.125	3,565	4,72.06	1	6.125
October	1,700	2,25.10	1	6.125	5,000	6,62.07	1	6.125
November	3,130	4,14.46	1	6.125	4,000	5,29.66	1	6.125
December	3,125	4,13.76	1	6.126	8,314	11,00.11	1	6.138
January	5,300	7,01.72	1	6.127	9,588	12,68.99	1	6.134
February	2,595	3,43.61	1	6.125	8,130	10,76.49	1	6.126
March	3,145	4,16.44	1	6.125	4,155	5,50.17	1	6.125
Total	34,426	45,58.15	1	6.126	53,532	70,86.97	1	6.127

STATEMENT XI.

(Reference paragraph 25.)

Government balances in India; with the Reserve Bank of India and at Government treasuries.

(In lakhs of rupees.)

At Government treasuries.			Last day of month.	At the Reserve Bank of India.		
1934-35.	1935-36.	1936-37.		1934-35.*	1935-36.	1936-37.
2.18	2.23	1.67	April	7.66	19.08	6.36
2.06	2.19	1.50	May	10.22	20.15	18.38
2.09	1.99	1.72	June	7.70	20.94	16.25
2.05	1.82	1.51	July	7.73	13.46	6.69
1.88	1.80	1.50	August	7.01	12.20	6.59
2.16	1.66	1.57	September	8.23	11.37	14.38
2.03	1.81	1.44	October	9.80	11.55	8.16
1.89	1.80	1.52	November	7.10	12.17	6.70
1.89	1.81	1.44	December	6.57	6.32	7.45
2.13	1.84	1.44	January	6.53	6.35	13.27
1.77	1.77	1.82	February	7.32	6.28	15.59
3.38	3.10	2.65	March	12.85	11.42	17.90
2.13	1.98	1.65	Average	8.23	12.61	11.64

*Balance at the Imperial Bank of India.

STATEMENT XII.

(Reference paragraph 27.)

Details of Sales of three months Treasury Bills in India, 1935-36 and 1936-37.

(In thousands of rupees unless otherwise specified.)

Date of Sale. (Week ended.)	Amount offered for tender.	Amount tender- ed.	Amount sold.	Average rate of accepted tenders.	Rate for Inter- mediates.	Amount of Inter- mediates sold.	Amount sold in favour of Issue Depart- ment.
<i>1935-36</i>							
April 5, 1935 ..	..	..	..	..	..	..	7,12,75
" 12, " ..	..	..	..	..	..	..	5,27,00
" 19, " ..	1 crore	1,09,50	1,00,00	99 9 0	..	..	..
" 26, " ..	1 crore	1,15,00	1,00,00	99 9 0	..	..	1,44,50
May 3, " ..	1 crore	1,36,00	1,00,00	99 9 2	..	..	2,00,50
" 10, " ..	1 crore	1,06,75	1,00,00	99 9 0	..	..	1,29,50
" 17, " ..	1 crore	1,06,50	98,25	99 9 0	..	..	2,13,50
" 24, " ..	1 crore	1,33,75	1,00,00	99 9 1	..	..	2,33,25
" 31, " ..	1 crore	1,31,75	1,00,00	99 9 1	..	..	4,05,50
June 7, " ..	1 crore	1,27,25	1,00,00	99 9 0	..	..	2,50,00
" 14, " ..	1 crore	1,47,75	1,00,00	99 9 1	..	..	5,31,75
" 21, " ..	1 crore	1,22,50	1,00,00	99 9 1	..	..	3,96,25
" 28, " ..	1 crore	1,18,25	1,00,00	99 9 0	..	..	1,78,25
July 5, " ..	1 crore	1,17,00	1,00,00	99 9 0	..	..	1,00,00
" 12, " ..	1 crore	1,46,25	1,00,00	99 9 1	..	..	79,75
" 19, " ..	1 crore	1,31,75	1,00,00	99 9 3	..	..	..
" 26, " (a)	..	..	..	..	..	..	1,44,50
August 2, " ..	..	..	..	..	..	..	2,00,50
" 9, " ..	..	..	..	..	..	..	1,29,50
" 16, " ..	..	..	..	..	..	..	2,13,50
" 23, " ..	..	..	..	..	..	..	2,33,25
" 30, " ..	..	..	..	..	..	..	2,40,00
Septem- ber 6, " ..	2 crores	4,54,75	2,00,00	99 10 8	..	..	2,50,00
" 13, " ..	2 crores	7,35,50	2,00,00	99 11 0	..	..	2,40,50
" 20, " ..	2 crores	9,55,50	2,00,00	99 12 3	99 12 6	5,60,00 (b)	..
" 27, " ..	2 crores	6,08,50	2,00,00	99 13 1	99 13 3	3,05,00	1,00,00
October 4, " ..	2 crores	3,08,00	2,00,00	99 13 1	99 13 3	2,08,00	2,78,25
" 11, " ..	2 crores	2,78,50	1,78,50	99 12 11	99 13 0	2,00,75	79,75
" 18, " ..	2 crores	2,22,25	2,00,00	99 12 1	..	..	..
" 25, " ..	2 crores	2,96,25	2,00,00	99 11 5	..	..	44,50
November 1, " ..	2 crores	4,08,00	2,00,00	99 12 0	..	..	..
" 8, " ..	2 crores	5,45,75	2,00,00	99 12 2	..	..	2,00,50
" 15, " ..	2 crores	3,96,75	2,00,00	99 12 3	..	..	2,66,75
" 22, " ..	2 crores	3,70,75	2,00,00	99 12 0	..	..	1,74,25
" 29, " ..	2 crores	4,10,25	2,00,00	99 11 7	..	..	3,75,25
Decem- ber 6, " ..	2 crores	3,78,50	2,00,00	99 11 10	..	..	2,50,00
" 13, " ..	2 crores	4,08,25	2,00,00	99 11 11	..	..	2,40,50
" 20, " ..	2 crores	3,67,25	2,00,00	99 11 10	..	..	..
" 27, " ..	..	..	..	..	..	..	2,78,25

(a) Sale of treasury bills to the public was discontinued and was not resumed until the 6th September 1935.

(b) Sale of intermediate treasury bills to the public was resumed on the 18th September 1935 and was discontinued from the 16th October 1935.

STATEMENT XII—(contd.)

(Reference paragraph 27.)

*Details of Sales of three months Treasury Bills in India, 1935-36 and
1936-37—contd.*

(In thousands of rupees unless otherwise specified.)

Date of Sale. (Week ended.)	Amount offered for tender.	Amount tendered.	Amount sold.	Average rate of accepted tenders.	Rate for Inter- mediates.	Amount of Inter- mediates sold.	Amount sold in favour of Issue Depart- ment.
January 3, 1936 ..	2 crores	2,27,00	2,00,00	99 12 0	..	..	1,00,00
" 10, " ..	2 crores	3,82,50	2,00,00	99 11 8	..	..	79,75
" 17, " ..	2 crores	4,60,00	2,00,00	99 12 0	..	..	..
" 24, " ..	1 crore	2,68,50	1,00,00	99 12 0	..	..	..
" 31, " ..	1 crore	3,65,75	1,00,00	99 12 6	..	..	44,50
February 7, " ..	1 crore	2,43,50	1,00,00	99 13 0	..	..	2,00,50
" 14, " (a)	..	..	..	..	..	..	2,29,75
" 21, " ..	..	..	..	..	..	..	1,52,75
" 28, " ..	..	..	..	..	..	..	4,33,75
March 6, " ..	..	..	..	..	..	..	2,50,00
" 13, " ..	1 crore	1,80,75	1,00,00	99 13 6	..	..	2,40,50
" 20, " ..	1 crore	1,86,25	1,00,00	99 13 9	..	..	..
" 27, " ..	1 crore	1,42,50	1,00,00	99 13 10	..	..	2,78,25
TOTAL 1935-36	..	..	57,76,75	..	..	12,73,75	1,00,52,00

(a) Sale of treasury bills to the public was discontinued and was not resumed until the 13th March 1936.

STATEMENT XII—(contd.)

(Reference paragraph 27.)

*Details of Sales of three months Treasury Bills in India, 1935-36 and
1936-37—contd.*

(In thousands of rupees unless otherwise specified.)

Date of Sale. (Week ended.)	Amount offered for tender.	Amount tendered.	Amount sold.	Average Rate of accepted tenders.	Rate for Interme- diates.	Amount of Inter- mediates sold.	Amount sold in favour of Issue De- partment.
<i>1936-37.</i>							
April 3, 1936 ..	1 crore	1,00,00	1,00,00	99 13 0	..	..	1,00,00
" 10, " ..	1 crore	1,12,75	1,00,00	99 13 6	..	..	79,75
" 17, " ..	1 crore	1,15,00	1,00,00	99 12 9	..	..	..
" 24, " ..	2 crores	4,96,25	2,00,00	99 12 9	..	..	..
May 1, " ..	2 crores	4,91,00	2,00,00	99 12 9	..	..	2,45,00
" 8, " ..	2 crores	4,95,00	2,00,00	99 13 3	..	..	1,29,50
" 15, " ..	2 crores	5,03,25	2,00,00	99 14 0	..	..	1,00,25
" 22, " ..	2 crores	2,34,75	2,00,00	99 13 11	..	..	2,33,25
" 29, " (a)	2 crores	2,03,75	..	..	..	..	2,40,00
June 5, " ..	..	..	..	..	..	..	1,46,50
" 12, " ..	..	..	..	..	..	..	1,40,50
" 19, " ..	..	..	..	..	..	..	2,78,25
" 26, " ..	..	..	..	..	..	..	..
July 3, " ..	2 crores	3,01,75	1,99,25	99 12 9	..	..	1,00,00
" 10, " ..	2 crores	4,08,00	2,00,25	99 13 3	..	..	79,75
" 17, " ..	2 crores	4,08,75	2,00,00	99 13 9	..	..	..
" 24, " ..	2 crores	4,00,00	2,00,00	99 13 10	..	..	..
" 31, " ..	2 crores	4,89,75	2,00,00	99 14 0	..	..	44,50
August 7, " ..	2 crores	3,16,75	2,00,00	99 14 3	..	..	2,00,50
" 14, " ..	2 crores	2,15,25	2,00,00	99 14 3	..	..	2,29,75
" 21, " ..	2 crores	2,39,25	2,00,00	99 14 0	..	..	54,50
" 28, " ..	2 crores	2,30,25	2,00,00	99 14 0	..	..	4,33,75
September 4, " ..	2 crores	2,31,00	2,00,00	99 14 0	..	..	1,46,50
" 11, " ..	2 crores	2,54,50	2,00,00	99 13 10	..	..	1,40,50
" 18, " ..	2 crores	2,72,00	2,00,00	99 13 9	..	..	..
" 25, " ..	2 crores	2,49,75	2,00,00	99 13 6	..	..	2,46,25
October 2, " ..	2 crores	2,77,00	2,00,00	99 13 2	..	..	1,00,00
" 9, " ..	2 crores	2,82,50	2,00,00	99 13 0	..	..	79,75
" 16, " ..	2 crores	2,77,00	2,00,00	99 13 1	..	..	..
" 23, " ..	2 crores	4,08,50	1,99,75	99 13 0	..	..	44,50
" 30, " ..	2 crores	4,05,25	2,00,00	99 13 3	..	..	..
November 6, " ..	2 crores	3,98,75	2,00,00	99 13 4	..	..	2,00,50
" 13, " ..	2 crores	2,40,50	2,00,00	99 13 3	..	..	2,29,75
" 20, " ..	2 crores	2,12,25	2,00,00	99 13 0	..	..	39,50
" 27, " ..	2 crores	2,25,75	2,00,00	99 12 10	..	..	2,08,75
December 4, " ..	2 crores	2,16,25	2,00,00	99 12 6	..	..	3,23,00
" 11, " ..	2 crores	2,46,00	2,00,00	99 12 4	..	..	97,00
" 18, " ..	2 crores	2,53,00	2,00,00	99 12 1	..	..	68,00
" 25, " ..	2 crores	2,03,50	2,00,00	99 11 9	..	..	1,78,25
January 1, 1937 ..	2 crores	2,05,75	2,00,00	99 11 6	..	..	..
" 8, " ..	2 crores	2,23,25	1,99,75	99 11 3	..	..	1,00,00
" 15, " ..	2 crores	2,64,00	2,00,00	99 11 4	..	..	79,75
" 22, " ..	1 crore	1,48,00	1,00,00	99 11 9	..	..	44,50
" 29, " ..	1 crore	2,05,50	1,00,00	99 11 11	..	..	..
February 5, " ..	1 crore	1,40,25	1,00,00	99 12 1	..	..	1,67,25
" 12, " ..	1 crore	1,52,00	1,00,00	99 12 1	..	..	1,76,25
" 19, " ..	1 crore	1,31,25	1,00,00	99 12 0	..	..	..
" 26, " ..	1 crore	1,12,50	1,00,00	99 12 0	..	..	2,48,25
March 5, " ..	1 crore	1,36,75	1,00,00	99 12 1	..	..	3,93,50
" 12, " ..	1 crore	1,20,75	1,00,00	99 12 0	..	..	..
" 19, " ..	1 crore	2,06,25	1,00,00	99 12 3	..	..	..
" 25, " ..	1 crore	1,37,75	99,50	99 12 0	..	..	1,46,00
TOTAL 1936-37			80,98,50				62,93,50

(a) All tenders rejected. Sale of Treasury Bills to the public was discontinued and was not resumed until the 3rd July 1936.

STATEMENT XIII.

(Reference paragraph 27.)

*Ways and means advances and treasury bills transactions
(with the public) during 1935-36 and 1936-37.*

(In thousands of rupees.)

Opening balance on 1st April 1935.		Ways and Means Advances.			Treasury Bills.			
		NIL.			18,27,25.			
<i>1935-36.</i>		Advances taken.	Advances repaid.	Outstanding at the end of each month.	Sale.	Discharge.	Outstanding at the end of each month.	Total outstanding of ways and means advances and treasury bills.
April	1935 .. .	..	..	..	2,00,00	8,38,50	11,88,75	11,88,75
May	" .. .	..	..	..	4,98,25	7,36,75	9,50,25	9,50,25
June	" .. .	..	..	..	4,00,00	2,50,25	11,00,00	11,00,00
July	" .. .	..	..	..	3,00,00	1,99,75	12,00,25	12,00,25
August	" .. .	..	..	..	..	4,72,50	7,27,75	7,27,75
September	" .. .	2,00,00	2,00,00	..	16,65,00	4,04,25	19,88,50	19,88,50
October	" .. .	..	..	..	11,87,25	3,20,75	28,55,00	28,55,00
November	" .. .	2,00,00	2,00,00	..	10,00,00	1,75	38,53,25	38,53,25
December	" .. .	2,00,00	1,00,00	1,00,00	6,00,00	16,65,00	27,88,25	28,88,25
January	1936 .. .	8,00,00	9,00,00	..	8,00,00	11,84,75	24,03,50	24,03,50
February	" .. .	6,00,00	6,00,00	..	1,00,00	10,00,00	15,03,50	15,03,50
March	" .. .	4,00,00	4,00,00	..	3,00,00	6,00,25	12,03,25	12,03,25

(In thousands of rupees.)

Opening balance on 1st April 1936.		Ways and Means Advances.			Treasury Bills.			
		NIL.			12,03,25.			
<i>1936-37.</i>		Advances taken.	Advances repaid.	Outstanding at the end of each month.	Sale.	Discharge.	Outstanding at the end of each month.	Total outstanding of ways and means advances and treasury bills.
April	1936 .. .	8,00,00	3,00,00	5,00,00	5,00,00	8,00,00	9,03,25	14,03,25
May	" .. .	3,00,00	8,00,00	..	8,00,00	1,00,50	16,02,75	16,02,75
June	" .. .	..	..	..	..	2,95,25	13,07,50	13,07,50
July	" .. .	6,00,00	6,00,00	..	9,99,50	5,06,25	18,00,75	18,00,75
August	" .. .	12,00,00	11,00,00	1,00,00	8,00,00	8,00,25	18,00,50	19,00,50
September	" .. .	3,00,00	4,00,00	..	8,00,00	..	26,00,50	26,00,50
October	" .. .	1,00,00	1,00,00	..	9,99,75	9,92,50	26,07,75	26,07,75
November	" .. .	7,00,00	7,00,00	..	8,00,00	8,04,25	26,03,50	26,03,50
December	" .. .	4,00,00	4,00,00	..	8,01,50	8,03,75	26,01,25	26,01,25
January	1937 .. .	7,00,00	7,00,00	..	7,98,25	9,99,50	24,00,00	24,00,00
February	" .. .	..	..	..	4,00,00	7,98,50	20,01,50	20,01,50
March	" .. .	..	..	..	3,99,50	8,02,75	15,98,25	15,98,25

STATEMENT XIV.

(Reference paragraph 32.)

Liabilities and Assets of the Issue Department of the Reserve Bank of India during 1935-36 and 1936-37.*

(In lakhs of rupees.)

MONTH.	LIABILITIES.			ASSETS.					Percent- age of gold and sterling securities to total notes issued.
	Notes held in Banking Depart- ment.	Notes in circula- tion.	Total Liabilities (total notes issued).	Gold coin and Bullion.	Sterling securities.	Rupoo coin.	Rupoo securities.	Total Assets.	
<i>1935-36.</i>									
April 1935 .	18,58	167,51	186,09	44,42	48,63	49,99	43,05	186,09	50.02
May " .	18,83	167,02	185,85	44,42	49,03	49,75	42,65	185,85	50.28
June " .	21,90	165,14	187,04	44,42	52,94	50,94	38,74	187,04	52.05
July " .	30,30	159,41	189,71	44,42	65,19	53,61	26,49	189,71	57.78
August " .	35,33	156,57	191,90	44,42	65,19	55,80	26,49	191,90	57.12
September " .	35,98	157,44	193,42	44,42	65,69	57,31	26,00	193,42	56.93
October " .	33,65	160,68	194,33	44,42	66,19	58,20	25,52	194,33	56.92
November " .	33,32	161,37	194,69	44,42	66,19	58,56	25,52	194,69	56.81
December " .	27,47	166,53	194,00	44,42	66,19	57,85	25,54	194,00	57.01
January 1936 .	24,67	168,96	193,63	44,42	66,19	57,48	25,54	193,63	57.12
February " .	25,46	168,73	194,19	44,42	66,75	58,04	24,98	194,19	57.25
March " .	24,95	169,98	194,93	44,42	67,32	58,77	24,42	194,93	57.32
<i>1936-37.</i>									
April 1936 .	23,64	171,72	195,36	44,42	67,82	59,19	23,93	195,36	57.45
May " .	26,40	169,27	195,67	44,42	68,32	59,49	23,44	195,67	57.61
June " .	31,78	166,20	197,98	44,42	68,32	61,78	23,46	197,98	56.95
July " .	37,31	163,32	200,63	44,42	67,72	65,09	23,40	200,63	55.89
August " .	38,54	163,34	201,88	44,42	67,32	66,74	23,40	201,88	55.35
September " .	37,36	165,37	202,73	44,42	67,32	67,59	23,40	202,73	55.11
October " .	33,33	169,62	202,95	44,42	67,32	67,79	23,42	202,95	55.06
November " .	26,97	175,39	202,36	44,42	67,32	67,21	23,41	202,36	55.22
December " .	16,92	183,70	200,62	44,42	67,32	65,47	23,41	200,62	55.69
January 1937 .	11,12	193,09	204,21	44,42	71,91	63,70	24,18	204,21	56.96
February " .	11,62	196,14	207,76	44,42	76,81	62,16	24,37	207,76	58.35
March " .	13,45	194,55	208,00	44,42	78,06	61,90	23,62	208,00	58.88

*Average of Friday figures.

STATEMENT XV.

(Reference paragraph 34.)

Cash balances of the Reserve Bank of India on the last Friday of each month and percentages of cash to liabilities.

(Cash in lakhs of rupees.)

	1935-36.			1936-37.		
	Liabilities to the public.	Cash.	Percentage to liabilities.	Liabilities to the public.	Cash.	Percentage to liabilities.
April	27,29	19,44	71.23	43,85	24,69	56.31
May	35,41	22,22	62.75	43,11	30,89	71.65
June	40,39	25,65	63.51	48,07	35,41	73.66
July	41,93	35,01	83.50	40,69	41,10	101.01
August	49,35	38,72	78.46	41,40	40,54	97.92
September	50,27	37,93	75.45	42,20	38,88	91.94
October	40,90	34,68	84.79	37,49	32,40	86.42
November	41,78	34,74	83.15	36,46	27,55	75.56
December	37,22	21,30	57.23	24,60	9,37	38.09
January	42,13	27,22	64.61	31,89	11,71	36.72
February	43,64	27,89	63.91	37,42	14,45	38.62
March	45,55	26,85	58.95	38,70	13,74	35.50

STATEMENT XVI.

(Reference paragraph 35.)

Indian money rates per cent; 1935-36 and 1936-37.

1st of	Bank Rate.	Call money rate.		Imperial Bank Hundi rate.	Bazar bill rate.	
		Calcutta.	Bombay.		Calcutta.	Bombay.
<i>1935-36.</i>						
April 1935	3½	1	3½	3½	7-8	6½
May "	3½	1	2	3½	7-8	6½
June "	3½	1	2½	3½	7-8	6½
July "	3½	1	½	3½	6-7	6½
August "	3½	¾	½	3½	5-6	3½
September "	3½	¾	½	3½	5-6	3½
October "	3½	¾	½	3½	5-6	3
November "	3½	¾	½	3½	5-6	5½
December "	3	¾	½	3	6-7	4½
January 1936	3	¾-1	½	3	5-6	5½
February "	3	¾	½	3	5-6	5½
March "	3	¾	½	3	5-6	3½
<i>1936-37.</i>						
April 1936	3	¾	½	3	5-6	5½
May "	3	¾	½	3	5-6	5½
June "	3	¾	½	3	5-6	4½
July "	3	¾	½	3	5-6	3½
August "	3	¾	½	3	5-6	3½
September "	3	¾	½	3	5-6	3½
October "	3	¾	½	3	5-6	3½
November "	3	¾	½	3	5-6	3½
December "	3	¾	½	3	5-6	3½
January 1937	3	¾	1½	3	5-6	5½
February "	3	¾	1	3	5-6	5½
March "	3	¾	¾	3	5-6	5½

STATEMENT XVII.

(Reference paragraph 36.)

*Cash balances of Scheduled Banks on the last Friday of each month
and percentages of cash to demand and time liabilities.*

(In lakhs of rupees.)

Average of Friday figures.	1935-36.			1936-37.		
	Demand and time liabilities.	Cash in India.	Percentage to demand and time liabilities.	Demand and time liabilities.	Cash in India.	Percentage to demand and time liabilities.
April ...	..	..	..	223,46	42,02	18.80
May ...	..	..	..	222,38	29,13	13.10
June ...	..	..	..	223,19	37,46	16.78
July ...	208,50	34,23	16.42	227,94	37,91	16.63
August	209,45	41,57	19.85	229,41	39,09	17.04
September ...	216,41	41,09	18.99	230,12	33,37	14.50
October ...	216,99	34,19	15.76	230,77	32,38	14.03
November ...	223,97	33,62	15.01	232,99	30,59	13.13
December ...	220,60	35,88	16.26	229,58	23,75	10.34
January ...	220,96	40,02	18.11	235,55	23,11	9.81
February ...	221,33	40,38	18.24	235,65	25,75	10.93
March ...	221,96	41,71	18.79	238,94	28,72	12.02

STATEMENT XVIII.

(Reference paragraph 37.)

Clearing house statistics.

(In lakhs of rupees.)

Year.	Calcutta.	Bombay.	Madras.	Karachi.	Rangoon.	Cawn- pore.	Lahore.	Delhi.	TOTAL.
1918-19	7,41.13	5,69,46	25,45	22,30	73,85	..	..	..	14,32.19
1919-20...	10,55,76	8,83,02	33,95	23,13	94,74	..	..	..	20,90,60
1920-21...	14,39,93	13,15,93	75,79	33,42	1,04,84	6,63	..	..	29,76,54
1921-22...	9,05,01	9,06,73	39,51	36,73	1,22,02	9,01	5,86	..	20,24,90
1922-23...	9,80,26	8,58,73	45,13	33,58	1,25,96	7,93	8,49	..	20,60,08
1923-24...	8,53,05	7,07,98	55,41	41,52	1,32,82	6,38	5,85	..	18,03,01
1924-25...	9,54,11	6,21,66	55,96	46,13	1,17,21	5,72	5,57	..	18,06,36
1925-26...	10,12,19	4,45,05	56,80	36,14	1,25,33	6,16	6,86	..	16,88,53
1926-27...	9,61,01	4,22,68	54,53	31,07	1,24,42	8,16	7,70	..	16,09,57
1927-28...	10,54,02	3,89,80	59,79	30,82	1,25,57	7,00	7,59	..	16,74,59
1928-29...	10,94,00	6,52,35	65,73	28,02	1,25,00	7,31	8,69	..	19,81,10
1929-30...	9,60,97	7,93,66	82,19	26,49	1,20,70	7,56	8,17	..	19,99,74
1930-31...	8,66,28	6,66,61	50,36	24,47	1,06,55	5,71	10,67	..	17,30,65
1931-32...	7,31,09	6,23,82	43,97	23,23	78,90	5,63	9,02	..	15,15,66
1932-33...	7,90,37	6,67,42	48,85	25,56	70,75	7,08	8,50	..	16,16,53
1933-34...	8,30,88	6,55,47	53,19	26,78	56,12	8,88	9,88	..	16,41,20
1934-35...	8,75,69	6,89,17	56,22	28,96	61,03	11,51	10,43	..	17,33,01
1935-36...	9,18,68	7,16,74	69,23	30,12	72,00	11,69	11,16	13,73	18,43,35
1936-37...	9,23,68	7,62,38	91,39	31,94	83,75	11,51	11,40	15,61	19,31,66

STATEMENT XIX.

(Reference Paragraph 38.)

(A) *Remittances through the Reserve Bank of India.*
*Telegraphic transfers issued and paid.**

(In lakhs of rupees.)

	1935.				1936.			
	1st Half Year.		2nd Half Year.		1st Half Year.		2nd Half Year.	
	Issued.	Paid.	Issued.	Paid.	Issued.	Paid.	Issued.	Paid.
Bombay			41.01	36.55	37.83	51.14	39.95	28.51
Calcutta			41.21	46.58	61.90	40.33	36.90	43.79
Cawnpore			3.85	1.58	2.26	2.43	2.80	2.07
Delhi			4.46	2.77	4.82	2.04	5.83	2.77
Karachi			3.28	4.47	7.86	6.51	6.19	6.03
Lahore			2.60	2.87	2.82	4.86	3.28	2.71
Madras			6.30	4.26	6.65	8.02	8.10	9.48
Rangoon			3.01	6.67	3.66	12.40	4.91	7.60
TOTAL			1,05.72	1,05.75	1,27.80	1,27.73	1,07.96	1,02.91

(B) *Remittances through the Imperial Bank of India.*

(In lakhs of rupees.)

	1932.		1933.		1934.		1935.		1936.	
	1st Half year.	2nd Half year.	1st Half year.	2nd Half year.	1st Half year.	2nd Half year.	1st Half year.	2nd Half year.	1st Half year.	2nd Half year.
	Demand drafts purchased.									
Bengal Circle ..	19.86	19.29	19.08	16.59	21.67	19.71	23.74	18.39	24.37	23.17
Bombay " ..	17.41	12.57	19.18	10.87	15.50	10.61	16.46	12.14	17.02	15.44
Madras " ..	7.61	8.64	9.14	5.96	8.84	6.49	8.62	6.77	6.22	9.51
TOTAL	44.88	40.50	47.40	33.42	46.01	36.81	48.82	37.30	49.61	48.12
	Drafts and telegraphic transfers paid.									
Bengal Circle ..	32.43	28.12	30.58	29.09	33.23	28.54	35.60	27.31	30.81	28.01
Bombay " ..	29.68	25.97	29.41	22.49	26.87	25.49	28.61	23.95	26.11	23.51
Madras " ..	14.06	10.94	13.54	11.57	15.70	17.79	16.55	11.57	14.18	13.96
TOTAL	76.17	65.03	73.53	63.15	75.80	71.82	80.76	62.83	71.10	65.48

*Inclusive of those on account of the Imperial Bank of India.

STATEMENT XX.

(Reference paragraph 38.)

Movement of funds within the Provinces during the years 1935-36 and 1936-37.

(In lakhs of rupees.)

		India and Bengal.	Madras and Coorg.	Bombay. (a)	United Provinces.	Punjab.	North-West Frontier.	Burma.	Bihar. (b)	Central Provinces.	Assam.	Sind.	Orissa.	TOTAL.
64	Sale of supply bills and transfers to the public.	1,25	20	78	20	5	..	3,19	2	5	1	..	..	5,75
	} 1935-36	1,65	42	1,36	28	6	..	3,83	2	4	1	24	..	7,91
	Transfers to head-quarters by Bank post-bills.	60	..	..	..	..	..	..	1	..	..	..	..	61
	} 1935-36	53	..	..	..	..	..	..	1	..	..	..	..	54
	TOTAL 1935-36	1,85	20	78	20	5	..	3,19	3	5	1	..	..	6,38
	" 1936-37	2,18	42	1,36	28	6	..	3,83	3	4	1	24	..	8,45

(a) 1935-36 figures are for Bombay including Sind.

(b) " " " " Bihar and Orissa.

STATEMENT XXI.

(Reference paragraph 38.)

Payment by Government on account of transfer of funds effected by the public between Provinces during the years 1935-36 and 1936-37.

(In thousands of rupees.)

Paid by		ON ACCOUNT OF												TOTAL.
		India and Bengal.	Madras and Coorg.	Bombay. (a)	United Provinces.	Punjab.	North West Frontier.	Burma.	Bihar. (b)	Central Provinces.	Assam.	Orissa.	Sind.	
India and Bengal	1935-36	..	..	..	4.02	68	1.69	43	17.46	2.28	23.05	..	..	49.61
	1936-37	..	..	..	6.84	47	2.61	45	17.94	1.79	20.15	2.47	..	53.76
Madras and Coorg	1935-36	2.51	..	20.40	..	..	..	4	..	..	..	..	..	23.95
	1936-37	57	..	18.32	..	2	..	8	..	5	..	..	..	19.04
Bombay (a)	1935-36	37.50	..	..	2.43	18.15	36.55	..	7.17	8.94	15	..	..	1,10.89
	1936-37	7.15	..	..	4.87	59	16.24	3	4.75	6.31	3	5.05	..	45.02
United Provinces	1935-36	8.01	..	..	..	12	71	11	31	12	..	..	..	9.38
	1936-37	7.33	..	4	..	30	30	7	7	6	..	..	..	8.17
Punjab	1935-36	60	..	3.48	..	..	15.87	15	..	..	..	..	..	20.11
	1936-37	36	..	5.50	60	..	18.73	6	..	..	..	..	..	25.30
North West Frontier	1935-36	63	..	..	..	35	..	..	..	..	..	..	..	98
	1936-37	..	..	..	..	..	..	..	..	..	..	..	25	25
Burma	1935-36	1.54	..	80	9	..	..	..	..	..	..	..	..	2.43
	1936-37	1.62	..	..	..	..	..	..	..	..	..	..	..	1.62
Bihar (b)	1935-36	9.91	..	..	32	..	..	..	..	..	..	..	..	10.23
	1936-37	14.88	..	..	23	..	..	..	..	..	..	14	..	15.25
Central Provinces	1935-36	8.20	81	71.43	..	..	..	..	..	..	3	..	..	80.52
	1936-37	4.90	2.25	1,08.91	..	..	..	..	..	..	..	..	..	1,16.06
Assam	1935-36	1,02.07	..	6.95	..	..	..	..	..	..	..	..	..	1,09.07
	1936-37	1,05.46	..	5.47	..	..	..	..	..	..	..	..	..	1,10.93
Sind	1936-37	8.68	..	..	..	10.61	20.87	..	..	..	..	..	..	40.16
Orissa	1936-37	1.12	..	..	..	..	..	..	..	..	..	..	16	1.28
TOTAL	1935-36	1,71.05	81	1,03.06	6.86	19.30	54.82	74	24.94	11.34	23.21	..	..	6,16.13
	1936-37	1,32.07	2.25	1,38.24	12.54	11.99	58.75	73	22.76	8.21	20.18	7.66	46	4,35.84

(a) 1935-36 figures are for Bombay including Sind.

(b) " " " " Bihar and Orissa.

STATEMENT XXII.

(Reference paragraph 46.)

Representative rupee securities of the Government of India.

Prices since 1914.

	3½ per cent. (subject to In- come Tax).		3½ per cent. 1947-50 (subject to Income Tax).		5 per cent. 1945-55 (free of Income Tax).		4 per cent. 1960-70 (subject to Income Tax).	
	Highest.	Lowest.	Highest.	Lowest.	Highest.	Lowest.	Highest.	Lowest.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1914-15 ...	96½	91½	..	..	..	..	..	..
1917-18 ...	70	67	..	..	..	..	..	..
1920-21 ...	60	52	..	..	96	78½	..	..
1923-24 ...	67½	61	..	..	98½	93½	..	..
1924-25 ...	68½	63½	..	..	99½	97	..	..
1925-26 ...	74½	67½	..	..	104½	98½	..	..
1926-27 ...	79½	74½	..	..	110½	104½	90½	86½
1927-28 ...	79½	74½	..	..	108½	105½	90	87½
1928-29 ...	75½	71	..	..	106½	102½	88½	83½
1929-30 ...	72½	64½	..	..	103½	100	84½	75½
1930-31 ..	68½	61½	..	..	101½	99½	77½	73
1931-32 ...	63½	51	..	..	101½	88½	75½	58½
1932-33 ...	88½	60½	..	..	113½	98½	100½	67½
1933-34 ...	88½	79½	97½	90	115½	109	103½	90½
1934-35 ...	98½	87½	102½	97½	119½	114½	111½	101½
1935-36 ...	99½	87½	107½	100½	120½	114½	113½	103
1936-37 ...	100½	91½	108½	103½	121½	117½	116½	109½

STATEMENT XXIII.

(Reference paragraph 48.)

*Representative rupee securities of the Government of India.
Monthly price fluctuations.*

		3½ per cent. (subject to Income Tax).		3½ per cent. 1947-50.		5 per cent 1945-55. (free of Income Tax).		4 per cent. 1960-70. (subject to Income Tax).	
		Highest.	Lowest.	Highest.	Lowest.	Highest.	Lowest.	Highest.	Lowest.
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<i>1935-36.</i>									
April	1935 ..	94	88½	101½	100½	117	114½	106½	103
May	" ..	95½	92½	102½	101½	117½	116½	107½	106½
June	" ..	95½	94½	102½	102½	117½	117½	107½	106½
July	" ..	95½	94½	103½	102½	118½	117½	107½	106½
August	" ..	95½	88½	103½	102½	118½	116	107½	104½
September	" ..	91½	88½	103½	102½	116½	115½	106½	104½
October	" ..	93½	87½	103½	102½	118½	116½	108½	105
November	" ..	96½	93½	105½	103½	119½	118½	111	108½
December	" ..	96½	95½	105½	105½	119½	118½	111½	110½
January	1936 ..	96½	95½	106½	105½	119½	118½	111½	110½
February	" ..	98½	98½	107½	106½	119½	119½	112½	111½
March	" ..	99½	97½	107½	105½	120½	119½	113½	111½
<i>1936-37.</i>									
April	1936 ..	98½	97½	106½	106	120½	119½	114	112½
May	" ..	99½	98½	107½	106½	121½	120½	115½	113½
June	" ..	99½	98½	107½	106½	120½	120½	115½	114½
July	" ..	100½	99½	108½	107½	121½	120½	115½	115
August	" ..	100	99½	107½	107½	121	120½	115½	114½
September	" ..	99½	98½	107½	107½	121½	121	115½	115½
October	" ..	100½	99½	107½	107½	121½	121½	115½	115½
November	" ..	100½	100½	108½	107½	121½	121½	116½	115½
December	" ..	100½	98½	107½	107½	121½	121½	115½	114½
January	1937 ..	100½	95½	107½	105½	121½	119½	115½	113
February	" ..	98½	92½	106½	103½	120½	117½	114	109½
March	" ..	95½	91½	105½	104½	118½	117½	112½	110½

67

STATEMENT XXIV.

(Reference paragraph 47.)

Absorption of currency since 1914.

(In lakhs of rupees.)

	Rupees.	Notes.	Total.
Average for 5 years 1914-15 to 1918-19.. ..	22 08	16 72	38 80
1919-20	20 09	20 20	40 29
1920-21	— 25 68	— 5 90	— 31 58
1921-22	— 10 46	9 35	— 1 11
1922-23	— 9 58	3 87	— 5 69
1923-24	7 62	7 96	15 58
1924-25	3 65	— 2 51	1 14
1925-26	— 8 17	1 16	— 7 01
1926-27	— 19 76	— 3 40	— 23 16
1927-28	— 3 75	10 22	6 47
1928-29	— 3 03	3 57	54
1929-30	— 21 71	— 18 80	— 40 51
1930-31	— 21 58	— 11 37	— 32 95
1931-32	3 93	17 24	21 17
1932-33	— 7 56	— 14 83	— 22 39
1933-34	— 30	13 54	13 24
1934-35	— 3 21	— 32	— 3 53
1935-36	— 9 46	+ 1 82	— 7 64
1936-37	— 2 49	+ 25 53	+ 23 04
Total for 18 years 1919-20 to 1936-37	— 111 43	57 33	— 54 10
Average for 18 years 1919-20 to 1936-37	— 6 19	3 18	— 3 01

STATEMENT XXV.

(Reference paragraph 49.)

Monthly absorption of rupees.

(In lakhs of rupees.)

Month.	Absorption (+) or return from circulation (—) in		
	1934-35.	1935-36.	1936-37.
April	+ 57	— 23	+ 30
May	+ 23	— 16	— 1 39
June	— 1 43	— 1 57	— 3 81
July	— 2 71	— 2 81	— 3 17
August	— 1 28	— 2 21	— 94
September	— 35	— 1 08	— 64
October	— 9	— 58	— 8
November	— 3	— 23	+ 1 02
December	+ 1 56	+ 1 71	+ 3 12
January	+ 10	— 65	+ 91
February	+ 48	— 99	+ 90
March	— 26	— 66	+ 29
TOTAL	— 3 21	— 9 46	— 2 49

STATEMENT XXVI.

(Reference paragraph 49.)

Absorption of rupees by circles.

(In lakhs of rupees.)

Circle.	Absorption (+) or return from circulation (—) of rupees in		
	1934-35.	1935-36.	1936-37.
Calcutta	— 69	—1,90	— 88
Cawnpore	—1,21	—2,94	— 69
Lahore	—1,28	—1,14	— 36
Bombay	— 48	—3,20	— 95
Karachi	+ 7	+ 2	+ 11
Madras	+ 23	— 44	+ 9
Rangoon	+ 15	+ 14	+ 19
TOTAL ...	—3,21	—9,46	—2,49

STATEMENT XXVII.

(Reference paragraph 50.)

Whole rupees coined and issued from the Indian Mints from 1835.

Calendar years.	Coined in Calcutta.	Coined in Madras.	Coined in Bombay.	Total Coined.
	Rs.	Rs.	Rs.	Rs.
William IV, 1835 ..	10,90,88,070	11,78,000	5,37,12,502	16,39,78,572
Victoria, 1840, 1st issue	17,99,34,670	2,18,98,181	10,98,38,073	31,16,70,924
" 1840, 2nd ..	39,85,53,860	5,50,49,201	31,29,58,076	76,65,60,937
" 1862	26,94,27,222	2,94,81,923	40,80,03,034	70,69,12,179
" 1874	1,50,13,834	..	2,85,08,566	4,35,22,400
" 1875	1,16,31,951	..	1,93,59,597	3,09,91,548
" 1876	1,20,01,264	..	2,89,49,037	4,09,50,301
" 1877	3,92,51,692	..	9,55,54,320	13,48,06,012
" 1878	3,26,57,837	..	6,39,27,196	9,65,85,033
" 1879	1,59,28,325	..	7,27,99,904	8,87,28,229
" 1880	1,83,99,894	..	5,37,85,624	7,21,85,518
" 1881	24,35,719	..	31,61,858	55,97,577
" 1882	1,50,90,289	..	5,63,97,278	7,14,87,567
" 1883	51,23,372	..	1,80,22,789	2,31,46,161
" 1884	1,16,41,757	..	3,88,46,570	4,84,88,327
" 1885	3,41,52,203	..	6,48,78,000	9,90,30,203
" 1886	1,08,78,075	..	4,11,46,457	5,20,24,532
" 1887	4,02,00,148	..	4,84,00,000	8,86,00,148
" 1888	75,68,000	..	6,32,00,000	7,07,68,000
" 1889	93,68,310	..	6,53,00,000	7,46,68,310
" 1890	2,47,41,865	..	9,29,00,000	11,76,41,865
" 1891	1,46,69,903	..	4,95,00,000	6,41,69,903
" 1892	3,24,55,120	..	7,22,00,000	10,46,55,120
" 1893	91,40,310	..	6,95,90,000	(a) 7,87,30,310
" 1897	4,70,184	..	10,54,593	(b) 15,24,777
" 1898	12,50,976	..	62,68,437	(c) 75,19,413
" 1900	5,29,02,591	..	6,52,36,908	(d) 11,81,39,499
" 1901	3,37,22,243	..	7,54,13,718	(e) 10,91,35,961
" 1901 coined in 1902	3,82,94,644	..	5,48,44,740	(f) 9,31,39,384
Edward VII, 1903 ditto	25,000	..	..	25,000
" " 1903 ..	4,93,78,355	..	5,20,69,151	(g) 10,23,47,506
" " 1904 ..	5,83,38,617	..	10,19,40,291	(h) 16,02,78,908
" " 1905 ..	5,12,57,883	..	7,62,02,223	(i) 12,74,60,106

- (a) Includes Rs. 5,90,000 coined for the Bikaner State.
 (b) On account of Kashmir and Bhopal re-coinage.
 (c) Ditto. ditto.
 (d) Includes Rs. 2,09,02,414 coined for Indian States.
 (e) .. Rs. 1,90,43,904 coined for Indian States.
 (f) .. Rs. 2,98,86,074 coined for Indian States.
 (g) .. Rs. 11,66,451 coined for Indian States.
 (h) .. Rs. 5,94,22 coined for Indian States.
 (i) .. Rs. 3,28,000 coined for Indian States.

STATEMENT XXVII.—(concluded).

Whole rupees coined and issued from the Indian Mints from 1835.

Calendar years.	Coined in Calcutta.	Coined in Madras.	Coined in Bombay.	Total Coined.
	Rs.	Rs.	Rs.	Rs.
Edward VII, 1906 ..	10,47,97,164	..	15,89,53,269	(j) 26,37,50,433
" " 1907 ..	8,13,38,000	..	17,09,11,816	(k) 25,22,49,816
" " 1908 ..	2,02,17,728	..	1,07,14,770	3,09,32,498
" " 1909 ..	1,27,58,580	..	95,38,746	(l) 2,22,97,326
" " 1910 ..	85,00,000	..	91,88,673	1,76,88,673
" " 1910 coined in 1911	41,27,013	..	16,96,273	58,23,286
George V, 1911 ..	42,99,924	..	51,43,125	94,43,049
" " 1912 ..	4,51,22,132	..	7,90,67,074	(m) 12,41,89,206
" " 1913 ..	7,58,00,163	..	8,74,65,788	(n) 16,32,65,951
" " 1914 ..	3,31,00,150	..	1,52,70,000	4,83,70,150
" " 1915 ..	99,00,139	..	53,71,979	1,52,72,118
" " 1916 ..	11,50,00,210	..	9,79,00,000	21,29,00,210
" " 1917 ..	11,32,00,217	..	15,15,82,659	26,47,82,876
" " 1917 coined in 1918	17,74,025	..	..	17,74,025
" " 1918 ..	20,13,26,240	..	21,05,50,363	41,18,76,603
" " 1918 coined in 1919	40,94,006	..	..	40,94,006
" " 1919 ..	19,68,06,224	..	22,67,06,054	42,35,12,278
" " 1919 coined in 1920	1,44,00,031	..	..	1,44,00,031
" " 1920 ..	3,86,00,085	..	5,59,36,541	9,45,36,629
" " 1920 coined in 1921	64,00,064	..	..	64,00,064
" " 1920 coined in 1922	5,64,000	..	..	5,64,000
" " 1920 coined in 1923	49,36,050	..	..	49,36,050
" " 1921 ..	..	..	51,15,121	51,15,121
" " 1922 ..	..	..	20,51,150	20,51,150
TOTAL	2,70,20,56,128	10,76,07,305	3,66,60,32,346	6,47,56,95,779

(j) Includes Rs. 3,90,310 coined for Indian States and Rs. 167 lakhs (Calcutta Rs. 32 lakhs and Bombay Rs. 135 lakhs) coined from Gold Standard Reserve Silver.
(k) .. Rs. 94,766 coined for Indian States and Rs. 433 lakhs (Calcutta Rs. 168 lakhs and Bombay Rs. 265 lakhs) coined from Gold Standard Reserve Silver.
(l) .. Rs. 1,01,439 coined for Indian States.
(m) .. Rs. 16,56,250 coined for Indian States.
(n) .. Rs. 12,76,441 coined for Indian States.

STATEMENT XXVIII.

(Reference paragraph 50.)

Rupee Census.

Period.	1910.	1911.	1912.	1913.	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.	1922.	1923.	1924.	1925.	1926.	1927.	1928.	1929.	1930.	1931.	1932.	1933.	1934.	1935.	1936.
William IV. 1835.	.12	.11	.04	.07	.07	.07	.05	.05	.05	.06	.05	.04	.04	.05	.04	.03	.04	.04	.03	.03	.03	.02	.02	.02	.02	.02	.02
Victoria Queen. 1840-75.	16.83	16.76	15.21	14.85	14.09	13.77	13.71	11.93	11.61	10.03	9.63	9.45	9.41	9.58	9.67	9.77	9.32	9.56	9.26	6.46	5.36	4.66	4.19	2.82	3.43	3.57	3.23
Victoria Empress. 1877-1901	46.48	46.37	46.05	42.47	41.05	41.35	41.45	35.84	33.97	27.96	27.31	28.05	28.65	29.03	29.92	29.94	30.32	29.76	29.41	30.32	29.66	29.11	27.93	27.30	21.81	17.56	21.64
Edward VII. 1903-1911	36.32	36.76	37.32	33.75	33.97	33.13	32.94	28.97	26.94	21.94	21.22	21.58	22.24	22.36	22.30	22.25	22.45	22.09	22.47	21.66	24.56	24.93	25.21	25.73	28.01	28.80	29.11
George V. 1911-1923	..	..	.34	4.83	10.82	11.62	11.84	23.20	27.43	39.39	41.79	40.56	39.06	38.68	38.17	38.00	38.23	28.55	28.82	39.53	40.33	41.47	42.65	43.13	46.73	49.07	46.19
TOTAL ..	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Note.—This statement shows the result of the examination undertaken once a year of a portion of the rupees held at the different treasuries in India to determine the composition of rupee circulation according to the date borne by each coin.

STATEMENT XXIX.

(Reference paragraph 51.)

Annual absorption of small coin.

(In thousands of rupees.)

Year.	Silver half rupee.	Four anna pieces	Two anna pieces.	One anna pieces.	Single pice.	TOTAL.
Average for the 5 pre-war years	15,75	13,59	21,02	10,51	60,87
Average for the 5 war years 1914-15 to 1918-19	37,24	29,54	27,86	5,63	1,00,27
1919-20	88,15	60,33	44,05	21,18	2,13,71
1920-21	— 9,31	—23,24	—12,82	— 2,22	— 47,59
1921-22	— 7,09	— 2,40	3,28	52	— 5,69
1922-23	3,67	1,70	12,99	2,89	21,25
1923-24	6,20	3,99	19,88	2,42	32,49
1924-25	15,87	4,90	21,86	5,31	47,94
1925-26	3,34	5,49	11,22	2,23	22,28
1926-27	51	— 6,10	11,62	4,05	10,08
1927-28	7,03	4,62	22,02	5,05	38,72
1928-29	8,89	6,57	22,12	5,04	42,62
1929-30	— 2,05	— 1,88	10,36	5,77	12,20
1930-31	—31,70	—18,88	—14,33	— 1,30	— 66,21
1931-32	7,16	3,73	8,52	16	19,57
1932-33	— 6,11	2,13	10,82	1,48	8,32
1933-34	14,01	16,04	23,27	10,28	63,60
1934-35	1,54	12,93	20,35	11,88	46,70
1935-36	— 5,59	— 5,58	7,76	13,06	11,31	20,96
1936-37	22,50	15,97	22,20	25,48	12,92	99,07

N.B.—A minus sign indicates return from circulation.

STATE

(Reference

Total Value of currency notes issued

Last day of	1899-90.	1899-1900.	1900-10.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
April ..	15,82	28,02	43,65	65,47	82,72	1,05,96	1,53,72	1,70,74	1,67,32	1,71,76
May ..	15,77	23,25	46,77	66,31	88,31	1,11,53	1,55,18	1,66,92	1,67,81	1,72,39
June ..	16,24	29,44	49,29	71,39	93,29	1,14,79	1,63,76	1,64,34	1,71,76	1,76,01
July ..	16,49	29,27	51,53	75,48	99,31	1,21,41	1,67,11	1,63,87	1,75,56	1,80,41
August ..	16,15	28,76	51,74	74,01	1,05,15	1,31,41	1,68,92	1,63,27	1,76,02	1,82,24
September ..	16,14	27,63	50,82	71,55	1,08,43	1,34,38	1,71,86	1,57,63	1,78,37	1,80,76
October ..	16,63	27,67	50,50	72,32	1,14,77	1,26,43	1,75,29	1,59,58	1,79,72	1,79,63
November ..	16,67	27,33	46,53	76,50	1,12,93	1,40,76	1,79,67	1,60,21	1,73,48	1,77,30
December ..	15,47	26,26	48,25	82,17	1,08,37	1,47,09	1,83,91	1,61,40	1,72,53	1,74,18
January ..	16,29	27,18	51,84	84,36	1,04,82	1,49,74	1,85,15	1,63,41	1,74,40	1,72,65
February ..	16,37	27,37	50,37	86,76	1,03,46	1,51,48	1,83,03	1,64,60	1,73,87	1,73,89
March ..	15,77	28,74	54,41	86,37	99,79	1,63,46	1,74,52	1,66,16	1,74,76	1,74,70
Average ..	16,15	27,96	49,66	76,14	1,01,77	1,33,20	1,71,68	1,63,51	1,73,80	1,76,33
Reserve Treas- ury balances held in Notes— Average ..	1,01	2,47	2,64	3,78	3,74	1,64	1,07	1,34	..	..
Metallic Reserve— Average Gold ..	..	6,54	4,75	23,22	20,86	20,27	29,20	33,29	24,33	24,32
„ Silver ..	10,17	11,42	32,91	21,85	20,67	26,33	44,61	55,26	74,65	85,26
Currency in- vestment on 31st March ..	6,00	10,00	12,00	48,49	61,48	98,85	86,86	76,42	70,92	63,33
Profits of Pa- per Currency Department ..	22	29	27	71	1,53	2,40	3,49	1,30	3,28	2,46

MENT XXX.

paragraph 52.)

on the last day of each month.

(In lakhs of rupees.)

1923-24.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.	1930-31.	1931-32.	1932-33.	1933-34.	1934-35.	1935-36. (a)	1936-37. (a)
1,73,37	1,81,33	1,79,61	1,85,13	1,73,71	1,32,78	1,33,66	1,73,90	1,60,14	1,68,31	1,76,66	1,76,86	1,36,20	1,95,38
1,71,33	1,76,51	1,73,23	1,87,08	1,71,44	1,23,01	1,24,16	1,67,78	1,54,79	1,68,67	1,75,69	1,79,39	1,36,64	1,96,71
1,73,61	1,72,49	1,78,23	1,91,44	1,72,57	1,77,16	1,87,71	1,68,71	1,52,54	1,70,85	1,76,57	1,80,87	1,38,01	1,99,45
1,75,72	1,76,24	1,84,30	1,97,48	1,77,63	1,80,79	1,85,72	1,63,26	1,55,65	1,74,23	1,78,88	1,83,80	1,30,81	2,01,62
1,76,30	1,78,13	1,88,21	2,00,53	1,80,48	1,82,90	1,85,28	1,66,87	1,53,58	1,75,58	1,79,76	1,84,89	1,33,03	2,02,55
1,79,29	1,79,26	1,89,51	1,96,45	1,81,82	1,84,60	1,86,36	1,71,47	1,48,74	1,75,77	1,79,70	1,85,05	1,34,12	2,03,22
1,80,82	1,80,08	1,91,77	1,93,79	1,83,38	1,84,66	1,84,83	1,70,14	1,59,73	1,75,85	1,80,04	1,85,64	1,34,72	2,03,38
1,78,30	1,80,06	1,89,68	1,89,15	1,81,55	1,83,15	1,80,77	1,64,84	1,62,36	1,75,63	1,79,64	1,85,56	1,34,96	2,02,37
1,83,41	1,79,21	1,91,76	1,81,18	1,82,64	1,89,00	1,79,41	1,61,34	1,79,30	1,74,80	1,78,11	1,83,91	1,34,27	1,99,15
1,84,02	1,81,12	1,91,18	1,80,47	1,86,02	1,89,74	1,80,21	1,58,20	1,79,16	1,74,33	1,77,99	1,83,58	1,33,91	2,04,28
1,86,19	1,83,72	1,91,76	1,82,74	1,85,78	1,92,47	1,81,60	1,86,53	1,79,54	1,75,25	1,77,29	1,83,21	1,34,91	2,08,29
1,85,85	1,84,19	1,93,34	1,84,13	1,84,87	1,88,03	1,77,23	1,60,84	1,78,14	1,76,90	1,77,22	1,86,10	1,35,58	2,08,00
1,79,01	1,79,27	1,86,88	1,89,18	1,80,16	1,84,86	1,83,11	1,65,48	1,63,64	1,73,83	1,78,13	1,83,24	1,32,17	2,02,00
..
23,49	22,32	22,32	22,22	29,75	30,52	32,23	30,48	10,53	14,06	31,38	47,55	44,42	44,48
88,23	74,25	83,52	90,83	1,09,51	1,02,65	1,07,73	1,18,93	1,25,26	1,12,23	1,03,79	96,10	56,04	64,34
71,53	77,12	86,11	55,34	41,73	53,92	34,00	10,19	57,94	39,03	27,70	54,18	91,75 (b)	1,01,68 (b)
2,71	2,96	3,73	3,43	1,70	1,99	2,04	71	1,22	1,58	36	25	..	..

(a) Figures for the last Friday of each month.

(b) " " " " " of the year.

STATEMENT XXXI.

(Reference paragraph 52.)

Active note circulation during 1935-36 and 1936-37.

(In lakhs of rupees.)

Figures for the last Friday of each month.	Total notes issued.			Active circulation among the public.		
	1934-35.*	1935-36.	1936-37.	1934-35.*	1935-36.	1936-37.
April	176,86	186,28	195,28	162,78	166,94	170,69
May	179,39	186,44	196,71	161,21	164,32	165,93
June	180,87	188,01	199,45	162,36	162,43	164,13
July	183,80	190,82	201,62	156,81	155,92	160,62
August	184,89	193,03	202,55	156,60	154,48	162,16
September	185,06	194,12	203,22	157,31	156,31	164,46
October	185,64	194,72	203,30	157,40	160,17	171,05
November	185,56	194,96	202,27	158,00	160,37	174,83
December	183,91	193,27	199,15	168,22	172,05	189,85
January	183,58	193,91	204,20	166,89	166,78	192,56
February	183,21	194,91	208,29	167,97	167,13	193,93
March	186,10	195,58	208,00	163,56	168,82	194,35
Average	183,24	192,17	202,00	161,60	162,98	175,38

*Figures for the last day of the month.

STATEMENT XXXII.

(Reference paragraph 52.)

Note circulation.

Total notes issued and their active circulation at the end of the year, and also the average for the year, with the corresponding figures for previous years.

(In lakhs of rupees.)

Year.	Circulation.		Average Circulation.		Increase in average active circulation.
	Total notes issued.	Active.	Total notes issued.	Active.	
1904-05	39,18	28,46	39,20	28,11	..
1909-10	54,41	39,99	49,66	37,21	+ 9,10
1913-14	66,12	49,97	65,55	46,63	+ 9,42
1918-19	1,53,46	1,33,58	1,33,20	1,13,84	+67,21
1919-20	1,74,52	1,53,78	1,71,68	1,51,10	+37,26
1920-21	1,66,16	1,47,88	1,63,51	1,38,88	-12,22
1921-22	1,74,76	1,57,23	1,73,80	1,52,22	+13,34
1922-23	1,74,70	1,61,10	1,76,33	1,53,27	+ 1,05
1923-24	1,85,85	1,69,06	1,79,01	1,56,93	+ 3,66
1924-25	1,84,19	1,66,55	1,79,27	1,60,91	+ 3,98
1925-26	1,93,34	1,67,71	1,86,88	1,63,16	+ 2,25
1926-27	1,84,13	1,64,31	1,89,13	1,56,36	- 6,80
1927-28	1,84,87	1,74,53	1,80,16	1,63,62	+ 7,26
1928-29	1,88,03	1,78,10	1,84,86	1,71,90	+ 8,28
1929-30	1,77,23	1,59,30	1,83,11	1,63,00	- 8,90
1930-31	1,60,84	1,47,93	1,65,49	1,51,13	-11,87
1931-32	1,78,14	1,65,17	1,63,64	1,52,62	+ 1,49
1932-33	1,76,90	1,50,34	1,73,83	1,52,04	- 58
1933-34	1,77,22	1,63,88	1,78,13	1,57,47	+ 5,43
1934-35	1,86,10	1,63,56	1,83,24	1,61,60	+ 4,13
1935-36*	1,95,58	1,68,82	1,92,17	1,62,98	+ 1,38
1936-37*	2,08,00	1,94,35	2,02,00	1,75,38	+12,40

*Figures for the last Friday of the year.

STATEMENT XXXIII.

(Reference paragraphs 52 and 53.)

Details of comparative circulation of notes on the last day of the year.

(In lakhs of rupees.)

Period.	CIRCULATION IN LAKHS OF RUPEES OF NOTES FOR									PERCENTAGE TO GROSS CIRCULATION (EXCLUDING Rs. 10,000 NOTES OF THE CIRCULATION) OF NOTES FOR									Total.
	Re. 1	Rs.2-8	Rs.5	Rs.10	Rs.20	Rs.50	Rs.100	Rs.500	Rs.1,000	Re. 1	Rs.2-8	Rs.5	Rs.10	Rs.20	Rs.50	Rs.100	Rs.500	Rs.1,000	
1913-14 ..	..	..	1,61	17,73	8	1,78	17,81	2,64	9,17	..	..	3.2	34.9	.2	3.5	35.0	5.2	18.0	100
1920-21 ..	9,52	51	14,05	52,67	3	3,84	47,22	2,53	17,81	6.4	.4	9.5	35.5	..	2.6	31.9	1.7	12.0	100
1921-22 ..	9,93	27	15,84	57,51	3	4,05	54,28	2,05	14,68	6.2	.2	10.0	36.3	..	2.5	34.2	1.3	9.3	100
1922-23 ..	10,88	13	16,27	56,71	2	3,76	59,43	1,74	14,41	6.7	.1	10.0	34.7	..	2.3	36.4	1.0	8.8	100
1923-24 ..	11,39	7	15,90	57,18	2	3,12	69,41	1,62	12,87	6.6	..	9.3	33.4	..	1.8	40.5	.9	7.5	100
1924-25 ..	4,15	4	15,83	68,57	2	2,61	63,87	1,32	13,11	2.5	..	9.3	40.5	..	1.5	37.7	.8	7.7	100
1925-26 ..	72	2	15,66	76,88	2	2,23	60,22	1,19	13,20	.4	..	9.2	45.2	..	1.3	35.4	.7	7.8	100
1926-27 ..	44	2	16,49	72,86	2	2,15	60,09	1,10	13,42	.3	..	9.9	43.7	..	1.3	36.1	.7	8.0	100
1927-28 ..	39	1	18,91	76,27	2	2,09	63,07	1,05	14,90	.2	..	10.7	43.2	..	1.2	35.7	.6	8.4	100
1928-29 ..	36	1	23,77	74,55	2	2,01	65,76	99	12,63	.2	..	13.2	41.4	..	1.1	36.5	.6	7.0	100
1929-30 ..	35	1	20,97	69,08	2	1,60	58,88	84	10,78	.2	..	12.9	42.6	..	1.0	36.3	.3	6.7	100
1930-31 ..	34	1	18,92	64,20	2	1,53	54,86	77	10,76	.2	..	12.5	42.4	..	1.0	36.3	.5	7.1	100
1931-32 ..	34	1	22,31	69,55	2	1,51	63,07	79	11,67	.2	..	13.2	41.1	..	.9	37.3	.4	6.9	100
1932-33 ..	33	1	19,95	61,83	2	1,28	57,65	68	11,63	.2	..	13.0	40.3	..	.8	37.6	.5	7.6	100
1933-34 ..	33	1	21,53	67,41	2	1,33	64,90	60	11,31	.2	..	12.9	40.2	..	.8	38.8	.4	6.7	100
1934-35 ..	32	1	23,11	67,83	2	1,26	60,94	56	17,72	.2	..	13.5	39.5	..	.7	35.5	.3	10.3	100
1935* ..	32	1	25,28	69,31	1	1,34	62,35	53	12,84	.2	..	15.0	40.3	..	.7	36.0	.3	7.5	100
1936* ..	33	1	31,71	77,34	1	1,36	69,07	48	12,11	.2	..	16.5	40.2	..	.8	35.9	.2	6.2	100

*As on the 31st December.

STATEMENT XXXIV.

(Reference paragraph 52.)

Encashment of foreign circle notes, 1935-36.

(In rupees.)

Circle.	CASHED BY							TOTAL.			
	Calcutta.	Cawnpore.	Lahore.	Bombay.	Karachi.	Madras.	Rangoon.	1935-36.	1934-35.	1933-34.	1932-33.
Calcutta ..	..	1,38,90,870	1,23,78,950	1,55,82,900	17,94,850	23,89,850	6,59,250	4,66,56,670	3,66,26,220	3,17,64,230	3,98,63,940
Cawnpore ..	1,03,81,570		77,99,650	60,87,150	7,02,950	2,27,100	45,600	2,52,44,020	3,07,57,070	2,46,15,930	2,63,62,110
Lahore ..	67,14,570	1,79,74,070	..	1,06,79,470	70,96,500	4,80,350	1,22,400	4,30,67,360	2,98,70,790	3,19,98,090	3,25,19,730
Bombay ..	1,00,26,050	1,34,82,040	1,03,14,500	..	35,62,140	1,77,62,800	4,57,300	5,56,04,830	5,80,59,360	6,24,63,990	6,50,84,320
Karachi ..	6,70,000	10,13,200	55,66,620	30,95,550	..	1,61,850	25,900	1,05,33,120	99,71,290	87,15,450	99,97,960
Madras ..	62,72,750	25,66,000	18,40,350	1,54,07,990	6,32,050	..	5,44,200	2,72,63,340	2,61,96,900	2,46,20,720	3,40,26,100
Rangoon ..	25,76,550	7,15,600	10,63,000	23,33,100	1,93,250	29,15,350	..	97,96,850	99,29,300	92,83,450	1,11,99,500
Total for 1935-36	3,66,41,490	4,96,41,780	3,89,63,070	5,31,66,160	1,39,81,740	2,39,17,300	18,54,650	21,81,66,190	..	..	..
Total for 1934-35	..	..	..	..	..	..	..	..	20,14,10,930	..	..
Total for 1933-34	..	..	..	..	..	..	..	..	..	19,34,61,860	..
Total for 1932-33	..	..	..	..	..	..	..	..	..	..	21,90,53,680

STATEMENT XXXV.

(Reference paragraph 68.)

*Balance Sheet of the Reserve Bank of India as at 31st December 1935.
Issue Department.*

LIABILITIES.		ASSETS.	
Notes held in the Banking Department ..	21,48,68,747 8 0	A. Gold Coin and Bullion ..	
Notes in circulation ..	171,78,39,318 8 0	(a) Held in India ..	41,35,19,136 0 0
Total notes issued ..	193,27,08,066 0 0	(b) Held outside India ..	2,86,97,782 0 0
		Sterling Securities ..	66,18,83,085 0 0
		Total of A ..	110,61,00,023 0 0
		B. Rupee coin ..	57,11,64,232 0 0
		Government of India Rupee Securities ..	25,51,43,811 0 0
		Internal Bills of Exchange and other commercial paper ..	Nil
Total Liabilities Rs.	193,27,08,066 0 0	Total Assets Rs.	193,27,08,066 0 0

Ratio of Total of A to Liabilities 57.231 per cent.

Banking Department.

LIABILITIES.		ASSETS.	
Capital Paid up	5,00,00,000 0 0	Notes	21,48,68,747 8 0
Reserve Fund	5,00,00,000 0 0	Rupee coin	4,15,633 0 0
Deposits:—		Subsidiary coin	4,28,667 6 11
(a) Government	6,01,51,054 3 4	Bills Discounted:—	
(b) Banks	28,34,23,268 10 2	(a) Internal	Nil
(c) Others	26,44,597 11 5	(b) External	Nil
Bills Payable	11,29,498 9 1	(c) Government of India Treasury Bills	Nil
Other liabilities	78,83,088 3 2	Balances held abroad* ..	17,38,77,970 6 5
		Loans and Advances to the Government	1,00,00,000 0 0
		Other Loans and Advances ..	Nil
		Investments	5,29,24,719 2 9
		Other Assets	21,85,769 13 1
Total Liabilities Rs.	45,47,31,507 5 2	Total Assets Rs.	45,47,31,507 5 2

*Includes cash and short term Securities.

STATEMENT XXXV—(concluded.)

(Reference paragraph 68)

Balance Sheet of the Reserve Bank of India as at 31st December 1936.

Issue Department.

LIABILITIES.			ASSETS.		
Notes held in the Banking Department ..	11,87,34,768	8 0	A. Gold Coin and Bullion ..		
Notes in circulation ..	191,99,37,194	8 0	(a) Held in India	41,55,19,358	0 0
Total notes issued ..		203,86,71,963 0 0	(b) Held outside India	2,86,97,782	0 0
			Sterling Securities ..	71,31,04,559	0 0
			Total of A ..		115,73,21,699 0 0
			B. Rupee coin ..		68,75,67,326 0 0
			Government of India Rupee Securities ..		23,37,82,928 0 0
			Internal Bills of Exchange and other commercial paper ..		Nil
Total Liabilities Rs.		203,86,71,963 0 0	Total Assets Rs.		203,86,71,963 0 0

Ratio of Total of A to Liabilities 56.769 per cent.

Banking Department.

LIABILITIES.			ASSETS.		
Capital Paid up	5,00,00,000	0 0	Notes	11,87,34,768	8 0
Reserve Fund	5,00,00,000	0 0	Rupee coin	6,31,032	12 0
Deposits:—			Subsidiary coin	2,84,646	0 6
(a) Government	7,14,12,195	13 6	Bills Discounted:—		
(b) Banks	15,86,70,424	8 7	(a) Internal		Nil
(c) Others	27,41,241	12 0	(b) External		Nil
Bills Payable	8,80,688	13 0	(c) Government of India Treasury Bills		Nil
Other liabilities	70,05,985	15 10	Balances held abroad*	14,86,22,645	3 7
			Loans and Advances to the Government		Nil
			Other Loans and Advances ..	39,000	0 0
			Investments	6,16,31,537	11 11
			Other Assets	1,07,86,906	11 11
Total Liabilities Rs.		84,07,30,536 15 11	Total Assets Rs.		34,07,30,536 15 11

*Includes cash and short term Securities.

STATEMENT XXXVI.

(Reference paragraph 68.)

Profit and Loss Account of the Reserve Bank of India for the years ending 31st December 1935 (1st April-31 December) and 1936.

	INCOME.			1935.			1936.		
				Rs.	s.	p.	Rs.	s.	p.
Interest, Discount, Exchange, Commission etc.				1,25,92,053	8	1	1,55,48,919	15	4
				<u>1,25,92,053</u>	<u>8</u>	<u>1</u>	<u>1,55,48,919</u>	<u>15</u>	<u>4</u>
	EXPENDITURE.								
Establishment				22,49,568	6	10	33,16,986	10	5
Directors' and Local Board Members' fees and expenses				27,884	4	0	1,09,694	0	3
Auditors' fees				15,000	0	0	15,000	0	0
Rent, taxes, insurance, lighting etc.,				3,91,475	5	3	5,70,182	14	11
Law charges				3,150	15	4	5,897	6	0
Postage and telegraph charges				37,074	0	7	84,553	10	10
Stationery etc.				69,259	2	2	89,837	14	4
Depreciation and repairs to Bank property				30,562	14	0	91,029	15	8
Agency charges				17,25,572	7	0	24,12,785	9	6
Contribution to staff and superannuation funds				Nil			1,19,500	0	0
Miscellaneous expenses				24,36,761	11	6	33,91,351	13	5
Net available balance				56,05,744	5	6	53,42,100	0	0
				<u>1,25,92,053</u>	<u>8</u>	<u>1</u>	<u>1,55,48,919</u>	<u>15</u>	<u>4</u>
Amount set aside for payment of dividend at the rate of 3½ per cent per annum				13,12,500	0	0	17,50,000	0	0
Amount transferred to the Reserve Fund				Nil			Nil		
Surplus available for payment of an additional dividend at the rate of — per cent.				Nil			Nil		
Surplus payable to the Governor General in Council				42,93,244	5	5	35,92,100	0	0
Balance carried forward				Nil			Nil		
				<u>56,05,744</u>	<u>5</u>	<u>6</u>	<u>53,42,100</u>	<u>0</u>	<u>0</u>

INDEX TO THE REPORT

A

	Paragraph.	Page.
Absorption of Currency	47	29
" " Rupees	49	31
" " Small coin	51	31
" Seasonal, of Currency	48	29
American Government, silver purchase policy of	22	14
Annual Census of rupees	50	31
" Report of the British Trade Commissioner	9	8
" " " " Reserve Bank of India	1, 3	1, 2

B

Balance of accounts	12	9
" " trade	2, 10	2, 8
" " " , depression and pre-depression years	10	8, 9
" " " , improvement in	24	16
Balances, Government, at the Reserve Bank of India	25	16
" " " " treasuries	26	17
" " " " treasury, in London	30	19
" " " " Provincial, separation of	8	5
Bank rate	35	23
" " " , first official	3	2
" " " , reduction of	2, 35	2, 24
Banking Department, notes held in	32	22
Bazar rates	35	24
Bombay Bullion Exchange, emergency measures	22	15
British Postal Orders	12	10
Budget, Central Government	7	5
" " " " , revised estimates	5	4
Budgets, Provincial	8	6
Bullion, imports and exports of	16—23	12
Burma, separation of	7, 8	5, 6

C

Call rate, Inter-Bank	35	24
Cash Balances of the Reserve Bank of India	34	23
Cash Certificates, Post Office	4, 5, 44	3, 4, 27
Cash position of Scheduled Banks	36	24
Census of rupees, annual	50	31
Central Government, Credit of	4	3
Cheques, Clearances of	37	24
Chinese Government, nationalisation of silver	22	15
Circulation, currency notes in	47	29
" " active, of currency notes	52	31
Clearing house statistics	37	24

C—Contd.

	Paragraph.	Page.
Coins, counterfeit	66	38
" , light-weight	64	36
" , withdrawal of	63—65	35—37
Copper coin, withdrawal of	65	37
Currency, absorption of	47	29
" , control of	1, 3	1, 2
" , receipts under	5	4
" , Seasonal absorption of	48	29
" , Stabilisation of	9	7
" , transfer of, to the Issue Department	31	20
Currencies, Gold Block	16	12
Currency notes, absorption of	47	29
" " , Character of circulation of	53	31
" " , circulation of	47, 52	29, 31
" " , claims on wholly destroyed, lost, and mutilated	60	34
" " , discontinuance of the issue of Rupee 1 and Rs. 2½	53	32
" " , false claims	61	35
" " , Forgeries of	57	33, 34
" " , life of	54	32
" " , popularity of different denominations of	53	31
" " , Printing of	56	33
" " , prosecutions in respect of forgeries of	59	34
" " , statistics of circulation of	52	31
" " , Universalisation of Rs. 500 and Rs. 1,000 denominations of	53	32
" " , writing off old	62	35

D

Debt, public	39—46	25
" " , provisions for reduction of	39	25
Depression and pre-depression years, balance of trade in	10	8
Devaluation of franc and gold block currencies	9, 16	7, 12
" " " " price of gold	18	13
Discount rate of Shroffs	35	24

E

Exchange and gold exports	24	16
" Equalisation Funds	9	7
Exports of merchandise	13	10
" " raw materials	13, 14	10, 11
" " gold	2, 10, 16,	2, 8, 12,
" " silver	17, 24	16
" " silver	20, 21	13, 14

INDEX TO THE REPORT.

v

I—Contd.

	Paragraph.	Page.
Issue Department, first weekly statement of	31	20
" " , liabilities and assets of	32	22
" " , holdings of treasury bills	27	17
" " , management of currency	3, 31	2, 20
" " , sales of treasury bills in favour of	27	17
" " , Sterling securities in	25	17

J

Jute, export duty on	6	5
" , industrial production of	2	1
" producing provinces	6	4

K

Kathlawar ports, sea borne trade of	11	9
---	----	---

L

Life of Currency notes	54, 55	32, 33
Light-weight silver coins, withdrawal of	64	35, 37
Loan, rupee, of the Government of India	4, 40—42	3, 25, 26
Loan, sterling " " " "	4, 43	3, 28
" " , repayment of	2	2

M

Melting and assaying of gold at the Mints	19	13
" " " " silver at the Mints	23	15
Mintage of rupees	50	31
Money conditions in India	2, 34—38	2, 23, 24
" rates, General features	35	24

N

Nickel coin, withdrawal of	65	37
Niemeyer Award	8	6
Niemeyer's, Sir Otto, Report	6	4
Note circulation, Statistics of	47, 48, 52—55	29, 31
Note forgeries	57—59	33, 34
Note issue, Reserve Bank of India	31	20

S

	Paragraph.	Page.
Sale of treasury bills	4, 27, 28	3, 17, 18
Scheduled Banks, Cash position of	36	24
" " , statutory deposits	3	2
Securities, sterling and rupee, prices of	46	28
Shares of the Reserve Bank of India, distribution of	3	3
Shroffs, discount rates of	35	24
Silver, emergency measures by the Bombay Bullion Exchange	22	15
" , imports and exports of	21	14
" , increase in the import duty on	7, 21	5, 14
" , melting and assaying of, at the mints	23	15
" , price of	22	14
" Redemption Reserve	33	23
Sterling area	9	7
Sterling loans	4, 43	3, 26
" , purchases of, by the Reserve Bank of India	12, 24	9, 15
" securities in the Issue Department	25	17
Sugar, decline in import of	15	11
" excise duty, increase in	7	5
" , production of	2	2
" , returns under customs duties on	5	4

T

Telegraphic transfers on London, quotations for	24	15
Travancore, Sea-borne trade of	11	9
Treasure, imports and exports of	10	8
" , balance of transactions in	24	16
Treasury Balances in London	30	19
Treasury bills, holdings in the Issue Department	27	17
" " , sales in favour of Issue Department	27	17
" " , sales to the public	4, 27, 28	3, 17, 18
" " , yield on	29	18
Tripartite Currency Agreement	16	7, 12

W

Ways and means advances	27	17
Ways and means finances, Provincial	8	6
Withdrawal of nickel and copper coin	65	37
" " , silver coin	63, 64	35-37
World Currencies	9	7
World trade, commodity composition of gold value of	9	7
" " depression	2, 9	1, 7
Writing off old currency notes	62	35