FOREWORD

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

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

Mumbai
April 1, 2009

(Rakesh Mohan)
Deputy Governor
Reserve Bank of India

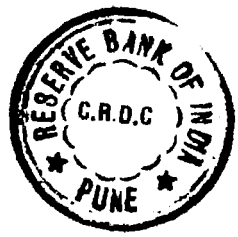
Reserve Bank of India

REPORT

ON

CURRENCY AND FINANCE

FOR THE YEAR 1963-64



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The Report on Currency and Finance is a factual review prepared by the Economic Department and the Department of Statistics, which seeks to portray developments of economic and financial importance during the financial year, April-March, in various sectors of the economy, and to present information on institutional changes as well as statistical data for the benefit of all those who are interested in these developments.

The nature and scope of this Report is different from that of the "Annual Report of the Central Board of Directors of the Bank" and the "Report on Trend and Progress of Banking in India", which are statutory reports issued by the Bank under the authority of its Central Board of Directors, the former under Section 53(2) of the Reserve Bank of India Act, 1934 and the latter under Section 36(2) of the Banking Companies Act, 1949.

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PART I

CHAPTER 1: MAJOR ECONOMIC DEVELOPMENTS DURING 1963-64

The outstanding feature of the Indian economy in 1963-64 was the strong and persistent pressure on the price level, the increase in the index of wholesale prices being larger than in any year since the commencement of the Five-Year Plans in 1951, except in 1955-56. On the one hand, for the third year in succession, there was a virtual stagnation in agricultural output. On the other, there was a rapid expansion in money supply, springing not only from larger bank credit extended to the Government sector to meet the combined needs of defence and development, and more recently of rehabilitation, but also from a greater volume of bank credit extended to the private sector, particularly in the second half of the year, when the seasonal expansion in scheduled bank credit touched an all-time record. The 1963-64 budget made a bold effort to meet the steep rise in outlays on defence and development and to contain inflationary pressures, but the unprecedented increase in taxation, and particularly the introduction of the Super Profits Tax, intensified, on the stock exchanges, the bearish tendency which had already been in evidence since the Chinese invasion. The bright spots in an otherwise overcast economic horizon were the accelerated tempo of industrial activity from the second quarter of the year, and, on external account, a relatively better performance of exports and increased utilisation of external assistance which assisted the foreign exchange reserves substantially during the year.

Early in the year, as the threat of a fresh Chinese aggression receded, the sense of Emergency which had gripped the nation in the last quarter of 1962, began to wear away. The all round co-operation to hold the price line, assured in those critical months, was not in evidence in adequate measure later on.

The accentuation of inflationary pressures during the year, notwithstanding the tax efforts of the Centre and the States and other measures to restrict consumption, was basically the outcome of the widening of the gap between aggregate demand and supply. The substantially larger outlays on defence and development, higher level of industrial activity, increase in incomes and employment as well as growth in population and in urbanisation tended to swell aggregate demand. On the supply side, agricultural production during the 1962-63 crop year suffered a visible setback, the decline being particularly conspicuous under foodgrains, and the position for 1963-64, on the basis of available data, shows a slight improvement. In fact, agricultural output, which exercises a crucial influence on the general price level through its direct impact on the prices of food articles and agricultural raw materials and its indirect effect on the prices of manufactured articles by influencing movements in the prices of wage-goods and raw materials, failed to register any material improvement during the first three years of the Third Plan; and this inadequate performance of agriculture imparted an upward thrust to prices. A closer scrutiny of the seasonal trends in prices from about the beginning of the Second Plan period shows that in each year, except during 1961-62, the post-harvest decline in prices failed to wipe out the preceding lean period rise. This was an inevitable consequence of the continuing growth in demand outstripping the growth in supplies. There has thus been a 'ratcheting' effect on prices so that, once having risen, prices are prevented from returning to their starting position. In turn, the rise in prices of agricultural commodities spreads both to other commodities and the cost of living. The larger the seasonal increase the greater, therefore, is the annual rate of increase in prices and in the cost of living.

Again, although the tempo of industrial activity quickened after June 1963, the rise in output was largely confined to capital goods and basic and intermediate supplies, the expansion in consumer goods being comparatively small. Total supplies, inclusive of imports, failed to keep pace with the growth in demand. It is significant that the sharp deterioration in the price situation was largely the result of the pronounced rise in food articles such as rice, wheat, coarse grains, pulses, edible oils, gur, etc.

THE PRICE AND OUTPUT SITUATION

The marked and disturbing deterioration in the price situation during 1963-64 is amply borne out by the movement in the index of wholesale prices. This index, which had shown some measure of stability between March 1961 and March 1963 (the decline of 3.7 per cent in 1961-62 following the robust expansion in agricultural output in 1960-61 had been wiped out by a rise of 3.7 per cent in 1962-63), advanced sharply by 9.3 per cent during 1963-64. The average of the weekly indices for the year showed a similar comparative picture, namely, a rise of 5.8 per cent in 1963-64 as against one of 2.2 per cent in 1962-63 (Table 1).

On the supply side, agricultural output which had shown only a marginal improvement during 1961-62 (the index had advanced from 139.7 to 141.4) suffered a visible setback in 1962-63 (the index dropped to 136.8), the decline being particularly sharp under foodgrains. For the crop year 1963-64, the available data point to only a slight improvement in the performance of agriculture.

The impact on prices of the smaller outturn during the 1962-63 crop year was noticed both in the post-harvest and marketing season of 1962-63 and in the following lean period of 1963. The post-harvest decline in prices between early August and mid-December 1962 at 4.7 per cent wiped out only a part of the earlier lean period rise (7.0 per cent). In 1963-64, the lean season rise in prices (between mid-March 1963 to September 7, 1963) was spread over a longer period and was of a noticeably larger order (8 per cent) than in the lean period of 1962-63. Crop prospects for the 1963-64 agricultural season, which had seemed better earlier, were affected adversely by the cold wave in January and the absence of winter rains for the *rabi* crops. This gave rise to apprehensions that the agricultural outturn during the current year may not be

Table 1. Index Numbers of Wholesale Prices

(Base: 1952-53 = 100)

	Weight	END OF MARCH			% VARIATION OF		% VARIATION OF ANNUAL AVERAGES	
		1962	1963	1964	(2) over (1)	(3) over (2)	1962-63 over 1961-62	1963-64 over 1962-63
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
I. All Commodities ..	**1,000**	**122·9**	**127·4**	**139·3**	**+ 3·7**	**+ 9·3**	**+ 2.2**	**+ 5·8**
II. Food Articles ..	504	118·4	123·5	141·5	+ 4·3	+14·6	+ 5·0	+ 8·5
(*a*) Cereals ..	193	101·6	102·8	122·8	+ 1·2	+19·5	+ 3·2	+10·1
(*b*) Pulses ..	42	91·4	99·4	133·1	+ 8·8	+33·9	+14·5	+ 9·7
III. Liquor and Tobacco ..	21	98·8	117·0	119·4	+18·4	+ 2·0	+ 0·6	+18·5
IV. Fuel, Power, Light and Lubricants ..	30	122·4	137·6	141·7	+12·4	+ 3·0	+ 1·9	+12·1
V. Industrial Raw Materials ..	155	134·7	135·3	146·1	+ 0·4	+ 8·0	— 4·3	+ 2·2
VI. Manufactures ..	290	126·3	129·5	133·0	+ 2·5	+ 2·7	+ 1·7	+ 1·8
(*a*) Intermediate Products ..	41	135·7	136·2	145·3	+ 0·4	+ 6·7	+ 0·5	+ 0·1
(*b*) Finished Products	249	124·8	128·4	131·0	+ 2·9	+ 2·0	+ 2·0	+ 2·0

larger than in the previous year. Consequently, the seasonal decline in the price level was only 2.7 per cent between September 7 and end-November. From December the rising trend of prices re-emerged, and by the end of March 1964, the eve of the 1964 lean season, the index at 139.3 was even above the peak level of the 1963 lean season (137.2).

Food Articles

The pressure on the price level, though widespread, covering all the major groups and subgroups, was concentrated on 'food articles' where the per capita availability of supplies was lower than in the previous year. The index of food articles advanced over the year by 14.6 per cent as against a much smaller rise of 4.3 per cent last year, and contributed to nearly four-fifths of the increase in the general index. Among food articles, the price rise was more pronounced in wheat (36.9 per cent), jowar (26.2 per cent), bajra (26.7 per cent), pulses (33.9 per cent), gur (18.8 per cent) and rice (9.7 per cent) (Table 2).

The sharp decline of 2.9 million tonnes (to 31.9 million tonnes) in the output of rice during 1962-63 was reflected in a steady uptrend in rice prices, the index advancing from 107.1 on January 5 to 133.1 on October 19, 1963 or by 24 per cent. Thereafter, with the prospects of a bumper crop (36.5 million tonnes) during 1963-64, the index came down to 119 on January 18, 1964, but later the index again tended to look up. The inadequacy of the fall in rice prices during the marketing season in the face of a substantially larger output during 1963-64, has to be viewed alongside (i) the rising trend of wheat prices in this period and (ii) some hoarding of rice by producers and traders as indicated by reports that market arrivals of this commodity were not commensurate with the size of the crop. Over the year, rice prices accounted for about one-tenth of the increase in the general price index.

Any consideration of the rise in wheat prices, which was rapid during October 1963 to February 1964, has to take account of the decline in wheat output from 12 million tonnes in 1961-62 to 11 million tonnes in 1962-63 and the initial fears of severe damage to the 1963-64 crop. These fears were, however, overdone; according to recent reports the crop outlook is decidedly better, output being placed around 12 million tonnes; since then prices have moved down noticeably. However, over the year, wheat prices were marked up substantially and accounted for about one-fifth of the overall price rise. Although the outturn of jowar and bajra was sizeably larger during 1962-63, the pressure during the greater part of 1963-64 is believed to have been caused by some switchover in demand to these cereals from high priced rice and wheat.

Table 2. Wholesale Prices of Food Articles

(Base: 1952-53 = 100)

Commodities	Weight	END OF MARCH			% VARIATION OF		%VARIATION OF ANNUAL AVERAGES	
		1962	1963	1964	(2) over (1)	(3) over (2)	1962-63 over 1961-62	1963-64 over 1962-63
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
Food Articles ..	**504**	**118·4**	**123·5**	**141·5**	**+ 4·3**	**+14·6**	**+ 5·0**	**+ 8·5**
1. Cereals ..	193	101·6	102·8	122·8	+ 1·2	+19·5	+ 3·2	+10·1
(*a*) Rice ..	113	103·3	111·4	122·2	+ 7·8	+ 9·7	+ 5·7	+12·2
(*b*) Wheat ..	53	92·5	86·0	117·7	− 7·0	+36·9	− 1·3	+10·2
(*c*) Jowar ..	10	119·9	106·3	134·2	−11·3	+26·2	+15·7	−10·8
(*d*) Bajra ..	5	124·5	114·6	145·2	− 8·0	+26·7	− 6·0	+ 6·4
2. Pulses ..	42	91·4	99·4	133·1	+ 8·8	+33·9	+14·5	+ 9·7
3. Milk and Ghee ..	84	119·0	126·1	131·6	+ 6·0	+ 4·4	+ 6·9	+ 3·1
4. Edible Oils ..	47	149·8	139·7	163·4	− 6·7	+17·0	− 2·7	− 0·8
5. Sugar ..	18	124·8	140·6	145·2	+12·7	+ 3·3	+ 4·5	+ 6·0
6. Gur ..	30	120·1	152·8	181·6	+27·2	+18·8	+31·6	+41·9

The drop in sugarcane production during two consecutive years 1961-62 (4.7 per cent) and 1962-63 (7.0 per cent) in the face of the growing demand for gur set in motion a steep upswing in gur prices; the price index of this commodity rose persistently from 146.8 in mid-January to 270.5 in mid-September 1963 or by 84 per cent. Subsequently, following the marketing of the new cane crop and the imposition of the ban on inter-State movement of gur, the index receded with intermittent fluctuations to 181.6 by the end of March 1964. Prices of crystal sugar, which had risen by 12.7 per cent in 1962-63, were held in check by the imposition of controls over distribution and pricing of this commodity in April 1963. The rise of about 3.3 per cent in sugar prices over the year represents the increase in controlled prices allowed in November 1963 as a sequel to the raising of cane prices payable by sugar mills.

It is noteworthy that with rising incomes and urbanisation, an upward pressure on supplementary foods was in evidence as well. For instance, the prices of fruits and vegetables, milk and ghee, and fish, eggs and meat went up by 24 per cent, 4 per cent and 10 per cent, respectively. The rise in the prices in edible oils (17 per cent) was induced partly by increased demand and partly by higher prices of oilseeds. The increase of 8.1 per cent in coffee prices, which occurred notwithstanding substantial improvement in output during 1963, was largely due to increased domestic offtake.

Industrial Raw Materials

Prices of industrial raw materials, which were comparatively stable during 1962-63 with an easy undertone during most of the year, registered a sizeable rise of 8.0 per cent during 1963-64, the increase occurring mainly under oilseeds (16.5 per cent with groundnut alone rising by 12.9 per cent), minerals (12.0 per cent) and cotton (2.0 per cent) (Table 3). The upward bias in groundnut prices was attributable to a drop, though marginal, in the

Table 3. Wholesale Prices of Industrial Raw Materials and Manufactures

(Base: 1952-53 = 100)

Commodities	Weight	End of March			% Variation of		% Variation of Annual Averages	
		1962	1963	1964	(2) over (1)	(3) over (2)	1962-63 over 1961-62	1963-64 over 1962-63
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
Industrial Raw Materials ..	**155**	**134·7**	**135·3**	**146·1**	**+ 0·4**	**+ 8·0**	**- 4·3**	**+ 2·2**
1. Fibres ..	61	126·4	133·6	135·5	+ 5·7	+ 1·4	- 6·9	+ 3·4
(*a*) Cotton Raw ..	32	112·6	117·6	120·0	+ 4·6	+ 2·0	+ 3·8	+ 5·2
(*b*) Jute Raw ..	23	143·2	149·8	151·2	+ 4·6	+ 0·9	-17·6	+ 0·5
2. Oilseeds ..	60	147·6	142·5	166·0	- 3·5	+16·5	- 3·2	+ 1·8
(*a*) Groundnut ..	27	148·1	135·4	152·8	- 8·6	+12·9	- 9·4	+ 2·6
Manufactures ..	**290**	**126·3**	**129·5**	**133·0**	**+ 2·5**	**+ 2·7**	**+ 1·7**	**+ 1·8**
1. Intermediate Products.	41	135·7	136·2	145·3	+ 0·4	+ 6·7	+ 0·5	+ 0·1
2. Finished Products ..	249	124·8	128·4	131·0	+ 2·9	+ 2·0	+ 2·0	+ 2·0
(*a*) Cotton Manufactures ..	91	128·1	134·9	136·6	+ 5·3	+ 1·3	+ 2·2	+ 3·7
(*b*) Jute Manufactures.	37	116·8	100·1	98·7	-14·3	- 1·4	- 9·4	- 9·6

output of oilseeds during 1962-63 in the face of rising demand. There were, in addition, general fears in the early part of the marketing season that the 1963-64 crop would not show any material improvement. Although these fears were subsequently discounted, and output of groundnuts is now placed at 53 lakh tonnes as against 48 lakh tonnes in 1962-63, market arrivals were not in keeping with the increased output.

The price advance in raw cotton was influenced by several factors, such as the downward revision by the trade of the crop estimate for the current season, after the onset

of the cold spell in January 1964*, the rising rate of mill consumption and hence the increased demand from mills and traders, relatively small quantity of imports of foreign cotton, and the higher cost of cotton imports following the 10 per cent surcharge on import duty introduced in the Union budget for 1963-64. In raw jute, the various measures adopted to ensure a reasonable return to the cultivator in view of the abundant supplies† of the fibre imparted some stability to its prices. While over the year the index showed only a fractional rise as against a sizeable advance last year, the average of the weekly indices during 1963-64 did not show any net change over 1962-63 which was in striking contrast to the drop of 17.6 per cent in 1962-63 over 1961-62.

Liquor and Tobacco and Fuel, Power, etc.

The price indices of the groups "liquor and tobacco" and "fuel, power, light and lubricants," which had been pushed up appreciably in 1962-63 following the enhancement of excise levies and import tariffs in the 1963-64 budget, recorded modest increases of 2.0 per cent and of 3.0 per cent, respectively. The price increase in the latter group during 1963-64 was mainly the result of the price increases allowed on coal on account of the increases in the wage bill—the escalation element—and as an incentive to the production of superior grades of coal.

Manufactures

The impact of rising raw material prices, fuel, power and transport charges and food prices, through their impact on wages and salaries was, to some extent, felt on manufactures, the prices of which registered a moderate rise of 2.7 per cent over the year, made up of a rise of 2.0 per cent under finished products and a somewhat larger rise of 6.7 per cent under intermediate products. Under intermediate products, price increases were noticed mainly in cotton yarn (3.5 per cent), rayon yarn (8.6 per cent) and metals (6.8 per cent).

The more important commodities showing price increases in the finished goods category were textiles (1.2 per cent), metal products (3.2 per cent), chemicals (2.5 per cent), oilcakes (11.7 per cent) and machinery and transport equipment (2.5 per cent). Under textiles, there was a significant bulge in the prices of woollen fabrics (14 per cent). Prices of mill-made cotton fabrics remained generally stable in view of the voluntary price stamping arrangement, while those of handloom fabrics and synthetic fibres advanced moderately by 2.2 per cent and 2.1 per cent, respectively, whereas those of jute manufactures were lower by 1.4 per cent. The decontrol of sixteen commodities, mostly chemicals and fibres, in December 1963 and of certain categories of steel products, in March 1964 and the enhancement of import and excise duties on a number of commodities in the 1964-65 budget also led to some price increase under tubes and tyres, steel products, machinery and transport equipment, chemicals and synthetic fibres.

Unlike prices of agricultural commodities, those of industrial commodities and manufactured articles were more influenced by the higher prices of inputs rather than by the inadequate availability of supplies of finished goods. For some basic commodities and consumer goods, prices were regulated either statutorily or voluntarily. Industrial output, for which data are available for the calendar year, registered a robust expansion, but this was largely limited to capital goods and basic and intermediate goods.

The growth of industrial output which had shown a sudden spurt in the wake of the Emergency tended to stagnate at the higher level in the first half of 1963 partly because of the wearing away of the sense of Emergency, mentioned earlier, and partly owing to the fall in sugar output and the slack in textiles, and partly because of bottlenecks in capacity in certain industries. In the second half of the year, however, the growth rate once again picked up rather swiftly. The seasonally adjusted index of industrial output which had fluctuated between 159 and 163 during January-June 1963 advanced steadily to 174 in December. For the year as a whole, the index averaged 164.9 as against 149.8 in 1962 and 139.3 in 1961, thus showing a distinctly higher rate of growth (10.1 per cent) than in the preceding two years (7—7.5 per cent). Rail transport was no longer a bottleneck; railway transport capacity was reportedly running ahead of consumer demand in principal sectors like coal, steel and raw materials. This together with increased availability of power and basic

* According to a recent trade estimate, cotton output is placed marginally lower at 59 lakh bales as against 60 lakh bales in 1962-63. † The output of jute, which had fallen from 63 lakh bales in 1961-62 to 54 lakh bales in 1962-63, is expected to go up to 60 lakh bales according to the final estimate for 1963-64.

materials like coal, steel, cement, etc. (which rendered possible a more effective utilisation of existing capacity), measures to step up output in defence-oriented industries as well as substantial additions to capacity in a number of industries, were important factors facilitating a more rapid growth of output during 1963. Fiscal incentives and price increases for the priority industries, the liberalisation of credit policy and the measures taken to improve industrial efficiency also contributed to the higher rate of output.

Table 4. Industrial Production

(Revised Series: 1956=100)

MONTH	SEASONALLY ADJUSTED INDEX			PERCENTAGE VARIATION OF	
	1961	1962	1963	(2) over (1)	(3) over (2)
	(1)	(2)	(3)	(4)	(5)
January	138.3	147.0	162.2	+ 6.3	+10.3
February	137.4	144.5	162.0	+ 5.2	+12.1
March	142.2	151.4	160.1	+ 6.5	+ 5.7
April	139.1	147.6	159.1	+ 6.1	+ 7.8
May	138.8	149.7	163.1	+ 7.9	+ 9.0
June	139.6	149.2	160.4	+ 6.9	+ 7.5
July	134.9	147.4	165.5	+ 9.3	+12.3
August	140.0	152.4	164.3	+ 8.9	+ 7.8
September	140.4	146.2	163.4	+ 4.1	+11.8
October	139.9	146.0	168.6	+ 4.4	+15.5
November	141.4	160.5	171.8	+13.5	+ 7.0
December	140.6	155.6	173.7	+10.7	+11.6
General Index (Unadjusted)—Annual Average	**139.3**	**149.8**	**164.9**	**+ 7.5**	**+10.1**

The increase in the overall output during 1963 was shared by all the major industries, with the notable exception of sugar and automobiles.

Among *capital goods industries*, railway wagons, electric motors and batteries recorded a faster rate of output in 1963 (at 36.1 per cent, 20.6 per cent and 18.4 per cent, respectively) than in 1962 (32.3 per cent, 18.5 per cent and 10.2 per cent). Production of power transformers also improved substantially, though the rate of growth in output (12.0 per cent) was less than in 1962 (31.2 per cent). The production of automobiles, however, fell by 9.7 per cent in 1963.

There was an impressive addition to output in all the basic industries. For instance, iron and steel and cement industries worked practically to rated capacity while electricity generated was higher by 15 per cent as against 12 per cent in 1962. The output of coal at 66.9 million tonnes in 1963 as against 61.6 million tonnes in 1962 was reported to be running at a higher level than demand; in fact, the industry was constrained to cut down production mid-year to avoid accumulation of huge stocks at pit-heads. To cope up with the situation, distribution controls were liberalised. While the overall supply of coal was in excess of demand, there was still a shortage of superior grades of coal.

In the *intermediate goods industries*, faster rates of growth were recorded by rubber products (10.3 per cent as against 7.6 per cent in 1962), fertilisers (16.0 per cent against 10.4 per cent), aluminium (38.9 per cent against 34.3 per cent), paper and paper products (19.0 per cent against 4.8 per cent) and petroleum products (16.2 per cent against 8.1 per cent). The rise in jute manufactures and paints, varnishes and lacquers, however, at 6.2 per cent and 6.8 per cent, respectively, was lower than in 1962 (23.2 per cent and 12.8 per cent). The aluminium and jute industries were working to full capacity during the year.

Among *consumer goods industries*, the performance of the cotton textile industry was somewhat better than in 1962. Output of cotton yarn rose from 860 million kgs. in 1962 to 893 million kgs. in 1963 and of cotton fabrics from 6972 million metres to 7299 million metres. While the output of cloth in the mill sector fell for the second year in succession from 4694 million metres in 1961 to 4560 million metres in 1962 and to 4423 million metres in 1963, that in the decentralised

sector shot up by 19.2 per cent (to 2876 million metres) in 1963 as compared to an increase of only 1.7 per cent in 1962. Output of woollen fabrics and silk and synthetic fibres showed impressive increases of 19.6 per cent and 49.2 per cent in 1963. The outturn of the remaining consumer goods industries either remained stagnant or showed a decline. Output of crystal sugar during 1962-63 (November-October), affected by the drop in cane production and increased diversion of cane for the manufacture of gur and khandsari, declined by 20.7 per cent; during the current season, however, output has picked up sizeable, being 23.14 lakh tonnes for the five months to March 1964 as against 19.78 lakh tonnes in the corresponding period of the previous season. Cigarettes were another commodity where the output fell, though marginally, during 1963, while the production of tea, soap and matches did not register any perceptible improvement.

Altogether, during 1963, the tempo of production in the capital goods and basic intermediate industries—on which the accent of planned investment has been placed—was running at a distinctly faster rate, whereas the output of the consumer goods industries (excepting woollen textiles and synthetic fibres), which account for the major portion of the weight in the index, was lagging behind and was holding down the rate of growth in overall industrial activity. But for the inadequate performance of the consumer goods industries in general, the overall output would have risen at a faster rate than the annual target of 11 per cent (compound) anticipated in the Third Plan.

Gold and Silver

Spot prices* of silver presented a firm trend virtually throughout the year on sustained local demand and the bullish fervour in the international silver markets. Ready prices of gold, which fluctuated in response to seasonal demand tended to drift lower in the earlier period following the tightening up of the Gold Control Rules. From mid-November, however, prices were on the upgrade; the firmness was attributed, apart from seasonal influences, to a reported decline in the arrivals of smuggled gold due to stricter vigilance of the customs authorities, and cornering of the yellow metal by interested parties on expectations of governmental action to unearth unaccounted money. In regard to gold policy, official action was focussed on a vigorous pursuit of the basic objectives of discouraging the use of gold and reducing its smuggling; and accordingly the Gold Control Rules were amended in order to strengthen the scheme of control in certain respects as also to remove certain difficulties in its operation. Certain relaxations were also made in the Rules in order to mitigate the hardship experienced by goldsmiths. Gold Control which was hitherto administered under the Defence of India Rules, is proposed to be put on a permanent footing and the Gold (Control) Bill, 1963 has been introduced in the *Lok Sabha*. Side by side, a comprehensive scheme of rehabilitation of goldsmiths—in agriculture, industry, other businesses and enterprises—has been formulated which is being administered by the States through grants and loans from the Centre.

Consumer Prices

The persistent deterioration in commodity prices, which, as noticed earlier, was pronounced in articles of mass consumption, was well reflected in the consumer price index. The All-India Consumer Price Index for Working Class (Base: 1949=100) rose continuously from 130 in March 1963 to 143 in March 1964, and the normal seasonal decline was not in evidence this year. Over the year, the index recorded a rise of 10.0 per cent as compared to a rise of only 2.4 per cent in the previous year. Regional data available for 17 centres show a rising trend in consumer price indices at all centres, the increase being rather pronounced in the case of Nagpur, Jabalpore, Bombay, Ajmer and Ludhiana.

PRICE POLICY

Since the deterioration in the price situation was the outcome of shortages in basic supplies and a rapid growth in money supply and bank credit, a wide range of measures on the monetary front as well as relating to the supply, pricing and distribution of commodities were pressed into service. Action taken by the Reserve Bank on the monetary front is reviewed in a later section.

Emphasis in budgetary policy was placed on limiting the scale of deficit financing and on restricting consumption; even so, the budget for 1963-64 avoided large increases in indirect taxation on items of mass consumption which were produced domestically. With the same object in view, the budget for 1964-65 avoided any material increase in indirect taxation on commodities. To give relief to the lower income

* Forward trading in gold and silver continued to be banned.

groups, the Compulsory Deposit Scheme was withdrawn in September 1963 in respect of non-income tax payers. Personal taxation has been remodelled in 1964-65 budget to provide larger 'take home pay' to the assessees in the lower income brackets. Social security benefits for the Government employees such as, pension and family pension schemes, were liberalised, in addition to compensation for the rise in living costs, through enhanced dearness allowance.

On the commodity front, official action was focussed on securing a greater control over the prices of rice, wheat, sugar and gur and other articles of mass consumption through augmenting domestic supplies, larger releases from official stocks, widening and streamlining of the network for distribution and by a tightening of control over private trade. Imports of foodgrains into the country during 1963-64 totalled 47 lakh tonnes, as against 39 lakh tonnes in 1962-63.

Internal procurement was also stepped up. Purchases of rice on behalf of the Central Government during the 1963-64 season (upto mid-May 1964) totalled 5.3 lakh tonnes. In addition 2.4 lakh tonnes of rice (and/or paddy in terms of rice) were purchased by State Governments on their own account. It was expected that procurement of rice by the Central and State Governments in 1963-64 would be about one million tonnes as compared to nearly 700,000 tonnes in the preceding year. The network of the machinery of distribution of food supplies from the official stocks was enlarged during the year particularly in scarcity areas. Fair price shops operating in the country at the end of March 1964 numbered over 77,000 as against about 51,000 a year before. Total issues from Central Government stocks during 1963-64 amounted to 5.95 million tonnes as compared to 4.22 million tonnes in 1962-63. Wholesale dealers in foodgrains were licensed in many States and steps were also taken to curb profiteering by traders by prescribing margins of profits.

In the context of the steep rise in sugar prices, Government reimposed price and distribution controls on this commodity in April 1963 and stipulated the ex-factory prices of sugar and quotas for the various States. Later, control was also extended to gur and inter-State movement of gur and khandsari was prohibited except under permits.

Early in March 1964, the Government announced a six point programme to combat the price increase in the current lean period. The programme envisaged the fixation of maximum prices for foodgrains, a review of the procurement prices, effective regulation of the wholesale trade, the progressive taking over of the management of rice mills, increasing the procurement of rice to over a million tons, additional imports of both wheat and rice and tightening the credit control to check hoarding and profiteering more effectively. In respect of wheat, the zonal system was reintroduced (the country being divided into 9 wheat zones) largely with a view to conserving supplies of wheat in important consuming areas and concentrating on areas of shortage in which the Government would distribute supplies of imported wheat from Central stocks.

Side by side with the measures for regulating prices and distribution, attention was also focussed on long-term measures to stimulate the production of agricultural commodities. The policy of price support for agricultural commodities was reviewed during 1963-64 and suitable upward adjustments were made in the support prices for wheat, and in the procurement prices for rice and in the minimum prices for cotton and sugarcane. Price support and buffer stock operations in the case of jute were intensified. The policy of support was also extended in May 1963 to jowar and it now applies to major foodgrain and commercial crops*. In order to stimulate the output of crystal sugar, besides increasing the minimum cane prices, mills were also granted a rebate of basic excise duty on additional production over the 1961-62 level.

Central assistance to States' agricultural programmes for 1963-64 was raised mid-year and additional financial resources were allocated to such programmes as are expected to yield quicker results in agricultural production. Financial outlays on agricultural programmes during 1964-65 have been stepped up. A programme for intensification of production of rice in 40 selected districts, on the 'Package' approach has been initiated. A dry farming programme for increasing production of millets and pulses has also been taken up. The 'Package' approach has been extended to intensify the production of cotton and oilseeds, and a Production Commissioner (Commercial Crops) has been appointed at the Centre to directly supervise the execution of such programmes for commercial crops. Special schemes for increasing the production of vegetabies have

* For details see Chapter II.

been taken up in order to cope with the requirements of defence forces and for holding the price line. Programmes for intensive production of milk, meat, eggs and short-term crops have also been recommended to the States for implementation.

At the administrative level, measures have been taken to ensure close coordination of administrative activities connected with agricultural production. An Agricultural Production Board has been constituted with the Minister for Food and Agriculture as Chairman and Ministers of Agriculture, Food, Planning, Irrigation and Power and Community Development and Co-operation and a Member of Planning Commission, as members, with a view to ensuring an integrated high level approach in matters of agricultural policies and programmes on behalf of the Central Government. In the States, on the suggestions made by the Central Government, Agricultural Production Committees have been constituted at the Cabinet and Secretariat levels to coordinate and streamline the efforts of the different departments and to ensure expeditious decisions on activities having a bearing on the development of agricultural production.

In regard to industrial commodities, there was a growing recognition of the fact that while a measure of control over basic items in short supply was necessary in a planned economy, it is equally important to ensure that basic industries secure returns adequate to finance expansion and to attract capital which would otherwise go into non-priority industries. During the year, controls on prices and distribution of a number of commodities were reviewed to ensure that they were consistent with the need for expansion in priority fields and that distribution controls adequately served the purpose for which they were imposed. In keeping with these considerations, price and distribution controls on 16 items, viz., rayon yarn, staple fibre, caustic soda, soda ash, hydrochloric acid, chlorine, calcium carbide, bleaching powder, chilean nitrate, muriate of potash, sulphate of potash, washing soap, tyres and tubes, sheet glass, paper board and natural rubber were removed in December 1963; this was followed later in March 1964 by the withdrawal of controls on certain types of steel and steel products*. Price incentives to coal and cement industries were also granted, while the question of revision of electricity tariffs was under consideration of the Government at the year-end. The budget proposals for 1964-65 embody substantial tax concessions to priority industries in order to facilitate a more rapid expansion of these industries.†

MONEY AND BANKING

A distinguishing feature of the economic scene during 1963-64 was the impressive growth in liquidity in the organised sector of the economy. Money supply, which broadly represents the monetary demand in this sector, expanded at a distinctly faster rate than in the previous year, the increase being Rs. 439 crores or 13.3 per cent as compared to Rs. 264 crores or 8.7 per cent during 1962-63. The expansion in money supply more than kept pace with the growth in aggregate output, thus inevitably giving an upward thrust to the price level. A striking feature of the monetary situation this year was the increase in money supply in the slack season also. Normally, during the slack season, money supply contracts sizeably as the combined result of the return flow of funds to the banking system and subscriptions to new Central and State loan floatations; in the 1963 slack season, however, there was an unseasonal, though small, expansion in money supply even though there was a substantial contraction in bank credit. In the 1963-64 busy season that followed, the expansion in money supply was of a noticeably large order than in 1962-63 busy season. Seasonal trends in money supply are presented in Statement 23 in Part III.

Component-wise, deposit money expanded at a relatively faster rate and accounted for very nearly one-half of the increase in money supply, whereas during 1962-63 the increase in money supply was shared between currency and deposit money roughly in the proportion of 2:1.

An analysis of the factors contributing to the increase in money supply shows that the rate of increase in net bank credit to the private sector (mainly private trade and industry) rose substantially during the year. The rate of increase in net bank credit to government (which represents the combined lending of the Reserve Bank and the rest of the banking system) was lower during the year; however, net bank credit to government continued, as in the past several years, to be the major factor stimulating expansion in money supply.

* For details see Chapter II. † For details see Appendix II.

Table 5. Variations in Money Supply

(Crores of Rupees)

ITEM	1961-62 (1)	1962-63 (2)	1963-64 (3)
1. Currency with the public	103	178	222
2. Deposit Money ...	74	86	217
3. Money Supply ...	177	264	439
Factors affecting money supply—			
A. Net Bank credit to Government sector@ ...	257	269	281
B. Net Bank credit to Private sector@ ...	18	105	178
C. Net Foreign Exchange Assets ...	57	43	44
D. Others (increase) ...	5	67	64

@ Adjusted for P.L. 480 and P.L. 665 Funds.

Governmental indebtedness to the banking system rose by Rs. 281 crores as against Rs. 269 crores in 1962-63; the larger expansion being a corollary to the enormous step-up in budget outlays on defence and development. It is significant that the increase in government's indebtedness to the Reserve Bank was somewhat smaller than in 1962-63 (Rs. 195 crores as against Rs. 207 crores). The rise in net bank credit to the private sector was much faster in 1963-64 than in 1962-63 (Rs. 178 crores as against Rs. 105 crores) and was the combined result of the increase in the tempo of industrial activity, larger output of commercial crops and rising prices as also slower pace of accretion to time deposits with banks. The impact of the balance of payments (measured by the movement in foreign exchange assets of the banking sector) was also expansionary. An increase to the extent of Rs. 44 crores, in this item, which was mainly the result of larger exports and increased utilisation of external assistance, was in striking contrast to the considerable contractionary pressure exerted by this item in the past several years. The other factors comprising mainly the net non-monetary liabilities of the banking system exerted a contractionary influence of a slightly smaller order (Rs. 64 crores) than in 1962-63 (Rs. 67 crores).

Seasonal Banking Trends*

In the first half of the year, which broadly corresponds to the conventional slack season, there was an unusually large contraction in scheduled bank credit (Rs. 121 crores in the 1963 slack season as against Rs. 42 crores during the 1962 slack season), on the one hand, and a substantially large accretion to bank deposits (Rs. 157 crores as against Rs. 90 crores), on the other. Data on distribution of bank credit by major commodity groups indicate a substantial drop in advances against seasonal commodities (Rs. 166 crores) in the 1963 slack season which in fact was appreciably larger than the outgo against these commodities in the preceding busy season. Commodity-wise, the declines were heavy in respect of advances against sugar and gur (Rs. 69 crores), raw cotton (Rs. 51 crores), groundnuts (Rs. 12 crores), other oilseeds (Rs. 10 crores), vegetable oils (Rs. 7 crores), paddy and rice (Rs. 11 crores) and raw jute (Rs. 7 crores). Advances against non-seasonal securities rose by Rs. 9 crores only whereas such advances had gone up by Rs. 62 crores in the slack season of 1962. While advances against iron and steel and engineering goods, as also clean advances, rose by a larger magnitude in the slack season this year than in the slack season last year, those against cotton textiles, shares and debentures, Government and other trustee securities, gold and silver, bullion and ornaments recorded declines in contrast to increases in the previous slack season.

Mounting governmental outlay on defence and development was a major factor responsible for the sharp increase in deposits in the 1963 slack season. Scheduled banks' aggregate deposits (excluding P. L. 480 and 665 funds) rose by Rs. 157 crores as compared to Rs. 90 crores in the 1962 slack season. The larger contraction in credit, together with the greater accretion to deposits, led to a substantial drop in the credit-deposit ratio from 78.6 per cent to 67.4 per cent over the slack season. This improvement in the resources position enabled banks to augment their investments in Government securities by as much as Rs. 155 crores to Rs. 704 crores, to reduce their indebtedness to the Reserve Bank by Rs. 29 crores to to Rs. 2 crores, to build up their cash reserves by Rs. 43 crores (to Rs. 172 crores) and to repay their borrowings from abroad to the tune of Rs. 18 crores. The investment-deposit ratio rose over the period from 27.1 per cent to 32.3 per cent. In the 1962 slack season, both the increase in investments in Government securities (Rs. 118 crores) and the reduction in borrowings from the Reserve Bank (Rs. 3 crores) were smaller, and cash reserves had recorded a decline of Rs. 7 crores.

* Figures based on returns submitted under Section 42 of the Reserve Bank of India Act and the Fortnightly Survey of Advances.

Table 6. Scheduled Bank Data Slack Season

(Crores of Rupees)

ITEM	1961 (1)	1962 (2)	1963 (3)
1. Aggregate Deposits ...	+81.1	+90.1	157.4
a. Demand ...	10.0	14.1	84.5
b. Time ...	71.1	76.0	72.9
2. Borrowings from R.B.I. ...	31.7	3.3	29.4
3. Borrowings from S.B.I ...	3.6	0.5	8.1
4. Bank credit ...	76.5	42.1	120.9
5. Investments in Govt. securities ...	99.8	117.9	155.0
6. Cash reserves ...	10.3	6.9	43.0

Reflecting these trends, the money market ruled generally easy, except for occasional tight spells. The inter-bank call rate slipped to 0.80 per cent in Bombay in July 1963 and to 1.31 per cent in Calcutta in September 1963. At the end of the 1963 slack season, the inter-bank call rate stood at 1.86 per cent in Bombay and 1.49 per cent in Calcutta, that is, at levels which were much lower than those at the close of the 1962 slack season.

The 1963-64 busy season thus began with a more comfortable resources position than in the previous year and with credit policy also attuned to a larger volume of expansion (referred to later). The relaxation in credit policy on the eve of the busy season was to enable banks to maintain a reasonably liberal credit supply for productive purposes. With the progress of the busy season, credit expansion tended to become more rapid, and for the season as a whole bank credit rose by Rs. 378 crores as compared to Rs. 203 crores in each of the preceding two busy seasons. The increased credit demand stemmed mainly from the larger needs of marketing commercial crops and the quickened tempo of industrial activity coinciding with the perceptibly higher level of commodity prices. Advances against seasonal commodities such as paddy and rice, groundnut, raw cotton, raw jute, vegetable oils, sugar and gur, as well as those against cotton textiles, shares and unsecured advances recorded increases larger than in the corresponding period of 1962-63, but those against jute textiles, iron and steel and engineering goods, and Government and other trustee securities, which had shown declines in 1962-63, also registered sizeable increases.

The growth in scheduled banks' aggregate deposits (excluding P. L. 480 and 665 funds) during the 1963-64 busy season, though somewhat larger (Rs. 108 crores) than in the 1962-63 season (Rs. 98 crores), financed less than one-third of the expansion in credit. Consequently, the bulk of the expansion in bank credit had to be financed, as usual, through liquidation of other assets, including cash balances, and borrowings from the Reserve Bank. Recourse to the Reserve Bank was significantly larger than in the last busy season and the increase in the outstandings of bank borrowings from the Reserve Bank at Rs. 43 crores was twice that in the 1962-63 season. The outstanding level of borrowings from the Reserve Bank touched a peak at Rs. 107 crores on March 6, 1964 as compared to Rs. 83 crores on March 8, 1963. The reduction in the portfolio of Government securities amounted to Rs. 120 crores as against Rs. 36 crores, while cash balances declined by Rs. 30 crores during the current busy season as against a rise of Rs. 4 crores in the previous busy season. With increased credit demands, the money market gradually turned firm and the inter-bank call rates which stood at 1.86 per cent in Bombay and 1.49 per cent in Calcutta on the eve of the busy season, rose to 6.50 per cent each both in Bombay and Calcutta; the rates a year earlier were 6.28 per cent and 6.41 per cent, respectively.

Table 7. Scheduled Bank Data Busy Season

(Crores of Rupees)

ITEM	1961-62 (1)	1962-63 (2)	1963-64 (3)
1. Aggregate Deposits	+162.6	+97.8	+108.1
a. Demand ...	+58.9	+87.0	+99.2
b. Time ...	+103.7	+10.8	+8.9
2. Borrowings from R.B.I. ...	+6.2	+21.8	+43.3
3. Borrowings from S.B.I. ...	+2.5	3.9	1.0
4. Bank credit ...	+203.9	+203.3	+377.5
5. Investments in Govt. securities ...	19.6	35.6	+120.0
6. Cash reserves ...	0.4	+4.2	29.9

Overall Banking Trends

Taking the financial year as a whole, the banking situation during 1963-64 was more comfortable than in 1962-63. Although credit

demands on the banking system were of a sizeable larger order than in 1962-63, these were far outstripped by the accretion to bank resources, which enabled banks to build up their investment portfolio and cash reserves. The growth of deposits which had slowed down during 1962-63, following the Emergency, gathered fresh momentum during the year. Aggregate deposits (excluding P. L. 480 and 665 funds) of scheduled banks increased by Rs. 282 crores to Rs. 2,256 crores during 1963-64 as against Rs. 187 crores to Rs. 1,974 crores during 1962-63, showing a rate of growth of 14.3 per cent as compared to 10.5 per cent a year earlier. Demand deposits rose by Rs. 204 crores (to Rs. 1,071 crores) as compared to Rs. 78 crores (to Rs. 867 crores) in 1962-63, while time deposits rose by Rs. 78 crores in 1963-64 as against Rs. 109 crores a year earlier. There was, thus, a sharper rise in demand deposits than in time deposits for the first time since 1958, which was partly due to the inclusion by certain banks of savings deposits in demand deposits than in time deposits as hitherto. This change in classification followed the liberalisation of the withdrawal facilities for savings accounts and the introduction of a uniform statutory reserve requirement of 3 per cent against both time and demand deposits as against the earlier requirement of 5 per cent against demand liabilities and at 2 per cent against time liabilities. Banks also augmented their resources by borrowing from the Reserve Bank, but the magnitude of such borrowings was somewhat smaller (Rs. 13 crores) than in 1962-63 (Rs. 18 crores).

On the assets side, bank credit rose by Rs. 229 crores or 14.4 per cent as against a rise of Rs. 180 crores or 12.8 per cent in 1962-63. Investments in Government securities (excluding P. L. 480 and 665 funds) improved by Rs. 86 crores to Rs. 611 crores as compared to Rs. 58 crores to Rs. 525 crores in 1962-63 and cash balances by Rs. 22 crores as compared to Rs. 2 crores a year earlier.

Data on bank profits in 1963 are not yet available, but on the basis of published accounts of banks there would seem to be a definite improvement over 1962. The rise in profits stemmed mainly from higher earnings on advances, following the step-up in lending rates and discontinuance of interest payment on current account from January 1963. Distribution of profits to shareholders is maintained at the last year's level even though capital had been augmented.

Table 8. Scheduled Bank Data—Financial Year

(Crores of Rupees)

ITEM	1961-62	1962-63	1963-64
	(1)	(2)	(3)
1. Aggregate deposits	+230.5	+187.3	+281.9
a. Demand ...	+ 69.0	+ 78.4	+204.0
b. Time ...	+161.5	+108.9	+ 77.9
2. Borrowings from R.B.I. ...	— 41.5	+ 18.2	+ 12.9
3. Borrowings from S.B.I. ...	— 0.9	+ 4.9	+ 4.3
4. Bank credit ...	+ 88.1	+180.4	+228.7
5. Investments in Govt. securities ...	+ 97.5	+ 58.3	+ 85.8
6. Cash reserves ...	+ 6.9	+ 2.3	+ 21.9

Credit Policy

Against the background of the prevailing inflationary conditions in the economy, the emphasis of the Reserve Bank's credit policy continued to be placed on overall restraint designed to check the use of bank finance for speculative purposes and to ensure that interest rates in the organised markets take account of the scarcity of capital, while enabling a larger flow of resources into productive investment.

Reference has already been made to the unusually large contraction in bank credit during the 1963 slack season and the sluggishness in industrial activity in the first half of 1963; in a later section reference is made to the depressed conditions in the capital market. In view of these developments, credit policy was geared to stimulate industrial activity, and on the eve of the 1963-64 busy season (October 30, 1963) modifications were made in the slab rate system of lendings by the Reserve Bank, the object being to reduce marginally the cost of borrowing and to raise the quantum of finance available on relatively easy terms from the Bank. The permissible quota for borrowings by scheduled banks from the Reserve Bank both against bills and Government securities was raised from 100 per cent to 150 per cent of their average statutory reserves. Moreover, banks could borrow half of their quota (i.e. 75 per cent of their average statutory reserves, as against 50 per cent till then), at the Bank rate, viz. 4½ per cent and an equal amount at 6 per cent. Borrowing beyond this limit was in the nature of special accommodation granted by the Bank on an

overall assessment of the borrowing bank's position, at an interest rate of 6 per cent as against 6½ per cent till then.

In the 1963-64 busy season, the unusually rapid pace of credit creation by banks, financed to a larger extent than in the past by recourse to Reserve Bank credit, called for caution in further credit extension, particularly in the context of the supply situation of agricultural commodities which early in March appeared to be less favourable than anticipated. The Bank, therefore, on March 11, tightened its credit policy by restoring the borrowing quotas and the lending rates to the levels prevailing till the end of October 1963, and also called upon banks to reinforce their efforts to mobilise deposit resources so as to be in a position to meet the increasing rate of economic expansion, and at the same time to conform to the higher liquidity requirements that will come into force in September 1964.

Selective credit controls were continued to be operated flexibly in accordance with the changing supply and demand position of individual commodities in question. The control on bank advances against shares, which was introduced in January 1962 in the context of a speculative boom in share values and the rising trend of bank advances against shares, became no longer necessary in the radically altered conditions in 1963, when the market remained depressed and bank advances against shares remained stable; trading in the market was also regulated by the more stringent margin requirements adopted in June 1963. Consequently, margin requirements on credit limits on bank advances against shares were withdrawn in October 1963. Later, in the 1963-64 busy season selective credit controls on paddy and rice were tightened and those on wheat and groundnut were reimposed.* Bank advances against these commodities were growing in the context of tight supply position in the market and rising prices, indicating thereby that bank finance was aiding speculative holding of stocks. At the same time, banks were exhorted to avoid utilisation of credit for hoarding of commodities in short supply and to review their clean advances to parties other than industrial borrowers.

GILT-EDGED AND EQUITIES

While commodity prices were continuously on the uptrend, the market for industrial securities and new issues presented a subdued trend during the major part of the year. The uncertainty engendered by the Emergency and later the heavy dose of additional taxation introduced in the 1963-64 budget, including the levy of the Super Profits Tax on the corporate sector, had caused a severe set-back to the activity in industrial securities and the market remained depressed for a prolonged spell of nearly a year. Reflecting this trend, the price index of variable dividend industrial securities slumped heavily from 188.0 on September 1, 1962 to 160.0** on August 3, 1963. Thereafter, there was a gradual revival of confidence in the market and the index of share values advanced by stages to 176.2 by mid-November 1963. The change in market sentiment was aided by a chain of factors,@ and the more important among them were (i) the fading away of the threat of a fresh Chinese attack, (ii) the lifting of the ban on forward trading in shares in June 1963 in view of the comfortable technical position of the markets, although it was accompanied by the imposition of stringent margin regulations, (iii) the reassessment of the economic situation and the outlook for industrial profits by the market following the flow of encouraging corporate news and (iv) the announcement of several fiscal and monetary incentives to invigorate the economy such as the liberalisation of credit policy (including the withdrawal of selective credit control on bank advances against shares) and the relaxation of control on capital issues. For the next three months or so till end-February, the market tended to be somewhat hesitant on the usual pre-budget uncertainties. The budget proposals for 1964-65, particularly the levy of a capital gains tax on issues of bonus shares, the dividend tax and the enhanced rates of estate duty and wealth tax depressed the market, which had, in fact, been anticipating substantial tax relief to the corporate sector and the index receded rather sharply to 167.6 by March 28.

Trends in the new issue market were broadly in line with those on the stock exchanges. New issue activity, which had shown signs of slackening in the last quarter of 1962, remained

* For details see Chapter III. ** In fact the index touched the *nadir* at 158.1 on June 29, 1963.
@ For details see Chapter IV.

generally subdued till about October 1963. But in the next four months to February 1964 there was a distinct revival of activity and several new issues were placed on the market. Investor response, however, continued to be increasingly selective, necessitating large-scale support from the underwriters. Since March 1964, the tempo of placement of new issues on the market once again tended to slacken. The magnitude of capital raised during 1963, at Rs. 81 crores, was smaller than that in 1962 (Rs. 105 crores) and 1961 (Rs. 99 crores).

In the gilt-edged market, there was a broadening of demand for government securities, which was largely due (i) to increased liquidity in the short-term market during the slack season following the higher pace of accretions to bank deposits, and (ii) to the depressed conditions in the industrial securities market and the consequent shift in investor preference to fixed interest bearing securities. Consequently, prices of government securities which had come down perceptibly during 1962-63 in a process of adjustment to the upward levering of interest rates, moved up during 1963-64; the price index rose by 0.7 per cent to 99.7 as against a decline of 1.8 per cent in 1962-63. The Bank's open market operations were directed towards absorbing the excess liquidity in the short-term money market during the slack season. Over the year, the Bank's open market operations resulted in much larger net sales (Rs. 45 crores) than in 1962-63 (Rs. 11 crores).

In view of the difficult conditions for raising fresh capital from the market, the private industrial sector placed increased reliance on term-lending institutions. There was an impressive growth in the scale of operations of, and the magnitude of financial assistance provided by, the major specialised institutions which cater to the needs of industry for term-finance, namely, the Industrial Finance Corporation, the Industrial Credit and Investment Corporation of India and the Refinance Corporation for Industry. Larger financial assistance was also channelled into the small-scale industrial sector.

Simultaneously, measures were also taken to build up the institutional framework for meeting the rising demand for industrial and agricultural credit. The Agricultural Refinance Corporation was established on July 1, 1963 for providing long-term financial assistance for the development of agriculture and allied activities. The Unit Trust of India, which was established on February 1, 1964, is expected to encourage savings by providing for various classes of investors, particularly the middle class, the facility of investing their money in units with face value of Rs. 10 to Rs. 100. A development bank is also being set up under the Industrial Development Bank Act, 1964, which will co-ordinate the activities of all institutions engaged in financing industrial development. The new institution is empowered to refinance the other institutions, to grant direct loans to industrial concerns and to promote and develop key industries as circumstances may require.

BUDGET PERFORMANCE AND FORECAST

The aggregate expenditure* of the Central Government during 1963-64, according to the revised estimates, is expected to show an enormous rise of Rs. 723 crores, coming on top of an almost equally large increase of Rs. 684 crores during the previous year (accounts). The bulge in the expenditure was primarily brought about by increased provision for both defence and development outlays. Additional expenditure on defence alone accounts for 47 per cent of the total rise in expenditure. Direct developmental outlays and assistance to State Governments and other parties in the form of loans and grants largely for implementation of Plan projects accounted for another 33 per cent. The remainder of the increase was occasioned partly by steadily mounting debt service charges and partly by the normal growth in civil expenditure. At the States' level, total disbursements during 1963-64 are expected to be marked up by Rs. 342 crores, on top of a rise of Rs. 200 crores during 1962-63. A considerable part of the increased expenditure would flow into development schemes viz., education, agriculture, irrigation, electricity schemes and industrial development.

An increase in budgetary expenditures of this order would clearly exert considerable pressures on the real resources of the economy. To contain the inflationary consequences as well as to restrict civilian consumption and thus facilitate increased diversion of resources

* Revenue and capital accounts combined without adjusting for purely book-keeping entries.

for defence and development, the Central as well as State Governments initiated bold programmes of resource mobilisation. Additional tax measures of the Centre were expected to yield Rs. 258 crores, apart from Rs. 32 crores expected to be realised from increases in railway freights and fares and post and telegraph charges.

In an endeavour to restrict civilian consumption, the budget proposals of the Centre impinged both on the demand and supply side : on the demand side, the additional surcharge on personal incomes and the compulsory deposit scheme sought to reduce disposable personal income, and, on the supply side, additional customs and excise duties together with freight and parcel rates were expected to raise the prices of commodities through an increase in the cost of production and thus act as a brake on civilian consumption. However, care was exercised to ensure that the incidence of indirect taxes did not bear heavily on articles of mass consumption. Tax proposals of the States, together with the amendments to the inter-State sales tax, were expected to yield Rs. 55 crores. The actual performance of both the Centre and State Governments in resource mobilisation has been appreciably better than anticipated earlier, owing largely to a marked buoyancy in tax receipts. Collections of small savings also went up sharply during the year. Altogether, the overall budgetary gap of the Centre which was placed at Rs. 181 crores in the budget estimates has been narrowed down to Rs. 153 crores@ in the revised estimates for 1963-64, and that of the States from Rs. 69 crores to Rs. 11 crores.

For the year 1964-65, the overall expenditure of the Central Government, according to the budget forecast, is expected to go up by Rs. 412 crores; the bulk of the increase represents larger provision for direct outlays on development as well as for loans and grants to States and other parties for implementation of the Plan schemes, while defence expenditure has been pitched around the same level (Rs. 808 crores) originally envisaged for 1963-64. Similarly, the States have planned for an increase in overall expenditure of the order of Rs. 192 crores, an overwhelmingly large proportion of which is being channelled into development schemes, such as agricultural production, education, industries, medical and public health.

On the resources side, the trend of increased buoyancy in tax receipts is expected to continue. Larger tax revenues together with larger credits under internal and external loans and small savings would finance the major portion of the expansion in budgetary outlays. The budget proposals of the Centre have been formulated against the backdrop of a persistent deterioration in the price situation, the slower pace of growth in industrial production than that envisaged in the Plan and the depressed conditions in the capital market and emphasise the role of tax policy as a sensitive and multi-purpose tool of economic policy for stimulating production and growth as also to implement the objective of social justice. Recourse to additional taxation both at the Centre (Rs. 40 crores) and in the States (Rs. 7 crores) has been deliberately kept down. In particular, the budget seeks through concessions and incentives to infuse confidence in the capital market, to promote the building up of internal savings in industries, specially basic industries, and to encourage the flow of foreign equity capital and technical know-how into priority industries.

Simultaneously with the granting of tax relief for assisting the ploughing back of profits into business for future development, the budget also aims at discouraging companies from dissipating additional resources through larger dividends; accordingly, a dividend tax on equity capital has been introduced which is applicable to companies other than those required to make a compulsory distribution of dividends.

Income-tax and other direct taxes such as the capital gains tax, wealth tax, estate duty and gift tax, have been remodelled to provide due incentives for individual initiative and effort and, consistently with the objective of a socialist pattern of society, to reduce the concentration and inequalities of wealth, particularly unearned wealth passed on from generation to generation. The structure of personal income taxation has been simplified and in this process the incidence of tax has been reduced in most of the lower and middle income brackets to provide relief in the present inflationary situation. This together with the abolition of the Compulsory Deposit Scheme has resulted in larger 'take-home pay' to all assessees in income brackets upto Rs. 15,000. In addition, the Government propose to provide further relief to low income groups, which

@ Ignoring *ad hoc* Treasury bills of Rs. 75 crores funded in January 1964.

would take the form of social security benefits rather than an increase in their expendable income. In respect of incomes in the higher brackets (above Rs. 15,000) while the incidence of income taxation is reduced, the imposition of an annuity deposit scheme at rising rates is designed to reduce the 'take-home pay' of the more well-to-do assessees. The introduction of the annuity deposit scheme and the expenditure tax and the various measures taken to tighten up the assessment and collection machinery as well as to unearth unaccounted money circulating in the economy in search of further under-cover gains are directed towards restraining consumption and curbing profits.

In order not to add to inflationary pressures, the budget refrains from any major increase in indirect taxes that may tend to push up commodity prices perceptibly. Changes in excise and customs levies are largely the outcome of rationalisation of the categories and rates or by way of shifting the tax incidence from the final product to the intermediate stage. In a few cases, the rates are raised to mop up a part of the profits resulting from price increases, and incidental to these revisions certain other rates (countervailing duties) have also been put up. But their incidence is diffused over a number of commodities which are mostly outside the common man's budget.

BALANCE OF PAYMENTS

During the year, the foreign exchange reserves recorded a modest improvement of Rs. 11 crores in contrast to the persistent erosion noticed since 1956-57. The improvement in reserves during the year materialised in spite of the repayment of Rs. 24 crores to the International Monetary Fund, whereas, in the preceding year reserves had declined by Rs. 2 crores, even though assistance from the I.M.F. was availed of to the extent of Rs. 12 crores. If borrowings from and repayments to the I.M.F. during the respective periods are excluded, the real movement in reserves would be a fall of Rs. 14 crores in 1962-63 and a rise of Rs. 35 crores in 1963-64, giving a favourable swing between the two years of Rs. 49 crores. Although detailed balance of payments data are available only for the first nine months of the year, the broad indicators that are now available suggest that the improvement in reserves reflected mainly the combined impact of (i) the inflow of external assistance on a substantial scale, (ii) a marked rise in export earnings and (iii) the favourable outturn on account of invisible transactions.

Overall Trends

In the absence of information covering the entire financial year, the detailed discussion on the balance of payments that follows is necessarily confined to the trends during the calendar year 1963. The improvement in reserves during 1963 was larger than that indicated for the financial year 1963-64. The marked rise in reserves during the first and last quarters of the year, amounting to Rs. 74 crores, far exceeded the decline in reserves (mainly seasonal) of Rs. 28 crores during the second and third quarters. Thus, for 1963 as a whole, reserves increased by Rs. 46 crores as compared to a decline of Rs. 73 crores in 1962. If the borrowing from the I.M.F. of Rs. 12 crores in 1962 and its repayment in 1963 are excluded, the reserves would show a rise of Rs. 58 crores in 1963 and a fall of Rs. 85 crores in 1962.

The overall balance of payments data (Table 9) indicate that except for unrecorded transactions covered by 'errors and ommissions', which had an adverse impact, nearly all the other major constituent items contributed to the improvement in the external payments position. Compared with 1962 the current account deficit in 1963 narrowed down by Rs. 71 crores to Rs. 298 crores, due partly to a reduction of Rs. 22 crores in the adverse trade balance resulting from the marked expansion in export earnings, partly to increased receipts of Rs. 8 crores by way of official donations and partly to an improvement of Rs. 41 crores on account of other invisible transactions. Similarly, capital transactions (including transactions with the I.M.F.) resulted in net inflow of Rs. 384 crores which was Rs. 93 crores higher than in 1962; the bulk of the increased net inflow represented larger external assistance receipts.

Regional Trends

Region-wise, while the current account position with the dollar area worsened further, the deficit with the sterling area turned into a surplus and the deficits with the remaining regions narrowed down considerably. With the dollar area, despite an improvement of Rs. 18 crores in export earnings and increased net receipts of Rs. 27 crores on account of invisible transactions (including official donations), the

Table 9. Balance of Payments

(Crores of Rupees)

	Jan.-March 1963	April-June 1963	July-Sept. 1963	Oct.-Dec. 1963	Jan.-Dec. 1963	Jan.-Dec. 1962
			(Preliminary)			(Revised)
	(1)	(2)	(3)	(4)	(5)	(6)
A. Current Account						
Imports, c.i.f.						
(*a*) Private	146.6	162.3	148.0	143.8	600.7	637.2
(*b*) Government	128.0	138.1	146.4	155.7	568.2	452.5
Total imports (*a* + *b*)	274.6	300.4	294.4	299.5	1168.9	1089.7
Exports, f.o.b.	178.0	178.0	192.6	225.3	773.9	672.3
Trade balance	− 96.6	− 122.4	− 101.8	− 74.2	− 395.0	− 417.4
Official donations	+ 22.8	+ 14.3	+ 30.4	+ 10.9	+ 78.4	+ 70.8
Other invisibles (net)	+ 4.3	+ 7.2	+ 0.6	+ 6.6	+ 18.7	− 22.7
Current account (net)	− 69.5	− 100.9	− 70.8	− 56.7	− 297.9	− 369.3
B. Errors and Omissions	+ 8.1	+ 4.6	− 22.5	− 30.8	− 40.6	+ 5.3
C. Capital Account						
Private capital (net)						
(*a*) Long-term	− 0.2	+ 3.6	− 6.4	− 1.9	− 4.9	+ 5.3
(*b*) Short-term	+ 0.4	− 1.1	− 0.2	− 0.1	− 1.0	+ 3.0
Banking capital (net)	+ 17.2	− 9.4	− 10.2	+ 5.3	+ 2.9	+ 0.1
Official capital (net)						
(*a*) Loans	+ 116.3	+ 114.0	+ 98.1	+ 104.9	+ 433.3	+ 333.1
(*b*) I.M.F. drawings	—	− 11.9	—	—	− 11.9	+ 11.9
(*c*) Amortisation	− 19.0	− 14.3	− 12.0	− 9.5	− 54.8	− 49.5
(*d*) Miscellaneous	− 1.8	+ 9.3	+ 2.2	+ 10.8	+ 20.5	− 13.0
D. Movement in Reserves (*A*+*B*+*C*) (Increase +, Decrease −)	+ 51.5	− 6.1	− 21.8	+ 22.0	+ 45.6	− 73.1

current account deficit widened by Rs. 41 crores to Rs. 173 crores wholly due to an increase of Rs. 86 crores in imports from the area. Imports of machinery on private account, of capital equipment for public sector projects and of foodgrains under the P.L. 480 programme all recorded increases. Exports to the area increased because of larger offtake of jute goods and cotton textiles by the U.S.A. and Canada and of sugar by Canada. Larger disbursements of grants and increased U.S. Embassy expenditure financed out of P.L. 480 counterpart funds accounted for improved net earnings from invisible transactions.

With the sterling area, the current account deficit of Rs. 1 crore in 1962 changed into a surplus of Rs. 67 crores in 1963, due to increased export earnings and higher net invisible receipts. Larger offtake of tea, cotton textiles, sugar, oilcakes and tanned hides and skins accounted for the bulk of the increase of Rs. 37 crores in exports to this area. The trade balance with the area also benefited from a reduction of Rs. 16 crores in payments for imports on private account; imports on Government account, on the other hand, showed a rise of Rs. 6 crores over the year. On invisibles, a net payment of Rs. 1 crore in 1962 turned into a net surplus of Rs. 21 crores in 1963 mainly because of increased receipts by way of private donations and miscellaneous transactions.

The current account deficit with the O.E.E.C. countries was reduced from Rs. 134 crores in 1962 to Rs. 113 crores in 1963. With the net position on invisibles account remaining almost unchanged, the entire improvement with this area resulted from the reduction in the adverse trade balance. Exports to the O.E.E.C. countries increased by Rs. 16 crores, vegetable oils and jute goods accounting for the major part of the improvement. Import payments were lower by Rs. 6 crores due to the decline in private imports. Imports on Government account, however, showed a rise.

As in the case of O.E.E.C. countries, the narrowing down of the deficit with the 'rest

of non-sterling area' by Rs. 21 crores resulted from the contraction in the trade deficit from Rs. 80 crores in 1962 to Rs. 58 crores in 1963. Exports to this area increased by Rs. 31 crores due to larger purchases of tea, vegetable oils oilcakes and tobacco by the East European countries and higher offtake of sugar and iron ore by Japan. Import payments rose by Rs. 9 crores because of larger imports of machinery and capital equipment on Government account financed out of credits extended by the U.S.S.R.; payments for private imports were somewhat lower. India's trade with the East European countries continued to expand, with imports from these countries constituting 11.4 per cent and exports to them 12.8 per cent of the total imports and exports, respectively, in 1963 as against 10.8 per cent and 12.6 per cent in 1962.

Exports and Imports

The most heartening aspect of the external payments position during the year was the record performance on the export front, with *export earnings* reaching an all-time high at Rs. 774 crores (the earlier record was Rs. 750 crores reached in 1951). Compared with 1962 the improvement in export earnings in 1963 was Rs. 102 crores. Although it is difficult to assess individually the impact of the various policy measures initiated so far for promoting exports, the improvement witnessed during the year seems to reflect the combined effect of the promotional measures on export performance and of a general advance in world trade in which the developing countries participated. Barring manganese ore, exports of which declined over the year by Rs. 6 crores due to higher costs and exports of cotton raw and waste and raw hides and skins, which remained steady at around the level attained in the preceding year, almost all other commodities registered a rise over the year.

More than three-fifths of the improvement in export earnings was brought about by the traditional items, mainly, tea, jute goods and oilcakes. Exports of tea increased by Rs. 17

Table 10. Current Account: Region-wise

[Surplus(+), Deficit(−)] (Crores of Rupees)

Region	Jan.-March 1963	April-June 1963	July-Sept. 1963	Oct.-Dec. 1963	Jan.-Dec. 1963	Jan.-Dec. 1962
	(Preliminary)					(Revised)
	(1)	(2)	(3)	(4)	(5)	(6)
Sterling Area	+ 11.1	+ 0.8	+ 10.3	+ 44.5	+ 66.7	− 1.1
Dollar Area	− 32.2	− 59.4	− 40.2	− 41.4	−173.2	−132.2
O.E.E.C. Countries	− 30.9	− 23.5	− 29.4	− 28.9	−112.7	−133.9
Rest of Non-Sterling Area	− 10.9	− 18.2	− 7.1	− 20.3	− 56.5	− 77.8
International Institutions	− 6.6	− 0.6	− 4.4	− 10.6	− 22.2	− 24.3
Total	**− 69.5**	**−100.9**	**− 70.8**	**− 56.7**	**−297.9**	**− 369.3**

crores due to larger purchases by the U.K. and U.S.S.R. Jute goods fared well in the U.S., Canadian and West European markets to increase over the year by Rs. 15 crores. Exports of oilcakes rose by Rs. 10 crores mainly as a result of larger purchases by the U.K., West Germany, Hungary, Poland and East Germany. An increase in the quantum of exports as well as higher prices contributed to the improvement in earnings from oilcakes. Among the other traditional items that registered a rise, cotton manufactures increased by Rs. 8 crores, vegetable oils by Rs. 6 crores, iron ore and tanned hides and skins by Rs. 5 crores each, tobacco by Rs. 4 crores and cashew kernels by Rs. 3 crores. Among non-traditional items only sugar recorded an appreciable gain. Earnings from sugar increased by Rs. 14 crores due to better offtake by Malaysia, Canada and Japan.

Region-wise, the bulk of the improvement in overall export earnings resulted from exports to the sterling area and the 'rest of non-sterling area' countries which together accounted for Rs. 68 crores out of the total rise of Rs. 102 crores. Within the 'rest of the non-sterling area', exports to East European countries registered a moderate improvement of Rs. 14 crores and hence the major part of the improvement in export earnings in 1963 materialised from exports to countries other than those of the East European bloc.

Aggregate *import payments* at Rs. 1,169 crores in 1963 were Rs. 79 crores higher than in 1962. The entire rise in the import bill reflected larger payments for imports on

Government account, as private imports were lower than in 1962. With the import policy continuing to be restrictive, payments for private imports, which had fallen by Rs. 20 crores in 1962, declined further by Rs. 37 crores in 1963. The reduction in the import bill was spread over a number of items, the largest fall being in the case of cotton, both raw and waste. With the improved domestic supply position, payments for import of cotton, raw and waste, declined by Rs. 17 crores. Payments for imports of iron and steel and chemicals were also lower by Rs. 8 crores and Rs. 5 crores respectively. On the other hand, payments for imports of machinery for meeting growing developmental requirements were higher by Rs. 13 crores. Similarly, for augmenting domestic supplies, imports of wool both raw and waste, were stepped up by Rs. 6 crores. Payments for imports on Government account totalled Rs. 568 crores as against Rs. 453 crores in 1962. Both development and non-development imports shared the increase in more or less equal measure. The rise in development imports was brought about by higher imports of capital equipment for public sector projects financed mostly out of U.S. A.I.D. and various U.S.S.R. credits. Under non-development imports, the major part of the rise represented increased foodgrain imports under the P. L. 480 programme.

Invisibles

Receipts from official donations at Rs. 78 crores were higher by Rs. 8 crores than those in the preceding year. Almost the entire rise represented larger disbursements of grants out of P. L. 480 counterpart funds (Title 1); other grants from the U.S.A. showed a fall. Grants obtained under the Colombo Plan programme were also higher by about Rs. 5 crores.

Over the year, there was a moderate improvement in the position on invisible account (excluding official donations). Although the data presented in Table 9 would indicate a surplus of Rs. 19 crores in 1963 as against a deficit of Rs. 23 crores in 1962 the actual improvement over the year may not be of this magnitude, as the preliminary data for 1963 have probably overstated receipts owing to incomplete information. As total invisible payments were marginally higher, the entire improvement resulted from increased total receipts. Receipts on account of 'Government not included elsewhere' registered a rise of Rs. 20 crores due to larger refunds of freight advanced on P. L. 480 imports and higher U.S. Embassy expenditure financed out of P. L. 480 counterpart funds. The other items together (transportation, insurance, private donations and miscellaneous receipts) also registered substantial improvement, while investment income receipts declined. The improvement in private donations and miscellaneous receipts in particular would seem to reflect the favourable impact of the various measures taken since the middle of 1962, such as restrictions on booking of passage for travel abroad, the Gold Control and the amendment of the Sea Customs Act, for curbing unauthorised foreign exchange transactions. As regards payments, investment income payments continued to increase, reflecting mainly the growing burden of the servicing of external debt.

Capital Transactions

During 1963 the net inflow of capital amounted to Rs. 384 crores as compared to Rs. 291 crores in 1962; the former included a *net payment* of Rs. 12 crores to the I.M.F. while the latter covered a *net drawing* of Rs. 12 crores from the I.M.F. Sector-wise, private capital transactions resulted in a net outflow of Rs. 6 crores, mostly on account of private long-term capital as against a net inflow of Rs. 8 crores in 1962. The data in respect of private long-term capital transactions, it may be mentioned, are preliminary and relate to an incomplete coverage; they are, therefore, not strictly comparable with the data for 1962.

Movements in banking capital, which were more or less in balance in 1962, resulted in a net inflow of Rs. 3 crores in 1963. Although the entire funds brought in during the 1962-63 busy season were repatriated during the slack season, there was a further net inflow towards the end of 1963 probably for meeting the usual seasonal requirements in the 1963-64 busy season. With the beginning of the 1963-64 busy season there was a relaxation of credit facilities extended to the banks by the Reserve Bank; nevertheless, the reduced cost of borrowing in London, following the reduction in the U.K. bank rate early in 1963, seems to have induced the banks to move in funds from abroad.

In the official sector, despite the repayment to the I.M.F. and the larger outflow on account of amortisation payments, the net inflow at Rs. 387 crores was higher than that in 1962 by Rs. 105 crores, the bulk of the improvement reflecting the stepping up of utilisation of external assistance. Over the year, drawings on loans increased by Rs. 100 crores, of which drawals on U.S. A.I.D. credits and rupee loans out of P.L. 480 counterpart funds accounted for Rs. 86 crores and Rs. 12 crores respectively.

In addition, the rise in official short-term liabilities comprising mainly rupee liabilities on account of servicing of external debt resulted in a net inflow of Rs. 20 crores under 'miscellaneous capital' as against a net outflow of Rs. 13 crores in 1962.

To sum up, during 1963 the current and capital transactions together (excluding transactions with the I.M.F.) resulted in a surplus of Rs. 58 crores, of which Rs. 12 crores was utilised for repaying the I.M.F. and the balance of Rs. 46 crores constituted the net accrual to the reserves.

Foreign Investment Policy

In recent years, private foreign capital has been moving into India at a steadily increasing rate. Much of the increased interest in investing in India is attributable, on the one hand, to a generally more favourable investment climate resulting from continued economic progress and, on the other, to a more receptive attitude towards foreign private capital. This improvement is manifested not only in the increased inflow but also in the progressively growing number of new joint venture companies; the growing association of private foreign enterprise with public sector undertakings is yet another indication of this improvement. The Chinese aggression and the high level of taxation imposed to meet the demands of defence had to some extent affected the foreign investment climate during 1962 and early 1963 but this phase proved to be temporary. The renewal of foreign investor interest is evident from the upward trend in the number of collaboration agreements approved by the Government since July 1963. Approvals for such arrangements numbered 153 in the second half of 1963 as against 145 in the first half of 1963 and 99 in the period July-December 1962.

Various steps have been taken during the year to encourage foreign investment. The scope of activities of the Indian Investment Centre has progressively widened and the Centre has undertaken a new programme of preparing analytical studies regarding the scope for investment in particular industrial fields based on priorities and specific case studies of joint ventures. The Centre has also initiated a programme under which meetings would be arranged with industrial and business leaders of prime industrial cities of the world. The Centre also proposes to open an office in Europe to establish liaison with the E.E.C. countries.

As part of the general measures designed to improve the investment climate in the country, Government are reviewing the existing screening procedures for giving initial approvals to cases involving foreign investment or collaboration, so that such approvals in future can be given expeditiously. The 1964-65 budget also seeks, through various concessions, to further encourage the flow of foreign equity capital and technical know-how in the priority industries. With this in view, reliefs have been offered, for instance, in the shape of exemption of inter-corporate dividends from super-tax, reduction of the tax rate on engineering services, exemption to non-residents from tax on income from approved securities and exemption of foreign investors from tax on income derived from loans given by them to Indian companies with Government's approval.

The growing interest evinced by foreign investors in the last few years is broadly borne out by consents given by the Controller of Capital Issues for issue of capital to non-residents. The total capital involved in such consents (inclusive of loans) aggregated

Table 11. External Assistance : Utilisation

(Crores of Rupees)

	Amount available for utilisation after March 1961	Estimated utilisation during				Amount undisbursed as at the end of Dec. 1963 (1—5)
		1961-62	1962-63	1963-64 (April-Dec.)	Total (2+3+4)	
	(1)	(2)	(3)	(4)	(5)	(6)
1. **Loans**						
(*a*) Repayable in foreign currencies ...	1818.9	191.6	251.8	254.1	697.5	1121.4
(*b*) Repayable in rupees	175.6	38.5	58.9	22.5	119.9	55.7
Total ...	**1994.5**	**230.1**	**310.7**	**276.6**	**817.4**	**1177.1**
2. **Grants**	**67.3**	**21.0**	**14.9**	**9.0**	**44.9**	**22.4**
3. **P.L. 480 and P.L. 665 Aid and Third Country Currency Assistance (Gross)**	**646.0**	**87.8**	**125.8**	**118.3**	**331.9**	**314.1**
4. **Total (1+2+3)**	**2707.8**	**338.9**	**451.4**	**403.9**	**1194.2**	**1513.6**

Rs. 130.5 crores in 1963 as against Rs. 56.7 crores in 1962 and Rs. 34.8 crores in 1961.

External Assistance

During the period under review, as in the previous year, there was a perceptible increase in the rate of utilisation of aid. Over the nine months upto end-December 1963, the latest period for which complete data are available, an amount of Rs. 404 crores was utilised as against the utilisation of Rs. 451 crores during the full year 1962-63 and of Rs. 339 crores during 1961-62. This higher rate reflected mainly the larger availability of non-project assistance, that is, aid not tied to any specific project. Earlier, with aid being overwhelmingly tied to specific projects, it was inevitable that there should be a supply of funds in pipe-line awaiting disbursement, because most major projects take from three to five years for completion. For non-project assistance, the time-lag between authorisation and actual disbursement is shorter, and reflects mainly the time taken for complying with procedures laid down by the aid-giving agencies.

External assistance authorised during the first nine months of 1963-64 amounted to Rs. 323 crores, bringing total assistance authorised so far during the Third Plan to Rs. 1405 crores. Taking into account the carry-over of assistance from earlier years, the total assistance available for utilisation in the three quarters upto end-December 1963 amounted to Rs. 1917 crores consisting of Rs. 1454 crores (76 per cent) as loans, Rs. 31 crores (2 per cent) as grants and Rs. 432 crores (22 per cent) as assistance under the P. L. 480 programme. The amount of assistance promised but not yet authorised as at end-December 1963 totalled Rs. 321 crores, of which Rs. 105 crores were to be authorised by the I.B.R.D./ I.D.A. and Rs. 183 crores by the U.S.A.

The amount authorised during the period under review comprised Rs. 316 crores in the form of loans, Rs. 2 crores in the form of grants and Rs. 5 crores by way of assistance under the P. L. 480 programme. Except for the Swiss and Danish credits of Rs. 3 crores and Rs. 1 crore respectively, the entire loan assistance authorised during the period was from the Aid-India Consortium members. For the year 1963-64, the members of the Consortium promised assistance totalling Rs. 501 crores, raising the total assistance promised by them for the first three years of the Third Plan to Rs. 1627 crores.

The composition and pattern of the loan assistance authorised during the period under review were generally comparable to that of the preceding year. A sizeable part, nearly a third of the loan assistance, was in the form of non-project aid. Among Consortium members, practically the entire loan assistance authorised by the U.K., Italy, Austria, Belgium, and the Netherlands was on a non-project basis. The credits authorised by the U.K. since July 1963, besides providing for an extension of the grace and repayment periods, were free of interest during the first 7 years of the currency of the loan. The U.S. A.I.D., on the other hand, which, except for a service charge of $\frac{3}{4}$ of 1 per cent per annum, was hitherto extending interest-free loans, abolished the concession, and the loans extended by it from January 1964 were subject to an interest charge of 2 per cent per annum after the first ten years.

Cumulatively, external assistance authorised by various friendly countries (excluding international institutions) upto end-December 1963 amounted to Rs. 3793 crores. Country-wise, the U.S.A., accounting for authorisations of Rs. 2299 crores or 61 per cent of the total, ranked first among the donors. Other major contributors were the U.S.S.R. (Rs. 385 crores or 10 per cent), West Germany (Rs. 358 crores or 9 per cent) and the U.K. (Rs. 273 crores or 7 per cent). All other donor countries together contributed Rs. 478 crores accounting for 13 per cent of the total. Aid authorised by international institutions as of end-December 1963 aggregated Rs. 546 crores, comprising Rs. 403 crores from the I.B.R.D. and Rs. 143 crores from the I.D.A.

The purpose-wise break-up of external loans and credits authorised and utilised up to end-December 1963 indicates that a major part of the amount authorised (Rs. 1582 crores or 57 per cent) was for industrial development followed by transportation (Rs. 420 crores or 15 per cent), steel and steel projects (Rs. 381 crores or 14 per cent) and power projects (Rs. 259 crores or 9 per cent).

The assistance authorised by the U.S.A. under the P.L. 480 programme during the first nine months of 1963-64 amounted to Rs. 5 crores, of which Rs. 4 crores were for the import of corn and Rs. 1 crore for the import of tobacco. With this, the total assistance authorised under the P. L. 480 programme till the end of December 1963 amounted to Rs. 1161 crores. The rupee counterpart funds originating from the import of surplus agricultural commodities under the programme

Table 12. External Assistance: Authorisation

(Crores of Rupees)

	Amount undisbursed as at the end of March 1961	Amount authorised during				Amount available for utilisation after March 1961 (1+5)
		1961-62	1962-63	1963-64 (April-Dec.)	Total (2+3+4)	
	(1)	(2)	(3)	(4)	(5)	(6)
1. **Loans**						
(*a*) Repayable in foreign currencies	546.7	365.0	591.8	315.4	1272.2	1818.9
(*b*) Repayable in rupees	128.4	46.2	—	1.0	47.2	175.6
Total	**675.1**	**411.2**	**591.8**	**316.4**	**1319.4**	**1994.5**
2. **Grants**	**29.4**	**20.6**	**15.6**	**1.7**	**37.9**	**67.3**
3. **P.L. 480 and P.L. 665 Aid and Third Country Currency Assistance (Gross)**	**597.8**	—	**43.3**	**4.9**	**48.2**	**646.0**
4. **Total (1+2+3)**	**1302.3**	**431.8**	**650.7**	**323.0**	**1405.5**	**2707.8**

Table 13. Consortium Commitments and Authorisations

(Crores of Rupees)

Name of the Country	Assistance promised for the first three years of the Third Plan	Assistance authorised during the first three years of the Third Plan (upto Dec. 1963)	Balance available for authorisation
	(1)	(2)	(3)
1. I.B.R.D./I.D.A.	331.0	226.4	104.6
2. U.S.A.	673.8	490.7	183.1
3. West Germany	220.6	220.6	—
4. United Kingdom	166.7	150.0	16.7
5. Japan	81.0	81.0	—
6. Canada	43.6	28.0	15.6
7. France	38.1	38.1	—
8. Austria	5.7	4.2	1.5
9. Belgium	9.5	9.5	—
10. Netherlands	10.4	10.4	—
11. Italy	46.7	46.7	—
Total	**1627.1**	**1305.6**	**321.5**

Table 14. External Assistance : Purposewise Classification

(Crores of Rupees)

		Authorisation upto Dec. 1963 (1)	Utilisation upto Dec. 1963 (2)	Amount undisbursed at and-Dec. 1963 (3)
1.	Industrial Development	1581.6	774.0	807.6
2.	Transportation—			
	(*a*) Railway Development	303.8	262.1	41.7
	(*b*) Ports Development	39.1	17.7	21.4
	(*c*) Airways, Road Transport and Communications	76.6	36.3	40.3
	Total	**419.5**	**316.1**	**103.4**
3.	Steel and Steel Projects	381.1	294.3	86.8
4.	Power Projects	258.5	100.3	158.2
5.	Wheat Loans	106.0	106.0	—
6.	Agricultural Development	30.3	12.9	17.4
7.	Iron Ore Project	12.6	8.9	3.7
	Total	**2789.6**	**1612.5**	**1177.1**

have been allocated for disposal, as mutually agreed, in the following manner :

Table 15. Allocation of P.L. 480 Counterpart Funds

(Crores of Rupees)

1.	Loans to the Govt. of India	558.9
2.	Grants to the Govt. of India	375.3
3.	Loans to private enterprises under Cooley Amendment	79.0
4.	For the use of the U. S. Govt.	148.1
	Total	**1161.3**

During the last three months of 1963-64, the additional assistance authorised amounted to Rs. 126 crores, comprising loans totalling Rs. 109 crores by the U.S. A.I.D. and credits amounting to Rs. 17 crores by the U.K. Except for Rs. 2 crores of assistance authorised by the U.S.A. and Rs. 10 crores extended by the U.K., which were tied to specific projects, the entire additional assistance authorised by the two donor countries was in the form of non-project assistance for financing maintenance and capital goods imports from the respective countries.

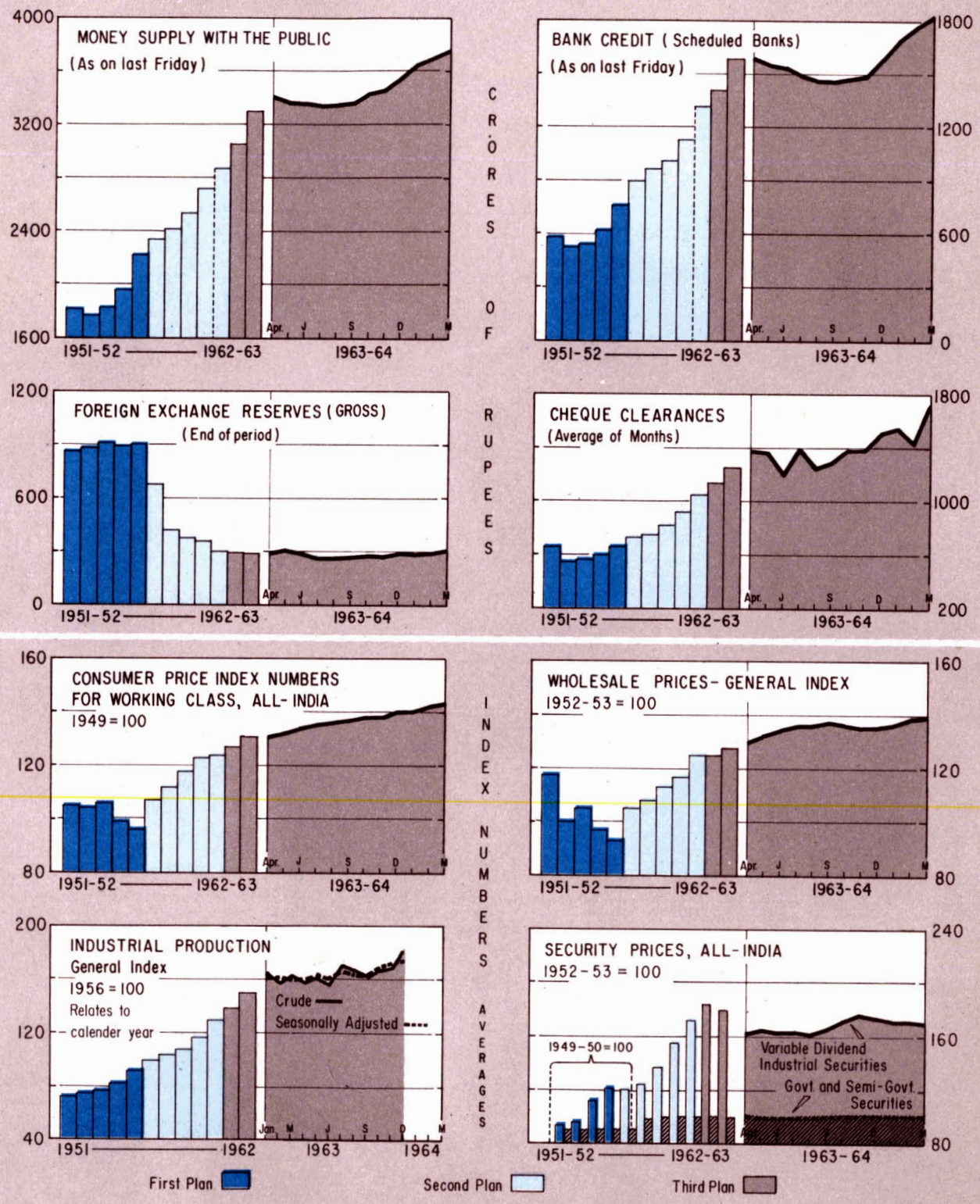
For assessing the foreign exchange requirements for 1964-65, which are estimated to be between Rs. 524 crores and Rs. 548 crores, the ten-nation Aid-India Consortium met in March 1964 under the auspices of the I.B.R.D. After reviewing the position and seeking clarifications on various key issues, the Consortium met again in May 1964. At this meeting the members pledged assistance to the tune of Rs. 490 crores for the fourth year of the Third Plan. Nearly half the assistance promised is expected to be in the form of non-project assistance, which could be utilised to finance imports required for maintenance of the economy. The member-wise details of the assistance pledged for 1964-65 are: Austria: Rs. 0.5 crores; Canada: Rs. 19.5 crores; France: Rs. 9.5 crores; West Germany: Rs. 45.2 crores; Italy: Rs. 17.1 crores; Japan: Rs. 28.6 crores; Netherlands: Rs. 5.2 crores; U.K.: Rs. 40.0 crores; U.S.A.: Rs. 207.1 crores and the I.B.R.D./I.D.A.: Rs. 116.7 crores.

The need for ensuring expeditious and effective utilisation of available external assistance led to the Government appointing

in June 1963 a Committee on Utilisation of External Assistance under the Chairmanship of a member of the Planning Commission. The Committee was asked (i) "to examine the present procedures for the negotiation, allocation and disbursement of external assistance and to suggest measures in the light of such examination to ensure speedier and more efficient utilisation of available assistance in keeping with priorities in the Plan"; (ii) to consider problems associated with the utilisation of external assistance from all sources and in all forms and hold discussions for this purpose with representatives of Government departments, public sector enterprises and private trade and industry; and (iii) to examine the problems encountered by private sector in its search for foreign technical collaboration or foreign capital investment. The Committee submitted its report in March 1964 and the Government have announced their acceptance of the principal recommendations.

GRAPH I

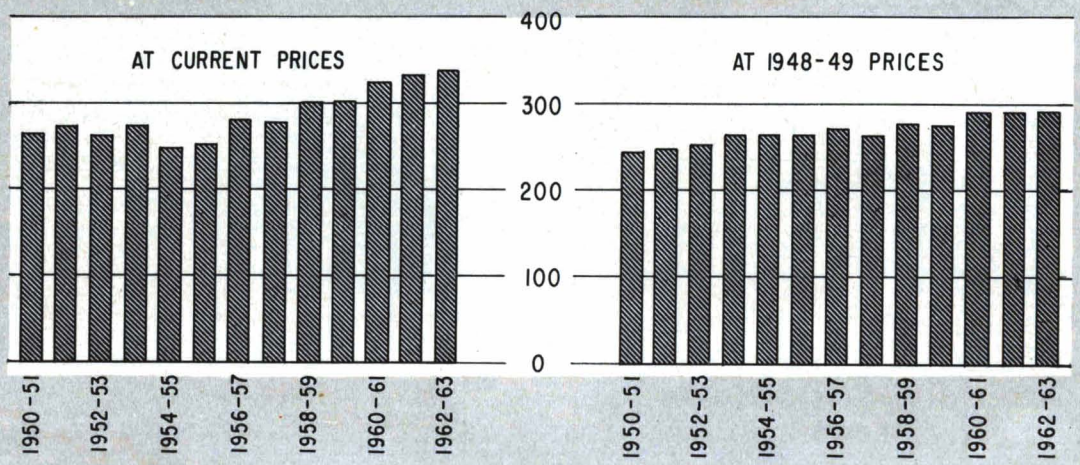
SELECTED ECONOMIC INDICATORS



GRAPH 2

PER CAPITA NATIONAL INCOME

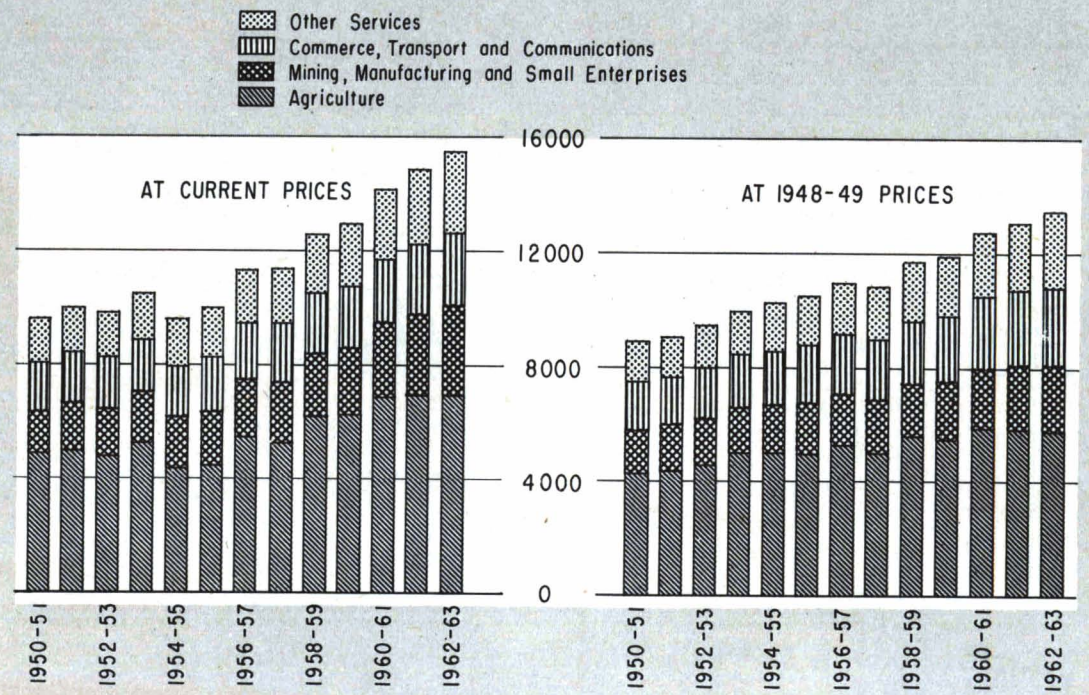
(RUPEES)



GRAPH 3

NATIONAL INCOME BY INDUSTRIAL ORIGIN

(CRORES OF RUPEES)



PART II

CHAPTER II: OUTPUT AND PRICE TRENDS

AGRICULTURAL

The index of agricultural production (1949-50 = 100), which had touched a record level of 141.4 in 1961-62, declined by 3.3 per cent to 136.8 in 1962-63. In 1963-64, from such data as are available, it seems that the index would be only slightly higher than in 1962-63. The decline in agricultural production in 1962-63 occurred mainly under the two major foodgrains, wheat and rice, and under all the major commercial crops except cotton, coffee, rubber and tobacco. The following paragraphs set out in some detail the trends in production, procurement, and prices in respect of major agricultural commodities.

The output of foodgrains declined to 78.8 million tonnes in 1962-63 from the peak of 81.0 million tonnes attained in each of the previous two years. Although imports in 1963 at 4.6 million tonnes were substantially higher than in 1962 (3.6 million tonnes), the total availability of foodgrains was smaller. This resulted in a rise in the prices of foodgrains; prices of cereals and pulses in 1963-64 were more than 9 per cent higher than in 1962-63.

Table 1. Foodgrains

Year	Total Foodgrains (Million Tonnes)	Rice			Wheat		
		Production (Million Tonnes)	Procurement (Thousand Tonnes)	Imports (Thousand Tonnes)	Production (Million Tonnes)	Procurement (Thousand Tonnes)	Imports (Thousand Tonnes)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1950-51 ...	54.9*	23.5*	2750	358.7	6.4*	1133	1329.0
1955-56	66.8	27.6	15	269.3	8.8	—	442.0
1960-61 ...	81.0	34.2	880	698.8	11.0	395	4386.1
1961-62 ...	81.0	34.8	519	384.4	12.0	20	3092.2
1962-63 ...	78.8	31.9	479	389.6	11.1	..	3250.4
1963-64 ...	..	36.5	..	483.4	..	..	4072.7

Note:—Figures for procurement and imports are for calendar year.
* Data relate to 1949-50.

Output in 1963-64 is expected to be higher than in the previous year.

Rice

Production of rice, which had risen to a peak of 34.8 million tonnes in 1961-62, declined to 31.9 million tonnes in 1962-63. The final official crop estimates for 1963-64 place production at an all-time high of 36.5 million tonnes. As regards prices, the All-India index number of wholesale prices of rice (1952-53 = 100), which had stood at 110 in March 1963, rose continuously to touch a peak of 132 in October 1963, before easing to 122 in March 1964. The rise in prices during 1963-64 was particularly marked in Madhya Pradesh and West Bengal. In the Punjab, Andhra Pradesh, Madras and Assam and also in the rice producing areas of Uttar Pradesh, maximum control prices applicable to wholesale transactions have been fixed statutorily. More recently, the West Bengal Government have also fixed statutory prices for rice and paddy.

Purchases of rice on behalf of the Central Government, which were earlier confined only to the surplus States of Madhya Pradesh and the Punjab, were extended to Andhra Pradesh, Madras and Uttar Pradesh during 1962-63 (November-October); the total quantity of purchases thus made, aggregated 4.64 lakh tonnes as against 3.00 lakh tonnes in 1961-62. In addition, purchases of rice totalling 2.09 lakh tonnes as against 1.81 lakh tonnes in 1961-62, were also made by the Governments of Assam, Orissa, Uttar Pradesh, Jammu and Kashmir and Tripura. The policy of price support to rice was continued in the 1963-64 season. For this season, procurement prices, which would act as support prices, were revised upwards in most of the rice producing States. It was also proposed to procure paddy directly from the cultivators in those areas where prices tended to decline to levels needing price support.

In Assam, the system of monopoly procurement of paddy through co-operatives was continued during the 1963-64 season. In the

Punjab, Uttar Pradesh, Madhya Pradesh and Orissa, procurement through a system of levy on rice millers and wholesale traders will continue to operate. In Uttar Pradesh, the levy has been raised from 10 per cent to 25 per cent of stocks or of future acquisitions in the case of Grade I and I (special) varieties of rice, and from 50 per cent to 60 per cent in the case of all other varieties. In Madhya Pradesh, the rate of levy has been raised from 25 per cent to 30 per cent. In Madras and Andhra Pradesh, where purchases of rice on Central Government account during 1962-63 were made through voluntary agreement with the trade, a system of levy has been introduced for the 1963-64 season. In Madras, the levy is fixed at 20 per cent for Tanjavur district and at 15 per cent for the remaining districts. In Andhra Pradesh, the levy which was initially fixed at 40 per cent was scaled down to 25 per cent; levy on the paddy held by licensed dealers and millers has also been introduced in the State.

In Assam, Orissa, Uttar Pradesh and Tripura, the Government will continue to procure rice and/or paddy on their own account as in previous years. The Government of West Bengal have also recently introduced levy of 25 per cent in the case of rice mills and 20 per cent for licensed dealers. In addition, efforts are being made by the Maharashtra and Mysore Governments to procure rice on their own account for the 1963-64 season. State Governments have been asked to open purchase centres on a fairly extensive scale, especially in remote and inaccessible areas where prices tend to decline. It is expected that the procurement by the Centre and State Governments would be of the order of 1 million tonnes in 1963-64 as compared to nearly 7,00,000 tonnes in the previous year. The Government of India propose to build up a buffer stock of 2 million tonnes of rice from internal procurement and imports.

Imports of rice were stepped up from 3.90 lakh tonnes in 1962 to 4.83 lakh tonnes in 1963. Of the rice imported, about 3.00 lakh tonnes were from U.S.A. under the P. L. 480 Agreement, about 1.73 lakh tonnes from Burma and a nominal quantity of 0.10 lakh tonnes from South Vietnam. Two agreements were entered into with the Government of Burma in September 1963 for the import of rice in two lots, each of 10,000 tons. This quantity was in addition to 1.5 lakh tons imported under the agreement of December 1962. Again, a purchase contract was concluded with Burma in December 1963 for the import of 1.5 lakh tons of rice during 1964. Agreements were also entered into with (i) the Government of South Vietnam in September 1963 for the import of 10,000 tonnes of rice (completed in October 1963) and (ii) the U.A.R. Government in December 1963 for the purchase of 35,000 tonnes of rice in 1964.

Wheat

The production of wheat, which had touched the peak level of 12.0 million tonnes in 1961-62, declined to 11.1 million tonnes in 1962-63 due to inadequate rains at sowing time and absence of winter rains in the Northern States. For 1963-64, non-official estimates place production around the 1961-62 record level of 12.0 million tonnes, despite an expected reduction, according to the first official estimate, of 0.3 per cent in acreage.

Wheat prices ruled steady till October but started rising thereafter, the index soaring from 97 in November 1963 to a peak of 122 by end-February, 1964 and standing at 121 at end-March. This rise was attributed to apprehensions of damage to the 1963-64 crop on account of the cold wave in the States of Rajasthan, Uttar Pradesh, Bihar, Madhya Pradesh and the Punjab. The average index (April-March) for the year 1963-64 was higher at 98.5 as against 89.8 during 1962-63. In order to stabilise prices and conserve supplies, the zonal arrangements for wheat, which had been abolished in April 1961, were reintroduced in March 1964. Under these arrangements the Government of India have divided the country, except the State of Jammu and Kashmir, into nine zones and have prohibited the movement of wheat (excepting wheat flour and wheat products) from and into these zones. In April the control of bank advances against wheat, which had been removed three years ago, was reimposed.

Imports of wheat were stepped up from 32.50 lakh tonnes in 1962 to 40.73 lakh tonnes in 1963. Of the imported wheat, about 38.98 lakh tonnes were received from the U.S.A. under P. L. 480 Agreement of May 1960, about 0.19 lakh tonnes from Canada under the Colombo Plan (1962-63) and about 1.56 lakh tonnes against commercial purchases from Australia. In February 1964, an agreement was entered into with the Government of Australia for the purchase of 1.71 lakh tonnes of wheat.

Under the P. L. 480 agreement of May 1960, India had undertaken to make commercial purchases, under 'Normal Marketing' obligations, of a quantity of 4 lakh tonnes of wheat during each of the U.S. fiscal years 1961-64.

This quantity was reduced to 2 lakh tonnes for the U.S. fiscal years 1962-63 and 1963-64 as a special case. In order to build up a buffer stock of 4 million tonnes of wheat, Government, it is reported, propose to enter into a fresh P. L. 480 Agreement with the U.S.A.

The price support scheme for wheat was continued during 1963-64. Arrangements were also made for the puchase of wheat at the support prices in important *mandis* where the State Governments considered that there was a likelihood of prices declining to the support level. A nominal quantity of 4.7 thousand tonnes was purchased mainly in the Punjab under the scheme during the 1963-64 season.

Other Cereals

During 1962-63 the production of other cereals (cereals other than rice and wheat) at 24.0 million tonnes was higher by 1.4 million tonnes than in 1961-62; this met to some extent the short-fall in production of rice and wheat. Production of jowar registered a substantial rise and almost touched the record level (9.4 million tonnes) attained in 1960-61. Maize attained a new record level of 4.5 million tonnes. The production of bajra and ragi was also higher as compared to the previous year. For 1963-64 the production of jowar, bajra, maize and ragi, according to the final estimates, is placed lower by 4.1 per cent, 4.0 per cent, 1.1 per cent and 2.0 per cent, respectively, as against the partially revised final estimates for the year 1962-63.

Table 2. Other Cereals

Year	Production (Million Tonnes) (1)	Imports (Thousand Tonnes) (2)
1950-51 ...	16.8*	370.9
1955-56 ...	19.5	—
1960-61 ...	23.1	52.4
1961-62 ...	22.6	19.1
1962-63 ...	24.0	—

*1949-50

Prices of jowar, bajra and maize ruled generally at a lower level during the period April to November 1963, than in the corresponding period of the previous year. Thereafter, however, prices rose, partly in sympathy with the rise in both rice and wheat prices.

The price support policy was extended to jowar for the 1963-64 season, and the minimum support prices of Rs. 24.12 per quintal for the white variety and Rs. 22.78 per quintal for the yellow variety were announced.

Pulses

Production of pulses, which had reached a high of 12.7 million tonnes in 1960-61, declined to 11.6 million tonnes in 1961-62 and remained unchanged at that level in 1962-63. The official estimates of production of pulses for 1963-64 are not yet available.

Table 3. Pulses

Year	Production (Million Tonnes)
1950-51	8.2*
1955-56	11.0
1960-61	12.7
1961-62	11.6
1962-63	11.6

*1949-50

Prices of pulses showed a generally rising trend from April 1963 onwards, the rise becoming more pronounced after September 1963, with the onset of the lean season. Over the year, the index for gram rose from 87 to 123, and that for other pulses from 111 to 134.

Cotton

During 1962-63, production of cotton at 52.47 lakh bales recorded a sharp rise of 17.7 per cent over that in 1961-62. Official estimates of production for 1963-64 are not yet available; trade estimates place the output around 59 lakh bales.

The increase in output in 1962-63 and the prospects of an even better crop in 1963-64 are attributable mainly to the various measures taken by Government in pursuance of the programme for intensification of cotton production launched during the 1962-63 season. The Package Programme for cotton, which was in operation in Andhra Pradesh in 1962-63 was extended to Madras, Gujarat, Madhya Pradesh, Maharashtra, the Punjab and Rajasthan during the current season, covering a total area of 5.47 lakh acres by December 1963 (as against the target of 5.65 lakh acres). Further, the floor prices of cotton were raised to serve as an incentive to produce more cotton.

Table 4 Cotton

(In thousand bales of 180 Kgs., each)

Year	Production	Imports	Exports	Consumption(*a*)	Stocks with Mills and Trade
	(1)	(2)	(3)	(4)	(5)
					(End August)
1950-51	2874	800	178	3578	1518
1955-56	3949	603	603	4908	1593
1960-61	5324(*b*)	1100	297	5574	2236
1961-62	4457(*b*)	798	324	5886	1828
1962-63	5247(*c*)	850	326	5868	2387(*d*)

(*a*) Including extra-factory consumption. (*b*) Partially Revised Estimate. (*c*) Final Estimate. (*d*) Provisional.
Source : Official Estimates for Col. 1 and Indian Central Cotton Committee for Cols. 2 to 5.

The deficit in the domestic production of long staple cotton is covered by imports; such imports amounted to 8.5 lakh bales in 1962-63. Imports during the first eight months of the 1963-64 season (September 1963 to April 1964) were much less than in the corresponding period of the 1961-62 and 1962-63 seasons, which was attributed, among other factors, to the delay in the receipt of cotton from the U.S. under the Barter Agreement entered into in June 1963. The total imports during the season are expected to be about 8.5 lakh bales, including quantities of imports announced in the previous season but not imported.

Exports of cotton, which are confined mainly to Bengal Deshi cotton—a short staple variety —amounted to 3.26 lakh bales in 1962-63. Exports in the current season are expected to be around 3 lakh bales.

Aggregate mill consumption of cotton, which had reached a record level of 56.19 lakh bales in 1961-62 (September-August), was maintained at more or less the same level in 1962-63 (56.01 lakh bales). Aggregate mill consumption increased to an all-time high of 35.6 lakh bales during the first seven months of the current season (September 1963-March 1964) as compared to 32.7 lakh bales during the corresponding period of 1962-63. The total carry-over stocks of cotton (with the mills and the trade) at the beginning of the 1963-64 season was higher at 23.9 lakh bales as against 18.3 lakh bales for the previous season.

The cotton policy for the 1963-64 season announced by the Government of India in April 1963 provided for the continuation of the various controls already in force and also for an increase in the floor price of cotton by Rs. 100 per candy for the basic variety, with corresponding increases in the prices of other varieties. At the beginning of the season, however, spot prices of cotton in the major markets were ruling distinctly easy as a result of the comfortable supply position of cotton and prospects of a good crop in 1963-64. The Compulsory Survey System and the Supervisory Scheme were, therefore, suspended with effect from September 24, 1963. Mills were allowed to purchase upto 100 per cent of their 1961-62 consumption. The ban on forward trading in *kapas*, which had been operating since the Emergency, was lifted in November 1963. In fact, anticipating a further fall in prices, the Government were contemplating the creation of a buffer stock agency for cotton.

Since December 1963, however, cotton prices have been firm, the uptrend gathering momentum in January and February 1964. For instance, in the Bombay cotton futures market, the I.C.C. Jarilla March 1964 delivery, which was quoted at Rs. 701.50 per 3 quintals at the end of November 1963, soared to Rs. 782.25 on February 10. Popular varieties in the spot market touched official ceiling limits and were reported to be commanding premia in unofficial trading. The firmness in prices was attributed mainly to (i) increasing mill consumption of indigenous cotton, (ii) uncertainty regarding imports, especially of U.S. cotton and (iii) apprehensions of damage to the cotton crop in the Gujarat region on account of the

cold spell in January 1964. In order to check the continuous uptrend in prices, the Government announced on January 27, 1964 the following measures: (i) a ban on the movement of cotton, except with special permission, from certain districts of Gujarat, (ii) requisitioning of cotton at the ceiling rate at random as and when necessary and (iii) restrictions on the purchase of Digvijay 'A' cotton by manufacturers to 75 per cent of their consumption of such cotton during 1962-63.* The requisitioning of cotton was suspended later with effect from March 7, 1964 as prices tended to ease following reports of an agreement between the Government of India and the U.S.A. for the import of about 3.67 lakh bales of U.S. cotton under P.L. 480 during the current season.† The ban on the movement of cotton also was subsequently withdrawn on March 28, 1964.

Jute

During 1962-63, the production of jute suffered a setback, declining to 54.49 lakh bales from the record level of 63.98 lakh bales attained in 1961-62. In 1963-64, however, according to the final estimate, the production at 59.57 lakh bales shows an increase of 9.3 per cent over that in 1962-63, although it is still lower by 6.9 per cent than the record production of 1961-62. According to the final estimate for the 1963-64 season, the output of mesta at 18.19 lakh bales has been placed at an all-time high, showing an increase of 7.2 per cent over the preceding season's output of 16.97 lakh bales.

Table 5. Jute

(In thousand bales of 180 Kgs. each.)

Year	Production			Imports	Consumption (*a*)	Exports	Stocks (*f*)
	Jute (1)	Mesta (2)	Total (3)	(4)	(5)	(6)	(7)
1950-51	3309	..	**3309**	2598	5851	1	1021
1955-56	4231	1168	**5399**	1482	6916	—	1471
1960-61	4014(*b*)	1140(*b*)	**5154**	416	6451	—	870
1961-62	6398(*b*)	1706(*b*)	**8104**	404	6703	2	2848
1962-63	5449(*b*)	1697(*b*)	**7146**	274	7610	116	3416
1963-64	5957(*c*)	1819(*c*)	**7776**	100(*d*)	7912(*e*)	92(*d*)	..

(*a*) Includes village consumption. (*b*) Partially revised estimates. (*c*) Final estimates. (*d*) From July '63 to March '64. (*e*) Estimated. (*f*) Trade estimates; Includes stocks with Jute Buffer Stock Association and State Trading Corporation.

Source : 'Jute in India' and Indian Central Jute Committee.

Imports of raw jute declined from about 4 lakh bales in 1961-62 to 2.7 lakh bales in 1962-63. During the first nine months of the 1963-64 season (From July 1963 to March 1964), imports amounted to barely one lakh bales as against 2.2 lakh bales during the corresponding period of the preceding year.

The total consumption of raw jute by mills is expected to rise from 75 lakh bales in 1962-63 to 78 lakh bales in 1963-64. The increase in consumption was due to a rise in the working hours of mills from 48 to 49 a week, with effect from June 17, 1963.

Exports of raw jute during the period July 1963—March 1964 amounted to 0.92 lakh bales as against 0.69 lakh bales in the corresponding period of the previous year and 1.16 lakh bales in the whole of the 1962-63 season (July-June).

Since production in 1963-64 was at a level higher than that in the previous year, the raw jute supply position in the 1963-64 season remained comfortable. The need to maintain prices at an economic level persisted and both industry and Government continued their efforts in this direction. The operational minimum price for raw jute fixed at Rs. 80.38 per quintal (Rs. 30 per maund) for Assam Bottoms was continued during the 1963-64 season. Also, the system of a monthly purchase quota as a price support measure under the Jute (Licensing and Control) Order continued to be in operation. The Jute Buffer Stock Association purchased 1.51 lakh bales of jute allotted to it under the quota issued by the Jute Commissioner on October 18, 1963, thus bringing the total purchases since the commencement of its purchase operations in the second week of April 1962 to 7.81 lakh

* Since withdrawn with effect from May 2, 1964.

† The Agreement was signed on April 17, 1964.

bales. The State Trading Corporation also entered the jute market under the price support scheme for raw jute, and purchased about 0.30 lakh bales of jute and mesta (1963-64 crops) upto March 1964, from co-operative marketing societies in different jute growing States. Despite larger carry-over stocks at the beginning of the 1963-64 season and increased production, prices were generally maintained at a slightly higher level during the current year than in the preceding year, reflecting, among other things, the effectiveness of the price support measures.

Tea

The output of tea, which had declined from 354.4 million kgs. in 1961 to 344.4 million kgs. in 1962, showed a further nominal decline to 344.1 million kgs. in 1963. There was a marked fall in the output in North India which was, however, largely offset by a rise in the output in South India.

Table 6. Tea

(Million Kgs.)

Year	Production (1)	Exports (2)
1950	278.8	181.5
1955	308.4	166.8
1960	321.1	195.1
1961	354.4	206.3
1962	344.4	214.0
1963	344.1	223.5

Source : Tea Board.

Under the Tea Plantation Finance Scheme* introduced in 1962, 157 applications were received by the Tea Board upto March 31, 1964 for loans totalling Rs. 8.26 crores.

Exports of tea continued to rise, the total exports duirng 1963 being 223.5 million kgs., as against 214.0 million kgs. in 1962 and 206.3 million kgs. in 1961.

Coffee

Production of coffee during 1963-64 is estimated at 70,000 tonnes, which is appreciably higher than the revised estimates of 55,925 tonnes in 1962-63 and the actuals of 46,050 tonnes in 1961-62.

Table 7. Coffee

(Thousand Tonnes)

Year	Production (1)	Exports (2)	Internal consumption@ (3)
1950-51 ...	18.9	0.3	17.5
1955-56 ...	35.0	8.1	22.6
1960-61 ...	68.0	32.3	30.0
1961-62 ...	46.1	19.8	33.9
1962-63 ...	55.9	22.4*	34.7
1963-64 ...	70.0	..	33.6

@Data relate to calendar year. *Upto January 31, 1964.

Source : Coffee Board.

Exports out of the 1962-63 crop totalled 22,412 tonnes upto the end of January 1964, as against 19,829 tonnes out of the 1961-62 crop. The basic export quota for India under the International Coffee Agreement has been fixed at 21,600 tonnes for quota countries. Besides, coffee can be exported to non-quota countries.

Releases of coffee for internal consumption during the calendar year 1963 aggregated 33,634 tonnes against 34,651 tonnes in 1962.

Tobacco

In 1962-63, the production of tobacco at 3.67 lakh tonnes was 5.2 per cent higher than in 1961-62 (3.49 lakh tonnes). The increase was attributed to a rise of 2.0 per cent in the area under this crop and also favourable weather conditions. Exports of unmanufactured tobacco during 1962-63 amounted to about 60.3 million kgs., as against 44.4 million kgs. in 1961-62.

Oilseeds

Production of major oilseeds (groundnut, rape and mustard, sesamum, linseed and castorseed) declined from 7 million tonnes in 1961-62 to 6.9 million tonnes in 1962-63 due to unfavourable weather conditions. In 1963-64, according to the final estimate, in spite of a slight decline in area, production of groundnut at 5.3 million tonnes showed an increase of about 10 per cent over the partially revised estimate for 1962-63 (4.8 million tonnes). In the case of castorseed, though the area showed an increase of 2.6 per cent, the production at one lakh tonnes showed no net variation over the previous year's performance. Production figures for 1963-64 in respect of the remaining major oilseeds are not yet available.

* For further details see Chapter IV.

Table 8. Oilseeds

Year	Production (Nov.-Oct.) (*a*) (Million Tonnes) (1)	Imports (April-March) (*b*) (Tonnes) (2)	Exports (April-March) (*c*) (Tonnes) (3)
1950-51 ...	5.2	..	..
1955-56 ...	5.7	..	..
1960-61 ...	6.6	16	49,317
1961-62 ...	7.0	36	40,130
1962-63 ...	6.9	538	42,396
1963-64 ...	..	..	..

(*a*) Production of oilseeds includes groundnut, rape and mustardseed, sesamum, linseed and castorseed. (*b*) Imports of oilseeds include linseed, cottonseed, soyabeans and palm kernels. (*c*) Exports of oilseeds include groundnut, rape and mustardseed, sesamum, linseed, nigerseed, safflower (kardi) and cottonseed.

Source : Indian Central Oilseeds Committee, Ministry of Food and Agriculture, Government of India.

The Package Programme for increasing the production of oilseeds in the important oilseeds growing tracts of the country introduced in 1962-63 (referred to in the last year's Report) has been implemented in respect of groundnut and it has also been decided to extend it to other important oilseeds. Under this programme, it is estimated that an area of 6.84 lakh acres would be covered by the end of the Third Plan.

During 1963-64, exports of groundnut (HPS) and groundnut-in-shell, rape and mustard were licensed freely subject to prescribed ceilings. Exports of linseed, castorseed and cottonseed were banned.

The all-India index number of wholesale prices of oilseeds (1952-53=100) moved up from 143 in March 1963 to 161 in September 1963. Subsequently, on expectations of a good crop, prices declined, the index falling to 149 in November. However, in the succeeding months, prices rose again, the index soaring to 163 in March 1964.

The Forward Markets Commission continued to maintain its control over futures trading in oilseeds. In Bombay, with effect from November 18, 1963, the ceiling price limit for both groundnut and castorseed was raised by Rs. 5 per 250 kgs. to Rs. 241 and Rs. 186, respectively, for cottonseed by Rs. 2 to Rs. 113 per 250 kgs., for linseed by Re. 1 to Rs. 43 per 50 kgs., and effective December 18, 1963, the ceiling limit for groundnut oil was also raised by Re. 0.75 to Rs. 32.75 per 16 kgs. These revised ceiling limits are inclusive of penalty for non-delivery, and are over and above the restrictions regarding the limits for weekly rise of prices and the magnitude of net long and/or short open position.

With a view to curbing an undue rise in groundnut prices, the Reserve Bank, in its directive of March 11, 1964, to the scheduled banks, increased the margins to be maintained by banks on advances against groundnut from 45 per cent to 50 per cent and also reimposed on such advances the ceiling limits which had been allowed to lapse at the end of February 1963.

Sugar

Production of sugarcane during 1962-63 declined by 7.6 per cent to 9.4 million tonnes due largely to the decline in area under sugarcane (5.5 per cent) and partly to adverse weather conditions. Official data for sugarcane production in 1963-64 are not yet available. The area under sugarcane during 1963-64 (second estimate) shows a marginal decline of 0.4 per cent over the corresponding adjusted estimate for 1962-63.

Production of sugar also declined from 27.1 lakh tonnes in 1961-62 to 21.5 lakh tonnes in 1962-63. During the 1963-64 season so far (November to March), the production was 23.1 lakh tonnes as against 19.8 lakh tonnes during the corresponding period of the previous season.

Table 9. Sugar

Year (Nov.-Oct.)	Production of sugarcane (gur) (Million Tonnes) (1)	Production of sugar (Lakh Tonnes) (2)	Imports of sugar (Lakh Tonnes) (3)	Exports of sugar (Lakh Tonnes) (4)	Internal consumption of sugar (Lakh Tonnes) (5)	Stocks of sugar at the end of year (Lakh Tonnes) (6)
1950-51	5.7	11.34	0.57	—	10.98	1.80
1955-56	6.1	18.92	0.69	—	19.72	5.40
1960-61	10.6	30.29	—	2.47	21.27	12.02
1961-62	10.1	27.14	—	3.61	25.87	10.26
1962-63	9.4	21.52	—	5.14	24.88	1.76
1963-64 ... ... (Upto 31-3-64)	..	23.14	—	0.96	9.68	..

Note : Figures for the 1963-64 season are provisional.

Exports rose from 2.5 lakh tonnes in 1960-61 to 5.1 lakh tonnes in 1962-63. Exports during November 1963-March 1964 are placed at 0.96 lakh tonnes, as against 1.55 lakh tonnes in the corresponding period of the previous year.

Prices of sugar which had shown a significant rise during 1962-63 were sought to be held in check by the imposition of controls over distribution and pricing of this commodity in April 1963. The subsequent rise in prices represents the increase in ex-factory prices allowed in November 1963.

With a view to achieving the target of 33 lakh tonnes of sugar production during 1963-64, the Government introduced the following Incentive Scheme : (i) factories in areas where the competition with *gur* and *khandsari* is intense and where the minimum price is less than Rs. 1.75 per maund should be authorised to pay a price of cane upto that amount and the price actually paid should be included in calculations of ex-factory prices, (ii) rebate in excise duty is allowed to the factories for additional production of sugar over that in 1961-62 at varying rates during the early, normal and later parts of the season, and (iii) the maximum permissible deduction from the price paid at the factory gate for road transport charges should be 12 nP., and the balance, subject to the existing maximum of 36 nP., is allowed to be included in ex-factory cost calculations. In short, it would mean an addition of upto 24 nP., per maund of cane to the price actually received by the cultivators through motor transport from a distance of 8 to 24 miles from the factory gate.

The State Governments have been empowered to regulate supplies of cane to the factories in the reserved areas. Considering the keen competition from *gur* and *khandsari* manufacturers for supplies of sugarcane the Government of India on December 12, 1963, as a temporary measure, allowed factories in East U.P. and North Bihar to pay the cane growers at an increased rate of Rs. 2/- per maund. As a compensation for growers in other areas, the Government decided to allow a general increase of 7 nP., per maund in the recovery formula so that the minimum price at the level of 9 per cent recovery or below would be Rs. 1.75 per maund of sugarcane; prices at other levels would be correspondingly increased.

INDUSTRIAL

Cotton Textiles

Trends in the output of cotton textiles (Table 10) show that, while the production of mill-made fabrics fell for the second year in succession, there was a significant addition to the output of fabrics in the decentralised sector; in the result, the overall supplies of fabrics, which

Table 10. Cotton Textiles

(Cloth in Million Metres) (Yarn in Million Kgs.)

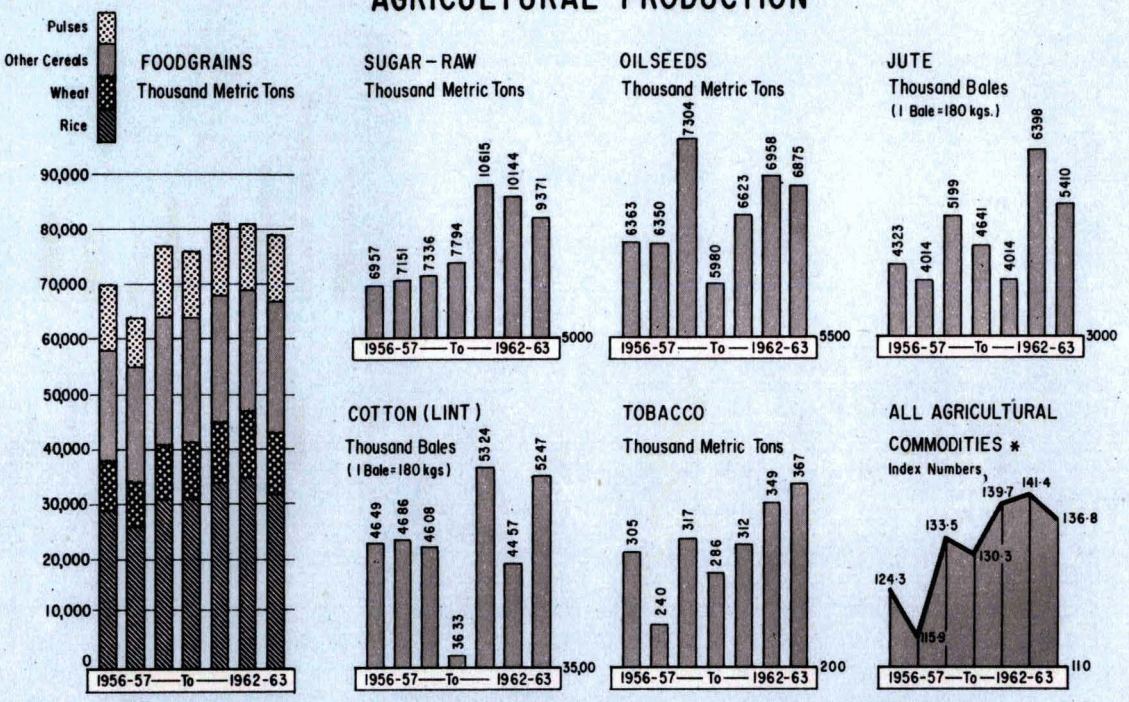
	Year	Production	Exports	Domestic Consumption	Year-end stocks (unsold)
	(1)	(2)	(3)	(4)	(5)
Coth-Mill Sector	1951	3727	..	3096*	..
	1956	4852	680	3818*	372
	1961	4694	522	4106*	291
	1962	4560	469	3852*	432
	1963	4423	486	4117*	186
Cloth-Decentralised Sector	1951	1013	..	..	..
	1956	1663	55	..	..
	1961	2372	26	..	..
	1962	2412	26	..	..
	1963	2876	33	..	..
Cloth-Total	1951	4740	753	3992**	..
	1956	6515	735	5847**	..
	1961	7066	548	6527**	..
	1962	6972	495	6478**	..
	1963	7299	519	6781**	..
Cotton Yarn-Mill Sector	1951	591	..	124*	..
	1956	758	..	200*	..
	1961	862	6.8	290*	7
	1962	860	10.4	295*	10
	1963	893	14.6	317*	9

* Represent deliveries for civil consumption. **Represent cloth available for home consumption, i.e., total cloth produced in the mill and decentralised sectors *plus* actual imports *minus* actual exports of cloth.

Source : Indian Textile Bulletin and Report of the Ministry of International Trade, 1963-64.

GRAPH 4

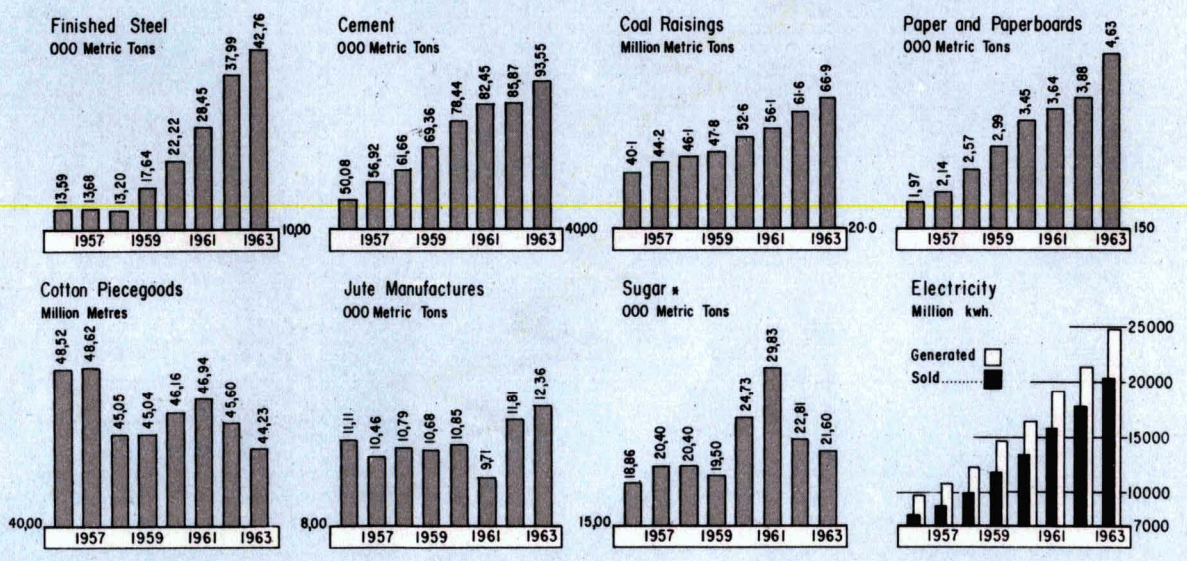
AGRICULTURAL PRODUCTION



* Base:— Agricultural year 1949-50=100. The indices for 1960-61 and 1961-62 are generally based on partially revised estimates while those for 1962-63 are generally based on final estimates. The indices for these years are, therefore, subject to revision.

GRAPH 5

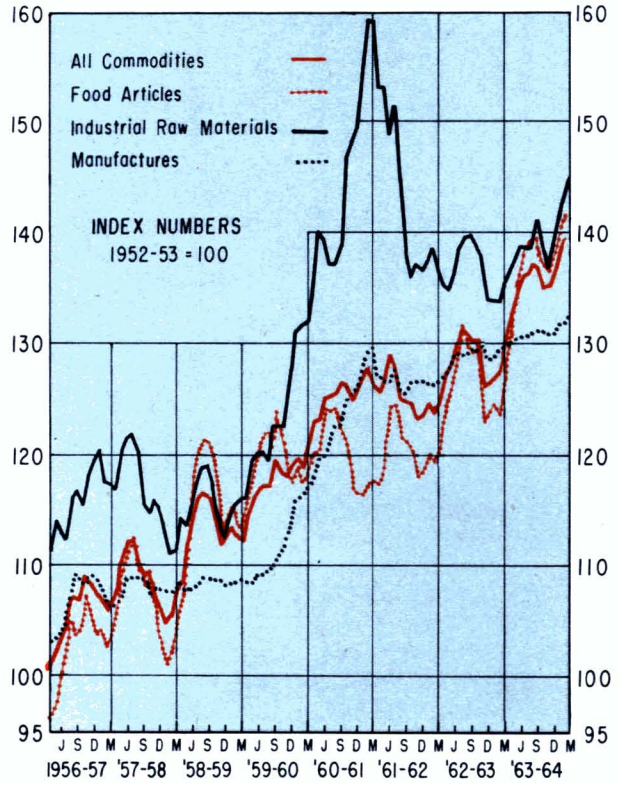
INDUSTRIAL PRODUCTION



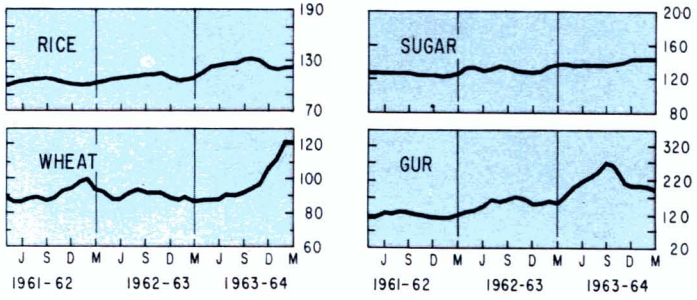
* Relates to crop year Nov. to Oct.

GRAPH 6

WHOLESALE PRICES

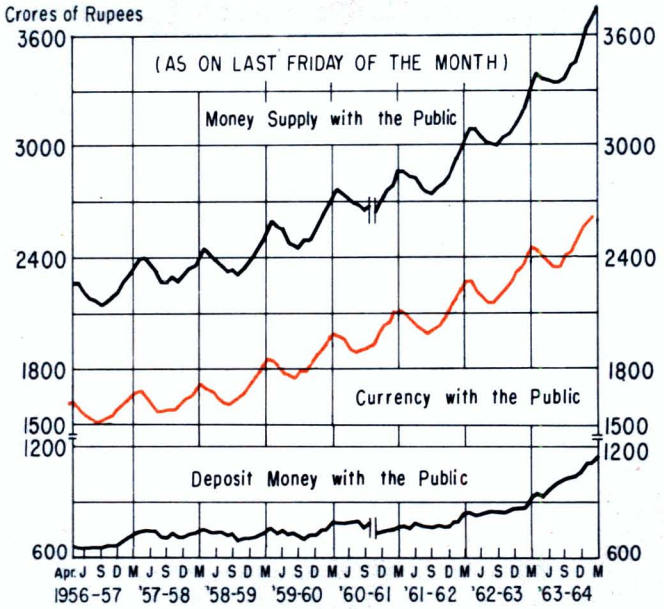


INDEX NUMBERS - IMPORTANT COMMODITIES - 1952-53 = 100

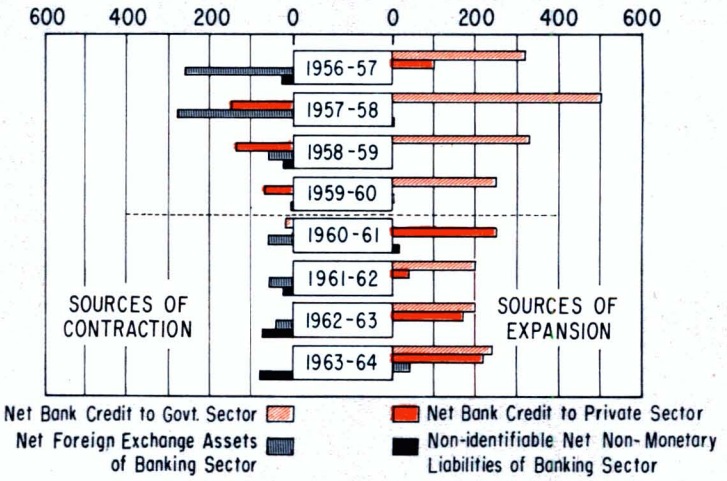


GRAPH 7

MONEY SUPPLY WITH THE PUBLIC



SOURCES OF VARIATIONS IN MONEY SUPPLY WITH THE PUBLIC



had fallen from 7,066 million metres in 1961 to 6,972 million metres in 1962, registered a welcome improvement to 7,299 million metres in 1963. On the one hand, the rapid growth of output in the decentralised sector during 1963 was partially aided by the increased availability of yarn and the rising price trend of handloom fabrics. On the other, the rising cost of production following higher prices of raw cotton and the continued expansion in the wage bill, coupled with voluntary price ceilings on the final product and the sluggish demand, both domestic and foreign, in 1962, would appear to have compelled mills to make a further cut in production during 1963. Category-wise, the drop in mill-made fabrics was confined to inferior varieties (lower and higher medium), while the outturn of fine and superfine varieties, in respect of which consumer demand has been growing steadily was larger than in 1962.

The improvement in the overall supply position of cotton cloth during 1963 was accompanied by a larger offtake both for exports and domestic consumption. Consequently, the heavy accumulation of stocks of unsold cloth with the mills (432 million metres) at the end of 1962 was reduced substantially to 186 million metres by the end of 1963. Exports of cotton textiles, which had suffered in the past few years recorded an improvement, both in terms of quantity and value in 1963 and in the early part of 1964. In terms of quantity, exports rose from 495 million metres in 1962 to 519 million metres in 1963; in the first quarter of 1964, at 117.4 million metres, they were 7 million metres larger than in the comparable period of 1963. In terms of value, earnings from textile exports showed an increase of Rs. 1.85 crores from Rs. 47.02 crores in 1962 to Rs. 48.87 crores in 1963.

An event of importance in the field of exports was the abolition of the scheme of compulsory exports of cotton textiles, with effect from January 1, 1964, since this scheme was reported to have placed the overseas buyer in a more favourable position. Another development on the export front was the agreement with Indonesia, signed in September 1963, for the export of cotton textiles amounting approximately to $ 2,187,000 against payment in raw cotton (to be delivered under U.S. P.L. 480) upto a certain amount and the balance in sterling.

The prices of cotton textiles rose modestly over the year, the index number of wholesale prices for cotton textiles advancing from 134.9 to 136.6; the price increase was largely confined to fabrics produced in the decentralised sector, the price index of which moved up from 146.5 to 149.7. The prices of mill-made fabrics, which are subject to voluntary price control under the agreement in force since September 1960, were allowed to rise slightly in view of the enhancement of excise duties on fine and superfine varieties of cloth in the 1964-65 budget. Under the Voluntary Price Regulation Agreement, the ex-mill prices are fixed by the Indian Cotton Mills Federation, which allows a fixed margin over the August 1959 prices to cover the increase in the cost of production. The margin between the ex-mill price and the retail price at present is fixed at 18 per cent. Under the agreement, the ex-mill price, retail price and the excise duty are stamped on each piece of cloth.

Government have constituted a committee headed by the Textile Commissioner to examine the procedures and methods presently followed regarding the stamping of prices on cotton fabrics and also to suggest any improvement in making the existing price control scheme more effective. To rationalise cloth prices, the Government have decided to step up the production of yarn of vital counts like 20s and 40s. Besides, a network of consumers co-operatives is being set up in the country to make cloth available at fair prices. Cloth would be supplied to the co-operatives at ex-mill prices. The Government have also advised the industry to increase the output of coarse and lower medium categories of cloth and to some extent of the higher medium category as well to meet the requirements of the common man.

Other noteworthy developments in the cotton textile industry included (i) the official decision to permit the installation of new looms and spindles in the organised mill sector and (ii) an enquiry into the cost of production of mills. In the context of declining trend in installed capacity, the Government decided in October 1963 to allow installation of additional looms and spindles in the mill sector. Composite mills have been allowed to expand their loomage and spindleage upto 10 per cent and 7.5 per cent, respectively, of their present licensed capacity, and the purely spinning mills upto $7\frac{1}{2}$ per cent of their licensed spinning capacity and to install 100 looms each. In addition, spinning mills having less than 25,000 spindles are being allowed to increase their capacity upto that level. Government have also indicated that the expansion in loomage capacity should be brought about by installation of automatic

looms. As regards the cost of production, in November 1962 the Government appointed a Committee under the Chairmanship of Dr. S. K. Muranjan to go into the question of cost reduction of cotton textiles in the mill sector. The Committee has submitted its Report, which is being studied by the Government.

Jute Textiles

For the jute industry, 1963 was a year of record production and exports. Jute mills, assured of plentiful supplies of the fibre and stimulated by the marked buoyancy in export demand, worked at near full capacity throughout the year and produced 12.88 lakh tonnes of jute goods, and so almost achieved the Third Plan target of 13 lakh tonnes for 1965-66. This impressive growth in output was also accompanied by a significant shift in the pattern of production in consonance with the change in the pattern of export demand. Thus, while the production@ of hessian and other goods went up from 483 thousand tonnes and 152 thousand tonnes, respectively, in 1962 to 529 thousand tonnes and 201 thousand tonnes in 1963, the output of sacking came down from 552 thousand tonnes in 1962 to 507 thousand tonnes in 1963.

Table 11. Jute Textiles

(Thousand Tonnes)

Year	Production	Exports	Year-end Stocks	Consumption*
	(1)	(2)	(3)	(4)
1951 ...	923.8	789.2	85.9	123.1
1956 ...	1154.7	876.8	97.2	196.5
1961 ...	1009.7	759.8	55.6	278.1
1962 ...	1236.0	868.0	82.8	303.0
1963 ...	1288.0	911.0	112.3	333.0

Note: Production figures represent estimates of all-India production, whereas figures of 'Stocks' and 'Consumption' relate to I.J.M.A. mills and 3 non-member mills.

* Figures represent despatches for internal consumption.

Source: (i) Monthly and Annual Summary of Jute and Gunny Statistics and (ii) Report of the Ministry of International Trade, 1963-64.

Exports of jute goods rose from 8.68 lakh tonnes in 1962 to 9.11 lakh tonnes in 1963, thus surpassing the Plan target (9 lakh tonnes). Export earnings from jute manufactures also went up by Rs. 10 crores to Rs. 160 crores in 1963. Increased burlap consumption in the U.S.A. was an important factor in the external demand for jute goods. Furthermore there was an addition to demand for Indian jute carpet-backing, the bulk of which is consumed by the tufted carpet industry in the U.S.A.

Domestic offtake of jute goods, which has been rising steadily in recent years under the impact of growing agricultural and industrial output, rose further during 1963. Despatches of jute goods for internal consumption, which had risen from 1,97,000 tonnes in 1956 to 2,78,000 tonnes in 1961, advanced further to 3,03,000 tonnes in 1962 and to 3,33,000 tonnes in 1963. The buoyancy in demand—domestic and export—failed to catch up with rising output and led to a further accumulation of stocks with mills. Stocks of jute goods at the end of December 1963 were placed at 1,12,000 tonnes against 83,000 tonnes at the end of December 1962; the increase in stocks was noticed in respect of hessian and carpet-backing, while those of sacking and other goods were more or less around the same level as in December 1962.

The spinning section of the industry has been almost fully modernised. Although provision has not been made for any substantial expansion in weaving capacity during the Third Plan period, licences for the installation of broad looms have been issued to help the industry to complete the work of modernisation and diversification of production. Licences for the installation of 2582 looms were issued during the year. To enable the industry to install broad looms for additional production of wide hessian, a self-financing scheme has been put into operation. It is reported that licences for the import of machinery to the tune of Rs. 5 crores have been granted so far under this scheme.

Mainly as a result of plentiful supplies of raw jute (which accounts for a major share of the cost of production) at reasonable prices, jute goods prices ruled easy throughout the year, the index number of wholesale prices for jute manufactures (base: 1952-53 = 100) recording a decline of 1.4 per cent from 100.1 to 98.7 over the year.

Two important developments in the jute industry during the year were (i) the publication of the Report of the Srivastava Committee set up in 1962 to recommend

@ Figures relate to the production of I. J. M. A. mills.

measures for increasing exports of jute manufactures, and (ii) the decision of the Indian Jute Mills Association to annul the Working Time Agreement from February 1, 1964. Among the important recommendations of the Srivastava Committee were (i) the creation of a Jute Development Board for the effective implementation of development programmes and to achieve a breakthrough in increasing jute yield and (ii) the establishment of jute Goods Buffer Stock Agency to minimize the fluctuations in raw jute and jute goods prices. The annulment of the Working Time Agreement recommended by this Committee has been given effect to. Under this Agreement which was first introduced in 1939, the IJMA had regulated the output of member mills by stipulating, from time to time, according to market conditions, the number of looms that should be run and the number of hours that should be worked in a week by the member mills. The decision to annul the Agreement reflects the confidence of the industry in the long-term prospects of a steadily increasing demand for jute goods under the impact of growing industrial and agricultural activity in major countries of Europe and America.

Woollen Textiles

Production of woollen textiles, which has been increasingly geared since the Emergency to meet the growing defence requirements, registered a smart improvement during 1963. The index of the output of woollen textiles (base: 1956 = 100) advanced by 19.6 per cent to 165.6 in 1963 on top of a rise of 29 per cent in 1962. In terms of physical quantities, the production of woollen/worsted yarn rose by 4.7 million kgs. to 22.7 million kgs.; at this level it was only 1 million kgs. below the Third Plan target of 23.6 million kgs. to be realised in 1965-66. Production of woollen/worsted fabrics maintained a rising trend, advancing by 3.3 million metres to 18.1 million metres as against a rise of 2.8 million metres in 1962 (Table 12). Even at this level, the output is considerably below the Plan target of 32 million metres. The improvement in output was facilitated partly by the conversion of certain purely spinning mills into composite mills and partly by larger imports of raw materials. At the end of 1963, there were 44 composite and 28 spinning mills as against 34 composite and 38 spinning mills at the beginning of 1963.

Table 12. Woollen Textiles

(Yarn in Million Kgs.)
(Fabrics in Million Metres)

	Year	Production (1)	Exports* (2)
Woollen/worsted yarn	1951	7.7	—
	1956	11.6	—
	1961	14.8	—
	1962	18.0	—
	1963	22.7	—
Woollen/worsted fabrics** ...	1951	11.1	..
...	1956	14.9	—
...	1961	12.0	0.2
	1962	14.8	0.4
	1963	18.1	1.0@

*Figures relate to the financial year, i.e., 1951 figure relates to 1951-52 and so on. @Figure relates to the first 9 months of 1963-64 (April to December). **Production figures exclude production of independent power-loom factories from 1961 onwards. For 1963, production figure also excludes production of non-wearable woollen/-worsted fabrics.

Source : Indian Textile Bulletin.

Since very little Indian wool is used for production of woollen textiles due to its unsuitability for manufacturing certain types of fabrics, a more rapid expansion in output is conditioned by the imports of foreign wool; but the scope for expansion of such imports is limited by the availability of foreign exchange. Government have, therefore, urged the industry to export more and more woollen fabrics to meet its own foreign exchange requirements.

It may be recalled that following the Emergency and in view of a substantial rise in defence requirements of woollen textiles, the Government of India had taken powers in November 1962, in terms of the Woollen Textiles (Production and Distribution Control) Order, to regulate the production and distribution of wool tops, woollen cloth and yarn. As the defence needs have apparently been met in full, the Government is reported to have recently asked the woollen industry to switch back its entire capacity to the pre-Emergency production pattern. Foreign exchange to the tune of Rs. 3 crores has also been released for import of wool to meet the civilian needs.

Exports of woolen/worsted goods, though small, trebled to 1.0 million metres in the first 9 months of 1963-64 against 0.3 million metres in the first 9 months of 1962-63, and in terms of value they rose from Rs. 4.8 crores in 1962 to Rs. 7.6 crores in 1963. Imports of raw wool,

wool tops and shoddy wool during the calendar year 1963 amounted to Rs. 16.3 crores against Rs. 12.0 crores in 1962. Thus, the industry was able to finance a substantial part of the additional import requirements during 1963 through enhanced exports of woollen textiles.

The marked expansion in output and increased offtake of woollen goods was accompanied by a sharp rise in the prices of woollen fabrics. In fact, expansion in output of certain varieties did not catch up with the growing demand, and resulted in an upward thrust to prices. The index number of wholesale prices of woollen textiles (base: 1952-53 = 100) advanced from 125.4 for the week ended March 31, 1962 to 142.4 for the week ended March 30, 1963 and to 162.4 for the week ended March 28, 1964—an increase of 14.0 per cent during 1963-64 on top of a rise of 13.6 per cent in 1962-63. The enhanced import and excise duties on woollen yarn and fabrics, particularly the 10 per cent general surcharge on imports, were also responsible for the price increase. In order to minimise the pressure on prices in the context of the added pull of the defence sector on demand and the scarcity of the raw material, the Government of India decided to import more good quality combed tops and raw wool from abroad. As a long term solution to relieve the scarcity of raw material, it is proposed to establish sheep breeding stations in the country. For improving the breed of Indian sheep and the quality of Indian wool, a research institute has been set up at Jaipur and a similar institute is also proposed to be set up at Bombay.

Coal

Following the Emergency, the coal industry began to work seven days a week; consequently, the output of coal rose appreciably from 61.6 million tonnes in 1962 to 66.9 million tonnes in 1963, showing a rise of 8.7 per cent over the year. The increase in output was largely confined to inferior grades of coal.

Table 13. Coal

(Million Tonnes)

Year	Production (1)	Year-end Stocks (at pit-heads) (2)
1951	34.9	..
1956	40.1	2.8
1961	56.1	3.3
1962	61.6	3.5
1963	66.9	4.7

The larger availability of supplies was also accompanied by an easing of the transport situation so that it was no longer a limiting factor in the availability of coal; in the result, the industry was able to meet fully the consumer demand for coal. Total despatches of coal during 1963 (59.0 million tonnes) were substantially higher than those in 1962 (54.9 million tonnes). Exports of coal during 1963 at about 1.1 million tonnes were, however, marginally lower than in 1962. The overall easiness in the supply position may also be attributed to the fact that the growth in demand was not upto earlier expectations, and did not keep pace with the rise in production. There was in fact a considerable scaling down of demand by the railways and other major public sector consumers. The demand from defence industries was also going down on account of the use of alternative sources of fuel and power, such as diesel oil and furnace oil. As a result, pit-head stocks of the lowest quality coal increased due to the slackening of demand for this type of coal.

Although overall supplies were in excess of demand, shortages of selected grades of superior coal continued to persist. With a view to conserving the limited reserves of superior grade coal, the Government adopted the following measures: (i) stowing in coal mines, (ii) washing of inferior grade coal, particularly coking coal to improve the quality, (iii) protective measures for safety of coal mines and, in particular, for removing the threat of danger to collieries from fires and floods and regulation of methods of working in coal mines, (iv) classification of coal under various grades, (v) blending of coking coal in the mixture for coke oven plants to reduce correspondingly the consumption of good coking coal; and (vi) conducting studies on the development of technological improvements in the use of coke in steel plants.

In August 1961, the IBRD had agreed to provide the Government of India with a loan of $ 35 million (Rs. 17 crores) to be utilised for import of equipment for the private sector of the coal industry during the Third Plan. The loan is expected to be utilised before September 1965. With a view to assisting the industry to secure the necessary matching rupee finance against this loan, a scheme was introduced in April 1963 for giving a partial guarantee for advances granted by credit institutions to colliery undertakings in the private sector. This scheme is intended to enlarge the supply of institutional credit to the coal industry by granting a substantial degree of protection to

lending institutions against possible losses. Moreover, as an incentive to the coal industry for making further investments in the field, the development tax rebate was raised from 20 per cent to 35 per cent in the case of new mining machinery installed between 1963-64 and 1965-66. Further, the import duty on certain items of equipment and machinery was also reduced. As regards exports of coal, India entered into a three-year trade agreement with Burma on April 28, 1964 for supplying 288,000 tons of coal each year to Burma.

During 1963, coal prices were enhanced on three occasions following wage awards which had to be implemented by the industry with effect from certain specified dates. The first increase in coal prices by 80 nP. per tonne was made with effect from March 1, 1963, when the price of hard and soft coke was also raised by Rs. 1.07 per tonne and cokeries producing by-products of hard coke were given a further increase of 60 nP. per tonne. The second increase of 49 nP. per tonne was sanctioned on April 1, 1963 and the third increase of 6 nP. per tonne with effect from June 1, 1963. Further, in March 1964, the Government granted an increase in the price of high quality coal as an incentive to higher production. Accordingly, a price increase of Rs. 1.25 per tonne was allowed for non-coking coals of selected 'A' and 'B' grades in West Bengal and Bihar and selected grades in the outlying fields. In view of the comfortable supply position, the Government decided towards the end of February 1964 to remove all controls on the consumption of coal and to discontinue any subsidy for the use of furnace oil.

Iron Ore

With the continued broadening of demand, both internal and external, the output of iron ore increased from 13.19 million tonnes in 1962 to 14.77 million tonnes in 1963.

Exports of iron ore, which had been rising continuously, recorded a marked rise during 1963-64. In terms of quantity, exports rose from 38 lakh tonnes in 1962-63 to 99 lakh tonnes in 1963-64 and in terms of value from Rs. 20 crores to Rs. 36 crores. A substantial part of the increase in exports was on account of the inclusion of exports from Goa for 1963-64. The Government proposes to step up the export of iron ore from the present level to 30 million tonnes by 1972. This would represent an increase of 14 million tonnes over the Third Plan target. A proposal is also under consideration to constitute an Inter-Ministry Board for co-ordinating the various programmes necessary to accomplish this export target. This iron ore export development programme would involve an outlay of Rs. 250 to Rs. 300 crores.

Table 14. Iron Ore

(Thousand Tonnes)

Year	Production	Exports		Year-end Stocks
		Quantity	Value (Rs. lakhs)	
	(1)	(2)	(3)	(4)
1956 ...	4316	1828	931	1540
1961 ...	12276	3316	1745	3432
1962 ...	13186	3797	1983	2516
1963 ...	14770	9868	3638	2089

Note: Exports relate to the financial year, i.e., 1956 figure relates to 1956-57 and so on.

Source: Monthly statistics of the Foreign Trade of India.

Manganese Ore

In recent years, there has been a persistent slowing down in the mining of manganese ore due mainly to the continued slump in the international markets. The output of manganese ore, which had been cut down from 12.33 lakh tonnes in 1961-62 to 11.80 lakh tonnes in 1962-63, is expected to show a further fall during 1963-64. For the first nine months of 1963-64 (April-December 1963), the quantity of ore mined aggregated 7.50 lakh tonnes, as compared to 8.83 lakh tonnes in the corresponding period of the previous year. Partly as a sequel to the slump in international markets and mainly because of the switching over by the American steel manufacturers—who were India's principal buyers—to Brazilian ore, Indian exports of manganese ore slumped heavily from 16.2 lakh tonnes in 1957-58 to 7.5 lakh tonnes in 1962-63. Besides the U.S., which is attracted towards the Brazilian ore because of its higher ore content and the relatively lower transportation costs between the mines and the consuming centres, there has been an increasing switch-over of demand from the U.K., France and East European countries as well. The U.K. and France have been tapping the ore from equatorial Africa in a big way, and have cut down production costs by intensive and efficient mechanization. East European countries are increasingly tending towards the U.S.S.R., which possesses the largest and one of the richest manganese ore deposits in the world with an ore content of 68 per cent as against the Indian ore content of 48 per cent (high grade) and 30 to 32 per

Table 15. Manganese Ore

Year	Production ('000 tonnes) (1)	Exports	
		Quantity ('000 tonnes) (2)	Value (Rs. lakhs) (3)
1961-62 ...	1,233	965	1,042
1962-63 ...	1,180	750	788
1963-64* ...	750*	954@	826@

* April-December 1963 @ Includes exports from Goa also.

Source: Monthly Statistics of the Foreign Trade of India and Annual Report of the Ministry of Steel, Mines and Heavy Engineering.

cent (low grade). Another factor responsible for the drop in exports of Indian ore is that the prices of Indian ore are somewhat higher than the international price. No doubt, because of the fall in demand, internal prices of ore fell appreciably (by 11.4 per cent) over the year 1963-64, with the wholesale price index receding from 78.1 to 69.2. Even so, they were out of parity with the international quotations. Consequently, the prospects of an improvement in demand would depend to a great extent on a cutting down of internal prices to parity with the international level.

Mica

Mica is one of the important mineral products exported from India, our exports accounting for about 80 per cent of the total world offtake. Indian mica is of very good quality and most of the output is exported mainly to the U.K., U.S., West Germany, Japan, France, Norway, the Netherlands, Italy and the U.S.S.R. In recent years, the volume of mica exports has risen considerably but the value of exports has not increased proportionately due to competition among exporters. The index number of wholesale prices for mica (base: 1952-53 = 100) at 113.6 for the week ended March 28, 1964, represents a rise of 14.3 per cent over the year.

Table 16. Mica

Year	Production (crude)	Exports	
	(in tonnes) (1)	Quantity (lakh kgs.) (2)	Value (Rs. lakhs) (3)
1956-57 ...	28,488	208	877
1961-62 ...	28,200	283	966
1962-63 ...	28,224	342	1,036
1963-64 ...	24,780	297	920

Note: Production relates to calendar year.

Source: Monthly statistics of the Foreign Trade of India.

Cement

With the cement industry working to near full capacity since the declaration of the Emergency, the production of cement registered a smart rise from 85.9 lakh tonnes in 1962 to 93.6 lakh tonnes in 1963, showing a rate of growth of 9.0 per cent during 1963, as compared to 4.5 per cent in 1962. The improvement in output was also aided, among others, by additions to installed capacity which rose over the year from 9.7 million tonnes to 10.0 million tonnes, and the incentive scheme under which a cement producer raising production in 1963 above the highest level achieved by him during the previous three years was eligible for an extra payment ranging from Rs. 2.50 to Rs. 5.00 per tonne on the additional production.

Table 17. Cement

(Thousand Tonnes)

Year	Installed capacity (1)	Production (2)	Year-end stocks (3)
1951 ...	3613	3252	..
1956 ...	5795	5004	110
1961 ...	9474	8245	169
1962 ...	9728	8587	148
1963 ...	10006	9355	122

Despite the increase in output, the demand for cement reinforced by the added requirements of the defence sector, continued to be in excess of the supply, and the difficulty experienced in procuring essential plant and equipment was a major bottleneck for a more rapid expansion of the industry to catch up with the demand. However, a relieving feature was the improvement in the utilisation of installed capacity, which was rendered possible with the increased availability of coal and railway wagons both for supply of raw materials and despatch of finished product. The expansion of cement output is currently limited to the availability of indigenous equipment. The capacity of the industry is expected to rise by more than a third in the next two years. The cement machinery manufacturing industry can now produce about 10 standard cement plants of 200,000 tonnes each year. The Central Government is also examining a proposal to set up a Cement Corporation in the public sector to ensure the speedy growth of the cement industry. On June 1, 1963, the Government

announced an increase of Rs. 3.75 per tonne in cement prices, the selling price of unpacked cement being refixed at Rs. 97.75 per tonne.

Pig Iron & Ferro Alloys

Production of pig iron and ferro alloys, which had shown a rise of 14.9 per cent in 1962, recorded a further rise of 15.3 per cent from 5.8 million tonnes in 1962 to 6.7 million tonnes in 1963.

Table 18. Pig Iron and Ferro-Alloys

(Thousand Tonnes)

Year	Production (1)	Stocks (producers) (2)
1951 ...	1860	..
1956 ...	1992	44
1961 ...	5089	29
1962 ...	5845	..
1963 ...	6738	75 (Jan. 1964)

Note: Production relates to the calendar year and stocks as at the end of the financial year, i. e. 1956 figure relates to end March 1957 and so on.

The Third Plan had earmarked 0.5 million tonnes of saleable pig iron for production in the private sector and an annual capacity of 515,000 tonnes (including 4 units of 100,000 tonnes each) had already been booked for the production of pig iron in the private sector. But the progress in the establishment of new units in the private sector has been slow, because the production process using coking coal in a small furnace has not proved to be economic and because none of the direct production processes using non-metallurgical coal has proved to be sufficiently attractive to private industrialists. Taking these considerations into account the Government decided to sanction schemes for the production of pig iron in the private sector upto a capacity of 300,000 tonnes per annum only. This is in addition to the substantial expansion programme of 1.2 lakh tonnes of pig iron per annum of the Mysore Iron and Steel Company and a capacity of 120.000 tonnes per annum booked by the Government for the manufacture of sponge iron.

Although the supply of pig iron to foundries was stepped up, it was not sufficient to meet the increased demand. With a view to bridging the gap between demand and supply, arrangements were made for the import of small quantities of pig iron. In order to solve the problem of pig iron shortage, the Government announced a number of proposals in November 1963. These include the establishment of separate furnaces for pig iron in the public sector (to supplement the private sector), the import of 1.50 lakh tonnes of pig iron from the Soviet Union and the setting up of continuous casting units in several parts of the country. A revised scheme of distribution of pig iron was introduced during 1963-64. Specific allocations were made for certain purposes like railway sleeper manufacture, spun pipe industry, etc.

Finished Steel

Production of finished steel rose from 3.8 million tonnes in 1962 to 4.3 million tonnes in 1963 and practically touched the full rated capacity of the existing steel plants. Any further substantial increase in output is possible only when the Third Plan schemes come into operation. The Third Plan has envisaged a target of 7.5 million tonnes of installed capacity and 6.9 million tonnes of production for 1965-66. The equipment for the expansion programmes of the public sector steel plants, which include the establishment of a Plant at Durgapur and conversion of the Mysore Iron and Steel Works for the production of 74,000 tonnes of Special Steels has already been ordered; a company has been formed for the implementation of the Bokaro project. The arrangements for financing the expansion programmes of the private sector units are under consideration.

Table 19. Finished Steel

(Thousand Tonnes)

Year	Production (1)	Stocks (2)
1951 ...	1092	..
1956 ...	1356	115
1961 ...	2845	183
1962 ...	3797	205
1963 ...	4265	144 (Jan. 1964)

Note: Production relates to the calendar year and stocks as at the end of the financial year, i.e. 1956 figure relates to end March 1957 and so on.

The schemes covered by external assistance so far are expected to result in the establishment of 50,000 tonnes of capacity by the last year of the Third Plan and of 75.000 tonnes of capicity by 1967-68 but progress in this field has been somewhat slow.

Even with production at full capacity, domestic output was inadequate in relation to domestic demand, which is estimated to have risen from 5.1 million tonnes in 1962-63 to 5.6 million tonnes in 1963-64. Shortages were particularly marked in certain categories of steel, namely, flat products and special steels which were made good through larger imports. Imports of steel plates were arranged from the U.K., Austria and Holland by utilising the credit provided by these countries. With the increased availability of steel in East European countries with whom India has rupee payment agreements and larger provisions for import of steel under Trade Plans, imports from these countries also increased during 1963. In 1963-64, total imports of steel are likely to be somewhat higher than in the previous year when they amounted to 9 lakh tonnes. Taking into account the imports, the total supplies of finished steel at 5.4 million tonnes were close to the estimated demand.

It is proposed to meet the requirements for plants and equipment for construction of iron and steel works for the Fourth Plan period from indigenous sources to the extent possible. Advance action to develop indigenous capacity and to introduce standardisation is being initiated. Studies for meeting the requirements in respect of raw materials and transport for the additional capacity in the Fourth Plan period are also in progress.

In view of the increases in the cost of production due to enhanced royalty on iron ore, limestone and other minerals, the statutory increase in the price of coal and railway freight, incidence of War Risks Insurance premium etc., the Government, in June 1963, announced increases in the retention prices of steel and pig iron from Rs. 522.50 and Rs. 202 per tonne, respectively, to Rs. 550.50 and Rs. 212 per tonne. Following this, the statutory sale prices of steel were increased, on an average, by Rs. 10 per tonne with effect from July 1, 1963, and the selling price of pig iron was increased from January 1, 1964 uniformly by Rs. 30 per tonne for all grades. With effect from March 1, 1964, Government have withdrawn the price control on all categories of iron and steel other than pig iron, billets, tin bars and flat products. In pursuance of the recommendations of the Raj Committee, revised sale-cum-retention prices were notified in respect of flat products, billets, tin bars and pig iron, with effect from March 1, 1964. A Joint Plant Committee has been set up to plan production and to settle rolling programmes in the light of broad priorities indicated by the Government. This Committee will also be responsible for fixing producers' prices subject to the approval of the Government. In respect of decontrolled categories including special steel, the Committee is free to fix the sale-cum-retention prices.

Paper and Paper Boards

During 1963, the performance of the paper and paper boards industry was distinctly better, with output rising to 4.63 lakh tonnes from 3.88 lakh tonnes, or by 19.3 per cent as against 6.6 per cent in 1962. The faster rate of growth in output was brought about by sizeable additions to capacity as well as through more effective utilisation of the existing capacity. Capacity utilisation rose from 89 per cent in 1962 to 98 per cent in 1963.

Table 20. Paper and Paper Boards

(Thousand Tonnes)

Year	Production (1)	Stocks (2)
1951 ...	134	..
1956 ...	196	12
1961 ...	364	17
1962 ...	388	16
1963 ...	463	26

Seven new units with a total capacity of 48,350 tonnes commenced production during the year. According to present indications, the total installed capacity in the industry and the output are expected to rise to about 6.80 lakh tonnes and 5.80 lakh tonnes, respectively, by 1965-66. Production in that year would, however, still fall short of the Plan target of 7.11 lakh tonnes. The implementation of the licensed schemes has been rather slow due to shortage of foreign exchange. A Technical Committee has been set up to examine the problems facing the industry and recommend schemes for increasing production in the existing units.

As regards newsprint, it is proposed to expand the production capacity of NEPA Mill from 30,000 tonnes per year to 75,000 tonnes to facilitate the attainment of the production target of 120,000 tonnes envisaged for the Third Plan. Besides, licences have been issued to two private units for a total capacity of 90,000 tonnes of newsprint per year.

Official data on prices are available only in respect of "paper and newsprint". The index number of wholesale prices (base: 1952-53 = 100) for this item, which had risen by 4.0 per cent from 108.1 in March 1962 to 112.4 in March 1963, moved up marginally by 0.3 per cent to 112.7 in March 1964. From December 16, 1963, Government removed the price control on paper board in order to facilitate a more rapid growth of this industry.

Rubber Manufactures

Consequent on fast expansion in installed capacity as well as diversification of production, the output of rubber goods has increased rapidly in recent years. The annual index of rubber goods output (base : 1956 = 100), which had risen from 157.4 in 1961 to 169.4 in 1962, spurted up to 186.9 in 1963, showing a rate of growth of 10.3 per cent as compared to 7.6 per cent in 1962 and 11.4 per cent in 1961. The overall increase in output during 1963 was shared by almost all major items of rubber goods, with the exception of rubber footwear where the output suffered a noticeable decline; this was, however, more than made good by the increase in leather footwear.

Table 21. Rubber Products

Year	Tyres (Automobile) (in thousands)		Tubes (Automobile) (in thousands)		Tubes (Cycle) (in thousands)		Footwear (Rubber) (lakh pairs)	
	Production	Year-end Stocks	Production	Year-end Stocks	Production	Year-end Stocks	Production	Year-end Stocks
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1951	870	--	821	--	6327	--	230	--
1956	938	22.8	918	30.2	6373	289.8	361	52.7
1961	1562	27.1	1484	36.7	12848	398.5	451	59.4
1962	1710	29.9	1643	37.7	11562	536.3	498	64.3
1963	1926	38.4	2029	36.0	14186	259.3	466	55.8

Arrangements are being made for establishing sufficient capacity for the indigenous manufacture of the chief raw materials of the industry. The capacity already licensed for the manufacture of important items is expected to be ready for utilisation in a year or two.

Natural rubber was one of the 16 commodities the prices of which were decontrolled in December 1963. The impact of the decontrol was noticed in the case of the prices of tyres and tubes (both cycles and motor cars); prices of these commodities, which had risen by 8.6 per cent between end-March and mid-December 1963, rose by another 5.9 per cent following the decontrol upto end-March 1964. On the other hand, the prices of natural rubber and rubber footwear ruled almost stationary throughout the year.

Engineering and Metallurgical Industries

There was a faster rate of growth of output in a number of items, comprising mechanical (light and heavy) and electrical engineering groups during 1963. The performance of the metallurgical industries was also satisfactory. The progress in *light mechanical engineering industries* is attributable to better utilisation of capacity and coming into production of some new units. In this group, notable progress was made in important items except duplicators and sewing machines.

Table 22. Light Mechanical Engineering Industries

Items	Production during 1962 (1)	Production during 1963 (2)
Ball Bearings (Million Nos.) ...	3.9	5.0
Typewriters ('000 Nos.) ...	36.3	42.4
Conveyor Beltings (Tonnes) ...	973	1578@
Zip Fasteners (Kilometres) ...	2857	3310@
Crown Corks (Million Nos.)	693.3	768.6
Bicycles (complete) ('000 Nos.)	1116	1184
Sewing Machines (Lakh Nos.)	3.43	3.38
Duplicators (Nos.)	4692	4550

@ Estimated output.

The current level of output of some of the items, such as typewriters, bicycles and sewing machines is, however, considerably behind the production target set for the Third Plan.

The manufacturing of data processing equipment, comprising collators, sorters, accounting machines and calculating punches was started for the first time in July 1963. However, the output of some items, such as beltings, incandescent lamps, steel belt lacing, stoves, clocks and hurricane lanterns showed a fall, mainly due to insufficient demand and scarce supplies of indigenous raw materials for certain products.

In respect of *heavy mechanical industries*, there was an increase in output in almost all branches of industrial machinery and particularly in chemical and pharmaceutical machinery (where production in terms of value is expected to increase from Rs. 458 lakhs in 1962 to Rs. 535 lakhs in 1963), paper and pulp machinery (from Rs. 86 lakhs to Rs. 120 lakhs), and conveyors (from Rs. 85 lakhs to Rs. 150 lakhs). Similarly, wire ropes, steel structurals, steel pipes and tubes, complete machine tools, grinding wheels, trust drills, hacksaw blades, mobile cranes and industrial trucks also registered increases in production. M.A.N. multi-cylinder diesel engines, variable speed motors, universal motors, welding generators and wire cloth for paper machinery were produced for the first time in the country during 1963. There are certain items like sugar mill machinery and cement machinery where the capacity established, and in sight, is considered to be adequate in the foreseeable future. The level of output in 1963 in these items was about the same as in 1962. The capacity established in the textile machinery, however, was not adequate to meet the requirements of the industry and one of the reasons for the relatively low production was shortage of foreign exchange for the import of components.

The output of power driven pumps, diesel engines, machine tools, railway wagons and road rollers showed a further substantial improvement during 1963; in fact, the output in respect of power driven pumps, diesel engines and road rollers touched the Third Plan targets in the third year itself.

Under automobiles where the production was geared to meet increased defence requirements, while there was a decline in production of passenger cars, production of commercial vehicles and jeeps increased slightly during 1963. The slowing down in the manufacture of cars was due to a cut in the allotment of foreign exchange for the import of essential components.

Table 23. Heavy Mechanical Engineering Industries

(000' Nos.)

ITEMS	PRODUCTION DURING	
	1962 (1)	1963 (2)
Automobiles		
(i) Passenger cars	23.3	15.7
(ii) Commercial vehicles ...	26.0	27.5
(iii) Jeeps and station wagons	7.6	8.1
Power driven pumps	128	150
Diesel engines	50	65
Road rollers	0.6	0.9
Machine tools (value-million rupees)...	118.2	179.9
Railway wagons	13.9	18.9

In the *electrical engineering group*, further increases in production were recorded during the year in items noted in Table 24. This improvement in production was made possible by the implementation of expansion schemes in respect of several items.

Table 24. Electrical Engineering Industries

Items	PRODUCTION DURING	
	1962 (1)	1963 (2)
Electric lamps		
(i) G.L.S. & others (million Nos.)...	55.4	66.7
(ii) Fluorescent tubes ,, ...	3.2	3.6
(iii) Miniature lamps ,, ...	26.9	37.2
Radio Receivers ('000 Nos.) ...	349	419
Storage Batteries ('000 Nos.) ...	564	689
Dry Batteries (in million cells) ...	239	276
Domestic Refrigerators (000' Nos.)...	13	21
Power Transformers (million k.v.a.)...	2.36	2.64
Electric Motors ('000 H.P.) ...	982.8	1182.9
Electric Fans ('000 Nos.) ...	1142	1143

The performance of electric lamps and storage and dry batteries, as judged from a comparison of the present level of production with the Third Plan targets, was satisfactory, while the performance in respect of radio receivers and domestic refrigerators was somewhat slow.

Bare-copper conductors, which had shown a decline in 1962, recorded a further decline in output owing to the switch-over from bare-copper conductors to aluminium conductors in order to save foreign exchange spent on import of copper. The production of room air-conditioners also declined due to a drastic cut in the foreign exchange allocation for import of raw materials and components.

Among the important *metallurgical industries*, the output of virgin aluminium registered a marked improvement from 35,459 tonnes in 1962 to 53,886 tonnes in 1963, which facilitated the discontinuance of imports of commercial grade aluminium; output, in fact, touched capacity production. However, in view of the inadequate smelting capacity, a considerable portion of the demand for electrical grade aluminium had to be met by imports. Steps are being taken to expedite the smelting projects planned at Koyana (Maharashtra), Sharawathy (Mysore) and Kobra (Madhya Pradesh).

Among other metals, while the output of copper ruled almost stationary, that of lead showed a sizeable expansion. However, the utilisation of installed capacity was rather poor in respect of both these items.

Table 25. Metallurgical Industries

(Thousand Tonnes)

	PRODUCTION OF VIRGIN METAL DURING	
	1962 (1)	1963 (2)
Aluminium	35.5	53.9
Copper	9.8	9.6
Lead	2.8	3.5

Chemical

The year 1963 witnessed a rapid growth in the output of chemicals and chemical products; the index of production for this group advanced by 22.6 per cent as compared to only 5.9 per cent in 1962 and 16.4 per cent in 1961. The rapid growth in this group of industries was the combined result of substantial additions to capacity in a number of units as well as increased utilisation of existing capacity. The output of all the important items in chemical industries showed noticeable improvement in 1963. Though the output of caustic soda has risen substantially, the present level of production is inadequate to meet the demand from various industries. The general shortage of caustic soda is one of the factors holding down the expansion of the soap industry which showed only a marginal improvement in production during the last three years. With a view to giving a further impetus to the growth of chemical industries, the Government removed price controls with effect from December 16, 1963, on many chemicals, such as caustic soda, soda ash, hydrochloric acid, chlorine, calcium carbide, bleaching powder, chilean nitrate, muriate of potash, sulphate of potash and washing soap. (Table 26)

Following the decontrol, prices of chemicals and chemical products were marked up. The wholesale price index (base: 1952-53 = 100) of caustic soda (solid) shot up from 113.8 on December 14, 1963 to 125.6 on February 1, 1964 and further to 143.8 on March 7, 1964, showing a rise of 26.4 per cent over the period. The price index of soap moved up slightly by 1.5 per cent from 136.1 on December 14, 1963, to 138.2 on December 28, 1963, and remained unchanged at that level. The index for chemicals as a group also moved up by 2.2 per cent from 117.8 on December 14, 1963 to 120.4 on March 28, 1964.

Gold and Silver

The domestic output of gold, which had risen by 212 kgs. to 5080 kgs. in 1962, declined to 4304* kgs. in 1963. Silver production also recorded a decline from 4315 kgs. in 1962 to 3978* kgs. in 1963.

As the ban on forward trading in both gold and silver continued during 1963-64, trading was confined only to spot. The firmness in the *gold market* noticed towards the close of the preceding year continued generally upto mid-May mainly due to seasonal pressure of demand. There was a brief spell of easiness in the latter half of May, followed by a recovery later upto the tightening of the Gold Control Rules on June 24. The amended Rules prohibited, among others, the production by any refinery of primary gold of a purity more than 14 carats. Immediately following the announce-

* Provisional

Table 26. Major Chemicals and Chemical Products

(Thousand Tonnes)

Year	Sulphuric Acid		Caustic Soda		Paints and Varnishes	
	Production	Year-end Stocks	Production	Year-end Stocks	Production	Year-end Stocks
	(1)	(2)	(3)	(4)	(5)	(6)
1951 ...	109	..	15	..	34	..
1956 ...	168	7	40	1	42	2
1961 ...	422	14	120	4	59	6
1962 ...	468	24	126	3	64	4
1963 ...	568	23	152	3	69(*a*)	6

Nitrogenous Fertilisers		Phosphatic Fertilisers		Soda Ash		Soap (*b*)	
Production	Year end Stocks	Production	Year-end Stocks	Production	Year-end Stocks	Production	Year-end Stocks
(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
54	..	62	..	48	.	85	..
395	1	82	5	88	2	112	7
395	40	372	47	177	23	149	6
418	49	445	70	223	12	150	6
443	14	579	69	267	3	158	5

(*a*) Data of certain units are not included from January to May 1963; (*b*) Figures relate to production of organised sector;

ment of the amendment, dealer-to-dealer transactions came to a virtual standstill. Only unofficial quotations for 14 carat gold were available during the period June 28—August 28, and these quotations were not comparable to the earlier quotations for 22 carat gold; prices fluctuated during this period within a narrow range. Since August 28, when the official quotations for 14 carat gold became available, the market remained subdued upto mid-November generally due to lack of demand. The introduction of the Gold Control Bill in Parliament on November 26, 1963 appeared to have had no impact on market sentiment. Since mid-November, prices firmed up to reach a new high at end-January 1964. The firmness was attributed, apart from seasonal influences, to the reported decline in the arrival of smuggled gold due to stricter vigilance of the Customs authorities and cornering of the metal by interested parties on expectations that Government might take action to unearth unaccounted money. Later, there was an easing of the supply position and although prices moved both ways, the trend was downwards due to growing stringency in the money markets.

The spot rate for gold advanced from Rs. 97 (per 10 grammes) at end-March 1963 to Rs. 118—the highest for the year—on May 11 and, after a modest reaction to Rs. 111.00 by end-May, closed at Rs. 112 on June 22, i.e. just before the announcement of tightening of Gold Control Rules. The unofficial quotations for 14 carat gold, which were available between June 28 and August 28, showed that prices fluctuated during this period between Rs. 60 and Rs. 67 per 10 grammes of 14 carat. The official rate which became available from August 28, moved down from Rs. 64.50 on that date to Rs. 58.50 by mid-November. Thereafter, the rate advanced to a high of Rs. 69.75 by end-January, 1964, before slipping back to Rs. 63.25 by March 31, 1964.

Except for temporary fluctuations, *silver* prices continued to remain firm virtually throughout the year and soared to new highs. The firmness was attributed mainly to (i) the bullish fervour in the international silver markets and (ii) sustained high level of demand on expectation of higher off-take in the marriage season, especially in the wake of slower arrivals.

The spot rate for silver, which had stood at Rs. 238 on March 30, 1963, fluctuated between Rs. 222.50 and Rs. 239 upto June 7, 1963. Thereafter, the spot price moved up more or less continuously to Rs. 269 by January 30, 1964, and, after a temporary dip to Rs. 254.50 on February 12, closed for the year at Rs. 260.00 on March 31, 1964. Over the year, the silver price recorded a net rise of Rs. 22.00 (9.2 per cent) as compared to a rise of Rs. 18.45 (8.4 per cent) in 1962-63 and Rs. 17.45 (8.6 per cent) in 1961-62. The rate of increase in the internal price of silver was higher than that in the international price. As a result, the gap between the internal price of silver and international price, which had narrowed to Rs. 6-8 (per kg.) in November 1962, widened again to around Rs. 70 at end-January, 1964, due to the fact that on this date the Indian silver price had reached an all-time peak of Rs. 269. The average price of silver in 1963-64 was higher by Rs. 21.63 than that for 1962-63.

TRENDS IN NATIONAL INCOME

According to preliminary estimates, national income (or net national output at factor cost) at 1948-49 prices is placed at Rs. 13,370 crores for 1962-63; this is 2.4 per cent above the level of 1961-62, which, in turn, was 2.6 per cent higher than in 1960-61.

The moderate rise in national income during 1962-63, as in the previous year, was due to sectors other than agriculture. Section-wise, the increase of Rs. 310 crores in national income during 1962-63 was distributed under mining, manufacturing and small enterprises (Rs. 100 crores), commerce, transport and communications (Rs. 100 crores) and other services-professions and liberal arts, Government services (administration), domestic service and house property (Rs. 230 crores) and was offset in part by the fall (Rs. 110 crores) under agriculture, animal husbandry and ancillary activities (including forestry and fishery).

Expressed at current prices, national income in 1962-63 came to Rs. 15,400 crores or Rs. 600 crores, (4.1 per cent) higher than in 1961-62 (revised). *Per capita* income at current prices also showed a small increase from Rs. 333.6 in 1961-62 to Rs. 339.4 in 1962-63.

National income (at 1948-49 prices) which had risen at an annual average rate of 3.4 per cent during the First Plan period and at 4.0 per cent in the Second Plan rose at a noticeably slower rate of 2.5 per cent during the first two

years of the Third Plan. A sector-wise analysis since the commencement of planning in 1951 shows that the inadequate performance of the agricultural sector has been wholly responsible for holding down the growth rate in national income. Agriculture, which had contributed at an annual average rate of 3-3.4 per cent during the First and Second Plan periods, in fact, made a small negative contribution during the first two years of the Third Plan. The contribution of the groups 'mining, manufacturing and small enterprises' and 'other services' has shown a progressive rise. The annual average rate of contribution of the former group advanced from 3.5 per cent in the First Plan to 3.7 per cent during the Second Plan and to 4.6 per cent in the first two years of the Third Plan, and that of the latter from 4.5 per cent to 6.0 per cent and to 8.1 per cent. The annual average growth rate of 'commerce, transport and communications', which had risen from 3.5 per cent in the First Plan to 4.6 per cent in the Second Plan, came down to 3.6 per cent in the two years of the Third Plan.

Table 27. Sector-wise Trends in National Income

(Rs. abja*)
(At 1948-49 prices)

Group	Year					Annual average percentage increase(+) decrease(−) during		
	1950-51	1955-56	1960-61	1961-62‡	1962-63†	The First Plan	The Second Plan	First Two years of Third Plan
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I. Agriculture, animal husbandry and ancillary activities(*a*)	43.4 (49.0)	50.2 (47.9)	59.0 (46.3)	59.1 (45.3)	58.0 (43.4)	+ 3.0	+ 3.4	− 0.9
II. Mining, manufacturing and small enterprises	14.8 (16.7)	17.6 (16.8)	21.1 (16.6)	22.1 (16.9)	23.1 (17.3)	+ 3.5	+ 3.7	+ 4.6
III. Commerce, transport and communications	16.6 (18.8)	19.7 (18.8)	24.6 (19.3)	25.4 (19.5)	26.4 (19.7)	+ 3.5	+ 4.6	+ 3.6
IV. Other services(*b*)	13.9 (15.7)	17.3 (16.5)	23.1 (18.1)	24.7 (18.9)	27.0 (29.2)	+ 4.5	+ 6.0	+ 8.1
Net national output at factor cost=National Income	88.5	104.8	127.3	130.6	133.7	+ 3.4	+ 4.0	+ 2.5

*Abja=100 crores=1 billion. †Preliminary. ‡Revised.

Note:—Figures in brackets represent proportionate contribution of each individual item to the net output during the respective years. (*a*) Including forestry and fishery. (*b*) Comprising professions and liberal arts, government services (administration), domestic service and house property.

Taking the Plan period as a whole, i.e. 1951-52 to 1962-63, the national income recorded a rise of 51.1 per cent. Sector-wise, national income from the agricultural sector rose by 33.6 per cent over the period, while that from mining, manufacturing and small enterprises sector, commerce, transport and communications sector and other services improved at a faster rate viz. 56.1 per cent, 59.0 per cent and 94.2 per cent, respectively. Concomitantly, the relative importance of the various sectors has undergone a change over the years. The share of agricultural sector declined steadily from 49 per cent in 1950-51 to 43.4 per cent in 1962-63 while the shares of other sectors have shown increases, the increase being perceptibly large in the case of "other services".

The per capita national income, which recorded a rise of 8.2 per cent from Rs. 247.5 in 1950-51 to Rs. 267.8 in 1955-56 (First Plan), moved up by 9.5 per cent to Rs. 293.2 in 1960-61 (Second Plan), but in the next two years it did not show any material improvement at Rs. 294.3 and Rs. 294.7, respectively.

Table 28. Trends in National Income

	Year					Annual average percentage increase (+)/decrease(−) during		
	1950-51	1955-56	1960-61	1961-62†	1962-63‡	1950-51 to 1955-56 (First Plan)	1955-56 to 1960-61 (Second Plan)	1961-62 & 1962-63 (First two years of Third Plan)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Net output in Rs. abja*								
(*a*) At current prices ...	95.3	99.8	141.4	148.0	154.0	+ 1.1	+ 7.3	+ 4.4
	(+5.8)	(+3.9)	(+9.2)	(+4.7)	(+4.1)			
(*b*) At 1948-49 prices ...	88.5	104.8	127.3	130.6	133.7	+ 3.4	+ 4.0	+ 2.5
	(+0.3)	(+1.9)	(+7.3)	(+2.6)	(+2.4)			
2. Per Capita net output Rs.								
(*a*) At current prices ...	266.5	255.0	325.7	333.6	339.4	−0.7	+5.1	+2.1
	(+4.1)	(+1.9)	(+6.9)	(+2.4)	(+1.7)			
(*b*) At 1948-49 prices ...	247.5	267.8	293.2	294.3	294.7	+1.6	+1.9	+0.3
	(−1.2)	(−)	(+5.0)	(+0.4)	(+0.1)			

Note A: Figures in brackets relate to percentage variations over previous year.

B: The preliminary estimates for 1961-62, both at current and constant prices, published last year have undergone upward revisions, due to similar revisions in the area and production of rice, wheat, sugarcane, etc. In respect of sugarcane the upward revision is due mainly to the incorporation, for the first time, of the results of the random sample crop cutting surveys in Andhra Pradesh, Punjab and Mysore.

* abja=100 crores= 1 billion † Revised ‡ Preliminary.

CHAPTER III: MONEY MARKET AND BANKING

Money Rates

In 1963-64, the seasonal swings in money rates were much wider than in the previous year. At the peak of the 1962-63 busy season, the call rate among selected major scheduled banks had touched a high of 6.28 per cent in Bombay and 6.41 per cent in Calcutta in March 1963. But with the advent of the slack season, the resources position of banks became comfortable in the wake of an unusually large credit contraction and a rapid growth in deposits, and there was a precipitate decline in money rates, the call rate dropping to 0.80 per cent in Bombay in July 1963 and 1.31 per cent in Calcutta in September 1963. At the end of the slack season, the inter-bank call rate stood at 1.86 per cent in Bombay and 1.49 per cent in Calcutta, that is, at levels which were much lower than those at the close of the 1962 slack season. The money market, however, gradually turned stringent with the greatly increased credit demands of the 1963-64 busy season, the inter-bank call rate touching an all-time peak of 6.5 per cent at both the centres in March 1964. The average discount rate on Central Government Treasury bills, which was 2.37 per cent at the close of March 1963, reached a low of 2.31 per cent in November 1963, but hardened to 2.75 per cent in March 1964. As regards other interest rates, deposit rates of participant banks were maintained unchanged throughout the year at the levels set in March 1961 (and revised in June 1962) in terms of the All-India Inter-Bank Agreement on maximum rates of interest on deposits. The State Bank, which is not a signatory to the Agreement, raised its savings and fixed deposit rates by ½ per cent in April 1963, thus bringing its rates on these deposits on par with those offered by other large-sized banks under the Agreement. In the same month, the State Bank raised its hundi rate by ¼ per cent and also increased its advances rate by 1 per cent, although it retained the rate of 5 per cent for advances against Government securities.

Credit Controls

The Reserve Bank's general credit control was modified twice during the year, first on the eve of the busy season on October 30, 1963 and, later, towards the close of the year on March 11, 1964. In terms of the directive of October 30, 1963, the permissible quota for borrowings by scheduled banks (both against bills and Government securities) was raised from 100 per cent to 150 per cent of their average statutory reserves, and banks were permitted to borrow one-half of their quota (i.e. 75 per cent of their average statutory reserves as against 50 per cent hitherto) at the Bank rate, viz. 4½ per cent and an equal amount at 6 per cent. Borrowings beyond this limit, i.e. in excess of 150 per cent of banks' statutory reserves, continued to be in the nature of special accommodation subject to discussion between the Reserve Bank and the bank concerned. But such accommodation was also to be charged at 6 per cent and not at the rate of 6½ per cent as hitherto. Additional quotas at the Bank rate allowed to banks in respect of their (1) advances to small-scale industries and co-operatives, (2) holdings of *usance* rupee export bills under the Export Bills Credit Scheme and (3) advances to collieries guaranteed under the Guarantee Scheme, were continued. The purpose of this directive was to raise the quota for banks' borrowings from the Reserve Bank as well as to reduce marginally the cost of borrowing in order to assist banks to satisfy all credit demands for productive purposes in the ensuing busy season, while continuing the concessions to preferred sectors.

With the progress of the 1963-64 busy season, however, credit expansion, as mentioned earlier in Chapter I, tended to become very rapid and borrowings from the Reserve Bank touched a new peak. With a view to slowing down further credit expansion by banks, especially when the prevailing supply situation in agricultural commodities was less favourable than anticipated, the Reserve Bank announced on March 11, a series of credit control measures, both general and selective. In the sphere of general controls, the system of quotas and lending rates of the Reserve Bank, which had been liberalised on the eve of the 1963-64 busy season, was restored to its earlier position, thus reverting to the tighter credit policy in force prior to October 30, 1963. The quota for borrowings of banks from the Reserve Bank was reduced to 100 per cent of the statutory reserves. The lending rates of Reserve Bank (for both bills and Government securities) were fixed at 4½ per cent for amounts upto 50 per cent of the above mentioned quota and at 6 per cent for the remaining. Borrowings beyond this limit (i.e. more than 100 per cent of the bank's statutory

reserves) would be in the nature of special accommodation and bear a higher rate at 6½ per cent per annum (instead of 6 per cent as charged hitherto). Besides, banks were asked to review their clean advances other than those to industrial borrowers and bring down the level of such advances. Banks were also asked to step up their efforts to mobilise deposits by all possible measures including re-examination of the interest rates offered by them on deposits.

Selective credit controls were also modified during the year from time to time. Briefly, the adjustments included (1) reimposition of controls in the case of sugar and wheat, the latter control coming after the close of the year, (2) relaxation of the control on advances against shares, and (3) tightening of the existing controls on foodgrains and groundnuts.

The control on sugar was reimposed early in the year after a lapse of two years, in the context of a firm trend in sugar prices consequent on lower output in the 1962-63 season and a spurt in advances to traders. Under a directive issued to scheduled banks on April 27, 1963, a minimum margin of 45 per cent was imposed on advances against sugar (1) to parties other than those manufacturing sugar and (2) to parties manufacturing sugar, in respect of stocks which had left the factory premises and on which excise duty had been paid. With effect from August 30, 1963, advances granted against stocks of sugar to consumers co-operative stores were exempted from the purview of this directive.

The control on advances against shares was relaxed on October 30, 1963 along with other measures of liberalisation of credit policy (already noticed). As the stock exchanges were operating since June 1963 under a tighter system of regulatory margins designed to ensure greater discipline than before and as activity in the capital market was at a low level, the Bank withdrew the minimum margin on banks' advances against shares, retaining, however, the ban on investments by banks in *budla* transactions.

In early February 1964, in view of the prevailing higher prices of rice as compared to the position a year before, it was felt necessary to retain the general framework of control on advances against paddy and rice, with some adjustments. Accordingly, under a directive issued on February 8, the ceiling limits which scheduled banks were required to maintain in each two-month period commencing from January-February 1964 for advances including advances against warehouse receipts were fixed at levels equal to 90 per cent of the levels of such advances maintained in the corresponding period of 1962. The secondary ceiling in respect of non-warehouse advances was also fixed at 90 per cent of the level of such advances maintained in 1962, thus continuing the special feature of the earlier directive which was intended to minimise any adverse impact of the control on the development of warehouses. Further, in the interests of a steady and orderly growth of warehousing activity in the country, the exemption from the operation of ceilings granted previously for advances against receipts issued by new warehouses opened by the Central and State Warehousing Corporations on or after April 1, 1962 was extended to advances against receipts of such warehouses opened on or after January 1, 1961.

In the case of groundnuts, in view of the considerable rise in bank advances against the security of groundnuts and in view of the prevailing higher level of groundnut prices, the Bank, under a directive issued on March 11, 1964, increased the minimum margin required to be maintained by banks against such advances to 50 per cent from the existing 45 per cent and at the same time reimposed on such advances ceiling limits which had been allowed to lapse at the end of February 1963. The limits thus fixed for the two-month period March-April 1964 were 130 per cent and for each subsequent two-month period 120 per cent of the actual level of such advances maintained in the corresponding two-month period of 1963; the level of advances at the end of January 1964 was 170 per cent of that a year ago. Under the directives issued on February 8 and March 21, the control on advances against 'other foodgrains' (excluding paddy, rice and wheat), was continued without any modifications in regard to ceiling limits or margins.

Soon after the close of the year, in view of the shortages of supplies of wheat, and the prevailing higher wheat prices, the Bank reinstituted the regulatory provisions relating to advances against wheat which had been withdrawn in May 1961. Under a directive issued on April 21, 1964, banks are required to maintain a minimum margin of 35 per cent on advances against wheat, except advances against warehouse receipts issued by Central and State Warehousing Corporations covering stocks of wheat to parties other than co-opera-

tive marketing and/or processing societies, the minimum margin for such advances being fixed at 25 per cent. The ceiling limits for each two-month period commencing from May-June 1964 (excluding all exempted categories) have been fixed separately (1) in the State of Punjab and (2) in all the other States taken together, at levels equivalent to 80 per cent of such levels maintained in the corresponding two-month period in 1962. Advances against warehouse receipts issued by warehouses established by the Central and State Warehousing Corporations are exempted from the ceiling limits while advances to roller-flour mills and those given to co-operative marketing and/or processing societies are exempted from the ceiling limits as well as margin requirements.

Banking Legislation

A major development in the field of banking legislation was the enactment of the Banking Laws (Miscellaneous Provisions) Act in December 1963 amending the Reserve Bank of India Act, 1934, the Banking Companies Act, 1949 and the State Bank of India (Subsidiary Banks) Act, 1959. The main objective of the new legislation was to enhance the Reserve Bank's powers over commerical banks as well as to regulate the acceptance of deposits by non-banking companies or financial institutions from the public and the conduct of business of financial institutions. Thus, the amending Act provides further powers to the Reserve Bank to ensure stricter supervision and control over commercial banks and in particular (a) to restrain control exercised by particular groups of persons over the affairs of banks, (b) to restrict loans and advances as well as guarantees given by banks on behalf of any one company, firm, association of persons or individual, (c) to give greater control to the Reserve Bank over the appointment and removal of banks' executive personnel, and (d) to reduce the maximum voting rights of individual shareholders of banking companies including subsidiaries of the State Bank from 5 per cent to 1 per cent of the total voting rights of all shareholders, so that the control may be diffused among the shareholders.

The amending Act also invests the Reserve Bank with powers to regulate the activities of non-banking financial institutions accepting deposits from the public. The existing legislation relating to banks did not provide for any control over companies or other institutions which, though not treated as banks, accept deposits from the general public or carry on other business allied to banking. More recently, the volume of deposits accepted by them has been growing steadily and the rates of interest offered by these institutions were comparatively high. It was not possible to gauge the extent of deposits collected by them and there was a need for ensuring adequate protection to depositors. The amendments to the Reserve Bank of India Act empower the Bank to regulate or prohibit the issue of prospectus or advertisement by non-banking institutions soliciting deposits from the public, to call for returns and information relating to deposits from such institutions, to give them directions in regard to receipt of deposits and to prohibit acceptance of deposits by any such institution which fails to comply with its directive. The Bank may also call for from financial institutions information regarding their paid-up capital, reserves, or other liabilities, investments, terms and conditions of their advances, etc., and give directions to such institutions relating to the conduct of their business. The Bank is also empowered to inspect any non-banking institution and its books and accounts.

Deposit Insurance Corporation

The number of banks whose deposits were covered by the Deposit Insurance Corporation stood at 242 at the end of March 1964 as compared to 273 at the end of March 1963. The Corporation's liability in respect of insured deposits under Section 16 of the Act has so far arisen in the case of five banks, *viz.* in respect of the Bank of China (which was ordered to be wound up by Calcutta High Court) and in respect of four other banks, *viz.* the Unity Bank Ltd., the Bank of Alagapuri Ltd., the Metropolitan Bank Ltd. and the Cochin Nayar Bank Ltd., following their amalgamations. Claims in respect of the insured deposits of the first three of these banks were met by the Corporation during the year. The Corporation now covers deposits of member banks in the Union territories of Goa, Daman and Diu (with effect from November 22, 1962) and in Pondicherry (with effect from October 1, 1963).

Export Credit and Guarantee Corporation

The Export Credit and Guarantee Corporation (ECGC) was set up on January 15, 1964, in accordance with the recommendations of the Study Group on Export Finance (Mathrani Committee). With the formation of the ECGC, the existing Export Risks Insurance Corporation (ERIC), whcih was merged with the new institution, ceased to function as from that date. The authorised capital of the ECGC is Rs. 5 crores and the paid-up capital, Rs. 2 crores. The Corporation will mainly play

a co-ordinating role and will not compete but collaborate with banks in the provision of export credit facilities. The Corporation will grant credits and guarantees in foreign currencies to facilitate the import of raw materials or semi-finished goods for the manufacture or processing of export goods. The ECGC will also furnish guarantees to banks and provide supplementary credit facilities.

Some of the important functions of the Corporation are: (a) to provide insurance to exporters against any risk of loss by reason of their failure to recover any amount payable in respect of transactions involving export, manufacture, treatment, or distribution of goods, (b) to give guarantees to or for the benefit of persons residing in or belonging to a foreign country in connection with goods exported or services rendered from India, (c) to provide such supplementary finance as may be required for the promotion and development of exports, (d) to give loans against hypothecation or pledge of goods, title to property for the purpose of promoting export trade, and (e) to give guarantees to exporters with a view to assisting them in conducting market surveys, publicity and stock holding for the development of overseas markets and to share expenses of such promotional measures if the expenses are not fully recouped by sales.

Industrial Development Bank

An important development after the close of the year under review was the enactment by Parliament, on May 7, 1964, of the Industrial Development Bank of India Bill, 1964, which received the President's assent on May 16, 1964. The Industrial Development Bank, which is expected to commence operations on July 1, is intended to supplement and co-ordinate the activities of the existing institutions in this field. The Bank will, among other things, grant direct loans to industry, subscribe to the shares and debentures of industrial concerns, provide refinance facilities, underwrite new issues of shares, guarantee deferred payment of credits for exports, undertake marketing and investment research, carry out techno-economic studies and promote the establishment of new enterprises, especially key industries. The Bank will have an authorised capital of Rs. 50 crores, which could be raised to Rs. 100 crores with the approval of the Central Government. The initial paid-up capital will be Rs. 10 crores, which will be entirely contributed by the Reserve Bank. This will be supplemented by an interest-free loan of Rs. 10 crores from the Central Government. The Development Bank will also be entitled to borrow from the Reserve Bank, for short periods against trustee securities, for periods upto 5 years against *bona fide* commercial bills or promissory notes bearing two good signatures, and on long-term out of the National Industrial Credit (Long-term Operations) Fund which is being established by the Reserve Bank with an initial credit of Rs. 10 crores which will be augmented by annual contributions of Rs. 5 crores commencing from the year ending June 30, 1965. The Reserve Bank may also purchase out of this Fund, bonds and debentures issued by the Development Bank. In addition, a special Development Assistance Fund will also be built up from contributions to be made by the Central Government to enable the Bank to provide assistance to projects which for various reasons such as the heavy investment involved or unduly low rate of return are not in a position to raise finance from banks or other lending institutions. With Government approval, the Bank can also borrow foreign currency from foreign banks or other financial institutions. The Bank will be a wholly-owned subsidiary of the Reserve Bank. It will maintain close co-ordination with the existing institutions in this field. The Refinance Corporation would be transferred to the Bank at a later stage, while provision has been made for the merger of the Industrial Finance Corporation with the Bank or its conversion into a wholly owned subsidiary of the Bank, if necessary.

Co-operative Credit—Institutional Developments

A major institutional development in the sphere of co-operative credit during the year was the establishment of the Agricultural Refinance Corporation under the Agricultural Refinance Corporation Act (referred to in the last year's Report). Other developments of note were the establishment of a new State co-operative bank in the Union Territory of Goa and the amalgamation of the Hyderabad State Co-operative Bank and the Andhra State Co-operative Bank into a new institution in the name of the Andhra Pradesh State Co-operative Bank, Ltd.

The Agricultural Refinance Corporation, which is specifically entrusted with the responsibility for the provision of medium and long-term credit by way of refinance or otherwise to eligible institutions, started functioning on July 1, 1963. Of the authorised share capital of Rs. 25 crores, the Corporation initially issued shares of the value of Rs. 5 crores, of which the State co-operative banks

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Table 1. State Aid and Reserve Bank Credit to Co-operatives, 1963-64

(Lakhs of Rupees.)

Purpose	Amount outstanding at the end of March 1963	Amount advanced during the year April 1963 to March 1964	Amount outstanding at the end of March 1964
RESERVE BANK CREDIT			
A. Loans to State Co-operative Banks—			
Short-term—			
I. Seasonal agricultural operations and marketing of crops (at 2% below Bank rate):	119,09	274,53	120,49
II. Production and marketing of handloom products (at 1½% below Bank rate)	4,44	4,88	4,87
III. Purchase and sale of yarn (at Bank rate)	78	2,91	79
IV. Meeting working capital requirements of co-operative sugar factories (at Bank rate)	19	—	—
V. General banking purposes (at Bank rate)	48	14,75	70
Medium-term—			
I. Agricultural purposes (at 1½% below Bank rate)	9,19	4,48	8,64
II. Financing agriculturists for purchase of shares in co-operative sugar factories (at Bank rate)...	16	—	10
B. Loans to State Governments for contribution to share capital of co-operative credit institutions*	27,15@@	3,31	28,32
C. Investment in debentures—			
I. Rural debentures	2,71	70†	3,42
II. Ordinary debentures	2,90	3,34†	6,16
III. Special debentures	14	4†	18
STATE AID (National Co-operative Development Corporation—Loan Assistance)			
I. Share capital contribution to co-operatives		2,90	
II. Loans to Central Warehousing Corporation		—	
III. Loans for share capital contribution to State Warehousing Corporations	13,28**	—	16,74
IV. Loans for other purposes including construction of godowns and establishment of cold storages		1,46	
V. Loans for cash credit and purchase of trucks by wholesale consumers co-operatives	82	3,03	3,84
VI. Investment in debentures of central land mortgage banks ...	—	44	44

* Rate of interest charged to State Governments in respect of these loans is *nil* percent for the first two years, 2% during the next 3 years, 2½% for the next 4 years and 3% during the next 3 years. † Purchased during the year. ** Loans advanced to Central Warehousing Corporation in previous years and outstanding at the end of March 1962 (Rs. 10·40 *lakhs*) were converted into subsidy during 1962-63 and the balance outstanding as on March 13, 1963 in respect of loans to State Governments for share capital contribution to State Warehousing Corporations (Rs. 32.67 lakhs) was transferred to the Central Warehousing Corporation. @@ The figure excludes a sum of Rs. 2.765 lakhs sanctioned during 1962-63 but drawn on April 19, 1963, *i.e.* during 1963-64. The amount of Rs. 27,17 lakhs shown as outstanding at the end of March 1963 as published in the Report for 1962-63 included the above sum of Rs. 2.765 lakhs.

and the central land mortgage banks took up Rs. 135.3 lakhs; the scheduled banks, the Life Insurance Corporation of India and insurance and investment companies Rs. 67.8 lakhs, and the Reserve Bank, the balance of Rs. 296.9 lakhs. The Government of India have provided the Corporation an interest-free loan of Rs. 5 crores, the repayment of which will commence after 15 years, i.e. from 1978. The Corporation, during the nine months of its working, finalised the rules of business, loan procedure and other important procedural and policy matters regarding provision of refinancing facilities. The Corporation sanctioned in March 1964 credit limits aggregating Rs. 2.16 crores for subscription to the special development debentures to be floated by a central co-operative land mortgage bank in connection with the financing of land reclamation and development schemes. At the end of the year, certain schemes formulated by the central land mortgage banks for development of plantations, reclamation of land, etc., were under consideration of the Corporation.

An important development during the year was the close consideration given to the question of extending the benefits of deposit insurance to co-operative banks, and of bringing these banks under the Reserve Bank of India Act and the Banking Companies Act in certain respects. The Standing Advisory Committee on Agricultural Credit, constituted by the Reserve Bank of India, discussed this question at their 24th and 25th meetings and on the recommendation of this Committee, a Working Group was appointed to examine the various aspects of the problem of insuring co-operative bank deposits. The Group suggested that the Reserve Bank might prepare a scheme on the basis that the insurance of co-operative deposits also would be taken up by the Deposit Insurance Corporation. Action on these lines is being initiated by the Bank.

Other important developments in the institutional sphere related to the policy of (i) channelling Takavi loans through co-operatives and (ii) strengthening of the staff of the co-operative departments of State Governments. The policy of routing Takavi loans through co-operatives according to a carefully phased programme, in pursuance of the recommendations in this behalf made by the Committee on Takavi Loans and Co-operative Credit (referred to in the last Report), has now been accepted by the Government of India, and the State Governments have been advised to take suitable action in this direction. As regards the strengthening of the staff of the co-operative departments of State Governments, the Committee on Co-operative Administration, in its Report submitted in October 1963, suggested (a) that ultimately the supervision of co-operative societies other than primary credit societies should be transferred to Federal agencies, primary credit societies being supervised by central banks, (b) that, until systematic arrangements in this behalf are made, such supervision should remain the direct responsibility of the Co-operative Department, and (c) that a separate wing exclusively for the purpose of audit should be set up within the Co-operative Department.

Mention may also be made of the recommendations made by the Study Group on Credit Co-operatives in the Non-agricultural Sector set up by Government in May 1963. The recommendations included, among others, (1) the adoption of a uniform definition of urban banks, the setting up of these banks in each town and diversification of their lending activities with emphasis on advances for industrial purposes, and (2) the setting up of employees' credit societies in institutions with more than 50 employees. Several other working groups were also appointed during the year to study specific types of co-operatives, such as industrial co-operatives, housing co-operatives, transport co-operatives, animal husbandry and dairy co-operatives and fisheries co-operatives. Of these, the first two have submitted their reports which are under consideration of the Government.

Trends in Co-operative Credit

During 1962-63, greater emphasis was laid on consolidating and revitalising the primary credit societies. As a result, the number of primary agricultural credit societies declined from 2.15 *lakhs* at the end of June 1962 to 2.12* *lakhs* at the end of June 1963. Their membership, however, increased from 195.72 *lakhs* to 218.50* *lakhs* during the same period. About 80,000 of these societies were undertaking one or more service functions in addition to the supply of credit. The total volume of short and medium-term loans advanced through the primary agricultural credit societies is estimated to have risen by Rs. 28 crores to Rs. 256 crores during the co-operative year ended June 1963.

*Provisional

The outstanding amount of advances and bills purchased and discounted by the State co-operative banks as on March 27, 1964@ was Rs. 197.36 crores, showing a net rise of Rs. 14.46 crores over the previous year. Aggregate deposits (exclusive of inter-bank deposits and borrowings from the Reserve Bank and other banks) also increased by Rs. 7.32 crores to Rs. 49.97 crores. Outstanding borrowings from the Reserve Bank as on March 27, 1964 (Rs. 133.51 crores) were slightly lower than those a year before (Rs. 134.18 crores).

The financial accommodation provided by the Reserve Bank and the loan assistance given by the National Co-operative Development Corporation during 1963-64 are presented in Table 1. The gross amount of Reserve Bank's advances to State co-operative banks rose sharply during 1963-64 by Rs. 82 crores to Rs. 302 crores but the increase in repayments was also more or less of a similar order, with the result that the total loans outstanding at the end of the year of Rs. 135.6 crores were only marginally higher by Rs. 1.3 crores than at the end of the previous year.

As regards *short-term finance*, the amount drawn by the State co-operative banks from the Reserve Bank during the year for seasonal agricultural operations and marketing of crops at the concessional rate (i.e. 2 per cent below the Bank rate) aggregated Rs. 274.53 crores as compared to Rs. 184.53 crores in the previous year, an increase of 49 per cent as against an increase of 22 per cent in 1962-63. The outstanding borrowings at the end of March 1964 were Rs. 120.49 crores as against Rs. 119.09 crores at end March 1963. Gross credit granted to State co-operative banks at Bank rate for general banking purposes under Section 17(4)(a) of the Reserve Bank of India Act amounted to Rs. 14.75 crores as compared to Rs. 10.40 crores in 1962-63, the outstandings at the end of March 1964 at Rs. 70 *lakhs* being Rs. 22 *lakhs* higher than at the end of the previous year. The gross amount of credit drawn by the State co-operative banks for financing handloom weavers' co-operatives during 1963-64 aggregated Rs. 4.88 crores as compared to Rs. 4.52 crores in the previous year, the amount outstanding at the end of March 1964 at Rs. 4.87 crores being higher by Rs. 43 *lakhs* than at the end of March 1963. Accommodation provided for purchase and sale of yarn at the Bank rate at Rs. 2.91 crores was also higher by Rs. 53 *lakhs* over the year, the amount outstanding at the end of March 1964 being Rs. 79 *lakhs* as compared to Rs. 78 *lakhs* a year before. The Reserve Bank also sanctioned short-term accommodation of Rs. 1 crore to one State co-operative bank at the Bank rate for financing the working capital requirements of co-operative sugar factories, but that bank did not draw any amount; in 1962-63, however, it had drawn Rs. 14.75 crores for this purpose.

In the sphere of *medium-term credit*, many State co-operative banks were not able during the year to draw fully upon the limit sanctioned by the Reserve Bank. The banks found it difficult to conform to the requirements of the new policy and procedure. The Bank's policy, therefore, was reviewed during the year and some of the conditions of the formula (referred to in the last Report) regarding reimbursement in respect of medium-term advances to State co-operative banks was liberalised in certain respects. Under the revised formula, the Apex co-operative bank can hereafter, reimburse itself on behalf of affiliated central co-operative banks to the extent of 80 per cent of the loans of the latter outstanding against primary societies for approved agricultural purposes over and above the basic level as on June 30, 1962. During the year, the gross amount (Rs. 4.48 crores) drawn by State co-operative banks was Rs. 0.90 crore higher than in the previous year; the outstandings at the end of March 1964 were Rs. 8.73 crores as against Rs. 9.35 crores at the end of the previous year.

In the field of *long-term credit*, a reference was made in last year's Report to the proposed issue of special debentures by the Kerala Land Mortgage Bank for financing the scheme of bringing roughly one lakh acres of land under rubber plantation in Kerala. The first series of such debentures for Rs. 5.41 *lakhs* was floated by the Kerala Land Mortgage Bank in December 1963; the Reserve Bank contributed Rs. 4.06 *lakhs* or 75 per cent of the total issue, as agreed. Rural debentures amounting to Rs. 1.50 crores were floated by six central land mortgage banks (Andhra, Gujarat, Madras, Mysore, Bombay and Punjab) during the year as compared to Rs. 2.12 crores floated by an equal number of banks in 1962-63. Total subscriptions amounted to Rs. 1.32 crores, of which Rs. 0.70 crore (or 53.3 per cent) came from the Reserve Bank. Of the balance, individuals from rural areas subscribed

@ As on last Friday; the data relate to State co-operative banks maintaining accounts with the Reserve Bank of India.

Rs. 59.53 *lakhs* and those from urban areas Rs. 2.09 *lakhs*. In recognition of the principle that rural debentures should evoke the maximum support from rural investors, the scheme relating to the issue of rural debentures was modified so as to permit the central land mortgage banks to float such debentures during a period considered most suitable by them and their respective State Governments, instead of the specified period, i.e. January-June, under the earlier scheme. Ordinary debentures for a total amount of Rs. 20.59 crores were issued by 11 central land mortgage banks as against Rs. 16.45 crores floated by 9 central land mortgage banks in the previous year. The amount floated during the year was fully subscribed. Of the total subscription, the amount taken by the co-operative institutions was Rs. 6.65 crores or 32 per cent. The Reserve Bank's contribution of Rs. 3.18 crores formed about 15 per cent, and the LIC's of Rs. 5.11 crores about 25 per cent of the total subscription. It may be mentioned here that the LIC has agreed, under certain conditions, to contribute to these debentures to the extent of 30 per cent of the aggregate issue, subject to a maximum of Rs. 6.00 crores per annum during the remaining period of the Third Five Year Plan. The National Co-operative Development Corporation has also decided to purchase debentures of central land mortgage banks up to an overall limit of 25 per cent of surplus funds, subject to the condition that such purchases would be limited to the extent of short-fall if any but not exceeding 5 per cent of any individual issue by a central land mortgage bank, preference being given as far as possible to States where land mortgage banking is relatively not well developed. The Corporation has invested Rs. 0.44 crore in the debentures floated by seven land mortgage banks. The Reserve Bank's holdings of all the three types of debentures (special, rural and ordinary) rose from Rs. 5.75 crores at the end of March 1963 to Rs. 9.76 crores on March 31, 1964.

The Intensive Agricultural District Programme, which was initiated in 1960-61 in 49 blocks in 7 districts, was extended to as many as 235 blocks in 15 districts by September 1963. The total cultivated area under the Programme, which was initially a little over 1 lakh hectares, increased to 58.41 lakh hectares by the end of September 1963. The number of production plans prepared for farmers increased from 55,287 at the end of 1960-61 to 6,58,185 for *Kharif* 1963-64. The special credit limit sanctioned by the Reserve Bank under Section 17(2)(b) or 17(4)(c) at 2 per cent below the Bank rate to 17 central co-operative banks in 1963-64 amounted to Rs. 824.25 *lakhs*, as against Rs. 279.50 *lakhs* sanctioned to 8 banks in 1962-63.

During the year under review, the Expert Committee, set up by the Ministry of Food and Agriculture in June 1961 to assess and evaluate the Programme, issued its first Evaluation Report covering the years 1961 to 1963 and the first seven districts brought under the Scheme. The most encouraging development, the Committee noted, was in the use of fertilisers, both nitrogenous and phosphates, by the cultivators in the Programme districts, indicative of the increased use of improved practices by the agriculturists as well as disbursements of loans in kind and cash. However, output was, on the whole, slightly lower in 1962-63 than in 1961-62, although still a little higher than in 1960-61; the Committee ascribed this mainly to adverse weather conditions in 1962-63. In order to step up agricultural production in the districts selected for intensive development, an action programme was drawn up by the Government of India and circulated to the State Governments for necessary action.

The Reserve Bank made a further contribution of Rs. 12 crores to the National Agricultural Credit (Long-term Operations) Fund, raising the amount to the credit of the Fund to Rs. 73 crores as on June 30, 1963. During the year 1963-64, loans amounting to Rs. 3.35 crores were sanctioned from the Fund to 14 State Governments for contribution to the share capital of various co-operative credit institutions as compared to Rs. 4.94 crores sanctioned during 1962-63. Out of this sum, Rs. 16.00 *lakhs* were sanctioned in respect of 3 State co-operative banks. Rs. 145.33 *lakhs* in respect of 69 central co-operative banks, Rs. 113.60 *lakhs* in respect of 3,731 primary agricutural credit societies and Rs. 48.00 *lakhs* in respect of 4 central land mortgage banks. The outstandings on account of all loans to State Governments for share capital contribution amounted to Rs. 28.32 crores as on March 31, 1964—an increase of Rs. 1.15 crores over the year. The total amount outstanding in the Fund as on March 31, 1964 stood at Rs. 40.65 crores as compared to Rs. 39.4 crores on March 31, 1963. During the year, the Reserve Bank made a further contribution of Rs. 1 crore to the National Agricultural Credit (Stabilisation) Fund, raising the amount to the credit of the Fund to Rs. 8 crores as on June 30, 1963. So far no amount has been utilised from this Fund.

The National Co-operative Development Corporation continued to assist the State Governments for the development of credit, marketing, processing and consumers co-operatives and advanced loans amounting to Rs. 7.39 crores during 1963-64. Of this amount, Rs. 2.90 crores were advanced as share capital contribution to co-operatives, Rs. 1.46 crores for construction of godowns and cold storages and Rs. 3.03 crores as loans for cash credit and purchase of trucks by Centrally sponsored consumers co-operatives.

In the *co-operative processing sector*, co-operative sugar factories recorded further progress during 1962-63. A licence was granted to one co-operative for setting up a sugar manufacturing plant, thus raising the number of sugar factories to 57 in the co-operative sector. Of these, 41 sugar factories were in production during the 1962-63 season as against 34 factories in the 1961-62 season. They produced 4.7 lakh metric tons of sugar during 1962-63. It is noteworthy in this connection that, while the sugar industry as a whole recorded a decline in production during 1962-63 as compared to the preceding year, production in the co-operative sector was maintained at the preceding year's level. As a result, the share of the co-operative sector in the national production of sugar registered an appreciable increase from 17.5 per cent during 1961-62 to 21.4 per cent during 1962-63. Another welcome feature of the working of the co-operative sugar factories during 1962-63 was that eight of them in Maharashtra undertook manufacture of raw sugar for export at the suggestion of the Government of India and produced 0.81 lakh metric tons of raw sugar or 31 per cent of the total raw sugar production for the industry as a whole. The total share capital of the sugar factories amounted to Rs. 21.17 crores as on March 31, 1963, of which the Government's contribution was Rs. 8.77 crores. The total loans sanctioned by the Industrial Finance Corporation since its inception to end March 1964 to co-operative sugar factories were Rs. 36.59 crores, of which the outstandings were Rs. 18.75 crores; the corresponding figures at the end of March 1963 were Rs. 32.59 crores and Rs. 17.10 crores, respectively. Sugar factories continued to avail of the State Bank of India's assistance directly, the aggregate limits sanctioned to them recording an increase from Rs. 8.85 crores at the end of March 1963 to Rs. 9.28 crores at the end of March 1964; the outstandings amounted to Rs. 5.17 crores at the end of March 1964 as against Rs. 4.49 crores at the end of March 1963.

The State Governments granted financial assistance during 1962-63 to 127 units engaged in the processing of agricultural commodities other than sugarcane. Of these, 29 units have gone into production. The National Co-operative Development Corporation gave financial assistance to co-operative processing units to the tune of Rs. 44.33 *lakhs* by way of share capital contribution and of Rs. 1.32 *lakhs* by way of subsidies for managerial staff. The co-operative marketing and processing societies other than sugar factories continued to avail of credit limits from the State Bank of India for the grant of pledge finance, the limit sanctioned for the purpose rising from Rs. 77 *lakhs* at the end of March 1963 to Rs. 104 *lakhs* at the end of March 1964; the amount outstanding on the later date was Rs. 22 *lakhs*.

Increased *storage facilities* continued to be provided during 1962-63 by the Central and State Warehousing Corporations by opening new warehouses at important marketing centres. The Central Warehousing Corporation opened 17 new warehouses and a warehouse each at Calcutta and Kanpur mainly for the storage of jute purchased by the State Trading Corporation under the 'Price Support Scheme' of the Government of India. In order to facilitate easy distribution of fertilisers for use by consumers in the various States, the Corporation decided to handle large stocks of fertilisers on behalf of the Government of India at conveniently situated centres. It also decided to undertake construction of warehouses on a large scale in Assam to meet the needs of the local Government for the storage and distribution of commodities.

The total number of Central warehouses functioning at the end of the year stood at 78, with an aggregate storage capacity of 183 thousand tonnes. The State Warehousing Corporations set up 96 warehouses and 43 sub-warehouses, raising the total number of warehouses to 422 and sub-warehouses to 80.

In order to encourage co-operatives to admit more members from the 'weaker sections' of the community and to provide them adequate credit, the Government of India advised all State Governments to give outright grants to be credited to the special bad debt reserve of the co-operatives as recommended by the Mehta Committee on Co-operative Credit. According to the instructions issued in this regard, grants are to be given to each central co-operative bank and each society at 1 per cent and 3 per cent, respectively, of the additional loans advanced by them over the

preceding year. In '*package*' districts, the contribution is higher at 2 per cent and 4 per cent, respectively. Many State Governments have defined the "weaker sections" of the community for the purpose of implementing the scheme of outright grants and have made provisions in their annual plans for co-operative development from 1962-63 onwards. The continuance of the grants in 1964-65 will depend on an assessment of the progress made in the admission and financing of members of the "weaker sections".

Considerable progress was made during the year under the centrally sponsored schemes for consumers co-operatives. As against 72 wholesale stores and 848 primary stores/ branches as at the end of March 1963, 159 wholesale stores and 2438 primary stores/ branches were functioning as on March 7, 1964. It has been decided to organise State-level federations of wholesale consumers co-operatives.

A centrally sponsored scheme for the distribution of consumer articles in rural areas was introduced during the year. The scheme envisaged the distribution of standard consumer articles like sugar, salt, kerosene oil, etc. through service co-operatives and marketing co-operative societies in rural areas. Marketing and credit co-operatives located in deficit areas are also expected to undertake distribution of foodgrains. It is envisaged that by the end of the year nearly 45,000 village co-operatives and 2,000 marketing co-operatives will undertake the supply of consumer articles as part of their normal business.

According to the Mid-term Appraisal of the Third Five Year Plan on Co-operation, on current trends there is likely to be a considerable shortfall in the targets for short, medium as well as long-term credit. Short and medium-term advances in the last year of the Plan are not likely to exceed Rs. 400 crores as against the target of Rs. 512 crores. The shortfall in long-term credit would be even more pronounced. The total amount of long-term loans (outstanding) is estimated at Rs. 67 crores in 1962-63 as against the Third Plan target of about Rs. 150 crores. By and large, this situation arose from weaknesses in the co-operative credit structure, the most prominent of these being the rising trend in overdues, which affected the ability of co-operatives to attract deposits as also to secure and use financial accommodation from the Reserve Bank. The overdues in some cases had resulted from adverse seasonal conditions but more often from the absence of energetic action for timely recovery and the inability of the units of the structure to fulfil the functions expected of them, such as linking of credit with marketing, proper supervision and inspection, etc. With a view to formulating proposals for the development of co-operatives during the Fourth Plan period, a Working Group on Co-operation was constituted.

CHAPTER IV : CAPITAL MARKET

Gilt-edged

Except for brief spells of temporary reactions, first during the early part of the year and again towards the close, the gilt-edged market evinced a firm tone during 1963/64, the increased investor interest reflecting mainly the improved liquidity of banks. The Reserve Bank's open market operations, therefore, resulted in large net sales amounting to as much as Rs. 44.7 crores as compared to only Rs. 10.6 crores in 1962-63 (excluding purchases from the State Bank of India on account of P.L. 480 funds).

Gilt-edged prices, which were steady towards the close of the preceding year, eased somewhat in April and May 1963 in adjustment to the slightly higher yields offered on the two new Conversion Loans announced on April 29, 1963. The redemption yield on the new 4 per cent Loan 1969 issued at Rs. 99.50 was 4.09 per cent as against 4.06 per cent on the existing 3-1/2 per cent Loan 1969, while that on the long-dated 4-1/2 per cent Loan 1986 which was issued at par, was 4.50 per cent or fractionally better than that on the existing 4-1/2 per cent Loan 1985 (4.49 per cent). From about mid-June, with the emergence of a strong demand for gilt-edged, the prices of government securities forged ahead. The announcement, on July 1, of two new cash-cum-conversion loans, namely (i) a further tranche of the existing 4 per cent Loan 1969 at an issue price of Rs. 99.50 and (ii) a 4-1/4 per cent Loan 1973 issued at par, had no adverse effect on market sentiment. The general firm tone continued, aided by the liberalisation of the Reserve Bank's credit policy on October 30.

From February 1964, however, gilt-edged prices tended to ease, reflecting mainly the acute stringency in the money market. This was further accentuated by the tightening of the Bank's credit policy on March 11 and the announcement on March 30, by the Union Government of the offer of two new Conversion Loans with slightly higher yields than those on existing loans of comparable maturity; the redemption yield on the new 4 per cent Loan 1970, issued at Rs. 99.00 was higher at 4.19 per cent, than that on the existing 4 per cent Loan 1969 (4.13 per cent) while the new long-dated 4-3/4 per cent Loan 1989 issued at par gave a redemption yield (4.75 per cent) higher than that (4.50 per cent) on the existing longest dated, namely the 4-1/2 per cent 1985 and 1986 Loans.

The Reserve Bank's All-India index of Government and Semi-Government securities (base: 1952-53 = 100), after declining from 99.0 at end-March 1963 to 98.6 by end-May, firmed up continuously to 100.1 by end-January 1964, easing thereafter slightly to 99.7 by end-March. Over the year, the index recorded a rise of 0.7 per cent as against a decline of 1.8 per cent in 1962-63 and of 0.4 per cent in 1961-62.

Region-wise, the index showed a rise of 1.2 per cent in Calcutta, as against a decline of 2.3 per cent in the preceding year. The corresponding figures for Bombay were 1 per cent and 1.9 per cent. In Madras, however, the index did not show any material change over the preceding year's level.

Over the year, almost all the loans showed net increases. In the Central list, among short-dated loans, the increases ranged upto Rs. 1.65. Thus, the 3½ per cent Loan 1965 rose by 65 nP. to Rs. 99.65 and the 3 per cent Loan 1966-68 by Rs. 1.65 to Rs. 97.85. Among medium-dated loans, while the 3 per cent Loan 1970-75 showed the largest rise of Rs. 4.75 to Rs. 90.30, the increase in others was in the range of 10-40 nP. The rise in long-dated loans ranged upto 75 nP. The 4 per cent 1979, 1980 and 1981 Loans, for example, recorded a rise of 15 nP. each to Rs. 98.25 and the 3¾ per cent Loan 1974 of 75 nP. to Rs. 96.75. In the non-terminable section, the 3 per cent Government Paper rose by Re. 1 to Rs. 64. The 3 per cent Conversion Loan of 1946 at Rs. 63, however, recorded a fractional loss of 10 nP. Among the new issues floated in 1963-64, the 4 per cent Loan 1969 was quoting at a discount of 50 nP. over the issue price, the 4¼ per cent Loan 1973 around the issue price and the 4½ per cent Loan 1986 at a premium of 5 nP. over the issue price.

In the State loans section, as there was no new issue of State loans this year, the demand for existing loans showed a considerable rise. The rise in prices in the case of short-dated loans ranged upto Rs. 2.30. The 4 per cent Loan 1967 of all the states showed rises; the rise was Rs. 2.30 for the Mysore Loan and Rs. 1.30 for the Maharashtra Loan. The 4 per cent 1969 Maharashtra Loan rose by 70 nP. and those of West Bengal, Madras, Orissa and U.P. by Rs. 1.50 each. The medium-dated loans also registered rises ranging between 10 nP. and Rs. 3.25. The 4½ per cent Loan 1974 of Maharashtra rose by 35 nP. only, while those

of Assam, Rajasthan and Kerala rose by Rs. 2.90 each.

Reflecting the rise in gilt-edged prices, the yields recorded an all-round decline over the year, the decline being particularly marked in the case of the State loans. Among the Central loans, the decline in yields ranged upto 0.36 per cent in the case of short-dated issues. The yield on the 3 per cent Loan 1966-68 dropped by 0.25 per cent to 3.52 per cent and that on the 3½ per cent 1967 and 3¾ per cent 1968 Loans declined by 0.36 per cent and 0.13 per cent, respectively, to 3.78 per cent and 3.91 per cent. The decline in yields in the case of medium-dated issues ranged upto 0.46 per cent. The yields on the 4¼ per cent 1972 and the 3 per cent 1970-75 Loans, for example, fell by 0.06 per cent and 0.46 per cent, respectively, to 4.19 per cent and 4.06 per cent. In the case of long-dated loans, yields on the 3¾ per cent Loan 1974 and the 4 per cent Loan 1979 dropped by 0.06 per cent and 0.01 per cent, respectively. As regards State loans, the declines in yields ranged upto 0.54 per cent in short-dated loans and upto 0.34 per cent in medium-term loans.

Equities

The depressed state into which the stock markets fell following the Chinese invasion continued till June 1963. Subsequently during the next four months or so, on a reassessment of the economic situation and industrial profit outlook in particular, the markets shed the earlier pessimism and made a confident advance aided by the several changes in economic and credit policies to invigorate the economy that followed the reconstitution of the Union Cabinet. However, from mid-November again, the markets tended to be generally bearish and, after a smart recovery in February 1964, again turned bearish following the presentation of the Budget for 1964-65. Nevertheless, over the year, stock prices showed a modest rise.

The favourable impact on the market of the modifications, announced in April 1963, in respect of the computation of both chargeable profits and capital base for the purpose of super profits tax and concessions in import duties in respect of certain items, the raising of the development rebate for the coal industry from 20 per cent to 35 per cent and expectations of a revision of pricing policy by the Government with a view to ensuring competitive profitability of essential industries proved temporary. Equities resumed their downtrend, owing to (i) discouraging corporate news in the form of a cut in dividends by a number of companies, known for their prudent management, (ii) power cut in Madras and apprehensions of a similar cut in Bombay, (iii) adverse reports about U.S. aid for defence and development and (iv) difficulties experienced by members of stock exchanges in collecting margins. By end-June, shortly after the resumption of forward trading,@ most of the scrips reached their lowest levels for the year. In the generally depressed state of the market, favourable factors like the increase in the retention price of steel, announced on June 17, made no impression.

However, from July onwards, the markets cast off their pessimism and prices began to look up. Several factors which strengthened the market sentiment included: (i) news of institutional support to the market, (ii) expectations of an early relaxation by the Reserve Bank of the restriction of margins on bank advances against shares, (iii) an increase in the Tata Iron dividend from Rs. 10.36 to Rs. 11 per share, (iv) flow of encouraging corporate news including the announcement of higher dividends by some companies and bonus issues by a few others and (v) reports of additional aid of $ 137 million pledged by the Aid India Club for the third year of the Third Plan. The reconstitution of the Union Cabinet in August and the subsequent modifications in the Compulsory Deposit Scheme and Gold Control Rules led the market to entertain hopes that Government would take steps to activate the sluggish capital markets and make changes in the fiscal and credit policies to stimulate the economy. The markets' expectations were confirmed when (i) the Advisory Committee on Capital Issues Control (at its meeting on October 23) recommended that the Government should adopt a liberal approach to new issues and that the exemption limit on capital issues should be raised from Rs. 10 lakhs to Rs. 15 lakhs, and (ii) the Reserve Bank announced on October 30 some relaxation in its credit policy and the withdrawal of minimum margin of 40 per cent in respect of bank advances against shares. However, there was a decline in share prices between mid-November and early December, the main bearish factors being (i) reports of sizeable sales of Tata Steel by the L.I.C., (ii) the passage of the Banking Laws

@Forward trading was suspended in November 1962 (*Vide* Report on Currency and Finance for the year 1962-63)

(Miscellaneous Provisions) Bill and (iii) the discouraging picture revealed by the Mid-term Appraisal of the Third Plan. There was a temporary recovery in December following the Finance Minister's statement in Parliament on December 5, indicating Government's proposals to take a number of steps to revitalise the capital markets. The markets also derived further strength from another statement of the Finance Minister on December 16, announcing a series of measures such as, raising of exemption limit both for industrial licensing and Capital Issues Control from Rs. 10 lakhs to Rs. 25 lakhs, removal of price control in respect of sixteen commodities, principally in industrial use, and suspension of the premium collections under the Emergency Risks Insurance Scheme for the quarter January-March 1964.

Since early January 1964, the markets again developed a sagging trend consequent on fears (i) of possible Governmental action to amend the Industrial Policy Resolution, with a view to facilitating the rapid expansion of the public sector and (ii) of the likely establishment of a Monopolies Commission to enquire into the growth of monopoly power in the private sector. On top of these, uncertainties regarding the Union budget for 1964-65, further weighed down the markets. During February, the markets staged a smart recovery, aided by (i) the reference by the Deputy Chairman of the Planning Commission to a reasonable return on the capital invested in industries, (ii) the establishment of the Unit Trust on February 1, 1964, (iii) the reported substantial purchases by the Life Insurance Corporation to support the markets, (iv) news of higher export earnings during 1963, and (v) the absence of any substantial additional taxation in the Railway budget and the State budgets, which gave rise to hopes of possible relief in corporate taxation and of incentives to industry in the Union budget for 1964-65. Following the presentation of the budget on February 29, however, the markets turned distinctly bearish, reflecting the general reaction to the tax proposals, particularly the tax on dividends, the capital gains tax on bonus issues and the steeper estate duty and gift tax. The bearishness was further accentuated during the course of March by (i) the Finance Minister's statement in Parliament ruling out any possibility of major concessions in the tax proposals, (ii) postponement by a number of companies of bonus issues and delay in the announcement of working results and dividends by some leading companies, (iii) diversion of investible funds to some of the new issues, especially in the context of acute stringency in the money markets, which was accentuated by the Reserve Bank's new credit control measures announced on March 11 and (iv) disturbed Indo-Pakistan relations. The Reserve Bank's weekly all-India index of Variable Dividend ndustrial Securities (base: 1952-53=100), after declining from 160.3 at end-March 1963 to an all-time low of 158.1 by end-June, advanced by stages to 176.2 by mid-November 1963. Thereafter, the index fluctuated in a narrow groove up to the Budget (standing at 174.3 by end-February 1964) but fell sharply to 167.6 by the week ended March 28, 1964. Over the year, however, the index showed a rise of 4.6 per cent as against a fall of 16.8 per cent during 1962-63 and a rise of 5.5 per cent during 1961-62.

Region-wise, the rise in share prices was the largest in Bombay (7.7 per cent), followed by Delhi (6.9 per cent) and Calcutta (4.1 per cent). Madras, however, recorded a decline of 3.1 per cent.

Most of the sub-groups showed handsome rises over the year, the only sub-groups which failed to participate in this general upward movement were coal and tea plantations. The sub-group 'Iron & Steel' showed the largest rise (26.1 per cent), the main bull point being the high priority assigned to the industry in the Third and Fourth Plans. Sentiment was also aided by the increase in the retention price of steel in June 1963 and the partial decontrol of steel in March 1964. Tata Ordinary, for example, rose from Rs. 117.00 at end-March 1963 to a high of Rs. 153.00 by end-February, before closing at Rs. 146.75 at end-March 1964. Next in importance was the sub-group 'Coffee Plantations' which recorded a rise of 20.7 per cent in view of the brighter prospects of the industry and the initiation of a rehabilitation scheme for the industry involving the grant of a subsidy of Rs. 2,000 per acre replanted. The sub-group 'Shipping and other Transport' recorded a rise of 17.0 per cent; in this group, Scindia Steam showed a substantial rise of 46.0 per cent induced by reports of an increase in their earnings. Sugar shares rose by 4.9 per cent over the year encouraged by the announcement by Government in September of the long-awaited incentive scheme involving the grant of a rebate in the excise duty on additional production with 1961-62 as the base year. The upward revision of the ex-factory price of sugar by Rs. 3-8 per quintal in the month of November aided the sentiment further. Bank shares

recorded a rise of 2 per cent; the bank profits for 1963 were higher than in 1962 due to improved earnings. The sub-groups 'Cotton textiles' and 'Jute textiles' hovered around the preceding year-end levels. The prospects of the cotton textile industry were affected by increased costs of production consequent on the raising of floor and ceiling prices of raw cotton, increase in the prices of imported cotton and the rise in freight rates on cotton in the context of pegged ex-mill prices. Jute shares too evoked little response from investors; despite splendid production performance, the earning prospect for the industry during the year appeared uncertain due to declining jute goods prices against the background of rising manufacturing costs, even though raw jute prices were stable.

In striking contrast to the increases recorded above, coal and tea industries showed declines over the year of 3.5 per cent and 0.7 per cent respectively. As regards coal, despite the increase in development rebate granted early in the year, the industry was faced with transport bottlenecks leading to accumulation of stocks. Tea shares declined due to a fall in the tea crop during 1962-63, and uncertainty of dividends due to super profits tax.

As regards preference shares, the general downtrend noticed since 1959-60 was arrested during 1963-64. The All-India index of preference shares showed a rise of 1.6 per cent as against a decline of 2.9 per cent in 1962-63 and of 3.6 per cent in 1961-62. The index of debentures, however, declined further, although nominally, by 0.3 per cent as compared to a decline of 2.7 per cent in 1962-63.

As regards the pattern of yields*, the average yield on variable dividend industrial securities moved down by 0.19 percentage point as against a rise of 0.51 percentage point in 1962-63. In contrast, the average yield on preference shares rose from 5.96 per cent to 5.99 per cent and that on debentures from 4.45 per cent to 4.80 per cent.

Regulatory Measures

Reference was made in the last Report to the gradual relaxation of the various regulatory measures introduced following the landslide in share values in November 1962 and again in March 1963. With the revival of confidence, most of these restrictions were removed by end-April. The ban on forward trading, however, continued upto June 1963. Following the application made by the Bombay and Ahmedabad Stock Exchanges for permission for resumption of forward trading, the Government circulated to all the stock exchanges in India, towards the close of May, proposals for resumption of forward trading subject to a system of margin more stringent than under the automatic margin system introduced in December 1961. The main proposals of the Government were that (i) margins should be paid on total sales and purchases separately of members on their own account and on account of their constituents instead of, as previously, on net purchases and sales, (ii) while carry-over and interim margins would be continued with some modifications, daily margins which were in operation in some of the stock exchanges prior to December 1961 were to be put on a permanent basis, (iii) clients were required to pay to members a margin of 2 per cent in respect of business carried over; a similar margin would also have to be paid by the members to the stock exchange, (iv) the rates of interim margins should be raised by 100 per cent from the existing levels. Exemptions were, however, to be granted in cases of price variations arising out of special factors like increase or cut in dividends or issue of bonus shares. The Government's proposals also contained a few changes in the listing requirements of cleared shares. Under the proposals, cleared shares should be fully paid-up equity shares of a company (other than a banking company) and the company must have a subscribed capital of at least Rs. 25 lakhs and the aggregate value of its securities at the ruling market price should be at least Rs. 1 crore. At least 49 per cent of its capital should be held by the public broadly and evenly among a large number of shareholders. A security would be admitted to the cleared list only three years after it has been listed on a stock exchange. Another condition is that it should not be listed on any other stock exchange.

Following the unconditional acceptance by the stock exchange authorities of these proposals, forward trading was permitted to be resumed in Bombay, Ahmedabad, Madras and Delhi on June 10, 11, 12 and 14, respectively. In Indore and Calcutta, forward trading was resumed on June 17 and 27, respectively.

Capital Issues

New issue activity, which had shown signs of slackening in the last quarter of 1962, remained subdued during the greater part of

*The yields referred to here are free of income-tax.

1963. Although there was some revival of activity towards the close of 1963 which continued in the first quarter of 1964 following certain Governmental measures to restore investor confidence and to activate the capital market, the investment climate remained generally depressed throughout the year under the impact of the Emergency and more particularly of the imposition of the super profits tax on companies in the 1963-64 budget. The series of dividend cuts by a number of companies that followed the introduction of the super profits tax strengthened the hesitancy of the stock markets and affected investor confidence in providing risk capital to industry. Apprehending a poor response in such an atmosphere, the entrepreneurs were generally reluctant to enter the market. In consequence, there was a steep decline in the magnitude of new issues during 1963 as compared with the previous year. The private sector experienced considerable difficulty in raising rupee resources from the open market, resulting in an increasing tendency on the part of entrepreneurs to shift their reliance to institutional and other sources for the supply of capital, besides depending on greater underwriting support. The public response to most of the issues during 1963, and, even in the first quarter of 1964 when there was a revival in new issue activity, was unsatisfactory. The underwriters were, therefore, obliged to take up a substantial portion of the amount issued.

Official data on capital raised as well as consents for capital issues available for the calendar year 1963 reflect the prevailing stagnation in the capital market. Total capital raised by non-Government companies through shares (other than bonus) and debentures, which had consistently increased from Rs. 55.2 crores in 1958 to Rs. 105.3 crores in 1962—a period of boom conditions in the capital market—declined in 1963, for the first time in four years to Rs. 80.7 crores. This fall was mainly on account of a substantial decline in the amount of equity capital raised from Rs. 73.1 crores in 1962 to Rs. 55.9 crores in 1963, thus reflecting the difficulty in attracting risk capital. As regards consents granted by the Controller of Capital Issues for the issue of shares (other than bonus) and debentures to non-Government Companies*, the total amount of such consents aggregated Rs. 141.5 crores in 1963 as compared with Rs. 163.0 crores** in 1962, showing a fall of Rs. 21.5 crores during the year. Security-wise, although ordinary shares continued to predominate accounting for 80.8 per cent of the total consents, the rise under this category during the year was only nominal by Rs. 0.6 crore, while consents for preference shares showed a greater rise of Rs. 5.7 crores. Consents for debentures, after excluding the consent of Rs. 30 crores to Oil India Ltd., were also higher by Rs. 2.1 crores. There was, thus, a shift in investor preference from the riskier equities to securities yielding a fixed return and assuring safety of capital. Another significant feature of the consents data was the steep rise of Rs. 42.4 crores in the consents for 'miscellaneous' issues (loans, etc.) during 1963 as compared to a negligible rise of only Rs. 0.8 crore in 1962, thus indicating greater reliance on sources other than the new issue market. As regards the extent of foreign participation in the total consents to the private sector (including bonus and miscellaneous issues) amounting to Rs. 237.6 crores, the amount consented for foreign participation was higher at Rs. 61.8 crores in 1963 against Rs. 54.7 crores in 1962, with the proportion in the total consents also moving up from 25.0 per cent to 26.0 per cent.

In the context of the prevailing stagnant conditions in the capital market for raising rupee resources by the private industrial sector and the Government's concern to revive confidence in the capital market, a series of measures were taken, designed to give incentives to the private sector for accelerating the pace of industrial growth. These included the relaxation of control on capital issues, the removal of price control on certain commodities, the augmentation of resources of financial institutions and strengthening of the institutional arrangements for providing larger financial assistance and finally, the announcement of certain fiscal reliefs in the 1964-65 budget. (For details see Chapter V.)

In regard to Capital Issues Control, the Government during the year followed a flexible and more liberal policy in considering applications for capital issues in place of the stringent policy followed in 1962. In December 1963, the exemption limit in respect of industrial licensing as well as capital issues was

* Total consents given to Government companies amounted to Rs. 306.7 crores, showing a substantial rise of Rs. 144.7 crores during the year, and their share in the total consents rose from 42.5 per cent to 56.4 per cent. Of the total consents to Government companies, a little less than three-fifths was in favour of two giant concerns, viz. Hindustan Steel Ltd. (Rs. 154.3 crores) and Heavy Engineering Corporation Ltd. (Rs. 29 crores). ** This includes consent for Rs. 30. crores to Oil India Ltd.—a concern owned jointly by the Government of India and a private sector company.

raised from Rs. 10 lakhs to Rs. 25 lakhs. Price controls on sixteen commodities were removed in December. The resources of the Industrial Finance Corporation and the Industrial Credit and Investment Corporation of India were augmented through the grant of a loan of Rs. 10 crores each to enable them to provide larger assistance to industry, particularly in respect of underwriting support to new issues. The Refinance Corporation for Industry was also given a further loan while the Reserve Bank in October 1963 liberalised its restrictions on credit control to ensure availability of credit to industry for all productive purposes. With a view to enabling the middle classes to participate in investment in industrial securities, the Unit Trust of India was established on February 1, 1964. A Bill was also introduced in Parliament on February 27 for the establishment of an Industrial Development Bank with substantially larger resources, to finance and assist industrial development. (For details see Chapter III.)

Special Institutions Providing Industrial Finance

The assistance provided by the various financial institutions to the private industrial sector was on a substantially increased scale during 1963-64 as compared with the previous year. Since the private sector experienced difficulty in raising funds from the open market, there was evidence of increased pressure on the resources of the financial institutions as entrepreneurs tended to shift their reliance to institutional sources.

The total financial assistance approved by the *Industrial Finance Corporation* during 1963-64 was appreciably higher at Rs. 42.1 crores as against Rs. 31.2 crores in the previous year. The amount of loans sanctioned (rupee and foreign currency) increased by Rs. 14.2 crores to Rs. 30.5 crores, with the number of applications approved also going up from 40 to 74. The amount disbursed in respect of the loans sanctioned increased during the year from Rs. 14.0 crores in 1962-63 to Rs. 17.1 crores. The industries to which loans were sanctioned comprised chemicals, sugar, paper, cotton textiles, engineering, glass, cement and automobiles. Foreign currency loans sanctioned nearly trebled from Rs. 2.9 crores in 1962-63 to Rs. 8.3 crores in 1963-64.

The underwriting assistance rendered by the Corporation also rose substantially. The Corporation sanctioned underwriting facilities for an amount aggregating Rs. 4.6 crores (34 cases for Rs. 3.3 crores of equity and 23 cases for Rs. 1.3 crores of preference) as compared with Rs. 2.2 crores in the previous year. Twenty underwriting agreements were finalised during the year involving Rs. 2.3 crores (Rs. 1.8 crores equity and Rs. 0.5 crore preference), of which the Corporation was obliged to take up Rs. 2.0 crores (Rs. 1.5 crores equity and Rs. 0.5 crore preference). The total amount which devolved on the Corporation since its inception in 1948 in respect of 43 issues involving Rs. 8.1 crores that were underwritten and placed on the market aggregated Rs. 6.2 crores or about 75 per cent of the amount underwritten.

During the year under review, the Corporation approved ten applications for guaranteeing deferred payments to the extent of Rs. 2.0 crores in respect of machinery and equipment to be imported from abroad; the corresponding figure for the previous year was Rs. 2.7 crores in respect of five applications. The Corporation also issued letters of guarantee for deferred payments to the extent of Rs. 0.7 crore in respect of six cases as against Rs. 2.4 crores in the previous year. Two cases of foreign guarantee loans for Rs. 5.0 crores were also approved. The Corporation also executed guarantees to the extent of Rs. 4.7 crores in favour of two concerns during the year.

The total financial assistance (net) approved by the Corporation since its inception in 1948 upto March 31, 1964 aggregated Rs. 190.5 crores, against which disbursements amounted to Rs. 119 crores.

As regards the resources of the Corporation, no fresh issue of bonds was made during the year nor was there any further foreign credit made available to it. The loans already drawn from the Government of India and outstanding as on March 31, 1964 amounted to Rs. 33.6 crores, while outstanding bonds as on the same date amounted to Rs. 28.21 crores.

The *State Financial Corporations** continued to extend financial assistance to medium and small-sized industrial undertakings within their respective areas of operation. During the year, Manipur was included in the area of operation of the Assam State Financial Corporation, while the question of extending the Maharashtra State Financial Corporation's jurisdiction to Goa, Daman and Diu and that of the West Bengal Financial Corporation to the

* Including the Madras Industrial Investment Corporation, Ltd.

offshore islands of Andaman and Nicobar was under consideration.

The total amount of loans sanctioned by the Corporations in 1963-64 was somewhat lower at Rs. 17.9 crores as compared to Rs. 19.4 crores in the preceding year. Although the loans sanctioned by seven Corporations (Gujarat, Orissa, U.P., Maharashtra, Mysore, Andhra Pradesh and Assam) showed a rise, the rise was more than offset by a decline in the case of the remaining eight Corporations (Madhya Pradesh, Punjab, Kerala, West Bengal, Madras, Rajasthan, Jammu and Kashmir and Bihar). A majority of the Corporations, however, increased their disbursements during the year, with the result that the aggregate disbursements against loans sanctioned were higher at Rs. 12.5 crores in 1963-64 as against Rs. 11.7 crores in the previous year. The loans outstanding, as reported by the fifteen Corporations, aggregated Rs. 40.5 crores at the end of March 1964. The effective rate of interest charged on the loans by the Corporations varied from 7 per cent to $7\frac{1}{2}$ per cent, after due allowance, wherever admissible, for the usual rebate of $\frac{1}{2}$ per cent for prompt payment of interest and instalments of principal on the due dates. The West Bengal Financial Corporation increased its lending rate early in the year from 7 per cent to $7\frac{1}{2}$ per cent, effective April 15, 1963, following the stepping up in the preceding year of interest rates by the other Corporations, except the Jammu & Kashmir State Financial Corporation which kept its rate unchanged at $6\frac{1}{2}$ per cent.

During the year, three State Financial Corporations issued bonds for Rs. 2.10 crores to increase their resources as follows :

Bonds Issued By State Financial Corporations (Amount in lakhs of Rupees)

Name of the Corporation	Date of issue	Details of issue	Issue Price	Offered	Retained
Maharashtra ...	13-11-63	$4\frac{3}{4}$% 1975	100	100	100
Andhra Pradesh ...	20- 1-64	$4\frac{3}{4}$% 1975	100	50	50
Gujarat ...	9- 3-64	$4\frac{3}{4}$% 1976	100	60	66

Three more Corporations, namely, Madhya Pradesh, West Bengal and Orissa were also considering the issue of bonds for an aggregate amount of Rs. 2.5 crores. As at the end of March 1964, 13 Corporations had issued bonds, the outstandings amounting to Rs. 21.3 crores.

The State Financial Corporations in Madras, Kerala, Andhra Pradesh, Maharashtra and Assam have also been accepting fixed deposits, such deposits amounting to Rs. 9.1 crores at the end of February 1964. The Madras Corporation, in addition, continued to receive short term and short notice deposits and also to issue cash certificates, the amount of such deposits being Rs. 50.2 lakhs and that of cash certificates Rs. 6.3 lakhs.

Seven out of the fifteen Corporations have been sanctioned medium-term credit facilities upto an aggregate limit of Rs. 4 crores by the Reserve Bank of India under Section 7(2)(b) of the State Financial Corporations Act and at the end of March 1964, outstandings against such borrowings amounted to Rs. 97 lakhs in respect of two State Financial Corporations. Nine Corporations were also sanctioned limits totalling Rs. 2.2 crores for borrowing upto 90 days against Government securities. Eight Corporations were sanctioned refinance facilities by the Refinance Corporation to the extent of Rs. 3.9 crores during the year; the total refinance facilities sanctioned so far aggregated Rs. 6.6 crores, of which the amounts disbursed and outstanding at the end of March 1964 stood at Rs. 4.7 crores and Rs. 4.5 crores, respectively.

At the end of 1963, nine State Financial Corporations were working as agents of their respective State Governments for routing block loans to small-scale industries under the State Aid to Industries Act, while in respect of three other Corporations (Madhya Pradesh, Bihar and West Bengal,) the respective State Governments have agreed to route State Aid loans to small scale industries through them. Agency arrangements are being contemplated in the case of the Jammu and Kashmir and the Mysore States, while the Government of Madras has decided not to appoint the Madras State Industrial Investment Corporation for this purpose. The total loans disbursed under the agency arrangements at the end of September 1963 in respect of eight Corporations amounted to Rs. 3.2 crores, of which Rs. 2.1 crores were outstanding.

With a view to improving the working of the State Financial Corporations and to making them function more effectively, a Working Group was constituted by the Reserve Bank of India in June 1962. This Group, in its Report submitted in February 1964, made a number of recommendations for more effective mobilisation of funds by the Corporations by way of share capital, deposits, bonds and provision of funds by Government or the Reserve Bank. The Group recommended the stepping up of the tax exemption limit in respect of credits to the Special Reserve Account from 10 per cent to 25 per cent, subject to the present overall limit, viz., upto the paid-up capital. It further recommended (i) the raising of the ceiling of accumulations in the Special Reserve Fund (built out of dividends forgone by the States and the Reserve Bank) from 10 per cent of the paid-up capital of a State Financial Corporation to 25 per cent, (ii) the writing off of the outstanding subvention liabilities of the Corporations, and (iii) the adoption of a multiple rate structure by the Corporations on their loans instead of a standard rate and the adjustment of the present lending rate to allow them a margin of at least $2\frac{1}{2}$ per cent. These recommendations are under the consideration of the Reserve Bank.

The Industrial Credit and Investment Corporation of India recorded a substantial increase in its operations during the year ended December 1963. Total financial assistance approved was for a record sum of Rs. 24.9 crores (gross) as compared with Rs. 19.6 crores in 1962, an increase of 27 per cent. Of the total assistance approved in 1963, rupee assistance in the form of loans, underwriting of and direct subscriptions to ordinary and preference shares and debentures amounted to Rs. 12.6 crores, the balance of Rs. 12.3 crores being the equivalent of foreign currency loans. Total disbursements including foreign currencies were higher in 1963 (Rs. 10.8 crores) than in 1962 (Rs. 9.9 crores).

The Corporation completed eleven underwriting operations in 1963 involving an amount of Rs. 1.8 crores (as compared with seven operations for Rs. 2.4 crores in 1962) against which it was called upon to take up Rs. 83 lakhs in fulfilment of its underwriting obligations. The total net operations sanctioned by the Corporation since its inception in 1955 aggregated Rs. 83.2 crores to 248 companies of which 105 were new undertakings.

In order to augment its foreign exchange resources, the Corporation obtained a fifth line of credit from the World Bank for U.S. $30 million (Rs. 14.3 crores), raising the total loans from the World Bank to U.S. $90 million (Rs. 42.8 crores). A loan agreement for DM 20 million (Rs. 2.4 crores) was also concluded with the Kreditanstalt of the Federal Republic of Germany and a second line of credit for DM 5 million (Rs. 59.5 lakhs) was under negotiation. In addition, the Corporation obtained a further loan of Rs. 10 crores from the Government of India out of P.L. 480 funds, raising the total borrowings from the Government to Rs. 27.5 crores.

The activities of the *Refinance Corporation for Industry* also showed a substantial increase during the year 1963-64. The number of applications received increased from 116 in 1962-63 to 238 in 1963-64, with the amount for refinancing facilities also rising from Rs. 18.0 crores to Rs. 32.1 crores. The Corporation sanctioned 178 applications for Rs. 23.3 crores as against 86 applications for Rs. 13.5 crores in the previous year. The amount disbursed was also substantially larger during the year at Rs. 15.1 crores (including Rs. 7.6 crores for export credit) as against Rs. 8.8 crores in 1962-63. Since its inception in June 1958 upto the end of March 1964, the Corporation received 482 applications for Rs. 72.1 crores, of which 368 applications for Rs. 55.1 crores were sanctioned. Disbursements since its inception amounted to Rs. 33.0 crores, of which a sum of Rs. 29.0 crores was outstanding as at the end of March 1964.

In order to meet the growing demand for financial assistance, the Corporation not only drew the balance of Rs. 11.5 crores out of the P.L. 480 allocations of Rs. 26 crores but also borrowed another Rs. 2 crores from the Government of India, pending the finalisation of arrangements for further allocation of P.L. 480 funds. The Corporation's borrowings from the Government during the year thus amounted to Rs. 13.5 crores, increasing the aggregate borrowings to Rs. 28 crores. The rate of interest payable by the Corporation on its borrowings was increased to 4 per cent for the year 1963 as against 3 per cent for the previous year.

During the year under review, refinancing facilities were extended to one additional scheduled bank and two State co-operative banks.

A reference was made in last year's Report to the scheme for the guarantee of advances granted to private sector coal industry. The scheme, which was introduced on April 9,

1963, made steady progress, and 28 applications in respect of advances aggregating Rs. 3.1 crores were received from eight credit institutions and 25 guarantees for Rs. 2.3 crores were issued.

In respect of the Corporation's scheme for the refinancing of medium-term export credits introduced from January 1, 1963, the Corporation received and sanctioned only one application for Rs. 10.8 lakhs and disbursed a sum of Rs. 7.6 lakhs under the scheme. In pursuance of the recommendations of the Study Group on Export Finance (with Shri Mathrani as Chairman) that the Corporation should so regulate its interest rate on refinance of medium-term export credits as to ensure that funds are available to Indian exporters from banks at not more than 6 per cent per annum to enable them to compete effectively in the foreign markets, the Corporation reduced, with effect from December 23, 1963, the rate of interest on medium-term export credit to $4\frac{1}{2}$ per cent, provided the financing bank did not charge more than 6 per cent to the exporters. In other cases, the rate of interest charged continued to be 5 per cent. Further, with a view to extending the benefits of the scheme to small exporters who may ship goods in instalments against a particular contract, the Corporation decided to refinance export credits for even less than Rs. 1 lakh (which was previously the minimum amount of a loan in respect of which refinance could be sought), provided the relative export contract was for a minimum amount of Rs. 1 lakh.

The *National Industrial Development Corporation Ltd.*, in its capacity as the agent of the Government of India, continued to give financial assistance to cotton textile and jute textile industries for purposes of rehabilitation and modernisation of machinery and to machine tool units for expansion and rehabilitation, but the magnitude of assistance did not show any significant increase in view of the Government of India's decision in February 1963 that the Corporation should not entertain any fresh loan application. The amount of loans sanctioned to cotton and jute textile industries upto the end of March 1964 aggregated Rs. 28.2 crores, against which an amount of Rs. 14.9 crores was disbursed, the corresponding figures at the end of March 1963 were Rs. 26.4 crores of loans sanctioned and Rs. 12.0 crores disbursed. In addition to the grant of loans on long-term basis, the Corporation also made available to the cotton textile mills, indigenous machinery of the value of Rs. 3.8 lakhs on hire purchase basis. As regards the machine tool industry, while the financial assistance sanctioned at Rs. 1 crore at the end of March 1964 was the same as at the end of March 1963, actual drawals against the sanctioned limit stood at Rs. 88 lakhs as against Rs. 54 lakhs at the end of March 1963.

During the year, the Technological Consultancy Bureau set up by the Corporation in 1960 for the provision of consultancy and engineering services, continued the preliminary investigation of a number of projects like the Precision Instruments Plant, Pumps and Compressors, Ball and Roller Bearing Project, Aluminium Project, Bio-Gas and Bio-Fertilizer Plant.

The progress of the *Tea Plantation Finance Scheme* announced in February 1962, which placed an amount of Rs. 5 crores in the hands of the Tea Board, was somewhat slower than expected. The total amount committed upto December 1963 stood at Rs. 1.7 crores as against Rs. 2.6 crores sanctioned and only Rs. 29.3 lakhs had been disbursed towards the first instalment of the loans. The slow progress was attributed mainly to the general reluctance on the part of banks in the initial stages to agree to the *pari passu* charge envisaged under the Scheme and the Emergency declared in the wake of the Chinese aggression which directly threatened some of the tea-growing areas.

Financing of Small-Scale Industries: The *Government of India's Credit Guarantee Scheme* (for the guarantee of advances granted by specified banks and financial institutions to small-scale industries), which is operated by the Reserve Bank as the "Guarantee Organisation" on behalf of the Government of India and which covers the entire country from January 1, 1963, made considerable progress during 1963-64. From its inception in July 1960 upto the end of March 1964, the Guarantee Organisation received 9,799 applications for guarantee in respect of credit limits aggregating Rs. 39.9 crores as against 4,984 applications for Rs. 19.5 crores received upto the end of March 1963. Applications accepted for guarantee upto the end of March 1964 numbered 8,571 for a total sum of Rs. 32.8 crores as against 4,520 applications for a total sum of Rs. 16.6 crores at the end of March 1963. Although the bulk of the applications continued to be received from the State Bank of India, which had been operating a scheme of liberalised credit for small-scale industries and had decided to bring all its advances to such industries under the guarantee cover, 35

other credit institutions had also applied for guarantees as against 34 till the end of March 1963.

During the year under review, the Government of India approved certain changes to facilitate the smooth working of the Scheme. The more important of the changes made were: (i) credit facilities in the form of purchase or discount of bills, which were not eligible for guarantee so far, have now been made eligible, (ii) credit institutions which were required to pay, in respect of term loans, guarantee fees on the maximum amount of the loan as sanctioned, irrespective of the amount outstanding at the time of application for guarantee, can now secure guarantees and pay fees in respect of such outstanding amounts, (iii) applications for guarantee in respect of term loans, which were formerly required to be made for a period of one year or the full period of the loan (subject to a maximum period of seven years) but not for any intermediate period, may now be made for any intermediate period.

The financial assistance rendered by the State Bank of India to small-scale industries showed a substantial rise. The number of units assisted increased from 3,289 at the end of March 1963 to 3,899 at the end of December 1963, with the aggregate credit sanctioned also rising from Rs. 13.0 crores to Rs. 17.6 crores during the same period. The amount of loans outstanding was also higher at Rs. 8.6 crores a the end of December 1963 as against Rs. 6.7 crores at the end of March 1963. Credit limits sanctioned by the seven subsidiaries of the State Bank of India stood at Rs. 6.7 crores in respect of 866 units at the end of December 1963 as against Rs. 6.1 crores in respect of 731 units at the end of March 1963, the amount outstanding at the end of December 1963 being Rs. 2.6 crores as against Rs. 2.7 crores at the end of March 1963.

During the year, the State Bank decided to continue to offer for a period of time the facilities under the liberalised scheme to small-scale units even if they had crossed the capital assets limit of Rs. 5 lakhs and to withdraw them only gradually. The Bank continued to pay increasing attention to the provision of medium-term finance to small-scale industries for expansion, modernisation, replacement etc. The Bank also rendered larger assistance to specified handicrafts under its liberalised credit scheme and extended increased financia' assistance to industrial co-operatives.

Besides, financial assistance was extended to small-scale industries through the *Small Industries Corporations* established in certain States to promote the development of small-scale industrial units. As at December 31, 1963, credit limits sanctioned by the State Bank of India to seven such Corporations aggregated Rs. 123.5 lakhs.

The National Small Industries Corporation continued to render assistance to small-scale units in securing orders from the Government Departments but the supply of imported machinery to them on hire purchase was slowed down owing to lack of foreign exchange.

Small Industries Corporations are broadly the counterparts, at the State level, of the National Small Industries Corporation and are now functioning in all the States with the exception of Jammu and Kashmir, Madras and Nagaland. Similarly, State Industrial Development Corporations, broadly on the lines of the National Industrial Development Corporation, have been set up in Andhra Pradesh, Bihar, Gujarat, Kerala, Maharashtra, Orissa and Uttar Pradesh to promote the development of industries and to formulate and execute projects of industrial development. The establishment of such Corporations in Madhya Pradesh, Madras, Mysore and Rajasthan is in progress.

Unit Trust of India: The legal framework for the establishment of an institution to extend facilities of investment in equity capital of companies by the large and growing number of small investors in the middle income groups of the community, which had been under consideration of Government for some time past, was laid down, when the Unit Trust of India Bill was passed by Parliament in December 1963. The Bill received the President's assent on December 30, 1963, and the Unit Trust of India was established on February 1, 1964 with an initial capital of Rs. 5 crores to which subscriptions upto the prescribed limits were made by the Reserve Bank of India (Rs. 2.5 crores), the Life Insurance Corporation (Rs. 75 lakhs), the State Bank of India and its subsidiaries (Rs. 75 lakhs) and the scheduled banks and other financial institutions (Rs. 1 crore). The general superintendence, direction and management of the affairs and business of the Trust is vested in a Board of Trustees, consisting of a Chairman and four other trustees appointed by the Reserve Bank not less than three having special knowledge of or experience in commerce, industry, banking finance or investment, one trustee each nominated by the Life Insurance Corporation and the State Bank and two trustees elected by other contributing institutions. In addition,

there is also an Executive Trustee appointed by the Reserve Bank.

The Unit Trust is authorised under the Act to devise a unit scheme under which the face value of each unit to be issued is not to be less than ten rupees nor more than one hundred rupees. The initial capital (Rs. 5 crores) provided by the participating institutions serves to begin with a portfolio of securities on the basis of which units can be created and sold to the public. The Unit Trust is prohibited from taking on lease or purchasing, except for its own use, any immovable property or acquiring any interest therein. The Trust is empowered to borrow from the Reserve Bank, other banks and lending institutions. It may borrow from the Reserve Bank for periods not exceeding ninety days and in special circumstances for periods upto eighteen months against its own bonds issued for the purpose with the approval and guarantee of the Central Government.

The total gross income and expenses of the Trust in any year are to be allocated proportionately between the initial capital (contributed by the subscribing institutions) and the unit capital (representing aggregate face value of units sold under the scheme). Management expenses other than interest are limited to a maximum of 5 per cent of the gross income allocated to the unit capital, any excess over this limit being charged to the initial capital. Under the Act, it is also provided that at least 90 per cent of the gross income less management and other expenses allocated to the unit capital should be distributed to the unit holders.

The Trust is exempted from payment of income-tax, super-tax and other taxes on its income. Further, income received from the Trust by unit holders, if they are individuals, is exempted from income-tax, if such income does not exceed Rs. 1,000/-. Also, such income is exempted from super-tax in the case of a unit holder who would not have been liable to pay super-tax but for the inclusion of this income in his total income. Further, income distribution by the Trust to unit holders, who are individuals would be made without any deduction of income-tax at the source. The contributing institutions are exempted from payment of super profits tax on the income accruing to them in respect of their contributions.

The Companies (Amendment) Act, 1963: Mention was made in the Report for 1960-61 of certain amendments to the Companies Act, 1956, which were effected with a view to removing the defects and deficiencies noticed in its working and also ensuring better fulfilment of the purposes underlying the Act. Taking into account this objective and the findings of the Vivian Bose Commission and the recommendations of the Daphtary-Sastri Committee thereon, an Amendment Bill was introduced in Parliament on November 28, and received the President's assent on December 30 1963. The main features of these amendments are mentioned below.

The Amendment Act empowers Government to constitute a Tribunal and refer to it any case of managerial personnel for its findings if the Government is satisfied that there are circumstances suggesting that the office holder concerned is guilty of fraud, misfeasance, negligence or default or breach of trust, or that he is not conducting and managing the business of the company on sound business principles or prudent commercial practices, or that he is conducting and managing the same in a manner which is likely to cause serious injury or damage to the interest of the trade, industry or business to which such company pertains or with intent to defraud its creditors, members or any other person or otherwise for a fraudulent or unlawful purpose or in a manner prejudicial to the public interest. On the basis of the Tribunal's findings, Government is empowered to remove the concerned person or firm or body corporate from offices and approve of the appointment by the company of some other person in his or its place. Prior to the amendment, such removal could be secured only on an application to a court on the ground of oppressive management or of mismanagement. An appeal lies to the High Court on any question of law involved in the finding of the Tribunal.

The Amendment Act provides for the constitution of a Company Law Board, the Chairman and members of which shall be appointed by Government. The Board will function under the Ministry of Finance and exercise such powers and functions conferred on the Central Government by or under the Companies Act or any other law as may be delegated to it by the Government and will exercise them subject to the control of the Central Government.

With a view to preventing misuse of voting rights attached to shares or debentures held in trust, the Amendment Act enables Government to appoint a public trustee. Every person

holding in trust, shares or debentures of a company, is required to make to the public trustee a declaration in the prescribed form and at the prescribed time. The public trustee will be entitled to exercise the rights exercisable by the trust at a meeting of the company and the trustee shall not exercise such rights. These provisions do not cover trusts which are not created by instruments in writing nor will they apply to a trust created in writing where the trust money invested does not exceed Rs. 1 lakh or where it exceeds Rs. 1 lakh, it does not exceed Rs. 5 lakhs or 25 per cent of the paid-up share capital of the company, whichever is less.

The Amendment Act empowers the Government if, in its opinion, it is necessary in the public interest so to do, to direct a company to convert the whole or part of the loans given to it by the Government, or of its debentures issued to the Central Government into shares of the company, on such terms and conditions as may appear to Government to be reasonable, having regard to the circumstances of the case. Such right to ask for conversion shall be exercisable, notwithstanding the right of shareholders as laid down in Section 81 of the Companies (Amendment) Act, 1956, in respect of loans granted and debentures issued whether before or after the date of the coming into force of the Amendment Act. A copy of every order for conversion of loans or debentures will have to be laid in draft before each House of Parliament for a total period of 30 days. Provision has also been made for appeal by the company to the High Court against the order, if the terms and conditions of conversion are not acceptable to the company.

CHAPTER V: BUDGETS AND PUBLIC DEBT

UNION GOVERNMENT BUDGET

The overall budgetary deficit* of the Government of India, which had widened perceptibly from Rs. 115 crores in 1961-62 to Rs. 156 crores in 1962-63, largely owing to the sudden increase in defence outlays, showed a marginal improvement during 1963-64 (R.E.). Notwithstanding a substantial step-up of expenditure, the overall revised deficit for 1963-64 was smaller (Rs. 153 crores)** than in 1962-63 (Accts.). The budget for 1963-64 had left an uncovered gap of Rs. 16 crores on revenue account and of Rs. 175 crores on capital account—a total of Rs. 181 crores after allowing for a surplus of Rs. 10 crores under "miscellaneous", to be made good by recourse to credit from the Reserve Bank. The revised estimates now disclose a substantial surplus of Rs. 88 crores on revenue account, attributable in large measure to the marked buoyancy in receipts and in part to a cut in expenditure. On capital account, receipts have fallen short of the original anticipation owing to short-falls under internal loans, U.S. counterpart funds and repayment of loans by the States, while aggregate disbursements have been marked up owing to larger outlays on railways, civil works, discharge of external debt and larger assistance to States.

The overall expenditure bill of the Central Government during 1964-65 is estimated to go up by Rs. 212 crores on revenue account and by Rs. 200 crores on capital account (or by a total of Rs. 412 crores without adjusting for purely book-keeping items). The revenue receipts, at existing levels of taxation and estimated on the basis of the buoyancy witnessed in preceding years, are expected to rise by Rs. 177 crores; along with additional taxation amounting to Rs. 40 crores, the revenue account is expected to show a surplus of Rs. 94 crores. On capital account, larger credit is taken under external loans and repayment of loans by the States as well as under receipts from the new annuity deposits; and total receipts are expected to rise by Rs. 282 crores, leaving a gap of Rs. 164 crores as against Rs. 246 crores in 1963-64 (R.E.) and Rs. 250 crores in 1962-63 (Accts.). The overall budget picture is estimated to show a deficit of Rs. 86 crores, or about half that in the previous year.

Outlays

Recent trends in revenue and capital expenditure of the Government of India by major heads of account are presented in Table 1.

Table 1. Disbursements (By Main Heads)

(Crores of Rupees)

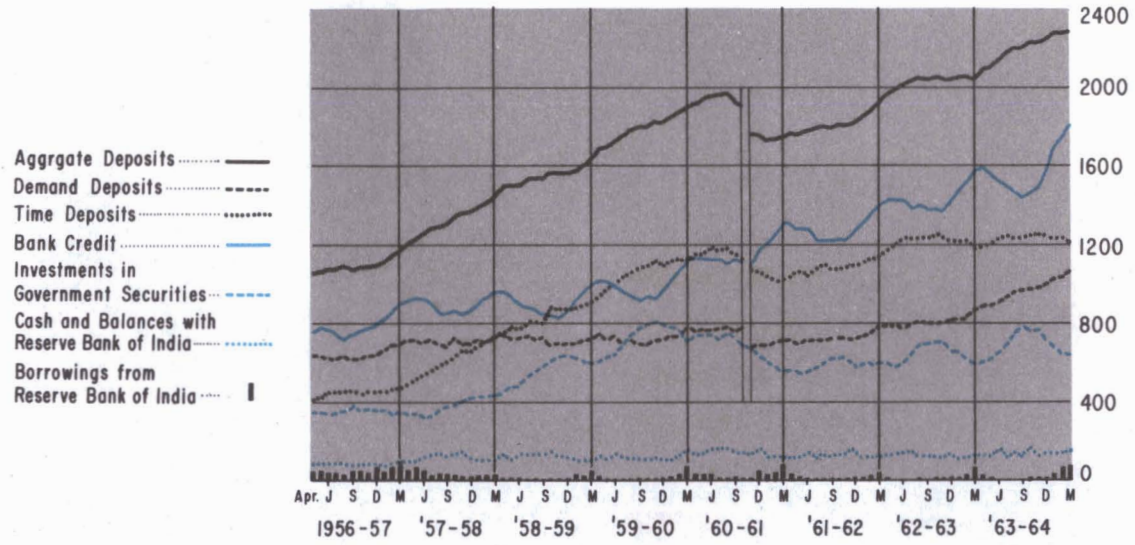
	1962-63	1963-64		1964-65
	(Accts.)	(B. E.)	(R. E.)	(B. E.)
Total Revenue Expenditure	**1314**	**1697**	**1665**	**1877**
I. Defence (Net)	425	709	693	718
II. Civil	889	988	972	1159
Of which				
Civil Administration	75	88	80	82
Debt Services	245	280	282	318
Social and Developmental Services	186	185	177	200
Of which Steel Surcharge	30	18	16	14
Transfer of P. L. 480 Funds	54	45	64	140
Emergency Risks Insurance	9	36	15	3
Grants to States	195	218	236	289
All Others	125	136	118	127
Total Capital Disbursements	**1454**	**1778**	**1826**	**2026**
I. Capital Outlays	612	887	830	970
Of which				
Developmental	502	613	614	630
Transfer of Development Assistance from U.S.A.	82	62	68	175
Non-Developmental	28	212	148	165
Of which Defence	49	159	116	136
II. Loans and Advances to States	511	541	637	622
III. Other Loans and Advances (net)	103	114	114	171
IV. All Others	228	236	245	263

*Ignoring *ad hoc* Treasury bills of Rs. 50 crores each funded in February 1962 and December 1962.
**Ignoring *ad hoc* Treasury bills of Rs. 75 crores funded in January 1964.

GRAPH 8

LIABILITIES AND ASSETS OF SCHEDULED BANKS

(AS ON LAST FRIDAY OF THE MONTH)

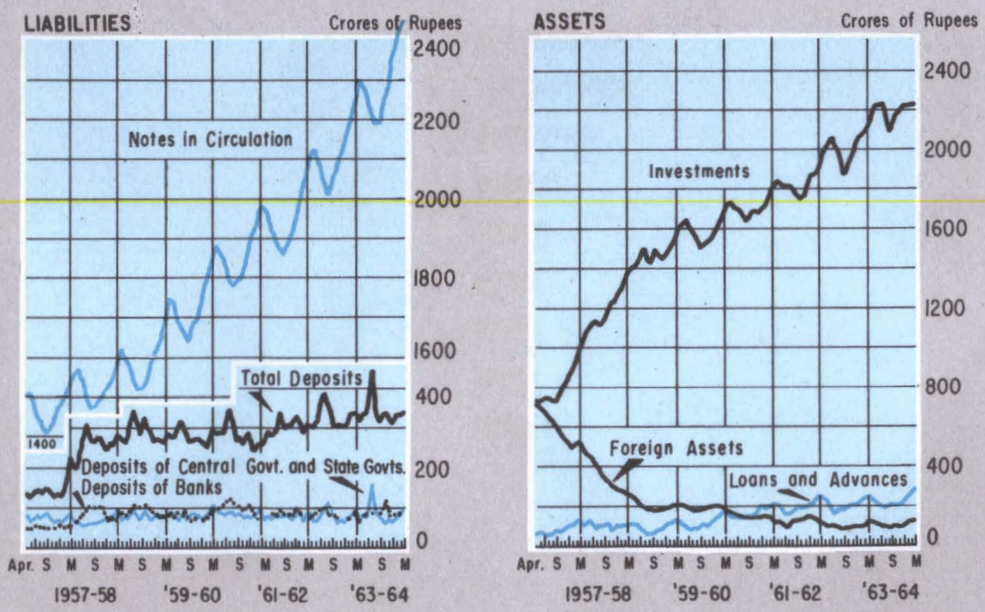


GRAPH 9

LIABILITIES AND ASSETS OF THE RESERVE BANK OF INDIA

ISSUE AND BANKING DEPARTMENTS COMBINED

(AS ON LAST FRIDAY OF THE MONTH)



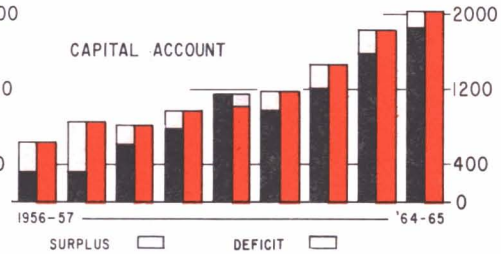
GRAPH 10

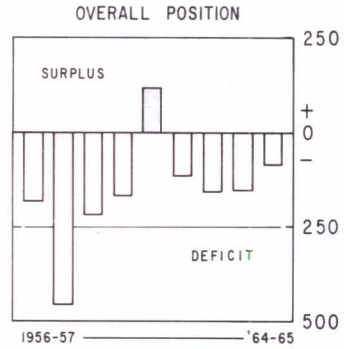
FINANCES OF THE GOVERNMENT OF INDIA

1956-57 —— 1964-65

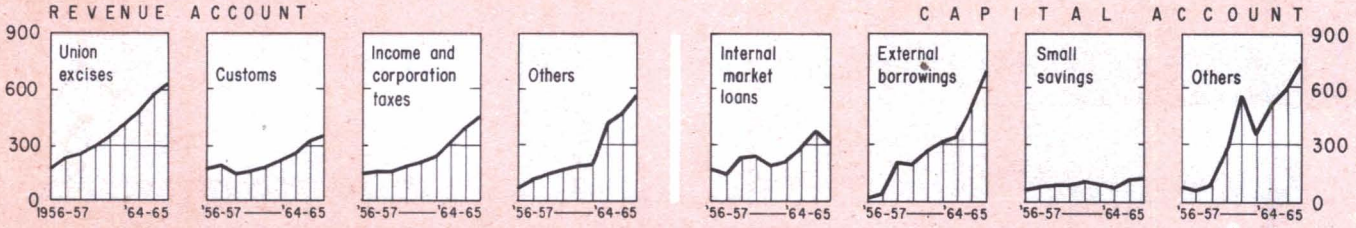
(CRORES OF RUPEES)



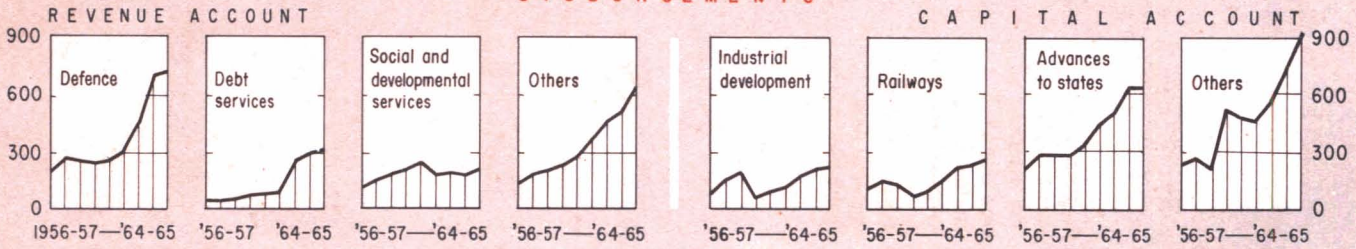




RECEIPTS



DISBURSEMENTS



On revenue account, defence expenditure, which was at Rs. 290 crores or 32 per cent of the total revenue expenditure in 1961-62, shot up to Rs. 425 crores or 32 per cent in 1962-63, and further to Rs. 693 crores or 42 per cent in 1963-64 (R.E.). In the budget for 1964-65 this has been marked up further, though slightly, to Rs. 718 crores or about 38 per cent of the total revenue expenditure. The capital outlay on defence has also been steadily stepped up from Rs. 23 crores in 1961-62 to Rs. 49 crores in 1962-63, to Rs. 116 crores in 1963-64 (R.E.) and to Rs. 136 crores in 1964-65. Thus, the total expenditure on defence (revenue & capital accounts combined) has risen from Rs. 474 crores in 1962-63 to Rs. 809 crores in 1963-64 (R.E.) and to Rs. 854 crores in 1964-65 (B.E.), thus constituting 22 per cent of the total outlay for 1964-65 as against 23 per cent and 17 per cent, respectively, in 1963-64 and 1962-63. The expenditure incurred on defence in 1962-63 and 1963-64, both on revenue and capital accounts, has, it may be noted, fallen short of the earlier expectations. As against an expected outlay of Rs. 505 crores in 1962-63 (R.E.), the actuals for that year now disclose a saving of Rs. 31 crores and as between the budget and the revised estimates for 1963-64, there has been a saving of Rs. 59 crores.

Expenditure on civil heads which had gone up by Rs. 267 crores in 1962-63 and by Rs. 83 crores in 1963-64 (R.E.) is expected to go up by Rs. 187 crores to Rs. 1,159 crores in 1964-65 (B.E.); at this level it constitutes about 62 per cent of total revenue expenditure. As between the budget estimates and the revised estimates for 1963-64, there has been a saving of Rs. 16 crores, which is the net result of a drop in expenditure on civil administration, the subsidy payable on sugar exports and requirements of new Union Territory Governments, offset to some extent by excess disbursements by way of grants-in-aid to States and States' share of Union excise duties.

Of the anticipated increase of Rs. 187 crores in civil expenditure during 1964-65, debt services (Rs. 36 crores) and grants-in-aid to States (Rs. 53 crores) account for nearly one-half; while the former represents the interest payable on the growing volume of public debt, both domestic and foreign, the latter shows noticeable increases in grants for police, education and research, agriculture and rural development, community development, industries, welfare of backward classes and grants to Union Territories to meet their revenue deficit. Further, an improvement of Rs. 22 crores is expected under social and developmental services, particularly under scientific departments, education, medical, agriculture, co-operation and multi-purpose river schemes. Provision for grants under P.L. 480 for development of selected projects is pitched higher by Rs. 76 crores in the 1964-65 budget. It may be mentioned that loans or grants from the U.S.A. from P.L. 480 funds were so far being made by the U.S. authorities in reimbursement of the expenditure actually incurred on approved Plan projects. With effect from 1964-65, it has been agreed that loans or grants will be given in advance, as soon as the Project Agreements are signed between the two Governments. This change is expected to quicken the pace of expenditure on selected projects.

Total disbursements on capital account of the Centre have been progressively growing in recent years. A substantial part of capital outlay goes to developmental projects; this shows a rise of Rs. 151 crores in 1962-63, a further rise of Rs. 112 crores in 1963-64 (R.E.) and is estimated to be Rs. 16 crores higher still in the budget for 1964-65. According to the revised estimates, the development outlay during 1963-64 is placed around the original target of Rs. 613 crores for that year. A break-up of this head, however, shows shortfalls in outlays on industrial development (largely Hindustan Steel and Atomic Energy Development) and irrigation and multi-purpose river schemes, either because the requirements were found to be smaller than anticipated or because the progress of the works was slowed down on account of non-availability of construction equipment and machinery. But these shortfalls were counterbalanced by increased requirements of Railways (Rs. 19 crores), Heavy Engineering Corporation (Rs. 4 crores) and Heavy Electricals (Rs. 3 crores). The budget for 1964-65 has placed developmental outlay at a still higher level of Rs. 630 crores. Under P.L. 480 loan assistance from U.S. authorities, the change in the procedure for release of P.L. 480 funds from a reimbursement to an advance payments system, referred to earlier, would facilitate the stepping up of outlay on selected projects; accordingly a substantially larger credit of Rs. 175 crores has been taken under this head for 1964-65 as against Rs. 68 crores in 1963-64 (R.E.). The grants for development to States and Union Territories are also budgeted higher by Rs. 4 crores, to accelerate the tempo of local development works mainly for rural water supply works, projects for utilisation of manpower, and rural industries.

The Centre's assistance to the States by way of loans and grants for financing their Plan and non-Plan outlays has been rising in recent years at a faster rate than originally contemplated in the Plan. At the same time, the States' share of the divisible pool of taxes, which was raised by the Third Finance Commission from 1962-63, has also been growing *pari passu* with the increased buoyancy in Centre's tax receipts. Even so, most of the States have been facing serious ways and means difficulties. To accommodate the States, the Centre's total assistance (i.e. loans, grants and share of taxes), which was placed at Rs. 1,009 crores* in the 1963-64 budget estimates, as against Rs. 970 crores, actuals for 1962-63, is now placed at Rs. 1,143 crores in the revised estimates for 1963-64; a major part of this increase is accounted for by the post-budget decision to provide accelerated Central assistance to the States in order to speed up the pace of their development plans, particularly in certain sectors, notably power and agriculture (Rs. 63 crores). Besides, an additional credit of Rs. 6 crores for purchase and distribution of fertilisers, seeds and pesticides, as also loans of Rs. 10 crores for meeting interest charges on irrigation project loans were made available. For 1964-65, it has been decided to abandon the centralised programme of market borrowing; and the States would be free to borrow from the market. The provision for loans to States in the 1964-65 budget at Rs. 606 crores is Rs. 81 crores larger than in the revised estimates for 1963-64 (exclusive of States' share of Rs. 101 crores of centralised market borrowings in that year).

Resources

Revised Estimates for 1963-64: There was a remarkable growth in revenue receipts during 1963-64. The budget for that year, after taking credit for additional taxation of Rs. 276 crores, had placed revenue receipts at Rs. 1,680 crores; these are now expected to be even higher at Rs. 1,753 crores. This improvement of Rs. 73 crores is wholly due to tax receipts, since non-tax receipts are placed lower by Rs. 4 crores.

Table 2. Resources (By Main Groups)

(Crores of Rupees)

	1962-63	1963-64		1964-65
	(Accts.)	(B. E.)	(R. E.)	(B. E.)
Total Revenue Receipts	**1428**	**1680**	**1753**	**1971**
Tax Revenue	1061	1233	1310	1449
Of which				
1. Income-tax	91	120	116	142
2. Corporation Tax	222	222	275	306
3. Customs	246	301	320	336
4. Union Excise	474	559	567	629
Non-Tax Revenue	367	447	443	522
Of which				
1. Debt Services	153	217	220	252
2. Net Contribution of public undertakings	56	85	69	66
3. Administrative Receipts	63	49	48	48
4. P. L. 480 Grants	54	45	64	140
Total Capital Receipts	**1204**	**1604**	**1579**	**1862**
Market Borrowings				
Internal (Gross)	279	393	367	295
External (Gross)	340	462	503	697
Investments of U. S. Government Counterpart Funds (Net)	48	90	65	—85
Small Savings (Net)	74	105	115	125
Prize Bonds	4	6	5	5
All Others@	459	458	524	825

@ Include unfunded debt, railway funds, reserve funds, repayment of loans by States, compulsory deposits, annuity deposits, etc.

*Inclusive of Rs. 100 crores as States' share of centralised market borrowings.

Among the tax heads, corporation tax shows the largest increases of Rs. 53 crores, followed by customs (Rs. 19 crores) and excise duties (Rs. 8 crores). As regards revenue from income-tax, although the revised gross receipts showed an increase of Rs. 17 crores over the budget estimates, net receipts showed a small decline of Rs. 4 crores owing to larger payments to State Governments on account of their share in the collections as well as on account of arrears. The increase in corporation and income taxes is mainly accounted for by better collections of advance tax, incentives for prompt payment and completion of a larger number of assessments. The improvement in customs revenue, mainly under import duties, is principally a sequel to larger imports of high speed diesel oil, vaporising and other oils, machinery, and iron and steel, reflecting the increase in industrial needs and acceleration of the developmental effort. Out of the increase of Rs. 20 crores in import duties over budget estimates, larger imports of (i) machinery, iron and steel, (ii) high speed diesel, vaporising and other mineral oils (except kerosene) and (iii) industrial fuel oil account for an increase of Rs. 9 crores, Rs. 8 crores and Rs. 6 crores, respectively. The group head 'chemicals, drugs and medicines' and the miscellaneous item 'all other articles' also show increases; these increases are counter-balanced by decreases under kerosene (Rs. 12 crores), art silk yarn and thread (Rs. 2 crores) and a number of other items due to smaller imports. Union excise duties collected by the Centre are higher by Rs. 16 crores over the budget estimates, reflecting increased production and clearance of several excisable items, notably mineral oils, paper, tyres and tubes, rayon and synthetic fibres and jute manufactures. In line with this improvement in excise yield, the share payable to State Governments has gone up by Rs. 8 crores, with the result that the yield from this source retained by the Centre shows a smaller rise of Rs. 8 crores.

Non-tax revenue in 1963-64 (R.E.) showed a small decline of Rs. 4 crores over budget estimates: the main items showing declines were: net contributions of public undertakings (Rs. 16 crores), yield under Emergency Risks Insurance (Rs. 6 crores) and administrative receipts (Rs. 1 crore). Net contribution of public undertakings has fallen short of the target by Rs. 16 crores mainly under "currency and mint".

In contrast to buoyant revenue resources, total capital receipts in 1963-64 (R.E.) show a shortfall of Rs. 24 crores, the declines being mainly under internal borrowings, P.L. 480 counterpart funds, and prize bonds and 'other items'. The budget estimates had taken credit for Rs. 393 crores from market loans in India, including Rs. 100 crores to be raised on behalf of State Governments, against which total loans floated amounted to only Rs. 367 crores. Of this, a sum of Rs. 101 crores was made over to the States in the form of 10-year loans as their share of the combined borrowing. Net receipts from P.L. 480 counterpart funds and receipts on account of sales of prize bonds showed declines of Rs. 25 crores and Rs. 1 crore, respectively. The decline of Rs. 24 crores under 'other items' was due mainly to a fall in receipts under the Compulsory Deposit Scheme, arising from the abolition of the scheme in respect of employees not liable to income-tax and the non-implementation of the scheme relating to land revenue payers, urban immovable property holders and persons liable for sales tax. However, external borrowings and small savings showed increases of Rs. 41 crores and Rs. 10 crores, respectively.

Budget Estimates for 1964-65: At the existing level of taxation, total revenue resources in 1964-65 are expected to rise by Rs. 177 crores to Rs. 1,930 crores. The larger part of this rise is expected to come from tax revenue (Rs. 99 crores), with Union excise duties registering the highest increase of Rs. 47 crores, followed by corporation tax (Rs. 20 crores), income-tax (gross Rs. 15 crores) and customs duties (Rs. 10 crores). Taking into account the effect of the new tax proposals, the Centre's tax revenue would show an increase of Rs. 139 crores, comprising mainly Rs. 66 (gross) crores under Union excises, Rs. 16 crores under customs and Rs. 31 crores under corporation tax.

An increase of Rs. 49 crores under 'extraordinary items' accounts for the major rise in non-tax revenue of Rs. 79 crores in 1964-65. Under this item, particular mention may be made of receipts on account of grants under P.L. 480, which alone account for an increase of Rs. 76 crores in 1964-65 over the revised estimates for 1963-64. However this increase is partly offset by a fall in revenue from 'receipts under Indus Water Treaty' and 'receipts connected with the National Emergency, 1962'. Receipts from 'debt services' comprising interest recoveries to be realised from State and Union Territory Governments for loans advanced, are placed higher by Rs. 15 crores; interest receipts on capital-at-charge provided by the Government to Railways and Posts and Telegraphs are expected to go up

by Rs. 8 crores and Rs. 1 crore, respectively, and other interest receipts on capital provided to public undertakings and other institutions by Rs. 8 crores.

Under capital receipts, larger credit is taken under external borrowings, small savings, other unfunded debt, Railway Funds, repayments of loans by States, Special Development Fund and 'other items'. Of these, external borrowings (net) show an increase of Rs. 189 crores over the revised estimates for 1963-64, due mainly to expectations of larger new credits to the tune of Rs. 178 crores and also greater loan assistance from the U.S.A., Japan, Switzerland, Czechoslovakia, Yugoslavia, Poland, Austria, Netherlands, France and Denmark. Net external borrowings during 1964-65 will be Rs. 630 crores. The budget assumes a credit of Rs. 295 crores for new market loans exclusively on the Centre's account as against the revised estimate of Rs. 267 crores (excluding the States' share of Rs. 101 crores) in 1963-64. Net borrowings (gross borrowings less repayment of maturing loans) during 1964-65 will amount to Rs. 103 crores as against Rs. 189 crores in 1963-64 (revised). Investment of U.S. Government Counterpart Funds (net), which are invested in special securities of the Government of India shows a net disinvestment of Rs. 85 crores in these securities in 1964-65 as a result of the change over from the 'reimbursement' system of drawal of P.L. 480 assistance to the 'advance' system, referred to earlier.

A feature of the 1964-65 budget is the abolition of the Compulsory Deposit Scheme (Income-tax Payers) and the introduction of the Annuity Deposit Scheme in its place. The annuity scheme will apply to income brackets above Rs. 15,000 per annum at rates varying between 5 per cent and 12.5 per cent. The amount of deposit made in a particular year is deductible in computing the assessable income of the assessee for that year. These deposits will be repayable in ten equated annual instalments commencing from one complete year after the year of assessment. The deposits made in 1964-65 will earn interest at a rate slightly above 4 per cent per annum. Deposits which are repaid from year to year will, however, be subject to tax. Revenue from this source during 1964-65 will be Rs. 67 crores.

Tax Proposals for 1964-65: Table 3 below summarises the financial effect* during 1964-65 of the various tax measures detailed in Appendix II.

The additional yield of Rs. 11 crores in corporate tax is the net result of the remodelling of corporate taxation which envisages, among others, an increase in the rate of corporate taxation on private limited companies and foreign companies and the introduction of a dividend tax, offset to some extent by the substitution of super profits tax by a companies (profits) surtax, abolition of super-tax on inter-corporate dividends and the various concessions to priority industries and small public limited companies. The regrading of the tax structure on incomes of individuals, Hindu undivided families, etc. and the concessions to foreigners resident in India would in fact result in a loss of revenue which would be made good by the proposals to tighten the tax assessment and collection machinery. Under indirect taxation, the additional excise revenue would come mainly from increases in levies on iron and steel products, cotton yarn and processed fabrics, rayon and synthetic fibres and yarn. The major part of the additional yield from customs would come from countervailing duties on art silk, staple fibre and yarn and iron and steel products; these have been enhanced consequent on the raising of the excise duties on their domestic counterparts. A small decline in the yield from export duties is due to the abolition of the export duty on raw jute, as an export promotion measure.

Table 3. Tax Proposals

(Crores of Rupees)

Tax Proposals	Estimated Additional Revenue
I. Direct	
Corporation Tax	11·00
Estate Duty	0·05
Expenditure Tax	1·50
Wealth Tax	0·20
Gift Tax	2·00
Total of I	**14·75**
II. Indirect	
Union Excise**	
(i) Enhancement of existing rates ..	19·94
(ii) New items	0·40
(iii) Exemption from special duty ..	– 1·19
Customs	
(i) Increase in import duties (including countervailing duties)	6·52
(ii) Abolition of export duties	– 0·15
Total of II	**25·52**
III. Grand Total	**40·27**

** Exclusive of share of State Governments.

* In the course of the debate on the Budget, the Union Finance Minister announced a number of minor concessions and modifications to the Budget proposals which have been detailed in the section on the Budget proposals. However, information on the financial effect of these modifications is not available.

STATE GOVERNMENT BUDGETS

The overall budgetary position of States during 1962-63 showed a marked swing to a sizeable surplus of Rs. 28 crores from a deficit of Rs. 38 crores in 1961-62. For 1963-64, notwithstanding a bold taxation programme by as many as twelve States, expected to yield Rs. 35 crores, an overall budgetary gap of Rs. 69 crores was left uncovered in the budget estimates for that year. In the revised estimates now available, the budgetary gap has been drastically reduced to only Rs. 11 crores. Although the total expenditure bill of the States has gone up as between the budget and the revised estimates for 1963-64 by Rs. 143 crores, there has been a sharp increase in both revenue and capital receipts. The improvement in revenue receipts is noticed both in States' tax receipts and in the States' share of Central taxes, while on the capital account the increase is wholly under loan assistance from the Centre. The revenue account, in fact, shows a comfortable surplus of Rs. 36 crores, which has tempered down the deficit of Rs. 45 crores on capital account.

The aggregate overall deficit of States during 1964-65 is estimated to be of the order of Rs. 49 crores (at the existing levels of taxation). Whereas revenue receipts at the existing level of taxation have more or less matched the rising expenditure, there being a small surplus of Rs. 5 crores on revenue account, the continued failure of capital receipts to catch up with the expansion in capital outlays has widened the gap on capital account from Rs. 45 crores in 1963-64 (R.E.) to Rs. 50 crores in 1964-65. Thus, with miscellaneous transactions showing a deficit of Rs. 4 crores, the overall deficit of 1964-65 comes to Rs. 49 crores. Assuming that all the additional tax proposals fructify and that there will be no delay in their implementation, the anticipated revenue surplus of Rs. 5 crores would go up to Rs. 12 crores and consequently the overall deficit would be reduced from Rs. 49 crores to Rs. 42 crores in 1964-65. It may, however, be noted that the actual outturn on revenue account, in particular, has in the past been better than the original estimates. Further, a number of States have budgeted for Plan outlays larger than those approved by the Planning Commission, the realisation of which is conditional upon the States' efforts at mobilisation of fresh resources. Some States have indicated their decision to intensify their drive for speedier collection of tax arrears as well as prompt disposal of current assessments.

Within this consolidated picture for all States, the position of individual States varies considerably. Only two States, namely, Bihar and Uttar Pradesh have been able to budget for a surplus, though marginal, during 1964-65. In five other States, namely, Andhra Pradesh, Gujarat, Madhya Pradesh, Maharashtra and Mysore, even after taking into account additional taxation, the budgeted deficit is perceptibly large. Despite the buoyancy in tax receipts and the growth in Central assistance at a rate faster than that envisaged in the Plan, a number of States have been continuously facing ways and means difficulties of a serious nature. Thus, the entire problem of States finances merits a careful review in the context of the Fourth Plan and the Government of India have, therefore, set up the Fourth Finance Commission which is expected to submit its Report in advance of the finalisation of the Fourth Plan. Besides making recommendations regarding distribution of net tax proceeds between the Centre and the States and grants-in-aid, the Commission is also required to report on grants-in-aid to needy States under Article 275 of the Constitution, distribution of proceeds of estate duty, grants in lieu of taxes on railway fares, additional excise duties in replacement of sales tax and the effect of the combined incidence of States' sales tax and the Union excise duties on production, consumption and export of commodities or products the duties on which are shareable with the States.

Outlays

The aggregate outlays of the States (revenue and capital accounts combined), which had risen by Rs. 170 crores in 1961-62 and by Rs. 220 crores in 1962-63, are expected to rise by Rs. 342 crores during 1963-64 (R.E.). During 1964-65 (B.E.) these are pitched Rs. 192 crores higher. Altogether, over the first four years of the Third Plan (1961-65) the total expenditure bill of the States is expected to show a rise of Rs. 924 crores (or by 57 per cent) to Rs. 2,544 crores. A little over half of the rise (51 per cent) in total expenditure has been channelled into direct developmental outlays (revenue and capital accounts combined) of the States; these outlays which had been marked up by Rs. 113 crores during 1963-64 (R.E.) are expected to rise by Rs. 174 crores during 1964-65 (B.E.). Whereas

in 1963-64, development expenditure accounted for about one-third of the increase in total outlays, in 1964-65 this head would account for as much as 90 per cent of the increase in total outlays. Nearly one-third of the expansion in developmental outlays during 1964-65 would be channelled into agriculture and allied fields like co-operation, irrigation and rural and community development. In addition, a good part of the increase (Rs. 34 crores) under 'loans and advances by States' represents larger assistance to agriculturists in the form of *takavi* loans, fertilizer loans and loans for purchase of agricultural implements, etc.

Table 4. Disbursements (By Main Groups)

(Crores of Rupees)

	1962-63	1963-64		1964-65
	(Accts.)	(B. E.)	(R. E.)	(B. E.)
I. Total Revenue Expenditure	**1261**	**1365**	**1422**	**1548**
(*a*) Development	**720**	**775**	**796**	**905**
(i) Education	251	266	276	308
(ii) Agriculture, etc.	85	101	101	120
(iii) Medical and Public Health	107	111	113	128
(iv) Community Development	62	63	65	80
(v) Civil Works	89	87	91	96
(vi) Others (Residual)	126	147	150	173
(*b*) Non-Development	**541**	**591**	**626**	**643**
(i) Collection of Taxes, etc.	59	66	67	71
(ii) Debt Services	153	179	201	210
(iii) Civil Administration	202	204	209	216
(iv) Others (Residual)	127	142	149	146
II. Total Capital Expenditure	**749**	**844**	**930**	**996**
(1) Capital Outlay	**355**	**358**	**402**	**443**
(*a*) Development	**330**	**342**	**367**	**432**
(i) Multi-purpose River Valley Schemes	55	48	54	56
(ii) Irrigation and Navigation	95	102	113	128
(iii) Electricity Schemes	25	37	35	47
(iv) Buildings and Roads, etc.	122	108	116	142
(v) Industrial Development	23	34	31	37
(vi) Others (Residual)	10	13	18	21
(*b*) Non-Development	**25**	**16**	**35**	**11**
(2) Loans and Advances by States	204	267	299	333
(3) Other Expenditure	190	219	229	220
III. Grand Total (Revenue and Capital Accounts)	**2010**	**2209**	**2352**	**2544**

Education is the biggest element of development expenditure on revenue account and accounted for one-third of the increase in total development outlay both in 1963-64 (R.E.) and in 1964-65 (B.E.). During 1964-65, all the States, with the exception of West Bengal, have provided for increased expenditure on education. The growing magnitude of expenditure on education in the States is explained by larger grants to universities, increased facilities and enrolments at primary, secondary and technical schools and the consequent need for additional teaching staff, as well as increased emoluments to the teaching staff. For the year 1964-65, a number of States have offered increased educational concessions to students and have also revised upwards the pay scales of teachers. In the Punjab, for instance, special assistance is being given to students belonging to scheduled and backward classes. In Madras, education upto the secondary level has been made free for all, irrespective of family income.

Agriculture, including animal husbandry and co-operation, comes next in importance, the expenditure on which on revenue account showed a continuous increase from Rs. 66 crores in 1960-61 to Rs. 101 crores in 1963-64 (R.E.); during 1964-65 (B.E.) the expenditure on this item is pitched Rs. 19 crores higher at Rs. 120 crores. During 1963-64, although the overall expenditure bill on this head was maintained around Rs. 101 crores, as between revised and budget estimates for that year, a number of States like Gujarat, Maharashtra and Orissa failed to reach the originally targeted expenditure. But this drop in expenditure was matched by increases in other States,

particularly, Mysore, Rajasthan, West Bengal, Andhra Pradesh, Madhya Pradesh and the Punjab, where larger provisions were made to speed up development schemes such as demonstration farms, engineering and dairy farming, etc. For 1964-65, all the States have budgeted for larger outlays, in a determined bid to boost up agricultural output. The higher expenditure budget during 1964-65 reflects mainly the States' proposals for intensification of efforts on agricultural experiments and research, agricultural demonstration and propaganda, soil conservation, agricultural engineering including contour bunding and trenching, tractor and bulldozer services, grants to co-operatives for subsidies to staff and construction of godowns and new development schemes. The expenditure on community development is also placed higher by Rs. 15 crores in 1964-65 as against an increase of Rs. 3 crores in 1963-64 (R.E.); the step-up in expenditure is particularly noticeable in the case of Bihar, Madhya Pradesh and Uttar Pradesh and is expected to be channelled into rural development programmes, local development works and tribal areas. Expenditure on civil works, which had been pushed up by Rs. 23 crores to Rs. 91 crores during the first three years of the Plan period, is anticipated to rise by Rs. 5 crores during 1964-65.

On capital account also, the tempo of disbursements on development schemes has shown an almost progressive expansion, rising by Rs. 21 crores in 1961-62, by Rs. 15 crores in 1962-63 and by Rs. 37 crores in 1963-64 (R.E.); in the budget for 1964-65, these are estimated to rise by Rs. 65 crores to Rs. 432 crores. Buildings and roads is the biggest single development head on capital account, the expenditure on which rose during the first four years of the Third Plan by Rs. 27 crores to Rs. 142 crores. As a measure of economy, the expenditure on this item was cut down from Rs. 122 crores in 1962-63 to Rs. 108 crores in 1963-64 (B.E.); but as the year progressed larger expenditure was found necessary on water supply schemes, housing and construction of roads in certain States like Orissa and Mysore; in the result, the revised estimates for that year place the aggregate expenditure on this item at Rs. 116 crores. For 1964-65, there is an appreciable increase in the provision for roads and buildings (of Rs. 26 crores to Rs. 142 crores) in order to speed up the works already in progress as well as to initiate work on new schemes.

Capital expenditure on irrigation and navigation, which had risen by Rs. 18 crores during 1963-64, is expected to show a further increase of Rs. 15 crores to Rs. 128 crores in 1964-65. The actual outlay on this head may show a larger increase in view of the Punjab's proposal to step-up the expenditure on flood control schemes. Expenditure on electricity schemes, which was around Rs. 25 crores in the first two years of the Plan, has been put up to Rs. 35 crores in 1963-64 (R.E.) and further to Rs. 47 crores in 1964-65 (B.E.). Expenditure on industrial development, mainly in the form of investments in commercial undertakings of the Governments, has steadily grown from Rs. 16 crores in 1960-61 to Rs. 37 crores in 1964-65.

Total non-development expenditure (revenue and capital accounts combined) rose from Rs. 442 crores in 1960-61 to Rs. 661 crores in 1963-64 (R.E.), but is expected to be smaller, though marginally, at Rs. 654 crores in 1964-65. Item-wise, over half (59 per cent) of the rise between 1960-61 and 1964-65 was on account of debt services and another 23 per cent was due to normal growth in administrative charges. The magnitude of debt service charges has grown steadily from Rs. 84 crores in 1960-61 to Rs. 201 crores in 1963-64 (R.E.) and further to Rs. 210 crores in 1964-65; the increase reflects in the main the growth in the volume of Centre's loan assistance to States and in part the higher outstandings of market borrowings and the upward levering of interest rates. Expenditure on civil administration at Rs. 216 crores in 1964-65 is Rs. 49 crores higher than in 1960-61; the increase reflects the normal growth in civil expenses as well as the raising of the salary and dearness allowances for lower cadres of staff to compensate for rising living costs.

Loans and advances by States, which represent assistance to cultivators, electricity boards, port trusts, municipalities and other local bodies mainly for development purposes, have risen from Rs. 180 crores in 1960-61 to Rs. 299 crores in 1963-64; during 1964-65, these are placed higher by Rs. 34 crores, a major part of the increase being allocated to agriculturists and co-operatives.

Resources

Revised Estimates for 1963-64 and Budget Estimates for 1964-65: Reflecting the combined effect of the buoyancy in revenue receipts and the impact of additional taxation introduced during 1961-64, the total revenue receipts of States registered a rise of Rs. 210 crores in 1962-63 and a further rise of Rs. 174 crores in 1963-64 (R.E.).

Table 5. Resources (By Main Groups)

(Crores of Rupees)

	1962-63	1963-64		1964-65
	(Accts.)	(B. E.)	(R. E.)	(B. E.)
A. Revenue Account				
Total Revenue Receipts	**1284**	**1357**	**1458**	**1555 (1553)**
a. **Tax Revenue**	**794**	**829**	**916**	**950 (948)**
(i) Share from the Centre*	224	229	259	254
(ii) States' own resources	570	600	657	696 (694)
b. **Non-Tax Revenue**	**490**	**528**	**542**	**605**
(i) Grants from the Centre	209	236	231	280
(ii) Administrative receipts	93	94	99	105
(iii) Net Contributions from Public Enterprises	58	63	60	65
(iv) Others (Residual)	130	135	152	155
B. Capital Account				
Total Capital Receipts	**778**	**782**	**885**	**946**
(i) Permanent Debt	104	31	40	79
(ii) Loans from the Centre	526	550	657	641
(iii) Others (Residual)	148	201	188	226
Grand Total (Revenue and Capital Accounts)	**2062**	**2140**	**2343**	**2501 (2499)**

Note: Figures in brackets indicate the position before taking into account additional tax proposals.
* Comprises share of income-tax, estate duty and Union excise.

As between budget and revised estimates, revenue receipts during 1963-64 shot up by about Rs. 100 crores due to higher collections under States' tax heads (about Rs. 57 crores) as well as accrual of a larger share of the divisible pool of taxes including arrears of income-tax. During 1964-65, total revenue receipts, on the basis of existing levels of taxation, are expected to go up by Rs. 95 crores to Rs. 1,553 crores; two-thirds of this increase is expected to accrue under non-tax revenue, mainly under grants-in-aid and the balance of Rs. 32 crores under the States' own tax heads, larger credit being taken on expectations of buoyancy in tax yields. The increase in States' tax revenue in 1963-64 and 1964-65 is shared by almost all the tax heads, except land revenue and agricultural income tax (which is a supplementary land tax). Land revenue and agricultural income-tax have remained stationary around Rs. 120 crores and Rs. 10 crores, respectively, during 1962-65. Revenue from the general sales tax is expected to rise by Rs. 16 crores in 1964-65 on top of a marked rise of Rs. 49 crores in 1963-64. During the Second Plan period, revenue from this source constituted 30 per cent of the total tax receipts of States. Since then the proportion has risen to 36 per cent during 1963-64 (R.E.) and 1964-65 (B.E.), which is indicative of the steadily growing emphasis placed by States on this item as a source of revenue. The other tax heads, namely, State excise, motor vehicles tax, electricity duty and stamps and registration fees are also expected to bring in additional revenue of Rs. 26 crores in 1963-64 (R.E.) and Rs. 10 crores in 1964-65 (B.E.). States' share of the divisible pool of taxes, which had shot up by Rs. 35 crores to Rs. 259 crores in 1963-64 following the large dose of additional taxation by the Centre and the marked buoyancy in yield under Central taxes, is placed marginally lower at Rs. 254 crores during 1964-65.

Under non-tax revenue, grants from the Centre, which have shown a rising trend as a sequel to larger devolution of resources recommended by the Third Finance Commission, went up by Rs. 22 crores in 1963-64 (R.E.) on top of a rise of Rs. 87 crores during first two years of the Third Plan and are expected to go up further by Rs. 49 crores to Rs. 280 crores in 1964-65 (B.E.).

In the first three years of the Third Plan, Centre's assistance to States by way of loans showed a progressive rise from Rs. 346 crores in 1960-61 to Rs. 657 crores in 1963-64 (R.E.). During 1964-65, the assistance is placed marginally lower at Rs. 641 crores. It may be added that the figures of loan receipts for 1961-62 and 1962-63 include, besides the

Centre's loan assistance for implementing plan projects, special loans to certain States for clearing their unauthorised overdrafts from the Reserve Bank of India, and those for 1963-64 include the States' share of centralised market borrowing (Rs. 101 crores). Ignoring the States' share of centralised market borrowing for 1963-64, loans from the Centre during 1964-65 would show a rise of Rs. 85 crores. The total resources transferred by the Centre to States in the form of shared taxes*, grants and loans have shown a steady rise from Rs. 339 crores in 1956-57 to Rs. 742 crores in 1960-61 and further to Rs. 1,143 crores in 1963-64 (R.E.). For 1964-65, total resources to be transferred are placed at Rs. 1,174 crores. These resources financed 29 per cent of the total expenditure of States in 1951-52 and about 43 per cent in 1955-56. Since the commencement of the Second Plan to date, the resources transferred from the Centre to the States have generally been meeting about one-half of the expenditure bill of the States.

Tax Proposals 1964-65: Details of the proposals in regard to additional taxation by States during 1964-65 are given in the Appendix III. The table below presents the yield from additional taxation under major individual heads. As against a bold taxation programme adopted by twelve States during 1963-64, which was estimated to yield Rs. 35 crores during that year, only seven States@ have proposed measures of additional taxation during 1964-65, which are anticipated to yield Rs. 6.6 crores during the budget year.

Table 6. Estimated Yield from Budget Proposals

	Yield (Crores of Rupees)
General Sales tax	2·84
Land revenue	1·00
Stamp duty	0·55
Registration fees	0·50
Entertainment tax	0·20
Tax on agricultural income	0·20
Tax on urban immovable property ..	0·20
Electricity duty	0·08
State Excise	0·07
Motor Vehicles tax	0·03
Others	0·20
Additional taxation in Jammu & Kashmir for which details are not available	0·75
Total	6·61

In general, in continuation of the earlier trend, the emphasis on additional taxation during 1964-65 was through stepping up the rates of existing levies, more importantly of the general sales tax. Thus, of the seven States, as many as five have proposed to increase the existing rates of the general sales tax. In *Assam*, the general rate of sales tax has been raised from 4 nP. to 5 nP. and the rate of sales tax on articles like thermos-flasks, ivory articles etc. from 4 per cent to 10 per cent. In *Gujarat*, while sales tax on ice-cream, *kulfi*, and non-alcoholic drinks has been standardised at a uniform rate of 6 per cent, instead of the existing varying rates of 3 per cent to 6 per cent, the tax on embroidered and decorated silk articles has been raised from the existing 3 per cent to 10 per cent. In *Madhya Pradesh*, the general rate of sales tax has been stepped up by one per cent to 6 per cent. In *Madras*, the rate of general sales tax on raw cotton and cotton yarn, which figure prominently in inter-State sales, as also on cotton waste and cotton yarn waste and artificial silk fabrics, has been raised from 1 per cent to 2 per cent, mainly with a view to bringing the rates in line with the Central Sales Tax rate. And finally, in *Rajasthan*, the existing rates of sales tax on bullion and ornaments, tyres and tubes of tractors, plastics, etc., have been enhanced in varying degrees, from 1 per cent to 4 per cent. The other tax heads in respect of which the existing rates have been enhanced are: (1) agricultural income-tax on assessees in high income brackets (above Rs. 1 lakh) and excise duty on liquor in *Assam*, (2) stamp duty and registration fees and land reform measures in *West Bengal*.

As for new levies, only four States, namely Assam, Gujarat, Madhya Pradesh and Rajasthan have widened the tax net either by bringing new commodities within the ambit of the general sales tax or by withdrawing of the existing exemptions in respect of certain other commodities. In *Assam*, the levy of sales tax has been extended to cover coal, coke and gas, in *Gujarat* to handloom cloth with 60 per cent or more of silk content and to some packing materials, and in *Rajasthan* to locally made foreign liquor and to inter-State sales of cotton yarn. *Madhya Pradesh* has proposed to withdraw the existing exemption from sales tax applicable to certain commodities†. Besides these, the new levies proposed are a tax on sale and consumption of electrical energy in *Assam*, a tax on urban immovable property

@ Details of the tax proposals of Jammu & Kashmir are not available. * Comprises share of income-tax, estate duty and Union excise. † These commodities have not been specified in the Budget documents.

as also the withdrawal of existing concessions from entertainment duty on admission fees below 12 nP. in *Madhya Pradesh*, and a tax on vacant plots of land in urban areas and a development fee on conversion of residential areas to commercial ones in *Rajasthan*.

On the other hand, two States viz., Maharashtra and Gujarat have offered certain concessions. In *Maharashtra*, these relate to exemption from sales tax of ready-made garments, medical preparations containing 12 per cent or more of alcohol and meals served in hotels and restaurants upto certain ceilings and a conditional rebate equal to the sales tax paid on diesel oil consumed in agricultural operations; these would result in a loss of revenue of approximately Rs. 25 lakhs. In *Gujarat*, the proposed concessions are in respect of sales tax on infant milk food, artificial silk yarn and gold articles. Besides these States, *Mysore* has indicated certain amendments to the rate structure of the State Agricultural Income-tax, which would eliminate the probable disincentive effects of the tax on high income brackets.

PUBLIC DEBT

Union Government

The debt position of the Government of India, summarised in Table 7 indicates a progressive expansion in the magnitude of public debt, the outstandings of which rose from Rs. 4,968 crores at end-March 1961 to Rs. 5,947 crores at end-March 1963 and further to Rs. 6,590 crores at end-March 1964. Over the year 1964-65, the public debt is expected to go up further by Rs. 914 crores to Rs. 7,504 crores. Public debt constituted about 74 per cent of the total debt of the Government (that is, public debt, small savings and other obligations) as at the end of March 1964. An analysis of the trends in the major constituents of the total debt shows that internal debt accounted for the major part of the growth in total debt in the first two years of the Third Plan, but in the next two years i.e. 1963-65, external obligations are expected to claim the larger share in view of the anticipated more rapid utilisation of external assistance.

Table 7. Government of India's Debt Position

(Crores of Rupees)

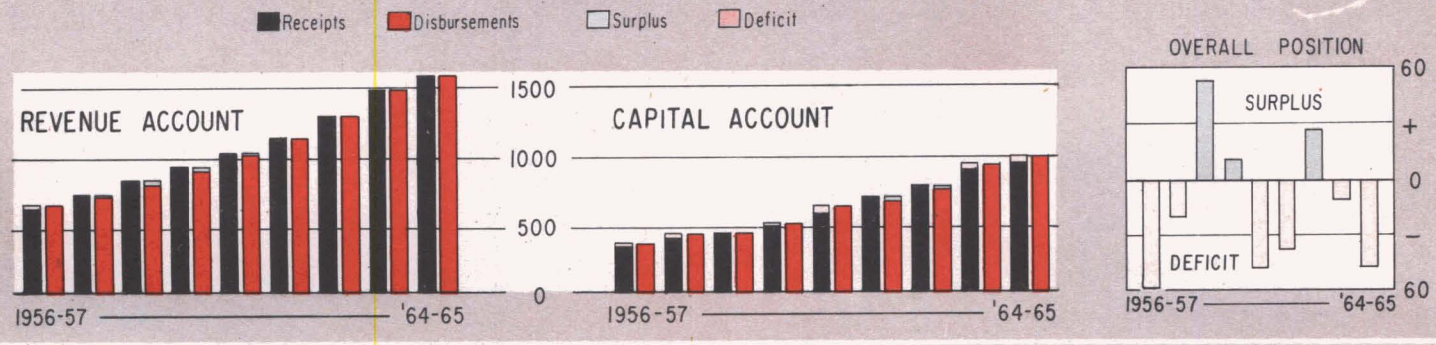
	As at the end of March				
	1961 R. E.	1962 R. E.	1963 R. E.	1964 R. E.	1965 B. E.
Public Debt					
1. Internal					
(*a*) Rupee Loans	2569	2684	2847	3110	3218
(*b*) Treasury bills	1263	1182	1415	1360	1536
(*c*) Others@	290	296	306	311	311
Total (*a*)+(*b*)+(*c*)	**4122**	**4162**	**4568**	**4781**	**5065**
2. External	**846**	**1111**	**1379**	**1809**	**2439**
Total Public Debt	**4968**	**5273**	**5947**	**6590**	**7504**
Small Savings	970	1069	1146	1251	1377
Other obligations**	654	769	924	1088	1111
Total Debt	**6592**	**7111**	**8017**	**8929**	**9992**

Note: Figures given here are based on the budget documents. Actuals in respect of certain items such as market borrowings, small savings and treasury bills are given later.

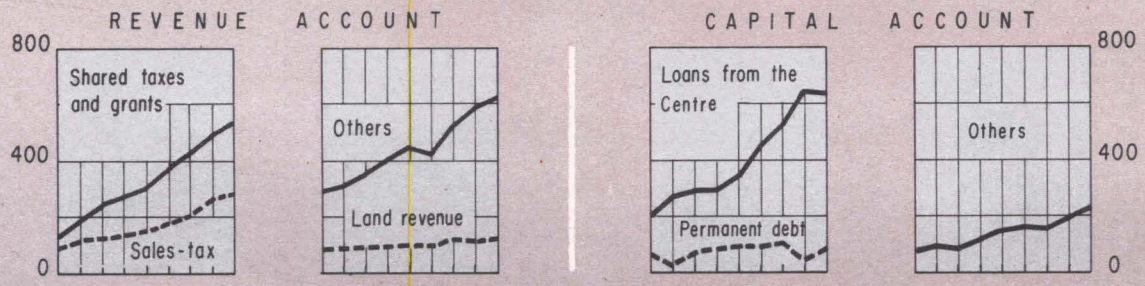
@ Include special floating loans representing India's subscriptions to IMF, IBRD and IDA. **Investments of P. L. 480 Funds, Service Funds, State Provident Funds, Deposits of Depreciation, Development and Reserve Funds, etc. and Compulsory Deposits.

The budget for the year 1963-64 had assumed a credit of Rs. 462 crores under fresh foreign loans, but in the revised estimates these are placed higher at Rs. 503 crores, taking the outstandings to Rs. 1,809 crores as at end-March 1964. A breakdown of the outstanding foreign debt as at end-March 1964 shows that dollar loans accounted for Rs. 1,146 crores or 63 per cent, loans from the U.K. for Rs. 221 crores or 12 per cent, from West Germany for Rs. 173 crores or 10 per cent, from the U.S.S.R. for Rs. 168 crores or 9 per cent; loans from other foreign sources at Rs. 101 crores accounted for the remaining 6 per cent. The budget for 1964-65 has taken a credit for Rs. 697 crores under this head which would

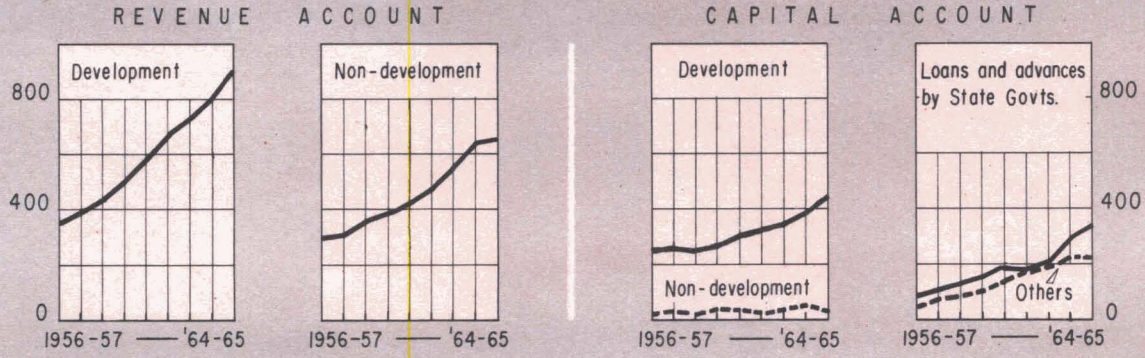
GRAPH II



RECEIPTS



DISBURSEMENTS



BUDGETARY POSITION OF STATE GOVERNMENTS

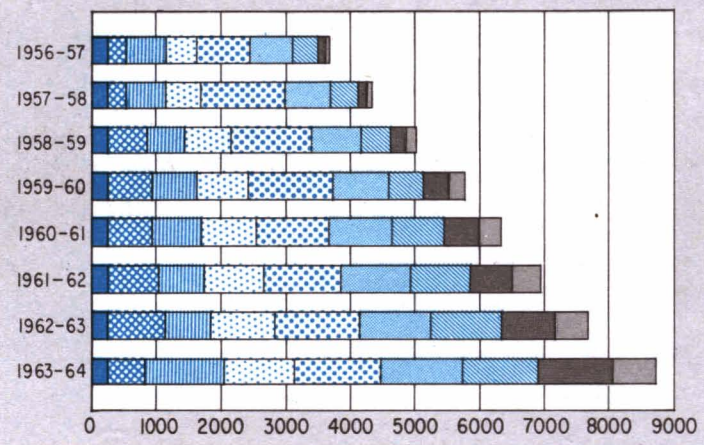
1956-57 TO 1964-65

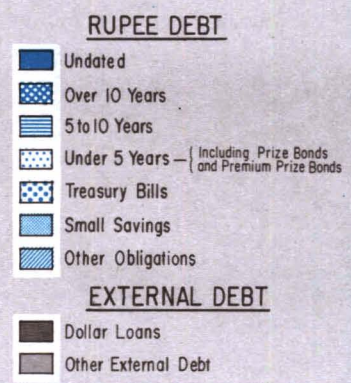
(CRORES OF RUPEES)

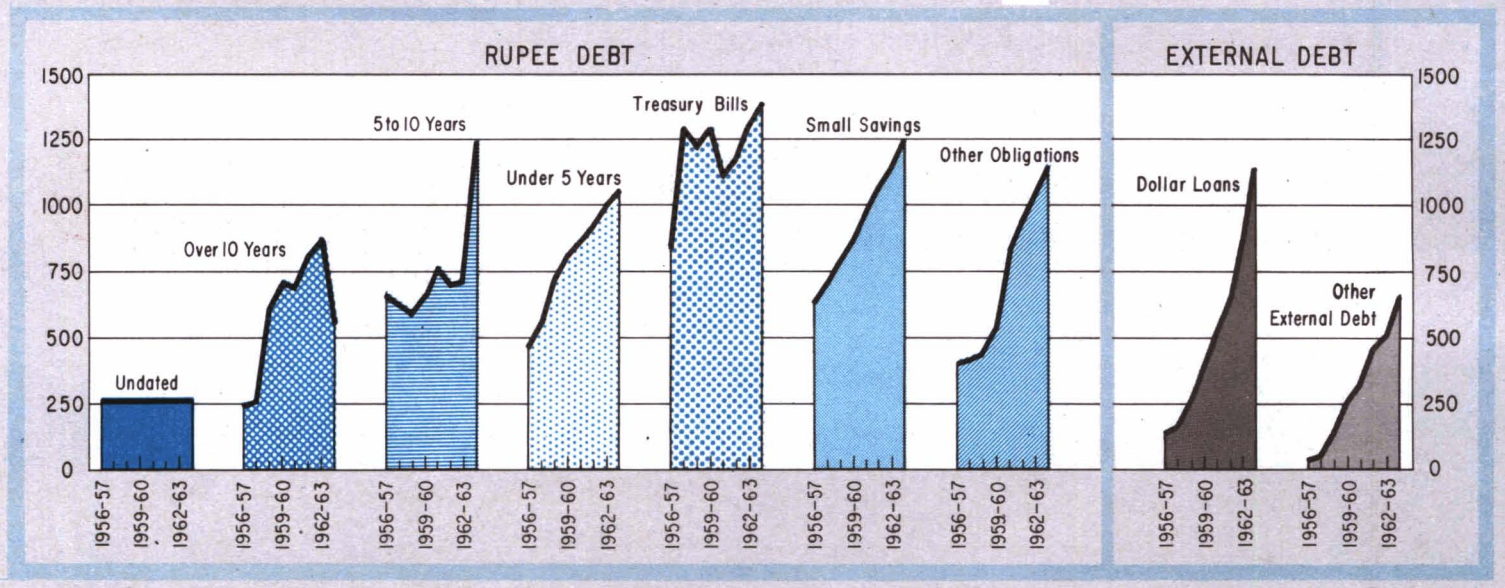
GRAPH 12

DEBT POSITION (PRELIMINARY) OF THE GOVERNMENT OF INDIA

(CRORES OF RUPEES)







raise the outstanding to Rs. 2,439 crores. Over the four years 1961-65, external obligations would show a three-fold rise, advancing their share from 13 per cent in 1960-61 to 24 per cent in 1964-65 in total debt, and from 17 per cent to 33 per cent in total public debt.

Total interest-bearing obligations of the Government of India are expected to rise by Rs. 906 crores to Rs. 8,597 crores during 1963-64 and by Rs. 1,062 crores to Rs. 9,659 crores in 1964-65. As against this, interest-yielding assets show a rise of Rs. 1,093 crores in 1963-64 and of Rs. 1,017 crores in 1964-65. At the end of March 1964, total interest-yielding assets at Rs. 7,589 crores would constitute about 88 per cent of the total interest-bearing obligations, as against 84 per cent a year before. The increase of Rs. 1,093 crores in interest-yielding assets in 1963-64 comprised mainly, Rs. 638 crores under loans to States, Rs. 248 crores in capital advanced to Railways and Rs. 163 crores in investments in commercial concerns. The anticipated increase of Rs. 1,017 crores in interest-yielding assets in 1964-65 is shared by the above-stated constituents more or less in the same proportions as in 1963-64.

Rupee Debt

Total rupee debt of the Central Government rose by Rs. 589 crores to Rs. 6,902 crores during 1963-64 as compared to increases of Rs. 457 crores and Rs. 378 crores in 1962-63 and 1961-62, respectively. Of the total outstanding rupee debt as on March 31, 1964, rupee loans accounted for about 45 per cent, Treasury bills 20 per cent, small savings about 18 per cent and other obligations for the remaining 17 per cent.

Table 8. Rupee Debt

(Crores of Rupees)

	End-March			
	1961	1962	1963	1964
Rupee loans ..	2571	2688	2841	3114
Treasury bills ..	1106	1175	1300	1382
Small savings ..	975	1061	1136	1252
Other obligations..	826	931	1036	1155
Total ..	**5478**	**5856**	**6313**	**6902**

Note: Figures given in this Table are actuals and differ from those given in Table 7, which is based on the budget documents.

Market Borrowings

Soon after the declaration of the Emergency, it was decided that market borrowings of the Central and State Governments should be centralised and that the State Governments should also exercise strict control over market borrowings by the quasi-Government and public sector institutions. Accordingly, the Union Government budget for 1963-64 assumed a credit for gross market borrowings of Rs. 393 crores (including Rs. 100 crores to be raised on behalf of the State Governments). Loan floatations during 1963-64 were made in two instalments (for details see Chapter IV). In May 1963, two new conversion loans, namely, the 4 per cent Loan 1969 and the 4½ per cent Loan 1986 were issued for subscription by the holders of the 3 per cent Loan 1963-65 and the 3½ per cent Bonds 1963. Total amount offered for conversion was Rs. 138.8 crores, as against an outstanding amount of Rs. 174.2 crores of the two maturing loans. Again in July 1963, a further tranche of 4 per cent Loan 1969 (at an issue price of Rs. 99.50) and a new 4¼ per cent Loan 1973 (at par) were issued for Rs. 225 crores. Facilities were also offered for the conversion of a number of Central and State Government loans maturing during the year. Total subscriptions to the new loans issued in two instalments aggregated Rs. 365.1 crores, comprising Rs. 207.1 crores in cash and Rs. 158.0 crores by way of conversion of maturing loans. Of this, a sum of Rs. 101 crores was made over to the States in the form of 10-year loans as their share of combined borrowing, the share of each State being determined generally on the basis of the gross amount borrowed by it from the market in 1962-63. Of the cash subscriptions, the short-term loan (the 4 per cent Loan 1969) fetched Rs. 107.6 crores and the long-term Loan (the 4¼ per cent Loan 1973) Rs. 99.5 crores. Net market borrowings of the Union Government (i.e. cash subscriptions less repayment of maturing loans not tendered for conversion) during the year 1963-64 worked out to Rs. 143.1 crores, as against Rs. 72.9 crores in 1962-63 and Rs. 62.6 crores in 1961-62.

The decision to float combined Central and State market loans was reviewed at the Finance Ministers' Conference in November 1963. Apart from the difficulty of allocating shares to individual States, it was felt that combined market operations did not offer sufficient scope to State Governments to exploit the sources available to them. It was, therefore, decided that from 1964-65 the States should raise their

market loans themselves. Consequently, the Union budget for 1964-65 has assumed a credit for Rs. 295 crores for gross market loans to be floated during the year. Net borrowings (gross borrowings less repayment of maturing loans) during 1964-65 will amount to Rs. 103 crores. The Union Government entered the market on April 15, 1964 with an offer to holders of the two maturing loans, viz. 3½ per cent National Plan Loan 1964 and the 3 per cent Loan 1964 for conversion into (i) a 4 per cent Loan 1970 at an issue price of Rs. 99 and carrying a redemption yield of 4.19 per cent and (ii) a 4¾ per cent Loan 1989 to be issued at par. The total amount subscribed by tender of the maturing loans was approximately Rs. 141.52 crores (Rs. 71.78 crores for 4 per cent Loan 1970 and Rs. 69.74 crores for 4¾ per cent Loan 1989), being roughly 75 per cent of the amount outstanding against the maturing loans.

The 4½ per cent National Defence Bonds 1972 which were introduced as an Emergency measure and kept on tap between November 10, 1962 and April 29, 1963 realised Rs. 28.22 crores, of which Rs. 1.72 crores accrued during 1963-64.

The 6½ per cent Gold Bonds, which were on sale from November 1962 to February 1963, have fetched gold worth Rs. 8.6 crores, of which Rs. 3.4 crores was credited to public debt in 1962-63 and the remaining Rs. 5.2 crores in 1963-64.

The policy of gradually converting the growing volume of *ad hoc* Treasury bills held by the Reserve Bank of India into dated securities, begun in 1958-59, was continued during the year. Accordingly, in January 1964, *ad hoc* Treasury bills of the value of Rs. 75 crores held by the Reserve Bank in the Issue Department were funded into further issues of the 4¼ per cent Loan 1973 (Rs. 50 crores) and the 4½ per cent Loan 1986 (Rs. 25 crores). The total amount of Treasury bills funded so far is Rs. 675 crores.

Over the year 1963-64, the outstanding rupee loans of the Central Government rose by Rs. 273 crores, which was the combined result of the new loan floatations (Rs. 381 crores*), funding of *ad hoc* Treasury bills (Rs. 75 crores) and redemption of maturing loans (Rs. 183 crores). Along with the net additions to rupee loans, the pattern of their maturity distribution, which had remained more or less steady during 1961-63, underwent some shifts during the year. While short-term loans (maturing within 5 years) at Rs. 1,052 crores continued to account for about one-third of the total, the share of medium-term loans (maturing between 5 to 10 years), which had fallen from 29 per cent in 1961 to 25 per cent in 1963 (with outstandings at Rs. 712 crores), rose sharply to 40 per cent by end-March 1964 (with outstandings at Rs. 1,245 crores). The share of long-dated loans (i.e. maturing after 10 years) declined from 31 per cent of the total at the end of March 1963 to 18 per cent as at the end of March 1964. The share of undated loans, the outstandings of which have remained unchanged at Rs. 258 crores, also declined from 9 per cent at the end of March 1963 to 8 per cent by end-March 1964.

Treasury bills During the year 1963-64, the outstandings of Treasury bills rose by Rs. 82 crores as against a rise of Rs. 125 crores in 1962-63. Of the total outstandings of Rs. 1,382 crores at end-March 1964, the holdings of the Reserve Bank (Rs. 1,099 crores) accounted for about 80 per cent, those of State Governments and other approved bodies (Rs. 251 crores) for 18 per cent and those of the public (Rs. 32 crores) for the remaining 2 per cent.

Small Savings Net collections of small savings during 1963-64, according to provisional data, touched an all-time record of Rs. 126.3 crores, which substantially exceeded not only the budget estimate for the year (Rs. 105 crores) and the revised estimate (Rs. 115 crores) but also the annual average target for the Third Plan period of Rs. 120 crores. The appreciable spurt in collections, in contrast to the persistent decline in the first two years of the Third Plan (net collections had fallen from Rs. 106 crores in 1960-61 to Rs. 87 crores in 1961-62 and to Rs. 75 crores in 1962-63), was largely due to the various promotional measures adopted in the past two years. The small savings schemes of the Government of India, devised to suit the needs and preferences of all types of small savers, consist of (i) Post Office Savings Bank Deposits, (ii) Cumulative Time Deposits, (iii) 12-Year National Defence Certificates, (iv) 10-Year Defence Deposit Certificates and (v) 15-Year Annuity Certificates. Among the five instruments, National Defence Certificates@ and Defence Deposit Certificates**, introduced in the wake of the Emergency and which carry a rate of

*Inclusive of increases through National Defence Bonds, Gold Bonds and Prize Bonds amounting to Rs. 16 crores. @Issued in replacement of the 12-Year National Plan Savings Certificates. **Issued in replacement of Treasury Savings Deposit Certificates.

about ½ per cent more than their earlier counterparts, have gained popularity with the investing public, and were largely responsible for the buoyancy in small savings collections during the year. The raising in November 1962 of the maximum limit of holdings from Rs. 25,000 to Rs. 35,000 in the case of individuals and from Rs. 50,000 to Rs. 70,000 in the case of joint holders also contributed to larger collection under these two media.

Table 9. Small Savings Collections (net)

(Lakhs of Rupees)

	1960-61	1961-62	1962-63	1963-64	1964-65 †
1. Post Office Savings Bank Deposits*	4506	3569	665	3930	3350
2. National Defence Certificates @	4552	4346	5411	6288	6207
3. Defence Deposit Certificates @@	1270	471	879	1593	1733
4. Cumulative Time Deposits	182	324	520	809	1200
5. Annuity Certificates	47	25	20	10	45
Total ..	**10557**	**8735**	**7495**	**12630**	**12535**

Note : Repayments in respect of Post Office Cash Certificates and Defence Savings Certificates are not taken into account.

† Budget estimates. * Inclusive of accrued interest. @ Represent 12-Year National Plan Savings Certificates upto November 10, 1962 which were substituted by National Defence Certificates from that date. @@Represent Treasury Savings Deposit Certificates upto November 15, 1962 which were replaced by Defence Deposit Certificates since that date.

Net receipts under National Defence Certificates at Rs. 63 crores in 1963-64 were higher than the collections in 1962-63 (Rs. 54 crores). Net receipts of Defence Deposit Certificates at Rs. 16 crores were also larger than the actual receipts of Rs. 9 crores in 1962-63.

There was a distinct improvement in accretions to post office savings bank deposits which rose over the year by Rs. 39 crores (inclusive of accrued interest) as against only Rs. 6.7 crores during 1962-63; ignoring the accrual of interest, there were net additions to deposits of the order of Rs. 23 crores as against net withdrawals of Rs. 2.7 crores in 1962-63. Receipts from cumulative time deposits improved substantially from Rs. 3 crores in 1961-62 to Rs. 5 crores in 1962-63 and to Rs. 8 crores in 1963-64. On the other hand, receipts under the 15-Year Annuity Certificates came down from Rs. 25 *lakhs* in 1961-62 to Rs. 10 *lakhs* in 1963-64.

Encouraged by the better response from the public during 1963-64, the target for small savings during 1964-65 is pitched at Rs. 125 crores as against Rs. 105 crores in the budget estimates for 1963-64; media-wise breakdown of the target is as follows: post office savings bank deposits Rs. 33.5 crores, national defence certificates Rs. 62 crores, defence deposit certificates Rs. 17 crores, cumulative time deposits Rs. 12 crores and annuity certificates Rs. 45 *lakhs*.

During the year 1963-64, consequent on the abolition of the Compulsory Deposit Scheme except in regard to income-tax payers, the drive for increased collections through small savings was intensified and the following steps were taken in this direction. The Finance Minister at the time of announcing the withdrawal of the Compulsory Deposit Scheme other than that relating to income-tax payers, urged State Governments and others to take greater interest in the promotion of voluntary savings. Besides, (i) State Governments were advised to approach employers and Trade Unions, to encourage the introduction of Pay Roll Savings in various factories and establishments, etc. The public sector undertakings have also been asked to introduce and promote the Pay Roll Savings Scheme in their establishments. (ii) The 4½ per cent Defence Deposit Certificates which, upto August 1, 1963, could be purchased only at offices and branches of the Reserve Bank and the State Bank of India and its subsidiaries conducting Government Treasury business and at Treasuries and Sub-Treasuries, can since be purchased at all Head Post Offices doing savings bank work also. They can also be enfaced for payment of interest and principal at the Post Offices. The Defence Deposit Certificates are now available at more than 14,000 offices spread over the country. (iii) Under the Standardised Agency System which has been in force from October 1, 1960, any person wishing to take an agency for the sale of savings certificates on payment of a

commission has to furnish either a cash security or two personal sureties or one surety of a bank for twice the amount. To alleviate the difficulties of the agents in furnishing security in these forms, arrangements were made with the Oriental Fire and General Insurance Company to issue a fidelity guarantee policy on payment of a small premium. The policy will run for a period of three years for which the agency is taken. (iv) For the convenience of those not able to transact business with the Post Offices during the normal working hours, the working hours of the Savings Banks and Cash Certificate counters at all night post offices have been extended from October 1963. These are now kept open from 8 A.M. to 7 P.M. on all days of the week. During the extended hours, however, only deposits can be made or savings certificates purchased. (v) Depositors in the 5-Year and 10-Year Cumulative Time Deposit accounts with Post Offices can now have their account converted into 10-Year or 15-Year accounts even after maturity, provided such conversions are made within a year after maturity. (vi) To improve efficiency and ensure quick disposal of work at Savings Bank counters, the New Delhi Head Post Office has introduced the 'Teller System' under which the account holders do not have to produce pass books at the time of making deposits or withdrawals. The question of extending the system to other Head Post Offices is under consideration. (vii) As at the end of March 1964, the Post Office Savings Banks were admitted as sub-members of all the clearing houses managed by the Reserve Bank and at 39 centres (as against 34 centres last year) where these are managed by the State Bank of India.

Net collections of small savings have been shared between the States and the Centre in the ratio of 2 : 1. Soon after the declaration of Emergency in 1962, it was decided that the States' share in 1962-63 and 1963-64 would be subject to ceiling of Rs. 60 crores and Rs. 65 crores, respectively. In order to enable the State Governments to make up the loss arising from the decision in November 1963 to give up the Compulsory Deposit Scheme relating to land revenue payers, the Union Finance Minister announced, at the State Finance Ministers' Conference held in that month, the withdrawal of the ceilings. The effect of this was that the States would be able to get the benefits of larger collections which would be divided between the States and the Centre in the usual proportion without any limit.

Premium Prize Bonds The Premium Prize Bonds, 1963, which were on sale during the full calendar year, realised about Rs. 5.77 crores; the scheme is being continued but with a new series of bonds called the Premium Prize Bonds, 1964. The new scheme is identical to that of the previous one, except for a procedural change in the manner of awarding prizes. Unlike in the case of the 1963 scheme where, in the event of an unsold number being drawn, the prize was awarded to the nearest lower sold bond, in the new scheme the process of drawing the prize will be continued until a sold number draws a prize. The Budget for 1964-65 has assumed a credit for Rs. 5 crores under this prize bond scheme.

Compulsory Deposit Scheme The Compulsory Deposit Scheme, as embodied in the Compulsory Deposit Scheme Act, 1963, covered sub-schemes for five different categories of persons, *viz.* (1) persons liable for the payment of income-tax; (ii) employees earning an annual salary of Rs. 1,500 or above but below the income-tax level; (iii) persons liable for payment of land revenue; (iv) persons liable for payment of sales-tax with an annual turnover of Rs. 15,000 or above but not liable to payment of income-tax; and (v) holders of immovable properties in urban areas not liable to payment of income-tax. Of these, the sub-schemes relating to the first two categories were introduced from July 1, 1963. The other three sub-schemes, which were to be implemented through the State Governments and local authorities concerned, were not enforced because of considerable practical difficulties in their administration. The sub-scheme (ii) above relating to 'employees not liable to income-tax' was, on a review of the budgetary and economic situation, withdrawn from September 23, 1963 and arrangements were made for the refund of deposits together with interest. Thus, in effect only the first sub-scheme relating to income-tax payers remained in force during 1963-64.

The revised budget estimates for 1963-64 have taken a credit for Rs. 15 crores for deposit receipts under the Scheme. For 1964-65, the Compulsory Deposit Scheme has been substituted by the Annuity Deposit Scheme*, which will apply to income brackets above Rs. 15,000 per annum at rates varying between 5 per cent and 12.5 per cent. Receipts from this source during 1964-65 are expected to be of the order of Rs. 67 crores.

*Details are given in Appendix II.

National Defence Fund

This Fund was set up immediately following the declaration of the Emergency in October 1962 to canalise voluntary contributions in cash, gold and other forms for all defence purposes, including the welfare of armed services and their families. Total cash contributions to this fund upto mid-February 1964 amounted to Rs. 58.26 crores. Besides, the contributions in gold (including gold ornaments) and silver aggregated 22.85 lakh grammes and 11.70 lakh grammes, respectively. During the year 1962-63 and 1963-64, an amount of Rs. 23 crores is estimated to have been spent from this fund mainly on purchase of defence equipment.

State Governments

The aggregate outstanding debt of the State Governments, which had risen by Rs. 449 crores during 1962-63, rose by Rs. 525 crores to Rs. 4,122 crores during 1963-64. A break-up of the debt into major categories presented in Table 10 shows that, as in the past years, indebtedness to the Centre accounted for the major part of the increase in the States' debt. At the end of March 1964, the States' obligations to the Centre at Rs. 3,156 crores constituted about 77 per cent of the total debt of the States as of that date.

Table 10: Debt Position of States

(Crores of Rupees)

	End March			
	1961	1962	1963	1964
Permanent debt ..	493	570	654	645
Floating debt ..	42	50	25	40
Loans from the Central Government ..	2016	2314	2677	3156
Other debt ..	52	64	77	97
Unfunded debt ..	135	150	164	183
**Total .. **	**2737**	**3148**	**3597**	**4122**

During 1961-62 and 1962-63, apart from providing assistance to States for financing Plan outlays, the Centre was called upon to grant *ad hoc* loans amounting to Rs. 30 crores to four States and Rs. 74 crores to seven States, respectively, to clear their unauthorised overdrafts from the Reserve Bank. During 1963-64, as stated earlier, the States received Rs. 101 crores as their share of the centralised market borrowings. Later in the year, Central loan assistance to States was stepped up by Rs. 85 crores, of which a sum of Rs. 63 crores was provided for speeding up the pace of their development plans in certain sectors, notably power and agriculture, and the balance represented short-term credits for purchase and distribution of fertilisers, seeds and pesticides and for meeting interest charges on loans for irrigation projects.

Permanent debt of the States (comprising market loans and certain other categories of debt like Zamindari Abolition Compensation Bonds and Encumbered Estate Act Bonds, etc.) declined over the year 1963-64 by Rs. 9 crores to Rs. 645 crores, which was the net result of repayment of maturing loans on the one hand, and on the other, fresh credits taken mainly under loans for Zamindari Abolition Compensation Bonds. Unfunded debt which had risen by Rs. 14 crores in 1962-63 to Rs. 164 crores, increased further by Rs. 19 crores to Rs. 183 crores at end-March 1964. 'Other debt' including loans from National Agricultural Credit (Long-term Operations) Fund of the Reserve Bank of India, loans from the National Co-operative Development and Warehousing Board, loans from the Khadi and Village Industries Commission, the Employees' State Insurance Corporation, etc. together showed a rise of Rs. 20 crores in 1963-64.

According to the Budget documents for 1964-65, the States' total debt is placed at Rs. 4,566 crores at the end of March 1965, which would show a rise of Rs. 444 crores over the year. The States' obligations to the Centre would show a rise of about Rs. 360 crores to Rs. 3,517 crores and the balance is distributed mainly under permanent debt (Rs. 47 crores), unfunded debt (Rs. 20 crores) and other debt (Rs. 19 crores). As mentioned earlier, States are allowed to raise loans from the market from 1964-65. Accordingly, eleven States (i.e. excluding Jammu & Kashmir, Maharashtra, Orissa and Punjab) have taken credit for market loans aggregating Rs. 79 crores in their budgets for 1964-65. Taking into account the budget provision of Rs. 32 crores both for repayment of States' market loans maturing during 1964-65 (amounting to Rs. 21 crores) and of other obligations, the net addition to permanent debt of States during the year would amount to Rs. 47 crores.

RAILWAY FINANCES

The financial results of the working of Indian Railways for 1962-63 (the latest year for which actuals are available), show a substantial growth in gross traffic receipts from Rs. 500.50 crores in 1961-62 to Rs. 566.79 crores. This was partly due to the revisions in freight rates and passenger fares introduced in that year and partly to increased goods traffic and the preponderance of higher-rated commodities in the goods cleared. Goods traffic in terms of net tonne kilometres increased by 11.4 per cent during the year, while passenger traffic (mainly suburban) increased by 3.4 per cent under passenger traffic originating and by 2.7 per cent under passenger kilometres. The total expenses of the railways at Rs. 443.47 crores showed an increase of Rs. 43 crores, of which a part represented higher emoluments to staff and the balance mainly repairs and maintenance and fuel charges. The net revenue, i.e., before payment of dividend to General Revenues, improved over the year by Rs. 24 crores to Rs. 123.32 crores. Out of this, an amount of Rs. 68.76 crores was transferred to the General Revenues as the dividend on capital from the Government at the rate of 4.25 per cent, and Rs. 12.50 crores on account of the fixed contribution in lieu of the tax on railway passenger fares. The surplus to be transferred to the Development Fund amounted to Rs. 42.06 crores, which was larger by Rs. 18 crores than the surplus for 1961-62 (actuals).

The revised estimates of the Railway budget for 1963-64 record a marked buoyancy in gross traffic receipts. Rail transport capacity, additions to which during the year were impressive, is now running ahead of the consumer demand in principal sectors like coal and raw materials. The goods traffic, according to present indications, is expected to register a rise of 15 million tonnes (or 8.5 per cent) over 1962-63, which, however, falls short of the budget anticipation of 17 million tonnes, the shortfall being reported under loadings of coal, ores for export and raw materials for the steel plants. The fall in earnings on this score is expected to be more than counter-balanced by increased traffic in higher-rated categories of general goods. In the result, the revised estimates of goods earnings are placed higher by Rs. 12.7 crores than the budget estimates for that year. Passenger traffic, particularly suburban traffic, has grown faster than anticipated earlier, and consequently earnings from this source have been Rs. 7.5 crores above the budget estimates of Rs. 172.5 crores. Altogether, the increased traffic together with the enhancement of (i) the surcharge on goods freight rates from 5 per cent to 10 per cent and (ii) the parcel rates by 10 per cent announced in the 1963-64 budget, pushed up the gross traffic receipts from Rs. 566.79 crores in 1962-63 (actuals) to Rs. 622.22 crores in 1963-64 (R.E.)—an increase of Rs. 55 crores, which incidentally surpassed the target of Rs. 33 crores set in the budget estimates for 1963-64. Total expenses (inclusive of the depreciation provision of Rs. 80.00 crores—the same as originally expected) were higher by Rs. 45.97 crores in 1963-64 (R.E.) than in 1962-63 (Actuals). As compared with the original budget estimates for 1963-64, the revised total expenditure was marked up by Rs. 13.86 crores, mainly attributable to larger expenditure on staff and the incidence of indirect taxation in the Union budget. Even so, the net surplus for 1963-64 is pitched higher at Rs. 38 crores than the original target of Rs. 31 crores in the budget estimates. After providing for a slight increase in the amount of dividend payable to General Revenues (Rs. 82.53 crores) following higher capital-at-charge, and Rs. 12.50 crores for transfer to the States in lieu of passenger fare tax, the net surplus creditable to Development Fund is now expected to be Rs. 37.75 crores, or Rs. 6.75 crores more than the budget estimate of Rs. 31 crores.

The budget estimates for 1964-65 reveal additional commitments of Rs. 20.5 crores, arising from the recently sanctioned increase in dearness allowance, city compensatory and house rent allowances to employees as well as improvements in the family pension scheme and enhanced benefits in lower rated pensions. In this connection it may be appropriate to note that it is proposed to create a Pension Fund for the Railways from 1964-65 with the object of evening out the charge on Railway revenues from year to year. An *ad hoc* provision of Rs. 19.00 crores is proposed to be made to this Fund from revenues. Further, the Central Government have proposed that the Railways should pay higher dividend (at 5.75 per cent in 1964-65 as against 4.50 per cent in 1963-64) to the General Exchequer on fresh capital made available to them during 1964-65; this is expected to raise the amount of dividend payable by a little over Rs. 1.5 crores in 1964-65. These additional requirements, superimposed on the annual requirement of a surplus of Rs. 30.35 crores to defray the cost of works chargeable to the Development Fund and to maintain a reasonably satisfactory

return on the present enhanced capital, are not expected to be fully covered by additional earnings accruing from the normal increase in traffic.

To meet a part of these additional commitments, the Railway Minister, while leaving passenger fares and parcel rates unchanged, proposed a small increase of 2 per cent in the supplementary charge, raising the surcharge from the present 10 per cent to 12 per cent on goods freight rates, including coal rates. Export ore will, however, be exempted from this additional surcharge. Also, the surcharge will not be applicable to Defence and Posts and Telegraphs traffic, which is governed by separate tariffs, nor to the Railways' own departmental traffic. The additional revenue from this measure is estimated at Rs. 7.50 crores. Another proposal is the partial rationalisation of the freight rate structure which provides for a downward adjustment in the classification of certain high-rated commodities and a consequent reduction in freight rates on several items of finished products and consumer goods, ranging between 3.9 per cent and 23.5 per cent. The rationalisation of coal freight rates envisages a graduated increase in basic rates for distances beyond 500 kilometres. The existing taper in coal freight rates confers a subsidy on long distance movement. The proposed revision would make freight rates on long distance coal movement conform more nearly to its cost of haulage. The net increase in revenue from these adjustments is estimated at Rs. 3.50 crores.

The budget estimates for 1964-65 place the gross traffic receipts at Rs. 668.00 crores, a rise of Rs. 45.78 crores over the revised estimates for 1963-64. This estimate is based on expectations of an increase in goods traffic of 17 million tonnes (the same as the original anticipation for 1963-64) and of 2 per cent in passenger traffic (as compared to 1 per cent for 1963-64) and also takes into account the impact of (i) the additional charge of 2 per cent on basic freight rates, which is anticipated to yield Rs. 7.50 crores and (ii) the graduated increase in basic coal rates as well as the downward adjustment in the classification of a number of high-rated commodities—the net effect of which would be an additional revenue of Rs. 3.50 crores. Of the total receipts, Rs. 184.00 crores or 27.5 per cent and Rs. 432.00 crores or 64.7 per cent are expected to come from passenger traffic and goods traffic, respectively; the corresponding percentages for the year 1963-64 (R.E.) were 28.9 per cent and 61.9 per cent. The income from "Other Coaching" and "Other Earnings", is placed at Rs. 35.00 crores and Rs. 17.00 crores.

The total ordinary working expenditure of the Railways, after adjusting for recoveries, for 1964-65 at Rs. 414.68 crores is expected to show a rise of Rs. 21.34 crores, owing to increased expenditure under the heads, repairs and maintenance (Rs. 8.88 crores), operating staff (Rs. 5.02 crores), operation (fuel) (Rs. 6.00 crores), etc. The contribution to Depreciation Reserve Fund is placed at Rs. 83 crores (as against Rs. 80 crores in 1963-64). After making a provision of (i) Rs. 19.00 crores for Pension Fund to be created from 1964-65, (ii) Rs. 12.50 crores, in lieu of passenger fares for transfer to the States and (iii) Rs. 90.73 crores as dividend (or interest) payable to General Revenues, the surplus that would accrue to the Railway Development Fund is placed at Rs. 30.87 crores or Rs. 6.88 crores less than that in 1963-64 (R.E.).

The aggregate balance in the Railway Funds which comprise the new Railway Pension Fund set up on April 1, 1964 with an initial contribution of Rs. 19 crores, the Depreciation Reserve Fund, Revenue Reserve Fund and Development Fund, would amount to Rs. 167.84 crores as on March 31, 1965—an increase of Rs. 32.00 crores during the budget year and Rs. 75.50 crores over the first four years of the Third Plan period.

Railway Plan: The Railways' Development Plan, as originally set down in the Third Plan, envisaged a capital outlay of Rs. 1,325 crores. The Railway Minister, while presenting the budget for 1963-64, had indicated that the Railway Programme had been stepped up to Rs. 1,470 crores to provide for increased coal movement, for works to provide the line capacity required for an additional 10 million tonnes in general goods traffic and also for the preparatory measures required for creating the requisite line capacity in the earlier years of the Fourth Plan. According to the 1964-65 budget, the Railways' development programme has been currently pitched higher at Rs. 1,581 crores. The proposed increase of Rs. 111 crores in the capital outlay represents (i) a sum of Rs. 7 crores for creating additional capacity required for movement of iron ore to steel plants and export purposes, (ii) a sum of Rs. 45 crores towards the cost of extra rolling stock required for handling the increased quantum of general goods traffic which involved comparatively long leads and (iii) an amount of Rs. 59 crores towards the cost of strategic

lines in Assam and North Bengal. The Railway programme provides for capacity adequate for carrying 260 million tonnes of originating goods traffic, although according to present indications, the originating traffic expected to be carried in the last year of the Plan is estimated at 245 million tonnes (as originally envisaged in the Plan).

Out of this estimated outlay over the Third Plan period, the provision for the fourth year viz., 1964-65, on "Works, Machinery and Rolling Stocks" would be Rs. 370.00 crores as compared to Rs. 350.00 crores for the 1963-64 (R.E.). This leaves a balance of Rs. 302.74 crores for the year 1965-66, the last year of the Plan, which may actually turn out to be larger because of the increase in prices during the Plan period (especially after the taxation imposed by the 1963-64 budget and the revision in prices of various controlled materials). Of the net provision of Rs. 370.00 crores for 1964-65, an amount of Rs. 319.34 crores is earmarked for works-in-progress including deliveries of rolling stock and machinery, etc. The balance of Rs. 50.66 crores is for new works, new acquisitions of rolling stock and machinery and investments in Government commercial undertakings (road services). On present indications, the Railways expect to meet about a third of the cost of the development programme in the Third Plan from their own resources, including the sums annually set apart for depreciation. The foreign exchange requirements of the Railway Plan are currently estimated at about Rs. 283.00 crores; of this Rs. 200.00 crores have so far been arranged, including a sum of Rs. 48.70 crores obtained since the last Budget from the International Development Association, the U. S. Agency for International Development and Export-Import Bank of the United States.

CHAPTER VI: TRADE AND TARIFF DEVELOPMENTS

Developments in Exchange Control

The main modifications during the year in the operation of exchange control are set out below. Whereas previously, authorised money changers at air/sea ports were permitted to sell foreign currency notes/coins upto the value of Rs. 40/- per person only to travellers whose passages were approved by the Reserve Bank or to whom the necessary foreign exchange had been released, this facility of sale of foreign currency notes/coins was extended, with effect from August 9, 1963, to all passengers, whether Indian or foreign, who have purchased tickets in India against payment of the fare in rupees in India even though the passenger may not have been issued with a 'P' form or an exchange permit by the Reserve Bank. This foreign exchange allotment of Rs. 40/- is in addition to the amount of exchange sanctioned by the Reserve Bank.

In October 1963, the policy in regard to approval of passage applications and release of exchange for travel was marginally relaxed. As a result, limited exchange is being released for incidental expenses to a limited number of Indian residents who are allowed to proceed abroad under invitations, providing full hospitality, from foreign governments, reputable international organisations and business associates for promotion of cultural, educational, scientific, professional and business interests.

Authorised dealers were advised in October 1963 that overdraft facilities in excess of Rs. 5,000 should not be granted to foreign nationals temporarily resident in India, without prior approval of the Reserve Bank. It December 1963, this limit was raised to Rs. 20,000, provided the authorised dealers ensured that this limit was utilised for such approved purposes as purchase of cars or taking up qualification shares of the companies of which they are directors, and not for any other investment or dealing in stocks and shares.

The withdrawal in February 1963 of the general permission to captains of vessels and aircraft to take out with them Indian currency notes and coins without limit for expenses during the voyage and the complete ban on export/import of Indian currency notes caused considerable hardship to steamship lines and to the crew/officers of vessels. The facility was, therefore, partially restored in January 1964 by allowing masters of vessels to take out with them the equivalent of Rs. 500/- in Indian/foreign currency notes for expenses at foreign ports in emergency. The officers and the crew of vessels have also been permitted to take out Indian currency upto Rs. 67/- per person and also to bring in the unexpended Indian currency upto this amount on their return to India.

For the year 1964, it was decided to release exchange to Haj Pilgrims, as in 1963, upto the limit of Rs. 1,000/- per person above the age of 16 years and Rs. 500 between the ages of 14 and 16 years. The total number of Haj Pilgrims was fixed at 16,000. The procedure of issuing special Haj notes to these pilgrims, followed hitherto, was discontinued this year, and instead, it was provided that the State Bank of India would arrange with their correspondent in Jeddah to sell to Indian pilgrims Saudi Arabian Riyal notes.

From March 1964, Iranian nationals resident in India have been allowed to make personal remittances not exceeding Rs. 100/- per month per family to Iran, while remittances in excess of this limit are required to be referred to the Reserve Bank.

Developments in Trade Policy

Trade policy during 1963-64 continued to be oriented towards exports and defence, with added emphasis on (a) better co-ordination between export and import policy, (b) greater vigilance and tighter control over export promotion schemes and (c) more vigorous drive to boost exports. In furtherance of a more co-ordinated trade policy, the Export Advisory Council and the Import Advisory Council were merged into a newly constituted Export-Import Advisory Council and its functions were enlarged. Again, more rationalised procedures and special import facilities to exporters of certain goods under the export promotion schemes in force were introduced in the import policy announced towards the end of the year, though the import entitlements would continue to be proportionate to the f.o.b. value of exports. For purposes of reviewing the performance of export promotion schemes and for curbing abuses of these schemes by unscrupulous elements, the Board of Trade constituted a vigilance committee which, besides devising measures to curb abuses or malpractices effectively, would also keep a watch over under-invoicing or over-invoicing of exports and imports. The year

also witnessed the setting up of new institutions and adoption of specific and general measures to boost exports. The modifications made in the existing export promotion measures during 1963-64 are given in Appendix IV.

During the year, two more export promotion councils were set up, one for basic chemicals, drugs and pharmaceuticals, soaps and toiletries, in addition to the existing council, which would now confine itself to paints and related items, glass and ceramics, rubber and paper products, and the other for finished leather and its manufactures. In order to give added impetus to exports of minerals and metals, including iron ore and manganese ore, a new corporation called the Minerals and Metals Trading Corporation (M.M.T.C.) was established to take over the functions hitherto performed in this field by the State Trading Corporation. In the sphere of export finance, the Export Credit Guarantee Corporation (E.C.G.C.) was constituted to take over the functions of the Export Risks Insurance Corporation (E.R.I.C.); in addition, the new Corporation would provide (i) various kinds of guarantees to fill up the gaps in the export credit system, (ii) supplementary credit facilities essential for export promotion and (iii) guarantees in foreign currency to facilitate import of raw materials or semi-finished goods (Details are given in Chapter III). Mention may also be made of the establishment of (i) the Indian Council of Trade Fairs and Exhibitions and (ii) the Indian Institute of Foreign Trade; the latter was entrusted with intensive market research, dissemination of trade information and organisation of training programmes.

In order to boost exports of specific commodities, new incentive schemes were introduced during the year, while those in operation were extended to cover new commodities and/or modified to provide for increased entitlements. The new schemes introduced covered (1) lemon grass oil, sandalwood oil, palmarosa oil and musk (May 1963), (2) gold and non-gold jewellery and gold articles (June 1963) and (3) tobacco (June 1963). For purposes of granting import entitlements, the sale of real and imitation gold and non-gold jewellery and gold articles, synthetic stones, pearls, diamonds, etc., to foreign tourists against receipt of foreign exchange would also be treated as exports. Some of the items on which export control was removed during the year were certain varieties of raw goat skins, bone sinews, rock salt (black), specific varieties of ferrous-scrap, gem variety of beryl, manganese-dioxide/peroxide, dog spikes, chair spikes, screw spikes, etc.

Fiscal incentives, either by way of a rebate of the excise duty and/or a draw-back of the customs and excise duties paid on the materials used in the manufacture of exportable goods were extended to some more commodities during the year (*vide Part C of Appendix IV*). The Government granted a rebate, on an *ad hoc* basis, of central excise duty on woollen shawls (August 1963) and carpet backing cloth and hessian (October 1963). A scheme for duty draw-back against exports of gold articles (of 14 carat or less purity) was announced in August 1963. The export duty was abolished on soft cotton waste (July 1963) and lac (December 1963), while the Budget for 1964-65 provided for abolishing the existing export duty of Rs. 4.50 per bale of raw jute cuttings and Rs. 15 per bale of other jute products. A provision has also been made in the budget for 1964-65 for the transfer of Rs. 3 crores to the Marketing Development Fund for export promotion and development, as against Rs. 50 lakhs for 1963-64 (revised). In the field of direct taxation, the existing export incentives by way of a 10 per cent rebate of income-tax and super-tax payable on profits derived from exports, and a further rebate of income-tax and super-tax upto 2 per cent of the value of certain specified goods exported were continued. The latter provision was extended to non-jute textiles exported after February 29, 1964, but was discontinued in respect of certain articles such as arms and ammunition, photographic films, newsprint, etc.

Other measures to promote exports related to those taken in respect of price stabilisation, cost reduction and quality control. Price stabilisation measures adopted during the year included the fixing of minimum and/or maximum f.o.b. prices for certain specified varieties of mica, lemon grass oil and cardamom. The prices of flue-cured tobacco, lac and hand woven fabrics (Bleeding Madras and Etawah stripes) were readjusted (*vide Part A of Appendix IV*). The buffer stock operations of the State Trading Corporation as a measure of price support in respect of jute and seedlac were continued, even though such operations were outside the normal functions of the Corporation. During the year, a committee was constituted, with Shri R. G. Saraiya as Chairman, for assessing the incidence of sales tax on export products*.

*The Committee has submitted its Report after the close of the year.

By way of reducing costs of engineering goods exports, the Railways extended freight concession of 25 per cent to cover 65 additional engineering items booked for export from any station to any port. Cost reduction programmes in respect of individual commodities continued to receive the attention of the Board of Trade.

In the field of quality control, the Export (Quality Control and Inspection) Act, 1963 was passed on August 24, 1963. The Export Inspection Advisory Council, established under the provisions of the Act, would advise Government on the various commodities which should be brought under compulsory quality control and pre-shipment inspection and on related matters. At its first meeting in January 1964, the Council, besides chalking out a programme for commodities to be covered during the next two years, stressed the need for establishing 'test houses' and laboratories to facilitate its work. During the year, some more commodities (tobacco, cashew, hides and skins, black pepper, cardamom, etc.) were made subject to pre-shipment inspection. The Textiles Committee Act, 1963, seeking to establish standard qualities for all textiles, both for domestic consumption and export, and to promote exports of textiles and textile machinery, was enacted on December 3, 1963, replacing the Cotton Textiles Fund Ordinance of 1944.

During the year, the Board of Trade held discussions on several aspects of export promotion, including the preference for longer-term trade agreements with other countries in order to plan India's trade more systematically, and expanded programmes of market research and area surveys. The Board constituted a committee of experts to draw up an integrated programme of bulk cargo carrying by Indian ships to facilitate export of commodities such as iron ore. Mention may be made here that, following the increase in freight rates by some shipping conferences/lines, there was greater resort to tramp shipping during the year. The problem of high and discriminatory ocean freight rates has been engaging the attention of the Freight Investigation Bureau of the Government of India.

Facilities for more and cheaper credit were also made available during the year. The (former) E.R.I.C. liberalised during December 1963 its pre-shipment finance policy scheme by raising the indemnity to banks under its packing credit policy from 50 per cent to 66 2/3 per cent, which would, in turn, enable banks to liberalise their lending policies to exporters. During the year, the E.C.G.C. issued 839 policies as against 623 policies during the previous year. The value of risks covered rose by 24.5 per cent from Rs. 23.1 crores in 1962-63 to Rs. 28.8 crores in 1963-64. The cost of insurance to the exporter was lower, the average rate of premium per Rs. 100 of insured value during the year being slightly below ¼ per cent as compared to slightly above ¼ per cent in the previous year. The Refinance Corporation for Industry reduced its rate of interest for refinancing of export credit from 5 per cent to 4.5 per cent, subject to the condition that the financial institutions would allow credit to exporters at a rate not exceeding 6 per cent per annum.

The total turn-over of the S.T.C., after adjustment for its indirect trade through private traders, amounted to Rs. 87 crores during 1962-63. The Corporation continued its pilot scheme, known as the Export Aid to Small Industries Scheme, (E.A.S.I.). The S.T.C. also participated in the share capital of the newly formed Indian Motion Pictures Export Corporation, registered under the Companies Act, 1956.

Import policy during 1963-64 was, by and large, a continuation of the previous year's policy, and was influenced both by the difficult foreign exchange situation and the need to accord priority to the requirements of defence and development. Although the drastic cuts imposed in the previous half year in respect of established importers' quotas were partially restored, and the foreign exchange allocations for small-scale industries stepped up, the basic policy continued to be essentially restrictive. The grant of quotas to established importers was still confined to specific items of special importance to the economy or items which had an export promotion angle like chemicals and drugs, hides and skins, tanning materials, motor vehicle parts, spare parts of machinery, X-Ray films, surgical and dental goods. Applications for import licences were to be made on a yearly basis as in the previous year, and annual licences were to be issued to cover primarily the requirements of actual users in both the scheduled and non-scheduled sectors, subject to the availability of foreign exchange; these annual licences were subject to the same condition as in the previous year *viz.* that only one half of the licence could be utilised in the first six months. In other cases, licences were to be issued for six-monthly entitlements/requirements as first instalment, and supplementary licences for the next half were to be

issued in the second half year, depending on the foreign exchange situation at that time. No changes, however, were effected in the quotas for established importers or actual users for the second half, and according to the policy for the second half announced in October 1963, the validity period for the second half of revalidated licences was extended by another six months. In December 1963, a further relaxation was announced in regard to the annual licences granted during the licensing year 1963-64 so that it was no longer necessary for these licences to be presented to the licensing authorities for endorsement for the second half.

An important change introduced during the year was the extension in September 1963, of the provisions of the Import-Export (Control) Act to the Union territories of Goa, Diu and Daman.

Details of the general import policy as well as the announcements regarding important individual items are given in Appendix V.

Tariff Commission

In 1963-64, the Tariff Commission completed* twelve tariff inquiries and two price inquiries. The tariff inquiries were in respect of the following industries: (a) dyestuffs, (b) automobile spark plug, (c) engineers' steel files, (d) diesel fuel injection equipment, (e) piston assembly, (f) antimony, (g) electric motors, (h) power and distribution transformers, (i) bicycle, (j) sericulture, (k) cotton textile machinery (spinning ring frames, spindles, spinning rings, fluted rollers and automatic looms), (l) A.C.S.R. (aluminium conductors steel reinforced) and A.A.C. (all aluminium conductor). Protection granted to these industries, with the exception of the dyestuff industry, was due to expire on December 31, 1963, and the Commission had to examine the working of these industries and report to the Government on the need for continuance of protection or otherwise. In respect of the dyestuff industry, the review undertaken in 1963 was an interim one, in accordance with the condition prescribed at the time of granting the protection eight years ago.

The Commission recommended continuance of protection at existing rates for seven industries, at reduced rates for three industries and withdrawal of protection in respect of two industries as shown below:

1. *Continuance of existing rates*		*Upto*
(a) Dyestuffs	December 31,	1964
(b) Electric motors	,, ,,	1965
(c) Power and distribution transformers	,, ,,	1965
(d) Piston assembly	,, ,,	1966
(e) Sericulture	,, ,,	1966
(f) Cotton textile machinery	,, ,,	1966
(g) Diesel fuel injection equipment (only multi-cylinder pumps)	,, ,,	1967
2. *Continuance at reduced rates*		*Upto*
(a) Automobile spark plugs	December 31,	1965
(b) A.C.S.R. and A.A.C.	,, ,,	1966
(c) Antimony (at reduced rate for antimony metal)	,, ,,	1968
3. *Withdrawal of protection*		*Beyond*
(a) Engineers' steel files	December 31,	1963
(b) Bicycles	,, ,,	1963

These recommendations, as well as others like the need for enforcement of control over prices of bicycles after the withdrawal of protection to safeguard the consumers' interests, were accepted by the Government.

The two price inquiries completed during the year related to (1)pricing policy of units manufacturing fire fighting equipment and (2) fair prices of woollen yarn, fabrics and hosiery manufactures. As regards the former, the Commission considered that at the present stage of development of the industry where production at uneconomic levels resulted in high costs and in view of the existence of special problems of distribution, the prices charged by the manufacturers were not unreasonable and it was not desirable to fix prices for any of the products; Government have taken note of these recommendations. In the case of the latter, the Commission recommended fair prices for all types of woollen/shoddy and worsted yarn (including hosiery yarn), fabrics and hosiery manufactures. For this purpose, the Commission framed seven schedules, based on conversion charges, prevailing cost of woollen materials and return on capital employed, with reference to which the maximum ex-factory prices could be fixed. Though the Commission was not in favour of a special rehabilitation allowance, specific extras as an allowance for rehabilitation were to be permitted to spinning and composite units subject to certain conditions. Consumer prices, according to the Commission, were not to exceed ex-factory prices by more than

*An inquiry is treated as completed only after the Government's decision on the Report has been published.

25 per cent. The Commission also recommended a uniform retail price scheme for the country. The Government, however, decided that, in the light of the abnormal conditions that had arisen subsequent to the submission of the Report on account of the Emergency and the gearing of the industry to defence production, the fixation of prices of woollen yarn and manufactures as suggested by the Commission was not desirable at present. Details of the Tariff Commission's recommendations are given in Appendix VI.

Trade Agreements

During the year, fresh trade agreements were concluded with two countries *viz.*, Austria and Iraq. A fresh agreement was signed with Indonesia also, the previous agreement with that country having expired on March 31, 1961. Fifteen of the existing agreements (with Afghanistan, Bulgaria, Chile, Czechoslovakia France, East Germany, Greece, Hungary, Iran, Jordan, Morocco, Pakistan, Poland, Tunisia and the U.S.S.R.) were either renewed or extended for further periods. At the end of March 1964, the total number of trade and payments agreements in force was 29*. Of the agreements concluded during the year, those with Bulgaria, Czechoslovakia, Hungary and Poland were for longer periods, each valid for five years, as against a validity period of three years for the previous agreements with those countries. The agreement with the U.S.S.R was renewed for a further period of five years. Agreements with Pakistan and Afghanistan were modified so as to provide for full or part settlement in free foreign exchange. A new pattern has been set in India's trade with the East European countries by providing for greater diversification in some of these agreements. By the end of the year, the agreement with Italy which was valid upto June 30, 1963 was yet to be renewed. Talks for concluding trade agreements were also in progress with the Philippines and Algeria. A shipping agreement was signed with the U.A.R., according to which the cargo between the two countries would be carried by an equal number of Indian and U.A.R. ships, freight earnings also being shared equally. Third party ships would be contracted only when the capacity of the agreed number of ships of both the countries was not adequate to cater to requirements. Particulars of trade agreements concluded during 1963-64 are given in Appendix VII.

Reference may be made to the unilateral suspension during the year of the tariff on import of tea by the E.E.C., the U.K., New Zealand, Canada and Switzerland. The E.E.C. also unilaterally removed tariffs on other commodities of interest to India, which included castor oil, essential oils, tobacco seed oil, shellac, chutney, curry powder, ginger, cardamom and certain spices.

At the G.A.T.T. meeting held in Geneva in January 1964 to review the working of the international agreement on cotton textiles, India, along with other developing nations, voiced concern at the decision of some developed countries to restrict their imports of cotton textiles from the developing nations by invoking the 'market-disruption' clause. It was agreed by the G.A.T.T. that there should be a regular periodic exchange of views on a bilateral basis between individual importing and exporting countries, that importing countries should supply full data on domestic production in any consultation on 'market-disruption' and that the developing countries could raise these issues either bilaterally or with the G.A.T.T. Committee.

India actively participated in the ECAFE conference held at Teheran in March 1964, which formulated the broad approach of the developing nations towards the problems of world trade and development. India attended the U.N. Conference on Trade and Development, which opened at Geneva later in the same month. The suggestions made by India at the Geneva conference included, (1) the reorganisation of the G.A.T.T. to include all nations and to facilitate its ratification by Parliaments of the new nations, (2) the conversion of the World Trade Conference into a continuing body under the U.N. to look after all facets of trade, particularly those outside the scope of the G.A.T.T., through a standing committee with sub-committees to deal with commodities, financing expansion of trade, division of labour and shipping and invisibles, (3) the pursuit of liberal trade policies by the developed

*These are with (1) Afghanistan, (2) Austria, (3) Bulgaria, (4) Burma, (5) Ceylon, (6) Chile, (7) Czechoslovakia, (8) East Germany (German Democratic Republic), (9) France, (10) Greece, (11) Hungary, (12) Indonesia, (13) Iran, (14) Iraq, (15) Japan, (16) Jordan, (17) Morocco, (18) Nepal, (19) Pakistan, (20) Poland, (21) Rumania, (22) Sweden, (23) Switzerland, (24) Tunisia, (25) U.A.R., (26) U.S.S.R., (27) Vietnam, North, (28) West Germany (Federal Republic of Germany) and (29) Yugoslavia.

countries, facilitating more imports of primary and manufactured goods from the less developed countries through reduction and removal of tariffs, fiscal levies, quota restrictions etc., fair and remuneratvie prices for exports of less developed countries, including stabilisation measures thereof, and (4) compensatory financing for shortfalls in export earnings and regulation of terms of trade for the benefit of the developing nations.

CHAPTER VII: CURRENCY AND COINAGE

During 1963-64, currency in circulation recorded a sizeable increase of Rs. 229.1 crores as compared to Rs. 183.7 crores in 1962-63 and Rs. 101.4 crores* in 1961-62. Component-wise, the expansion in the circulation of notes and rupee coin was larger than in the previous year, but that of small coin was smaller.

Circulation of Notes and Coins

Circulation of Notes: The year's expansion of Rs. 212.0 crores (or 9.6 per cent) in the circulation of notes raising the total circulation of notes to Rs. 2411 crores@ was much higher than the rise in 1962-63 (Rs. 171.7 crores or 8.5 per cent). Denomination-wise, all denominations contributed to this rise, but it was more marked in Rs. 10 and Rs. 100 denominations. Rs. 100 denomination registered the largest increase of Rs. 110 crores followed by Rs. 10 denomination (Rs. 94 crores) with their relative shares in total notes in circulation rising slightly from 44.3 per cent and 41.5 per cent in 1962-63 to 44.7 per cent and 41.6 per cent, respectively, in 1963-64. The circulation of the two small denomination notes *viz.* Rs. 2 and Rs. 5 showed increases of Rs. 35 lakhs and Rs. 16 crores, respectively, yet their relative share in the total notes in circulation showed a fall, the share of the former declining from 1.7 per cent to 1.5 per cent and of the latter from 9.4 per cent to 9.2 per cent, respectively. The high denomination notes *viz.* Rs. 1,000, Rs. 5,000 and Rs. 10,000 which had recorded declines ranging between Rs. 2 crores and Rs. 14 crores in 1962-63, registered increases ranging between Rs. 1 crore and Rs. 2 crores in 1963-64.

Circulation of Rupee Coin: The uptrend in the circulation of rupee coin, the bulk of which represents one-rupee notes issued by the Government of India, continued during 1963-64. The expansion in the circulation of rupee coin in 1963-64 (Rs. 12.3 crores) was more than twice that in 1962-63 (Rs. 6.0 crores). As at the end of 1963-64, rupee coin in circulation amounted to Rs. 168.5 crores@@, showing a rise of 8 per cent over the year as compared to 4 per cent in 1962-63. It may be mentioned here that Section 36(2)† of the Reserve Bank of India Act was deleted with effect from February 1, 1964.

Circulation of Small Coin: The circulation of small coins showed a smaller rise during 1963-64 (Rs. 5.9 crores) than in 1962-63 (Rs. 6.1 crores). As in previous years, the rise in circulation during 1963-64 was the net result of a continuous rise in the circulation of decimal coins and a fall in the circulation of old coins. The rise in circulation of decimal coins was Rs. 8.15 crores as compared to Rs. 7.74 crores in 1962-63 and Rs. 8.50 crores in 1961-62. The circulation of 50 naye paise coins showed the largest rise (Rs. 2.20 crores) followed by 25 naye paise coins (Rs. 1.88 crores), 10 naye paise coins (Rs. 1.66 crores), 5 naye paise coins (Rs. 1.09 crores), 2 naye paise coins (Rs. 72 lakhs) and one naya paisa coins (Rs. 61 lakhs). The withdrawal of old anna-pie coins at Rs. 2.25 crores was higher during 1963-64 than in 1962-63 (Rs. 1.58 crores) and in 1961-62 (Rs. 1.13 crores). Of the total decline in circulation of old coins, about one-half was accounted for by one anna coins which fell by Rs. 1.13 crores. Among other old coins, the circulation of half-rupee, four anna, two-anna and half anna coins declined by Rs. 61 lakhs, Rs. 31 lakhs, Rs. 12 lakhs and Rs. 5 lakhs, respectively.

There was a further return from circulation of quaternary silver small coins of the value of Rs. 56 lakhs during 1963-64.

Miscellaneous

Demonetisation of anna-pie coins

The Government of India have demonetised the cupro-nickel one anna, single pice and

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* The expansion was Rs. 135.6 crores if the return of Indian currency from Kuwait during the period April-June 1961 (Rs. 34.2 crores) is ignored. @Net of Rs. 43 crores of Indian notes returned from circulation in Pakistan. @@Since June 7, 1947, by which date all standard silver rupee coins had ceased to be legal tender, rupee coin in circulation in India has comprised (i) Government of India one rupee notes issued from July 1940, (ii) quaternary silver rupees issued between December 1940 and June 1946, (iii) nickel rupees issued from June 1947 and (iv) pure nickel decimal rupees issued from 2nd July, 1962. Since June 1946, quaternary silver rupee coins are in the process of being withdrawn. Out of these coins amounting to Rs. 94 crores outstanding on the date of discontinuance of their issue, coins of the value of Rs. 63 crores had been retired upto March 31, 1964. †This section provided that, after the close of any financial year in which the maximum amount of Rupee coin held in the assets, as shown in the weekly accounts of the Issue Department of the Reserve Bank, was less than fifty crores of rupees, or one-sixth of the total amount of the assets, whichever may be greater, the Central Government should deliver to the Reserve Bank rupee coin upto the amount of such deficiency, but not, without its consent, exceeding five crores of rupees, against payment of legal tender value.

double pice coins with effect from January 1, 1964. The above coins, however, continued to be accepted upto June 30, 1964 only at the offices of the Reserve Bank of India, all agency and sub-agency offices of the Reserve Bank of India conducting Government business, and at all Government treasuries and sub-treasuries, and during this period they will also be accepted at all Posts & Telegraph offices and all Railway offices for payment of dues and thereafter only at Issue offices of the Reserve Bank of India until further notice.

Escudo Notes and Coins

Mention was made in the last year's Report of the facilities provided for the exchange of Escudo currency into Indian currency. It may be recalled that these facilities were made available upto July 14, 1962 in the case of Escudo/Portuguese Rupee notes and upto August 14, 1962 in the case of Escudo/ Portuguese Rupee coins. Subsequently, the Reserve Bank allowed exchange of Escudo currency on an ex-gratia basis in certain cases under instruction from the Government of India. The total exchange value paid so far amounts to Rs. 9.49 crores.

Lost, Destroyed and Mutilated Notes

During 1963-64, claims in respect of lost, destroyed and mutilated notes admitted at the Bank's offices amounted to Rs. 71 lakhs (the same as last year) and payments made against these claims as well as those admitted in the preceding years aggregated Rs. 63 lakhs as compared to Rs. 64 lakhs in 1962-63.

Note Forgeries: The total number of forged notes including Government of India one-rupee notes, received by the Bank during 1963-64, was considerably higher at 10,917 (involving Rs. 9,01,787) than in 1962-63 (at 2,224 involving Rs. 33,142).

Coinage: During 1963-64, 1662 million pieces of decimal coins valued at Rs. 9.54 crores were minted as against 1491 million pieces worth Rs. 10.6 crores in the preceding year. The total mintage of decimal coins since 1956-57 amounts to 8975 million pieces valued at Rs. 48 crores.

Withdrawal of Silver, Cupro-nickel and Copper Coins

During 1963-64, the aggregate value of *uncurrent* coins withdrawn from circulation amounted to Rs. 1.68 crores and *current* coins to Rs. 2.39 crores as compared to Rs. 0.67 crore and Rs. 3.29 crores, respectively, during 1962-63.

Counterfeit Coins: The number of counterfeit coins cut at treasuries and railway stations has shown a progressive decline since 1958-59: the number declined from 11.4 lakhs in 1958-59 to 2.7 lakhs in 1960-61, to 0.9 lakh in 1961-62, to 75 thousands in 1962-63 and further to 68 thousands in 1963-64.

APPENDIX I : THE THIRD PLAN : MID-TERM APPRAISAL — A SUMMARY

The Third Plan Mid-term Appraisal, the first official review of the progress of the Third Five-Year Plan, seeks to identify those elements in policy and implementation which need special attention, so that the pace of advance could be stepped up further during the rest of the Plan period. The Appraisal covers, in physical terms the achievement during the first two years of the Plan, namely, 1961-62 and 1962-63, the data for the latter year being provisional. As regards financial outlays, 'actual' expenditures are available only for 1961-62, the 1962-63 data are revised estimates and those for 1963-64 are only budget estimates.

In reviewing recent developments, the Report recalls that since October 1962 the Third Plan has been implemented against the background of a serious threat to national security and a continuing Emergency; the implementation of the Plan is now considered an integral part of national defence.

In terms of national income growth, the increase of 2·5 per cent per annum in the first two years of the Plan has been considerably lower than the targeted rate of growth of over 5 per cent per annum (compound). From the investment angle, however, the performance appears to be more encouraging. Though there are as yet no firm estimates of investment and saving in the economy during the first two years of the Plan, judging from such partial data as are available it seems that investment was not only high in strategic areas but was also increasing at an appreciable rate. It seems likely that the aggregate investment/income and savings/income ratios have increased significantly.

Additional employment generated in the non-agricultural sector is estimated at 3·2 million during the first two years of the Third Plan; during the third year, about 1·8 million jobs are expected to be created. There has been some increase in agricultural employment, but it is difficult to make any estimate at this stage. The Plan target for additional agricultural employment is about 3·5 million. By and large, no serious dent appears to have been made on the unemployment problem and additional employment generated during the Third Plan period is likely to fall short of the original target of 14 million.

Outlay in the Public Sector:

The Public Sector outlay during the first three years of the Plan is estimated at about Rs. 4,200 crores or about 56 per cent of the five-year provision. The sector-wise annual outlay during this period is presented in the table below.

TABLE 1. Outlay by head of development 1961-64.

(Crores of Rupees)

Major Head	1961-66 Financial Provision	1961-62 (Actuals)	1962-63 (Revised)	1963-64 (Budget)	1961-64 Total	1961-64 As % of col. 2
1	2	3	4	5	6	7
Agriculture and Community Development ...	1068 (14)	147 (13)	187 (13)	227 (13)	**561 (13)**	53
Major and Medium Irrigation including Flood control	650 (9)	104 (9)	120 (8)	117 (7)	**341 (8)**	52
Power	1012 (13)	139 (12)	183 (13)	247 (15)	**569 (14)**	56
Industry and Minerals	1520 (20)	186 (17)	258 (18)	365 (22)	**809 (19)**	53
Village and Small Industries	264 (4)	38 (3)	44 (3)	44 (3)	**126 (3)**	48
Transport and Communications	1486 (20)	302 (27)	361 (26)	389 (24)	**1052 (25)**	71
Social Services and Miscellaneous	1300 (17)	214 (19)	261 (19)	265 (16)	**740 (18)**	57
Inventories*	200 (3)	—	—	—	—	—
Total	**7500**	**1130**	**1414**	**1654**	**4198**	**56**

Note : Figures within brackets are percentages to the total.
* Expenditure in respect of inventories is distributed under various heads.

The relative proportions of annual outlays under different heads generally conformed to the relative proportions set by overall targeted outlays over the Plan period except in the case of (i) transport and communications, (ii) major and medium irrigation, and (iii) village and small scale industries. While the annual proportionate outlay on transport and communications was consistently at a high level, being one-fourth of the total as against a targeted one-fifth, the annual proportionate outlays in the other two sectors mentioned above were consistently below the targeted proportionate outlay provided under the Plan. Outlays on power were stepped up from year to year to avoid a recurrence of the power shortage which was experienced in 1961-62. As a result, the aggregate for the three years worked out to a slightly higher proportion of the total than was envisaged in the Plan. In 1963-64, a relatively higher proportion of the outlay was allocated to industry and minerals, but even so, the proportionate outlay for the first three years of the Plan was somewhat below the five-year proportionate target.

The cost of the various programmes in the public sector for the Third Plan was estimated at Rs. 8300 crores, though the financial provision was set at Rs. 7500 crores. The cost of the programmes is now expected to be somewhat higher, especially on account of the additions which have been made in the sectors of transport and communications and power, the increases in costs (both internal and external), and the necessity to take advance action on an adequate scale so as to ensure uninterrupted flow of benefits during the early period of the Fourth Plan. For instance, as against the estimated investment cost of Rs. 1800 crores for industries and minerals in the public sector, the cost of these programmes on present indications comes to about Rs. 2300 crores. Taking into account the pace of implementation in different sectors as well as the availability of resources, the total outlay in the public sector might be close to Rs. 8000 crores over the Plan period (or roughly Rs. 3800 crores during the last two years of the Plan).

Financing of Public Sector Outlay:

The financing pattern of the outlay in the public sector has been conditioned to a certain extent by the need for heavy defence outlays in the wake of the Emergency and the rise in non-plan expenditure. A redeeming feature on the revenue side is that the tax receipts have turned out to be more buoyant than estimated earlier. The table below shows the financing of the Plan during 1961-62 to 1963-64.

TABLE 2. Financing of the Third Plan, 1961-62 to 1963-64

(Crores of Rupees)

	Five-year Scheme of Finance (as planned)	1961-62 Actuals	1962-63 Revised Estimates	1963-64 Adjusted Budget Estimates
	(1)	(2)	(3)	(4)
1. Balance from current revenues	550	166	42	—403
2. Additional taxation	1,710	101	237	593
3. Railways contribution*	100	45	14	13
4. Surpluses of other public enterprises ...	450	34	28	77†
5. Market loans**	800	147	201	200
6. Small savings @	600	90	102	135
7. Unfunded debt	265	54	59	65
8. Steel Equalisation Fund	105	13	7	6
9. Balance of miscellaneous capital receipts over non-plan disbursements	170	50	164	220
10. Total of items 1 to 9	4,750	700	770	906
11. Budgetary receipts corresponding to external assistance**	2,200	262	437	507
12. Deficit financing**	550	168	207	241
Total Resources/Plan outlay (10 to 12)	**7,500**	**1,130**	**1,414**	**1,654**

* Excluding the amount raised by way of changes in fares and freights which is included under item 2. @Including Prize bonds, Gold bonds and receipts from CDS. † Excluding the amount raised by changes in postal rates which is included under item 2. ** As defined in the Plan, receipts under market loans refer to net absorption of Government securities by the public. Deficit financing refers to changes in Government's indebtedness to the Reserve Bank. Receipts corresponding to external assistance include net receipts from foreign grants and loans as well as net accretion of rupee resources arising from P. L. 480 imports during the Plan period.

Despite an appreciable improvement in normal tax receipts, the net outturn under 'balance from current revenues' is expected to show a sizeable deterioration, as compared to the Plan estimates, in view of the step-up in defence outlays and increases under other non-Plan expenditures. The aggregate yield over the Plan period from the tax measures introduced during the first three years of the Third Plan is estimated at about Rs. 2400 crores (i.e. about Rs. 700 crores more than the five-year target); of this, roughly Rs. 1900 crores would be due to measures introduced by the Centre.

The Railways' normal contribution during the first three years may be placed roughly at Rs. 80-90 crores. It appears, therefore, that their normal contribution over the five-year period would exceed the Plan estimate of Rs. 100 crores by Rs. 40-50 crores. The surpluses (inclusive of depreciation provision) of other public enterprises during the Third Plan were tentatively placed at Rs. 450 crores, Rs. 300 crores being from enterprises from the Central and the remaining Rs. 150 crores from State Undertakings. The major central projects, such as steel and fertiliser plants, were not able to realise any surpluses to finance their expansion on account of the delay in achieving full capacity output. Even allowing for some improvement over the last two years of the Plan, the contribution of Central enterprises to Plan financing would not reach the target; that of State enterprises would reach close to it.

As regards market loans, the aggregate net floatations, both Central and State, during the first three years are of the order of Rs. 525-550 crores, of which borrowings of States (including electricity boards) would form about 50 per cent. The States have raised about 85 per cent of what they were expected to raise over the Plan period. Taking into account past trends, aggregate net market borrowings are likely to exceed the original estimate of Rs. 800 crores. Over the first three years of the Plan, collections under small savings (excluding receipts from the Compulsory Deposit Scheme) would be about Rs. 275 crores as against the Plan target of Rs. 600 crores. In the first two years of the Plan the performance was not encouraging, but since then the collections have shown good promise. The improvement under unfunded debt is due to the extension of provident fund schemes to all government employees at the Centre on a compulsory basis, and similar adjustments in a number of States. On the basis of recent trends, the five-year estimates may exceed the target of Rs. 265 crores indicated in the Plan by about Rs. 50 crores. On account of upward revisions of retention prices and the delay in realising the increases in steel output, the actual realisation under the Steel Equalisation Fund would be substantially smaller.

Budgetary receipts corresponding to external assistance have shown a steadily rising trend and the estimated external assistance of Rs. 2200 crores over the Plan period may be exceeded. In the first two years of the Plan the actuals of deficit financing amounted to Rs. 339 crores. The actual deficit in the third year of the Plan may turn out to be lower than the budgeted figure of Rs. 241 crores.

Balance of Payments:

During the first two years of the Third Plan, exports amounted to Rs. 1350 crores, and, on current performance, export earnings may total Rs. 2300 crores or so during the last three years. Thus, total exports over the Plan period are expected to be close to the target of Rs. 3700 crores given in the Plan document; however, the present estimates include exports from Goa (of about Rs. 90 crores over the Plan period) while the Plan target excluded them. Imports* during the first two years of the Plan, at about Rs. 945 crores a year, were well below the projected annual average imports of Rs. 1150 crores during the Third Plan. Non-project imports during the last three years are expected to be around Rs. 2400 crores. As regards project imports, the position upto the end of the third year of the Third Plan is that foreign exchange for commitments of a little over Rs. 2100 crores is in sight. The actual requirements of project assistance (which would determine project imports) for the last two years are being scrutinised in detail. Thus, the total foreign exchange commitments to be entered into during the Third Plan period for projects and programmes in the public and private sectors would be considerably higher than the figure of Rs. 2030 crores indicated in the Plan.

No net payments from invisible transactions (excluding official donations) were anticipated over the Plan period. During the first two years, however, there was net payment of about Rs. 22 crores on this account and the total net payment over the Plan period is expected to be roughly Rs. 125 crores, mainly because of large interest payments on Government account.

Present estimates indicate that the net outflow on account of capital transactions (excluding receipts of official loans and private foreign investment) would be around Rs. 590 crores during the Plan period, as compared to the provision of Rs. 550 crores in the Plan document. External assistance* over the Plan period was placed at Rs. 2600 crores. During the first two years it amounted to Rs. 741 crores, of which gross drawings from the IMF accounted for Rs. 131 crores. Additional commitments of non-project assistance required during 1963-64 to 1965-66 may amount to Rs. 650 crores; of this, about Rs. 200 crores was expected from the Consortium's assurance during 1963-64.

Achievements in Physical Terms:

Realisation of production targets appears to be lagging behind the investment effort especially in agriculture and in some industries. As the agricultural sector still contributes the largest proportionate share to national income, the trend in agricultural production vitally affects the trend in national income. The index of agricultural production increased from 139·6 in 1960-61 to 141·4 in 1961-62 but slipped back to 136·8 in the following year due to a setback in the outturn of food-grains, as well as, of sugarcane, jute and oilseeds. Crop prospects during 1963-64 are, however, brighter. The trend of agricultual production in the past few years indicates that over the years, the amplitude of fluctuation in the downward direction has been reduced somewhat. In view of this and taking into account the special efforts made to increase agricultural productivity, it may be reasonably expected that, with favourable monsoons, total agricultural output will show a sizeable increase during the remaining period of the Third Plan.

Regarding major and medium irrigation, there is likely to be a shortfall in potential created; as against a target of 29·5 million acres (gross) during the Third Plan, the likely achievement would be 23·2 million acres. The gap between target and the achievement has been due partly to the optimistic assessment of targets at the time of formulation of the Plan, and partly to delay in completion of projects owing to a rise in costs of materials and wages, non-availability of financial

* Excluding P. L. 480 imports.

resources in the case of some of the States, shortages of steel, cement, power, etc., and inadequacy of foreign exchange for procurement of machinery. Owing mainly to the shortfall in potential created, the utilisation during the Third Plan is now placed lower at 18·6 million acres (gross) against the target of 22·8 million acres.

To mitigate the shortages of power in some parts of the country, which were partly due to slow progress of power schemes in the Second Plan as a result of foreign exchange difficulties, high priority is given to power schemes and release of foreign exchange for these schemes in the current Plan. Further, some new schemes, not included under the original Plan, are being executed, and, on present reckoning, while the installed capacity by 1965-66 will be 12·5 million KW as against a target of 12·7 million KW, the target for the generation of power is expected to be achieved and possibly exceeded. Owing to delays in the progress of certain industries such as fertiliser, steel, aluminium, etc. it has been estimated that there would be a shortfall of about 1 million KW. in the demand for power by the end of the Third Plan. Except for a few States, such as Andhra Pradesh, Gujarat, Punjab, Rajasthan and Uttar Pradesh, the power supply position, in the rest of the country, at the end of the Third Plan, is likely to be satisfactory.

As compared to the agricultural sector, the performance of the industrial sector, as reflected by the index of industrial production is more encouraging; during the first two years, industrial production increased by 6·5 per cent and 8·0 per cent, respectively, as against a target of 11·0 per cent per annum. The performance of new industries, which received relatively high priorities under the development schemes of the Second and the Third Plans, was much brighter during 1961-62 and 1962-63. The production increases in the capital and intermediate goods industries have been larger than that for all industries taken together. The industries in which considerable increases in production have been achieved are steel, aluminium, machine tools, electric transformers, fertilisers and caustic soda. As against this, the additional output in consumer industries which have a large weightage in the general index, has been comparatively small, and this accounts for the moderate increase in the aggregate index. The performance of the industrial sector has to be viewed in the context of the strains in the economy arising from foreign exchange shortage, power and coal shortages and transport bottlenecks in the early period of the Third Plan.

The targets in several industries would be fulfilled or at any rate considerable advance made by the end of the Third Plan e.g. in textile machinery, inorganic heavy chemicals, cotton, jute and woollen textiles, sugar, vanaspati, etc. There will, however, be shortfalls in certain crucial sectors e.g. steel, pig iron, aluminium, fertilisers etc. As a result, the Fourth Plan will start at a comparatively lower base than originally envisaged.

Though there would be a slight shortfall in the production of coal in relation to the target fixed, it would be sufficient to meet the likely demand which, according to present indications, will be substantially lower than previously envisaged. Progress of coal washeries programme is behind schedule; supply of coal from washeries would be about 9·5 million tonnes in 1965-66, against the requirements of the steel industry of about 11 million tonnes.

As a result of the Emergency, some programmes for transport and communications were enlarged. The originating traffic on railways in 1965-66 is now reckoned at 241 million tons due to the shortfall anticipated in the production of steel, coal, cement etc. The enlarged programme which provides for a carrying capacity of 260 million tons in 1965-66 is to be executed with a view to creating capacities a little ahead of actual need at the beginning of the Fourth Plan. The progress of road programmes has been satisfactory while that of inland water transport has been slow. The original target of Indian shipping tonnage of 10·9 lakh G.R.T. in 1965-66 was almost achieved by the end of 1962-63; the present expectations are that, by the end of the Third Plan, the target would be exceeded by a good margin. The handling capacity of major ports is also likely to hit the target of 49 million tons.

The table below shows the progress recorded during 1961-64 in some of the selected fields and the likely achievements at the end of the Third Plan in relation to the targets set out in the Plan.

TABLE 3. Selected Physical Targets and Achievements

	Unit	1960-61	1961-62	1962-63	1963-64 Target	Plan Target/ Estimate	Likely Achievement
I. Agriculture—							
1. Index No. of agricultural production	1949-50=100	139.6	141.4	136.8		176	
2. Foodgrains (total) ...	Million tons	79.7	79.7	77.5		100.0	
3. Cotton	Million bales	5.4	4.5	5.3		7.0	
4. Oilseeds	Million tons	6.5	6.8	6.8		9.8	
5. Sugarcane (Gur)	Million tons	10.4	10.0	9.2		10.0	
6. Jute	Million bales	4.0	6.3	5.4		6.2	
7. Tea	Million lbs.	708	781@	759@		900	
8. Nitrogenous fertilisers (consumption)	000 tons of N	200	280	350	450	1000	800

	Unit	1960-61	1961-62	1962-63	1963-64 Target	Plan Target/ Estimate	Likely Achievement
II. **Irrigation**—							
9. Major and Medium:—							
(*a*) Potential ...	Million acres (gross)	12.09	12.81	14.27	16.34	29.47	23.16
(*b*) Utilisation ...	,,	8.59	9.40	10.60	13.08	22.77	18.60
10. Minor (additional potential)	,,	2.5	1.8	2.1	3.0	12.8	13.8
III. **Power**—							
11. Installed capacity	Million Kw.	5.58	6.03	6.72	7.75	12.69	12.50
IV. **Industry**—							
Production							
12. Index Number of industrial production	1950-51=100	195	206	222		329	
13. Saleable Steel	Million tons	2.4	2.9	4.0	4.3	6.8	5.8
14. Aluminium	000 tons	18.2	19.4	42.0	50.0	80.0	68.0
15. Machine Tools	Value in Rs. crores	7.2	8.5	11.5	14.5	30.0	25.0
16. Fertilisers—							
(*a*) Nitrogenous (in terms of N) ...	000 tons	97.2	140.0	175.2	240.0	800	500
(*b*) Phosphatic (in terms of P_2O_5)	,,	53.0@	61.9	78.9	111.5	400	200
17. Heavy Chemicals—							
(*a*) Sulphuric Acid ...	,,	354.0	428.2	474.0	539.0	1500	1200
(*b*) Soda ash	,,	145.0	177.9	229.9	284.0	450	350
(*c*) Caustic Soda ...	,,	97.0	120.8	125.5	210.7	340	340
18. Cement	Million tons	7.8	8.2	8.8	9.3	13.0	12.0
19. Cotton cloth (mill made)	Million yds.	5048	5100	4921	5200	5800	5550
20. Sugar	Million tons	3.0	2.7	2.3	3.3	3.5	3.5
V. **Mineral Development : Production**—							
21. Coal	Million tonnes	55.51	55.23	63.83	69.04	98.60	89.88
22. Iron ore	Million tons	10.7	12.6	—	—	30.0	25.0
VI. **Transport and Communication**—							
23. Railway freight (originating tons) ...	Million tons	153.8	158.0	174.7	191.5	245.0	241.3
24. Roads surfaced including national highways ...	000 kilometres	230.4	240.8	248.0	—	270.4	would be exceeded
25. Shipping : Total Tonnage	lakh GRT	8.57	9.08	10.59	—	10.90	15.00

@ Refers to calendar Year.

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APPENDIX II: UNION GOVERNMENT BUDGET PROPOSALS, 1964-65

The Union Government Budget proposals for 1964-65 were presented to the Parliament on February 29, 1964, in the form of the Finance Bill, 1964 and the Companies (Profits) Surtax Bill, 1964. In the course of the debate on these bills, the Union Finance Minister announced a series of concessions and modifications to these proposals. The more important features of the original proposals and the subsequent modifications to these proposals, as finally adopted by the Parliament, are briefly set out below:

A. DIRECT TAXES

I. Corporate Taxation:

(*i*) *Surtax*: The Companies (Profits) Surtax Act, 1964 has replaced the super profits tax introduced in the 1963-64 budget, by a new tax called the surtax which provides for a lower tax rate, higher capital base and larger standard deduction. The surtax will apply when the profits of companies from all sources, as reduced by the income-tax and super-tax payable on them, exceed 10 per cent of their capital base or a sum of Rs. 2 lakhs, whichever is higher and is leviable at a uniform rate of 40 per cent on the entire excess profits of a company, (as against the two-tier system of rates of 50 per cent and 60 per cent under the Super Profits Tax). The capital base for the purpose of this tax will comprise the entire paid-up capital of a company, its reserves (including the development rebate reserve), debentures, loans from Government, IFC, ICICI or any approved financial institution or from banking institutions and money borrowed from abroad, provided such loans are incurred for creating a capital asset in India and are repayable in a period of not less than seven years.

The tax concessions and incentives allowed under the Income-tax Act, 1961, together with other deductions allowed for the super profits tax, are also permitted in the Companies (Profits) Surtax Act, 1964, except the provision for the carry forward and set off of a deficiency in the profits from the amount of the statutory deduction, which was allowed in the case of the super profits tax. Further, as a corollary to the inclusion of loan capital in the capital base, the interest payable on the loan capital will be added back to the profits.

The Act also provides for a rebate of 20 per cent of the surtax attributable to profits derived from the business of generation or distribution of electricity or the manufacture or production of any one of the articles listed in the Third Schedule to the Act. The list covers basic industries which are capital intensive and have a relatively low profitability and longer period of gestation such as (1) iron and steel (metal), ferro-alloys, special steel, (2) aluminium, copper, lead and zinc metals, (3) coal, lignite, iron ore, bauxite, manganese ore, dolomite, magnesite and mineral oil, (4) industrial machinery [major items of specialised equipment used in specific industries, specified in the First Schedule to the Industries Development and Regulation Act, 1951], (5) boilers and steam generating plants, steam engines and turbines and internal combustion engines, (6) equipment for the generation and transmission of electricity, (7) machine tools, precision tools, dies and jigs, (8) tractors and earth moving machinery, (9) steel castings and forgings, (10) cement and refractories, (11) fertilizers, (12) paper and pulp, (13) tea, (14) electronic equipment and basic components such as valves, transistors, resisters, condensers, coils, magnetic materials and micro wave components, (15) petro-chemicals and (16) component parts (essential for the working of the machinery) of the articles mentioned in item Nos. 4, 5, 6 and 8. The Government have taken powers to revise this list from time to time, by notification.

(*ii*) *Income-tax on Companies*: The rate of income-tax on companies has been maintained at 25 per cent as before. However, the dividends received by a foreign company from an Indian private limited company (a company in which the public are *not* substantially interested), engaged wholly or mainly in the generation and distribution of electricity or in any one of the businesses enumerated in Part IV of the First Schedule to the Finance Act, 1964 (the same as those enumerated in the Third Schedule to the Surtax Act, referred to above), will be assessed to income-tax at the concessional rate of 15 per cent. The object of this concession to foreign companies is to ensure that foreign participation in Indian private limited companies engaged in basic industries is not adversely affected by the enhancement of the rate of super-tax on private limited companies, referred to below.

(*iii*) *Super-tax on Companies:* (a) *Exemption of inter-corporate dividends from super-tax:* Hitherto, inter-corporate dividends from companies engaged in certain basic industries were exempt from super-tax while dividends from other companies were charged at various concessional rates ranging from 5 per cent to 20 per cent, depending on the date of incorporation of the company concerned or whether it is an Indian subsidiary or not, etc. The Finance Act of 1964 exempts all companies from super-tax on any dividends received by them from any Indian company or any company which has made prescribed arrangements for the declaration or payment of dividends within India.

(*b*) *Super-tax on incomes other than dividends and capital gains*: For purposes of super-tax on incomes other than dividends and capital gains, Indian companies and other companies which declare and pay dividends in India have been classified under three categories: (i) companies in which the public are substantially interested and whose total income does not exceed Rs. 25,000. (ii) companies in which the public are substantially interested and whose total income exceeds Rs. 25,000 and (iii) companies in which the public are not substantially interested. In respect of companies falling in category (i), the rate of super-tax is reduced from the existing 20 per cent to 17.5 per cent, lowering the overall tax rate from 45 to 42.5 per cent in this case; this concession will have the effect of encouraging small or new companies.

In respect of companies falling in category (ii) (i.e. public limited companies with income above Rs. 25,000), the general rate of super-tax is maintained at the existing rate of 25 per cent. However, those companies which are engaged in the generation and

distribution of electricity or the basic and export industries listed in Part IV of the First Schedule to the Finance Act will pay super-tax at the concessional rate of 20 per cent; in such cases, the overall rate of corporation tax will work out to 45 per cent as against 50 per cent earlier.

Companies falling in category (iii) are private limited companies which are, by and large, closely held and controlled by a few wealthy individuals. The rate of super-tax on such companies has been stepped up from 25 to 35 per cent, raising the overall corporation tax rate to 60 per cent. Even in this category, companies engaged in the generation and distribution of electricity or in any of the industries listed in Part IV of the First Schedule of the Finance Act, will be assessed at a concessional rate of 29 per cent as against 35 per cent on the others. Further, small private limited companies engaged wholly or mainly in manufacturing or processing of goods or in mining or in the generation and distribution of electricity and whose total income does not exceed Rs. 5 lakhs, the overall corporation tax rate on the first Rs. 2 lakhs of income is fixed at 50 per cent.

Under the existing provisions of the Income-tax Act, 1961, private companies include companies with less than 40 per cent of Government participation in their share capital and will, therefore, attract the higher rate of corporate taxation. This will adversely affect the Industrial Finance Corporation and certain State Financial Corporations. To remove this anomaly, the relevant provisions of the Income-tax Act have been amended so as to provide that a company in which the Government or the Reserve Bank or a Corporation owned by the Reserve Bank singly or taken together hold at least 40 per cent of the shares will in future be treated as a company in which the public are substantially interested.

(*c*) *Relaxation of provisions relating to compulsory distribution of dividend*: Along with the enhancement of the rate of super-tax in the case of companies listed in Section 104 of the Income-tax Act, the statutory requirement of compulsory distribution of a specified percentage of their profits has been withdrawn in respect of (Section 104) companies wholly or mainly engaged in the manufacture and processing of goods, or in mining or in the generation or distribution of electricity or any other form of power*. This exemption has also been extended to Indian companies, the book value of whose plant and machinery amounts to or exceeds Rs. 50 lakhs. In respect of remaining companies (other than investment companies), the Central Board of Direct Taxes is empowered to reduce the amount of minimum distribution required of a company to the extent of 20 per cent of the statutory percentage of the distributable income. Furthermore, the Central Government is also empowered to exempt by notification, any class of companies from compulsory distribution of dividends, if such exemption is considered to be in the public interest.

(*d*) *Levy of an extra super-tax on distribution of dividends on equity capital*: All companies other than those which are required to make a compulsory distribution of dividends in terms of Section 104 of the Income-tax Act, are liable for an extra amount of super-tax calculated at 7.5 per cent of the amount distributed as dividends on equity capital (and not dividends on preference shares). The object of this levy is to discourage companies from dissipating the additional profits made available through tax reliefs by large distribution of dividends and to induce them to build up reserves for meeting their developmental needs in the future. Provision is however made for relief to new companies which take time to earn adequate profits for distribution of dividends; thus, if in the case of a company, more than five years have not elapsed since the declaration of its first dividend, super-tax is leviable only on that amount of the dividends which exceeds 10 per cent of the paid-up equity capital.

(*e*) *Companies which have not made prescribed arrangements for the declaration and payment of dividends within India*: In the case of such companies, the general rate of super-tax has been raised from 38 per cent to 40 per cent, raising the overall rate of corporate taxation to 65 per cent. However, income received by a foreign company by way of royalties and fees for rendering technical services, from an Indian concern under an agreement approved by the Central Government, is chargeable at a concessional super-tax rate of 25 per cent and an overall corporation tax rate of 50 per cent.

(*iv*) *Abolition of the ceiling on the salaries of Indian employees of companies and the introduction of a new provision restricting the perquisites to employees of companies:* (*a*) The Finance Act, 1963 had set a ceiling on the expenditure incurred by a company by way of remuneration and perquisites to an Indian employee at Rs. 60,000 per annum which could be allowed as deduction in computing a company's assessable income. This restriction which was discriminatory against Indian employees of a company has been withdrawn. Instead, the proliferation of perquisites to employees is sought to be restricted by a direct limit on the amount of deduction admissible on account of expenditure on perquisites to their employees whether Indian or foreign, to 20 per cent of salary of each employee. Any expenditure incurred by a company in providing free or concessional passage to employees for going on leave to their homes in India or abroad will be allowed as a deduction over and above the 20 per cent limit on perquisites, in computing the taxable income.

(*b*) Similarly, restrictions are also placed on expenditure incurred after March 31, 1964 on advertisement, maintenance of residential accommodation, travelling including hotel expenses, etc., which would be admissible for deduction in computing the taxable income of companies.

(*v*) *Development Rebate*: (*a*) Under the existing provisions of the Income-tax Act, development rebate is admissible on new ships acquired or new plant or machinery installed. This facility of deduction from the assessable income by way of development rebate has been extended to second-hand ships and plant or machinery in good condition and newly imported from abroad or acquired from a non-resident. The rate of development rebate and the conditions under which it will be admissible will be prescribed by the Central Board of Direct Taxes in the Income-tax Rules.

* In terms of Section 104 of the Income-tax Act, private limited companies are required to distribute a certain percentage of distributable income depending on the source of profits; failure to distribute the stipulated dividend will attract a penal super-tax on the residual income.

(*b*) As a specific incentive for securing fuller utilisation of industrial capacity, additional depreciation allowance for a third shift working of plant and machinery has been allowed at 50% of the normal rate of depreciation—a concession which was in force from 1949-50 to 1954-55.

(*c*) The existing system of allowing a development rebate to all industries on a uniform basis is proposed to be substituted by a fresh system of rebate which would be on a graduated basis, weighted in favour of the essential industries with higher capital content and depending on the priorities in the Fourth Plan. As a sudden change in the practice would cause hardships to concerns which have already undertaken expansion programmes on the assumption that the development rebate will be available, companies have been put on notice that the continuance of the development rebate in its present form beyond April 1, 1967 would be subject to review.

(*vi*) *Export Incentives*: The existing tax concessions in relation to exports *viz.*, (1) a 10 per cent rebate of income-tax and super-tax payable on profits derived from export of goods and merchandise outside India and (2) a rebate of income-tax and super-tax calculated on 2 per cent of the value of certain specified goods exported by a manufacturer or sold by him to any other person in India and exported by the latter directly, are continued. The abovementioned second concession has been extended to textiles made of cotton, wool, silk and synthetic fibres (but not jute textiles) exported after February 29, 1964; at the same time this rebate has been discontinued in respect of exports of certain articles such as arms and ammunition, photographic films, newsprint, etc.

(*vii*) *Interest payable by institutional undertakings on loans raised in foreign countries*: Hitherto, a non-resident could be exempted from tax on the interest received by him from an industrial undertaking in India in respect of loans or credit facilities granted by the non-resident to the said industrial undertaking for purchase of capital plant and machinery, etc. abroad, only if the full rate of interest stipulated in the agreement between the two parties was approved by the Central Government. Provision has now been made to grant tax exemption to the non-resident where the Central Government has approved in this behalf a lower rate of interest than that which has been stipulated in the agreement. The amount of interest to be exempted will be the sum calculated at the lower rate of interest approved by the Central Government.

II. Taxation of Registered Firms:

A single revised rate schedule of income-tax has been prescribed for all registered firms irrespective of the number of partners in such a firm. However, the rate of Union surcharge on income-tax payable by registered firms remains the same as for the assessment year 1963-64.

III. Personal Income Taxation:

(*i*) *Change of rate structure of income-tax and super-tax and replacement of the numerous existing surcharges by a single Union surcharge on income-tax and super-tax*:

(*a*) The existing structure of income slabs and the basic rates of income-tax and super-tax in respect of personal incomes and the incomes of un-registered firms, associations of persons, etc. applicable for the assessment year 1963-64, are replaced by a new simplified slab structure and revised rates of income-tax and super-tax, with a smoother progression curve. The maximum rate of income-tax applicable on income slab of over Rs. 20,000 remains at 25 per cent as before, while in the case of super-tax, the maximum rate of 47.5 per cent applicable on incomes above Rs. 70,000 has been rounded off to 50 per cent.

In this process of regrading of slab structure and tax rates which are designed to temper down the incidence of tax on lower and middle income brackets, there has been a marginal amount of higher incidence at a few levels of income when compared with the incidence of net tax for 1963-64, exclusive of the element of compulsory deposit. To compensate for this, the initial tax-free slab of income, in the income ranges upto Rs. 20,000, has been raised from Rs. 3,000 to Rs. 3,200 in the case of a married individual with no child or a Hindu undivided family with no minor co-parcener, from Rs. 3,300 to Rs. 3,600 for a married individual with one child or a Hindu undivided family with one minor co-parcener, and from Rs. 3,600 to Rs. 4,000 for a married individual with more than one child or a Hindu undivided family with more than one minor co-parcener.

(*b*) The diverse surcharges on income-tax and super-tax leviable for the assessment year 1963-64 have been substituted by a single Union surcharge each on income-tax and super-tax. The surcharge is applicable to earned incomes in excess of Rs. 1 lakh at the rate of 10 per cent of the income-tax and super-tax chargeable on the excess amount.

In respect of unearned incomes, the surcharge is leviable if such income exceeds Rs. 10,000 and the rate of surcharge is graduated, rising from 12.5 per cent of the income-tax and super-tax on the whole of the unearned income between Rs. 10,000-Rs. 25,000 (subject to marginal relief), to 15 per cent between Rs. 25,001-Rs. 75,000 and to 17.5 per cent above Rs. 75,000.

(*ii*) *Annuity Deposit Scheme*: With the abolition of the additional surcharge on income-tax for the assessment year 1964-65, the requirement of lodging deposits under the Compulsory Deposit Scheme Act, 1963—which was only applicable to income-tax payers who could discharge a part of their liability in respect of additional surcharge by making a deposit—has automatically ceased to operate. Assessees who have made advance deposits during the financial year 1963-64 in respect of incomes *other than salaries* assessable for the assessment year 1964-65 are entitled to a refund of the deposit with interest, whereas, such deposits in respect of salaried incomes are not refundable.

From the assessment year 1964-65 onwards, provision is made for the lodgement of compulsory 'annuity deposits' by all resident assessees (other than registered firms, local authorities, co-operatives, companies and corporations), having an income of over Rs. 15,000 per annum. The amount of annuity deposit will be calculated on the 'adjusted total income' at rates prescribed in Clause 3 of the Finance Act, 1964 i.e., at 5 per cent on incomes between Rs. 15,001-Rs. 20,000, at 7.5 per cent between Rs. 20,001-Rs. 40,000, at 10 per cent between

Rs. 40,001-Rs. 70,000 and at 12.5 per cent over Rs. 70,000. The 'adjusted total income' of an assessee will be arrived at by deducting from the total income, income in the nature of capital gains, compensation received for loss of employment, any past arrears of salary, balances in a provident fund transferred to the credit of an employee participating in a recognised provident fund, and any share of income from an unregistered firm or association of persons, where such firm or association is liable to make an annuity deposit. For the assessment year 1964-65, any salary income earned during the financial year 1963-64 will also be excluded from the total income for determining the amount of annuity deposit required to be made in respect of that assessment year. An assessee whose total income includes any gratuity may, at his option, deposit an additional amount of 50 per cent of the gratuity. Musicians, authors, artists, actors and playwrights may also, at their option, deposit an additional amount of 25 per cent of their income.

The amount of annuity deposit which an assessee is liable to make for an assessment year is allowed as a deduction in computing his total assessable income for that assessment year. The Annuity Deposit Scheme is optional in the case of persons above 70 years of age; but such option not to lodge deposits once exercised in the first year of assessment is final and will not carry with it any extra tax liability. Provision is also made for other persons to opt *out* of the Scheme, but on payment of an additional amount of income-tax of 50 per cent of the difference between the annuity deposit amount and the extra tax payable when the deposit amount is *not* deducted from the assessee's income. The deposits are repayable in 10 annual equated instalments of principal and interest, and the annuity (both principal and interest) due to a depositor will be assessed as part of his income and will be chargeable to tax for that year in which it is due to be repaid. These deposits in 1964-65 will earn interest at a rate slightly above 4 per cent per annum, compound.

(iii) Grant of rebate of super-tax in respect of contribution to provident fund, life insurance premia, etc. :

Hitherto, sums paid as life insurance premia, contributions to recognised provident funds, approved super-annuation funds and certain deposits in the post office under the cumulative time deposits scheme qualified for a rebate of income-tax only. Now as an additional concession to encourage long-term small savings by individuals and Hindu undivided families, such contributions are eligible for rebate of super-tax as well. But the ceiling for such relief will remain the same as before *viz.*, Rs. 10,000 (Rs. 20,000 in the case of Hindu un-divided families) or 25 per cent of the total income, whichever is less. The aggregate amount of the rebate of income-tax and super-tax will, however, be subject to a limit of 50 per cent of the sum qualifying for the rebates.

(iv) Exemption from tax of non-residents on income from interest on approved securities and business connections in India:

Income accruing to non-residents from interest on securities approved by Central Government is exempt from tax. Income derived by a non-resident from purchase of goods in India and their export outside India was hitherto exempt from income-tax only where the non-resident did not have an office or agency in India or where the goods were not subjected to any manufacturing process before exporting them. As an export promotion measure, these restrictions are withdrawn and tax exemption will be granted even where the non-resident has an office or agency in India or where the goods are processed by him before export.

(v) Tax exemption on salary income of foreign technicians, visiting professors and teachers:

The salary income in India of a foreign technician was so far entitled for tax exemption for a period of three years, provided the contract of his service was approved by the Central Government before the commencement of his service. The stipulation regarding the approval of the contract of service has now been relaxed by requiring that such approval should be obtained within one year of the arrival of the foreigner in India. The salary income of professors and teachers of foreign nationality visiting Indian universities or other educational institutions is exempted from tax, subject to the approval of the contract of their service by the Central Government, on the same conditions as are applicable to the exemption of salary income of foreign technicians. Stipends and remuneration received by foreign students or professors from foreign Governments or institutions for carrying on research work in India under an approved programme have been exempted from tax for a period of two years for each such individual.

(vi) Tax rebate to foreigners resident in India:

Resident assessees who are not citizens of India are allowed a rebate of income-tax and super-tax on the amount spent by them out of their assessable income for the full time education of dependent children (not over 21 years of age) in an educational institution outside India. The maximum amount qualifying for this rebate is fixed at Rs. 2,000 per annum for each child upto two children, or 25 per cent of the total income of the assessee, whichever is lower.

(vii) Deduction of tax at source from dividends and from interest on securities:

As a measure of relief to the small shareholders whose income does not attract a high rate of income-tax, the rate of deduction of income-tax at source on dividends accruing to non-company shareholders, resident in India has been lowered from 30 per cent to 20 per cent. In order to encourage private savings, the rate of deduction of income-tax and surcharge at source on interest on securities in the case of resident assessees is fixed at 20 per cent as against 29 and odd per cent previously.

In the case of companies, the rate of deduction of income-tax at source from dividends and interest on securities has been lowered from 25 per cent to 20 per cent. However, the income-tax on dividends received by non-resident companies from an Indian company (Section 104) engaged in certain specified industries will be deducted at 15 per cent as against 25 per cent as before. No super-tax will be deducted at source on inter-corporate dividends.

(viii) Tax exemption in respect of profits derived from a business of livestock breeding or poultry and dairy farming:

Income derived from a business of livestock breeding or poultry or dairy farming has been exempted from income-tax and super-tax for three assessment years beginning from 1965-66.

(iv) Provisions for expediting tax collection, countering tax evasion and bringing tax offenders to book more effectively:

The inducement of 1 per cent discount and the penalty of 2 per cent interest introduced in the Finance Act of 1963 have not been effective enough to ensure prompt payment of tax on self assessment basis. These provisions have been replaced by a series of new steps. *Firstly*, every return of income filed by an assessee under the Income-tax Rules, will carry an affirmation about its correctness instead of the declaration as hitherto; this is expected to ensure a greater measure of care and truthfulness in the declaration of income. *Secondly*, tax dues according to this return will have to be deposited within one month of the submission of the return, failing which the assessee will have to pay a substantial penalty, i.e. for assessees whose net tax liability exceeds Rs. 500, the penalty for default will be upto 50 per cent of the tax liability. *Thirdly*, the existing provision concerning concealment of income has been amended; in the new provision where the income declared by a person is less than 80 per cent of the assessed income, the assessee would be deemed to have concealed his income unless he proves his *bona fides*. The punishment on conviction for making false statements in declaration or abetment of false returns has also been made rigorous. *Fourthly*, income-tax authorities have been empowered to survey, search, seize books of accounts or documents, place marks of identification on them, etc., if they have reason to believe that a person has failed to comply with the requisition of the income-tax authorities or is in possession of articles or money wholly disproportionate to his known source of income. If an assessee in any particular year is found to be the owner of money, bullion or other valuable articles not recorded in the books of account, but fails to explain satisfactorily the source of acquisition of the money, bullion, etc., the money and the value of such articles will be deemed as his income for that year. *Fifthly*, the provisions in the Income-tax Act and other direct tax enactments prohibiting the disclosure of information contained in the assessment records have been repealed. The Commissioner of Income-tax is empowered to disclose information contained in tax records to the members of the public on the latter's written application if he is satisfied that such disclosure would be in the public interest. Power is also vested in the Central Government to notify the classes in whose respect the disclosure of information may not be made.

IV. Capital Gains Tax:

Several important changes are proposed in the present system of taxation of capital gains largely with a view to removing certain anomalies and short-comings in the present provisions. Short-term capital gains (i.e., capital gains made within one year) are treated as income and bear the surcharge applicable to unearned income. In regard to capital gains on long-term capital assets, accruing to assessees other than companies, the levy will in future be on a graduated basis (without the ceiling of 25 per cent as at present) and with differentiation in the rate on capital gains relating to land and buildings. The first Rs. 5,000 of such gains is wholly exempt from tax; further no tax on such capital gains is leviable if the assessees' total income does not exceed Rs. 10,000. Long-term capital gains relating to land and buildings are chargeable at 75 per cent of the average rate applicable to an assessee's total income while in respect of other capital gains, the tax rate is fixed at 50 per cent of such average rate. The minimum amount of tax payable on long-term capital gains is fixed at 15 per cent of the amount of such gains.

In the case of company assessee, the rate of income-tax on long-term capital gains is maintained at 25 per cent. In respect of super-tax on long-term capital gains accruing to companies, the rate has been enhanced from 5 per cent to 15 per cent on such gains from land and buildings, while it is retained at 5 per cent on other capital gains.

An equity shareholder receiving bonus shares is liable to capital gains tax in the year in which they are issued to him and the fair market value of the bonus shares on the 31st day of their distribution will be treated as the amount of the capital gains. When the bonus shares are actually transferred by the assessee subsequently, their fair market value on the 31st day of their first distribution will be treated as their cost to the assessee for the purpose of determining the amount of capital gain or loss accruing to him from the actual transfer. Such capital gains will be charged to tax in the case of non-company assessees at one-half of the average rate of the tax applicable to the assessees' income other than capital gains, subject to a minimum of 15 per cent thereof. The first Rs. 5,000 of such capital gains will be exempt from tax. Companies will be charged only to income-tax (and not super-tax) on such capital gains calculated at 12½ per cent.

Bonus shares issued wholly out of the share premium account are exempted from the capital gains tax. Provision is also made for countering the understatement of the full value of consideration of the capital asset.

V. Wealth Tax:

The exemption from the wealth tax, which hitherto had applied only to a house or part of it used by an assessee exclusively for his residence, and situated in a village or a small town has now been extended to houses exclusively used by an assessee for residential purpose in other places as well, with the proviso that if such house is situated in a place with a population exceeding ten thousand, the amount on which exemption will be granted will be limited to Rs. 1 *lakh*. The existing rate schedule of wealth tax in the case of individuals and Hindu undivided families is substituted by new rate schedules. The basic exemption limit for the tax has been reduced from Rs. 2 *lakhs* to Rs. 1 *lakh* in the case of individuals and from Rs. 4 *lakhs* to Rs. 2 *lakhs* in the case of Hindu undivided families. The rate of tax on the first slab of net wealth upto Rs. 4 *lakhs* (Rs. 3 *lakhs* in the case of Hindu undivided families) has been fixed at 0.5 per cent; the other slabs have been rearranged.

VI. Expenditure Tax:

The levy of expenditure tax which was discontinued since April 1, 1962 has been reintroduced

with effect from the assessment year 1964-65. The Expenditure Tax Act, 1957 has been amended to abolish the exemptions and/or deductions of certain items of expenditure allowed under Sections 5 and 6 of the Act. The new rate schedule which provides for considerably lower rates than under the earlier schedule, fixes the exemption limit at Rs. 36,000 and the rate rises from 5 per cent to 20 per cent on successive slabs of Rs. 12,000. The highest slab rate of 20 per cent on expenditure over Rs. 84,000 will not be applicable for the years 1963-64 and 1964-65.

VII. Estate Duty:

The more important features of the amendments to the Estate Duty Act are: (i) the levy of estate duty in respect of agricultural lands situated in Orissa, passing on deaths taking place on or after September 23, 1963, (ii) the exemption from estate duty of the principal value of a house or a part thereof exclusively used by the deceased for his residence; if such house is situated in a place with a population exceeding ten thousand, the exemption will be allowed upto a value not exceeding Rs. 1 *lakh* and (iii) a complete revision of the rate schedule. The revised rate schedule provides for a steep progression in the rate structure which rises from 4 per cent on estates valued between Rs. 50,000 and Rs. 1 *lakh* to 85 per cent on estates over Rs. 20 *lakhs* as against a maximum rate of 40 per cent on estates over Rs. 50 *lakhs* under the existing rate schedule. The full amount of the probate duty will be deductible from estate duty payable.

VIII. Gift Tax:

The more important features of the amendments to the Gift Tax Act are: (i) a reduction in the exemption limit of the value of gifts by an individual to his or her spouse in one or more previous years, from the existing aggregate limit of Rs. 1 *lakh* to Rs. 50,000, (ii) inclusion of a provision to the effect that the value of the gifts made to the same donee in the relevant previous year and during any one or more of the four years immediately preceding such previous year should be aggregated for the purpose of rate. Any gift tax paid by an assessee in respect of the value of such gifts (made after March 31, 1963) for any of the four earlier years will be allowed as deduction in computing the amount of gift tax payable by the assessee and (iii) the substitution of the existing rate schedule by a new schedule which, among others, provides for a lower exemption limit of Rs. 5,000 as against Rs. 10,000 hitherto and for a maximum rate of 50 per cent in the slab of over Rs. 3,45,000 as against 40 per cent in the slab of Rs. 50 *lakhs* in the existing schedule.

B. INDIRECT TAXES

Proposals as originally presented to the Lok Sabha

Items	Rate of Duty	Additional Revenue (+) or Loss (—) (Crores of Rupees)
1	2	3
I. Union Excise Duties		
A. Changes in Existing Rates:		
1. Pigments, paints and varnishes —Dispersed organic pigments	—Increase in the rate of duty from Re. 0.17½ to Rs. 2.50 per kg.	+0.20
2. Soap —Household and laundry	—A uniform rate of Rs. 18.00 per quintal is proposed in the place of existing rate ranging between Rs. 15.50 and Rs. 18.00.	+0.08
—Other sorts	—Increase in duty from Rs. 37.55 to Rs. 38.00 per quintal. On soap produced without the aid of power, complete exemption is proposed by notification.	—0.48
3. Paper —Printing and writing paper, packing and wrapping paper, etc.	—A uniform rate at Re. 0.35 per kg. is proposed instead of the existing rates ranging between Re. 0.22 and Re. 0.35 per kg.	—
4. Rayon and synthetic fibres and yarn		
—Staple fibre of non-cellulosic origin	—Increase in duty from Re. 1.00 to Rs. 2.00 per kg.	+3.96
—Yarn of cellulosic origin	—The existing rates ranging from Rs. 2.00 to Rs. 4.00 per kg. on different varieties raised to Rs. 3.00 to Rs. 6.00.	
—Yarn of non-cellulosic origin	—It is proposed to levy duty at three rates ranging from Rs. 6.00 to Rs. 9.00 per kg. instead of the uniform rate of Rs. 4.50.	
—High tenacity or industrial yarns (for manufacture of fishing nets and parachute cords)	—Increase in duty from Rs. 2.25 to Rs. 3.00 per kg.	

	Items	Rate of Duty	Additional Revenue (+) or Loss (—) (Crores of Rupees)
	1	2	3
5.	Cotton yarn (French counts) —Categories varying from less than 6 counts to above 51 counts.	—The proposed rates for different varieties range from 5 nP. to 50 nP. per kg. in hanks and from 10 nP. to 90 nP. per kg. for other than in hanks in place of existing duty of 30 nP. and 15 nP. per kg. for categories of counts 29 or more and counts less than 29, respectively.	+9.86
6.	Manufactured tobacco —Cigarettes:		
	Cigarettes of the value of Rs. 15 to Rs. 25 per thousand.	—Reduction in the rate of duty from Rs. 8.50 to Rs. 7.50 per thousand cigarettes.	—0.53
	Cigarettes of the value of Rs. 7.50 to Rs. 15 per thousand.	—Increase in the rate of duty from Rs. 4.20 to Rs. 4.40 per thousand cigarettes.	
7.	Woollen yarn —All sorts including knitting wool, worsted yarn	—In the place of the existing *ad valorem* duty at 15 per cent, it is proposed to levy by notification, a duty at the rate of Rs. 2.70 and Rs. 8.20 per kg. on worsted yarn of less than 48 counts and above 48 counts, respectively, having a tariff value of Rs. 18.00 and Rs. 26.00 per kg.	+0.39
8.	Pig iron, steel ingots and iron and steel products —Pig iron	—Increase in the rate of duty from Rs. 10.00 to Rs. 30.00 per tonne by notification.	+2.40
	—Steel ingots	—Increase in the rate of duty from Rs. 39.35 to Rs. 50.00 per tonne.	+9.41
	—Iron and steel products		
	(*i*) Semi-finished steel and bars, rods and structurals	—Increase in the rate of duty from Rs. 69.35 to Rs. 90.00 per tonne.	
	(*ii*) Plates or sheets and hoops and strips	—Instead of 7.5 per cent *ad valorem* plus ingot duty (Rs. 57.50+Rs. 39.35), it is proposed to levy Rs. 110.00 per tonne by notification.	
	(*iii*) Skelp	—Increase in duty from 7.5 per cent *ad valorem* plus ingot duty (Rs. 52.50 + Rs. 39.35) to Rs. 150.00 per tonne.	
	(*iv*) Seamless pipes and tubes	—Duty raised from 5 per cent *ad valorem plus* Rs. 39.35 (steel ingot duty) per tonne to Rs. 110.00 per tonne by notification.	
	(*v*) Cast iron pipes and tubes	—Increase in duty from 5 per cent *ad valorem plus* pig iron duty of Rs. 10.00 to 5 per cent *ad valorem plus* crude iron duty of Rs. 30.00, but exempted if made from duty paid iron in crude form.	
	(*vi*) Other pipes and tubes of steel and steel casting	—Increase in duty from 5 per cent *ad valorem plus* steel ingot duty of Rs. 39.35 to 5 per cent *ad valorem plus* steel ingot duty of Rs. 50.00, with exemption from duty if made from duty paid plates, sheet or skelp in respect of other pipes and tubes and duty paid ingots or semis in respect of steel casting.	
9.	Aluminium	—Increase in duty from Rs. 300.00 per tonne at crude stage to Rs. 500.00 on all aluminium extrusions.	+0.15
10.	Footwear	—It is proposed to recast the tariff description with a view to removing all ambiguity and to fix a common criterion for levy on footwear as well as dutiable component parts.	+0.40
11.	Paints and varnishes	(*i*) Reduction of the concessional slab where concessional rates of duty are applied to 750 tonnes instead of 1,000 tonnes at present.	—0.10
		(*ii*) Concessional slab is allowed on the first 750 tonnes cleared by any manufacturer whose output in the whole year does not exceed 3,000 tonnes	

Items	Rate of Duty	Additional Revenue (+) or Loss (−) (Crores of Rupees)
1	2	3
12. Acids —Nitric, hydrochloric and sulphuric acids.	—Complete exemption to hydrochloric and nitric acids in place of 10 per cent *ad valorem* duty at present.	−0.29
13. Gases —Compressed, liquified or solidified gases.	—Complete exemption to all gases except carbondioxide used in the manufacture of aerated waters in the place of existing 10 per cent *ad valorem* duty.	−1.89
14. Rubber products —Latex foam sponge	—Increase in duty from Rs. 1.55 to Rs. 2.15 per kg.	+0.25
—Tread rubber, cushion compound, cushion gum and tread gum.	—Increase in duty from Re. 0.80 to Rs. 1.10 per kg.	
15. Paper	(*i*) A concession of 5 nP. per kg. to paper containing not less than 50 per cent bagasse pulp.	−0.29
	(*ii*) Incentive in the form of concession of 25 per cent of the duty in the first year, 20 per cent of the duty in the second year and 15 per cent of the duty in the third year, is proposed to new units and to the expanded capacity of existing units.	
	(*iii*) Extension of the exemption applicable to strawboard and pulpboard to all manufacturers, irrespective of their output.	
16. Cotton fabrics	(*i*) Reduction in the effective rates of duty on grey fabrics consequent on transfer of an additional part of burden of duty to yarn.	−2.66
	(*ii*) Increase in the duty on processed fabrics of superfine, fine and medium 'A' varieties by 5 nP. per square metre. A corresponding relief to be given to medium 'B' and coarse varieties which undergo shrink-proofing and organdie processing.	
	(*iii*) Powerloom units with 50-200 powerlooms which would have paid the same rates as payable by composite mills in respect of the basic and additional duties on grey fabrics from 1964-65, would now pay only 4/5th of these rates.	
	(*iv*) Rates of compounded duty for powerloom units with 5-49 looms are reduced, particularly for units producing only medium and/or coarse fabrics as follows :	

	Existing rates per loom per shift per month			Proposed rates per loom per shift per month	
	Medium/ Coarse Rs. nP.	Fine/S. Fine Rs. nP.		Medium/ Coarse Rs. nP.	Fine/S. Fine Rs. nP.
1) First 4 looms	10.00	12.50	1) First 4 looms	Nil	Nil
2) Next 5 looms	15.00	37.50	2) Next 20 looms	2.50	37.50
3) Next 15 looms	25.00	75.00	3) Balance	5.00	75.00
4) Balance	35.00	175.00			

Items	Rate of Duty	Additional Revenue (+) or Loss (−) (Crores of Rupees)
1	2	3
17. Electric motors	—Complete exemption to motors operating at a pressure not exceeding 50 volts instead of 15 per cent *ad valorem* at present.	−0.18
18. Wireless receiving sets	—In the place of existing duty ranging from Rs. 15.00 to Rs. 100.00 per set of value between Rs. 150.00 to Rs. 500.00 and above, the duty proposed is Rs. 15.00 to Rs. 100.00 for the sets of value ranging between Rs. 165.00 to Rs. 675.00 and above.	—
19. Cinematograph films—exposed	—Enhancement of ceiling of 3,250 metres imposed on the length of films to 4,000 metres for entitling them to the lower concessional rates of duty.	—
20. Gramophone records	—Complete exemption is proposed in the place of existing 15 per cent *ad valorem* duty.	−0.15
21. Matches	—Different effective rates for various classes of factories ranging from Rs. 3.75 to Rs. 4.60 per thousand are proposed instead of the existing tariff rate of 65 nP. for every 1,000 matches or fraction thereof.	—
	Total of A ...	**+20.53**
B. Changes in Special Excise Duties:		
1) Total exemption of following articles of common use from payment of the special excise duty i) printing and writing paper not exceeding 75 grammes per square metre, ii) chinaware and porcelainware, iii) electric bulbs upto 60 watts, except fluorescent tubes and miniature bulbs, iv) cellophane, v) glassware, other than sheet glass and plate glass and, vi) synthetic organic dyestuffs. 2) In the case of cotton yarn on which basic duties have been substantially increased, special duty will be charged on sized yarn by notification. 3) Partial exemption from payment of special excise duty is proposed in the following cases: i) Reduction from 33⅓ per cent to 15 per cent on staple fibre of cellulosic origin. ii) Total exemption of motor tyres and tubes from special excise duty on the first clearance of Rs. 50 lakhs and 50 per cent exemption on the next clearance of Rs. 50 lakhs for each factory.		−1.19
	Total of B ...	**−1.19**
C. Changes in Additional Duty of Excise (In lieu of Sales Tax)		
	—Downward revision of the compounded levy rates applicable to powerloom units with 5-49 powerlooms and the concession granted in the rates of additional duty on the fabrics manufactured in powerloom units with 50-300 powerlooms.	−0.20
	Total of C ...	**−0.20**
	Total Additional Excise Duties (A+B+C) ...	**+19.14**
D. New Items		
Sodium silicate	—It is proposed to levy a duty of Rs. 4.00 per quintal on sodium silicate	+0.40
	Total of D ...	**+0.40**
	Total Yield of Union Excise Duties (A+B+C+D)	**+19.54***
II. Customs Duties		
E. Import Duties (Basic):		
1. Fruits dried (salted and all other kinds) not otherwise specified	—Duty raised from 50 per cent *ad valorem* standard rate of duty or 40 per cent preferential rate of duty to 60 per cent and 50 per cent, respectively.	+0.79

* Of which Rs. 39 lakhs will accrue to the States.

Items	Rate of Duty	Additional Revenue (+) or Loss (−) (Crores of Rupees)
1	2	3
2. Copra	—Duty charged by notification at the rate of 25 per cent (standard rate) or 15 per cent (preferential rate) is increased to 30 per cent and 20 per cent, respectively.	+ 0.55
3. Caustic soda	—Standard rate of duty at 40 per cent and preferential rate of duty at 30 per cent are raised to 80 per cent and 70 per cent *ad valorem*, respectively.	+ 0.68
4. High carbon or spring steel wire	—Standard rate of duty at Rs. 84.00 per tonne *plus* 5 per cent and preferential rate of duty at Rs. 50.00 per tonne *plus* 5 per cent are raised to Rs. 84.00 per tonne *plus* 25 per cent and Rs. 50.00 per tonne *plus* 25 per cent, respectively.	+ 0.53
5. Motor cars including taxi cabs, completely assembled.	—Standard rate of duty at 150 per cent *ad valorem* is lowered to 60 per cent by notification.	— 0.32
	Total of E ...	**+ 2.23**
F. *Countervailing Import Duties*	i) Staple fibre	+ 0.50
	ii) Art silk yarn	+ 3.44
	iii) Iron and steel products	+ 1.35
	iv) Coal tar dyes	— 0.16
	v) Printing and writing paper	— 0.09
	vi) Motor vehicles	— 0.70
	vii) All other articles	— 0.05
	Total of F ...	**+ 4.29**
G. *Export Duty:*		
—Complete abolition of the existing export duty of Rs. 4.50 per bale of raw jute cuttings and Rs. 15.00 per bale for other jute products		— 0.15
	Total of G ...	**— 0.15**
	Total Yield from Customs Duties II (E+F+G)	**+ 6.37**
	Total Yield from Indirect Taxes (I+II) ...	**+25.91***

* Of which Rs. 39 lakhs will accrue to the States.

Subsequent Concessions

In the course of the debate on the Budget, the Finance Minister announced several minor concessions in indirect taxes. The more important among these are as follows:

(*a*) *Cotton yarn* in hanks to new French counts below 29 has been totally exempted from excise duty and the duty on such yarn (of 29 counts but below 34) has been reduced by 50 per cent. Corresponding relief to the extent of 5 nP. per kg. in each case is also given in these two groups of cotton yarns in forms other than in hanks and the ceiling rate is also readjusted slightly. Independent *sizing units* are offered a concession of 1/5th of the special excise duty on sized yarn. The rate of compounded levy on fine and superfine fabrics payable by *power-looms*, has been refixed at one-third of the new rate indicated earlier. The effective rate of duty on *industrial rayon yarns* has been reduced from Rs. 4 to Rs. 2.67 per kg. The effective rates of duty on different categories of *match factories* have been readjusted; some minor adjustments in the rate of excise duty have also been made in respect of *tyres and paper boards* manufactured during Third Plan period.

In regard to the *paper industry*, the concession of 5 nP. per kg. in excise duty on paper containing not less than 50 per cent bagasse in the form of pulp has been extended also to paper containing not less than 40 per cent bagasse, jute stalks or central straw in the form of pulp. Further, the 15 per cent incentive rebate on excise duty on paper mills which commenced production after March 1, 1964 has been extended to those mills which commenced production after March 1, 1961.

APPENDIX III

STATE GOVERNMENTS' BUDGET PROPOSALS, 1964-65.

The more important features of the tax proposals of the State Governments as indicated in the Finance Ministers' Budget Speeches are summarised below.

I. ADDITIONAL TAXATION

	Estimated yield during 1964-65 (Lakhs of Rupees)
Assam	
1. New Levies:	
(i) Levy of a sales tax on coal, coke and coal gas at the rate of 2 nP. in the rupee	7.50
(ii) Levy of a tax on sale or consumption of electrical energy at the rate of 2 nP. per unit ...	8.40
2. Enhancement of Existing Levies:	
(i) Enhancement of the rate of general sales tax from 4 nP. to 5 nP. ...	40.00
(ii) Stepping up of the rate of sales tax from 4 per cent to 10 per cent on thermos flask, electroplated nickel or silver or German silver goods, upholstered and iron and steel furniture, ivory articles and articles inlaid with ivory, foam rubber sheets, cushions, pillows, mattresses and other like articles, perambulators and carpets including durries ...	3.00
(iii) Increase in the rate of excise duty on liquor ...	7.00
(iv) Raising the existing rate of agricultural income-tax from 55 nP. to 57 nP. in the rupee in respect of incomes between Rs. 1 lakh and Rs. 2 lakhs, and from 57 nP. to 60 nP. in the rupee on incomes exceeding Rs. 2 lakhs.	20.00
Total ...	**85.90**
Gujarat	
1. New Levies:	
(i) Levy of a general sales tax at 3 per cent and sales tax at 10 per cent on handloom cloth and articles made thereof, the pure silk content of which is not less than 60 per cent	
(ii) Extension of the existing sales tax levy at 2 per cent on certain packing materials such as gunny bags, jute twine, brown paper and other paper to other packing materials like cardboard boxes and cartons, empty tins and barrels, wooden boxes, tin boxes, empty bottles, corks, polythene and paper labels. ...	8.00*
2. Enhancement of Existing Levies:	
(i) Replacement of the existing slab rates (of 3 per cent or 6 per cent based on prices), on ice-cream, *kulfi* and non-alcoholic drinks of certain description by a uniform rate at 6 per cent...	
(ii) Enhancement of the rate of tax from 3 per cent to 10 per cent on embroidered and decorated articles made from silk fabrics. ...	
Total ...	**8.00**

* After taking into account the effect of concessions indicated later.

	Estimated yield during 1964-65 (Lakhs of Rupees)
Jammu and Kashmir	
New measures of additional taxation (details of which are not yet available) ...	75.00
Total ...	**75.00**
Madhya Pradesh	
1. New Levies:	
(i) Withdrawal of the exemptions from sales tax on certain items ...	15.00
(ii) Levy of a tax on urban immovable property ...	20.00
(iii) Withdrawal of the exemption from entertainment duty in respect of admission fee of 12 nP. and below ...	20.00
2. Enhancement of Existing Levies:	
Increase in the general rate of tax from 5 to 6 per cent on goods not included in Schedule I or Parts I to V of Schedule II of the M.P. General Sales Tax Act, 1958 ...	90.00
Total ...	**145.00**
Madras	
Enhancement of Existing Levies:	
Increase in the rate of levy on cotton from 1 per cent to 2 per cent at the point of last purchase in the State and on cotton yarn from 1 per cent to 2 per cent at the point of first sale in the State. The levy on cotton waste, cotton yarn waste and artificial silk fibre yarn and staple fibre yarn is also raised from 1 per cent to 2 per cent ...	100.00
Total ...	**100.00**
Rajasthan	
1. New Levies:	
(i) Levy of an inter-State sales tax on cotton yarn at 1 per cent ...	**
(ii) Levy of a sales tax at 6 per cent on Indian made foreign liquor ...	
(iii) Levy of a tax on vacant plots in urban areas ...	10.00

** The revenue effect of these measures is included in the amount of Rs. 20 lakhs shown under enhancement of existing rates of sales tax.

	Estimated yield during 1964-65 (Lakhs of Rupees)
(iv) Development fee for conversion of land from residential to commercial or even industrial areas ...	10.00
(v) Withdrawal of the existing rebate of 10 per cent on the aggregate amount of Motor Vehicles Tax to the owner of a fleet of 10 vehicles or more (if the vehicles are used solely in the course of trade and industry) ...	3.00
(vi) Measures to check the evasion of stamp duties ...	15.00
2. *Enhancement of Existing Levies:*	
(i) Substitution of the existing sales tax rate of 1/2 per cent on bullion (gold and silver) and higher rates on ornaments by a uniform rate of 2 per cent on bullion and ornaments. ...	
(ii) Enhancement of the sales tax rate on tyres and tubes of tractors; the present concessional rate of 2 per cent on these commodities is proposed to be raised to the general rate of 6 per cent...	20.00
(iii) Enhancement of the general sales tax rate on plastics from 6 to 7 per cent ...	
(iv) Enhancement of the sales tax rates on dressed hides and skins from 1 to 2 per cent.	
Total ...	**58.00**
West Bengal	
1. *Enhancement of Existing Levies:*	
(i) Increase in registration fees ...	50.00
(ii) Levy of higher stamp duty on transfer of immovable properties and similar transactions ...	40.00
2. *Land reform measures* ...	100.00
Total ...	**190.00**
1. Total Additional Taxation ...	**661.90**

	Estimated yield during 1964-65 (Lakhs of Rupees)
II. CONCESSIONS	
Maharashtra	
(i) Readymade garments upto the value of Rs. 10 (as against upto Rs. 5 previously) have been exempted from sales tax.	
(ii) Meals in hotels, restaurants and canteens costing upto Rs. 1.50 per head (as against Re. 1 per head previously) have been exempted from sales tax. ...	
(iii) The sales tax rate on medical preparations containing 12 per cent or more of alcohol has been reduced from 30 per cent to 15 per cent; on ordinary drugs, the existing sales tax of 3 nP. in the rupee and the general sales tax of 2 nP. in the rupee are proposed to be replaced by a uniform levy at the rate of 3 nP. per rupee. ...	(loss) 25.00@
(iv) A full rebate of sales tax on diesel oil consumed on agricultural operations...	
Total ...	**(loss) 25.00@**
Gujarat	
(i) Reduction in the rate of sales tax on infant milk food from 9 1/4 per cent to 3 1/4 per cent. ...	
(ii) Reduction in the rate of tax on articles of gold of fineness of not less than 50 per cent from 1 per cent sales tax and one per cent general sales tax to 1/4 per cent of each. Besides, some rationalisation of sales tax also is proposed in respect of certain articles.	*
Mysore	
Certain amendments are proposed in the rates of income-tax and super-tax on company incomes under the Mysore Agricultural Income Tax Act, so as to eliminate any possible disincentive effect of the tax ...	N.A.
II. Total Tax Concessions ...	**(loss) 25.00**
III. Net Additional Taxation (I– II) ...	**636.90**

@ Approximately.

* The loss of revenue on account of these concessions is adjusted under new levies indicated earlier.

APPENDIX IV: IMPORTANT EXPORT CONTROL/ PROMOTION ANNOUNCEMENTS, 1963-64.

Item	Month of Announcement	Details
		A. Changes in Control
Cotton textiles	April 1963	Floor and ceiling prices of handloom fabrics known as 'Bleeding Madras' raised by 2 cents per yard with effect from April 15, 1963.
,,	May 1963	Release of an export quota of 'Bleeding Madras' for April-September 1963. Floor and ceiling prices fixed at 51-56 cents per yard.
,,	,,	Floor prices of handloom bed-spreads, known as 'Etawah Stripes' cancelled with effect from May 8, 1963.
,,	,,	Export quotas fixed for four varieties of cotton textiles to the U.S.A., under the scheme for licensing of cotton textiles to the U.S.A., at 37.5 million square yards for the period January 17, 1963—April 16, 1964.
,,	November 1963	Floor prices for 'Etawah Stripes' reimposed with effect from November 26, 1963 at April 1963 level.
,,	December 1963	A scheme for licensing of cotton textiles for export to the U.K. for 1964 announced.
,,	February 1964	Decision to restrict exports of four categories of finished goods to the U.K., with effect from March 1, 1964. No further exports of finished goods to the U.K. after February 29, 1964 unless certified by the U.K. Textiles Licensing Advisory Committee.
,,	March 1964	A scheme for exports of restricted varieties of cotton textiles to the U.S.A. for the period April 17, 1964—April 16, 1965 announced. Of the reserved quotas allotted to the established exporters not more than one-third to be utilised for export of cloth at prices specified for each of the four categories.
Silk yarn	August 1963	Control over exports of raw silk extended to silk yarn.
,,	February 1964	Ban on exports of hand-spun silk yarn imposed with effect from February 1, 1964.
Silk-waste	March 1964	Ban on exports of silk-waste other than that of mulberry imposed with effect from March 26, 1964. Exports of certain specified varieties of silk-waste regulated.
Rayon and synthetic fibres	February 1964	Ban on exports of cord, rope, twine and thread made out of rayon and/or synthetic fibre or yarn imposed with effect from February 29, 1964.
Raw cotton	August 1963	Release of an export quota of 2 lakh bales of Bengal Deshi cotton to all permissible destinations (excluding rupee-payment arrangements) except Tibet, valid for shipment upto August 31, 1964; 5% of the quota reserved for co-operative societies.
Ready-made articles of rayon, man-made fibre fabrics and woollen yarn	January 1964	Ban on exports of garments and ready-made articles of rayon and man-made fibre fabrics and woollen yarn imposed with effect from January 6, 1964.
Rice bran (Raw)	April 1963	Ban on exports imposed with effect from April 1, 1963.
Wheat bran	April 1963	Exports allowed freely to all permissible destinations excluding the Union of South Africa/South West Africa and the Tibet region in China.

Item	Month of Announcement	Details
Lemon grass oil	April 1963	Exports of lemon grass oil brought under control with effect from April 1, 1963. Export floor and ceiling prices fixed at Rs. 16 and Rs. 20 per kilo, respectively, for oils of 76% citral content and a premium of Re. 1 per kilo for oil of 80% citral content. Lemon grass oil of citral content intermediate between 76% and 80% not entitled for any premium.
Oilcakes	April 1963	Ban on exports of groundnut oilcake (expeller variety) imposed with effect from April 6, 1963.
Guar meal and guar churi	January 1964	Exports of guar meal and guar churi brought under control with effect from January 3, 1964.
Bones and bone meal, etc.	May 1963	Control imposed over exports of bone meal with effect from May 4, 1963. Exports of bone sinews decontrolled with effect from May 4, 1963.
Cardamom	May 1963	Control over exports of cardamom in all forms imposed with effect from May 15, 1963. Floor and ceiling export prices fixed for certain varieties like Alleppey Green, Coorg clipped, etc.
,,	September 1963	Licence fees for export of cardamom waived. Floor and ceiling export prices of different varieties of cardamom were revised and floor and ceiling prices of more varieties fixed.
,,	January 1964	Minimum export prices of the various grades of cardamom reduced with effect from January 27, 1964.
Tobacco	September 1963	Maximum prices of different grades of flue-cured virginia tobacco revised upwards and export price control extended to new grades.
Banana suckers	December 1963	Ban on exports of banana suckers (seedling plants) imposed with effect from December 20, 1963.
Mango slices	November 1963	Mango slices in brine brought under export control on November 16, 1963 and exports allowed on merits.
Kuth	November 1963	Exports of kuth brought under control with effect from November 30, 1963 and allowed through the State Trading Corporation or its authorised agents only.
Rock salt	May 1963	Exports of black salt decontrolled with effect from May 25, 1963.
Shellac and seedlac	April 1963	Reduction of minimum export prices of all grades of seedlac, in addition to that of Grade B II quality.
,,	May 1963	Decision to reduce the requirement of compulsory offtake against the exports of lac and manufactures thereof, from the State Trading Corporation's stock from 50% to 25% with effect from May 1, 1963.
,,	,,	Reduction in prices of refuse lac by 12½% in cost and freight prices with effect from May 2, 1963.
Hides & skins, raw	May 1963	Control over exports of cuttings, shavings, trimmings and fleshings of hides and skins raw lifted with effect from May 4, 1963.
,,	July 1963	Ban on exports of raw goat skins, 0.914 metre and more in length, or 0.56 square metre in area and above imposed with effect from July 13, 1963.
,,	August 1963	Ban on exports of raw goat skins, 0.914 metre and more in length, or 0.56 square metre in area and above lifted with effect from August 27, 1963.
,,	December 1963	Export quota of raw goat skins for 1964 for established shippers cut from 60% to 55% of the basic exports.

Item	Month of Announcement	Details
Manganese-di-oxide/ peroxide	April 1963	Control over exports of manganese-di-oxide/peroxide lifted with effect from April 22, 1963.
Mica	January 1964	Exports of mica brought under control with effect from February 1, 1964. Exports on consignment basis not allowed.
,,	,,	Exports of mica allowed with effect from February 1, 1964 to all permissible destinations where irrevocable letter of credit to the extent of 90% of the value of the invoice has been opened in favour of the exporter.
	,,	Certain varieties of fabricated mica exempted from the provision of 90% irrevocable credit and from export floor prices. Banning of exports of certain varieties of mica—mica-waste, mica-scrap and factory cuttings from February 1, 1964. Fixation of f.o.b. floor prices of mica with effect from February 15, 1964.
,,	March 1964	Ban on exports of mica waste and scrap relaxed. Exports of mica-scrap and waste allowed subject to a minimum f.o.b. price of Rs. 200 per tonne, with effect from March 11, 1964.
Ferrous scrap	September 1963	Exports of specified varieties of ferrous scrap decontrolled with effect from September 28, 1963.
Dog spikes, chair spikes, screw spikes	April 1963	Exports of dog spikes, chair spikes and screw spikes decontrolled with effect from April 4, 1963.
Precious stones	November 1963	Ban on exports of gem variety of beryl lifted. Exports allowed on merits with effect from November 2, 1963.
		B. Import Entitlement Schemes
Cotton Textiles		
(*a*) Raw Cotton Entitlements:		
1. Ready-made garments (made out of cotton cloth)		
2. Non-fabric cotton textile manufactures (excluding ready-made garments/ apparel or made-up articles made out of cotton cloth)	April 1963	Import entitlement for cotton raised from 50% to 66⅔% of f.o.b. value of exports effected from January 1, 1963.
3. Hand-printed cloth	,,	Import entitlement for cotton and machinery allowed to mills against exports of basic cloth subsequently hand-printed for exports with effect from July 1, 1962.
(*b*) Other entitlements:		
1. Cotton fabrics, etc.	,,	With effect from April 9, 1963, the proportion of import of dyes-intermediates reduced from 75% to 65%. Import entitlement for caustic soda fixed at 10%.
	May 1963	Entitlement for import of dyes-intermediates extended to certain other items like alkyl benzene, alkyl phenols, etc.
,,	June 1963	Dyes-intermediates imported under the Scheme allowed to be sold by importing mills to the manufacturers of textile auxiliaries at a premium not exceeding 60% instead of 50% allowed earlier, with effect from May 1, 1963.
2. Non-fabric items	July 1963	Import entitlement under the Cotton Textiles Export Incentive Scheme extended to cover cotton thread and cotton sewing thread with effect from July 16, 1963.

Item	Month of Announcement	Details
Cotton textiles, woollen goods and rayon textiles	August 1963	Import entitlement for acetic acid under the Export Promotion Scheme discontinued with effect from August 31, 1963.
Artsilk fabrics	April 1963	Manufacturer-exporters allowed to sell imported as well as indigenous artsilk yarn obtained under the Artsilk Export Promotion Scheme to any unit/units consuming artsilk yarn, with effect from December 22, 1962.
Silk fabrics (mulberry and tassar)	July 1963	With effect from March 8, 1963, the maximum limit of import entitlement was raised from Rs. 10/- to Rs. 15/- per sq. metre.
Woollen manufactures	June 1963	Import entitlement for man-made fibres/tow allowed within 15% of the f.o.b. value of exports of woollen carpets, rugs and druggets with effect from June 29, 1963.
Ready-made articles of rayon and synthetic fibres and yarn and woollen/worsted/ shoddy yarn	February 1964	Import entitlement against export of these items withdrawn with effect from January 6, 1964.
Woollen textiles and woollen goods, etc.	September 1963	The Export Promotion Scheme for woollen textiles and woollen goods excluding carpets, rugs and druggets was extended to include export of goods made of flax, hemp, manila and sisal effected on or after September 1, 1963.
Vegetable oils	April 1963	Exporters (both manufacturer-exporters and others) allowed to import copra/palm oil against f.o.b. value of exports of commodities listed below effected from April 15, 1963.

Category of export	Import entitlement upto
(*a*) Castor oil	
(*i*) Castor oil	10%
(*ii*) Refined or perfumed (coloured or otherwise) or medicated castor oil	15%
(*b*) Linseed oil	
(*i*) Linseed oil	20%
(*ii*) Double-boiled linseed oil/triple-boiled linseed oil/processed linseed oil	25%
(*c*) Groundnut oil	60%

Export incentives available, subject to exports having been effected at a price not less than minimum export price prescribed by the Advisory Panel for export of vanaspati and allied products.

..	July 1963	Import entitlement against export of vanaspati/hydrogenated oil, refined vegetable oil (including salad oil) and groundnut oil was extended to exporters other than manufacturer-exporters.
Sandalwood oil, lemon grass oil, palmarosa oil and musk	May 1963	Import entitlement of 5% of the f.o.b. value of exports of sandal wood oil, lemongrass oil and palmarosa oil and 20% of the f.o.b. value of exports of musk allowed for natural essential oils (excluding banned items).
Tobacco	June 1963	Import entitlement for redrying machinery/equipment, tools, apparatus, spare parts/components, to the extent of 1% of the f.o.b. value of exports of tobacco allowed with effect from June 1, 1963.
Agarbatties	July 1963	Import entitlement for perfumery compounds, natural essential oils and certain other specified materials allowed to the extent of 20% of the f.o.b. value of exports of agarbatties effected on or after April 1, 1963.
Parquet flooring tiles (made from Burma teak)	June 1963	Import entitlement for Burma teak allowed to the extent of 50% of the f.o.b. value of exports of parquet flooring tiles. No advance import licence for Burma teak allowed.

Item	Month of Announcement	Details
Imitation/real zari, embroidered and woven articles, including brocades thereof	December 1963	Exclusion of imitation/real zari, embroidered and woven articles, including brocades thereof from the Special Export Promotion Scheme for handicrafts with effect from December 24, 1963.
Chemicals and pharmaceuticals	April 1963	Export Promotion Scheme extended to the following commodities with effect from April 1, 1963.

Category of export	Import entitlement % of f.o.b. value	Material that can be imported
(*i*) Refined, washed, processed and powdered Barytes, China clay, 'Talc', cosmetic and pharmaceutical grades and activated bleaching earth.	20	Ultramarine Blue
(*ii*) Red-oxide and yellow oxide pigments of iron	20	Persian gulf red-oxide
(*iii*) Bentonite sodium base	20	Gum Arabic
(*iv*) Synthetic floor hardening compounds	30	Non-rusting chromium steel in slabs, bars and powder.

Leather and leather manufactures — June 1963

A revised Export Promotion Scheme for leather and leather manufactures introduced with effect from June 1, 1963. The details of import entitlements are as under:—

Category of export	Import entitlement % of f.o.b. value	Material that can be imported	Remarks
1. Tanned hides and skins including E. I. tanned leather.	75	Hides and skins, raw or salted, pickled hides, skins, butts and splits.	(*i*) Of which upto 5 % of the f.o.b. value of exports available for preservatives and bactericides, synthetic tanning agents etc. (*ii*) Upto 2% of the face value of the licence available for hydrosulphite of soda. (*iii*) Upto 1% of the face value of licence available for oxalic acid.
2. Finished leather	,,	,,	Upto 15%, items as covered under (*i*) above, allowed to be imported as announced later in July 1963.
3. Footwear (made entirely of leather or leather uppers and rubber/other soles and leather footwear uppers).	60	,,	Upto 20% of the face value of the licence allowed for eyelets, shoe laces, headless brass nails etc., provided import of any one item does not exceed 5%.

Item	Month of Announcement	Details			
Leather and leather manufactures *(Contd.)*	June 1963	4. Travel goods (leather) & other leather goods.	50	Hides and skins raw or salted, pickled hides, skins, butts and splits	Of which 20% of the face value of licence allowed for belt buckles, bolts, folio locks, etc., provided import of any one item does not exceed 10%.
		5. Pickers	20	,,	Upto 10% of the face value of licence available for sperm oil & picker rivets.
		6. Leather washers	50	Chrome splits	Of which upto 10% of the f.o.b. value of exports available for tools, spare parts for machinery, machinery for replacement or for better finishing or for balancing purposes. This provision was applicable in the above five cases also.
Gold jewellery and gold articles	June 1963	An Export Promotion Scheme administered by All India Handicrafts Board for gold articles was announced.			

Category of export	Import entitlement % of f.o.b. value	Material that can be imported
Gold jewellery and gold articles and gold enamel ware (containing gold) plain or set with diamonds, precious or semi-precious stones, real or cultured pearls or synthetic stones.	100	(*a*) 50% for import of diamonds uncut and unset; precious or semi-precious stones uncut and unset; and unreal or cultured pearls unset. Of which (1) upto 15% of f.o.b. value of exports available for the import of Palladium/Platinum wires, ingots, sheets and solders and permissible chemicals and varnishes. (2) Upto 10% of f.o.b. value of exports available for the import of small tools, equipment, spare parts, testing and control apparatus and instruments for replacement, etc. (3) Upto 1% of the f.o.b. value of exports for the import of samples, catalogues, etc. and (4) Upto $2\frac{1}{2}$% of the f.o.b. value of exports for the import of art paper, art cards and photographic films for manufacture of albums, etc. (*b*) 50% for import of gold of which 10% of the f.o.b. value for import of gold directly by the exporter and upto 40% by the Handicrafts and Handloom Export Corporation.

Item	Month of Announcement	Details
Gold jewellery and gold articles (*Contd.*)	June 1963	This Scheme was made effective from April 1, 1963. Sales of gold jewellery and gold articles to tourists against payment in foreign-exchange treated as exports for the purpose of granting import entitlements, with effect from July 1, 1963.
Synthetic stones & imitation jewellery	June 1963	Sales of cut or polished synthetic stones and imitation jewellery to foreign tourists against payment in foreign exchange treated as exports for the purpose of granting import entitlements with effect from April 1, 1963.
Pearls, diamonds, precious and semi-precious stones	June 1963	Sales of drilled, bleached/unbleached, processed/unprocessed or polished pearls (real or cultured), cut or polished diamonds, cut or polished precious or semi-precious stones to tourists against payment in foreign exchange treated as exports for the purpose of granting import entitlements with effect from July 1, 1963.
Non-gold jewellery	July 1963	With effect from July 27, 1963 an Export Promotion Scheme for non-gold jewellery was announced as under:

Category of export	Import entitlement % of f.o.b. value	Material that can be imported
Jewellery containing silver, platinum, or palladium, plain or set with diamonds, precious or semi-precious stones, real or cultured pearls or synthetic stones but not containing gold.	80	Diamonds uncut and unset, precious and semi-precious stones uncut and unset, real or cultured pearls unset of which (1) upto 15 per cent of the f.o.b. value of exports for import of palladium/platinum wires, ingots, sheets, solders and permissible chemicals and varnishes, (2) upto 10 per cent for the import of small tools, equipment, spare parts, testing and control apparatus and instruments for replacement, (3) upto 1 per cent for the import of samples, catalogues, pictures, albums etc. and (4) upto 2½ per cent for the import of art paper and cards, and photographic films for manufacture of albums, etc.

,,	September 1963	Sales of non-gold jewellery to tourists against payment in foreign exchange treated as exports for the purpose of granting import entitlements with effect from September 5, 1963.

C. Other Export Promotion Measures

1. Export duty of 15 per cent *ad valorem* on soft cotton waste was abolished with effect from July 20, 1963. Export duty of Rs. 12/- per packet of 164 lbs on lac was abolished with effect from December 18, 1963 and export duties of Rs. 4.50 per bale on jute cuttings and Rs. 15/- per bale on other raw jute were abolished with effect from March 1, 1964.

2. Railway freight concession of 25 per cent was granted in respect of 65 more engineering goods manufactured for export with effect from January 1, 1964.

3. Drawback of duty against exports of articles made of 14 carat gold or less purity at the rate of Rs. 12.85 per ten grammes of fine gold content granted with effect from August 1963.

4. Drawback of central excise duty against exports of woollen shawls was granted with effect from August 10, 1963. Drawback against exports of carpet backing cloth and hessian was granted with effect from October 5, 1963. Drawback against exports of date calendars made of cloth was granted with effect from November 23, 1963.

APPENDIX V: IMPORTANT ANNOUNCEMENTS IN REGARD TO IMPORT CONTROL POLICY, 1963-64

	Item	Month of Announcement	Details
			I. Import Policy: General
1.	Policy for 1963-64	April 1963	The salient features of the import policy for 1963-64 have been broadly described in Chapter VI of the Report; Important among the details of the policy were: (1) increase in the number of items permissible for established importers from 91 to 170. The list included, among others, zinc, brass, bronze and similar alloys unwrought, diesel engines and spare parts, petrol, gas and kerosene engines, safety lamps and spare parts, exposed cinematograph films and garage tools; (2) reduction in the quotas for established importers for items like homeopathic medicines, cadmium, cobalt, manganese etc; component parts of textile machinery, hearing aid batteries, cinematograph films—not exposed, photographic negatives, liquid paraffin etc; and ban on imports of certain dyes and chemicals and dyeing agents, brass reeds, parts of textile machinery, etc; in view of the increases in the domestic supplies of such items; (3) addition of three items namely, laboratoryware made of silica, silicaware equipment and silicon to the list of items permissible for actual users; (4) Prevention of the use of quotas or supplementary licences for books for the import of foreign titles reprinted in India in order to save foreign exchange and also to provide at the same time additional employment to the indigenous printing industry; and (5) (*a*) imposition of face value restrictions in respect of about 72 items which included *inter alia*, books, artsilk and silk goods required for medical purposes, sound and projection reproduction equipment and parts, spares of film studio equipment, etc., and (*b*) liberalisation of face value restrictions in respect of spare parts of diesel engines, garage tools, motor vehicle parts, agricultural implements, etc.
2.	Scope of Import Control Act-Extension	September 1963	Decision to extend the provisions of the Imports and Exports (Control) Act, 1947 to the Union territories of Goa, Daman and Diu.
3.	Policy for October 1963-March 1964	October 1963	No changes were effected in the quotas/entitlements allotted in April 1963. There were no cuts in the quotas for established importers. The only major change was the decision to extend the validity period for revalidated licences by another six months, applications for which had, however, to be submitted to the authorities before March 31, 1964.
4.	Annual Licences	December 1963	Announcement of the decision that annual licences granted to established importers and actual users for April 1963-March 1964 need not be presented to licensing authorities for endorsement regarding utilisation of the second half of the licences. Such licences would be deemed to be automatically valid for utilisation of the second half without application of any cut and the validity period would also be extended by another six months for utilisation of the second half of the licences.
			II. Policy in regard to Important Individual Items
A.	Raw Materials		
1.	Raw Cotton	April 1963	Grant of permission to import from Uganda, Kenya, Tanganyika Territory, Sudan, Egypt, Nyasaland and Peru, cotton of staple lengths 1-1/16" and above against import licences for raw cotton.
2.	Liquid Paraffin	July 1963	Decision to allow established importers a quota of 10% for the import of liquid paraffin subject to certain conditions, the validity period of licences being twelve months.
3.	Copra or Coconut Kernel	August 1963	Decision not to grant import licences for import of copra to copra crushers and soap manufacturers, during the period April 1963-March 1964.
4.	Newsprint	October 1963	Allocation of an additional quota for the period October 1963-March 1964 for the import of newsprint in order to facilitate the restoration of the page cut imposed in March 1963. In addition, newspapers and periodicals whose entitlements for 1963-64 were five metric tons

Item	Month of Announcement	Details
A. Raw Materials (*Contd.*)		
4. Newsprint (*Contd.*)		or less, were given licences for direct import and newspapers and periodicals getting licences for glazed newsprint were allowed to utilise the whole of their entitlement for glazed newsprint.
B. Consumer Goods		
1. Dates	April 1963	Decision to grant to established importers *ad hoc* licences for the import of dates from Saudi Arabia, Muscat and other Persian Gulf Ports excluding Iran and Iraq in sailing vessels during March-August 1963.
	,,	Decision to grant to established importers *ad hoc* licences for the import of dates from Iraq in sailing vessels during April-September 1963.
	July 1963	Decision to permit imports of dates from Muscat, Saudi Arabia and other Persian Gulf Ports excluding Iran and Iraq, by steamers also, upto August 31, 1963. (subsequently extended upto September 30, 1963).
	August 1963	Decision to import dates from Iraq by steamers also, upto August 31, 1963.
	November 1963	Decision to grant licences to established importers for the import of dates in sailing vessels from Saudi Arabia, Muscat and other Persian Gulf Ports, excluding Iran and Iraq during October 1963-March 1964.
	December 1963	Decision to grant licences to established importers for import of dates from Iraq in sailing vessels during October 1963-March 1964.
	February 1964	Decision to issue advance licences to established importers for import of dates from Iraq by sailing vessels during the half year April-September 1964 in order to facilitate imports before the commencement of the monsoon.
2. Articles made mainly or wholly of gold or silver, etc.	May 1963	Imposition of the ban on bringing or sending into India, except with the general or special permission of the Reserve Bank of India, any articles made mainly or wholly of gold or silver.
3. Books and magazines	June 1963	Decision to issue quota licences to established importers on condition that not more than 50% of the face value would be utilised for the import of fiction and permissible non-technical journals and magazines; from the balance, import of children's books to be allowed but imports of comics and undesirable types not to be permitted
C. Machinery		
1. Domestic Sewing Machines—spare parts	June 1963	Decision not to issue licences for the import of parts for domestic sewing machines by approved assemblers or other actual users.
	October 1963	Removal of the ban imposed on imports of certain spare parts of sewing machines. Decision to allow approved assemblers to import such parts on the basis of Rs. 3.00 per machine.
2. Cinema machinery	August 1963	Permission granted for the use of the first half of the annual quota licences for April 1963-March 1964 for cinematograph equipments, components and spare parts to import upto 12½% of their face value, valves, condensers and resistances, potentiometers, volume control, tone control and loud speakers. Concession subsequently extended to cover the second half of the licence also
	February 1964	Decision to allow imports of cinema machinery, without any type restrictions, upto 12½% of their quota licences, subject to the condition that they satisfy the customs authorities that the components imported by them form part and parcel of the theatre or studio amplifiers and theatre or studio systems.

Item	Month of Announcement	Details
		III. Specified Items From Certain Agreement Countries
1. AFGHANISTAN		
(i) Fruits, all sorts, excluding coconuts and cashew nuts, fresh, dried, salted or preserved, and excluding dates, asafoetida, cummin seeds, and medicinal herbs.	June 1963	Decision to suspend with effect from June 4, 1963 the issue of all Customs Clearance Permits for the import from Afghanistan of items specified.
	July 1963	For clearance of intransit goods, imports of the specified items could be effected upto July 31, 1963 even by steamers via Iranian ports against permits issued in September and October 1962 provided the import contracts had been made with Afghan exporters on or before May 20, 1963.
	August 1963	Decision to permit imports of fresh fruits from Afghanistan during the current agreement period (October 1962-November 1963) within a fixed monetary ceiling.
	November 1963	Decision to allow import of fresh fruits upto a ceiling of Rs. 70 lakhs from Afghanistan during 1963-64 agreement period.
	December 1963	Decision to issue further permits for fresh fruits from Afghanistan for an additional sum of Rs. 35 lakhs.
	February 1964	Consequent on the renewal of the agreement due to expire on September 30, 1963 upto January 31, 1965, approved importers who had participated in Indo-Afghan Trade during the four years ended June 30, 1956 were to be allowed to import specified items within a fixed monetary ceiling provided such imports were balanced by exports equivalent to the value of imports.
	March 1964	Decision to grant within a specified monetary ceiling, import licences also to 'new comers' who undertook to export non-traditional items of equal value to Afghanistan, within a period of eight months i.e. from February 1, 1964 to September 30, 1964. It was further prescribed that cotton textiles, tea, art silk goods, woollen goods, imitation zari goods, leather and rubber goods and motor parts would not be regarded as non-traditional items of export to Afghanistan.
(ii) Hides and Skins	February 1964	Decision to issue permits to established importers as well as new comers to import hides and skins from Afghanistan during the 1964-65 Trade Agreement period (i.e. February 1, 1964 to January 31, 1965) the validity period of licences being six months from the date of issue or January 31, 1965, whichever was earlier.
2. IRAN		
Dry Fruits, etc	July 1963	Decision to import dry fruits, etc., from Iran even in steamships upto July 31, 1963 (Subsequently extended upto September 30, 1963).
3. PAKISTAN		
(*a*) Open General Licences for Imports from Pakistan of:		
(i) Fish, salted, wet (ii) Fish, not otherwise specified, and	June 1963	Issue of Open General Licence LXXIII for the import of specified items from Pakistan, provided such goods were despatched on a consignment basis before September 20, 1963
(iii) Hides & skins—raw or salted	September 1963	Issue of O.G.L. LXXIV, valid till December 31, 1963
	December 1963	Issue of O.G.L. LXXV, valid till March 31, 1964
(*b*) Live Tortoise and Kapok	June 1963	Consequent on the removal with effect from June 21, 1963, of live tortoise and kapok, from the O.G.L. it was decided to issue licences liberally for their imports from Pakistan during April-September 1963 provided payments were effected in non-convertible Indian rupees.

APPENDIX VI: TARIFF COMMISSION'S RECOMMENDATIONS, 1963-64

	Industry	Purpose		Main Observations of the Commission	Government's Action on the Recommendations
	1	2		3	4
				A. Tariff Inquiries	
1.	Dyestuffs	Review of protection as prescribed in 1955 recommendations.	1.	Protection granted to the industry to be continued at the existing rates of duty upto December 31, 1964, as recommended earlier.	Accepted.
			2.	The concessional duties leviable at present on twenty-three intermediates listed in the Report also to be continued upto December 31, 1964.	Accepted.
			3.	The rates of duty on nine more specific intermediates listed in the Report, which serve as basic raw materials for various dyes/intermediates, and are not likely to be manufactured by the end of 1964, to be reduced to 10% *ad valorem* standard and 'nil' preferential; and remain in force till December 31, 1964.	Noted; Steps would be taken to implement them as far as possible.
			4.	The existing concessional duty of 10% *ad valorem* standard and 'nil' preferential on Sulphanilic acid and Beta Naphthylamine to be withdrawn with immediate effect and the original rates of duty, namely, 40% *ad valorem* standard and 30% *ad valorem* preferential to be reimposed.	,,
2.	Automobile spark plug	Continuance of protection.		Protection granted to the industry to be extended for a further period of two years upto December 31, 1965 but at reduced rates of duty namely 77.5% *ad valorem* standard and 70% *ad valorem* preferential.	Accepted.
3.	Engineers steel files	,,		Protection granted to the industry could be discontinued after December 31, 1963.	Accepted.
4.	Diesel fuel injection equipment	,,	1.	Protection granted to single cylinder fuel injection pumps, nozzle holders and components could be withdrawn after December 31, 1963.	Accepted.
			2.	Protection to multi-cylinder pumps to be continued upto December 31, 1967 in view of its diversified component-production programme and its importance to the protected automobile industry.	Taken note of the recommendation.
5.	Piston Assembly	,,		Protection to the industry to be continued at the existing rate of duty up to December 31, 1966.	Accepted.
6.	Antimony	,,	1.	Protection granted to the industry to be continued for a further period of five years ending December 31, 1968, subject to a review after three years.	Accepted.

Industry	Purpose	Main Observations of the Commission	Government's Action on the Recommendations
1	2	3	4
6. Antimony *(Contd.)*	Continuance of protection.	2. Protective duty on antimony metal should be reduced from 45% *ad valorem* or Rs. 88.60 per quintal, whichever was higher, to 35% *ad valorem* amounting to not less than Rs. 85/- per quintal, the fair selling prices of indigenous antimony being regulated by the Government from time to time.	Accepted.
		3. Duty on Crude antimony to be continued at the existing rate of 25% *ad valorem.*	Accepted.
		4. The fair selling prices of antimony should be fixed at Rs. 3,550/- per tonne or Rs. 3.55 per Kg. as a condition for the extension of protection.	Accepted.
7. Electric motors	..	1. Protection granted to the electric motor industry to be continued at the existing rates for a period of two years ending December 31, 1965, covering (*i*) squirrel cage and slip ring induction motors and synchronous motors of a brake-horse power up to 3000 h.p. (but excluding variable speed commutator motors), (*ii*) single phase motors of 1 h.p. to 3 h.p., (*iii*) fractional horse power motors and (*iv*) component parts of all these types of motors excluding control gear. Squirrel cage and slip ring induction motors and synchronous motors of higher ratings over 500 h.p. upto 3000 h.p. to be subjected to a protective duty of 15% *ad valorem.*	Accepted.
8. Power and distribution transformers	..	Protection granted to the transformers industry should be continued for a further period of two years ending December 31, 1965 at the existing rates of duty. The scheme of protection should cover power and distribution transformers upto 50,000 k.v.a. and 220 k.v. on the H.T. side and parts of such transformers, not otherwise specified.	Accepted.
9. Bicycle	..	1. Protection granted to bicycle industry could be withdrawn after December 31, 1963.	Accepted.
		2. Control on prices of bicycles to be administered to prevent them from rising above the level of their F.O.R. destination prices prevailing on July 18, 1963. The distributors' margin should not exceed a ceiling of 15 per cent of the net selling price. Subsequent to the freezing of prices for an interim period, manufacturers should not be permitted to raise the prices without prior approval of the Government.	Accepted.
10. Sericulture	..	Protection granted to the industry to be continued at the existing rates of duty for a further period of three years upto December 31, 1966.	Accepted.

Industry	Purpose	Main Observations of the Commission	Government's Action on the Recommendations
1	2	3	4
11. Cotton textile machinery (spinning ring frames, spindles, spinning rings, fluted rollers and automatic looms)	Continuance of protection.	Protection granted to the industry in respect of complete spinning ring frames, spindles, spinning rings, fluted rollers and automatic looms should be extended at the existing rate of 10 per cent *ad valorem* upto December 31, 1966.	Accepted.
12. Industry manufacturing A.C.S.R. (Aluminium Conductor Steel Reinforced) and A.A.C. (All Aluminium Conductor) industry	..	1. Protection granted to the industry should be continued for a further period of three years ending December 31, 1966, and the protective duty reduced to 25 per cent *ad valorem*.	Accepted.
		2. The existing policy of allowing imports of E. C. grade aluminium ingots/bars/rods for A.C.S.R. and A.A.C. at the concessional duty of 15% *ad valorem* plus Rs. 360 per tonne should be continued.	Accepted.
		B. Price Inquiries	
1. Fire fighting equipment	Examination of the pricing policy of the units manufacturing fire fighting equipment.	In view of the numerous kinds of fire fighting equipment to be produced and the nature of the industry whose liabilities for after-sale service may arise long after the sales, the Commission do not consider the rates of producers' margin as excessive. Considering all factors it is not desirable to fix prices for any of the products manufactured by the industry.	Government have noted the recommendations.
2. Woollen yarn, fabrics and hosiery manufactures	To fix the selling prices.	1. Based on the conversion charges for yarns and fabrics and adding to these charges the prevailing wool materials prices, (*a*) return of 12% on capital employed and specified extras for rehabilitation allowances, seven schedules were framed for the fixation of prices of different kinds of yarns, fabrics and hosiery articles. These schedules should apply as ex-factory ceiling prices for the specified kinds excluding those exempted by the Government from price control and remain in force till September 30, 1965.	Not accepted. In view of the abnormal condition which had arisen in the industry subsequent to the submission of the Report as a result of the gearing of the industry to defence production and its effect on output of civilian goods, it was not found desirable to fix prices at this stage. The matter would be reviewed after return of normalcy.
		2. Retail prices were to be 25% above the ex-mill prices for all products other than hosiery articles and fixation of wholesale prices was not found necessary.	
		3. A uniform retail price scheme was preferable to a zonal price scheme.	

APPENDIX VII—TRADE AGREEMENTS, 1963-64

Country (1)	Date of Agreement (2)	Duration (3)	Commodity Details (4)	Other Particulars (5)
Afghanistan	January 21, 1964	Valid from February 1, 1964 upto January 31, 1965 and will be automatically extended upto January 31, 1967, unless terminated by either party.	*Imports:* (1) Schedule 'A'—Dry and fresh fruits, asafoetida, cumin seeds, hides and skins and medicinal herbs, (2) Others—cotton and wool. *Exports:* (1) Schedule 'B'—Cotton and woollen textiles, silk and art silk fabrics, jute manufactures, tea, coffee, spices, fish, vegetable oils, chemicals and pharmaceuticals, leather manufactures, engineering goods, (2) Schedule 'C'—Sugar, automobiles and spares, tractors, buldozers, compressors, wood working machinery, generators, drugs, medicines, and all other items not included in Schedule 'B'.	(1) Payment for goods mentioned in Schedules 'A' (other than hides and skins) and 'B' will be according to E.P. & E.P.I. procedures. (2) Imports of hides and skins will be through a special self-balancing account with the State Bank of India, against exports of goods and services in India. (3) Payment for imports of cotton and wool and exports of goods mentioned in Schedule 'C' will be in transferable U.S. Dollars or Pounds Sterling.
Austria	October 31, 1963	Valid upto December 31, 1964, renewable automatically from year to year, unless terminated by either party.	*Exports:* Sewing machines, sports goods, handicrafts, cotton, silk and woollen textiles, travel bags of leather, jute manufactures, footwear and plastic goods.	Separate protocol was signed regarding exports from India of cotton yarn and mill-made cotton fabrics into Austria, fixing annual quotas for the period October 1962 to September 1967.
Bulgaria	February 14, 1964	Valid for a period of five years from January 1, 1964.	*Imports:* Rolled steel products, zinc, electric cranes, power cables, dye-intermediates, complete industrial plants, etc. *Exports:* Tea, coffee, de-oiled cakes, spices, jute manufactures, iron ore, cotton textiles, leather, cashew kernels, groundnuts, raw cotton, raw jute, engineering goods, etc.	Details of commodities traded will be determined as per annual trade plans.
Chile	May 3, 1963	Valid upto December 31, 1965.	*Exports:* Rails, rolling stock, steam locomotives, signalling equipment, etc.	The Agreement provides for the extension of the validity period of the Trade Agreement of March 10, 1960 and new items (mentioned under column 4) are added to the schedule of Indian exports.
Czechoslovakia	November 7, 1963	Valid for a period of five years from January 1, 1964 to December 31, 1968.	*Imports:* Complete industrial and power plants, capital equipment and machinery, drugs, chemicals, newsprint, etc. *Exports:* Fruits and preparations thereof, cashew kernels, pepper, de-oiled cakes, tea, coffee, hides and skins raw, coir and coir manufactures, mica, iron ore, manganese ore, vegetable oils, engineering goods, cotton and woollen textiles, jute manufactures, handicrafts, chemicals and pharmaceuticals, etc.	

Country (1)	Date of Agreement (2)	Duration (3)	Commodity Details (4)	Other Particulars (5)
France	March 15, 1964	Valid upto March 14, 1965.		Provisions contained in Franco-Indian Exchange of Letters of October 19, 1959, renewed for a period of one year.
German Democratic Republic (East Germany)	December 28, 1963	Valid upto December 31, 1964.		The Agreement provides for the extension of the validity of the Trade and Payments Agreement of December 18, 1959 for a period of one year.
Greece	March 20, 1964	Valid upto December 31, 1964.		Validity of Trade Agreement dated February 14, 1958 extended upto December 31, 1964.
Hungary	November 22, 1963	Valid for a period of five years from January 1, 1964 to December 31, 1968.	*Imports:* Capital goods and machinery for small scale industries, heavy electrical generating sets, pneumatic and precision tools, railway and signalling equipment, radio transmitting and receiving sets, photographic material, garage tools, etc. *Exports:* Tea, coffee, tobacco, vegetable oils, de-oiled cakes, groundnuts, mica, iron ore, jute and coir manufactures, cotton and woollen textiles, leather goods, sports goods, plastic goods, railway equipment, light engineering goods, etc.	
Indonesia	April 24, 1963	Valid for a period of three years.	*Imports:* Petroleum products, rubber, palm oil, copra, betel nuts, kapok, cinnamon, nutmeg, etc. *Exports:* Cotton and woollen piecegoods, synthetic fibre textiles, jute manufactures, coir yarn and manufactures, tea, coffee, vegetable oils, chemicals and pharmaceuticals, engineering goods, lac, etc.	
Iran	March 11, 1964	Valid for three years upto March 10, 1967.	*Imports:* Dry and fresh fruits, dates, saffron, roots and bushes, fruits stems for dyeing and tanning purposes, plants, roots and herbs for medicinal and industrial purposes, asafoetida, red oxide, mineral ores, chemicals and drugs, etc. *Exports:* Leather and leather manufactures, fresh fruits including bananas, coir and coir manufactures, tobacco raw and manufactured, vegetable oils, oil cakes, beedi leaves, drugs and medicines, chemicals and pharmaceuticals, engineering products, iron ore, manganese ore, mica, plastics and sports goods, household and building material, etc.	
Iraq	December 13, 1962	Valid for a period of two years from the date of ratification, i.e., July 4, 1963.	*Imports:* Dates, wheat, barley, maize, cotton and cotton seeds, almonds, walnuts, fresh fruits and vegetables, Arab horses, hides and skins, leather, petroleum and petroleum products, etc.	Renewable for one more year by mutual agreement.

Country (1)	Date of Agreement (2)	Duration (3)	Commodity Details (4)	Other Particulars (5)
			Exports: Leather and leather manufactures, tobacco, tamarind, turmeric, vegetable oils, de-oiled cakes, chemicals and pharmaceuticals, engineering goods, mica, iron ore, manganese ore, plastics and sports goods, cotton and art silk manufactures, jute manufactures, tea, coffee, sugar, etc.	
Jordan	July 18, 1963	Valid upto December 31, 1964.	*Imports :* Rock phosphate, potash and bromine, goat and sheep skins, asphalt, wool, cement, oil seeds, etc. *Exports :* Tea, coffee, sugar, fish and fish preparations, tobacco, vegetable oils, oil-cakes, chemicals and pharmaceuticals, engineering goods, cotton and jute manufactures, silk and artsilk fabrics, plastics and sports goods, leather and leather manufactures, mica, etc.	The Agreement supersedes the provisions of the earlier Trade Agreement of May 11, 1962.
Morocco	December 27, 1963	Valid upto August 2, 1964.	*Imports :* Phosphates and other ores, and chemical products. *Exports :* Unrefined peanut oil, green tea and textiles.	
Pakistan	September 1, 1963	Valid initially for two years and will be extended for a further period of one year.	*Imports :* Jute and jute waste, wool and woollen manufactures, hides and skins, leather, cotton raw and waste, cotton and cotton seed oil cakes, cotton textiles, drugs and pharmaceuticals, engineering goods, rice, cement, etc. *Exports :* Leather and leather manufactures, vegetable oils, tobacco, fruits, coir and coir manufactures, de-oiled cakes, beedi leaves, chemicals and pharmaceuticals, engineering goods, mica, iron ore, manganese ore, cotton and woollen textiles, spices, plastics and sports goods.	The earlier Agreement of 1960-63 expiring in March 1963 was extended upto August 31, 1963. India has to export specified quantity of coal and stone boulders and to import raw jute and jute cuttings and raw cotton. Limited (Rupee) Payments Arrangements were discontinued and the trade was put on convertible currency basis.
Poland	December 18, 1963	Valid for a period of five years from January 1, 1964.	*Imports :* Machinery of various kinds, e.g., machine tools, coal mining machinery, dye-intermediates, rolled steel products, textile machinery, railway equipment, capital goods, etc. *Exports :* Iron ore, manganese ore, tea, mica, hides and skins, de-oiled cakes, castor oil, groundnuts, jute manufactures, tobacco, cotton textiles, cotton waste, engineering goods, etc.	
U.S.S.R.	June 10, 1963	Valid for a period of five years from January 1, 1964.	*Imports:* Various types of machinery, equipment and spares, oil products, rolled steel products, pig iron foundry grade, chemicals, medicines, etc. *Exports :* Mica, raw jute, tobacco, essential oils, vegetable oils, jute manufactures, coffee, tea, pepper, cashew kernels, woollen manufactures, footwear, de-oiled cakes, groundnuts, engineering goods, etc.	Details of commodities traded will be determined by annual trade plans.

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NOTES ON THE STATEMENTS

The annual series in the statements cover the financial years which run from April to March; thus 1963-64 refers to the year from April 1, 1963 to March 31, 1964. In the statements appearing in this issue annual data for the years 1950-51, 1955-56, 1960-61, 1961-62, 1962-63 and 1963-64 only are presented except in a few for which data for 1950-51 and 1955-56 are not available. In the statements relating to finances of the State Governments, the 'revised' and 'budget' estimates for the years 1955-56 and 1956-57, respectively, have now been replaced by 'accounts' figures. Data for the latest thirteen months only are given in the statements in which monthly data are presented. In the statements on industrial production, employment exchanges, consents for capital issues and capital raised by non-Government and Government companies, calendar year figures are presented as the statistics are assembled at the source on a calendar year basis. Statistics relating to balance of payments are presented for the calendar years 1962 and 1963; however, in the statement giving the region-wise summary, earlier annual data are on a financial year basis. In the statements on index numbers of imports and exports, data are now presented on a financial year basis. Statistics of agricultural production are on the basis of the crop year, which is usually July June. The statements on 'debits to current deposit accounts with scheduled banks' have been excluded from this Report as no further data are available.

The new statements in this issue are (i) aggregate deposits of scheduled banks excluding P.L. 480 and P.L. 665 deposits, (ii) borrowings by scheduled banks from the Reserve Bank of India at various rates of interest, (iii) changes made in the Reserve Bank's slab rate system of lending to schedulec banks since its introduction on October 1 1960, (iv) exports of sugar, leather and leather manufactures, tobacco (unmanufactured) and oilcakes to principal countries and (v) exports and imports of Goa, Daman and Diu, 1962-63.

The currency unit of the Indian Union is the Rupee. With effect from April 1, 1957 India adopted the decimal coinage, the Rupee being divided into 100 equal parts, called "naya Paisa". The abbreviations for 'Rupees' and 'naye Paise' are 'Rs.' and 'nP.', respectively. A Rupee is equivalent to 21 U.S. cents or 1 sh. 6 d. sterling.

From November 1, 1956 (on which date the States Reorganization Act, 1956 became effective) to April 30, 1960 the Indian Union consisted of fourteen States. Of these, one State, namely, the Bombay State was bifurcated on May 1, 1960 into (i) Maharashtra and (ii) Gujarat, thus bringing the total number of States to fifteen. The Federal Government is the Government of India, also called the Central or Union Government.

From October 1, 1960 India adopted the metric system of units and measures. Data presented in the statements relate to metric units. Data relating to earlier periods have been expressed in metric units to facilitate comparison with the latest figures. The conversion factors used for compilation are given below :

1 fine ounce	=	0.0311035	kilogram
1 tola	=	0.0116638	kilogram
1 pound	=	0.4535924	kilogram
1 maund	=	37.3242	kilograms
1 ton	=	1.01605 or 10.1605	metric tons quintals
1 yard	=	0.9144	metre
1 sq. ft.	=	0.0929	sq. metre
1 acre	=	0.404686	hectare

A crore = 10 million (Rs. 1 crore is equal to U.S. $ 2.1 million or £ 750,000 sterling). A lakh = one tenth of one million.

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

The following symbols have been used: .. = Figure is not available. — = Figure is nil or negligible.

A line drawn between the figures of two consecutive rows/columns indicates that the figures given after the line are not comparable with the preceding figures. In each case, a footnote is added to explain the non-comparability.

STATEMENT I—SELECTED ECONOMIC INDICATORS

Item	Unit/Base	1963 Mar. 1	April 2	May 3	June 4	July 5	Aug. 6	Sept. 7	Oct. 8	Nov. 9	Dec. 10	1964 Jan. 11	Feb. 12	Mar. 13
I. Output and Prices														
1. Industrial Production														
(i) Seasonally adjusted	1956=100	160.1	159.1	163.1	160.4	165.5	164.3	163.4	168.6	171.8	173.7			
(ii) Unadjusted	,,	161.9	157.0	161.3	156.2	169.1	166.6	164.3	167.0	168.2	180.7			
2. Wholesale Prices														
(i) All commodities	1952-53=100	127.2	129.8	132.1	134.0	135.5	136.0	136.7	136.3	134.7	134.9	136.3	138.1	139.3
(ii) Food articles	,,	123.4	127.7	131.5	134.8	137.9	138.6	139.1	139.2	136.6	136.2	137.9	140.5	142.1
3. Consumer Prices (All-India)	1949=100	130	131	132	134	135	136	137	138	138	140	140	142	143
4. Security Prices														
(i) Government and semi-Government securities	1952-53=100	99.2	99.7	98.7	98.7	98.9	99.1	99.5	99.7	99.9	100.1	100.1	99.9	99.7
(ii) Variable dividend industrial securities	,,	164.4	162.3	164.8	161.5	162.2	160.6	164.8	171.0	174.5	172.6	170.9	170.7	169.6
5. Gold and Silver (Bombay: Spot)														
(i) Gold (*a*)	Rs. per 10 gms	100.50	103.15	114.51	113.50	N.Q.	63.81	61.18	59.56	59.04	59.35	64.10	65.28	64.16
(ii) Silver	Rs. per Kilogram	239.31	236.35	231.42	225.52	229.41	231.70	235.14	235.74	236.55	246.33	257.10	262.02	257.52
II. Labour Statistics														
6. Number of applicants														
(i) Placed in employment	000's	41	41	46	43	45	47	47	59	41	45	42	41	45
(ii) On live registers	,,	2,483	2,563	2,633	2,685	2,744	2,738	2,717	2,663	2,606	2,518	2,495	2,464	2,453
III. Money and Banking														
7. Money supply with the public (*b*)	Crores of Rs.	3,310.0	3,400.5	3,371.2	3,362.6	3,351.0	3,349.9	3,360.4	3,430.4	3,453.0	3,541.2	3,644.8	3,686.6†	3,749.2†
(i) Currency with the public	,,	2,379.5	2,442.7	2,426.9	2,391.5	2,352.1	2,330.7	2,331.8	2,391.1	2,406.1	2,475.8	2,534.4	2,569.3†	2,602.1†
(ii) Deposit money with the public	,,	930.5	957.8	944.3	971.1	998.8	1,019.2	1,028.6	1,039.3	1,046.9	1,065.4	1,110.4	1,117.3†	1,147.2†
8. Reserve Bank of India														
(i) Central Government's deposits	,,	55.8	62.1	73.8	65.1	149.3	73.9	64.3	48.0	71.1	56.6	60.2	76.3	84.2

(ii) State Governments' deposits	,,	31.4	9.2	11.6	14.5	9.1	10.2	6.1	14.8	11.2	8.1	15.8	9.1	16.0
(iii) Investments	,,	2,128.3	2,198.1	2,234.7	2,242.4	2,236.4	2,118.0	2,091.6	2,179.7	2,209.2	2,234.6	2,327.7	2,336.7	2,338.1
(iv) Other loans and advances(*c*)	,,	207.3	152.2	142.4	141.7	129.7	140.5	142.5	138.8	141.2	152.4	179.2	207.0	221.0
9. Foreign exchange reserves	,,	295.1	294.7	306.4	289.0	262.2	257.2	267.2	277.9	273.6	289.1	285.8	295.4	305.8
10. A. Scheduled banks														
(i) Aggregate deposits	,,	2,042.3	2,087.7	2,096.0	2,139.5	2,175.0	2,200.6	2,212.0	2,235.8	2,237.5	2,253.0	2,276.7	2,282.3	2,285.2
(ii) Bank credit (*d*)	,,	1,588.0	1,589.1	1,553.3	1,529.3	1,486.1	1,459.7	1,452.1	1,468.2	1,487.3	1,580.4	1,691.5	1,759.2	1,816.7
(iii) Investments in Government securities	,,	592.8	614.8	628.3	653.1	687.0	759.7	780.3	760.4	766.6	709.6	683.5	650.8	639.7
(iv) Cash reserves	,,	125.7	128.5	130.1	159.1	129.8	137.8	132.5	171.5	128.2	141.4	137.5	140.4	147.6
B. Cheque clearances	,,	1,506.4	1,377.9	1,362.1	1,188.0	1,403.9	1,243.5	1,288.4	1,377.1	1,380.6	1,507.4	1,547.7	1,422.4	1,709.5
11. Inter-bank call money rate (Bombay) (*e*)	Per cent per annum	6.22	5.00	4.88	3.51	1.35	2.10	2.58	2.35	2.01	4.43	4.96	5.82	6.23
12. Yield on 3 per cent conversion loan of 1986 or later(*f*)	,,	4.74	4.76	4.71	4.72	4.68	4.67	4.63	4.57	4.57	4.57	4.58	4.70	4.75
IV. Government Debt														
13. Rupee debt of the Government of India														
(i) Rupee loans (*g*)	Crores of Rs.	2,841.8	2,849.1	2,844.7	2,817.1	3,018.4	3,038.2	3,042.1	3,036.2	3,036.8	3,037.9	3,113.3	3,113.8	3,113.9
(ii) Treasury bills outstandings	,,	1,299.6	1,262.5	1,344.5	1,391.1	1,371.9	1,316.1	1,300.5	1,363.0	1,400.2	1,381.4	1,385.4	1,362.3	1,382.0
V. Trade														
14. Imports (value)	Crores of Rs.	83.0	90.3	100.6	85.3	89.5†	81.6†	77.1†	80.0†	71.9†	74.8†	80.9†	89.2†	96.3†
15. Exports (value)	,,	64.3	57.0	63.0	57.2	63.2†	66.0†	61.6†	68.6†	71.7†	72.7†	63.0†	58.0†	69.2†
16. Net balance of trade	,,	−18.8	−33.3	−37.6	−28.1	−26.4†	−15.6†	−15.5†	−11.5†	− 0.3†	−2.1†	−17.9†	−31.1†	−27.1†
17. Number of wagons loaded														
(i) Broad gauge	000's	663	622	621	595	627	619	603	632	635	655	659	636	666
(ii) Metre gauge	,,	331	297	299	283	302	296	297	313	313	346	352	333	353

Note: Figures for all the items relate to the month except those of item 6(ii), 9 and 13 which relate to end of period and those of items 7, 8 and 10A which relate to last Friday.

(*a*) Relates to 14 carat, quoted from August 28, 1963. (*b*) Revised series. (*c*) Loans and advances, other than those to Governments. (*d*) Excluding due from banks. (*e*) Data relate to local head offices of the banks and are exclusive of brokerage. (*f*) Running yield. (*g*) Includes the Hyderabad loans taken over by the Government of India under the States Reorganization Act, 1956, 5-year interest-free prize bonds issued from April 1960, premium prize bonds, 1963 issued from January 1963 and premium prize bonds, 1964 issued from January 1964.

N.Q.=Not quoted. †=Provisional.

STATEMENT 2—NATIONAL INCOME BY INDUSTRIAL ORIGIN

(In Rs. abja) (*a*)

	1950-51	1955-56	1960-61	1961-62	1962-63(*b*)
A. AT CURRENT PRICES					
Agriculture					
1. Agriculture, animal husbandry and ancillary activities	47.8	43.9	66.8	67.7	67.8
2. Forestry	0.7	0.7	1.1	1.2	1.2
3. Fishery	0.4	0.6	1.0	0.7	0.7
4. **Total of agriculture**	**48.9**	**45.2**	**68.9**	**69.6**	**69.7**
Mining, manufacturing and small enterprises					
5. Mining	0.7	1.0	1.6	1.7	2.0
6. Factory establishments	5.5	7.8	13.2	15.4	16.9
7. Small enterprises	9.1	9.7	11.2	11.7	12.1
8. **Total of mining, manufacturing and small enterprises**	**15.3**	**18.5**	**26.0**	**28.8**	**31.0**
Commerce, transport and communications					
9. Communication (post, telegraph and telephone)	0.4	0.5	0.6	0.7	0.8
10. Railways	1.8	2.5	3.6	3.8	4.3
11. Organised banking and insurance	0.7	0.9	1.6	1.9	2.1
12. Other commerce and transport	14.0	14.9	17.6	18.4	19.0
13. **Total of commerce, transport and communications**	**16.9**	**18.8**	**23.4**	**24.8**	**26.2**
Other services					
14. Professions and liberal arts	4.7	5.6	7.4	7.9	8.4
15. Government services (administration)	4.3	5.7	9.0	10.0	11.7
16. Domestic service	1.3	1.4	1.9	2.1	2.2
17. House property	4.1	4.6	5·3	5.5	5.6
18. **Total of other services**	**14.4**	**17.3**	**23.6**	**25.5**	**27.9**
19. **Net domestic product at factor cost**	**95.5**	**99.8**	**141.9**	**148.7**	**154.8**
20. Net earned income from abroad	—0.2	0.0	—0.5	—0.7	—0.8
21. **Net national output at factor cost= National Income**	**95.3**	**99.8**	**141.4**	**148.0**	**154.0**
B. AT 1948-49 PRICES					
1. Agriculture, animal husbandry and ancillary activities (*c*)	43.4	50.2	59.0	59.1	58.0
2. Mining, manufacturing and small enterprises	14.8	17.6	21.1	22.1	23.1
3. Commerce, transport and communications	16.6	19.7	24.6	25.4	26.4
4. Other services (*d*)	13.9	17.3	23.1	24.7	27.0
5. **Net domestic product at factor cost**	**88.7**	**104.8**	**127.8**	**131.3**	**134.5**
6. Net earned income from abroad	—0.2	0.0	—0.5	—0.7	—0.8
7. **Net national output at factor cost= National Income**	**88.5**	**104.8**	**127.3**	**130.6**	**133.7**

(*a*) Abja=100 crores=10^9. (*b*) Preliminary. (*c*) Including forestry and fishery. (*d*) Comprising professions and liberal arts, Government services (administration), domestic service and house property.

Source : *Estimates of National Income* issued by the Central Statistical Organisation, Government of India.

STATEMENT 3—INDEX NUMBERS OF AGRICULTURAL PRODUCTION

(Agricultural year ended June 1950=100)

Commodity/Group	Weight	1950-51	1955-56	1960-61	1961-62	1962-63
Rice	35.3	87.9	114.2	136.2	139.0	127.9
Wheat	8.5	101.1	131.3	162.7	178.3	164.9
Jowar	5.0	89.8	96.7	134.6	111.2	134.2
Bajra	2.7	83.8	108.3	101.2	111.3	120.9
Maize	2.1	84.4	112.3	144.4	152.5	161.5
Total Cereals	**58.3**	**90.3**	**114.9**	**136.6**	**140·0**	**133.0**
Gram	3.7	98.0	138.9	162.3	149.5	146.9
Total Pulses	**8.6**	**91.7**	**118.4**	**128.6**	**120.3**	**119.7**
Total Foodgrains ..	**66.9**	**90.5**	**115.3**	**135.6**	**137·5**	**131.3**
Groundnut	5.7	101.4	112.4	131.7	138·3	135.6
Total Oilseeds ..	**9.9**	**98.5**	**108.6**	**128.0**	**134·4**	**133.6**
Cotton	2.8	110.7	153.9	203.3	170·2	200.4
Jute	1.4	106.3	135.8	121.6	193·8	163.9
Mesta	0.3	100.0	174.7	170.4	254·9	229.3
Total Fibres	**4.5**	**108.6**	**149.7**	**175.7**	**183·2**	**191.0**
Tea	3.3	103.8	107.2	120.9	133·5	129.7(*a*)
Coffee .. .	0.2	112.3	196.1	355.1	240·1	278.8(*a*)
Rubber .. .	0.1	93.8	146.1	165.3	176·3	204.8(*a*)
Total Plantation Crops ..	**3.6**	**104.0**	**113.2**	**135.1**	**140·6**	**140.1**
Sugarcane	8.7	113.7	119.8	173.9	163·7	151.2
Tobacco .. .	1.9	97.3	112.9	116.3	129·6	136.8(*a*)
Total Miscellaneous ..	**15.1**	**110.3**	**120.1**	**155.8**	**150·8**	**146.6**
Total Non-Foodgrains ..	**33.1**	**105.9**	**119.9**	**147.9**	**149·2**	**148.0**
All Commodities ..	**100.0**	**95.6**	**116.8**	**139.7**	**141·4**	**136.8**

Note : The indices for 1960-61 and 1961-62 are generally based on partially revised estimates while those for 1962-63 are generally based on final estimates. The indices for these years are, therefore, subject to revision.

(*a*) Based on provisional estimates.

Source : Ministry of Food and Agriculture.

STATEMENT 4—AREA AND PRODUCTION

Commodity	1950-51(*a*)		1955-56	
	Area (Hectares)	Production (Metric tons)	Area (Hectares)	Production (Metric tons)
FOODGRAINS				
Cereals				
1. Rice	30,519	23,542	31,522	27,557
2. Wheat	9,759	6,391	12,367	8,760
3. Jowar	15,514	5,870	17,363	6,725
4. Bajra	9,260	2,835	11,339	3,428
5. Maize	3,262	2,046	3,696	2,602
6. Ragi	2,206	1,544	2,307	1,846
7. Barley	3,181	2,251	3,418	2,815
8. Small millets	5,416	2,278	5,333	2,070
Total Cereals	**79,117**	**46,757**	**87,345**	**55,803**
Pulses				
9. Gram	8,295	3,726	9,780	5,418
10. Other pulses	11,872	4,433	13,437	5,627
Total Pulses	**20,167**	**8,159**	**23,217**	**11,045**
Total Foodgrains (Cereals and Pulses)	**99,284**	**54,916**	**110,562**	**66,848**
NON-FOODGRAINS				
11. Sugarcane(*b*)	1,707	5,705	1,847	6,075
12. Oilseeds	10,727	5,158	12,086	5,734
(i) Groundnut (Nuts in shell)	4,494	3,481	5,134	3,862
(ii) Rape and mustard	2,071	762	2,556	860
(iii) Sesamum	2,204	445	2,293	467
(iv) Linseed	1,403	367	1,529	420
(v) Castorseed	555	103	574	125
13. Cotton (Lint)(*c*)	5,883	2,874	8,086	3,949
14. Jute(*c*)	571	3,309	704	4,231
15. Mesta(*c*)	..	..	231	1,168
16. Tea(*d*)	317	279	321	308
17. Coffee(*d*)	93	19	103	35
18. Rubber	69	16	84	23
19. Tobacco	357	261	410	303

Note: (1) Figures relate to the agricultural year ending June. Items 16 and 18 refer to the Calendar year i.e. figures for 1950-51 relate to 1950 and so on. However, area figures for Item 16 refer to the year ending March. (2) Figures for 1960-61 and 1961-62 are partially revised estimates while those for 1962-63 are final estimates. The available partially revised estimates for 1962-63 are shown in brackets. These figures are subject to revisions.

OF AGRICULTURAL COMMODITIES

(000's omitted)

1960-61		1961-62		1962-63	
Area (Hectares)	Production (Metric tons)	Area (Hectares)	Production (Metric tons)	Area (Hectares)	Production (Metric tons)
33,567	34,198	34,256	34,807	34,787(34,934)	32,018(31,914)
12,969	10,992	13,520	12,039	13,458	11,132
17,273	9,363	17,798	7,741	17,748(18,021)	9,339(9,621)
11,424	3,228	11,057	3,554	10,712(10,800)	3,862(3,892)
4,360	4,015	4,493	4,269	4,579(4,607)	4,520(4,578)
2,322	1,681	2,367	1,873	2,331(2,316)	1,914(1,891)
3,223	2,866	3,315	3,152	3,034	2,474
4,897	1,975	4,768	1,970	4,683	1,841
90,035	**68,318**	**91,576**	**69,406**	**91,334**	**67,101**
9,407	6,324	9,544	5,827	9,194	5,727
13,798	6,328	14,141	5,804	14,051	5,924
23,205	**12,652**	**23,685**	**11,631**	**23,245**	**11,651**
113,240	**80,970**	**115,261**	**81,037**	**114,579**	**78,751**
2,343	10,615	2,423	10,144	2,291	9,371
13,511	6,623	14,214	6,958	14,518	6,875
6,257	4,461	6,422	4,685	6,640(6,864)	4,593(4,821)
2,871	1,356	3,140	1,337	3,128	1,300
2,169	321	2,245	379	2,424	453
1,794	395	1,964	456	1,883	427
420	90	443	101	444(438)	103(101)
7,637	5,324	7,719	4,457	7,973	5,247
612	4,014	923	6,398	848(851)	5,410(5,449)
279	1,140	388	1,706	348(379)	1,534(1,697)
331	321	333	354	..	344
120	68	..	46	..	56
130	25	141	27	..	..
400	312	421	349	430	367

(*a*) Data regarding foodgrains relate to 1949-50. (*b*) Yield in terms of gur. (*c*) Production in thousand bales of 180 Kilograms each. (*d*) Revised.

Sources : Ministry of Food and Agriculture and the Rubber, Tea and Coffee Boards.

STATEMENT 5—A.

Industry	Unit	1955	1960	1961	1962	1963†	Target for the Third Five Year Plan (1965-66)
1. Coal	000 Metric tons	3,88,21	5,26,08	5,61,00	6,15,52	6,69,18	9,86,00
2. Iron ore	,,	43,28	1,06,80	1,22,76	1,31,86	1,47,70	3,05,00
3. Sugar(*a*)	,,	16,20	24,73	29,83	22,81	21,60	35,56
4. Tea(*b*)	00,000 Kgs.	30,32	31,63	35,31	34,32	34,29	40,92
5. Salt	00,000 Quintals	3,03	3,44	3,48	3,86	4,54	5,50
6. Vegetable oil products (Vanaspati)	000 Quintals	26,50	33,77	33,91	36,95	38,35	50,90
7. Cigarettes	00,00,000's	22,83	36,97	39,47	40,95	40,74	..
8. Cotton textiles							
(i) Yarn	00,000 Kgs.	73,95	78,79	86,23	85,96	89,26	1,02,05
(ii) Cloth	00,000 Metres	4,65,84	4,61,62	4,69,44	4,56,03	4,42,29	5,30,35
9. Jute textiles(*c*)							
(i) Hessian(*d*)	000 Metric tons	4,08	4,30	3,56	4,80	5,29	13,00
(ii) Sacking	,,	5,84	5,50	4,84	5,49	5,07	..
10. Footwear (Leather)(*e*)	00,000 Pairs	55	92	1,06	1,18	1,35	14,00
11. Paper and paper boards	000 Metric tons	1,88	3,45	3,64	3,88	4,63	7,11
12. Footwear (Rubber)	00,000 Pairs	3,49	4,46	4,51	4,98	4,66	..
13. Tyres (Automobiles)	000's	8,82	13,62	15,62	17,10	19,26	45,00
14. Sulphuric acid	000 Metric tons	1,69	3,54	4,22	4,68	5,68	15,24
15. Caustic soda	,,	35	98	1,20	1,26	1,52	3,46
16. Bleaching powder(*f*)	Metric tons	2,743	5,928	7,128	6,823	6,969	..
17. Ammonium sulphate	000 Metric tons	3,99	3,84	3,95	4,18	4,43	8,13 (*p*)
18. Paints and varnishes(*g*)	,,	40	52	59	64	70	1,42
19. Matches(*h*)(*i*)	000,000 boxes(*n*)	44,33	48,30	56,24	40,96	41,29	42 (*q*)
20. Soap(*j*)	000 Metric tons	1,01	1,43	1,49	1,50	1,59	2,25
21. Rayon(*k*)	,,	14	45	52	62	69	64 (*r*)
22. Glass and glassware(*l*)	000 Sq. metres	36,12	75,42	67,80	87,48	98,37	..
23. Cement	000 Metric tons	45,59	78,44	82,45	85,87	93,55	1,32,00
24. Ceramics (Refractories)	,,	2,79	5,51	6,26	6,50	6,57	..
25. Iron and steel							
(i) Pig iron & ferro-alloys	,,	19,25	42,64	51,01	58,45	67,41	..
(ii) Finished steel	,,	12,80	22,22	28,45	37,99	42,76	69,00
26. Non-ferrous metals(*m*)							
(i) Aluminium	Metric tons	9,825	16,418	16,930	16,071	22,581	81,300
(ii) Copper	,,	1,585	3,252	4,368	3,527	3,358	20,300 (*s*)
(iii) Brass	,,	13,253	26,988	24,612	23,729	22,802	..
27. Gold	Kilograms	6,577	4,992	4,872	5,079	4,301	..
28. Hurricane lanterns(*i*)	000's	54,88	51,96	55,39	62,13	50,71	..
29. Enamel-ware	000 Pieces	1,57,16	1,41,49	2,34,82	2,88,28	3,33,20	..
30. Diesel engines	Nos.	14,100	52,752	54,300	50,283	64,526	66,000
31. Sewing machines(*i*)	000's	1,01	2,97	3,07	3,44	3,38	7,00
32. Dry cells	00,000's	16,10	20,81	21,41	23,94	27,61	35,00
33. Storage batteries	000's	2,35	5,08	5,21	5,64	6,89	8,00
34. Electric lamps	,,	2,42,34	4,13,95	4,68,90	5,85,42	7,03,27	6,80,00
35. Electric fans	,,	2,82	10,13	10,74	11,42	11,44	25,00
36. Domestic refrigerators	Nos.	528	11,388	9,720	13,020	21,197	50,000
37. Automobiles	,,	23,088	52,116	54,312	57,813	52,197	1,00,000
38. Bicycles(*i*)	000's	4,91	10,50	10,49	11,16	11,81	20,00

(*a*) Figures are in respect of cane sugar only. Annual figures relate to crop year (November to October). (*b*) Monthly figures are exclusive of production in Punjab (Kangra) and Himachal Pradesh. (*c*) Relating to the production by mills in the membership of Indian Jute Mills' Association and to one non-member mill. (*d*) Includes canvas. (*e*) Data from April 1963 onwards relate to units having fixed assets of Rs. 5 lakhs and more. (*f*) Production figures from June 1962 relate to stable variety only. (*g*) Data in respect of certain units are not included from January to May 1963. (*h*) Includes figures for Jammu and Kashmir. (*i*) Data from January 1963 onwards relate to units having fixed assets of Rs. 5 lakhs and more. (*j*) Figures relate to production of organised factories. (*k*) Total of viscose yarn, staple fibre, acetate yarn and cellophane. (*l*) Production figures relate to sheet glass only. (*m*) Production figures relate to sheets and circles only. (*n*) Boxes are of 60 sticks each upto February 1961 and 50 sticks each thereafter. (*p*) In terms of fixed nitrogen. (*q*) Million gross boxes. (*r*) Relates to filament. (*s*) Relates to fire refined and electrolytic. (†) Provisional.

INDUSTRIAL PRODUCTION

1962	1963											
Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
58,31	58,44	56,43	58,06	56,96	57,18	52,59	54,86	54,53	54,08	54,28	55,04	56,73
12,19	12,74	12,01	13,04	12,16	12,53	11,43	12,54	12,27	12,02	12,17	12,57	12,22
4,52	5,71	4,78	3,06	99	6	1	5	10	18	45	2,57	5,23
1,07	60	38	62	1,62	2,75	3,32	4,78	5,41	4,99	5,47	3,11	1,25
13	15	25	46	63	91	1,10	35	16	13	13	16	12
3,11	3,40	3,25	3,39	3,31	3,22	3,10	3,40	2,70	2,78	2,80	3,05	3,97
3,67	3,65	3,33	3,44	3,19	3,34	3,35	3,20	3,36	3,18	3,28	3,60	3,81
7,39	7,37	6,74	7,21	7,22	7,46	6,90	7,69	7,49	7,69	7,51	7,79	8,18
37,69	37,47	33,71	36,86	36,59	37,55	36,19	38,46	36,31	36,68	35,78	37,46	39,23
46	45	41	44	44	44	42	46	46	44	42	45	47
46	45	40	43	43	42	40	43	43	42	41	43	44
11	10	10	13	12	12	11	11	13	12	10	9	11
37	36	34	38	36	37	36	39	41	42	42	41	42
46	42	38	48	40	39	35	39	38	35	37	34	41
1,57	1,66	1,57	1,59	1,56	1,48	1,52	1,79	1,66	1,58	1,49	1,67	1,68
46	44	37	43	43	47	49	47	48	50	52	54	53
12	12	11	11	11	12	12	14	13	12	15	14	15
576	704	561	543	573	685	472	544	688	596	449	566	588
39	40	34	39	37	35	37	40	37	31	35	38	39
5	5	4	5	6	6	5	6	7	7	7	6	7
3,51	3,43	3,24	3,47	3,56	3,70	3,28	3,72	3,49	3,39	3,23	3,29	3,48
12	13	11	13	15	13	13	14	12	12	14	13	14
6	6	5	6	6	6	6	6	6	5	6	6	6
9,54	10,71	6,67	7,23	5,61	6,13	3,17	7,21	10,25	10,44	10,74	10,18	10,03
8,69	8,14	7,46	8,32	8,10	8,08	7,22	7,34	7,33	7,06	7,92	7,82	8,77
62	60	56	59	58	55	55	58	53	50	47	53	54
5,80	5,79	5,38	5,90	5,81	5,86	5,71	5,97	5,80	5,53	5,07	5,08	5,51
3,57	3,52	3,35	3,96	3,35	3,35	3,42	3,71	3,57	3,37	3,68	3,65	3,82
1,898	1,947	1,858	1,934	1,864	2,016	1,965	1,871	2,013	2,001	2,038	1,652	1,422
293	231	196	170	183	170	316	350	307	400	450	269	316
2,337	1,934	1,816	1,950	1,956	2,011	1,785	1,862	1,792	1,927	1,937	1,837	1,995
396	359	353	375	406	365	382	357	354	343	344	317	346
4,47	3,12	3,58	3,87	4,90	5,10	4,89	5,30	4,69	3,66	2,95	4,28	4,36
27,89	26,72	27,30	26,88	26,09	27,74	27,41	27,73	28,67	27,93	25,94	28,51	32,29
5,261	4,891	4,492	5,701	5,476	5,614	5,228	6,073	5,608	4,905	5,026	51,80	63,32
29	23	24	33	31	35	34	35	34	31	21	21	16
2,36	2,27	2,18	2,10	2,29	2,41	2,44	2,48	2,43	2,75	2,19	2,12	1,95
56	56	56	54	56	58	59	61	58	[illegible]	53	59	64
55,74	56,47	52,31	57,74	61,02	66,55	58,12	63,89	57,87	55,95	55,10	57,52	60,75
1,08	98	1,00	1,18	1,12	1,14	98	1,04	93	85	61	75	86
1,302	1,342	1,661	2,297	2,426	2,036	1,871	1,622	1,643	1,443	1,025	1,412	2,419
4,792	4,394	3,925	4,611	3,617	4,234	4,170	4,007	3,521	3,325	4,721	5,407	6,265
84	90	92	92	97	1,05	96	98	97	1,00	96	1,05	1,13

Source: Monthly Statistics of the Production of Selected Industries of India and Planning Commission, Government of India.

STATEMENT 5—B. INDEX

(Revised Series:

Industry	Weight	1955	1960	1961	1962	1963(*a*) (*b*)
I. Mining and Quarrying	**7.47**	**97.1**	**137.2**	**147.3**	**161.3**	**175.9**
1. Coal	**7.09**	96.9	131.3	140.0	153.6	167.0
II. Manufacturing	**88.85**	**91.7**	**127.9**	**136.1**	**145.8**	**159.7**
2. Sugar	**4.52**	82.7	130.4	143.4	140.4	116.7
3. Tea processing	**7.42**	99.2	104.5	116.7	113.2	113.3
4. Salt	**0.64**	91.2	103.6	104.9	116.3	136.8
5. Cigarettes	**1.49**	86.8	140.6	150.0	155.7	154.9
6. Cotton textiles	**32.10**	95.2	102.9	109.0	110.0	113.6
(*a*) Spinning	**8.91**	95.8	111.3	119.6	122.0	125.5
(*b*) Weaving	**23.19**	95.0	99.7	105.0	105.4	109.1
(*i*) Mill sector	**16.94**	94.4	92.0	90.1	89.3	89.4
(*ii*) Decentralised sector (Powerloom and handloom)	**6.25**	96.1	120.3	145.2	147.3	162.4
7. Woollen textiles	**1.10**	82.1	101.3	107.3	138.5	165.6
8. Textiles from silk and synthetic fibres	**2.94**	81.6	146.8	165.4	156.0	232.8
9. Jute manufactures	**5.62**	93.5	99.3	89.6	110.4	117.2
10. Paper and paper products	**1.39**	95.9	173.4	181.9	190.6	226.8
11. Rubber products	**3.04**	92.0	141.3	157.4	169.4	186.9
12. Chemical and chemical products	**3.58**	96.3	149.1	173.6	183.9	225.5
(*a*) Basic industrial chemicals	**0.97**	91.4	193.2	245.9	278.1	406.0
(*i*) Heavy inorganic chemicals	**0.61**	89.2	207.7	279.1	318.8	512.0
(*b*) Fertilisers	**0.60**	98.7	147.1	167.7	185.2	214.9
(*c*) Paints, varnishes and lacquers	**0.54**	99.5	131.0	142.2	160.4	171.3
(*d*) Soap	**0.72**	89.8	127.5	133.0	134.2	142.1
(*e*) Matches†	**0.58**	100.0	108.8	126.8	92.4	93.1
13. Petroleum products	**3.79**	77.7	147.7	156.5	169.2	196.6
14. Cement	**1.24**	91.0	156.7	164.7	171.5	186.8
15. Basic metal	**9.25**	96.6	183.1	182.6	227.1	259.3
(*a*) Iron and steel basic industries	**7.48**	96.2	192.1	189.1	236.1	269.5
(*i*) Pig iron and direct castings	**0.90**	97.6	212.9	254.4	295.6	336.8
(*ii*) Finished Steel	**2.53**	94.2	163.5	209.3	279.4	314.5
(*b*) Aluminium manufacturing	**0.61**	101.1	177.7	206.3	277.0	384.7
16. Electrical cables and wires	**0.72**	75.7	182.3	181.2	207.0	238.4
17. Railway wagons	**1.04**	95.4	46.6	65.7	86.9	118.3
18. Automobiles	**1.28**	71.8	162.2	169.0	179.9	162.4
III. Electricity, Gas and Steam						
19. Electricity	**3.68**	88.1	171.0	198.8	223.4	257.9
General Index	**100.00**	**92.0**	**130.2**	**139.3**	**149.8**	**164.6**

Note: Figures in brackets are those adjusted for seasonal variations.

(*a*) Provisional. (*b*) Figures are averages of the monthly indices as worked out by the Reserve Bank.

† Units having fixed assets of less than Rs. 5 lakhs are excluded from January 1963 onwards.

NUMBERS OF INDUSTRIAL PRODUCTION

1956=100)

1962	1963											
Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.(*a*)	Oct.(*a*)	Nov.(*a*)	Dec.(*a*)
183.0	**184.1**	**177.4**	**183.5**	**179.1**	**180.2**	**165.6**	**173.7**	**172.3**	**170.7**	**171.5**	**174.2**	**178.5**
174.6	175.0	169.0	173.9	170.6	171.2	157.5	164.3	163.3	162.0	162.6	164.8	169.9
157.0	**159.9**	**152.8**	**156.5**	**151.1**	**155.8**	**151.5**	**164.7**	**162.1**	**159.6**	**162.5**	**163.5**	**176.5**
273.3	345.0	288.8	184.8	59.6	3.5	0.3	2.8	5.8	10.6	26.9	155.6	316.3
42.3	23.6	14.9	24.6	64.1	109.2	131.8	189.6	214.6	197.8	216.7	123.2	49.6
46.6	55.6	90.2	164.7	227.8	330.3	398.2	126.4	57.8	45.6	46.3	56.3	41.9
167.4	166.5	152.1	157.0	145.7	152.6	152.8	146.0	153.2	145.2	149.6	164.0	173.8
111.2	113.0	111.1	107.0	110.4	113.9	106.1	115.8	110.5	115.5	113.4	118.1	128.4
125.2	125.1	114.9	122.9	122.0	127.2	115.5	129.2	125.9	129.6	126.0	130.3	137.1
105.8	108.4	109.7	100.9	106.0	108.9	102.5	110.7	104.6	110.1	108.6	113.4	125.1
91.2	90.6	82.3	89.6	88.1	90.4	87.7	93.0	87.4	88.7	87.0	92.1	96.1
145.6	156.6	183.8	131.6	154.4	158.8	142.6	158.8	151.5	168.4	166.9	171.2	203.6
155.3	146.8	145.8	161.6	162.5	178.7	174.3	180.2	174.0	168.5	172.2	165.6	157.3
149.4	226.8	270.5	215.2	264.2	228.3	211.4	265.6	245.0	233.2	253.4	186.1	194.3
116.7	116.0	106.8	119.0	120.2	119.9	115.0	124.9	121.6	114.5	108.8	117.8	122.1
218.7	219.8	193.9	229.8	208.3	216.3	209.3	230.0	236.9	243.0	245.7	239.4	249.5
185.6	187.9	179.0	189.5	181.6	176.4	175.0	204.6	197.1	185.1	174.6	192.5	199.4
203.8	200.2	178.7	214.2	220.1	230.7	219.0	233.6	233.2	239.2	230.8	248.3	257.6
325.7	321.5	290.9	381.0	373.9	408.2	398.1	418.7	426.2	469.1	423.5	467.3	493.8
368.2	361.0	318.1	464.7	457.5	532.4	503.6	527.1	557.4	638.7	552.8	605.8	625.3
219.0	219.0	192.0	195.9	190.9	215.8	221.1	227.5	220.8	204.8	216.2	241.4	233.5
164.0	142.0	138.1	157.8	172.8	182.5	153.5	185.0	187.4	185.1	177.2	186.8	187.4
133.1	141.2	122.6	142.7	165.5	143.8	138.2	144.6	133.6	131.4	148.0	142.3	150.9
94.9	92.8	87.7	93.9	96.4	100.3	88.8	100.6	94.4	91.8	87.5	89.2	94.2
203.1	164.8	173.3	208.3	188.6	197.3	200.7	207.3	200.3	191.7	211.3	196.9	219.1
208.2	194.9	178.7	199.4	194.0	193.6	172.9	175.9	175.6	169.2	189.9	187.3	210.3
265.9	261.1	243.2	278.0	253.5	259.7	255.3	264.9	264.4	249.7	255.5	256.7	269.0
274.7	272.7	252.8	292.5	262.7	267.7	263.6	278.1	272.7	258.2	265.9	266.7	280.8
349.1	349.0	323.3	354.8	347.9	351.5	342.9	359.2	347.5	330.9	302.3	303.3	328.4
315.2	310.9	296.0	349.2	295.9	295.8	302.0	327.8	315.1	297.7	324.4	322.5	336.9
394.9	399.2	364.0	395.0	375.3	403.1	393.4	363.6	407.3	370.0	382.0	382.7	380.6
254.5	240.8	252.4	234.0	214.8	233.0	232.3	213.0	242.0	233.6	232.7	242.9	289.6
116.1	127.8	114.2	124.3	114.5	107.0	113.3	129.6	106.1	118.4	118.4	108.3	138.2
178.9	164.1	146.6	172.2	135.1	158.1	155.7	149.6	131.5	124.2	176.3	201.9	233.9
238.7	233.3	240.9	246.7	255.6	255.8	248.7	264.3	263.9	264.6	267.0	268.0	286.4
161.9	**164.4**	**157.9**	**161.9**	**157.0**	**161.3**	**156.2**	**169.1**	**166.6**	**164.3**	**167.0**	**168.2**	**180.7**
(155.6)	**(162.2)**	**(162.0)**	**(160.1)**	**(159.1)**	**(163.1)**	**(160.4)**	**(165.5)**	**(164.3)**	**(163.4)**	**(168.6)**	**(171.8)**	**(173.7)**

Source: Monthly Statistics of the Production of Selected Industries of India,

STATEMENT 6—STOCKS OF PRINCIPAL

At or about the end of	RAW MATERIALS						MANUFAC			
	Cotton (*a*) (*b*)		Jute (*c*)	Coal		Iron ore	Sugar (*d*)	Salt	Vegetable oil products (Vanaspati)	Cigarettes
	Indian	Foreign		Pit head	Industries					
	000 Bales	000 Bales	000 Bales	000 Metric tons	000 Metric tons	000 Metric tons	000 Metric tons	Lakh quintals	Metric tons	Lakhs
	1	2	3	4	5	6	7	8	9	10
1950-51 ..	..	..	566	2,663	2,355	..	..	..	..	..
1955-56 ..	1,443	179	1,357	3,872	1,702	1,332	439	99	7,590	3,750
1960-61 ..	961	404	930	5,567	2,192	2,603	605	134	9,459	5,940
1961-62 ..	1,413	397	1,969	3,767	2,219	4,331	1,203	94	13,113	4,880
1962-63 ..	1,217	242	2,528	4,086	3,611	2,124	1,020	132	9,594	4,700
December 1962	589	252	2,245	3,483	2,899	2,516	1,169	127	8,767	5,270
January 1963	767	215	2,406	3,761	2,934	2,530	1,476	132	9,092	4,620
February ,, ..	1,031	196	2,490	4,099	3,409	2,468	1,607	124	4,320	2,870
March ,, ..	1,460	192	2,528	4,086	3,611	2,124	1,658	132	9,594	4,700
April ,, ..	1,710	185	2,433	4,267	3,648	2,172	1,494	156	9,011	7,710
May ,, ..	1,845	190	2,232	4,529	3,646	2,266	1,199	204	8,002	7,650
June ,, ..	1,840	184	1,955	4,538	3,748	2,239	956	281	8,467	6,600
July ,, ..	1,696	200	1,572	4,430	3,621	2,218	731	287	12,027	5,400
August ,, ..	1,579	212	1,283	4,347	3,893	2,134	502	274	9,597	5,590
September ,, ..	1,356	225	1,261	4,393	4,307	2,165	307	260	9,596	6,820
October ,, ..	1,169	207	1,572	4,314	4,350	2,086	157	240	7,054	5,650
November ,, ..	1,040	185	2,009	4,467	4,365	2,088	260	213	8,812	4,410
December ,, ..	1,211	176	2,121	4,720	4,365	..	..	..	10,851	..

At or about the end of	MANUFAC									
	Matches (*h*) (*i*)	Soap	Rayon (*k*)	Glass and glassware (Sheet glass only)	Cement (Producers)	Ceramics (Refractories)	Pig iron (Producers)	Finished steel (Producers)	Aluminium (Sheets and circles only)	Copper (Sheets and circles only)
	000,000 Boxes (*j*)	Metric tons	Metric tons	000 Sq. metres	000 Metric tons	000 Metric tons	000 Metric tons	000 Metric tons	Metric tons	Metric tons
	24	25	26	27	28	29	30	31	32	33
1950-51 ..	..	..	..	..	68	..	48	125	..	..
1955-56 ..	33	3,373	655	598	98	57	51	109	..	183
1960-61 ..	37	5,600	2,442	807	129	102	62	134	1,200	300
1961-62 ..	18	4,650	2,627	297	167	95	29	183	827	695
1962-63 ..	15	4,800	6,145	717	154	60	..	205	1,410	323
December 1962	14	5,509	4,292	840	148	97	..	..	1,002	415
January 1963	15	5,400	4,770	997	166	109	..	..	1,280	358
February ,, ..	9	3,744	4,464	699	158	108	..	215	1,167	286
March ,, ..	15	4,800	6,145	717	154	60	..	205	1,410	323
April ,, ..	25	5,090	6,806	707	147	60	..	201	1,394	312
May ,, ..	33	5,100	6,945	571	156	65	..	170	1,199	300
June ,, ..	29	5,000	6,990	520	156	64	..	170	1,303	444
July ,, ..	29	5,160	5,097	544	142	58	83	163	1,088	500
August ,, ..	29	4,970	7,658	506	153	105	81	156	1,386	517
September ,, ..	32	4,860	8,729	751	144	112	77	154	1,500	620
October ,, ..	13	4,790	9,170	720	146	110	72	155	1,600	650
November ,, ..	13	4,900	9,488	989	142	112	..	..	1,700	720
December ,, ..	25	..	..	..	122	99	..	..	..	..

(*a*) Mills stocks; 1 Bale = 177·8 Kilograms. (*b*) Annual figures relate to August falling within the Financial Year. (*c*) Relating to mills in the membership of Indian Jute Mills' Association. 1 Bale = 181·4 Kilograms. (*d*) Annual figures relate to October falling within the financial year. (*e*) Relating to mills in the membership of Indian Jute Mills' Association and one non-member mill. (*f*) Data from April 1963 relate to units having fixed assets of Rs. 5 lakhs and more (*g*) Data in respect of certain units are not included from January to May 1963. (*h*) Includes figures for Jammu and Kashmir. (*i*) Data from January 1963 onwards relate to units having fixed assets of Rs. 5 lakhs and more. (*j*) Boxes are of 60 sticks each upto February 1961 and 50 sticks each thereafter. (*k*) Includes cellophane from December 1960.

COMMODITIES WITH INDUSTRY

TURES

Cotton (*a*)		Jute (*e*)		Foot-wear (Leather) (*f*)	Paper and paper boards	Foot-wear (Rubber)	Tyres (Automobiles)	Sulphuric acid	Caustic soda	Bleaching powder	Ammonium sulphate	Paints and varnishes (*g*)
Yarn	Cloth	Hessian cloth bags	Sacking cloth bags									
Lakh Kgs.	Million metres	000 Metric tons	000 Metric tons	000 Pairs	Metric tons	Lakh pairs	000's	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
11	12	13	14	15	16	17	18	19	20	21	22	23
186	305	..	..	..	..	..	..	..	..	..	..	..
59	199	30	56	1,511	12,215	52	23	6,846	1,148	181	32,789	2,665
89	207	25	47	1,961	18,833	55	30	11,500	10,905	233	54,275	4,539
78	262	16	29	2,056	18,117	57	55	16,937	3,642	160	26,717	5,450
87	290	30	45	2,439	25,439	57	59	28,960	2,750	196	43,248	4,195
101	432	23	47	2,811	15,807	64	30	24,152	3,079	102	48,905	4,050
100	387	25	50	2,870	19,503	63	57	26,247	2,734	156	56,521	3,087
74	257	24	44	2,840	16,171	56	53	26,693	2,429	149	53,145	3,416
87	290	30	45	2,439	25,439	57	59	28,960	2,750	196	43,248	4,195
91	246	29	45	2,574	24,525	60	59	29,293	2,692	278	46,714	5,745
94	228	32	46	2,402	26,003	57	63	23,794	2,753	239	49,126	5,563
89	229	32	47	2,688	27,765	57	65	22,831	2,528	154	52,837	2,634
86	222	33	53	3,127	19,557	56	71	19,738	3,202	204	49,218	3,500
97	237	34	50	3,373	20,335	60	75	21,008	2,534	155	34,705	4,880
107	228	33	55	3,593	20,570	61	72	21,474	2,640	166	22,951	6,421
98	229	35	52	3,271	20,129	60	66	21,525	2,776	149	14,951	6,100
100	212	40	48	3,151	21,019	63	75	20,000	2,514	124	15,093	6,200
..	..	39	47	2,590	25,829	56	38	..	2,877	119	..	4,500

TURES—(*Contd.*)

Brass (Sheets and circles only)	Hurricane lanterns (*i*)	Enamelware	Diesel engines	Sewing machines (*i*)	Dry cells	Storage batteries	Electric lamps	Electric fans	Domestic refrigerators	Automobiles	Bicycles (*i*)
Metric tons	000's	000 Pieces	Nos.	Nos.	Lakhs	000's	000's	000's	Nos.	Nos.	000's
34	35	36	37	38	39	40	41	42	43	44	45
..	..	..	..	..	..	..	..	..	..	..	..
1,470	448	953	1,612	4,448	27	23	2,217	56	556	948	28
2,000	211	539	2,128	..	35	27	1,531	58	1,033	1,918	114
1,987	341	1,125	3,656	..	42	28	1,448	56	1,730	1,690	278
2,366	194	560	2,118	3,973	58	23	1,811	63	780	2,204	69
2,533	342	700	3,070	5,638	38	25	1,570	70	1,095	2,515	71
2,482	247	672	3,291	4,366	43	31	2,040	86	1,335	2,751	74
2,152	130	500	2,894	3,772	57	18	1,655	74	811	2,313	74
2,366	194	560	2,118	3,973	58	23	1,811	63	780	2,202	69
2,242	270	484	2,362	29,190	68	23	2,066	88	489	2,612	50
2,200	290	695	2,014	29,015	66	22	2,230	76	1,317	3,004	51
2,283	169	765	2,247	34,108	56	21	2,258	79	1,715	3,091	56
2,265	258	870	3,158	41,955	45	24	2,171	116	2,164	2,823	52
2,776	285	565	3,299	41,434	57	23	2,326	110	2,927	2,550	101
3,000	330	665	3,291	39,188	70	23	2,360	130	3,508	1,736	104
3,500	371	655	3,716	34,985	71	24	2,280	151	3,252	1,997	105
4,000	355	742	3,360	44,700	39	26	2,256	146	2,633	2,383	94
..	..	..	..	..	46	..	2,031	..	..	2,570	..

Source: Ministry of Commerce and Industry, Indian Central Jute Committee, Ministry of Steel, Mines and Fuel, Ministry of Food and Agriculture, *Monthly Abstract of Statistics* and *Monthly Statistics of the Production of Selected Industries of India.*

STATEMENT 7—A. EMPLOYMENT EXCHANGE STATISTICS

Year/Month		Number of					
		Exchanges(*a*)	Registrations	Applicants placed in employment	Applicants on live registers (*a*)	Employers using the exchanges (*b*)	Vacancies notified
		1	2	3	4	5	6
1950		123	1,210,358	331,193	330,743	5,566	419,307
1955		136	1,584,024	169,735	691,958	4,880	280,523
1960		296	2,732,548	305,553	1,606,242	8,807	520,330
1961		325	3,230,314	404,077	1,832,703	10,397	708,379
1962		342	3,844,902	458,085	2,379,530	11,472	790,445
1963		353	4,151,781	536,277	2,518,463	12,723	908,980
March	1963	349	320,944	41,072	2,483,093	11,420	75,953
April	,,	350	356,511	41,044	2,562,834	12,545	80,247
May	,,	350	358,677	46,144	2,633,197	13,568	87,711
June	,,	350	395,167	42,694	2,684,691	13,099	77,328
July	,,	350	466,157	45,320	2,743,780	14,155	77,765
August	,,	350	371,371	47,202	2,737,629	13,721	81,285
September	,,	350	356,168	46,513	2,716,831	12,896	76,084
October	,,	352	311,516	58,985	2,663,335	12,527	80,153
November	,,	352	273,046	41,277	2,605,715	11,068	67,554
December	,,	353	313,786	45,383	2,518,463	12,723	75,385
January	1964	355	301,969	41,864	2,494,543	13,075	68,620
February	,,	356	250,306	40,683	2,464,229	12,343	70,404
March	,,	356	321,229	45,078	2,452,853	13,317	75,785

B. OCCUPATIONAL DISTRIBUTION OF APPLICANTS ON LIVE REGISTERS

At the end of		Number of Applicants on Live Registers										
		Total	Professional, technical and related workers	Administrative, executive and managerial workers	Clerical, sales and related workers	Agricultural, dairy and related workers	Miners, quarrymen and related workers	Workers in transport and communication occupations	Craftsmen and production process workers	Service workers (i. e. Cooks, chowkidars, sweepers, etc.)	Labourers with work experience not elsewhere classified	Persons without professional or vocational training or previous work experience
		1	2	3	4	5	6	7	8	9	10	11
March	1962	1,853,974	85,233	3,733	90,810	10,293	5,737	35,599	140,559	78,285	130,172	1,273,553
June	,,	2,062,917	121,069	4,162	99,265	11,212	5,969	36,969	147,693	82,060	111,842	1,442,676
September	,,	2,223,188	119,683	4,081	98,945	17,149	6,675	43,135	169,060	98,962	113,799	1,551,699
December	,,	2,379,530	112,613	4,259	99,452	12,871	6,361	51,986	206,215	94,093	153,246	1,638,434
June	1963 (*c*)	2,684,691	156,832	4,265	87,070	11,692	4,843	57,265	262,252	95,263	112,085	1,893,124
December	,,	2,518,463	115,006	3,599	74,000	10,150	6,478	48,985	200,110	84,735	122,245	1,853,155

(*a*) At the end of the period. (*b*) Annual figures are averages of months. (*c*) These statistics are available on a half yearly basis from 1963.

Source : *Indian Labour Journal* and Ministry of Labour and Employment.

STATEMENT 8—INDEX NUMBERS OF WHOLESALE PRICES—BY GROUPS

(Annual and Monthly)

(1952-53=100)

Average of months/ weeks	All Commodities	Food articles	Liquor and tobacco	Fuel, power, light and lubricants	Industrial raw materials	Manufactures		
						Total	Intermediate products	Finished products
Weight	**1000**	**504**	**21**	**30**	**155**	**290**	**41**	**249**
1950-51@	**111.8**	112.5	98.4	92.6	130.9	103.3	112.4	101.8
1955-56	**92.5**	86.6	81.0	95.2	99.0	99.7	100.1	99.6
1960-61	**124.9**	120.0	109.9	120.0	145.4	123.9	130.6	122.8
1961-62	**125.1**	120.1	100.3	122.1	142.6	126.6	138.8	124.6
1962-63	**127.9**	126.1	100.9	124.4	136.5	128.8	139.5	127.1
1963-64	**135.3**	136.8	119.6	139.5	139.5	131.1	139.6	129.7
March 1963	**127.2**	123.4	114.2	135.7	135.2	129.6	136.2	128.5
April ,, ...	**129.8**	127.7	117.7	138.5	136.2	129.9	137.8	128.6
May ,, ...	**132.1**	131.5	118.4	139.1	137.4	130.7	138.6	129.4
June ,, ...	**134.0**	134.8	119.2	139.9	138.7	130.5	139.0	129.1
July ,, ...	**135.5**	137.9	118.8	138.7	138.5	130.6	140.1	129.1
August ,, ...	**136.0**	138.6	119.1	139.0	138.8	130.9	139.0	129.5
September ,, ...	**136.7**	139.1	118.5	139.1	141.2	131.2	139.4	129.8
October ,, ...	**136.3**	139.2	119.6	139.1	138.1	131.1	138.8	129.8
November ,, ...	**134.6**	136.6	118.5	139.1	136.6	130.8	138.2	129.6
December ,, ...	**134.8**	136.1	121.6	139.3	138.7	130.9	138.8	129.6
January 1964	**136.3**	137.8	122.7	139.4	141.1	131.7	140.2	130.4
February ,, ...	**138.1**	140.5	122.3	140.1	143.5	131.9	141.3	130.4
March ,, ...	**139.2**	142.1	119.0	141.7	144.9	132.8	144.7	130.9

@ Derived figures

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

STATEMENT 9—INDEX NUMBERS OF WHOLESALE

(Base : 1952-

Average of months/ week ended Saturday	General Index	Food Articles				Liquor and Tobacco		Fuel, Power, Light and Lubricants
		Total	Cereals	Pulses	Milk and ghee	Total	Tobacco	
Weight	**1000**	**504**	**192**	**43**	**84**	**21**	**20**	**30**
	1	2	3	4	5	6	7	8
1 1950-51(*b*)	**111.8**	**112.5**	94.7	91.7	102.8	**98.4**	99.2	**92.6**
2 1955-56	**92.5**	**86.6**	75.5	62.2	89.6	**81.0**	79.6	**95.2**
3 1960-61	**124.9**	**120.0**	104.4	92.9	116.0	**109.9**	108.3	**120.0**
4 1961-62	**125.1**	**120.1**	102.3	91.9	116.4	**100.3**	96.8	**122.1**
5 1962-63	**127.9**	**126.1**	105.6	105.2	124.4	**100.9**	97.4	**124.4**
6 1963-64	**135.3**	**136.8**	116.3	115.4	128.2	**119.6**	116.8	**139.5**
7 April 6, 1963 ...	**128.2**	**125.0**	104.3	99.8	125.2	**117.6**	114.6	**139.0**
8 ,, 13, ,, ...	**129.4**	**127.1**	105.7	101.6	125.3	**117.6**	114.6	**138.9**
9 ,, 20, ,, ...	**130.3**	**128.4**	107.9	104.0	126.3	**117.6**	114.6	**138.1**
10 ,, 27, ,, ...	**131.2**	**130.3**	109.0	105.1	129.7	**118.0**	115.0	**138.1**
11 May 4, ,, ...	**131.5**	**130.8**	109.6	105.1	126.9	**118.0**	115.0	**139.0**
12 ,, 11, ,, ...	**132.0**	**131.4**	110.0	105.3	127.4	**118.0**	115.0	**139.0**
13 ,, 18, ,, ...	**132.0**	**131.1**	109.9	106.6	125.5	**118.7**	115.8	**137.0**
14 ,, 25, ,, ...	**132.8**	**132.7**	110.1	107.7	128.9	**118.7**	115.8	**137.0**
15 June 1, ,, ...	**132.9**	**133.0**	110.4	107.0	128.8	**118.7**	115.8	**137.1**
16 ,, 8, ,, ...	**133.3**	**133.6**	110.8	107.8	128.6	**118.7**	115.8	**137.1**
17 ,, 15, ,, ...	**133.1**	**134.4**	112.1	109.0	127.7	**119.3**	116.3	**137.1**
18 ,, 22, ,, ...	**134.7**	**136.3**	113.2	109.6	134.8	**119.3**	116.3	**137.1**
19 ,, 29, ,, ...	**135.0**	**136.9**	114.0	109.2	134.5	**120.1**	117.2	**137.1**
20 July 6, ,, ...	**135.5**	**137.8**	114.8	109.0	133.8	**117.9**	114.9	**137.1**
21 ,, 13, ,, ...	**135.6**	**138.1**	114.9	110.6	133.8	**119.3**	116.3	**137.1**
22 ,, 20, ,, ...	**135.3**	**137.7**	115.3	110.1	129.4	**119.0**	116.1	**137.1**
23 ,, 27, ,, ...	**135.4**	**138.1**	115.0	109.0	131.4	**119.0**	116.1	**137.2**
24 August 3, ,, ...	**136.0**	**139.1**	115.0	109.2	135.0	**119.6**	116.7	**137.0**
25 ,, 10, ,, ...	**135.3**	**138.0**	115.1	107.9	131.1	**119.6**	116.7	**137.0**
26 ,, 17, ,, ...	**135.3**	**137.4**	115.2	107.4	127.7	**119.6**	116.7	**137.0**
27 ,, 24, ,, ...	**136.3**	**139.2**	115.2	107.1	128.6	**118.3**	115.4	**137.0**
28 ,, 31, ,, ...	**136.8**	**139.3**	116.1	108.4	128.4	**118.2**	115.2	**139.8**
29 September 7, ,, ...	**137.2**	**139.8**	116.5	109.6	127.5	**118.3**	115.3	**139.8**
30 ,, 14, ,, ...	**136.8**	**138.9**	117.3	110.8	125.8	**118.3**	115.3	**139.8**
31 ,, 21, ,, ...	**136.5**	**139.0**	117.6	111.2	126.2	**118.7**	115.8	**139.9**
32 ,, 28, ,, ...	**136.3**	**138.7**	117.9	112.2	125.7	**118.7**	115.8	**139.8**
33 October 5, ,, ...	**136.8**	**139.7**	118.3	112.4	129.4	**118.7**	115.8	**139.8**
34 ,, 12, ,, ...	**136.3**	**139.0**	118.8	113.0	129.5	**119.9**	117.1	**139.8**
35 ,, 19, ,, ...	**136.1**	**139.4**	119.3	113.8	131.9	**119.9**	117.1	**139.8**
36 ,, 26, ,, ...	**135.9**	**138.8**	118.2	114.9	125.4	**119.9**	117.1	**139.9**
37 November 2, ,, ...	**136.1**	**139.4**	118.1	115.6	127.1	**118.4**	115.5	**139.9**
38 ,, 9, ,, ...	**135.4**	**138.0**	118.6	114.4	126.2	**118.4**	115.5	**139.9**
39 ,, 16, ,, ...	**134.4**	**136.1**	119.2	116.2	123.2	**118.6**	115.6	**139.9**
40 ,, 23, ,, ...	**133.6**	**134.8**	119.2	116.6	121.3	**118.6**	115.6	**139.9**
41 ,, 30, ,, ...	**133.5**	**134.5**	117.4	118.2	122.9	**118.6**	115.6	**139.1**
42 December 7, ,, ...	**133.8**	**134.6**	117.6	118.6	122.8	**120.4**	117.6	**139.2**
43 ,, 14, ,, ...	**134.4**	**135.5**	117.2	121.1	122.5	**121.0**	118.2	**139.2**
44 ,, 21, ,, ...	**135.0**	**136.7**	117.1	122.0	123.9	**122.4**	119.7	**139.3**
45 ,, 28, ,, ...	**135.7**	**137.5**	117.8	124.9	124.9	**122.4**	119.7	**139.3**
46 January 4, 1964 ...	**135.8**	**137.1**	118.0	125.2	124.6	**122.7**	120.1	**139.3**
47 ,, 11, ,, ...	**136.2**	**137.6**	118.8	124.0	127.8	**122.7**	120.1	**139.3**
48 ,, 18, ,, ...	**136.3**	**137.8**	118.0	123.6	126.8	**122.7**	120.1	**139.4**
49 ,, 25, ,, ...	**136.8**	**138.6**	118.7	123.3	127.0	**122.7**	120.1	**139.4**
50 February 1, ,, ...	**136.6**	**138.1**	119.3	124.0	125.5	**122.7**	120.1	**139.4**
51 ,, 8, ,, ...	**137.7**	**140.0**	121.4	125.5	128.5	**122.6**	119.9	**139.4**
52 ,, 15, ,, ...	**138.3**	**141.0**	122.7	129.2	128.5	**122.6**	119.9	**139.4**
53 ,, 22, ,, ...	**138.7**	**141.6**	123.4	133.1	129.4	**122.1**	119.4	**139.6**
54 ,, 29, ,, ...	**138.9**	**141.8**	123.5	133.5	130.2	**121.7**	118.9	**140.2**
55 March 7, ,, ...	**139.1**	**141.8**	124.2	134.3	129.4	**117.9**	114.9	**141.7**
56 ,, 14, ,, ...	**139.6**	**142.9**	123.6	134.5	137.8	**119.4**	116.5	**141.7**
57 ,, 21, ,, ...	**139.3**	**142.1**	123.6	133.5	133.3	**119.4**	116.5	**141.7**
58 ,, 28, ,, ...	**139.3**	**141.5**	122.8	133.1	131.6	**119.4**	116.5	**141.7**

Note : Weights of sub-groups may not add to the total as only selected sub-groups are shown.
(*a*) Comprising hides raw, skins raw, lac and rubber etc. (*b*) Derived figures.

PRICES (GROUPS & SUB-GROUPS), 1963-64

53=100)

Industrial Raw Materials					Manufactures						
Total	Fibres	Oil-seeds	Minerals	Others (a)	Total	Inter-mediate products	Finished products				
							Total	Textiles	Chemi-cals	Machinery and transport equipment	
155	**61**	**60**	**2**	**32**	**290**	**41**	**249**	**147**	**20**	**31**	
9	10	11	12	13	14	15	16	17	18	19	
130.9	127.9	142.5	80.6	117.7	**103.3**	112.4	**101.8**	108.4	90.8	81.3	*1*
99.0	105.6	85.4	87.6	113.2	**99.7**	100.1	**99.6**	101.6	92.1	97.4	*2*
145.4	151.6	149.9	97.4	128.0	**123.9**	130.6	**122.8**	125.8	104.4	111.9	*3*
142.6	138.3	156.4	94.9	128.1	**126.6**	138.8	**124.6**	125.5	110.7	114.5	*4*
136.5	128.8	151.4	93.6	125.8	**128.8**	139.5	**127.1**	126.1	115.5	117.9	*5*
139.5	133.2	154.1	92.8	127.3	**131.1**	139.6	**129.7**	127.7	117.9	124.2	*6*
135.3	133.2	143.5	93.4	126.8	**129.6**	137.2	**128.4**	126.8	117.5	122.8	*7*
136.0	133.3	145.0	93.4	126.8	**129.8**	138.0	**128.4**	126.7	117.5	122.8	*8*
137.0	133.7	147.7	93.4	126.3	**130.1**	138.0	**128.7**	127.0	117.5	122.8	*9*
136.4	134.0	145.6	93.4	126.3	**130.1**	138.0	**128.9**	127.2	117.5	122.8	*10*
136.5	134.5	146.1	93.4	125.0	**130.4**	138.2	**129.1**	127.3	117.5	123.2	*11*
136.9	134.7	146.8	93.4	125.3	**130.6**	138.3	**129.3**	127.6	117.5	123.2	*12*
138.0	134.5	149.7	93.4	125.7	**130.9**	138.5	**129.6**	128.1	117.2	123.2	*13*
138.1	134.1	150.3	93.4	125.6	**130.8**	139.3	**129.4**	127.8	117.2	123.2	*14*
138.3	134.2	151.0	93.4	125.0	**130.5**	139.1	**129.1**	127.2	117.1	123.2	*15*
138.6	133.7	152.4	93.4	125.1	**130.7**	138.5	**129.4**	127.8	117.1	123.2	*16*
138.4	133.3	152.2	93.4	125.1	**130.6**	139.2	**129.2**	127.3	117.5	123.2	*17*
138.9	133.2	153.5	93.4	125.4	**130.4**	138.8	**129.0**	126.9	117.5	123.1	*18*
139.0	133.4	153.5	93.4	125.5	**130.3**	139.3	**128.9**	126.6	117.2	123.1	*19*
139.3	131.9	155.8	93.4	125.6	**130.5**	139.8	**129.0**	126.5	117.2	123.8	*20*
138.9	130.0	156.8	93.4	125.4	**130.4**	140.3	**128.8**	126.0	117.2	123.8	*21*
138.2	129.4	155.9	93.4	124.8	**130.6**	140.4	**129.0**	126.4	117.2	123.8	*22*
137.5	129.3	154.1	93.4	125.0	**130.7**	139.9	**129.2**	126.9	117.2	123.8	*23*
137.6	129.9	153.7	93.4	125.1	**130.8**	139.0	**129.5**	127.5	117.5	123.8	*24*
137.2	130.8	151.5	93.4	125.1	**130.6**	138.7	**129.2**	127.4	117.6	123.8	*25*
138.4	132.2	153.2	93.4	125.0	**131.0**	138.6	**129.7**	128.1	117.4	123.9	*26*
139.2	132.4	155.2	91.5	125.3	**130.9**	138.7	**129.6**	127.7	117.4	123.9	*27*
141.7	133.6	160.4	91.5	125.4	**131.0**	139.8	**129.6**	127.6	117.4	123.9	*28*
142.2	134.1	161.4	91.5	125.0	**131.2**	140.0	**129.8**	128.0	117.4	123.9	*29*
142.2	133.8	161.6	91.5	125.0	**131.2**	139.2	**129.9**	128.1	117.2	123.9	*30*
140.1	132.0	160.0	91.5	121.3	**131.2**	139.3	**129.8**	128.0	117.2	123.9	*31*
140.1	130.6	161.3	91.5	121.5	**131.1**	139.2	**129.8**	128.0	116.8	124.2	*32*
139.8	130.7	159.8	91.5	122.4	**131.2**	138.9	**129.9**	128.1	117.0	124.3	*33*
138.9	131.1	157.3	91.5	122.4	**131.1**	138.8	**129.9**	127.9	117.6	124.3	*34*
136.7	131.4	151.0	91.6	123.1	**131.0**	138.7	**129.7**	127.7	117.6	124.3	*35*
136.9	131.4	151.4	91.6	123.1	**131.0**	138.6	**129.7**	127.6	117.9	124.3	*36*
137.4	132.4	149.7	91.6	126.7	**130.7**	138.5	**129.4**	127.2	117.9	124.2	*37*
137.3	133.3	149.2	91.6	125.7	**130.8**	137.9	**129.7**	127.7	117.9	124.2	*38*
136.3	130.9	148.9	91.6	125.8	**130.9**	137.9	**129.7**	127.7	117.5	124.2	*39*
135.7	131.1	147.0	91.6	125.8	**130.8**	138.5	**129.6**	127.5	117.5	124.3	*40*
136.1	131.6	147.8	91.5	125.9	**130.7**	138.3	**129.5**	127.5	117.1	124.5	*41*
137.9	132.8	151.6	91.5	125.0	**130.8**	138.4	**129.5**	127.4	117.8	124.5	*42*
138.4	133.0	151.8	91.5	126.7	**130.9**	138.6	**129.6**	127.6	117.8	124.5	*43*
138.5	133.1	151.6	91.5	127.0	**130.7**	139.0	**129.4**	127.2	117.8	124.5	*44*
139.8	134.1	153.0	91.5	129.1	**131.1**	139.2	**129.8**	127.7	118.3	124.5	*45*
140.5	134.3	153.3	91.6	131.7	**131.5**	140.2	**130.0**	128.0	118.2	125.4	*46*
141.2	134.7	153.8	91.6	133.1	**131.6**	139.6	**130.3**	128.4	118.3	125.5	*47*
141.2	134.6	153.7	91.6	133.5	**131.8**	140.3	**130.4**	128.7	119.1	125.5	*48*
141.5	135.3	153.5	91.6	134.2	**132.0**	140.5	**130.6**	128.9	119.2	125.5	*49*
142.1	135.5	154.9	91.6	134.0	**131.8**	140.2	**130.5**	128.7	119.3	125.5	*50*
143.1	135.8	157.1	91.6	134.2	**131.9**	140.6	**130.5**	128.7	119.6	125.5	*51*
143.8	135.6	160.5	91.5	131.4	**131.8**	140.9	**130.3**	128.5	118.8	125.5	*52*
144.0	135.6	160.8	91.5	132.0	**131.8**	142.0	**130.1**	128.0	119.1	125.5	*53*
144.3	135.7	161.3	91.5	132.0	**132.1**	142.8	**130.4**	128.2	119.1	125.5	*54*
144.1	135.4	161.2	91.5	131.7	**132.9**	144.4	**131.0**	128.6	120.3	125.5	*55*
144.3	136.0	161.6	91.5	131.3	**132.7**	144.6	**130.8**	128.6	120.0	125.5	*56*
144.9	135.8	162.8	104.6	131.3	**132.7**	144.4	**130.8**	128.5	120.0	125.5	*57*
146.1	135.5	166.0	104.6	131.5	**133.0**	145.3	**131.0**	128.5	120.4	125.8	*58*

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

STATEMENT 10—MOVEMENTS IN PRICE INDICES OF SELECTED COMMODITIES

(1952-53=100)

Group/Commodity	Weight	Average for March						Percentage variation of				
		1951*	1956	1961	1962	1963	1964	(2) over (1)	(3) over (2)	(4) over (3)	(5) over (4)	(6) over (5)
		1	2	3	4	5	6	7	8	9	10	11
I. All Commodities	**1,000**	**120·2**	**98·1**	**127·5**	**123·5**	**127·2**	**139.3**	**−18·4**	**+30·0**	**− 3·1**	**+ 3·0**	**+ 9.5**
(i) *Agricultural commodities* @	**461**	*120·6*	*95·7*	*126·2*	*119·2*	*121·1*	*138.6*	*−20.6*	*+31·9*	*− 5·5*	*+ 1.6*	*+14·5*
II. Food Articles	**504**	**112·4**	**92·8**	**117·5**	**119·1**	**123·4**	**142.1**	**−17·4**	**+26·6**	**+ 1·4**	**+ 3·6**	**+15·2**
(a) *Foodgrains* †	**235**	*100*	*84*	*99*	*101*	*102*	*126*	*−16·0*	*+17·9*	*+ 2·0*	*+ 1·0*	*+23·5*
(i) Cereals	**192**	100	86	100	102	102	124	*−14·0*	*+16·3*	*+ 2·0*	—	*+21·6*
1. Rice	**113**	100	86	101	103	110	122	*−14·0*	*+17·4*	*+ 2·0*	*+ 6·8*	*+10·9*
2. Wheat	**53**	100	85	91	94	87	121	*−15·0*	*+ 7·1*	*+ 3·3*	*− 7·4*	*+39·1*
3. Jowar	**10**	93	102	110	120	106	134	*+ 9·7*	*+ 7·8*	*+ 9·1*	*−11·7*	*+26.4*
(ii) Pulses .. .	**43**	102	77	93	94	100	134	*−24·5*	*+20·8*	*+ 1·1*	*+ 6·4*	*+34·0*
1. Gram	**15**	90	66	90	82	86	123	*−26·7*	*+36·4*	*− 8·9*	*+ 4.9*	*+43·0*
(b) Others												
(i) Fruits and vegetables	**23**	103	94	108	133	133	163	*− 8·7*	*+14·9*	*+23·1*	—	*+22·6*
(ii) Milk and ghee ..	**84**	102	93	116	119	125	133	*− 8·8*	*+24·7*	*+ 2·6*	*+ 5.0*	*+ 6·4*
(iii) Edible oils	**47**	151	106	164	153	142	160	*−29·8*	*+54·7*	*− 6·7*	*− 7·2*	*+12·7*
(iv) Fish, eggs and meat ..	**17**	93	93	124	140	138	153	—	*+33·3*	*+12·9*	*− 1·4*	*+10·9*
(v) Sugar	**18**	104	95	127	124	137	145	*− 8·7*	*+33·7*	*− 2·4*	*+10.5*	*+ 5·8*
(vi) Gur	**30**	146	89	112	118	153	189	*−39·0*	*+25·8*	*+ 5·4*	*+29·7*	*+23·5*
(vii) Tea	**19**	157	139	208	163	184	180	*−11·5*	*+49·6*	*−21·6*	*+12·9*	*− 2·2*
(viii) Coffee	**2**	93	80	88	89	98	105	*−14·0*	*+10·0*	*+ 1·1*	*+10.1*	*+ 7·1*
III. Liquor and Tobacco	**21**	**112·9**	**78·7**	**113·4**	**99·8**	**114·2**	**119.0**	**−30·3**	**+44·1**	**−12·0**	**+14·4**	**+ 4·2**
(i) Tobacco	**20**	114	77	111	96	112	116	*−32·5*	*+44·2*	*−13·5*	*+16·7*	*+ 3·6*

IV. Fuel, Power, Light and Lubricants	**30**	**97·5**	**96·8**	**121·9**	**122·5**	**135·7**	**141·7**	**− 0·7**	**+25·9**	**+ 0·5**	**+10·8**	**+ 4·4**
(i) Coal	**9**	100	101	141	145	158	165	*+ 1·0*	*+39·6*	*+ 2·8*	*+ 9·0*	*+ 4·4*
(ii) Mineral oil	**14**	88	95	112	111	127	134	*+ 8·0*	*+17·9*	*− 0·9*	*+14.4*	*+ 5·5*
(iii) Castor oil	**2**	171	79	109	105	95	103	*−53·8*	*+38·0*	*− 3·7*	*− 9·5*	*+ 8·4*
V. Industrial Raw Materials ..	**155**	**153·7**	**109·4**	**159·1**	**136·1**	**135·2**	**144·9**	**−28·8**	**+45·4**	**−14·5**	**− 0·7**	**+ 7·2**
(i) Fibres	**61**	170	113	177	128	134	136	*−33·5*	*+56·6*	*−27·7*	*+ 4·7*	*+ 1·5*
1. Cotton raw ..	**32**	144	107	111	112	117	120	*−25·7*	*+ 3·7*	*+ 0·9*	*+ 4·5*	*+ 2·6*
2. Jute raw	**23**	204	122	271	148	152	151	*−40·2*	*+122·1*	*−45·4*	*+ 2·7*	*− 0·7*
(ii) Oilseeds	**60**	149	106	160	149	143	163	*−28·9*	*+50·9*	*− 6·9*	*− 4·0*	*+14·0*
1. Groundnuts ..	**27**	145	102	159	149	134	153	*−29·7*	*+55·9*	*− 6·3*	*−10·1*	*+14·2*
2. Linseed	**5**	157	123	141	138	125	142	*−21·7*	*+14·6*	*− 2·1*	*− 9·4*	*+13·6*
3. Castorseed ..	**2**	172	81	128	124	117	125	*−52·9*	*+58·0*	*− 3·1*	*− 5·6*	*+ 6·8*
(iii) Manganese ore ..	**0·5**	62	95	86	82	78	..	*+53·2*	*− 9·5*	*− 4·7*	*− 4·9*	..
(iv) Mica	**1**	103	93	99	99	99	107	*− 9·7*	*+ 6·5*	−	−	*+ 8·1*
VI. Manufactures	**290**	**118·7**	**102·9**	**129·7**	**126·4**	**129·6**	**132·8**	**−13·3**	**+26·0**	**− 2·5**	**+ 2·5**	**+ 2·5**
(a) Intermediate products ..	**41**	132·5	110·5	137·3	135·6	136·2	144·7	*−16·6*	*+24·3*	*− 1·2*	*+ 0·4*	*+ 6·2*
(i) Cotton yarn	**15**	105	101	126	129	137	141	*− 3·8*	*+24·8*	*+ 2·4*	*+ 6·2*	*+ 2·9*
(ii) Metals	**8**	121	124	149	147	162	175	*+ 2·5*	*+20·2*	*− 1·3*	*+10·2*	*+ 8·0*
1. Pig iron	**1**	78	117	163	183	183	210	*+50·0*	*+39·3*	*+12·3*	−	*+14·8*
(iii) Linseed oil	**6**	162	136	154	137	111	132	*−16·0*	*+13·2*	*−11·0*	*−19·0*	*+18·9*
(b) Finished products	**249**	116·5	101·6	128·4	124·9	128·5	130·9	*−12·8*	*+26·4*	*− 2·7*	*+ 2·9*	*+ 1·9*
(i) Cotton manufactures..	**91**	102	109	127	128	134	137	*+ 6·9*	*+16·5*	*+ 0·8*	*+ 4.7*	*+ 2·2*
(ii) Jute manufactures ..	**37**	187	95	162	117	102	99	*−49·2*	*+70·5*	*−27.8*	*−12·8*	*— 2·9*
(iii) Metal products ..	**12**	86	125	151	152	161	166	*+45·3*	*+20·8*	*+ 0·7*	*+ 5·9*	*+ 3·1*
1. Iron and steel manufactures ..	**11**	84	126	147	152	161	167	*+50·0*	*+16·7*	*+ 3·4*	*+ 5·9*	*+ 3·7*
(iv) Chemicals	**20**	96	92	105	113	117	120	*− 4·2*	*+14·1*	*+ 7·6*	*+ 3.5*	*+ 2·6*

*Derived figures. @ Derived series ; weighted average of the indices of rice, wheat, jowar, bajra, barley, maize, ragi, gram, other pulses, potatoes, onions, oranges, bananas, cashewnuts, tea, coffee, spices and condiments, betelnuts, tobacco raw, cotton raw, jute raw, hemp raw, groundnuts, linseed, castor seed gingelly seed, rape seed, cotton seed, copra, tanning materials, sugarcane, rubber, logs and timber and bamboos. † Derived series.

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

STATEMENT II—CONSUMER PRICE INDEX NUMBERS (WORKING CLASS)

	1949=100												1960=100(a)					
	All-India	Ajmer	Bombay	Cuttack	Delhi	Gauhati	Jabalpur	Ludhiana	Madras city	Nagpur	Sholapur	Trichur	Ahmedabad	Bangalore	Calcutta	Hyderabad	Jamshedpur	Kanpur
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Annual Average																		
1950-51 ...	**101**	105	103	112	102	100	105	101	101	100	97	103	87	74	90	80	91	92
1955-56 ...	**96**	85	110	100	100	87	90	85	100	98	85	107	74	71	81	75	82	80
1960-61 ...	**124**	109	137	128	121	104	109	103	146	135	120	132	100	101	100	100	100	101
1961-62 ...	**127**	114	142	134	128	107	115	106	149	132	118	136	103	106	102	104	102	102
1962-63 ...	**131**	114	145	142	130	112	133	112	150	133	130	137	105	109	108	108	105	105
1963-64 ...	**137**	122	150	151	137	112	143	119	153	145	128	145	110	114	114	115	109	113
Monthly Indices																		
March 1963 ...	**130**	111	143	146	130	111	133	115	149	129	124	135	105	109	110	110	107	105
April ,, ...	**131**	115	142	149	132	112	133	116	149	132	123	138	106	109	112	110	109	106
May ,, ...	**132**	117	143	155	132	111	133	114	150	133	123	141	106	110	112	111	108	107
June ,, ...	**124**	117	145	151	132	110	134	115	150	138	126	142	107	112	112	113	109	109
July ,, ...	**135**	121	146	149	133	111	135	117	151	143	127	144	108	112	112	113	110	110
August ,, ...	**136**	124	146	149	134	109	141	118	151	144	125	144	108	112	113	114	109	110
September ,, ...	**137**	124	148	147	136	109	143	118	152	146	126	145	109	113	116	113	109	112
October ,, ...	**138**	122	148	148	136	112	143	117	151	146	124	146	109	114	119	115	109	112
November ,, ...	**138**	124	148	149	138	112	143	118	153	147	126	149	110	114	116	116	109	112
December ,, ...	**140**	125	157	150	140	113	145	122	157	147	127	151	111	115	116	116	110	115
January 1964 ...	**140**	125	158	156	140	115	152	124	157	150	130	147	111	118	111	116	108	115
February ,, ...	**142**	126	159	156	145	113	158	127	157	159	139	150	115	117	111	117	108	122
March ,, ...	**143**	124	162	155	145	119	159	127	158	156	139	152	116	117	115	120	112	128

Note : The figures published for Delhi subsequent to November 1962 are estimated by linking with the new series with base 1960=100.

(*a*) Figures above the line are derived making use of respective conversion factors.

Source: Labour Bureau, Government of India.

STATEMENT 12—ASSAYING AND REFINING OF GOLD AND SILVER AT THE INDIA GOVERNMENT MINTS

(Kilograms)

	Melting and assaying at			Refining at Bombay
	Bombay	Alipore	Total	
	Gold			
1950-51	1,62	28,59(*a*)	**30,21**	217,37
1955-56	1,14	1,21	**2,35**	121,53
1960-61	1,05	33	**1,39**	99,70
1961-62	1,45	11	**1,56**	147,14
1962-63	140,80(*b*)	6,88(*b*)	**147,68**(*b*)	51,55
1963-64	88,97(*c*)	—	**88,97**(*c*)	46,68
	Silver			
1950-51	14,82	1,123,15(*a*)	**1,137,97**	192,50
1955-56	41	529,06	**529,47**	1,96
1960-61	9,01	614,32	**623,33**	1,37
1961-62	9,69	369,44	**379,12**	1,66
1962-63	5,00	340,91	**345,91**	—
1963-64	8,24	11,87	**20,11**	—

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

(*a*) Figures relate to the Calcutta Mint. (*b*) Includes 80,04,355 grams of gold in the case of Bombay and 6,84,330 grams in the case of Alipore received against Gold Bonds. (*c*) Relates to the total of 66,23,535 grams and 22,73,837 grams received against Gold Bonds and National Defence Fund, respectively.

STATEMENT 13—PRICES OF GOLD AND SILVER—BOMBAY (*a*)

Year/month	Gold (Rs. per 10 grams)			Silver (Rs. per Kilogram)		
	Spot			Spot		
	Highest 1	Lowest 2	Average(*b*) 3	Highest 4	Lowest 5	Average(*b*) 6
1950-51	102.99	89.81	97.28	170.40	149.07	159.37
1955-56	91.79	76.66	82.18	157.59	132.68	144.65
1960-61	124.40	107.12	114.91	209.30	181.00	193.64
1961-62	126.00	115.85	121.25	219.65	196.95	206.49
1962-63	129.90	86.00	117.71	242.00	187.80	218.69
1963-64	118.00	97.00	111.98	269.00	222.50	240.32
	69.75	58.00	61.85			
March 1963	102.50	97.00	100.50	242.00	235.00	239.31
April ,, ...	107.50	97.00	103.15	239.00	232.50	236.35
May ,, ...	118.00	110.00	114.51	236.00	224.00	231.42
June ,, ...	116.00	110.50	113.50	228.00	222.50	225.52
July ,, ...	N. Q.	N. Q.	N. Q.	235.50	224.00	229.41
August ,, ...	64.50	63.50	63.81	233.00	228.50	231.70
September ,, ...	63.25	59.00	61.18	237.50	232.25	235.14
October ,, ...	60.50	59.00	59.56	238.00	233.50	235.74
November ,, ...	60.00	58.00	59.04	241.25	235.00	236.55
December ,, ...	60.00	58.75	59.35	252.00	241.00	246.33
January 1964	69.75	60.00	64.10	269.00	250.00	257.10
February ,, ...	69.50	61.00	65.28	268.50	254.50	262.02
March ,, ...	65.50	62.50	64.16	261.00	254.50	257.52

Note: Import duty per 10 grams of gold (inclusive of surcharge of 5 per cent) was Rs. 11.25 upto May 1957 and Rs. 12.86 thereafter. Import duty per kilogram of silver (inclusive of surcharge of 5 per cent) was Rs. 8.44 upto May 2, 1956, Rs. 16.88 upto May 15, 1957 and Rs. 16.08 thereafter.

From October 1, 1960 spot prices of gold are quoted per 10 grams instead of per tola and those of silver are quoted per kilogram instead of per 100 tolas; earlier prices are converted by using the conversion factor 1 tola=11.6638 grams.

Spot prices of gold relate to Mysore Gold upto July 13, 1958, Abyssinian Gold from July 14, 1958 to July 31, 1959 and Gold Bullion thereafter. Dealer to dealer quotations are not available for Gold since June 23, 1963. Prices of gold relate to 14-carat from August 28, 1963.

Spot prices of silver relate to .999 fineness upto December 13, 1953 and to below .996 fineness thereafter. Forward trading in gold was banned throughout the country with effect from November 14, 1962 and that in silver from January 10, 1963.

(*a*) Including Nominal quotations also. (*b*) Average of closing quotations for working days. N. Q.=Not Quoted.

Source: Bombay Bullion Association Ltd.

STATEMENT 14—SAVINGS DEPOSITS WITH SCHEDULED BANKS

(Lakhs of Rupees)

Last Friday	All Scheduled Banks	Indian Scheduled Banks	Foreign Banks
1955-56	**169,43**	155,01	14,41
1960-61	**281,81**	256,16	25,65
1961-62	**333,70**	302,47	31,23
1962-63	**392,57**	355,46	37,11
1963-64	**476,61**	434,01	42,61
March 1963	**392,57**	355,46	37,11
April ,, ...	**399,64**	362,01	37,63
May ,, ...	**405,74**	367,70	38,04
June ,, ...	**415,37**	376,33	39,04
July ,, ...	**422,27**	382,91	39,35
August ,, ...	**430,03**	390,14	39,89
September ,, ...	**436,67**	396,40	40,26
October ,, ...	**441,01**	400,14	40,87
November ,, ...	**448,56**	407,40	41,15
December ,, ...	**458,05**	416,18	41,87
January 1964	**463,39**	421,24	42,15
February ,, ...	**469,56**	427,11	42,45
March ,, ...	**476,61**	434,01	42,61

STATEMENT 15—RESERVES OF SCHEDULED BANKS AND STATE CO-OPERATIVE BANKS WITH THE RESERVE BANK OF INDIA

(Lakhs of Rupees)

Last week	All Scheduled Banks		Indian Scheduled Banks		Foreign Banks		State Co-operative Banks	
	Statutory minimum	Excess	Statutory minimum	Excess	Statutory minimum	Excess	Statutory minimum	Excess
	1	2	3	4	5	6	7	8
1950-51	**36,57**	**21,78**	29,22	16,78	7,35	5,00	**35**	**15**
1955-56	**40,09**	**8,81**	32,30	6,59	7,79	2,22	**47**	**59**
1960-61	**62,69**	**12,67**	54,02	11,01	8,67	1,67	**1,02**	**74**
1961-62	**67,49**	**6,07**	58,63	4,41	8,86	1,66	**1,10**	**98**
1962-63	**66,36**	**7,61**	57,86	5,77	8,50	1,84	**1,17**	**1,21**
1963-64	**74,33**	**10,55**	65,18	9,59	9,15	96	**1,34**	**80**
March 1963	**66,36**	**7,61**	57,86	5,77	8,50	1,84	**1,17**	**1,21**
April ,,	**68,58**	**8,01**	59,93	6,33	8,64	1,68	**1,26**	**85**
May ,,	**69,30**	**7,92**	60,30	5,85	8,99	2,06	**1,25**	**1,07**
June ,,	**69,76**	**17,75**	60,56	14,85	9,20	2,90	**1,58**	**2,96**
July ,,	**71,73**	**22,14**	62,16	19,32	9,56	2,82	**1,42**	**86**
August ,,	**72,03**	**22,68**	62,34	19,58	9,69	3,10	**1,33**	**76**
September ,,	**72,58**	**13,50**	62,85	11,30	9,73	2,20	**1,37**	**88**
October ,,	**72,41**	**22,76**	62,89	21,14	9,53	1,62	**1,30**	**84**
November ,,	**73,34**	**13,22**	63,79	11,74	9,55	1,48	**1,33**	**59**
December ,,	**73,24**	**10,32**	63,80	8,46	9,44	1,86	**1,31**	**1,08**
January 1964	**74,63**	**8,38**	65,22	7,11	9,41	1,28	**1,32**	**91**
February ,,	**74,72**	**7,94**	65,24	6,80	9,48	1,13	**1,29**	**73**
March ,,	**74,33**	**10,55**	65,18	9,59	9,15	96	**1,34**	**80**

STATEMENT 16—SEASONAL TRENDS IN SELECTED ITEMS OF SCHEDULED BANKS' LIABILITIES AND ASSETS

(Lakhs of Rupees)

Season	Net demand deposits	Net time deposits	**Aggregate deposits (1 + 2)**	Borrowings from Reserve Bank	Cash and balances with the Reserve Bank	*Cash ratio (a) at the end of the period*	Investments in Government securities (*b*)	*Investment ratio (c) at the end of the period*	Bank credit (*d*)	*Credit deposit ratio (e) at the end of the period*
	1	2	3	4	5	6	7	8	9	10
Slack 1950 ..	+11,68	+ 4	**+ 11,72**	− 8,22	+26,99	*13·0*	+ 37,86(*f*)	*43·1*(*g*)	− 74,43(*g*)	*47·7*(*g*)
Busy 1950-51 ..	− 4,74	+ 22,30	**+ 17,56**	+ 9,24	−25,21	*9·9*	− 65,91(*f*)	*34·8*(*g*)	+163,43(*g*)	*65·4*(*g*)
Slack 1955 ..	+20,97	+ 37,84	**+ 58,82**	−21,37	+12,41	*9·1*	+ 47,71	*38·4*	− 31,55	*58·0*
Busy 1955-56 ..	+36,95	+ 5,00	**+ 41,95**	+50,35	− 6,74	*8.1*	− 36,93	*33·4*	+164,49	*71·2*
Slack 1960 ..	+ 7,41	− 30,68	**− 23,26**	−27,02	+ 4,17	*7·6*	− 52,33	*36·2*	− 20,31	*58·2*
Busy 1960-61 ..	− 52,68	− 43,34	**+ 9,34**	+21,53	−23,24	*6·3*	−126,32	*29·4*	+198,53	*68·3*
Slack 1961 ..	+ 9,98	+ 33,86	**+ 43,85**	−31,67	+10,31	*7·3*	+ 62,59	*34·5*	− 76,50	*67·6*
Busy 1961-62 ..	+58,85	+ 98,30	**+157,16**	+ 6,17	− 44	*6·7*	— 25,00	*30·5*	+203,87	*72.6*
Slack 1962 ..	+14,05	+ 70,09	**+ 84,13**	− 3,30	— 6,85	*6·1*	+111,93	*34.7*	− 42,10	*67.5*
Busy 1962-63 ..	+87,03	— 51,36	**+ 35,68**	+21,82	+ 4,19	*6.2*	— 97,68	*29.4*	+203,25	*76.1*
Slack 1963 ..	+84,50	+ 63,52	**+148,02**	−29,41	+42,98	*7·7*	+145,60	*34·0*	−120,90	*65·7*
Busy 1963-64 ..	+99,23	− 16,46	**+ 82,77**	+43,27	−29,94	*6·1*	−145,32	*26·5*	+377,46	*79·6*
Outstanding as on April 24, 1964 ..	1,076,15	1,242,37	**2,318,52**	45,02	141,56		615,09		1,845,61	

Note : The slack season is from May to October and the busy season is from November to April. In analysing the figures relating to aggregate liabilities/deposits and investments in Government securities, note should be taken of the impact of the new arrangement for the holding of P. L. 480 funds, effective from May 12, 1960. Figures above the line in columns 1, 2 and 3 relate to net demand/net time/aggregate liabilities .The ratios above the line in columns 6,8 and 10 relate to aggregate liabilities. Figures of bank credit (column 9) below the line are exclusive of 'due from banks'.

(*a*) Percentage of cash and balances with the Reserve Bank of India to aggregate deposits. (*b*) At book value ; includes treasury bills and treasury deposit receipts. (*c*) Percentage of investments in Government securities to aggregate deposits. (*d*) Includes foreign bills purchased and discounted in India from May 14, 1954. (*e*) Percentage of bank credit to aggregate deposits. (*f*) Based on Form XIII figures submitted by scheduled banks. (*g*) Excluding foreign bills purchased and discounted in India and including Money at call and short notice.

STATEMENT 17—SCHEDULED BANKS—BUSINESS IN INDIA (ANNUAL AND WEEKLY)

(Amount in lakhs of Rupees)

	No. of reporting banks	Demand liabilities				Time liabilities				Aggregate deposits (3+7) (d)	Borrowings from	
		Deposits		Borrowings from banks (a)	Others (b)	Deposits		Borrowings from banks (a)	Others (c)		Reserve Bank (e)	State Bank of India and/or a notified bank
		Inter-bank	Others			Inter-bank	Others					
	1	2	3	4	5	6	7	8	9	10	11	12
Average of Friday figures												
1950-51				20,75	578,38			1,01	277,44	**855,83**	4,46	..
1955-56				9,20	599,44			3,86	404,10	**1,003,54**	24,51	7,67
1960-61				18,16	776,66			18,26	1,138,36	**1,915,01**	43,01	13,36
		44,77*	691,68*		48,75*	15,30*	1,054,23*		21,35*			
1961-62		48,69	724,86	23,15	52,81	18,95	1,084,12	17,39	22,15	**1,808,99**	21,68	15,33
1962-63		48,92	804,32	22,93	53,52	22,13	1,220,14	15,74	9,57	**2,024,45**	19,33	18,91
1963-64		54,87	960,30	27,84	63,06	29,57	1,233,93	19,43	10,47	**2,194,23**	22,56	21,35
As at the close of last Friday												
1950-51	93			23,62	592,55			8	288,06	**880,61**	12,41	..
1955-56	89			4,87	630,80			3,01	412,35	**1,043,15**	65,08	19,71
1960-61	89	55,68	719,72	14,01	52,11	14,29	1,026,34	11,07	22,45	**1,746,06**	94,53	18,52
1961-62	83	53,50	788,76	19,03	54,01	14,84	1,133,11	13,28	11,88	**1,921,87**	53,04	17,59
1962-63	79	56,24	867,11	22,18	57,07	20,77	1,175,14	15,76	10,51	**2,042,26**	71,28	22,47
1963-64	78	65,27	1,071,13	31,43	66,84	20,95	1,214,11	12,25	11,37	**2,285,24**	84,16	26,81
1963-64 (Weekly) Friday figures 1963												
April 5	79	56,10	894,99	29,41	61,43	24,99	1,172,92	15,28	10,75	**2,067,91**	48,21	19,51
,, 12	79	51,90	887,09	25,89	63,86	26,80	1,179,83	12,89	10,37	**2,066,92**	47,81	20,66
,, 19	79	53,60	892,86	32,39	62,76	27,74	1,192,77	13,62	10,14	**2,085,63**	30,23	17,49
,, 26	79	52,09	892,42	30,50	62,48	29,13	1,195,31	12,51	10,14	**2,087,73**	31,16	17,84
May 3	79	51,18	884,87	25,75	61,83	27,76	1,200,55	16,88	10,58	**2,085,42**	41,86	18,52
,, 10	79	50,14	877,87	22,75	61,46	28,46	1,202,07	18,53	10,47	**2,079,94**	45,97	17,99
,, 17	79	50,05	881,87	32,90	60,11	25,32	1,214,49	20,31	10,24	**2,096,36**	24,92	17,97
,, 24	80	50,78	889,49	35,03	60,15	24,74	1,217,89	21,56	10,22	**2,107,38**	8,76	16,73
,, 31	80	51,52	885,35	30,64	57,53	25,85	1,210,69	22,36	10,68	**2,096,04**	17,60	18,14

June	7	..	..	80	51,24	885,03	32,69	56,14	27,23	1,213,76	23,94	10,71	**2,098,78**	24,53	17,67
,,	14	..	..	80	51,78	887,66	34,27	54,41	27,98	1,224,82	21,29	10,22	**2,112,47**	6,91	16,06
,,	21	..	..	80	55,79	893,74	29,23	56,78	28,56	1,230,04	19,97	11,35	**2,123,78**	1,30	15,98
,,	28	..	..	80	65,45	900,88	32,22	59,95	37,49	1,238,62	22,64	11,31	**2,139,50**	1,17	15,62
July	5	..	..	80	58,34	903,37	29,06	59,03	37,50	1,237,44	23,19	10,98	**2,140,81**	83	16,14
,,	12	..	..	80	53,55	909,25	26,32	59,72	37,28	1,247,13	21,37	10,80	**2,156,39**	1,77	18,19
,,	19	..	..	80	53,79	919,98	25,38	62,20	36,18	1,259,96	23,18	10,32	**2,179,94**	47	15,74
,,	26	..	..	80	53,16	929,64	23,37	65,04	35,38	1,245,34	22,35	10,19	**2,174,98**	35	19,30
August	2	..	..	80	51,75	936,04	29,08	63,58	35,79	1,221,87	19,12	10,82	**2,157,90**	2,08	18,58
,,	9	..	..	80	50,59	941,49	28,44	66,09	34,18	1,221,17	17,78	10,60	**2,162,66**	3,17	19,60
,,	16	..	..	80	52,03	957,90	27,51	69,28	34,01	1,224,25	16,79	10,72	**2,182,15**	32	21,04
,,	23	..	..	80	51,51	960,53	23,24	64,61	33,88	1,236,75	19,88	10,73	**2,197,28**	37	21,96
,,	30	..	..	80	48,33	957,60	21,36	67,51	34,92	1,242,99	21,97	9,44	**2,200,59**	81	23,58
September	6	..	..	80	53,76	956,61	26,58	62,43	35,65	1,230,89	24,27	9,83	**2,187,50**	3,03	22,06
,,	13	..	..	80	52,59	947,28	23,23	61,10	35,56	1,244,81	24,60	9,92	**2,192,10**	1,02	22,27
,,	20	..	..	80	51,24	967,31	23,14	64,56	35,98	1,242,05	25,80	9,48	**2,209,36**	1,45	20,66
,,	27	..	..	80	52,74	967,72	24,55	63,35	37,18	1,244,24	23,63	9,18	**2,211,96**	1,88	23,18
October	4	..	..	80	51,41	967,83	27,41	62,36	35,12	1,245,04	23,23	9,90	**2,212,87**	3,14	22,19
,,	11	..	..	80	51,98	964,56	23,43	60,61	35,23	1,251,52	21,56	9,74	**2,216,07**	1,83	27,38
,,	18	..	..	80	51,57	961,20	21,68	58,89	34,92	1,252,65	23,40	9,59	**2,213,85**	2,11	27,33
,,	25	..	..	80	55,07	976,92	19,01	62,43	34,68	1,258,83	24,37	9,45	**2,235,75**	1,75	25,94
November	1	..	..	80	53,33	986,77	21,76	61,72	35,17	1,255,82	21,00	10,31	**2,242,59**	2,04	27,13
,,	8	..	..	80	53,07	967,96	25,18	60,83	34,02	1,254,16	19,89	10,33	**2,222,12**	51	27,68
,,	15	..	..	80	51,28	970,36	25,93	63,95	33,23	1,261,96	18,16	9,97	**2,232,32**	2,44	24,90
,,	22	..	..	80	53,79	973,15	27,55	62,44	32,61	1,264,67	20,79	9,87	**2,237,82**	38	25,69
,,	29	..	..	80	53,46	980,44	29,73	62,94	32,99	1,257,07	21,72	10,06	**2,237,51**	80	27,70
December	6	..	..	79	51,96	969,56	24,50	60,47	27,59	1,248,06	22,24	10,45	**2,217,61**	14,61	26,07
,,	13	..	..	79	52,86	967,38	23,80	58,48	26,05	1,254,62	21,16	10,32	**2,222,00**	7,86	25,82
,,	20	..	..	79	56,06	982,06	24,84	63,27	26,73	1,257,13	22,25	9,89	**2,239,19**	6,97	23,45
,,	27	..	..	79	60,67	1,000,44	24,57	64,53	28,44	1,252,59	24,19	10,17	**2,253,03**	8,08	23,36
1964															
January	3	..	..	79	60,95	1,023,07	24,50	66,37	27,62	1,222,97	25,55	10,15	**2,246,04**	26,79	22,83
,,	10	..	..	79	57,43	1,022,84	31,09	68,46	24,22	1,227,15	17,85	10,06	**2,249,99**	31,32	21,19
,,	17	..	..	79	58,35	1,026,97	37,35	71,33	24,54	1,235,23	14,94	10,11	**2,262,20**	32,28	18,62
,,	24	..	..	79	58,89	1,030,67	34,82	69,49	24,46	1,245,36	14,35	10,19	**2,276,03**	29,29	19,86
,,	31	..	..	79	59,28	1,032,03	35,51	69,81	23,68	1,244,72	15,48	11,15	**2,276,74**	36,08	17,32
February	7	..	..	78	60,30	1,026,95	33,02	67,41	22,69	1,238,62	14,34	10,86	**2,265,56**	49,13	20,11
,,	14	..	..	78	57,74	1,019,07	29,56	65,26	22,08	1,247,48	15,21	12,29	**2,266,55**	62,22	19,22
,,	21	..	..	78	58,56	1,034,99	34,11	64,47	21,05	1,251,35	15,13	11,83	**2,286,34**	52,61	20,33
,,	28	..	..	78	60,84	1,042,98	29,99	65,62	20,84	1,239,30	14,84	11,29	**2,282,28**	67,54	22,01
March	6	..	..	78	62,96	1,030,80	27,01	66,09	21,47	1,235,90	14,46	11,87	**2,266,70**	106,94	23,83
,,	13	..	..	78	58,85	1,045,99	26,30	60,21	21,40	1,230,66	13,21	11,72	**2,276,65**	95,46	23,60
,,	20	..	..	78	62,46	1,050,75	28,69	67,37	20,43	1,224,88	12,84	11,41	**2,275,62**	98,91	27,55
,,	27	..	..	78	65,27	1,071,13	31,43	66,84	20,95	1,214,11	12,25	11,37	**2,285,24**	84,16	26,81

[For footnotes, please see end of the Statement.]

STATEMENT 17—SCHEDULED BANKS—BUSINESS IN INDIA (ANNUAL AND WEEKLY)—(*Contd.*)

(Amount in lakhs of Rupees)

	Cash in hand and balances with Reserve Bank								Bank Credit					
									Advances		Bills purchased and discounted			
	Cash in hand	Balances with Reserve Bank	**Total**	*Percentage of (15) to (10) (f)*	Balances with other banks in current account	Money at call and short notice	Investments in Government securities (*g*)	*Percentage of (19) to (10) (f)*	Loans, cash credits and overdrafts	Due from banks	Inland	Foreign (*i*)	**Total** (*k*)	*Percentage of (25) to (10) (f)*
	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Average of Friday figures														
1950-51 ..	34,68	60,78	**95,46**	*11·2*	..	..	..	..	447,03(*h*)		11,87(*j*)	..	**458,90**	*53·6*
1955-56 ..	34,64	52,52	**87,16**	*8·7*	10,75	15,62	370,71	*36·9*	514,37		74,70	43,38	**632,46**	*63·0*
1960-61 ..	47,04	93,40	**140,43**	*7·3*	16,08	28,79	687,95	*35·9*	996,84		116,21	47,15	**1,160,19**	*60·6*
									1,036,65*	12,63*	127,27*	48,21*		
1961-62 ..	47,92	78,11	**126,03**	*7·0*	16,45	44,90	585,01	*32·3*	1,092,96	8,70	139,94	45,67	**1,278,57**	*70·7*
1962-63 ..	51,08	81,61	**132,68**	*6·6*	18,68	48,52	636,77	*31·5*	1,219,35	8,72	163,25	49,46	**1,432,06**	*70·7*
1963-64 ..	55,80	83,20	**139,00**	*6·3*	22,46	51,87	690,99	*31·5*	1,321,80	11,11	190,31	55,98	**1,568,10**	*71·5*
As at the close of last Friday														
1950-51 ..	34,95	58,36	**93,30**	*10·6*	..	..	..	..	533,66(*h*)		13,26(*j*)	..	**546,93**	*62·1*
1955-56 ..	35,84	48,90	**84,73**	*8·1*	10,81	6,31	359,90	*34·5*	612,45		102,02	46,77	**761,25**	*73·0*
1960-61 ..	45,56	71,02	**116,58**	*6·7*	17,85	20,78	558,58	*32·0*	1,110,96	16,78	159,35	49,23	**1,319,54**	*75·6*
1961-62 ..	48,86	74,59	**123,46**	*6·4*	17,77	37,55	601,39	*31·3*	1,178,38	11,69	180,69	48,53	**1,407,61**	*73·2*
1962-63 ..	51,73	73,97	**125,71**	*6·2*	21,86	38,78	592,76	*29·0*	1,309,28	14,28	222,56	56,17	**1,588,01**	*77·8*
1963-64 ..	58,18	89,42	**147,60**	*6·5*	23,35	36,89	639,69	*28·0*	1,520,12	17,17	231,63	64,92	**1,816,67**	*79·5*
1963-64 (Weekly) Friday figures														
1963														
April 5 ..	52,58	76,00	**128,58**	*6·2*	22,21	46,64	600,40	*29·0*	1,316,40	7,99	226,27	55,97	**1,598,64**	*77·3*
.. 12 ..	53,22	80,83	**134,05**	*6·5*	20,31	44,73	594,85	*28·8*	1,321,94	8,28	223,75	55,83	**1,601,52**	*77·5*
.. 19 ..	53,85	74,86	**128,70**	*6·2*	21,35	48,29	609,07	*29·2*	1,324,06	6,21	217,97	55,05	**1,597,08**	*76·6*
.. 26 ..	54,57	73,95	**128,52**	*6·2*	20,06	47,16	614,81	*29·5*	1,321,58	7,25	214,24	53,23	**1,589,05**	*76·1*
May 3 ..	54,65	80,05	**134,70**	*6·5*	19,75	43,60	618,29	*29·7*	1,323,63	9,03	212,84	55,29	**1,591,76**	*76·3*
.. 10 ..	55,78	77,91	**133,69**	*6·4*	19,53	42,29	606,86	*29·2*	1,330,25	9,17	203,39	56,23	**1,589,87**	*76·4*
.. 17 ..	54,29	79,47	**133,75**	*6·4*	19,60	50,65	617,68	*29·5*	1,318,32	9,50	196,36	53,88	**1,568,57**	*74·8*
.. 24 ..	52,63	79,38	**132,01**	*6·3*	19,96	52,83	630,25	*29·9*	1,310,78	8,18	189,60	53,95	**1,554,32**	*73·8*
.. 31 ..	52,77	77,28	**130,05**	*6·2*	20,28	47,82	628,27	*30·0*	1,311,95	10,34	187,36	54,02	**1,553,33**	*74·1*
June 7 ..	54,35	75,76	**130,11**	*6·2*	20,54	50,22	636,98	*30·4*	1,321,30	10,45	185,74	50,40	**1,557,45**	*74·2*
.. 14 ..	54,97	80,11	**135,08**	*6·4*	19,99	51,77	632,55	*29·9*	1,318,04	8,50	172,86	48,56	**1,539,45**	*72·9*
.. 21 ..	53,67	86,01	**139,68**	*6·6*	21,30	51,91	642,83	*30·3*	1,302,12	7,46	170,29	51,03	**1,523,43**	*71·7*
.. 28 ..	66,68	92,43	**159,11**	*7·4*	27,78	59,12	653,10	*30·5*	1,316,14	7,27	161,25	51,92	**1,529,31**	*71·5*

July	5	...	54,03	96,83	**150,86**	*7.1*	19,90	56,36	661,05	*30.9*	1,314,99	7,72	162,13	52,19	**1,529,32**	*71.4*
,,	12	...	53,26	86,95	**140,21**	*6.5*	20,28	58,82	691,26	*32.1*	1,303,36	9,04	157,66	50,95	**1,511,97**	*70.1*
,,	19	...	52,08	103,72	**155,79**	*7.2*	20,59	61,03	698,11	*32.0*	1,284,73	8,59	160,95	51,10	**1,496,78**	*68.7*
,,	26	...	51,29	78,54	**129,83**	*6.0*	20,93	58,19	687,03	*31.6*	1,273,34	7,69	161,96	50,83	**1,486,12**	*68.3*
August	2	...	49,29	83,61	**132,90**	*6.2*	19,77	59,46	692,64	*32.1*	1,272,76	8,44	163,55	51,65	**1,487,96**	*69.0*
,,	9	...	51,99	86,27	**138,26**	*6.4*	19,79	53,33	717,02	*33.2*	1,272,76	8,93	163,18	50,10	**1,486,04**	*68.7*
,,	16	...	59,30	84,28	**143,58**	*6.6*	20,60	52,49	730,49	*33.5*	1,266,23	10,24	163,74	48,00	**1,477,97**	*67.7*
,,	23	...	53,24	93,55	**146,79**	*6.7*	20,94	55,18	746,11	*34.0*	1,254,71	11,01	161,78	50,68	**1,467,17**	*66.8*
,,	30	...	50,51	87,25	**137,76**	*6.3*	19,66	54,94	759,67	*34.5*	1,247,85	13,13	160,15	51,69	**1,459,70**	*66.3*
September	6	...	53,20	87,90	**141,09**	*6.4*	22,60	50,43	740,80	*33.9*	1,257,83	12,86	163,30	53,52	**1,474,64**	*67.4*
,,	13	...	52,29	88,83	**141,12**	*6.4*	20,49	50,92	751,52	*34.3*	1,243,45	15,46	163,33	53,46	**1,460,25**	*66.6*
,,	20	...	50,95	83,58	**134,54**	*6.1*	21,09	56,65	772,79	*35.0*	1,233,04	14,24	164,85	52,31	**1,450,21**	*65.6*
,,	27	...	50,86	81,60	**132,46**	*6.0*	22,50	59,31	780,34	*35.3*	1,232,65	13,39	168,77	50,64	**1,452,06**	*65.7*
October	4	...	55,85	79,64	**135,49**	*6.1*	21,22	60,21	785,16	*35.5*	1,238,12	13,95	172,25	53,25	**1,463,62**	*66.1*
,,	11	...	57,90	84,73	**142,64**	*6.4*	21,70	61,08	758,51	*34.2*	1,242,26	12,58	174,25	55,40	**1,471,92**	*66.4*
,,	18	...	57,10	75,95	**133,04**	*6.0*	20,79	56,20	769,09	*34.7*	1,244,80	11,96	173,26	57,16	**1,475,21**	*66.6*
,,	25	...	56,54	114,97	**171,50**	*7.7*	24,26	60,29	760,41	*34.0*	1,238,05	13,13	173,53	56,57	**1,468,15**	*65.7*
November	1	...	56,29	94,60	**150,90**	*6.7*	21,78	64,17	777,95	*34.7*	1,235,02	12,67	176,91	56,11	**1,468,03**	*65.5*
,,	8	...	55,81	81,15	**136,96**	*6.2*	21,53	66,32	773,75	*34.8*	1,239,21	13,15	179,26	57,65	**1,476,12**	*66.4*
,,	15	...	53,53	93,30	**146,84**	*6.6*	21,00	66,85	763,26	*34.2*	1,244,42	13,05	181,11	58,32	**1,483,85**	*66.5*
,,	22	...	57,76	82,76	**140,52**	*6.3*	22,48	66,08	771,21	*34.5*	1,245,25	11,78	179,47	57,41	**1,482,14**	*66.2*
,,	29	...	55,26	72,91	**128,17**	*5.7*	22,24	70,57	766,56	*34.3*	1,256,64	11,85	174,27	56,35	**1,487,26**	*66.5*
December	6	...	56,46	81,54	**138,00**	*6.2*	22,16	53,64	737,51	*33.3*	1,279,82	12,64	184,31	58,44	**1,522,57**	*68.7*
,,	13	...	56,90	78,91	**135,81**	*6.1*	22,18	52,65	725,75	*32.7*	1,289,38	12,19	188,40	56,46	**1,534,23**	*69.0*
,,	20	...	56,15	80,96	**137,11**	*6.1*	24,09	51,95	720,73	*32.2*	1,305,30	11,33	188,67	59,16	**1,553,13**	*69.4*
,,	27	...	62,54	78,90	**141,44**	*6.3*	27,39	53,35	709,59	*31.5*	1,327,30	10,90	193,53	59,57	**1,580,40**	*70.2*
1964																
January	3	...	60,90	83,57	**144,47**	*6.4*	27,78	50,64	696,48	*31.0*	1,350,98	10,29	207,91	61,45	**1,620,34**	*72.1*
,,	10	...	56,74	81,06	**137,81**	*6.1*	26,87	49,62	686,89	*30.5*	1,379,25	10,45	204,76	60,49	**1,644,50**	*73.1*
,,	17	...	59,18	80,79	**139,98**	*6.2*	28,35	52,43	686,76	*30.4*	1,389,36	9,58	206,79	58,63	**1,654,77**	*73.2*
,,	24	...	58,24	76,17	**134,41**	*5.9*	28,55	49,99	684,75	*30.1*	1,400,78	9,63	207,58	59,97	**1,668,32**	*73.3*
,,	31	...	58,08	79,37	**137,45**	*6.0*	27,31	46,70	683,53	*30.0*	1,414,39	8,98	216,29	60,83	**1,691,51**	*74.3*
February	7	...	57,71	84,26	**141,97**	*6.3*	27,40	41,59	656,63	*29.0*	1,430,77	12,63	220,40	62,03	**1,713,20**	*75.6*
,,	14	...	56,82	78,76	**135,58**	*6.0*	25,07	37,83	649,69	*28.7*	1,449,69	11,30	226,65	60,87	**1,737,22**	*76.7*
,,	21	...	61,06	76,29	**137,36**	*6.0*	24,55	41,45	646,34	*28.3*	1,455,17	12,99	232,30	60,18	**1,747,65**	*76.4*
,,	28	...	59,56	80,84	**140,40**	*6.2*	24,72	39,35	650,79	*28.5*	1,462,37	13,02	234,39	62,48	**1,759,24**	*77.1*
March	6	...	61,73	81,45	**143,19**	*6.3*	24,19	33,94	643,73	*28.4*	1,487,10	16,70	234,65	64,41	**1,786,16**	*78.8*
,,	13	...	59,46	76,67	**136,13**	*6.0*	22,48	33,41	636,08	*27.9*	1,503,78	15,84	226,68	65,27	**1,795,73**	*78.9*
,,	20	...	59,44	80,33	**139,77**	*6.1*	22,51	36,14	635,74	*27.9*	1,510,28	18,32	229,60	65,23	**1,805,11**	*79.3*
,,	27	...	58,18	89,42	**147,60**	*6.5*	23,35	36,89	639,69	*28.0*	1,520,12	17,17	231,63	64,92	**1,816,67**	*79.5*

Note : Compiled from the information supplied under Section 42(2) of the Reserve Bank of India Act. This Statement has been recast to show separate figures of inter-bank transactions in respect of deposits and advances, which are available since November 25, 1960. The figures of assets and liabilities include changes consequent on the following transfers of P. L. 480 deposits with the State Bank of India to the Reserve Bank of India : (i) Rs. 12 crores each month from July 1960 to June 1961, (ii) Rs. 10 crores each month from November 1962 to March 1963 and (iii) Rs. 6 crores each month from November 1963 to March 1964.

(*a*) Including borrowings from State Bank upto April 10, 1952. (*b*) Figures above the line include demand deposits. (*c*) Figures above the line include time deposits. (*d*) Figures above the line relate to aggregate liabilities. (*e*) As available in the Reserve Bank records. (*f*) Ratios above the line relate to aggregate liabilities. (*g*) At book value ; including Treasury bills and Treasury deposit receipts. (*h*) Includes Inland bills purchased and Money at call and short notice. (*i*) Called for from May 14, 1954. (*j*) Relates to Inland bills discounted only. (*k*) Figures above the line include 'due from banks' also.

* Average of last 19 weeks.

STATEMENT 18—CHEQUE CLEARANCES

Period	Total		Ahmedabad		Amritsar		Bangalore*		Bombay*	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	1	2	3	4	5	6	7	8	9	10
1950-51	**2,178**	**553,18**	79	18,79	27	3,25	58	5,91	809	239,79
1955-56	**3,107**	**663,35**	144	27,32	37	3,60	78	8,82	1,123	255,94
1960-61	**4,567**	**1,045,89**	244	47,07	57	6,44	126	18,84	1,615	376,22
1961-62	**4,996**	**1,133,90**	279	55,84	59	6,74	139	22,33	1,718	412,55
1962-63	**5,259**	**1,249,11**	283	57,51	60	7,27	152	25,06	1,769	441,27
1963-64	**5,566**	**1,400,71**	305	63,53	68	8,93	170	29,31	1,831	498,51
March 1963	**5,577**	**1,506,38**	305	72.32	59	7.35	166	32,53	1,753	520,63
April ,, ...	**5,435**	**1,377,94**	299	69,62	62	7,74	167	33,12	1,719	480,90
May ,, ...	**5,718**	**1,362,09**	422	69,92	66	8,23	162	27,14	1,874	482,45
June ,, ...	**4,906**	**1,188,00**	273	57,21	59	7,44	146	22,17	1,624	422,11
July ,, ...	**5,817**	**1,403,90**	280	61,18	71	8,45	175	27,80	1,924	514,51
August ,, ...	**5,025**	**1,243,47**	258	50.10	61	7,92	160	25,57	1,472	407,04
September ,, ...	**5,309**	**1,288,39**	288	35,20	63	8,35	161	26,08	1,760	468,24
October ,, ...	**5,657**	**1,377,10**	241	59,19	69	9,38	187	31,36	1,900	502,99
November ,, ...	**5,543**	**1,380,57**	281	60,79	73	9,67	170	28,76	1,896	504,19
December ,, ...	**5,608**	**1,507,44**	308	66,37	75	10,07	174	29,63	1,806	538,97
January 1964	**6,019**	**1,547,71**	324	77,79	79	10,54	182	30,68	2,097	566,34
February ,, ...	**5,519**	**1,422,39**	307	72,11	68	8,80	172	29,50	1,829	500,56
March ,, ...	**6,234**	**1,709,54**	379	82,83	77	10,62	184	39,91	2,075	593,75

Period	Kanpur*		Lucknow		Madras*		Madurai		Mangalore	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	25	26	27	28	29	30	31	32	33	34
1950-51	53	11,35	23	2,24	264	36,01	10	1,38	6	88
1955-56	76	12,44	32	2,54	351	35,55	16	1,75	10	1,05
1960-61	93	18,32	41	4,19	410	55,45	26	3,77	18	2,54
1961-62	100	19,31	43	4,58	438	59,37	31	4,92	18	2,66
1962-63	106	20,75	44	4,89	447	64,69	31	5,16	20	2.88
1963-64	109	23,28	45	5,09	483	73,38	35	5,91	21	3,42
March 1963	113	23,60	49	6,60	475	77,46	35	5,52	23	3,49
April ,, ...	119	25,57	48	5,57	475	73,25	29	4,97	22	3,29
May ,, ...	121	26,80	44	4,56	464	67,22	36	5,66	12	3,78
June ,, ...	99	22,32	39	4,58	426	61,60	31	5,22	19	3,28
July ,, ...	109	23,03	48	5,24	511	74,96	38	6,52	21	2,93
August ,, ...	98	20,64	44	4,55	526	81,10	34	5,79	19	2,62
September ,, ...	97	19,32	45	5,00	460	66,99	35	4,99	19	2,96
October ,, ...	100	20,88	44	4,34	502	73,42	38	7,19	22	3,08
November ,, ...	98	20,20	42	4,39	488	70,76	37	6,32	22	3,18
December ,, ...	116	25,18	46	5,25	465	71,55	34	5,54	22	3,55
January 1964	124	26,37	49	5,73	494	80,67	38	6,36	24	4,19
February ,, ...	102	22,62	40	5,44	457	72,75	36	5,64	23	3,99
March ,, ...	119	26,46	55	6,37	525	86,27	38	6,66	25	4,19

Note : Annual figures are averages of months.

*Managed by Reserve Bank of India.

(ANNUAL AND MONTHLY)

(Number in thousands)
(Amount in lakhs of Rupees)

CALCUTTA*		COCHIN		COIMBATORE		DELHI		HYDERABAD		JAIPUR		JABALPUR	
Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
11	12	13	14	15	16	17	18	19	20	21	22	23	24
541	198,86			17	3,01	103	12,48	9	3,01				
688	251,17	13	3,39	24	3,93	195	21,29	17	3,35	13	1,72		
803	348,50	21	6,42	39	7,32	324	34,30	55	9,37	21	2,95		
879	354,12	27	6,01	42	8,47	337	37,88	61	10,99	23	3,38	9†	1,45†
918	388,75	26	7,49	44	8,97	353	42,20	71	13,31	26	4,32	9	2,23
906	417,76	29	8,88	52	10,44	368	45,07	85	17,02	28	4,86	12	2,75
1,036	475,90	27	8,07	52	10,61	354	46,00	81	15,35	27	6,07	11	3,78
943	414,24	26	7,45	54	11,19	365	44,33	83	17,00	29	5,01	11	2,24
953	411,85	28	8,76	53	10,93	394	47,62	97	17,13	27	4,55	10	1,60
803	355,93	31	8,60	45	9,39	341	40,55	82	12,55	24	4,08	9	2,75
979	417,38	41	10,07	58	10,21	395	46,56	93	16,17	29	4,57	13	2,36
867	396,97	28	8,36	52	10,21	346	39,81	75	14,25	25	4,53	12	2,48
893	409,95	11	4,51	53	10,21	353	41,15	80	15,35	25	3,94	12	1,81
934	409,94	31	9,11	55	10,58	360	41,24	86	19,30	29	3,91	13	2,64
839	406,67	27	9,61	50	9,96	358	44,00	81	14,25	33	3,98	10	4,04
935	464,61	31	11,10	52	10,40	379	47,82	89	16,04	27	5,57	11	1,79
848	412,86	32	10,75	52	10,11	402	52,53	89	20,99	30	6,22	12	2,74
908	420,50	28	9,10	48	10,42	348	44,93	84	17,72	27	5,40	11	2,12
976	492,23	30	9,10	50	11,61	381	50,30	88	23,46	35	6,53	14	6,42

NAGPUR*		NEW DELHI*		POONA		SIMLA		SURAT		OTHER CENTRES	
Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
35	36	37	38	39	40	41	42	43	44	45	46
21	2,34	56	4,10	29	1,91	7	45			67	7,42
30	4,05	106	10,93	39	2,66	5	27			112	11,58
37	6,21	223	49,53	65	5,48	5	54	43	5,05	302	37,38
41	6,09	235	52,13	73	6,55	5	60	45	6,08	395	51,85
44	7,07	254	63,02	83	7,90	6	69	49	7,29	464	66,38
50	8,88	280	75,45	89	9,35	6	76	55	8,51	538	79,64
47	9,21	285	84,78	89	9,71	5	70	57	8,73	527	77,96
49	9,01	268	68,11	90	9,53	6	66	51	8,26	519	76,86
47	8,15	270	65,08	80	8,64	5	59	52	8,39	501	73,03
40	8,35	233	55,58	81	8,51	5	58	49	8,09	446	67,10
50	7,47	285	67,94	95	9,82	6	79	55	8,90	541	77,02
43	6,61	272	68,07	83	7,99	6	72	50	7,33	492	70,81
47	7,22	262	69,91	87	8,16	6	65	49	7,90	503	70,51
51	7,89	280	66,40	91	9,07	6	77	62	8,21	554	76,22
49	8,25	277	71,19	89	9,19	7	1,05	50	8,25	565	81,87
53	10,23	281	78,75	87	9,33	5	87	55	8,73	558	86,09
58	11,85	317	95,74	100	10,71	6	77	64	9,72	598	94,06
51	9,95	288	79,80	89	9,58	5	61	55	8,54	546	82,32
57	11,58	327	118,89	99	11,64	6	1,07	64	9,86	631	99,79

† Average of nine months.

STATEMENT 19—NON-SCHEDULED BANKS—

LIABI

	Number of reporting banks (*a*)	Total (*b*)	CAPITAL AND RESERVES			Aggregate deposits (9+12)
			Total	Paid-up capital (*c*)	Reserves	
	1	2	3	4	5	6
Average of last Fridays						
1955-56 ...		**82,39**	**12,24**	7,94	4,30	**65,22**
1960-61 ...		**60,27**	**7,49**	4,72	2,77	**48,44**
1961-62* ...		**55,22**	**7,02**	4,35	2,68	**44,01**
		49,06	**6,17**	3,71	2,45	**37,46**
1962-63 ...		**47,21**	**6,10**	3,67	2,43	**37,08**
Last Friday						
1955-56 ...	378	**84,56**	**12,15**	7,82	4,33	**66,81**
1960-61 ...	256	**54,16**	**6,95**	4,33	2,62	**42,73**
1961-62 ...	212	**48,44**	**5,96**	3,60	2,36	**37,61**
1962-63 ...	211	**47,47**	**6,08**	3,59	2,49	**37,31**
December 1962 ...	212	**47,53**	**6,15**	3,71	2,44	**37,44**
January 1963 ...	212	**47,01**	**6,02**	3,59	2,43	**37,20**
February ,, ...	213	**46,86**	**6,02**	3,60	2,42	**37,05**
March ,, ...	211	**47,47**	**6,08**	3,59	2,49	**37,31**
April ,, ...	209	**45,28**	**6,00**	3,52	2,48	**35,66**
May ,, ...	208	**44,12**	**5,94**	3,44	2,50	**34,52**
June ,, ...	208	**46,11**	**6,10**	3,56	2,54	**35,78**
July ,, ...	203	**44,00**	**5,90**	3,39	2,51	**34,41**
August ,, ...	201	**43,69**	**5,76**	3,27	2,49	**34,15**
September ,, ...	200	**44,09**	**6,02**	3,55	2,47	**34,08**
October ,, ...	197	**43,44**	**5,87**	3,39	2,48	**33,52**
November ,, ...	190	**42,03**	**5,77**	3,33	2,44	**32,59**
December ,, ...	193	**37,60**	**5,96**	3,39	2,57	**28,31**
January 1964 ...	188	**43,34**	**6,13**	3,50	2,63	**32,89**
February ,, ...	177	**41,52**	**5,67**	3,14	2,53	**31,39**

(For footnotes, please see end of the Statement.)

LIABILITIES AND ASSETS IN INDIA

(Amount in lakhs of Rupees)

LITIES

DEPOSITS						Due to other banks	Other liabilities
DEMAND			TIME				
Total	Inter-bank	Others	Total	Inter-bank	Others		
7	8	9	10	11	12	13	14
23,92	35	23,57	**42,09**	44	41,65	1,75	2,39
13,70	21	13,49	**35,53**	58	34,95	95	2,60
13,09	18	12,91	**31,70**	60	31,09	89	2,52
10,06	17	9,89	**27,85**	28	27,57	1,00	3,98
9,81	22	9,59	**27,95**	47	27,49	63	2,72
24,90	42	24,48	**42,71**	38	42,33	2,29	2,51
11,58	15	11,43	**31,76**	46	31,30	1,37	2,50
10,23	19	10,04	**27,91**	34	27,57	1,49	2,85
10,82	29	10,53	**27,26**	48	26,78	82	2,49
10,12	24	9,88	**28,06**	50	27,56	61	2,59
10,19	22	9,97	**27,75**	52	27,23	49	2,56
10,28	23	10,05	**27,56**	56	27,00	46	2,54
10,82	29	10,53	**27,26**	48	26,78	82	2,49
10,07	23	9,84	**26,37**	55	25,82	45	2,39
9,94	21	9,73	**25,32**	53	24,79	66	2,26
10,95	29	10,66	**25,66**	54	25,12	97	2,43
10,01	20	9,81	**25,16**	56	24,60	61	2,32
9,89	18	9,71	**25,03**	59	24,44	82	2,19
9,83	22	9,61	**25,06**	59	24,47	65	2,53
9,80	21	9,59	**24,44**	51	23,93	83	2,50
9,58	20	9,38	**23,73**	52	23,21	76	2,19
7,17	10	7,07	**21,61**	37	21,24	69	2,17
10,46	20	10,26	**23,07**	44	22,63	97	2,71
10,23	18	10,05	**21,82**	48	21,34	1,43	2,37

STATEMENT 19—NON-SCHEDULED BANKS—

										ASS
				CASH IN HAND AND BALANCES WITH RESERVE BANK			Balances with Agent of Reserve Bank and other banks in current account	Money at call and short notice		BANK
			Total (*b*)	Total	Cash in hand	Balances with Reserve Bank			Total	Advances
			15	16	17	18	19	20	21	22
Average of last Fridays										
1955-56		...	**82,23**	**4,52**	4,49	3	2,66	2,36	**38,80**	36,34
1960-61		...	**60,09**	**3,53**	3,52	1	3,45	1,58	**31,12**	29,71
1961-62*		...	**55,06**	**3,04**	3,03	1	3,20	1,60	**27,79**	26,73
			48,97	**2,75**	2,74	1	2,56	1,58	**24,82**	23,81
1962-63		...	**47,10**	**2,55**	2,53	2	2,78	1,85	**22,49**	21,51
Last Friday										
1955-56		...	**84,40**	**4,67**	4,66	1	2,37	76	**41,71**	38,54
1960-61		...	**53,99**	**3,22**	3,21	1	2,55	55	**29,11**	27,82
1961-62		...	**48,36**	**2,96**	2,95	1	2,46	1,18	**25,38**	24,40
1962-63		...	**47,37**	**2,52**	2,51	1	3,65	1,80	**20,88**	19,70
December	1962	...	**47,37**	**2,90**	2,88	1	3,11	1,84	**21,36**	20,54
January	1963	...	**46,89**	**2,50**	2,48	2	3,17	1,54	**21,36**	20,33
February	,,	...	**46,73**	**2,64**	2,63	1	3,06	2,83	**19,59**	18,54
March	,,	...	**47,37**	**2,52**	2,51	1	3,65	1,80	**20,88**	19,70
April	,,	...	**45,17**	**2,53**	2,52	1	2,84	1,73	**19,96**	18,87
May	,,	...	**43,99**	**2,45**	2,44	1	2,45	2,15	**19,25**	18,23
June	,,	...	**45,94**	**2,73**	2,69	4	2,67	2,02	**20,20**	19,29
July	,,	...	**43,89**	**2,39**	2,38	1	2,79	1,82	**19,16**	18,24
August	,,	...	**43,56**	**2,38**	2,37	1	2,28	1,78	**19,65**	18,63
September	,,	...	**43,95**	**2,33**	2,32	1	2,48	1,82	**19,53**	18,49
October	,,	...	**43,32**	**2,22**	2,21	1	2,39	1,48	**20,11**	19,06
November	,,	...	**41,91**	**2,29**	2,28	1	2,36	2,21	**18,05**	17,12
December	,,	...	**37,47**	**1,95**	1,94	1	2,07	1,00	**16,93**	16,04
January	1964	...	**42,87**	**2,34**	2,33	1	2,34	3,23	**18,50**	17,51
February	,,	...	**41,38**	**2,33**	2,32	1	2,20	3,81	**18,13**	17,15

Note: Compiled from the information supplied in Form XIII under the Banking Companies Act, 1949. Data from September 1961 being on a revised basis, are not strictly comparable with those for the earlier period.

LIABILITIES AND ASSETS IN INDIA—(*Contd.*)

(Amount in lakhs of Rupees)

ETS

CREDIT		INVESTMENTS					16	21	25
Bills purchased and discounted	Due from banks	**Total**	Central Government (*d*)	State Governments	Others	Other assets	*As percentage of aggregate deposits*		
23	24	25	26	27	28	29	30	31	32
2,46	7	**29,30**	16,66	6,80	5,84	4,52	*6.9*	*59.5*	*44.9*
1,41	1	**16,46**	5,54	5,92	4,99	3,94	*7.3*	*64.2*	*34.0*
1,06	1	**15,64**	5,05	6,12	4,47	3,79	*6.9*	*63.1*	*35.5*
1,01	2	**13,44**	3,79	6,19	3,46	3,79	*7.3*	*66.3*	*35.9*
98	1	**13,82**	3,22	6,34	4,27	3,59	*6.9*	*60.7*	*37.3*
3,17	6	**30,32**	16,65	7,97	5,70	4,51	*7.0*	*62.4*	*45.4*
1,29	2	**14,80**	4,63	6,14	4,03	3,74	*7.5*	*68.1*	*34.6*
98	3	**12,73**	3,53	6,06	3,14	3,62	*7.9*	*67.5*	*33.8*
1,18	1	**14,95**	3,41	6,44	5,10	3,56	*6.8*	*56.0*	*40.1*
82	—	**14,61**	3,38	6,62	4,61	3,55	*7.7*	*57.1*	*39.0*
1,03	1	**14,70**	3,38	6,44	4,88	3,61	*6.7*	*57.4*	*39.5*
1,05	—	**14,95**	3,38	6,43	5,14	3,66	*7.1*	*52.9*	*40.4*
1,18	1	**14,95**	3,41	6,44	5,10	3,56	*6.8*	*56.0*	*40.1*
1,09	—	**14,72**	3,36	6,03	5,33	3,39	*7.1*	*56.0*	*41.3*
1,02	1	**14,33**	3,22	5,92	5,19	3,35	*7.1*	*55.8*	*41.5*
91	1	**14,70**	3,41	6,17	5,12	3,61	*7.6*	*56.5*	*41.1*
92	—	**14,18**	3,25	5,69	5,24	3,55	*6.9*	*55.7*	*41.2*
1,02	—	**13,96**	3,24	5,44	5,28	3,51	*7.0*	*57.5*	*40.9*
1,04	—	**14,21**	3,33	5,44	5,44	3,58	*6.8*	*57.3*	*41.7*
1,05	1	**13,71**	3,39	5,25	5,07	3,40	*6.6*	*60.0*	*40.9*
93	1	**13,83**	3,33	5,14	5,36	3,16	*7.0*	*55.4*	*42.4*
89	1	**12,44**	2,57	4,82	5,05	3,07	*6.9*	*59.8*	*43.9*
99	1	**13,24**	3,28	5,02	4,94	3,21	*7.1*	*56.2*	*40.3*
98	1	**12,02**	3,19	4,70	4,13	2,88	*7.4*	*57.8*	*38.3*

(*a*) At the end of period. (*b*) As the data relate only to areas to which the Banking Companies Act extended, the total liabilities do not agree with the total assets. (*c*) Excluding banks incorporated outside Indian Union. (*d*) Including Treasury bills and Treasury deposit receipts.

*The figures above the line are averages of five months from April 1961 to August 1961 and those below are averages of seven months from September 1961 to March 1962.

STATEMENT 20—STATE CO-OPERATIVE BANKS MAINTAINING ACCOUNTS WITH THE RESERVE BANK OF INDIA

(Amount in lakhs of Rupees)

	Number of reporting banks	DEMAND AND TIME LIABILITIES											Borrowings from Reserve Bank	Borrownigs from State bank and/or a notified bank		
		Aggregate deposits (*a*) (5+10)	DEMAND					TIME								
			Total	Deposits		Borrowings from banks	Others (*b*)	Total	Deposits		Borrowings from banks	Others (*c*)		Total	Demand	Time
				Inter-bank	Others				Inter-bank	Others						
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Average of Friday figures																
1950-51 ...		**17,20**	**9,52**			1,44	8,09	**10,02**			91	9,11				
1955-56 ...		**25,83**	**10,76**			33	10,43	**15,44**			3	15,41	11,22	**19**	19(*f*)	1(*f*)
1960-61 ...		**53,86**	**22,97**			36	22,61	**31,52**			28	31,24	88,01	**7,61**	6,04	1,56
				7,06†	13,68†		79†		13,19†	18,01†		3,31†				
1961-62 ...		**36,45**	**25,21**	7,89	16,29	20	82	**38,56**	15,68	20,15	6	2,68	114,03	**1,96**	45	1,51
1962-63 ...		**40,34**	**28,06**	9,18	17,93	12	83	**42,42**	17,22	22,41	—	2,79	134,27	**3,33**	1,52	1,81
1963-64 ...		**47,54**	**32,27**	10,17	20,86	—	1,24	**51,65**	21,69	26,68	—	3,27	133,40	**3,13**	2,45	68
As at the close of last Friday																
1950-51 ...	7	**17,77**	**9,81**			1,04	8,77	**10,11**			1,11	9,00				
1955-56 ...	17	**28,49**	**12,30**			37	11,93	**16,56**			—	16,56	13,20	**16**	16	—
1960-61 ...	20	**34,93**	**25,95**	9,45	15,61	—	89	**37,33**	14,93	19,32	—	3,07	88,29	**1,44**	26	1,18
1961-62 ...	19	**38,29**	**29,02**	9,93	18,08	40	62	**36,99**	14,36	20,22	—	2,42	122,77	**1,47**	37	1,10
1962-63 ...	19	**42,65**	**30,34**	10,62	18,66	—	1,05	**41,01**	15,01	23,99	—	2,01	134,18	**5,46**	3,81	1,65
1963-64 ...	18	**49,97**	**34,06**	10,43	22,31	—	1,32	**50,17**	18,86	27,67	—	3,64	133,51	**5,57**	5,25	32
1963-64 (Weekly) Friday figures 1963																
April 5 ...	19	**43,85**	**32,44**	11,87	19,22	—	1,34	**43,64**	16,05	24,63	—	2,96	130,85	**3,89**	2,49	1,40
.. 12 ...	19	**43,64**	**32,35**	10,89	20,20	—	1,26	**43,54**	17,09	23,44	—	3,01	123,54	**3,17**	2,07	1,10
.. 19 ...	19	**44,30**	**32,07**	11,38	19,48	—	1,21	**46,64**	18,35	24,82	—	3,47	120,44	**2,74**	1,79	95
.. 26 ...	19	**44,47**	**31,67**	10,69	19,78	—	1,19	**47,08**	19,01	24,69	—	3,39	117,71	**2,55**	1,84	71
May 3 ...	19	**44,67**	**30,95**	9,88	19,91	—	1,15	**46,50**	18,65	24,76	—	3,09	119,72	**2,34**	1,78	56
.. 10 ...	19	**44,60**	**30,67**	10,00	19,64	—	1,03	**46,13**	18,31	24,96	—	2,87	119,95	**3,16**	2,60	56
.. 17 ...	19	**44,90**	**31,11**	10,33	19,77	—	1,02	**46,79**	18,55	25,13	—	3,11	120,04	**3,21**	2,65	56
.. 24 ...	19	**45,24**	**30,72**	9,73	19,97	—	1,02	**47,80**	19,27	25,28	—	3,25	120,16	**3,15**	2,59	56
.. 31 ...	19	**45,31**	**31,04**	10,30	19,63	—	1,11	**47,61**	18,99	25,68	—	2,94	121,15	**2,35**	1,89	46

June	7	...	19	**44,67**	**30,52**	10,34	19,15	—	1,03	**48,39**	18,94	25,52	—	3,93	121,71	**2,41**	1,95	46
,,	14	...	19	**44,84**	**30,99**	10,42	19,58	—	99	**49,70**	20,21	25,26	—	4,22	121,23	**2,26**	1,95	31
,,	21	...	19	**45,17**	**31,80**	11,05	19,80	—	96	**50,76**	21,09	25,37	—	4,29	123,30	**1,51**	1,30	21
,,	28	...	19	**47,10**	**42,10**	19,22	21,89	—	99	**52,49**	23,25	25,21	—	4,04	137,54	**1,92**	1,10	82
July	5	...	19	**47,37**	**38,30**	15,71	21,66	—	94	**54,38**	24,94	25,72	—	3,73	135,88	**1,68**	1,31	37
,,	12	...	19	**47,93**	**35,55**	12,56	21,96	—	1,03	**58,90**	28,87	25,98	—	4,05	129,13	**1,52**	1,15	37
,,	19	...	19	**48,21**	**34,80**	11,41	22,36	—	1,03	**62,15**	32,27	25,86	—	4,02	120,71	**1,59**	1,02	57
,,	26	...	19	**46,59**	**33,36**	11,21	21,11	—	1,04	**58,56**	30,45	25,48	—	2,64	127,38	**2,31**	1,59	72
August	2	...	19	**48,24**	**32,09**	9,92	21,13	—	1,04	**55,22**	25,84	27,11	—	2,27	136,00	**2,72**	2,00	72
,,	9	...	18	**48,58**	**32,40**	9,57	21,49	—	1,33	**50,64**	21,26	27,09	—	2,29	139,43	**2,15**	1,22	93
,,	16	...	18	**49,29**	**33,07**	9,45	22,32	—	1,30	**50,77**	21,60	26,97	—	2,19	139,42	**1,86**	83	1,03
,,	23	...	18	**48,50**	**32,38**	9,64	21,42	—	1,32	**54,28**	24,96	27,09	—	2,24	135,80	**2,72**	1,29	1,43
,,	30	...	18	**48,05**	**31,87**	9,44	21,24	—	1,19	**53,49**	24,25	26,81	—	2,42	137,53	**3,73**	2,31	1,42
September	6	...	18	**47,59**	**30,77**	9,18	20,40	—	1,19	**49,89**	20,05	27,19	—	2,64	146,64	**3,92**	2,90	1,02
,,	13	...	18	**48,79**	**32,32**	9,67	21,53	—	1,13	**52,91**	22,41	27,26	1	3,23	141,34	**2,83**	1,47	1,36
,,	20	...	18	**45,06**	**31,77**	9,70	20,84	—	1,23	**56,27**	28,85	24,22	—	3,19	137,37	**3,06**	2,19	87
,,	27	...	18	**48,05**	**31,67**	9,61	20,87	—	1,19	**56,33**	25,90	27,18	—	3,25	138,29	**3,48**	2,62	87
October	4	...	18	**48,46**	**31,94**	9,08	21,66	—	1,19	**52,92**	22,98	26,80	—	3,14	138,85	**3,18**	2,31	87
,,	11	...	18	**47,88**	**31,84**	9,50	21,09	—	1,24	**54,01**	24,89	26,79	—	2,33	137,07	**2,67**	1,89	78
,,	18	...	18	**47,99**	**30,83**	8,69	20,79	—	1,36	**50,77**	21,03	27,20	—	2,53	141,32	**2,07**	1,49	58
,,	25	...	18	**48,87**	**31,56**	8,20	22,01	—	1,36	**57,29**	27,84	26,87	—	2,58	134,69	**2,46**	1,93	53
November	1	...	18	**48,69**	**32,34**	9,11	21,81	—	1,42	**56,69**	26,92	26,89	—	2,88	133,41	**2,55**	2,04	52
,,	8	...	18	**48,87**	**31,17**	8,81	20,92	—	1,44	**57,40**	26,27	27,96	1	3,17	135,10	**1,93**	1,41	52
,,	15	...	18	**50,11**	**32,54**	9,00	22,21	—	1,33	**54,84**	23,79	27,89	—	3,16	137,35	**2,43**	1,91	52
,,	22	...	18	**51,08**	**32,93**	8,57	23,00	—	1,35	**55,78**	24,26	28,07	—	3,45	136,39	**2,09**	1,56	53
,,	29	...	18	**48,95**	**31,32**	8,59	21,41	—	1,33	**55,44**	24,68	27,54	—	3,23	137,45	**2,36**	1,94	42
December	6	...	18	**48,79**	**31,51**	9,06	21,01	—	1,44	**51,00**	19,93	27,79	—	3,28	142,62	**2,80**	2,37	42
,,	13	...	18	**48,38**	**31,00**	9,15	20,56	—	1,30	**51,22**	19,88	27,83	—	3,51	140,05	**3,23**	2,80	42
,,	20	...	18	**49,06**	**31,53**	9,07	21,07	—	1,38	**50,28**	18,66	27,98	—	3,63	139,93	**3,08**	2,66	42
,,	27	...	18	**49,25**	**33,60**	10,82	21,33	—	1,45	**50,59**	18,91	27,92	1	3,75	141,09	**3,50**	3,08	42
1964																		
January	3	...	18	**49,61**	**34,45**	11,25	21,78	—	1,42	**49,37**	18,66	27,83	—	2,88	141,88	**3,77**	3,34	42
,,	10	...	18	**48,59**	**31,85**	9,30	21,15	—	1,40	**50,19**	19,14	27,44	1	3,60	141,05	**4,32**	3,74	58
,,	17	...	18	**47,79**	**31,98**	9,47	21,09	—	1,42	**49,68**	19,48	26,70	1	3,48	140,43	**4,06**	3,26	81
,,	24	...	18	**47,72**	**31,97**	9,52	20,99	—	1,46	**50,53**	20,07	26,73	—	3,73	134,15	**3,33**	2,81	53
,,	31	...	18	**46,77**	**31,73**	9,63	20,63	—	1,47	**49,78**	19,92	26,14	—	3,72	139,21	**4,00**	3,48	52
February	7	...	18	**48,74**	**31,92**	9,96	20,67	—	1,29	**50,74**	19,09	28,06	—	3,59	136,50	**4,74**	4,07	67
,,	14	...	18	**48,57**	**30,23**	9,32	19,58	—	1,33	**51,61**	19,06	29,00	—	3,55	134,75	**4,11**	3,19	92
,,	21	...	18	**48,40**	**31,05**	9,55	20,14	—	1,36	**50,73**	18,64	28,26	—	3,83	135,17	**5,09**	4,32	77
,,	28	...	18	**47,92**	**30,69**	10,39	18,97	—	1,33	**50,77**	18,08	28,95	—	3,74	136,39	**4,91**	4,14	77
March	6	...	18	**48,50**	**31,34**	9,94	20,08	—	1,32	**51,70**	19,25	28,43	—	4,02	136,10	**5,74**	4,97	77
,,	13	...	18	**48,96**	**31,65**	9,61	20,73	—	1,31	**51,04**	19,24	28,23	—	3,57	136,18	**5,33**	4,65	67
,,	20	...	18	**49,15**	**32,17**	9,61	21,20	—	1,36	**50,56**	19,06	27,96	—	3,55	134,05	**5,38**	4,81	56
,,	27	...	18	**49,97**	**34,06**	10,43	22,31	—	1,32	**50,17**	18,86	27,67	—	3,64	133,51	**5,57**	5,25	32

[For foot-notes, please see end of the Statement.]

STATEMENT 20—STATE CO-OPERATIVE BANKS MAINTAINING ACCOUNTS WITH THE RESERVE BANK OF INDIA—(*Contd.*)

(Amount in lakhs of Rupees)

	ASSETS													
	Borrowings from the Refinance Corporation for Industry	Cash in hand and balances with Reserve Bank			Balances with other banks in current account	Investments in Government securities (*d*)	Money at call and short notice	Bank credit				*18*	*22*	*24*
		Total	Cash in hand	Balances with Reserve Bank				Total (*e*)	Advances: Loans, cash credits and overdrafts	Advances: Due from banks	Bills purchased and discounted	*As percentage of deposits (g)*		*aggregate*
	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Average of Friday figures														
1950-51 ...		**97**	49	48				**12,16**		9,59	2,57	*5.6*	—	*70.7*
1955-56 ...		**1,41**	74	67	85	13,28	2,57	**22,55**		17,70	4,85	*5.5*	*51.4*	*87.3*
1960-61 ...	—	**2,12**	69	1,43	3,13	20,92	9,76	**118,49**		101,73	16,76	*3.9*	*38.4*	*220.0*
									57,61†	68,42†	10†			
1961-62 ...	51	**2,15**	61	1,55	3.42	22,24	9,78	**147,40**	147,35	3,01	6	*5.9*	*61.0*	*404.4*
1962-63 ...	68	**2,34**	60	1,74	3,12	24,85	12,46	**175,01**	174,89	1	12	*5.8*	*61.6*	*433.8*
1963-64 ...	1,37	**2,81**	67	2,14	2,80	27,61	17,74	**196,23**	196,18	4	5	*5.9*	*58.1*	*412.8*
As at the close of last Friday														
1950-51 ...		**1,08**	58	50				**13.86**		10,67	3,19	—	—	*78.0*
1955-56 ...		**2,02**	95	1,07	1,59	13,76	2,99	**25,35**		19,25	6,10	*7.1*	*48.3*	*89.0*
1960-61 ...	—	**2,60**	1,01	1,59	4,39	21,78	10,15	**62,08**	61,99	62,40	9	*7.4*	*62.3*	*177.7*
1961-62 ...	45	**2,35**	61	1,73	3,62	23,27	10,57	**160,97**	160,93	2	4	*6.1*	*60.8*	*420.4*
1962-63 ...	1,25	**2,87**	69	2,18	3,83	26,09	16,00	**182,90**	182,85	2	6	*6.7*	*61.2*	*428.8*
1963-64 ...	1,44	**2,57**	70	1,87	3,12	28,64	20,14	**197,36**	197,32	5	4	*5.1*	*57.3*	*394.9*
1963-64 (Weekly) Friday figures 1963														
April 5 ...	1,25	**4,12**	68	3,44	4,11	26,24	20,16	**179,03**	178,96	5	7	*9.4*	*59.8*	*408.2*
,, 12 ...	1,25	**2,68**	60	2,08	4,34	25,87	19,33	**177,69**	177,61	3	8	*6.1*	*59.3*	*407.2*
,, 19 ...	1.25	**3,77**	60	3,17	3,82	26,62	19,66	**175,03**	174,97	7	5	*8.5*	*60.1*	*395.1*
,, 26 ...	1.25	**2,80**	67	2,13	2,80	26,55	19,00	**174,51**	174,46	8	4	*6.3*	*59.7*	*392.5*
May 3 ...	1,25	**2,49**	59	1,90	3,33	26,55	19,06	**172,98**	172,94	8	4	*5.6*	*59.4*	*387.2*
,, 10 ...	1,25	**2,43**	67	1,76	2,69	26,58	19,28	**175,34**	175,31	8	4	*5.5*	*59.6*	*393.1*
,, 17 ...	1,25	**2,52**	62	1,90	3,17	26,57	19,66	**173,17**	173,13	4	4	*5.6*	*59.2*	*385.7*
,, 24 ...	1,25	**2,18**	66	1,52	3,28	26,73	18,93	**174,65**	174,62	1	3	*4.8*	*59.1*	*386.0*
,, 31 ...	1,25	**3,07**	68	2,40	3,19	26,87	20,38	**172,93**	172,82	1	11	*6.8*	*59.3*	*381.7*

June	7	...	1,25	**2,89**	66	2,24	2,52	26,87	20,38	**174,47**	174,34	2	13	*6.5*	*60.2*	*390.6*
,,	14	...	1,25	**2,45**	68	1,77	2,73	26,88	19,26	**178,38**	178,32	—	5	*5.5*	*59.9*	*397.8*
,,	21	...	1,25	**2,92**	61	2,30	3,31	26,90	17,73	**181,49**	181,45	2	4	*6.5*	*59.6*	*401.8*
,,	28	...	1,25	**7,79**	65	7,13	4,77	26,89	22,07	**195,10**	195,06	2	4	*16.5*	*57.1*	*414.3*
July	5	...	1,25	**3,52**	65	2,87	3,15	26,87	24,35	**197,36**	197,30	2	6	*7.4*	*56.7*	*416.6*
,,	12	...	1,25	**4,29**	62	3,67	2,72	27,06	21,63	**200,06**	200,01	1	5	*9.0*	*56.5*	*417.4*
,,	19	...	1,25	**2,49**	61	1,87	2,49	26,61	19,20	**205,91**	205,86	1	5	*5.2*	*55.2*	*427.1*
,,	26	...	1,25	**2,54**	59	1,94	3,23	27,08	18,63	**202,51**	202,47	1	4	*5.4*	*58.1*	*434.7*
August	2	...	1,25	**2,48**	61	1,87	3,89	27,06	17,38	**197,80**	197,77	1	3	*5.2*	*56.1*	*410.0*
,,	9	...	1,25	**2,58**	60	1,98	2,38	27,06	16,81	**195,32**	195,28	1	3	*5.3*	*55.7*	*402.1*
,,	16	...	1,25	**2,92**	62	2,30	2,38	27,06	15,18	**196,89**	196,85	4	4	*5.9*	*54.9*	*399.4*
,,	23	...	1,25	**2,36**	60	1,76	2,49	27,29	14,71	**203,54**	203,51	2	3	*4.9*	*56.3*	*419.7*
,,	30	...	1,25	**2,39**	73	1,66	2,59	27,43	14,76	**203,49**	203,46	5	3	*5.0*	*57.1*	*423.5*
September	6	...	1,25	**2,42**	68	1,74	2,54	27,43	20,97	**196,46**	196,42	2	4	*5.1*	*57.7*	*412.9*
,,	13	...	1,25	**2,31**	64	1,67	2,78	27,42	18,53	**201,31**	201,26	2	5	*4.7*	*56.2*	*412.6*
,,	20	...	1,25	**2,40**	61	1,79	2,22	27,60	17,48	**206,22**	206,18	3	4	*5.3*	*61.2*	*457.6*
,,	27	...	1,25	**2,55**	62	1,93	2,56	27,60	17,29	**207,99**	207,96	3	3	*5.3*	*57.4*	*432.9*
October	4	...	1,55	**2,81**	70	2,11	2,46	28,02	17,35	**204,40**	204,35	3	5	*5.8*	*57.8*	*421.8*
,,	11	...	1,55	**2,37**	67	1,70	2,21	27,94	16,43	**205,93**	205,89	3	4	*5.0*	*58.4*	*430.1*
,,	18	...	1,55	**2,47**	64	1,83	2,42	27,89	15,50	**202,23**	202,19	3	4	*5.1*	*58.1*	*421.4*
,,	25	...	1,55	**2,60**	61	2,00	2,05	28,15	15,16	**209,43**	209,37	5	6	*5.3*	*57.6*	*428.5*
November	1	...	1,55	**2,89**	63	2,26	2,26	28,08	13,23	**211,33**	211,29	5	4	*5.9*	*57.7*	*434.0*
,,	8	...	1,55	**2,77**	70	2,08	2,27	28,15	12,97	**211,16**	211,13	5	3	*5.7*	*57.6*	*432.1*
,,	15	...	1,55	**2,89**	64	2,25	2,19	28,18	13,45	**209,13**	209,08	10	5	*5.8*	*56.2*	*417.4*
,,	22	...	1,55	**2,91**	65	2,26	2,50	28,18	13,91	**208,84**	208,79	9	5	*5.7*	*55.2*	*408.9*
,,	29	...	1,55	**2,43**	69	1,73	2,43	28,22	13,94	**209,49**	209,46	5	3	*5.0*	*57.7*	*428.0*
December	6	...	1,55	**3,11**	66	2,46	2,44	28,23	16,36	**203,73**	203,69	3	3	*6.4*	*57.9*	*417.5*
,,	13	...	1,55	**2,58**	81	1,77	2,32	28,37	14,78	**203,09**	203,05	1	4	*5.3*	*58.6*	*419.8*
,,	20	...	1,55	**2,40**	72	1,68	2,78	28,01	15,49	**202,86**	202,82	4	4	*4.9*	*57.1*	*413.5*
,,	27	...	1,55	**3,18**	73	2,45	2,32	28,01	17,73	**203,02**	202,99	2	3	*6.5*	*56.9*	*412.2*
1964																
January	3	...	1,44	**3,24**	78	2,46	2,15	28,01	18,89	**201,57**	201,52	8	4	*6.5*	*56.5*	*406.3*
,,	10	...	1,44	**2,36**	65	1,71	3,88	28,31	18,60	**201,25**	201,20	3	5	*4.9*	*58.3*	*414.2*
,,	17	...	1,44	**2,65**	67	1,99	2,90	28,24	17,79	**201,25**	201,15	1	10	*5.6*	*59.1*	*421.1*
,,	24	...	1,44	**2,37**	70	1,67	2,83	28,35	15,54	**203,61**	203,55	2	6	*5.0*	*59.4*	*426.7*
,,	31	...	1,44	**2,47**	73	1,74	2,40	28,44	18,19	**199,43**	199,38	2	6	*5.3*	*60.8*	*426.4*
February	7	...	1,44	**2,35**	71	1,64	2,66	28,69	18,20	**200,07**	200,01	9	6	*4.8*	*58.9*	*410.5*
,,	14	...	1,44	**2,25**	59	1,67	2,68	28,61	16,72	**200,26**	200,22	9	4	*4.6*	*58.9*	*412.3*
,,	21	...	1,44	**2,48**	74	1,74	2,19	28,61	17,32	**199,78**	199,74	6	4	*5.1*	*59.1*	*412.8*
,,	28	...	1,44	**2,81**	84	1,97	2,61	28,61	16,61	**199,94**	199,90	10	5	*5.9*	*59.7*	*417.3*
March	6	...	1,44	**2,69**	78	1,90	2,66	28,63	18,73	**200,06**	199,97	10	8	*5.5*	*59.0*	*412.5*
,,	13	...	1,44	**2,66**	69	1,97	2,90	28,90	18,40	**198,37**	198,31	10	6	*5.4*	*59.0*	*405.2*
,,	20	...	1,44	**2,51**	67	1,84	2,56	28,65	19,36	**196,64**	196,60	10	4	*5.1*	*58.3*	*400.1*
,,	27	...	1,44	**2,57**	70	1,87	3,12	28,64	20,14	**197,36**	197,32	5	4	*5.1*	*57.3*	*394.9*

Note : Compiled from information supplied under Section 44 of the Reserve Bank of India Act. This Statement has been recast to show separate figures of inter-bank transactions in respect of deposits and advances and borrowings from the Refinance Corporation for Industry which are available since January 6, 1961.

(*a*) Figures above the line relate to aggregate liabilities. (*b*) Figures above the line correspond to the total of columns 4,5 and 7. (*c*) Figures above the line correspond to the total of columns 9, 10 and 12. (*d*) At book value; includes Treasury bills and Treasury deposit receipts. (*e*) Figures above the line include 'due from banks' also. (*f*) Average of 51 weeks. (*g*) Ratios above the line relate to aggregate liabilities. †Average of last 13 weeks.

STATEMENT 21—MONEY RATES

(Per cent per annum)

STATE BANK OF INDIA

		Bank rate	Hundi rate	Advance rate[1]	Call Loan: Scheduled banks[2]	Call Loan: Co-operative banks	Deposits at Notice of 7 Days: Bombay	Deposits at Notice of 7 Days: Calcutta	Deposits at Notice of 7 Days: Madras	Fixed Deposits: 1 Month: Bombay	Fixed Deposits: 1 Month: Calcutta	Fixed Deposits: 1 Month: Madras	Fixed Deposits: 2 Months: Bombay	Fixed Deposits: 2 Months: Calcutta	Fixed Deposits: 2 Months: Madras	Fixed Deposits: 3 Months: Bombay	Fixed Deposits: 3 Months: Calcutta	Fixed Deposits: 3 Months: Madras
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1955-56	... ...	3½	4½-5(*a*)	4	3½	3½	@	1.51	@	1.50	1.49	@	@	@	@	2.46	1.48	@
1960-61 †	... ...	4	5½-6½(*b*)	4½-5(*c*)	4-6(*d*)	4-4½(*d*)	1.86	2.38	1.53	2.15	2.50	2.50	2.50	@	@	2.38	2.23	2.41
1961-62	... ...	4	6½	5	6	4½	2.88	2.54	@	2.21	2.56	2.50	2.75	3.25	@	3.01	3.19	@
1962-63	... ...	4-4½	6½-7(*e*)	5	6-6½(*f*)	4½	3.00	2.62	@	2.14	@	@	3.25	@	@	3.07	3.37	@@
1963-64	... ...	4½	7¼(*g*)	5-6(*h*)	6¼-6¾(*j*)	4½-5(*h*)	3.00	3.00	3.00	3.00	@	@	3.25	@	@	3.50	3.50	@
March	1963 ...	4½	7	5	6½	4½	@	2.50	@	2.50	@	@	@	@	@	@	@	@
April	.. ...	4½	7¼(*g*)	5-6(*h*)	6½	4½-5(*h*)	@	@	@	3.00	@	@	3.25	@	@	3.50	3.50	@
May	,, ...	4½	7¼	6	6½	5	@	3.00	@	3.00	@	@	3.25	@	@	3.50	@	@@
June	.. ...	4½	7¼	6	6½	5	@	3.00	@	@	@	@	@	@	@	3.50	@	@@
July	,, ...	4½	7¼	6	6½	5	@	3.00	@	@	@	@	@	@	@	3.50	@	@@
August	,, ...	4½	7¼	6	6½	5	@	3.00	@	@	@	@	3.25	@	@	3.50	@	@@
September	,, ...	4½	7¼	6	6½	5	@	@	@	@	@	@	@	@	@	3.50	@	@@
October	,, ...	4½	7¼	6	6½	5	@	3.00	@	@	@	@	@	@	@	3.50	@	@@
November	,, ...	4½	7¼	6	6½	5	@	3.00	3.00	@	@	@	@	@	@	3.50	3.00	@@
December	,, ...	4½	7¼	6	6½	5	@	@	3.00	3.00	@	@	@	@	@	3.50	@	@@
January	1964 ...	4½	7¼	6	6½	5	@	3.00	@	3.00	@	@	@	@	@	3.50	3.50	@@
February	,, ...	4½	7¼	6	6¼(*i*)	5	3.00	3.00	@	@	@	@	@	@	@	3.50	3.50	@@
March	,, ...	4½	7¼	6	6¼-6¾(*j*)	5	@	3.00	@	@	@	@	@	@	@	3.50	3.50	@

STATE BANK OF INDIA (*Contd.*) — OTHER SELECTED MAJOR SCHEDULED BANKS

		STATE BANK OF INDIA (*Contd.*) — Fixed Deposits (*Contd.*) 6 Months: Bombay	6 Months: Calcutta	6 Months: Madras	12 Months: Bombay	12 Months: Calcutta	12 Months: Madras	Call Money from Banks: Bombay	Call Money from Banks: Calcutta	Call Money from Banks: Madras	Deposits at Notice of 7 Days: Bombay	Deposits at Notice of 7 Days: Calcutta	Deposits at Notice of 7 Days: Madras	Fixed Deposits 1 Month: Bombay	Fixed Deposits 1 Month: Calcutta	Fixed Deposits 1 Month: Madras
		18	19	20	21	22	23	24	25	26	27	28	29	30	31	32
1955-56	... ...	@	@	@	1.50	1.50	1.50	2.75	3.16	2.93	2.97	1.32	2.98	2.93	2.05	2.50
1960-61	... ...	2.32	2.35	2.51	2.62	2.61	2.70	4.24	4.30	3.74	3.07	2.81	2.79	3.29	3.25	3.16
1961-62	... ...	3.26	3.25	3.25	3.50	3.50	3.50	4.24	4.14	4.07	3.00	3.00	3.00	3.00	3.00	3.00
1962-63	... ...	3.25	3.25	3.25	3.50	3.50	3.50	4.16	3.91	3.70	2.97	2.87	2.59	3.00	3.00	3.00
1963-64	... ...	3.75	3.75	3.75	4.00	4.00	4.00	3.54	4.09	4.11	2.95	2.97	3.00	2.96	3.00	3.00
March	1963	3.25	3.25	3.25	3.50	3.50	3.50	6.22	6.19	6.13	3.00	3.00	3.00	3.00	3.00	@
April	,, ...	3.75	3.75	3.75	4.00	4.00	4.00	5.00	5.20	5.08	3.00	3.00	3.00	3.00	3.00	@@
May	,, ...	3.75	3.75	3.75	4.00	4.00	4.00	4.88	5.12	4.81	3.00	3.00	3.00	3.00	3.00	@@
June	,, ...	3.75	3.75	3.75	4.00	4.00	4.00	3.51	4.23	3.81	3.00	3.00	3.00	3.00	3.00	@
July	,, ...	3.75	3.75	3.75	4.00	4.00	4.00	1.35	2.30	1.46	2.50	2.96	3.00	3.00	3.00	3.00
August	,, ...	3.75	3.75	3.75	4.00	4.00	4.00	2.10	2.87	2.76	3.00	2.90	3.00	2.85	@	@@
September	,, ...	3.75	3.75	3.75	4.00	4.00	4.00	2.58	2 58	2.65	2.97	3.00	3.00	3.00	3.00	@@
October	,, ...	3.75	3.75	3.75	4.00	4.00	4.00	2.35	3.29	2.68	3.00	2.96	3.00	3.00	3.00	@
November	,, ...	3.75	3.75	3.75	4.00	4.00	4.00	2.01	2.01	2.14	3.00	2.95	3.00	3.00	@	3.00
December	,, ...	3.75	3.75	3.75	4.00	4.00	4.00	4.43	4.12	3.84	3.00	3.00	3.00	3.00	@	3.00
January	1964	3.75	3.75	3.75	4.00	4.00	4.00	4.96	5.31	4.73	3.00	3.00	3.00	3.00	@	@
February	,, ...	3.75	3.75	3.75	4.00	4.00	4.00	5.82	5.88	5.71	3.00	3.00	@	3.00	@	@@
March	,, ...	3.75	3.75	3.75	4.00	4.00	4.00	6.23	6.36	6.21	3.00	3.00	3.00	@	@	@

STATEMENT 21—MONEY RATES—(*Contd.*)

				OTHER SELECTED MAJOR SCHEDULED BANKS—(*Contd.*)												
				FIXED DEPOSITS—(*Contd.*)									BAZAAR BILL RATE @@		
				2 Months			3 Months			6 Months			12 Months					
				Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras
				33	34	35	36	37	38	39	40	41	42	43	44	45	46	47
1955-56		...	...	3.00	2.02	2.84	2.99	2.03	2.56	3.00	2.55	2.51	2.55	2.05	2.58	10⅛	10½-11	12
1960-61		...	...	3.31	3.31	3.21	3.50	3.47	3.39	3.49	3.41	3.44	3.44	3.20	3.28	9.00-12.00	9.50-13.00	12.00-13.92
1961-62		...	...	3.25	3.25	3.25	3.50	3.41	3.47	3.75	3.71	3.74	3.98	3.95	3.98	10.50-12.00	12.50-13.50	13.92
1962-63		...	...	3.25	3.25	@	3.47	3.50	3.44	3.75	3.72	3.75	3.99	3.99	3.98	10.50-12.00	12.50-13.00	13.92-15.00
1963-64		...	...	3.25	@	@	3.50	3.50	3.49	3.75	3.75	3.75	4.00	4.00	4.00	12.00	13.00	15.00
March	1963	...	...	@	@	@	@	@	@	3.75	3.75	3.75	3.90	4.00	4.00	12.00	13.00	15.00
April	,,	...	...	3.25	@	@	3.50	@	@	3.75	3.75	3.75	4.00	4.00	4.00	12.00	13.00	15.00
May	,,	...	...	3.25	@	@	@	@	@	3.75	3.75	3.75	4.00	4.00	4.00	12.00	13.00	15.00
June	,,	...	...	3.25	@	@	3.50	@	@	3.75	3.75	3.75	4.00	4.00	4.00	12.00	13.00	15.00
July	,,	...	...	@	@	@	3.50	@	@	3.75	3.75	3.75	4.00	4.00	4.00	12.00	13.00	15.00
August	,,	...	...	@	@	@	3.50	@	@	3.75	3.75	3.75	4.00	4.00	4.00	12.00	13.00	15.00
September	,,	...	...	3.25	@	@	@	@	@	3.75	3.75	3.75	4.00	4.00	4.00	12.00	13.00	15.00
October	,,	...	...	3.25	@	@	3.50	@	@	3.75	3.75	3.75	4.00	4.00	4.00	12.00	13.00	15.00
November	,,	...	...	3.25	@	@	3.50	@	3.50	3.75	3.75	3.75	4.00	4.00	4.00	12.00	13.00	15.00
December	,,	...	...	3.25	@	@	@	3.50	3.25	3.75	3.75	3.75	4.00	4.00	4.00	12.00	13.00	15.00
January	1964	...	...	3.25	@	@	@	3.50	@	3.75	3.75	3.75	4.00	4.00	4.00	12.00	13.00	15.00
February	,,	...	...	3.25	@	@	3.50	@	@	3.75	3.75	3.75	4.00	4.00	4.00	12.00	13.00	15.00
March	,,	...	...	3.25	@	@	@	3.50	@	3.75	3.75	3.75	4.00	4.00	4.00	12.00	13.00	15.00

Note: The Reserve Bank of India rate was raised to 4½ per cent effective January 3, 1963. The same rate is applicable for advances to scheduled banks and State co-operative banks for general banking purposes under Section 17 [4(*a*)] and for financing bonafide commercial or trade transactions under Section 17 [4(*c*)] to scheduled banks and to State co-operative banks under Section 17 [2(*a*)] or 17 [4(*c*)] and for financing co-operative sugar factories under Section 17 [2(*b*)] or 17 [4(*c*)]. The rate is 2 per cent below the Bank rate for advances for seasonal agricultural operations and marketing of crops under Section 17 [4(*a*)], 17 [2(*b*)] or 17 [4(*c*)] and 1½ per cent below the Bank rate for financing of cottage industries (Handloom) under Section 17 [2(*bb*)] or 17 [4(*c*)] and in respect of medium-term loans for agricultural purposes under Section 17 [4(AA)] read with Section 46A [2(*b*)] (with effect from November 1960). For details of Reserve Bank's slab-rate of lending to scheduled banks since its introduction on October 1, 1960, please see statement No. 25. Rates given in columns 6 to 44 prior to 1961-62 have also been computed as weighted averages of the quotations (exclusive of brokerage) relating to the local head offices of the selected banks, weights being proportional to the deposits accepted at each rate during the period and hence are comparable with the subsequent figures. For details, please see May 1963 issue of the Reserve Bank of India Bulletin.

1. The Bank's prime lending rate, which regulates all interest rates for the various categories and classes of advances granted by the Bank. 2. Prior to October 1, 1960 the rates relate to call loans above Rs. 5 lakhs; the loans below Rs. 5 lakhs were charged quarter per cent more during this period.

(*a*) With effect from March 7, 1956. (*b*) With effect from October 1, 1960. (*c*) With effect from October 1, 1960. (*d*) With effect from October 1, 1960. (*e*) With effect from January 4, 1963. (*f*) From week ended November 16, 1962. (*g*) With effect from the week ended April 5, 1963. (*h*) With effect from the week ended April 12, 1963. (*i*) With effect from January 29, 1964. (*j*) With effect from March 12, 1964.

@No transaction. @@Rate at which bills of small traders are reported to have been discounted by shroffs. These are unofficial quotations. Prior to December 1956, data relate to last Friday of the year; subsequent data provide ranges during the period. † Average of six months for columns 9 to 14.

Source: State Bank of India and other selected major scheduled banks.

STATEMENT 22—MONEY SUPPLY

Last Friday			CURRENCY WITH THE PUBLIC						
			Notes in circulation (a) (b) (c)	Circulation of rupee coin (a) (d)	Circulation of small coins (d) (e)	Balances of Central and State Governments held at Treasuries (f)	Cash on hand with scheduled and reporting non-scheduled and state co-operative banks	**Currency with the public (1+2+3—4—5)**	Variations in currency with the public
			1	2	3	4	5	**6**	7
1950-51	...	...	1,238.60	135.68	75.76	4.42	39.10	**1,406.52**	+ 81.72
1955-56	...	...	1,424.23	123.58	65.79	1.14	41.45	**1,571.01**	+193.89
1960-61	...	...	1,941.57	141.69	71.02	6.44	49.79	**2,098.05**	+167.19
1961-62	...	...	2,027.13	150.18	78.33	2.05	52.43	**2,201.16**	+103.11
1962-63	...	...	2,198.79	156.17	84.39	4.96	54.93	**2,379.47**	+178.31
1963-64	...	...	2,410.83	168.47	89.14†	5.18	61.20†	**2,602.05†**	+222.58†
March	1963	...	2,198.79	156.17	84.39	4.96	54.93	**2,379.47**	+ 48.30
April	,,	...	2,261.17	159.08	85.43	5.26	57.76	**2,442.67**	+ 63.20
May	,,	...	2,238.27	163.29	86.37	5.19	55.88	**2,426.87**	— 15.80
June	,,	...	2,216.33	162.22	86.87	3.92	70.03	**2,391.47**	— 35.40
July	,,	...	2,165.74	157.48	87.24	4.06	54.26	**2,352.14**	— 39.33
August	,,	...	2,147.90	153.86	87.44	4.93	53.61	**2,330.66**	— 21.48
September	,,	...	2,149.14	152.21	87.54	3.30	53.80	**2,331.78**	+ 1.12
October	,,	...	2,208.21	156.90	87.93	2.63	59.35	**2,391.06**	+ 59.28
November	,,	...	2,221.88	157.12	88.36	3.06	58.23	**2,406.07**	+ 15.01
December	,,	...	2,296.55	159.91	88.83	4.28	65.21	**2,475.79**	+ 69.72
January	1964	...	2,348.54	163.19	89.14	5.29	61.15	**2,534.44**	+ 58.65
February	,,	...	2,379.99	167.07	89.15†	4.16	62.72	**2,569.33†**	+ 34.89†
March	,,	...	2,410.83	168.47	89.14†	5.18	61.20†	**2,602.05†**	+ 32.72†

Note: (1) No adjustments have been made for the net inward or outward movements of currency. (2) This Statement has been recast to include circulation of small coins. As a result, the amount of currency with the public (Column 6) and the total money supply with the public (Column 12) given in this Statement will not agree with the figures published in the corresponding Statement of the Report on Currency and Finance upto 1960-61. (3) Under Column 8, demand deposits have been given instead of net demand liabilities as given upto 1960-61. The revised figures include (*i*) in respect of scheduled banks, non-bank demand deposits and non-deposit 'other' liabilities upto 1959-60 and non-bank demand deposits only thereafter, (ii) in respect of non-scheduled banks, non-bank demand deposits and (iii) in respect of state co-operative banks, net demand liabilities, i.e., non-bank demand deposits plus inter-bank deposits plus non-deposit 'other liabilities'. (4) Under Column 9, data on 'other deposits' with the Reserve Bank have been revised to exclude balances held on Reserve Bank Employees' Provident Fund, Pension Fund and Co-operative Guarantee Fund. As a result, data given in this Statement will not agree with those published in the corresponding Statement of the earlier issues of Report on Currency and Finance.

WITH THE PUBLIC

(Crores of Rupees)

DEPOSIT MONEY				Money supply with the public (6 + 10)	Variations in money supply with the public (7 + 11)
Net demand deposits of scheduled and reporting non-scheduled and state co-operative banks	'Other deposits' with the Reserve Bank (*g*)	Deposit money with the public (8 + 9)	Variations in deposit money		
8	9	10	11	12	13
585.03	24.44	**609.47**	+ 27.34	**2,015.99**	+ **109.06**
636.90	9.04	**645.94**	+ 68.26	**2,216.95**	+ **262.16**
757.10	13.46	**770.56**	+ 31.97††	**2,868.61**	+ **199.16**
827.43	17.23	**844.66**	+ 74.10	**3,045.82**	+ **177.21**
907.98	22.53	**930.51**	+ 85.85	**3,309.98**	+ **264.16**
1,115.25	31.90	**1,147.15**	+ 216.64	**3,749.20**	+ **439.22**
907.98	22.53	**930.51**	+ 50.43	**3,309.98**	+ **98.73**
933.93	23.86	**957.79**	+ 27.28	**3,400.46**	+ **90.48**
926.12	18.18	**944.30**	− 13.49	**3,371.17**	− **29.29**
953.64	17.48	**971.12**	+ 26.82	**3,362.58**	− **8.59**
972.82	26.02	**998.84**	+ 27.72	**3,350.98**	− **11.60**
999.17	20.05	**1,019.23**	+ 20.39	**3,349.89**	− **1.09**
1,009.00	19.60	**1,028.60**	+ 9.37	**3,360.39**	+ **10.50**
1,018.07	21.23	**1,039.31**	+ 10.71	**3,430.37**	+ **69.98**
1,021.14	25.78	**1,046.92**	+ 7.61	**3,452.99**	+ **22.62**
1,041.11	24.26	**1,065.37**	+ 18.45	**3,541.16**	+ **88.17**
1,074.02	36.35	**1,110.37**	+ 45.00	**3,644.80**	+ **103.64**
1,083.71	33.55	**1,117.27**	+ 6.90	**3,686.60†**	+ **41.80†**
1,115.25	31.90	**1,147.15**	+ 29.88	**3,749.20†**	+ **62.60†**

(*a*) Including *Hali Sicca* currency upto December 1957. (*b*) Figures are net of the return of about Rs. 43 crores from Pakistan awaiting adjustment. (*c*) Allowing for the special currency (Rs. 26.93 crores in April 1961, Rs. 6.72 crores in May 1961 and Rs. 0.55 crore in June 1961) withdrawn from Kuwait. (*d*) Estimated. (*e*) Figures are as on last day of the year/month. Excluding balances held in the small coin depots. Excludes balances held at treasuries also upto March 1962. (*f*) Figures are as on the last day of the year/month. Including small coins also. (*g*) Excluding balances held on I.M.F. Account No. 1, Reserve Bank Employees' Provident Fund, Pension Fund and Co-operative Guarantee Fund and some extraordinary items.

† Provisional. †† Derived from comparable estimates.

STATEMENT 23—SEASONAL VARIATIONS

		1955-56		1960-61	
		Slack Season	*Busy Season*	Slack Season	*Busy Season*
A.	**MONEY SUPPLY WITH THE PUBLIC** ...	+ **9.3**	+ **250.1**	+ **79.6**	+ **235.1**
1.	Currency with the public * @ ...	+ 11.4	+ *208.7*	+ 89.4	+ *205.2*
2.	Other deposits with the Reserve Bank ...	− 1.4	− *0.6*	+ 3.7	− *5.8*
3.	Bank money	+ 22.1	+ *42.0*	+ 6.1	+ *35.7*
B.	**FACTORS AFFECTING MONEY SUPPLY**				
1.	**Net Bank Credit to Government Sector (a+b)††** ...	+ **77.7**	+ **108.1**	+ **118.1**	+ **108.5**
	(*a*) Reserve Bank's net credit to Government sector (i—ii)	+ 24.1	+ *145.7*	+ 69.3	+ *234.9*
	(i) Aggregate financial assets of the Reserve Bank (including rupee coins)	+ 17.6	+ *151.8*	+ 75.6	+ *215.2*
	(ii) Government deposits with the Reserve Bank	+ 6.5	+ *6.1*	+ 6.3	− *19.7*
	(*b*) Banks' credit to Government Sector ††... ...	+ 53.6	+ *37.6*	+ 48.8	+ *126.4*
2.	**Net Bank Credit to Private Sector (a+b)††**... ...	+ **66.1**	+ **166.2**	+ **49.7**	+ **196.5**
	(*a*) Reserve Bank credit to private sector	+ 0.2	+ *0.3*	+ 0.5	+ *0.4*
	(*b*) Banks' net credit to private sector (i—ii) ...	+ 66.3	+ *155.9*	+ 49.2	+ *196.1*
	(i) Financial assets of banks	+ 26.5	+ *163.6*	+ 18.8	+ *191.2*
	(ii) Non-monetary liabilities of banks †† ...	+ 39.8	+ *7.7*	+ 30.4	− *4.9*
3.	**Net Foreign Exchange Assets of Banking Sector (a+b)**	+ **15.2**	+ **2.8**	+ **33.2**	+ **26.3**
	(*a*) Net foreign exchange assets of the Reserve Bank	+ 4.3	+ *16.0*	+ 27.9	+ *20.1*
	(*b*) Banks' net foreign exchange assets	+ 10.9	+ *18.8*	+ 5.3	+ *6.2*
4.	**Government's Net Currency Liabilities to the Public @ (Government Currency Liabilities—Treasury Balances)**	+ **3.0**	+ **11.6**	+ **1.0**	+ **15.7**
5.	**Net Non-Monetary Liabilities of the Reserve Bank** (Increase −)**	+ **8.6**	+ **16.0**	+ **20.3**	+ **41.8**
6.	**Non-Identifiable Net Non-Monetary Liabilities of Banks ‡‡ (Increase −)**	+ **5.9**	+ **17.0**	+ **2.7**	+ **17.5**

Note: (1) Slack season is from May to October and the busy season is from November to April. (2) No adjustments have been made for the net inward or outward movements of currency. (3) This Statement was recast in 1962 to include circulation of small coins. As a result the figures of currency with the public [item A(1)] and the total money supply with the public (item A) given in this Statement will not agree with the figures published in the corresponding Statement of the Report on Currency and Finance upto 1960-61. (4) Figures against items A(3) and B(2)(*b*)(*ii*) have been revised and relate to (*i*) in respect of scheduled banks, non-bank demand/time deposits and non-deposit 'other' demand/time liabilities upto 1959-60 and non-bank demand/time deposits only thereafter, (*ii*) in respect of non- scheduled banks, non-bank demand/time deposits and (iii) in respect of state co-operative banks, net demand/time liabilities, and as such are not comparable with figures published upto 1960-61. Figures for 1960-61 exclude estimated non-deposit 'other' demand/time liabilities of scheduled banks and are broadly comparable with those for the subsequent periods. Consequential changes are reflected in the totals. (5) The items under 'Factors Affecting Money Supply' have all been replaced by those appearing in the Statement 'Variations in Money Supply with the Public' and hence do not agree with those in the corresponding Statement of the Reports on Currency and Finance upto 1962-63.

* Excludes Rs. 43.17 crores of India notes returned from Pakistan and awaiting adjustment but allows for the withdrawal of special currency (Rs. 26.93 crores in April 1961, Rs. 6.72 crores in May 1961 and Rs. 0.55 crore in June 1961) from Kuwait.

IN MONEY SUPPLY WITH THE PUBLIC

(Crores of Rupees)

1961-62		1962-63		1963-64		Outstanding as on April 24, 1964
Slack Season	*Busy Season*	Slack Season	*Busy Season*	Slack Season	*Busy Season*	
– 97.9	**+326.4**	**– 62.9**	**+361.5**	**+ 29.9**	**+404.3**	**3,834.6**
–101.1	*+257.8*	– 70.7	*+258.9*	51.6	*+292.0*	2,683.0
– 1.6	*+ 5.7*	*– 5.2*	*+ 11.3*	*– 2.6*	*+ 8.8*	30.1
+ 4.8	*+ 63.0*	*+ 13.0*	*+ 91.3*	*+ 84.1*	*+103.5*	1,121.5
– 63.8	**+287.4**	**+ 5.9**	**+194.6**	**+126.9**	**+ 93.8**	**3,245.0**
–125.4	*+313.2*	*–109.1*	*+291.5*	*– 19.6*	*+241.0*	2,595.0
–110.2	*+296.0*	–116.2	*+301.9*	– 28.1	*+244.5*	2,661.3
+ 15.2	*– 17.2*	– 7.1	*+ 10.4*	– 8.5	*+ 3.5*	66.3
+ 61.6	*– 25.8*	+115.0	*– 96.9*	+146.5	*–147.2*	650.0
– 57.5	**+102.5**	**– 69.3**	**+246.5**	**–130.5**	**+363.5**	**820.8**
+ 0.7	*+ 1.9*	+ 2.2	*+ 2.1*	+ 5.9	*+ 4.9*	26.4
– 58.2	*+100.6*	– 71.5	*+244.4*	–136.4	*+358.6*	794.4
– 31.2	*+199.9*	+ 2.7	*+194.4*	– 64.6	*+337.0*	2,112.8
+ 27.0	*+ 99.3*	+ 74.2	*– 50.0*	+ 71.8	*– 21.6*	1,318.4
– 21.6	**– 43.2**	**– 25.4**	**+ 0.6**	**+ 17.9**	**+ 16.1**	**112.7**
– 37.7	*– 33.2*	– 32.8	*+ 20.4*	– 1.0	*+ 24.6*	112.4
+ 16.1	*– 10.0*	+ 7.4	*19.8*	+ 18.9	*8.5*	+0.3
+ 0.8	**+ 18.0**	**– 0.2**	**+ 10.6**	**+ 3.0**	**+ 13.5**	**255.7**
+ 36.5	**– 36.6**	**+ 30.7**	**49.2**	**+ 16.9**	**43.3**	**293.5**
+ 7.7	**1.7**	**4.6**	**41.6**	**4.3**	**39.3**	**306.1**

@Including *Hali Sicca* currency upto December 1957.

†† In view of the change in arrangements for holding P.L. 480 funds from May 12, 1960, figures from 1960-61 onwards are not comparable with those for the earlier years as no adjustment is made on this count.

** Comprises (*i*) the sum of capital and reserves, (*ii*) contribution by the Reserve Bank to the National Agricultural Credit (Long-term Operations and Stabilisation) Funds, (*iii*) the difference of (*a*) other liabilities of the Reserve Bank (mainly bills payable, profits of the Bank accruing under various heads such as interest, discount, exchange, commission, etc.) and (*b*) other assets (mainly premises, furniture, fittings, stationery, debit balances under heads representing expenditure incurred by the Bank and items in course of collection, etc.), (*iv*) Reserve Bank Employees' Pension Fund, Provident Fund and Co-operative Guarantee Fund and (*v*) an offset of Rs. 43 crores to assets held against Indian currency returned by Pakistan awaiting adjustment.

££ Comprises mainly capital and reserves of banks and the difference of their (*a*) other liabilities (mainly bills payable and net credit balances on account of branch adjustments) and (*b*) other assets (mainly premises, furniture, fittings, net debit balances on account of branch adjustments and capitalised expenses and tangible assets like uncleared cheques, stamps in hand, etc.).

STATEMENT 24—VARIATIONS IN

	Outstanding as on March 30, 1951	Variations during the First Plan	Outstanding as on March 30, 1956	Variations during the Second Plan
A. MONEY SUPPLY WITH THE PUBLIC ...	**2,020.6†**	**+ 196.2**	**2,217.0**	**+ 703.7****
1. Currency with the public*@ ...	1,404.8†	+ 166.2	1,571.0	+ 527.0
2. Other deposits with the Reserve Bank ...	24.4	— 15.4	9.0	+ 4.4
3. Bank money ...	591.4†	+ 45.4	636.9	+ 172.3**
B. FACTORS AFFECTING MONEY SUPPLY				
1. Net Bank Credit to Government Sector(a+b) †† ...	**807.5**	**+297.6**	**1,105.0**	**+1,383.5**
(*a*) Reserve Bank's net credit to Government sector (i-ii) ...	460.5	+ 246.2	706.7	+1,190.7
(i) Aggregate financial assets of the Reserve Bank (including rupee coins) ...	648.9	+ 187.2	836.1	+1,166.9
(ii) Government deposits with the Reserve Bank ...	188.4	— 59.0	129.4	— 23.8
(*b*) Banks' credit to Government sector †† ...	347.0	+ 51.4	398.3	+ 192.8
2. Net Bank Credit to Private Sector (a+b) †† ...	**257.5@@**	**+ 105.0**	**362.5**	**+ 23.3****
(*a*) Reserve Bank's credit to private sector ...	1.2	+ 4.8	6.1	+ 2.6
(*b*) Banks' net credit to private sector (i-ii) ...	256.3@@	+ 100.1	356.4	+ 20.7**
(i) Financial assets of banks ...	587.1@@	+ 235.6	822.7	+ 671.8
(ii) Non-monetary liabilities of banks †† ...	330.8	+ 135.5	466.3	+ 651.1**
3. Net Foreign Exchange Assets of Banking Sector (a+b) ...	**860.0**	**— 95.8**	**764.2**	**— 663.5**
(*a*) Net foreign exchange assets of the Reserve Bank ...	877.9	— 96.4	781.5	— 674.2
(*b*) Banks' net foreign exchange assets ...	—17.9	+ 0.6	— 17.3	+ 10.7
4. Government's Net Currency Liabilities to the Public@ (Government Currency Liabilities—Treasury Balances) ...	**241.4**	**— 52.4**	**189.0**	**+ 17.3**
5. Net Non-Monetary Liabilities of the Reserve Bank* (Increase —)** ...	**68.3**	**— 19.5**	**87.8**	**— 84.7**
6. Non-Identifiable Net Non-Monetary Liabilities of Banks §§ (Increase —) ...	**77.5@@**	**— 38.7**	**116.0**	**+ 28.0****

Note: (1) No adjustments have been made for the net inward or outward movements of currency. (2) This Statement was recast in 1962 to include circulation of small coins. As a result, the figures of currency with the public [Item A(1)], the total money supply with the public (Item A) and Government's net currency liabilities [Item B(4)] given in this Statement will not agree with the figures published in the corresponding Statement of the Report on Currency and Finance upto 1960-61. (3) Figures against A(3) and B(2) (*b*) (ii) have been revised and relate to (*i*) in respect of scheduled banks, non-bank demand/time deposits and non-deposit 'other' demand/time liabilities upto 1959-60 and non-bank demand/time deposits only thereafter, (*ii*) in respect of non-scheduled banks, non-bank demand/time deposits and (*iii*) in respect of State co-operative banks, net demand/time liabilities, and as such are not comparable with figures published upto 1960-61. Figures for 1960-61 exclude estimated non-deposit 'other' demand/time liabilities of scheduled banks and are broadly comparable with those for the subsequent periods. Consequential changes are reflected in the totals. (4) Unlike in the corresponding Statement appearing in the previous issues of Report on Currency and Finance the item 'Government's net currency liabilities to the public' has been shown as a separate one and the item 'non-identifiable net non-monetary liabilities of banking sector' has been bifurcated into those (*i*) relating to Reserve Bank of India and (*ii*) relating to banks. (5) Figures against A(2) have now been revised to exclude and those against B(5) to include balances held on Reserve Bank Employees' Provident Fund, Pension Fund and Co-operative Guarantee Fund. As a result, data given in this Statement will not agree with those published in the corresponding statement of the Reports on Currency and Finance upto 1962-63.

*** Comprises (*i*) the sum of capital and reserves, (*ii*) contribution by the Reserve Bank to the National Agricultural (Long-term Operations and Stabilisation) funds, (*iii*) the difference of (*a*) other liabilities of the Reserve Bank (mainly bills payable, profits of the Bank accruing under various heads such as interest, discount, exchange, commission, etc.) and (*b*) Other assets (mainly premises, furniture, fittings, stationery, debit balances under heads representing

MONEY SUPPLY WITH THE PUBLIC

(Crores of Rupees)

Outstanding as on March 31, 1961	Variations during				Ourstanding as on March 29, 1963	Outstanding as on March 27, 1964
	1960-61	1961-62	1962-63	1963-64		
2,868.6	**+199.2**	**+177.2**	**+264.2**	**+439.2**	**3,310.0**	**3,749.2**
2,098.1	+167.2	+103.1	+178.3	+222.6	2,379.5	2,602.1
13.5	— 3.5	+ 3.8	+ 5.3	+ 9.4	22.5	31.9
757.1	+ 35.5	+ 70.3	+ 80.6	+207.3	908.0	1,115.3
2,488.5	**— 17.3**	**+202.5**	**+201.8**	**+242.3**	**2,892.8**	**3,135.1**
1,897.4	+136.6	+159.3	+207.4	+194.8	2,264.1	2,458.9
2,002.9	+135.9	+141.0	+207.5	+207.7	2,351.4	2,559.0
105.5	— 0.7	— 18.3	+ 0.1	+ 12.9	87.3	100.1
591.1	—153.9	+ 43.2	— 5.6	+ 47.5	628.7	676.2
408.3	**+252.9**	**+ 36.7**	**+171.7**	**+217.1**	**616.6**	**833.7**
8.8	+ 0.3	+ 2.7	+ 3.3	+ 11.5	14.8	26.3
399.5	+252.6	+ 34.0	+168.4	+205.6	601.8	807.4
1,494.5	+237.8	+136.7	+213.6	+248.3	1,844.7	2,093.0
1,095.0	— 14.8	+102.7	+ 45.2	+ 42.7	1,242.9	1,285.6
178.4	**— 62.6**	**— 57.0**	**— 42.6**	**+ 43.7**	**78.9**	**122.6**
185.0	— 51.6	— 66.5	— 27.3	+ 31.0	91.3	122.3
— 6.6	— 11.0	+ 9.5	— 15.3	+ 12.7	— 12.4	+ 0.3
206.3	**+ 9.9**	**+ 20.2**	**+ 9.1**	**+ 16.8**	**235.6**	**252.4**
250.2	**— 0.2**	**+ 3.3**	**— 31.1**	**—25.8**	**278.0**	**303.8**
162.7	**+ 16.5**	**+ 28.5**	**— 44.7**	**— 54.9**	**235.9**	**290.8**

expenditure incurred by the Bank and items in course of collection, etc.), (iv) Reserve Bank Employees' Pension Fund, Provident Fund and Co-operative Guarantee Fund and (v) an offset of Rs. 43 crores to assets held against Indian currency returned by Pakistan awaiting adjustment.

§§Comprises mainly capital and reserves of banks and the difference of their (*a*) other liabilities (mainly bills payable and net credit balances on account of branch adjustments) and (*b*) other assets (mainly premises, furniture, fittings, net debit balances on account of branch adjustments and capitalised expenses and tangible assets like uncleared cheques, stamps in hand etc.)

* Excludes Rs. 43.17 crores of India notes returned from Pakistan and awaiting adjustment but allows for the withdrawal of special currency (Rs. 26.93 crores in April 1961, Rs. 6.72 crores in May 1961 and Rs. 0.55 crore in June 1961) from Kuwait.

@ Including *Hali Sicca* currency upto December 1957.

†† In view of the change in arrangements for holding P.L. 480 Funds from May 12, 1960, figures from 1960-61 onwards are not comparable with those for the earlier years, as no adjustment is made on this count.

† Adjusted for change in coverage due to inclusion in 1952 of non-scheduled banks operating exclusively in the then Part B States.

**Worked out by using the net demand/time deposits of scheduled banks including non-deposit other liabilities also for March 1961.

@@Adjusted for Foreign bills, data relating to which were obtained only since May 14, 1954.

STATEMENT 25—CHANGES MADE IN THE RESERVE BANK'S SLAB RATE SYSTEM OF LENDING TO SCHEDULED BANKS SINCE ITS INTRODUCTION ON OCTOBER 1, 1960

With effect from	BORROWINGS AT						
	4·0 per cent		4·5 per cent		5·0 per cent	6·0 per cent	6·5 per cent
	Basic Quota	Additional Quota	Basic Quota	Additional Quota			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
October 1, 1960	50 per cent of average statutory reserves*				50 per cent of average statutory reserves*	Borrowings in excess of 100 per cent of average statutory reserves*	
January 1, 1962	-do-	Additional amount related to bank's lending to small-scale industries and co-operatives			-do-	-do-	
July 2, 1962	25 per cent of average statutory reserves*	-do-			25 per cent of average statutory reserves*	50 per cent of average statutory reserves*	Borrowings in excess of 100 per cent of average statutory reserves*
October 31, 1962	-do-	-do-			25 per cent of average statutory reserves* less additional quota under column 2	50 per cent of average statutory reserves* [if the additional quota (Col. 2) exceeds the quota at 5 per cent (Col. 5) the excess, if any, will be deducted from the quota at 6 per cent]	Borrowings in excess of 100 per cent of average statutory reserves* granted by the Bank after a review of individual cases
January 3, 1963@			50 per cent of average statutory reserves*	Additional amount related to bank's lending to small-scale industries and co-operatives		50 per cent of average statutory reserves* less additional quota under column 4	Borrowings in excess of 100 per cent of average statutory reserves* granted by the Bank after a review of individual cases, at a higher rate, which in effect was 6.5 per cent

March 23, 1963	-do-	Additional amounts related to bank's (i) lending to small-scale industries and co-operatives and (ii) holdings of eligible usance export bills drawn in Indian rupees	50 per cent of average statutory reserves*	-do-
April 9, 1963	-do-	Additional amounts related to bank's (i) lending to small-scale industries and co-operatives, (ii) holdings of eligible usance export bills drawn in Indian rupees and (iii) lending to collieries guaranteed under the Guarantee Scheme	-do-	-do-
October 30, 1963	75 per cent of average statutory reserves*	-do-	(*a*) 75 per cent of average statutory reserves* (*b*) borrowings in excess of 150 per cent of average statutory reserves* granted by the Bank after a review of individual cases	
March 12, 1964	50 per cent of average statutory reserves*	-do-	50 per cent of average statutory reserves*	Borrowings in excess of 100 per cent of average statutory reserves* granted by the Bank after a review of individual cases

* Average of the reserves required to be kept by each bank under Section 42(1) of the Reserve Bank of India Act during each week of the preceding quarter.

@With the change in Bank rate from 4·0 per cent to 4·5 per cent, effective January 3, 1963, the rate charged by the Reserve Bank on the basic quota was raised to 4·5 per cent.

STATEMENT 26—BORROWINGS BY SCHEDULED BANKS FROM THE RESERVE BANK OF INDIA AT VARIOUS RATES OF INTEREST

(In lakhs of Rupees)

Average of Fridays		Total outstandings at					Weighted average rate of borrowings Per cent
		4%	4.5%	5%	6%	6.5%	
1960-61@		14,28		10,81	19,46		5.12
1961-62		10,39		5,03	6,25		4.81
1962-63		5,78	20,96	1,63	3,12	6,68	5.19
1963-64			13,98		4,88	3,68	5.15
March	1963		25,58		12,41	33,58	5.70
April	,,		17,14		7,90	14,30	5.53
May	,,		16,05		4,89	6,67	5.25
June	,,		7,64		77	12	4.66
July	,,		84		2	—	4.53
August	,,		1,34		1	—	4.51
September	,,		1,82		3	—	4.52
October	,,		1,99		13	8	4.66
November	,,		1,05		5	—	4.57
December	,,		8,89		49	—	4.58
January	1964		27,09		4,07	—	4.70
February	,,		41,12		16,76	—	4.93
March	,,		45,36		26,06	24,95	5.42

Note: For details regarding the changes in the slab-rate system, please refer to statement No. 25 of this Report.

@ Average of 23 weeks.

STATEMENT 27—AGGREGATE DEPOSITS OF SCHEDULED BANKS EXCLUDING P. L. 480 AND P. L. 665 DEPOSITS

(In lakhs of Rupees)

Last Friday		Aggregate Deposits
1956-57		1,130,86
1957-58		1,296,63
1958-59		1,391,20
1959-60		1,591,51
1960-61		1,556,61
1961-62		1,787,13
1962-63		1,974,43
1963-64		2,256,28
March	1963	1,974,43
April	,,	2,021,67
May	,,	2,031,46
June	,,	2,075,40
July	,,	2,112,36
August	,,	2,140,25
September	,,	2,154,05
October	,,	2,179,11
November	,,	2,188,26
December	,,	2,212,63
January	1964	2,233,38
February	,,	2,252,18
March	,,	2,256,28

Note: The figures represent aggregate deposits of scheduled banks as on the last Friday of each month as reported under Section 42(2) of the Reserve Bank of India Act reduced by the amounts of P.L. 480 and P.L. 665 deposits outstanding with scheduled banks in India at the end of each month as intimated by the U. S. Embassy, New Delhi. For changes in P.L. 480 deposits with the State Bank of India, refer to the footnote to Statement 17.

STATEMENT 28—ADVANCES OF THE RESERVE BANK OF INDIA TO SCHEDULED BANKS AND STATE CO-OPERATIVE BANKS MAINTAINING ACCOUNTS WITH THE RESERVE BANK OF INDIA

(Lakhs of Rupees)

	Scheduled Banks			State Co-operative Banks
	Against usance bills and/or promissory notes	Other advances	Total	
Outstanding as on last Friday of				
1950-51		12,41	**12,41**	3,42(*a*) (*b*)
1955-56	27,43	37,65	**65,08**	13,20(*b*)
1960-61	45,39	49,15	**94,53**	89,40
1961-62	40,73	12,31	**53,04**	123,39
1962-63	53,30	17,99	**71,28**	134,35
1963-64	47,59	36,58	**84,16**	133,98
Outstanding as at the close of				
April 5, 1963	40,66	7,56	**48,21**	130,85
,, 12, ,, ...	40,97	6,84	**47,81**	123,54
,, 19, ,, ...	27,76	2,48	**30,23**	120,44
,, 26, ,, ...	26,24	4,93	**31,16**	117,71
May 3, ,, ...	31,06	10,80	**41,86**	119,72
,, 10, ,, ...	30,73	15,25	**45,97**	119,95
,, 17, ,, ...	17,49	7,43	**24,92**	120,04
,, 24, ,, ...	6,28	2,48	**8,76**	120,16
,, 31, ,, ...	8,70	8,90	**17,60**	121,25
June 7, ,, ...	9,35	15,18	**24,53**	121,71
,, 14, ,, ...	2,86	4,05	**6,91**	121,23
,, 21, ,, ...	46	84	**1,30**	123,30
,, 28, ,, ...	9	1,08	**1,17**	137,54
July 5, ,, ...	9	74	**83**	135,88
,, 12, ,, ...	94	83	**1,77**	129,13
,, 19, ,, ...	9	38	**47**	120,71
,, 26, ,, ...	9	26	**35**	127,38
August 2, ,, ...	59	1,49	**2,08**	136,00
,, 9, ,, ...	2,10	1,07	**3,17**	139,43
,, 16, ,, ...	—	32	**32**	139,42
,, 23, ,, ...	—	37	**37**	135,80
,, 30, ,, ...	—	81	**81**	137,53
September 6, ,, ...	1,35	1,68	**3,03**	146,64
,, 13, ,, ...	55	47	**1,02**	141,34
,, 20, ,, ...	—	1,45	**1,45**	137,37
,, 27, ,, ...	10	1,78	**1,88**	138,29
October 4, ,, ...	7	3,07	**3,14**	138,85
,, 11, ,, ...	—	1,83	**1,83**	137,07
,, 18, ,, ...	—	2,11	**2,11**	141,32
,, 25, ,, ...	—	1,75	**1,75**	134,69
November 1, ,, ...	—	2,04	**2,04**	133,41
,, 8, ,, ...	—	51	**51**	135,10
,, 15, ,, ...	17	2,27	**2,44**	137,35
,, 22, ,, ...	—	38	**38**	136,39
,, 29, ,, ...	—	80	**80**	137,45
December 6, ,, ...	4,44	10,17	**14,61**	142,62
,, 13, ,, ...	2,67	5,19	**7,86**	140,05
,, 20, ,, ...	2,04	4,93	**6,97**	139,93
,, 27, ,, ...	3,16	4,92	**8,08**	141,09
January 3, 1964	8,71	18,08	**26,79**	142,94
,, 10, ,, ...	12,55	18,77	**31,32**	142,01
,, 17, ,, ...	11,79	20,50	**32,28**	141,20
,, 24, ,, ...	9,84	19,45	**29,29**	139,19
,, 31, ,, ...	13,14	22,94	**36,08**	140,54
February 7, ,, ...	19,59	29,54	**49,13**	138,12
,, 14, ,, ...	23,93	38,29	**62,22**	136,15
,, 21, ,, ...	23,24	29,37	**52,61**	135,93
,, 28, ,, ...	33,24	34,30	**67,54**	137,58
March 6, ,, ...	46,64	60,31	**106,94**	137,13
,, 13, ,, ...	46,02	49,45	**95,46**	137,18
,, 20, ,, ...	46,24	52,67	**98,91**	134,81
,, 27, ,, ...	47,59	36,58	**84,16**	133,98

(*a*) As on March 31, 1951. (*b*) Relates to 'borrowings from the Reserve Bank of India of State Co-operative Banks' as given in the returns furnished by the banks

STATEMENT 29—RESERVE BANK OF INDIA AND CO-OPERATIVE CREDIT (†)

(Lakhs of Rupees)

Year	Short-term loans to State Co-operative Banks											
	For seasonal agricultural operations and marketing of crops [17(4)(*a*), (2)(*b*) or (4)(*c*)] at 2 per cent below Bank rate*		For financing Intensive Agricultural District programme [17(2)(*b*) or (4)(*c*)] at 2 per cent below Bank rate		For non-agricultural purposes							
					For financing handloom weavers' societies				For general banking purposes [17(4)(*a*)] at Bank rate		For financing working capital requirements of co-operative sugar factories [17(2)(*b*) or (4)(*c*)] at Bank rate	
					For purchase of yarn [17(2)(*a*) or (4)(*c*)] at Bank rate		For production and marketing activities [17(2)(*bb*) or (4)(*c*)] at 1½ per cent below Bank rate					
	Amount drawn	Outstandings	Amount drawn	Outstandings	Amount drawn	Outstandings	Amount drawn	Outstandings	Amount drawn	Outstandings	Amount drawn	Outstandings
	1	2	3	4	5	6	7	8	9	10	11	12
1950-51	537.30	339.20	—	—	—	—	—	—	42.30	2.30	—	—
1955-56	2299.78	1233.48	—	—	—	—	—	—	38.60	13.00	—	—
1960-61	13166.16	7914.42	—	—	42.50	12.50	239.88	240.70	319.20	9.00	469.90	—
1961-62	15072.42	10671.22	97.00	80.00	173.90	65.00	354.30	335.63	983.00	18.50	2032.00	18.00
1962-63	18297.39	11730.52	155.30	178.50	238.00	77.75	451.66	443.59	1040.00	48.00	1475.00	19.00
1963-64	27189.81	11820.76	263.34	228.66	291.00	79.00	487.69	486.68	1474.50	70.00	—	—

†Under various Sections of the Reserve Bank of India Act, 1934 as indicated in brackets.

*With effect from November 15, 1951. Prior to this date, the rate of interest was 1½ per cent below Bank rate.

Year	Medium-term loans to State Co-operative Banks for agricultural purposes [17(4AA)] at 2 per cent below Bank rate before National Agricultural Credit (Long-term Operations) Fund was constituted		National Agricultural Credit (Long-term operations) Fund								Ordinary debentures of Land Mortgage Banks	
			Medium-term loans to State Co-operative Banks for agricultural purposes [17(4AA) read with 46A(2)(*b*)] at 2 per cent below Bank rate††		Medium-term loans to State Co-operative Banks for financing small and medium cultivators to enable them to purchase shares in co-operative sugar factories [17(4AA) read with 46A(2)(*b*)] at Bank rate		Long-term loans to State Governments for contribution to the share capital of co-operative credit societies [17(4AA) read with 46A(2)(*a*)]		Rural debentures of Land Mortgage Banks [17(4AA) read with 46A(2)(*d*)]			
	Amount drawn	Outstandings	Amount drawn	Outstandings	Amount drawn	Outstandings	Amount drawn	Outstandings	Purchases	Outstandings	Purchases	Outstanding
	13	14	15	16	17	18	19	20	21	22	23	24
1950-51	—	—	—	—	—	—	—	—	—	—	12.00	18.13
1955-56	30.75	40.52	10.59	10.59	—	—	—	—	—	—	9.50	73.38
1960-61	—	—	467.90	763.19	—	—	274.58	1995.17	33.17	107.15	2.90	66.81
1961-62	—	—	711.33	1081.50	10.00	10.00	542.65	2436.80	70.81	177.96	72.20	139.02
1962-63	—	—	348.85	918.86	8.81	15.97	491.34	2714.53	106.92@	284.88@	167.16	290.18
1963-64	—	—	448.24	863.62	—	9·87	330.81**	2831.63	74.48@@	359.36@@	334.46	616.26

††Rate of interest on loans sanctioned with effect from November 1, 1960 raised to 1½% below Bank rate.

@Includes purchases and outstandings of Rs. 13.50 lakhs each of special development debentures issued by a Central Land Mortgage bank.

**Of this Rs. 2.765 lakhs pertain to the amount sanctioned in 1962-63.

@@Figures of purchases and outstandings include special debentures of Rs. 4.06 lakhs and Rs. 17.56 lakhs, respectively.

STATEMENT 30—RESERVE BANK OF INDIA AND INDUSTRIAL FINANCE

(Thousands of Rupees)

As at the end of	A. Long-term Finance to			
	Industrial Finance Corporation		State Financial Corporations	
	Shares	Bonds	Shares	Bonds
1950-51	102,70	—	—	—
1955-56	102,70	200,00	170,00	—
1960-61	102,70	200,00	235,00	—
1961-62	142,70	200,00	245,00	6,75
1962-63	142,70	220,00	243,00	18,75
1963-64	142,70	220,00	243,00	18,75

Note : From 1958-59 onwards, long-term finance to Refinance Corporation is Rs. 100 lakhs in shares. This represents the paid-up value of the shares of Rs. 5 crores taken up by the Bank.

Outstanding as on last Friday	B. Medium-term Finance to		C. Short-term Finance to
	Industrial Finance Corporation [Under Section 17 (4B) (*b*) of the Reserve Bank of India Act.]	State Financial Corporations [Under Section 17 (4A) of the Reserve Bank of India Act.]	State Financial Corporations [Under Section 17 (4) (*a*) of the Reserve Bank of India Act.]
1960-61 ...	51,00		13,00
1961-62 ...	—		34,00
1962-63 ...	—	5,00	71,33
1963-64 ...	124,00	94,00	63,65
March 1963 ...	—	5,00	71,33
April ,, ...	—	16,00	72,70
May ,, ...	112,25	29,00	82,70
June ,, ...	—	35,00	78,80
July ,, ...	—	64,00	92,80
August ,, ...	10,00	74,50	91,55
September ,, ...	5,25	76,75	87,80
October ,, ...	27,25	92,00	82,80
November ,, ...	4,00	65,50	92,80
December ,, ...	37,50	75,20	108,80
January 1964 ...	95,75	94,20	70,78
February ,, ...	48,00	77,50	59,78
March ,, ...	124,00	94,00	63,65

Note : Since 1956-57, outstandings in respect of short-term finance to Industrial Finance Corporation of India [under Section 17(4B) (*a*) of the Reserve Bank of India Act] are nil.

STATEMENT 31—LIABILITIES AND ASSETS (ANNUAL AND

(Issue and Banking

		LIABILITIES									
			DEPOSITS								
		Notes in circulation	Central Government	State Governments	Scheduled banks	State co-operative banks	Other banks	Others	Total	Other liabilities (*a*)	**Total Liabilities or Assets (*b*)**
		1	2	3	4	5	6	7	8	9	10
Average of Friday figures											
1	1950-51	... 1,163,21	148,60	17,71		62,22		62,29	**290,82**	28,14	**1,482,18**
2	1955-56	... 1,339,39	60,11	19,85		53,77		18,31	**152,04**	45,59	**1,537,03**
3	1960-61	... 1,863,13	61,73	21,27		97,30		98,76	**279,06**	185,33	**2,327,52**
4	1961-62	... 1,957,42	60,71	16,55		81,95		140,73	**299,94**	204,13	**2,461,50**
5	1962-63	... 2,114,89	63,49	16,28		85,35		164,77	**329,89**	227,39	**2,672,18**
					82,35*	1,94*	4*				
6	1963-64	... 2,310,57	69,61	11,96	84,61	2,45	5	172,08	**340,77**	243,82	**2,895,15**
As at the close of last Friday											
7	1950-51	... 1,247,41	162,04	26,40		59,28		72,31	**320,03**	33,10	**1,600,55**
8	1955-56	... 1,466,64	67,34	62,03		53,24		16,68	**199,30**	59,46	**1,725,41**
9	1960-61	... 1,984,74	76,46	28,99		70,85		87,96	**264,25**	221,39	**2,470,39**
10	1961-62	... 2,070,30	71,30	15,89		72,73		152,36	**312,27**	231,84	**2,614,42**
11	1962-63	... 2,241,96	55,83	31,42	74,91	2,49	4	172,39	**337,09**	263,18	**2,842,23**
12	1963-64	... 2,454,00	84,15	15,97	76,66	2,34	4	161,71	**340,88**	282,76	**3,077,64**
1963-64 (Weekly) As at the close of **1963**											
13	April 5	... 2,301,59	102,47	8,20	71,46	3,99	2	169,20	**355,34**	256,38	**2,913,31**
14	,, 12	... 2,328,23	94,02	4,74	85,90	2,74	2	168,72	**356,14**	247,78	**2,932,14**
15	,, 19	... 2,317,22	63,40	3,98	78,56	4,04	5	169,21	**319,24**	248,85	**2,885,31**
16	,, 26	... 2,304,34	62,11	9,16	74,60	2,70	2	173,91	**322,52**	253,34	**2,880,20**
17	May 3	... 2,320,24	51,49	8,08	79,09	2,01	4	171,06	**311,77**	253,26	**2,885,28**
18	,, 10	... 2,344,09	50,83	7,07	79,53	2,43	6	170,27	**310,19**	249,41	**2,903,69**
19	,, 17	... 2,321,96	54,11	12,19	83,52	2,23	7	169,05	**321,18**	262,63	**2,905,77**
20	,, 24	... 2,295,75	57,18	10,06	82,60	1,88	6	169,45	**321,22**	262,82	**2,879,78**
21	,, 31	... 2,281,44	73,76	11,61	78,42	2,27	4	168,96	**335,06**	269,06	**2,885,56**
22	June 7	... 2,313,99	70,95	7,11	74,70	2,88	5	168,55	**324,24**	263,04	**2,901,27**
23	,, 14	... 2,307,08	58,94	7,96	79,04	2,74	4	168,66	**317,39**	268,76	**2,893,22**
24	,, 21	... 2,275,19	51,11	12,28	89,16	2,57	10	172,32	**327,55**	275,51	**2,878,25**
25	,, 28	... 2,259,50	65,07	14,49	94,38	6,84	37	156,49	**337,64**	278,82	**2,875,96**
26	July 5	... 2,274,48	73,37	9,00	96,77	3,30	2	207,02	**389,48**	210,93	**2,874,89**
27	,, 12	... 2,268,77	90,94	5,69	89,72	4,21	5	206,85	**397,46**	211,29	**2,877,53**
28	,, 19	... 2,237,58	54,95	15,82	109,51	2,52	4	207,05	**389,89**	214,58	**2,842,06**
29	,, 26	... 2,208,91	149,27	9,11	83,78	2,05	4	209,63	**453,88**	216,32	**2,879,11**
30	August 2	... 2,215,14	121,16	32,79	80,66	1,97	10	204,64	**441,33**	223,02	**2,879,49**
31	,, 9	... 2,246,93	101,44	24,26	84,25	2,13	2	204,24	**416,34**	210,03	**2,873,31**
32	,, 16	... 2,236,43	57,36	16,55	86,79	1,79	5	203,12	**365,65**	218,33	**2,820,42**
33	,, 23	... 2,208,74	65,04	15,19	99,75	1,81	5	160,25	**342,10**	218,92	**2,769,75**
34	,, 30	... 2,191,07	73,90	10,22	86,95	2,14	6	159,82	**333,09**	225,03	**2,749,19**

[For footnotes, please see end of the Statement.]

WEEKLY) OF THE RESERVE BANK OF INDIA

Departments combined) (Lakhs of Rupees)

ASSETS										
				LOANS AND ADVANCES TO						
Gold coin and bullion (*c*)	Foreign assets (*d*)	Rupee coin (*e*)	Investments (*f*)	Governments (*g*)	Scheduled banks	State co-operative banks	Others	Bills purchased and discounted	Other assets	
11	12	13	14	15	16	17	18	19	20	
40,02	832,40	57,33	535,19	2,37		6,77		3,05	5,06	*1*
40,02	723,48	107,00	602,42	1,73		36,99		9,78	15,61	*2*
117,76	155,73	126,92	1,712,04	38,19		132,78		28,71	15,38	*3*
117,76	134,03	121,70	1,829,41	63,87		137,69		34,10	22,93	*4*
117,76	100,98	119,38	2,009,29	56,42		155,24		78,15	34,97	*5*
					21,71*	140,32*	1,37*			
117,76	108,64	116,38	2,226,53	66,62	22,56	134,12	2,06	70,75	29,73	*6*
40,02	884,18	54,51	585,83	1,56		16,75		8,21	9,50	*7*
40,02	746,13	103,31	726,01	—		79,94		12,23	17,77	*8*
117,76	136,25	119,71	1,813,15	39,02		185,50		39,17	19,82	*9*
117,76	129,70	116,97	1,910,57	80,89		177,69		46,60	34,24	*10*
117,76	116,38	116,31	2,128,29	54,76	71,28	134,35	1,68	66,00	35,40	*11*
117,76	126,28	109,19	2,338,10	70,62	84,16	133,98	2,82	64,60	30,13	*12*
117,76	115,03	118,31	2,198,37	70,40	48,21	130,49	1,66	77,27	35,80	*13*
117,76	114,14	117,21	2,199,44	80,05	47,81	123,71	2,00	94,06	35,96	*14*
117,76	114,07	117,75	2,198,10	87,29	30,23	120,09	1,90	61,57	36,53	*15*
117,76	113,91	118,44	2,198,06	85,10	31,16	119,28	1,80	58,11	36,56	*16*
117,76	112,68	115,56	2,201,98	89,62	41,86	120,34	1,87	46,58	37,03	*17*
117,76	112,57	112,93	2,201,65	97,28	45,97	120,92	1,92	55,27	37,42	*18*
117,76	119,13	113,06	2,236,12	76,38	24,92	120,30	3,28	56,59	38,22	*19*
117,76	119,48	113,97	2,236,08	77,87	8,76	120,63	3,45	43,92	37,87	*20*
117,76	117,43	114,28	2,234,71	72,81	17,60	121,77	2,99	47,80	38,40	*21*
117,76	114,50	111,25	2,234,66	76,58	24,53	123,48	3,06	56,99	38,45	*22*
117,76	116,04	111,82	2,234,53	77,95	6,91	123,59	3,35	62,69	38,57	*23*
117,76	112,62	113,88	2,243,61	67,39	1,30	123,41	3,02	56,58	38,68	*24*
117,76	106,34	115,35	2,242,35	58,11	1,17	139,35	1,14	54,01	40,38	*25*
117,76	101,52	113,93	2,234,82	69,71	83	136,01	1,11	64,58	34,62	*26*
117,76	101,18	114,86	2,234,41	82,04	1,77	128,89	1,40	63,25	31,97	*27*
117,76	101,55	117,53	2,247,98	50,84	47	121,60	1,44	55,51	27,38	*28*
117,76	100,82	120,12	2,236,42	56,33	35	127,78	1,57	92,02	25,94	*29*
117,76	98,24	119,70	2,234,97	38,48	2,08	134,46	1,56	106,63	25,61	*30*
117,76	95,35	118,49	2,209,35	36,82	3,17	139,71	1,77	127,23	23,67	*31*
117,76	94,54	119,42	2,179,28	40,17	32	139,52	1,62	104,17	23,63	*32*
117,76	97,82	121,89	2,133,97	45,03	37	136,24	1,61	91,44	23,62	*33*
117,76	94,52	123,76	2,118,03	45,40	81	137,93	1,76	85,19	24,02	*34*

STATEMENT 31—LIABILITIES AND ASSETS (ANNUAL AND

(Issue and Banking

			LIABILITIES									
				DEPOSITS								
			Notes in circulation	Central Government	State Governments	Scheduled banks	State co-operative banks	Other banks	Others	Total	Other liabilities (*a*)	Total Liabilities or Assets(*b*)
			1	2	3	4	5	6	7	8	9	10
	1963 (*contd.*)											
35	September	6	... 2,218,88	94,54	7,76	84,22	2,00	6	159,05	**347,64**	221,93	**2,788,45**
36	,,	13	... 2,224,41	74,54	11,72	89,98	2,17	5	158,98	**337,44**	211,37	**2,773,22**
37	,,	20	... 2,204,43	70,20	7,13	86,15	2,22	5	160,96	**326,70**	218,75	**2,749,88**
38	,,	27	... 2,192,31	64,30	6,08	85,65	2,24	5	159,43	**317,74**	227,16	**2,737,22**
39	October	4	... 2,220,69	78,29	2,54	75,66	2,24	2	165,68	**324,44**	231,36	**2,776,49**
40	,,	11	... 2,257,08	52,20	10,36	86,66	1,80	5	161,96	**313,01**	223,00	**2,793,09**
41	,,	18	... 2,261,33	48,90	11,01	81,92	1,85	12	163,06	**306,86**	231,09	**2,799,29**
42	,,	25	... 2,251,38	47,97	14,80	118,50	2,02	5	161,13	**344,46**	224,79	**2,820,63**
43	November	1	... 2,243,92	48,68	7,37	98,73	2,34	3	163,77	**320,91**	228,68	**2,793,51**
44	,,	8	... 2,279,69	49,39	14,35	77,44	2,23	2	164,38	**307,82**	229,93	**2,817,44**
45	,,	15	... 2,286,54	50,75	20,55	95,17	2,38	4	164,23	**333,13**	238,47	**2,858,14**
46	,,	22	... 2,275,59	73,05	11,62	84,91	2,47	5	165,53	**337,63**	240,18	**2,853,40**
47	,,	29	... 2,265,05	71,14	11,19	78,91	2,10	5	166,41	**329,80**	235,92	**2,830,78**
48	December	6	... 2,313,53	84,01	10,21	82,93	2,10	5	166,29	**345,59**	237,74	**2,896,85**
49	,,	13	... 2,336,23	49,93	14,88	82,73	1,93	5	165,27	**314,79**	234,21	**2,885,23**
50	,,	20	... 2,335,75	49,71	8,93	83,77	1,92	4	170,48	**314,84**	242,52	**2,893,12**
51	,,	27	... 2,339,72	56,56	8,11	80,95	2,80	5	165,16	**313,64**	242,55	**2,895,90**
	1964											
52	January	3	... 2,369,18	52,53	9,66	85,14	3,52	2	173,93	**324,81**	249,11	**2,943,10**
53	,,	10	... 2,412,49	51,96	15,45	78,72	2,03	2	182,02	**330,20**	250,69	**2,993,38**
54	,,	17	... 2,414,87	52,66	23,34	82,74	2,36	2	174,62	**335,74**	250,92	**3,001,53**
55	,,	24	... 2,397,18	67,02	19,80	78,60	1,96	2	175,39	**342,80**	258,87	**2,998,84**
56	,,	31	... 2,391,71	60,20	15,83	79,89	2,63	4	177,25	**335,84**	265,40	**2,992,96**
57	February	7	... 2,441,90	54,52	9,81	83,54	1,84	4	176,06	**325,80**	260,47	**3,028,17**
58	,,	14	... 2,451,19	49,40	15,36	83,31	1,84	10	176,24	**326,25**	259,99	**3,037,43**
59	,,	21	... 2,434,31	56,50	13,93	80,27	2,07	4	163,18	**316,00**	268,73	**3,019,04**
60	,,	28	... 2,423,16	76,27	9,07	85,85	2,24	6	163,30	**336,79**	274,17	**3,034,12**
61	March	6	... 2,465,57	106,77	5,03	82,47	2,14	2	163,87	**360,29**	266,98	**3,092,85**
62	,,	13	... 2,472,43	109,35	8,42	77,81	2,15	5	160,06	**357,85**	264,10	**3,094,38**
63	,,	20	... 2,456,26	91,31	26,25	81,57	2,07	6	160,24	**361,51**	268,60	**3,086,36**
64	,,	27	... 2,454,00	84,15	15,97	76,66	2,34	4	161,71	**340,88**	282,76	**3,077,64**

(*a*) Including (*i*) paid-up capital of Rs. 5 crores, (*ii*) reserve fund of Rs. 5 crores upto June 28, 1957 and of Rs. 80 crores from July 5, 1957, (*iii*) National Agricultural Credit (Long-term Operations) Fund of Rs. 10 crores from February 3, 1956, Rs. 15 crores from July 6, 1956, Rs. 20 crores from July 5, 1957, Rs. 25 crores from July 4, 1958, Rs. 30 crores from July 3, 1959, Rs. 40 crores from July 1, 1960, Rs. 50 crores from June 30, 1961, Rs. 61 crores from July 6, 1962 and Rs. 73 crores from July 5, 1963 and (*iv*) National Agricultural Credit (Stabilisation) Fund of Rs. 1 crore from July 6, 1956. Rs. 2 crores from July 5, 1957, Rs. 3 crores from July 4, 1958, Rs. 4 crores from July 3, 1959, Rs. 5 crores from July, 1, 1960, Rs. 6 crores from June 30, 1961, Rs. 7 crores from July 6, 1962 and Rs. 8 crores from July 5,1963. (*b*) Excluding notes held in the Banking Department. (*c*) The gold reserves of the Issue Department are valued at the statutory rate of Rs. 21.24 per tola upto October 5, 1956 and

WEEKLY) OF THE RESERVE BANK OF INDIA—(*Contd.*)

Departments combined) (Lakhs of Rupees)

ASSETS										
				LOANS AND ADVANCES TO						
Gold coin and bullion(*c*)	Foreign assets(*d*)	Rupee coin(*e*)	Investments(*f*)	Governments (*g*)	Scheduled banks	State co-operative banks	Others	Bills purchased and discounted	Other assets	
11	12	13	14	15	16	17	18	19	20	
117,76	96,13	121,54	2,115,83	53,31	3,03	146,28	1,65	108,72	24,19	*35*
117,76	97,20	121,91	2,114,33	47,25	1,02	141,53	1,73	106,43	24,06	*36*
117,76	98,50	123,89	2,091,98	55,87	1,45	137,22	1,96	96,97	24,28	*37*
117,76	97,08	125,41	2,091,58	60,58	1,88	138,92	1,65	77,60	24,77	*38*
117,76	101,06	123,33	2,091,14	86,50	3,14	139,64	1,79	87,30	24,84	*39*
117,76	101,56	121,02	2,111,08	83,88	1,83	137,44	1,95	91,67	24,91	*40*
117,76	100,45	120,48	2,130,86	83,31	2,11	142,54	2,03	74,62	25,12	*41*
117,76	102,40	120,73	2,179,65	63,49	1,75	135,02	2,02	72,50	25,32	*42*
117,76	99,77	121,01	2,172,96	64,22	2,04	134,35	2,26	53,38	25,76	*43*
117,76	100,41	118,67	2,187,09	67,12	51	135,08	2,54	62,48	25,79	*44*
117,76	101,74	118,41	2,236,39	54,53	2,44	137,60	2,76	60,50	26,02	*45*
117,76	102,80	119,39	2,236,17	58,30	38	136,42	2,83	53,27	26,10	*46*
117,76	102,84	120,51	2,209,23	58,84	80	138,81	1,62	53,70	26,66	*47*
117,76	105,22	117,13	2,205,64	73,54	14,61	143,38	1,53	91,04	27,01	*48*
117,76	105,68	116,47	2,220,59	66,57	7,86	140,85	1,75	80,65	27,06	*49*
117,76	107,21	117,41	2,236,25	69,10	6,97	140,72	1,82	68,79	27,09	*50*
117,76	105,57	117,71	2,234,63	67,19	8,08	142,09	2,22	72,87	27,78	*51*
117,76	105,79	115,87	2,253,75	71,19	26,79	142,94	1,66	79,55	27,80	*52*
117,76	106,75	113,61	2,299,44	66,75	31,32	142,01	1,82	86,09	27,83	*53*
117,76	109,69	113,33	2,328,43	57,15	32,28	141,20	1,71	69,85	30,12	*54*
117,76	111,71	114,24	2,328,46	59,46	29,29	139,19	1,85	68,91	27,97	*55*
117,76	111,86	114,45	2,327,67	60,79	36,08	140,54	2,61	52,72	28,50	*56*
117,76	121,53	110,22	2,327,49	65,26	49,13	138,12	2,54	67,48	28,63	*57*
117,76	123,35	109,47	2,337,46	63,16	62,22	136,15	2,60	56,50	28,77	*58*
117,76	120,80	110,26	2,336,84	64,81	52,61	135,93	1,31	49,50	29,23	*59*
117,76	123,56	110,57	2,336,71	66,58	67,54	137,58	1,85	42,18	29,79	*60*
117,76	125,62	106,91	2,336,94	71,66	106,94	137,13	1,93	58,02	29,93	*61*
117,76	128,47	106,85	2,337,42	80,74	95,46	137,18	2,29	58,18	30,03	*62*
117,76	134,63	108,23	2,336,71	71,07	98,91	134,81	2,61	51,49	30,14	*63*
117,76	126,28	109,19	2,338,10	70,62	84,16	133,98	2,82	64,60	30,13	*64*

at Rs. 62.50 per tola thereafter. (*d*) Including cash and short-term securities. (*e*) Including one rupee notes and subsidiary coins. (*f*) Comprising Government of India rupee securities, rupee securities of State Governments and approved securities like shares of the State Bank of India and the State Bank of Hyderabad, shares of the Industrial Finance Corporation and State Financial Corporations and debentures of land mortgage banks, etc. (*g*) Including temporary overdrafts to State Governments from August 23, 1957.

* Average of 39 weeks.

STATEMENT 32—LIABILITIES AND ASSETS (ANNUAL AND WEEKLY) OF THE RESERVE BANK OF INDIA

(ISSUE DEPARTMENT)

(Lakhs of Rupees)

	LIABILITIES			ASSETS			
	Notes in circulation	Notes held in the Banking Department	**Total Liabilities (Total notes issued) or Assets**	Gold coin and bullion (*a*)	Foreign securities	Rupee coin (*b*)	Government of India rupee securities
	1	2	3	4	5	6	7
Average of Friday figures							
1950-51	1,163,21	17,19	**1,180,40**	40,02	624,70	57,21	458,47
1955-56	1,339,39	17,08	**1,356,47**	40,02	656,52	106,87	553,06
1960-61	1,863,13	18,94	**1,882,07**	117,76	134,99	126,84	1,502,48
1961-62	1,957,42	19,58	**1,977,00**	117,76	115,93	121,65	1,621,67
1962-63	2,114,89	20,29	**2,135,18**	117,76	93,42	119,32	1,804,68
1963-64	2,310,57	20,26	**2,330,82**	117,76	99,02	116,33	1,997,72
As at the close of last Friday							
1950-51	1,247,41	11,72	**1,259,13**	40,02	678,15	54,34	486,63
1955-56	1,466,64	11,77	**1,478,41**	40,02	656,42	103,16	678,82
1960-61	1,984,74	7,84	**1,992,59**	117,76	123,01	119,62	1,632,20
1961-62	2,070,30	25,37	**2,095,67**	117,76	113,86	116,91	1,747,14
1962-63	2,241,96	8,56	**2,250,52**	117,76	105,08	116,26	1,911,42
1963-64	2,454,00	19,80	**2,473,80**	117,76	112,46	109,11	2,134,47
1963-64 (Weekly)							
As at the close of **1963**							
April 5	2,301,59	15,95	**2,317,54**	117,76	105,08	118,28	1,976,42
,, 12	2,328,23	8,21	**2,336,43**	117,76	105,08	117,16	1,996,42
,, 19	2,317,22	19,76	**2,336,98**	117,76	105,08	117,71	1,996,42
,, 26	2,304,34	33,32	**2,337,66**	117,76	105,08	118,38	1,996,43
May 3	2,320,24	14,56	**2,334,80**	117,76	105,08	115,52	1,996,44
,, 10	2,344,09	18,07	**2,362,15**	117,76	105,08	112,87	2,026,44
,, 17	2,321,96	20,35	**2,342,31**	117,76	105,08	113,03	2,006,44
,, 24	2,295,75	22,45	**2,318,20**	117,76	110,08	113,92	1,976,44
,, 31	2,281,44	37,06	**2,318,50**	117,76	109,08	114,22	1,977,44
June 7	2,313,99	21,49	**2,335,48**	117,76	109,08	111,20	1,997,44
,, 14	2,307,08	28,98	**2,336,06**	117,76	109,08	111,78	1,997,44
,, 21	2,275,19	32,93	**2,308,12**	117,76	105,58	113,84	1,970,94
,, 28	2,259,50	40,12	**2,299,61**	117,76	99,83	115,32	1,966,70
July 5	2,274,48	23,70	**2,298,18**	117,76	95,89	113,89	1,970,65
,, 12	2,268,77	15,35	**2,284,12**	117,76	95,89	114,81	1,955,67
,, 19	2,237,58	19,23	**2,256,81**	117,76	95,26	117,48	1,926,31
,, 26	2,208,91	25,50	**2,234,41**	117,76	95,26	120,08	1,901,31

August	2	2,215,14	18,85	**2,233,99**	117,76	92,26	119,65	1,904,32
..	9	2,246,93	10,83	**2,257,77**	117,76	90,26	118,43	1,931,32
..	16	2,236,43	12,27	**2,248,70**	117,76	90,26	119,36	1,921,32
..	23	2,208,74	27,43	**2,236,17**	117,76	89,46	121,83	1,907,12
..	30	2,191,07	32,05	**2,223,12**	117,76	89,46	123,69	1,892,21
September	6	2,218,88	17,05	**2,235,93**	117,76	89,46	121,50	1,907,21
..	13	2,224,41	11,88	**2,236,29**	117,76	89,46	121,86	1,907,21
..	20	2,204,43	18,94	**2,223,37**	117,76	89,46	123,85	1,892,30
..	27	2,192,31	32,58	**2,224,89**	117,76	89,46	125,36	1,892,31
October	4	2,220,69	27,11	**2,247,80**	117,76	92,46	123,28	1,914,31
..	11	2,257,08	13,41	**2,270,50**	117,76	92,46	120,97	1,939,31
..	18	2,261,33	23,61	**2,284,95**	117,76	92,46	120,42	1,954,31
..	25	2,251,38	18,80	**2,270,18**	117,76	92,46	120,65	1,939,31
November	1	2,243,92	26,56	**2,270,48**	117,76	92,46	120,95	1,939,31
..	8	2,279,69	13,43	**2,293,12**	117,76	92,46	118,60	1,964,31
..	15	2,286,54	11,33	**2,297,88**	117,76	92,46	118,35	1,969,31
..	22	2,275,59	13,28	**2,288,87**	117,76	92,46	119,34	1,959,31
..	29	2,265,05	24,92	**2,289,98**	117,76	92,46	120,45	1,959,31
December	6	2,313,53	23,07	**2,336,60**	117,76	92,46	117,07	2,009,31
..	13	2,336,23	14,73	**2,350,95**	117,76	97,46	116,42	2,019,31
..	20	2,335,75	16,13	**2,351,89**	117,76	97,46	117,36	2,019,31
..	27	2,339,72	22,46	**2,362,18**	117,76	97,46	117,66	2,029,31
1964								
January	3	2,369,18	21,16	**2,390,34**	117,76	97,46	115,81	2,059,31
..	10	2,412,49	15,60	**2,428,09**	117,76	97,46	113,56	2,099,31
..	17	2,414,87	12,92	**2,427,80**	117,76	97,46	113,27	2,099,31
..	24	2,397,18	16,91	**2,414,09**	117,76	102,46	114,17	2,079,70
..	31	2,391,71	22,59	**2,414,31**	117,76	102,46	114,39	2,079,70
February	7	2,441,90	13,17	**2,455,07**	117,76	102,46	110,16	2,124,69
..	14	2,451,19	13,12	**2,464,31**	117,76	102,46	109,40	2,134,69
..	21	2,434,31	15,79	**2,450,10**	117,76	102,46	110,19	2,119,69
..	28	2,423,16	27,27	**2,450,42**	117,76	102,46	110,52	2,119,69
March	6	2,465,57	16,19	**2,481,77**	117,76	112,46	106,86	2,144,69
..	13	2,472,43	14,26	**2,486,69**	117,76	112,46	106,79	2,149,69
..	20	2,456,26	16,81	**2,473,07**	117,76	117,46	108,17	2,129,68
..	27	2,454,00	19,80	**2,473,80**	117,76	112,46	109,11	2,134,47

(*a*) The gold reserves of the Issue Department are valued at the statutory rate of Rs. 21.24 per tola upto October 5, 1956 and at Rs. 62.50 per tola thereafter.

(*b*) Including Government of India one rupee notes issued from July 1940.

STATEMENT 33—LIABILITIES AND ASSETS (ANNUAL AND WEEKLY) OF THE RESERVE BANK OF INDIA (BANKING DEPARTMENT)

(Lakhs of Rupees)

	LIABILITIES									ASSETS								
	DEPOSITS							Other liabilities (a)	Total liabilities or assets			LOANS AND ADVANCES TO						
	Central Government	State Governments	Scheduled banks	State co-operative banks	Other banks	Others	Total			Notes and Coins	Balances held abroad (b)	Governments (c)	Scheduled banks	State co-operative banks	Others	Bills purchased and discounted	Investments	Other assets
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Average of Friday figures																		
1950-51 ..	148,60	17,71		62,22		62,29	**290,82**	28,14	**318,97**	17,31	207,70	2,37		6,77		3,05	76,72	5,06
1955-56 ..	60,11	19,85		53,77		18,31	**152,04**	45,59	**197,64**	17,21	66,96	1,73		36,99		9,78	49,36	15,61
1960-61 ..	61,73	21,27		97,30		98,76	**279,06**	185,33	**464,39**	19,02	20,74	38,19		132,78		28,71	209,56	15,38
1961-62 ..	60,71	16,55		81,95		140,73	**299,94**	204,13	**504,08**	19,64	18,11	63,87		137,69		34,10	207,74	22,93
1962-63 ..	63,49	16,28		85,35		164,77	**329,89**	227,39	**557,29**	20,34	7,56	56,42		155,24		78,15	204,61	34,97
			82,35†	1,94†	4†								21,71†	140,32†	1,37†			
1963-64 ..	69,61	11,96	84,61	2,45	5	172,08	**340,77**	243,82	**584,59**	20,31	9,62	66,62	22,56	134,12	2,06	70,75	228,82	29,73
As at the close of last Friday																		
1950-51 ..	162,04	26,40		59,28		72,31	**320,03**	33,10	**353,13**	11,89	206,03	1,56		16,75		8,21	99,20	9,50
1955-56 ..	67,34	62,03		53,24		16,68	**199,30**	59,46	**258,77**	11,92	89,72	—		79,94		12,23	47,19	17,77
1960-61 ..	76,46	28,99		70,85		87,96	**264,25**	221,39	**485,64**	7,94	13,24	39,02		185,50		39,17	180,95	19,82
1961-62 ..	71,30	15,89		72,73		152,36	**312,27**	231,84	**544,12**	25,42	15,84	80,89		177,69		46,60	163,43	34,24
1962-63 ..	55,83	31,42	74,91	2,49	4	172,39	**337,09**	263,18	**600,27**	8,62	11,30	54,76	71,28	134,35	1,68	66,00	216,87	35,40
1963-64 ..	84,15	15,97	76,66	2,34	4	161,71	**340,88**	282,76	**623,64**	19,87	13,82	70,62	84,16	133,98	2,82	64,60	203,63	30,13
1963-64 (Weekly)																		
As at the close of **1963**																		
April 5 ..	102,47	8,20	71,46	3,99	2	169,20	**355,34**	256,38	**611,72**	15,99	9,95	70,40	48,21	130,49	1,66	77,27	221,95	35,80
„ 12 ..	94,02	4,74	85,90	2,74	2	168,72	**356,14**	247,78	**603,92**	8,25	9,06	80,05	47,81	123,71	2,00	94,06	203,02	35,96
„ 19 ..	63,40	3,98	78,56	4,04	5	169,21	**319,24**	248,85	**568,09**	19,80	8,99	87,29	30,23	120,09	1,90	61,57	201,68	36,53
„ 26 ..	62,11	9,16	74,60	2,70	2	173,91	**322,52**	253,34	**575,85**	33,37	8,83	85,10	31,16	119,28	1,80	58,11	201,63	36,56
May 3 ..	51,49	8,08	79,09	2,01	4	171,06	**311,77**	253,26	**565,04**	14,59	7,60	89,62	41,86	120,34	1,87	46,58	205,54	37,03
„ 10 ..	50,83	7,07	79,53	2,43	6	170,27	**310,19**	249,41	**559,61**	18,12	7,49	97,28	45,97	120,92	1,92	55,27	175,22	37,42
„ 17 ..	54,11	12,19	83,52	2,23	7	169,05	**321,18**	262,63	**583,81**	20,39	14,05	76,38	24,92	120,30	3,28	56,59	229,69	38,22
„ 24 ..	57,18	10,06	82,60	1,88	6	169,45	**321,22**	262,82	**584,04**	22,50	9,39	77,87	8,76	120,63	3,45	43,92	259,64	37,87
„ 31 ..	73,76	11,61	78,42	2,27	4	168,96	**335,06**	269,06	**604,12**	37,11	8,34	72,81	17,60	121,77	2,99	47,80	257,28	38,40
June 7 ..	70,95	7,11	74,70	2,88	5	168,55	**324,24**	263,04	**587,28**	21,55	5,42	76,58	24,53	123,48	3,06	56,99	237,23	38,45
„ 14 ..	58,94	7,96	79,04	2,74	4	168,66	**317,39**	268,76	**586,15**	29,03	6,96	77,95	6,91	123,59	3,35	62,69	237,09	38,57
„ 21 ..	51,11	12,28	89,16	2,57	10	172,32	**327,55**	275,51	**603,06**	32,97	7,04	67,39	1,30	123,41	3,02	56,58	272,67	38,68
„ 28 ..	65,07	14,49	94,38	6,84	37	156,49	**337,64**	278,82	**616,46**	40,15	6,51	58,11	1,17	139,35	1,14	54,01	275,65	40,38

July	5 ..	73,37	9,00	96,77	3,30	2	207,02	**389,48**	210,93	**600,41**	23,74	5,63	69,71	83	136,01	1,11	64,58	264,17	34,62
,,	12 ..	90,94	5,69	89,72	4,21	5	206,85	**397,46**	211,29	**608,75**	15,40	5,29	82,04	1,77	128,89	1,40	63,25	278,74	31,97
,,	19 ..	54,95	15,82	109,51	2,52	4	207,05	**389,89**	214,58	**604,47**	19,28	6,29	50,84	47	121,60	1,44	55,51	321,67	27,38
,,	26 ..	149,27	9,11	83,78	2,05	4	209,63	**453,88**	216,32	**670,20**	25,55	5,56	56,33	35	127,78	1,57	92,02	335,10	25,94
August	2 ..	121,16	32,79	80,66	1,97	10	204,64	**441,33**	223,02	**664,35**	18,90	5,98	38,48	2,08	134,46	1,56	106,63	330,65	25,61
,,	9 ..	101,44	24,26	84,25	2,13	2	204,24	**416,34**	210,03	**626,38**	10,89	5,09	36,82	3,17	139,71	1,77	127,23	278,03	23,67
,,	16 ..	57,36	16,55	86,79	1,79	5	203,12	**365,65**	218,33	**583,98**	12,32	4,28	40,17	32	139,52	1,62	104,17	257,96	23,63
,,	23 ..	65,04	15,19	99,75	1,81	5	160,25	**342,10**	218,92	**561,01**	27,49	8,35	45,03	37	136,24	1,61	91,44	226,86	23,62
,,	30 ..	73,90	10,22	86,95	2,14	6	159,82	**333,09**	225,03	**558,12**	32,12	5,06	45,40	81	137,93	1,76	85,19	225,83	24,02
September	6 ..	94,54	7,76	84,22	2,00	6	159,05	**347,64**	221,93	**569,57**	17,09	6,67	53,31	3,03	146,28	1,65	108,72	208,62	24,19
,,	13 ..	74,54	11,72	89,98	2,17	5	158,98	**337,44**	211,37	**548,81**	11,93	7,74	47,25	1,02	141,53	1,73	106,43	207,12	24,06
,,	20 ..	70,20	7,13	86,15	2,22	5	160,96	**326,70**	218,75	**545,45**	18,98	9,04	55,87	1,45	137,22	1,96	96,97	199,69	24,28
,,	27 ..	64,30	6,08	85,65	2,24	5	159,43	**317,74**	227,16	**544,91**	32,62	7,62	60,58	1,88	138,92	1,65	77,60	199,27	24,77
October	4 ..	78,29	2,54	75,66	2,24	2	165,68	**324,44**	231,36	**555,80**	27,16	8,60	86,50	3,14	139,64	1,79	87,30	176,83	24,84
,,	11 ..	52,20	10,36	86,66	1,80	5	161,96	**313,01**	223,00	**536,01**	13,46	9,10	83,88	1,83	137,44	1,95	91,67	171,77	24,91
,,	18 ..	48,90	11,01	81,92	1,85	12	163,06	**306,86**	231,09	**537,96**	23,68	8,00	83,31	2,11	142,54	2,03	74,62	176,55	25,12
,,	25 ..	47,97	14,80	118,50	2,02	5	161,13	**344,46**	224,79	**569,26**	18,88	9,94	63,49	1,75	135,02	2,02	72,50	240,34	25,32
November	1 ..	48,68	7,37	98,73	2,34	3	163,77	**320,91**	228,68	**549,59**	26,62	7,31	64,22	2,04	134,35	2,26	53,38	233,65	25,76
,,	8 ..	49,39	14,35	77,44	2,23	2	164,38	**307,82**	229,93	**537,75**	13,50	7,95	67,12	51	135,08	2,54	62,48	222,78	25,79
,,	15 ..	50,75	20,55	95,17	2,38	4	164,23	**333,13**	238,47	**571,60**	11,40	9,28	54,53	2,44	137,60	2,76	60,50	267,08	26,02
,,	22 ..	73,05	11,62	84,91	2,47	5	165,53	**337,63**	240,18	**577,82**	13,33	10,34	58,30	38	136,42	2,83	53,27	276,86	26,10
,,	29 ..	71,14	11,19	78,91	2,10	5	166,41	**329,80**	235,92	**565,72**	24,98	10,39	58,84	80	138,81	1,62	53,70	249,92	26,66
December	6 ..	84,01	10,21	82,93	2,10	5	166,29	**345,59**	237,74	**583,32**	23,13	12,76	73,54	14,61	143,38	1,53	91,04	196,33	27,01
,,	13 ..	49,93	14,88	82,73	1,93	5	165,27	**314,79**	234,21	**549,00**	14,78	8,22	66,57	7,86	140,85	1,75	80,65	201,28	27,06
,,	20 ..	49,71	8,93	83,77	1,92	4	170,48	**314,84**	242,52	**557,36**	16,19	9,75	69,10	6,97	140,72	1,82	68,79	216,94	27,09
,,	27 ..	56,56	8,11	80,95	2,80	5	165,16	**313,64**	242,55	**556,18**	22,52	8,11	67,19	8,08	142,09	2,22	72,87	205,32	27,78
1964																			
January	3 ..	52,53	9,66	85,14	3,52	2	173,93	**324,81**	249,11	**573,92**	21,22	8,33	71,19	26,79	142,94	1,66	79,55	194,44	27,80
,,	10 ..	51,96	15,45	78,72	2,03	2	182,02	**330,20**	250,69	**580,89**	15,65	9,29	66,75	31,32	142,01	1,82	86,09	200,13	27,83
,,	17 ..	52,66	23,34	82,74	2,36	2	174,62	**335,74**	250,92	**586,66**	12,98	12,24	57,15	32,28	141,20	1,71	69,85	229,12	30,12
,,	24 ..	67,02	19,80	78,60	1,96	2	175,39	**342,80**	258,87	**601,66**	16,97	9,26	59,46	29,29	139,19	1,85	68,91	248,77	27,97
,,	31 ..	60,20	15,83	79,89	2,63	4	177,25	**335,84**	265,40	**601,25**	22,65	9,40	60,79	36,08	140,54	2,61	52,72	247,98	28,50
February	7 ..	54,52	9,81	83,54	1,84	4	176,06	**325,80**	260,47	**586,27**	13,24	19,07	65,26	49,13	138,12	2,54	67,48	202,79	28,63
,,	14 ..	49,40	15,36	83,31	1,84	10	176,24	**326,25**	259,99	**586,23**	13,18	20,89	63,16	62,22	136,15	2,60	56,50	202,77	28,77
,,	21 ..	56,50	13,93	80,27	2,07	4	163,18	**316,00**	268,73	**584,73**	15,85	18,34	64,81	52,61	135,93	1,31	49,50	217,15	29,23
,,	28 ..	76,27	9,07	85,85	2,24	6	163,30	**336,79**	274,17	**610,96**	27,32	21,10	66,58	67,54	137,58	1,85	42,18	217,02	29,79
March	6 ..	106,77	5,03	82,47	2,14	2	163,87	**360,29**	266,98	**627,28**	16,25	13,17	71,66	106,94	137,13	1,93	58,02	192,25	29,93
,,	13 ..	109,35	8,42	77,81	2,15	5	160,06	**357,85**	264,10	**621,95**	14,32	16,02	80,74	95,46	137,18	2,29	58,18	187,73	30,03
,,	20 ..	91,31	26,25	81,57	2,07	6	160,24	**361,51**	268,60	**630,10**	16,87	17,18	71,07	98,91	134,81	2,61	51,49	207,03	30,14
,,	27 ..	84,15	15,97	76,66	2,34	4	161,71	**340,88**	282,76	**623,64**	19,87	13,82	70,62	84,16	133,98	2,82	64,60	203,63	30,13

(*a*) Including (*i*) paid-up capital of Rs. 5 crores, (*ii*) reserve fund of Rs. 5 crores upto June 28, 1957 and of Rs. 80 crores from July 5, 1957, (*iii*) National Agricultural Credit (Long-term Operations) Fund of Rs. 10 crores from February 3, 1956, Rs. 15 crores from July 6, 1956, Rs. 20 crores from July 5, 1957, Rs. 25 crores from July 4, 1958, Rs. 30 crores from July 3, 1959, Rs. 40 crores from July 1, 1960, Rs. 50 crores from June 30, 1961, Rs. 61 crores from July 6, 1962 and Rs. 73 crores from July 5, 1963, and (*iv*) National Agricultural Credit (Stabilization) Fund of Rs. 1 crore from July 6, 1956, Rs. 2 crores from July 5, 1957, Rs. 3 crores from July 4, 1958, Rs. 4 crores from July 3, 1959, Rs. 5 crores from July 1, 1960, Rs. 6 crores from June 30, 1961, Rs. 7 crores from July 6, 1962 and Rs. 8 crores from July 5, 1963. (*b*) Including cash and short-term securities. (*c*) Including temporary overdrafts to State Governments from August 23, 1957.

† Average of 39 weeks.

STATEMENT 34—(A) REMITTANCES THROUGH THE RESERVE BANK OF INDIA

Telegraphic Transfers Issued and Paid

(Crores of Rupees)

Year/Half year	TOTAL		BOMBAY		CALCUTTA		NEW DELHI		KANPUR		MADRAS		BANGALORE(*a*)		NAGPUR(*b*)	
	Issued	Paid	Issued	*Paid*	Issued	*Paid*	Issued	*Paid*	Issued	*Paid*	Issued	*Paid*	Issued	*Paid*	Issued	*Paid*
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1950-51	**791.6**	**1,018.6**	229.1	*346.4*	325.3	*368.9*	105.4	*84.4*	53.3	*64.5*	78.5	*154.4*				
1955-56	**1,079.8**	**1,075.7**	192.0	*462.7*	585.5	*240.4*	150.8	*149.0*	43.6	*67.2*	82.9	*145.8*	25.1	*10.7*		
1960-61	**2,811.0**	**2,647.3**	445.7	*698.6*	989.2	*1,236.3*	383.1	*418.4*	108.1	*75.6*	164.5	*171.7*	56.3	*18.2*	664.3	*28.5*
1961-62	**3,120.6**	**2,890.6**	385.3	*809.8*	1,082.4	*1,409.0*	417.9	*361.7*	116.7	*85.1*	180.0	*201.3*	59.1	*11.1*	879.2	*12.5*
1962-63	**3,882.2**	**3,246.7**	506.4	*726.2*	1,391.6	*1,695.0*	458.4	*442.9*	123.7	*96.3*	222.4	*241.7*	60.8	*13.0*	1,118.9	*31.6*
1963-64	**4,444.3**	**3,339.8**	536.0	*593.3*	1,541.8	*1,854.0*	525.0	*429.8*	148.8	*97.3*	206.5	*276.2*	63.5	*15.2*	1,422.7	*74.0*
April 1962 to September 1962	**1,852.7**	**1,559.5**	203.1	*403.0*	659.9	*860.9*	229.8	*166.1*	73.7	*40.8*	112.9	*113.8*	29.9	*6.7*	543.5	*8.1*
October 1962 to March 1963	**2,029.4**	**1,647.2**	303.3	*323.1*	731.8	*834.1*	228.6	*276.7*	50.0	*55.6*	109.5	*127.9*	30.9	*6.3*	575.4	*23.5*
April 1963 to September 1963	**2,198.2**	**1,629.7**	238.4	*292.6*	722.2	*967.0*	251.7	*180.3*	90.4	*38.2*	109.7	*126.6*	30.8	*8.0*	755.0	*17.1*
October 1963 to March 1964	**2,246.1**	**1,710.1**	297.5	*300.8*	819.6	*887.0*	273.2	*249.5*	58.4	*59.1*	96.8	*149.6*	32.8	*7.2*	667.6	*57.0*

(B) REMITTANCES (*c*) BETWEEN THE OFFICES OF THE STATE BANK OF INDIA (*d*)

Year	Total Remittances	To Bengal Circle from					To Bombay Circle from					To Madras Circle from					To Delhi Circle (*e*) from				
		Total	Bengal Circle	Bombay Circle	Madras Circle	Delhi Circle (*e*)	Total	Bengal Circle	Bombay Circle	Madras Circle	Delhi Circle (*e*)	Total	Bengal Circle	Bombay Circle	Madras Circle	Delhi Circle (*e*)	Total	Bengal Circle	Bombay Circle	Madras Circle	Delhi Circle (*e*)
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
1950-51	**1,217.4**	**477.6**	346.2	94.9	36.5		**446.5**	122.1	268.4	56.0		**293.3**	31.2	35.4	226.8						
1955-56	**1,675.9**	**719.1**	548.3	133.2	37.7		**645.3**	217.4	368.6	59.2		**311.5**	50.6	50.3	210.6						
1960-61	**3,581.8**	**1,044.9**	612.6	199.2	63.7	169.4	**1,057.4**	124.4	718.9	102.8	111.3	**706.4**	53.9	157.4	464.4	30.7	**773.1**	150.4	210.5	31.6	380.6
1961-62	**3,940.6**	**1,076.4**	653.5	199.9	65.1	158.0	**1,372.6**	186.9	802.0	167.8	216.0	**765.6**	56.6	129.4	538.4	41.2	**726.0**	162.8	109.9	29.2	424.1
1962-63	**4,535.4**	**1,354.5**	800.0	274.7	69.7	210.0	**1,335.3**	188.3	892.9	109.4	144.7	**899.8**	63.5	211.4	589.0	36.0	**945.8**	171.4	204.7	29.6	540.0
1963-64	**5,511.1**	**1,795.0**	1,029.9	353.5	77.6	334.1	**1,605.6**	201.8	1,083.1	145.4	175.3	**1,093.6**	76.0	290.8	686.8	40.0	**1,016.9**	238.1	231.4	43.2	504.2

Note : Figures relate to the Indian Union.

(*a*) Opened in July 1953. (*b*) Opened in September 1956. (*c*) Telegraphic transfers paid, mail transfers received, drafts paid and demand drafts purchased. (*d*) Figures prior to July 1, 1955 relate to the Imperial Bank of India. (*e*) Opened since January 1, 1958. For earlier years, figures of Delhi Circle are included in Bengal and Bombay Circles.

STATEMENT 35—CONSENTS FOR CAPITAL ISSUES

(Amount in crores of Rupees)

Classification	Applications (*a*)		Consents											
							Further							
	Total		Total		Initial (*b*)		Others (*b*)		Debentures		Miscellaneous (Loans etc.) (*c*)		Bonus	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
A. Non-Government Companies														
Industrial ..	299	186.17	280	177.77	109	81.50	98	37.88	15	15.09	21	34.98	37	8.31
Non-industrial ..	78	65.21	64	59.80	7	3.50	12	3.19	1	0.30	26	50.37	18	2.44
Of which :														
(*i*) Agriculture and allied activities ..	13	2.18	11	2.09	1	0.20	2	1.25	—	—	2	0.27	6	0.37
(*ii*) Financial ..	16	2.46	12	1.76	2	0·30	8	1.12	—	—	1	0.06	1	0.28
(*iii*) Trade and transport ..	36	57.35	32	53.10	2	1.40	—	—	1	0.30	21	49.64	8	1.77
(*iv*) Others ..	13	3.22	9	2.84	2	1.60	2	0.83	—	—	2	0.40	3	0.01
Total for 1963 ..	**377**	**251.38**	**344**	**237.57**	**116**	**85.00**	**110**	**41.08**	**16**	**15.39**	**47**	**85.35**	**55**	**10.75**
Total for 1962 ..	**410**	**227·39**	**397**	**219.45**	**115**	**66·60**	**138**	**53·14**	**16**	**43.30**	**33**	**42.89**	**95**	**13.51**
Total for 1961 ..	**351**	**202.06**	**335**	**185.06**	**110**	**56.43**	**106**	**55.03**	**16**	**21.24**	**34**	**42.02**	**69**	**10.34**
Total for 1960 ..	**290**	**151.96**	**277**	**150.13**	**85**	**50.22**	**126**	**44.06**	**18**	**19.66**	**29**	**35.42**	**19**	**0.77**
B. Government Companies														
Industrial ..	38	335.65	38	285.73	5	36.00	27	178.19	—	—	6	71.43	(*d*)	0.11
Non-industrial ..	20	22.62	20	21.02	8	5.90	11	4.14	—	—	1	10.98	—	—
Of which :														
(*i*) Agriculture and allied activities ..	5	4.25	5	3.35	4	3.25	1	0.10	—	—	—	—	—	—
(*ii*) Financial ..	8	3.30	8	2.60	3	0.65	5	1.95	—	—	—	—	—	—
(*iii*) Trade and transport ..	7	15.07	7	15.07	1	2.00	5	2.09	—	—	1	10.98	—	—
(*iv*) Others ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total for 1963 ..	**58**	**358.27**	**58**	**306.75**	**13**	**41.90**	**38**	**182.33**	—	—	**7**	**82.41**	(*d*)	**0.11**
Total for 1962 ..	**50**	**434.80**	**50**	**162.05**	**6**	**5.90**	**39**	**153.08**	**1**	**1.00**	**4**	**2.07**	—	—
Total for 1961 ..	**23**	**82.53**	**23**	**62.96**	**9**	**5.15**	**13**	**56.81**	**1**	**1·00**	—	—	—	—
Total for 1960 ..	**37**	**140.50**	**37**	**139.50**	**12**	**49.74**	**14**	**74.41**	—	—	**11**	**14.72**	(*d*)	**0.63**

Note : Figures are taken from the *Quarterly Statistics on the Working of Capital Issues Control* and do not take into account supersessions and amendments made subsequently. The number of consents involving more than one type of issue is shown against the type of issue having major amount and the amounts for various types of issues under their respective heads. This statement excludes consents for creation of charge forming part of an amount already consented to.

(*a*) Figures relate only to applications disposed of and not to applications received. (*b*) Includes ordinary and preference shares. (*c*) Loans raised by companies by creating a charge or lien on their assets. (*d*) Formed part of a 'further' issue of shares and loans.

Source : Office of the Controller of Capital Issues.

STATEMENT 36—CAPITAL RAISED BY NON-GOVERNMENT

Type of issue	1960 (Further revised)					1961 (Further revised)				
	Capital paid-up during the year against consents		Capital raised under exemption order		Total capital raised (i.e. paid-up)	Capital paid-up during the year against consents		Capital raised under exemption order		Total capital raised (i.e. paid-up)
	Public	Private	Public	Private		Public	Private	Public	Private	
	1	2	3	4	5	6	7	8	9	10
										A. Non-Government
Initial (*a*)										
Ordinary	15.75	9.41	0.61	3.56	**29.33**	24.06	6.34	0.84	4.28	**35.52**
Preference	0.44	—	—	0.03	**0.47**	1.65	0.08	0·01	0.02	**1.75**
Further (*b*)										
Ordinary	31.10	1.92	2.54	7.56	**43.12**	31.23	3.94	4.08	6.40	**45.64**
Preference	7.11	—	0.17	0.15	**7.44**	3.65	0.06	0.11	0.10	**3.92**
Debentures	9.32	—	0.07	—	**9.39**	11.49	0·60	—	—	**12.09**
	63.72	11.33	3.39	11.30	**89.74**	72.08	11.01	5.04	10.79	**98.92**
Bonus	0.49	0.03	—	—	**0.52**	5.77	1.63	—	—	**7.40**
Miscellaneous (loans etc.)	16.88	4.74	—	—	**21.62**	9.45	5.71	—	—	**15.16**
Total	**81.09**	**16.10**	**3.39**	**11.30**	**111.88**	**87.30**	**18.35**	**5.04**	**10.79**	**121.48**
										B. Government
Initial (*a*)										
Ordinary	—	18.82	—	—	**18.82**	0·25	19.48	—	—	**19.73**
Preference	—	—	—	—	—	—	—	—	—	—
Further (*b*)										
Ordinary	1.85	45.45	—	—	**47.30**	—	57.05	—	—	**57.05**
Preference	—	—	—	—	—	—	—	—	—	—
Debentures	—	—	—	—	—	—	—	—	—	—
	1.85	64.27	—	—	**66.12**	0.25	76.53	—	—	**76.78**
Bonus	0·63	—	—	—	**0·63**	—	—	—	—	—
Miscellaneous (loans etc.)	1.80	0.85	—	—	**2.65**	0.20	—	—	—	**0.20**
Total	**4.29**	**65.12**	—	—	**69.40**	**0.45**	**76.53**	—	—	**76.97**

Note : The data in columns 1 & 2, 6 & 7, 11 & 12 and 16 & 17 relate to the capital raised in 1960, 1961, 1962 and 1963 respectively, against consents granted during that year as well as earlier years. Data are consolidated by the Controller of Capital Issues based on the reports received from the companies/Registrars of Companies upto March 31, 1964. These do not take into account the capital raised by companies for which no reports were received. Figures given in columns 3 & 4, 8 & 9, 13 & 14 and 18 & 19 are based on the returns received from the Registrars of Companies.

AND GOVERNMENT COMPANIES

(Crores of Rupees)

1962 (Revised)					1963 (Preliminary)				
Capital paid-up during the year against consents		Capital raised under exemption order		Total capital raised (i.e. paid-up)	Capital paid-up during the year against consents		Capital raised under exemption order		Total capital raised (i.e. paid-up)
Public	Private	Public	Private		Public	Private	Public	Private	
11	12	13	14	15	16	17	18	19	20
Companies									
23.40	2.82	0.57	3.25	**30.03**	23.16	1.62	0.49	1.73	**27.01**
0.90	—	—	0.01	**0.91**	0.59	—	—	0.03	**0.63**
28.05	1.43	5.41	8.21	**43.11**	19.83	0.47	2.28	6.33	**28.91**
0.98	—	0.21	0.14	**1.33**	1.42	—	0.15	0.25	**1.82**
29.71	0.17	—	—	**29.88**	22.04	0.30	—	—	**22.34**
83.05	4.41	6.19	11.61	**105·27**	67.04	2.39	2.93	8.35	**80.71**
11.40	2.47	—	—	**13.87**	7.41	0.56	—	—	**7.96**
17.55	5.05	—	—	**22.60**	3.93	—	—	—	**3.93**
112.00	**11.93**	**6.19**	**11.61**	**141.74**	**78.38**	**2.94**	**2.93**	**8.35**	**92.60**
Companies									
2.11	3.13	—	—	**5.24**	1.35	3.44	—	—	**4.79**
0·28	—	—	—	**0.28**	0.44	—	—	—	**0.44**
1·04	122.81	0.01	0·07	**123.92**	3.15	138.49	—	—	**141.63**
—	0·01	—	—	**0.01**	—	—	—	—	—
1.00	1.00	—	—	**2.00**	—	—	—	—	—
4.42	126.94	0.01	0.07	**131.45**	4.94	141.92	—	—	**146.86**
—	—	—	—	—	—	—	—	—	—
0.55	—	—	—	**0.55**	0.17	2·58	—	—	**2.75**
4.97	**126.94**	**0.01**	**0.07**	**132.00**	**5.11**	**144.50**	—	—	**149.61**

(*a*) Issues of new companies. (*b*) Issues of existing companies.

Source : Office of the Controller of Capital Issues.

STATEMENT 37—LIABILITIES AND ASSETS OF THE INDUSTRIAL FINANCE CORPORATION OF INDIA

(Lakhs of Rupees)

	LIABILITIES						ASSETS					
	As on last Friday of March						As on last Friday of March					
	1950-51	1955-56	1960-61	1961-62	1962-63	1963-64	1950-51	1955-56	1960-61	1961-62	1962-63	1963-64
1. Capital issued and paid-up ...	5,00	5,00	5,00	6,84	7,00	7,00	1. Cash in hand and with bankers ...	47	2	3,00	2,91	3,59	3
2. Reserve Fund :—							2. Investments in						
(i) Special reserve fund under Sec. 32A(1) of the I.F.C. Act ...	—	14	36	41	47	50	(i) Government securities	4,58	—	—	—	—	—
(ii) Other reserves ...	1	6	70	1,34	1,75	2,39	(ii) Shares/Stocks(*c*)	—	—	95	88	1,37	2,97
3. Reserve for doubtful debts ...	—	20	15	14	14	14	(iii) Bonds/Debentures(*d*)	—	—	—	—	1,72	3,44
4. Provision for taxation	—	10	50	59	59	85	3. Loans & advances ...	5,21	14,01	40,74	45,48	55,63	67,70
5. Bonds & debentures...	5,30	7,81	22,24	22,24	28,24	28,24	4. Other assets ...	41	67	6,39*e*	12,07*e*	14,77*e*	18,66*e*
6. Borrowings from the Reserve Bank of India(*a*)	—	61	51	—	—	1,24							
7. Borrowings from Government (*b*) ..	—	—	15,25	17,75	23,75	29,75							
8. Other liabilities ...	37	80	6,37*e*	12,03*e*	15,14*e*	22,69*e*							
Total ...	**10,68**	**14,70**	**51,09**	**61,34**	**77,09**	**92,80**	**Total ...**	**10,68**	**14,70**	**51,09**	**61,34**	**77,09**	**92,80**

(*a*) Under Section 21(3) (*b*) of the Industrial Finance Corporation Act, 1948 (as amended). (*b*) Under Section 21 (4) of the Industrial Finance Corporation Act, 1948 (as amended). (*c*) Under Section 23(1) (h) of the I. F. C. Act, 1948 (as amended). (*d*) Under Sections 23(1) (h) and 23(1) (i) of the I. F. C. Act, 1948 (as amended). (*e*) Includes Rs. 4,77 lakhs as on March 31, 1961, Rs. 10,40 lakhs as on March 30, 1962, Rs. 12,46 lakhs as on March 29, 1963 and Rs. 16,87 lakhs as on March 27, 1964 in respect of Guarantees and Underwriting Agreements per Contra.

Source : Industrial Finance Corporation of India.

STATEMENT 38—OPERATIONS OF STATE FINANCIAL CORPORATIONS

(Lakhs of Rupees)

Corporation	Capital as at the end of March 1964	Outstandings of bonds issued as at the end of March 1964	Loans sanctioned (*a*) during				Loans disbursed during				Loans outstanding as at the end of March				Total assets as at the end of March 1964
			1960-61	1961-62	1962-63	1963-64	1960-61	1961-62	1962-63	1963-64	1961	1962	1963	1964	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1. Madras ...	1,32	2,36	1,12	1,79	3,25	1,08	71	1,30	2,62	1,50	3,89	4,83	6,95	7,80	18,71
2. Punjab ...	1,00	2,67	1,28	1,44	2,33	1,84	57	89	1,26	1,32	1,71	2,39	3,34	4,28	4,92
3. Maharashtra ...	1,00	3,74	1,76	1,79	2,06	3,21	83	1,35	1,65	2,08	1,99	3,02	4,08	5,82	6,70
4. Gujarat ...	1,00	1,05	38	72	49	75	19	35	37	52	19	54	1,04	1,49	2,42
5. Kerala ...	1,00	1,07	42	27	55	29	23	25	32	36	1,38	1,47	1,62	1,71	2,29
6. West Bengal ...	1,00	2,67	30	1,25	1,96	1,71	21	76	90	1,29	1,56	2,12	2,85	3,96	5,26
7. Assam ...	1,00	1,82	68	63	96	1,19	56	60	66	66	1,54	2,02	2,52	3,03	3,52
8. Uttar Pradesh...	1,00	99	78	35	77	1,20	35	23	26	54	1,03	1,12	1,21	1,58	2,26
9. Bihar ...	1,00	1,50	51	62	76	35	36	44	52	42	1,49	1,81	2,12	2,42	2,70
10. Rajasthan ...	1,00	50	27	58	90	69	10	37	42	62	54	85	1,18	1,65	2,23
11. Madhya Pradesh	1,00	55	37	1,47	2,75	47	7	34	94	53	44	71	1,51	1,91	2,14
12. Andhra Pradesh ...	1,50	1,05	56	99	81	2,38	27	54	47	82	82	1,25	1,62	2,19	3,38
13. Orissa ...	1,00	—	58	97	1,31	1,95	20	46	78	1,19	18	43	71	1,06	1,28
14. Mysore ...	1,00	1,30	44	55	29	68	21	35	50	52	34	68	1,14	1,57	2,48
15. Jammu and Kashmir ...	50	—	4	6	16	6	2	4	2	9	2	6	8	16	57
Total ...	**15,32**	**21,27**	**9,49**	**13,48**	**19,35**	**17,85**	**4,88**	**8,27**	**11,69**	**12,46**	**17,12**	**23,30**	**31,97**	**40,54**	**60,86**

(*a*) Includes in respect of some corporations, loans subsequently declined by industrial concerns or cancelled or reduced by the corporation.

Source : State Financial Corporations.

STATEMENT 39—PRICES (IN BOMBAY) OF GOVERNMENT OF INDIA SECURITIES, 1963-64

(In Rupees)

Loan	As on Nov. 14, 1951	As on May 15, 1957	Average (*a*) for March 1963	Average (*a*) for June 1963	Average (*a*) for Sept. 1963	Average (*a*) for Dec. 1963	Average (*a*) for March 1964	1963-64 Highest	1963-64 Lowest	Difference of March 1964 over March 1963
	1	2	3	4	5	6	7	8	9	10
Terminable										
Under 5 years										
3½% 1963(*b*) ...			99.90					99.90	99.90	
3 % 1963-65(*c*)	95.69	94.10	99.44					99.80	99.70	
3 % 1964 ...	95.75	94.45	98.90	98.90	99.02	99.54	99.54	99.60	98.90	+ 0.64
3½% 1964 ...		98.25	99.23	99.70	99.78	99.85	99.87	99.90	99.30	+ 0 64
3½% 1965 ...		98.20	99 00	99.57	99.65	99 65	99.65	99.65	99.00	+ 0 65
3½% 1966 ...			98.94	99.17	99.55	99.65	99.65	99.70	98 90	+ 0.71
3 % 1966-68 ...	93.94	92.05	96.18	96.54	97.96	97.85	97.86	98.00	96 00	+ 1.68
3½% 1967 ...		98.50	97.96	98.45	99.10	99.30	99.21	99.30	97.50	+ 1.25
3½% 1967 ...			99.05	99.05	99.22	99 50	99.50	99.55	99.05	+ 0.45
3½% 1968 ...			98.00	98 00	98.09	98 10	98.10	98 10	98.00	+ 0.10
3¾% 1968 ...			98.75	98.78	99.18	99.43	99.45	99.45	98.65	+ 0.70
Between 5 and 10 years										
3½% 1969 ...			97.01	97.00	97.10	97.11	97.00	97.15	96.90	— 0.01
4 % 1969(*d*) ...				99.51	99.50	99.50	99.44	99.60	99.40	
3 % 1970-75 ...	92.81	87.20	85.55	86 63	89.02	90.19	90.22	90.25	85.60	+ 4.67
4 % 1972 ...			98.98	99.30	99.50	99.35	99 20	99.50	98.90	+ 0.22
4½% 1972 ...			100.00	100.20	100.50	100.54	100.40	100.60	100 00	+ 0.40
4 % 1973 ...			99.25	99.00	99 35	99.15	99.15	99 40	99 00	— 0.10
4¼% 1973(*e*) ...					99.91	100.00	99.95	100.05	99.50	
Between 10 and 15 years										
3¼ %1974 ...		98.50	98.27	95.54	95.55	96.60	96.75	97.50	95.00	— 1.52
2½ %1976 ...	89.00	83.15	83.50	83.50	83.50	83.50	83.50	83.50	83.50	—
6½% 1977 ... (Gold Bonds)			115.74	117.27	118.27	118.03	118.29	118.35	115.00	+ 2.55
Over 15 years										
4 % 1979 ...			98.10	98.32	98.24	98.25	98.46	98.50	98.10	+ 0.36
4 % 1980 ...			98.17	98.15	99.22	98.30	98.19	98.30	98.05	+ 0.02
4 % 1981 ...			98.40	98.15	98.32	98.60	98.50	98.60	98.00	+ 0.10
4½ %1985 ...			100.00	100.10	100.10	100.10	100.10	100.25	100.00	+ 0.10
4½ %1986(*d*) ...				100.00	100.00	100.00	100.00	100.00	100.00	
Non-terminable										
3 % 1986 or later ...	92.50	74.15	63.22	63.57	64.85	65.75	63.16	66.10	63.00	— 0.06
3 % Rupee paper ...	92.50	73.00	62.90	62.60	62.98	65.00	63.25	65.00	62.50	+ 0.35

Note: The maturity classification is as of March 31, 1964 and on the assumption of the earlier date of redemption. (*a*) Average of closing quotations for working days. (*b*) Redeemed on May 11,1963. (*c*) Redeemed on May 31, 1963. (*d*) Quoted from May 18, 1963. (*e*) Quoted from July 27, 1963.

STATEMENT 40—AVERAGE YIELDS ON GOVERNMENT OF INDIA SECURITIES

(Per cent per annum)

Loan	As on		Average for					Annual Average		Difference of March 1964 over March 1963
	Nov. 14, 1951	May 15, 1957	March 1963	June 1963	Sept. 1963	Dec. 1963	March 1964	1963-64	1962-63	
	1	2	3	4	5	6	7	8	9	10
Terminable										
Under 5 years										
3½% 1963(*a*)			4.15					5.33	3.61	
3 % 1963-65(*b*)	3.46	4.11	5.76					5.81	4.65	
	(3.40)	(3.87)	(3.27)						(3.42)	
3 % 1964	3.42	3.91	3.91	4.13	4.35	3.96	4.89	4.17	3.71	−0.98
3½% 1964		3.79	4.23	3.86	3.84	3.94	4.94	4.00	3.70	+0.71
3½% 1965		3.76	3.96	3.73	3.70	3.74	3.78	3.76	3.68	−0.18
3½% 1966			3.84	3.79	3.67	3.64	3.66	3.72	3.65	−0.18
3 % 1966-68	3.52	4.02	4.17	4.14	3.72	3.82	3.90	3.94	3.96	−0.27
	(3.48)	(3.87)	(3.77)	(3.73)	(3.45)	(3.50)	(3.52)	(3.58)	(3.66)	(−0.25)
3½% 1967		3.68	4.02	3.91	3.75	3.71	3.75	3.83	3.83	−0.27
3½% 1967			3.99	4.00	3.96	3.89	3.91	3.95	3.85	−0.08
3½% 1968			3.91	3.93	3.94	3.94	3.97	3.93	3.82	+0.06
3½% 1968			4.02	4.02	3.93	3.89	3.89	3.96	3.87	−0.13
Between 5 and 10 years										
3½% 1969			4.05	4.07	4.07	4.09	4.14	4.09	3.89	+0.09
4 % 1969(*c*)				4.09	4.10	4.10	4.12	4.10		
3 % 1970-75	3.52	4.26	5.35	5.22	4.84	4.71	4.75	4.93	4.78	−0.60
	(3.44)	(3.99)	(4.52)	(4.42)	(4.16)	(4.05)	(4.07)	(4.22)	(4.18)	(−0.45)
4 % 1972			4.13	4.09	4.07	4.09	4.11	4.09	4.06	−0.02
4½% 1972			4.25	4.22	4.18	4.17	4.19	4.20	4.25	−0.06
4 % 1973			4.09	4.12	4.08	4.11	4.11	4.11	4.06	+0.02
4½% 1973(*d*)					4.26	4.25	4.26	4.26		
Between 10 and 15 years										
3½% 1974		3.87	3.94	4.26	4.27	4.15	4.14	4.21	3.89	+0.20
2½% 1976	3.41	4.01	4.38	4.41	4.44	4.47	4.49	4.43	4.33	+0.11
6½% 1977			4.99	4.87	4.76	4.76	4.71	4.79	5.05	−0.28
(Gold Bonds)										
Over 15 years										
4 % 1979			4.16	4.14	4.15	4.15	4.13	4.15	4.11	−0.03
4 % 1980			4.15	4.15	4.09	4.14	4.15	4.15	4.11	—
4 % 1981			4.12	4.15	4.13	4.11	4.12	4.13	4.11	—
4½% 1985			4.50	4.49	4.49	4.49	4.49	4.49	4.49	−0.01
4½% 1986(*c*)				4.50	4.50	4.50	4.50	4.50		
Non-terminable ...										
3 % 1986 or later(*e*) ...	3.37	4.04	4.74	4.72	4.63	4.57	4.75	4.66	4.49	+0.01
3 % Rupee paper (*c*) ...	3.25	4.11	4.77	4.79	4.76	4.62	4.74	4.73	4.39	−0.03

Note: The maturity classification is as of March 31, 1964 and on the assumption of the earlier date of redemption. Yields are gross, i.e., not allowing for income tax and are based on prices quoted at Bombay. In the case of two dated loans, the yields to the later date of redemption are shown in brackets.

(*a*) Redeemed on May 11, 1963. (*b*) Redeemed on May 31, 1963. (*c*) Quoted from May 18, 1963. (*d*) Quoted from July 27, 1963. (*e*) Flat yield.

STATEMENT 41—ALL-INDIA AND REGIONAL INDICES (ANNUAL

(Base : 1952-53
(Compiled by the Department of Statistics

				Government and Semi-Government Securities				Debentures			
				All-India 1	Bombay 2	Calcutta 3	Madras 4	All-India 5	Bombay 6	Calcutta 7	Madras 8
	Last week of										
1	1960-61	...	...	101.0	101.1	101.0	100.8	100.7	100.9	101.6	99.2
2	1961-62	...	...	100.6	100.6	100.6	100.6	100.9	100.0	103.0	99.2
3	1962-63	...	...	99.0	98.7	98.3	99.7	98.2	97.1	99.9	99.2
4	1963-64	...	...	99.7	99.7	99.5	99.6	97.9	97.7	98.6	99.2
1963-64 Weekly											
Week ended											
	1963										
5	April	6	...	99.0	98.7	98.4	99.7	97.6	97.2	98.5	99.3
6	,,	13	...	99.0	98.7	98.3	99.7	97.0	96.8	97.6	99.3
7	,,	20	...	98.8	98.4	98.2	99.6	96.9	96.8	97.5	99.3
8	,,	27	...	98.8	98.4	98.2	99.6	96.9	96.8	97.5	99.3
9	May	4	...	98.9	98.5	98.3	99.6	96.9	96.8	97.5	99.3
10	,,	11	...	98.6	98.6	98.4	98.5	96.9	96.8	97.5	99.3
11	,,	18	...	98.6	98.7	98.4	98.3	96.9	96.7	97.5	99.3
12	,,	25	...	98.6	98.7	98.3	98.4	96.9	96.6	97.5	99.3
13	June	1	...	98.6	98.7	98.3	98.4	96.9	96.7	97.5	99.3
14	,,	8	...	98.6	98.7	98.4	98.4	96.9	96.8	97.5	99.3
15	,,	15	...	98.7	98.8	98.5	98.4	97.0	97.0	97.5	99.3
16	,,	22	...	98.8	98.8	98.6	98.4	97.1	97.1	97.5	99.3
17	,,	29	...	98.8	98.9	98.8	98.4	97.1	97.1	97.5	99.3
18	July	6	...	98.9	99.1	98.8	98.4	97.1	97.1	97.5	99.3
19	,,	13	...	98.9	99.1	98.9	98.4	97.3	97.4	97.7	99.3
20	,,	20	...	99.0	99.1	98.9	98.4	97.5	97.4	98.1	99.3
21	,,	27	...	99.0	99.2	99.0	98.4	97.5	97.5	98.2	99.3
22	August	3	...	99.0	99.2	99.0	98.5	97.5	97.5	98.2	99.3
23	,,	10	...	99.1	99.3	99.1	98.5	97.5	97.5	98.2	99.3
24	,,	17	...	99.1	99.4	99.2	98.5	97.5	97.5	98.2	99.3
25	,,	24	...	99.2	99.4	99.2	98.5	97.5	97.5	98.2	99.3
26	,,	31	...	99.2	99.5	99.4	98.5	97.5	97.6	98.1	99.3
27	September	7	...	99.3	99.6	99.5	98.6	97.5	97.6	98.1	99.3
28	,,	14	...	99.5	99.7	99.5	98.8	97.6	97.7	98.1	99.3
29	,,	21	...	99.5	99.8	99.6	98.8	97.6	97.7	98.1	99.3
30	,,	28	...	99.6	99.8	99.6	98.8	97.6	97.7	98.1	99.3
31	October	5	...	99.7	100.0	99.8	98.8	97.6	97.7	98.1	99.3
32	,,	12	...	99.7	100.1	99.8	98.8	97.6	97.7	98.2	99.3
33	,,	19	...	99.7	100.1	99.8	98.8	97.7	97.7	98.4	99.3
34	,,	26	...	99.7	100.0	99.8	98.8	97.7	97.7	98.4	99.3
35	November	2	...	99.7	100.1	@	98.8	97.7	97.7	@	99.3
36	,,	9	...	99.7	100.0	99.8	98.8	97.8	97.8	98.4	99.3
37	,,	16	...	99.7	100.0	99.9	99.0	97.8	97.8	98.4	99.3
38	,,	23	...	100.1	100.2	100.0	100.0	97.8	97.9	98.4	99.3
39	,,	30	...	100.1	100.3	100.0	99.7	98.0	98.1	98.6	99.3
40	December	7	...	100.0	100.3	100.0	99.5	98.1	98.1	98.6	99.3
41	,,	14	...	100.1	100.4	100.1	99.5	98.1	98.2	98.6	99.3
42	,,	21	...	100.1	100.3	100.2	99.5	98.1	98.3	98.6	99.3
43	,,	28	...	100.1	100.3	100.2	@	98.1	98.3	98.6	@
	1964										
44	January	4	...	100.1	100.3	100.2	99.6	98.1	98.3	98.6	99.3
45	,,	11	...	100.1	100.3	100.1	99.6	98.1	98.3	98.6	99.2
46	,,	18	...	100.1	100.3	100.1	99.6	98.1	98.3	98.6	99.2
47	,,	25	...	100.1	100.3	100.1	99.6	98.1	98.3	98.6	99.2
48	February	1	...	100.0	100.2	100.0	99.6	98.1	98.3	98.7	99.2
49	,,	8	...	99.9	100.0	99.9	99.6	98.1	98.3	98.7	99.2
50	,,	15	...	99.8	99.8	99.6	99.6	98.1	98.3	98.7	99.2
51	,,	22	...	99.8	99.8	99.6	99.6	98.1	98.3	98.7	99.2
52	,,	29	...	99.8	99.8	99.6	99.6	98.1	98.3	98.7	99.2
53	March	7	...	99.8	99.8	99.6	99.6	98.1	98.2	98.6	99.2
54	,,	14	...	99.8	99.8	99.6	99.6	97.9	97.9	98.6	99.2
55	,,	21	...	99.7	99.8	99.6	99.6	97.9	97.8	98.6	99.2
56	,,	28	...	99.7	99.7	99.5	99.6	97.9	97.7	98.6	99.2

@ Market closed.

AND WEEKLY) OF SECURITY PRICES

= 100)
of the Reserve Bank of India)

Preference Shares				Variable Dividend Industrial Securities				
All-India 9	Bombay 10	Calcutta 11	Madras 12	All-India 13	Bombay 14	Calcutta 15	Madras 16	
85.7	85.6	84.6	92.2	182.6	189.4	168.3	197.6	*1*
82.6	83.3	82.2	84.7	192.7	200.6	178.7	202.9	*2*
80.2	79.8	81.5	79.2	160.3	161.5	150.2	182.7	*3*
81.5	82.3	82.0	79.4	167.6	174.0	156.3	177.1	*4*
80.2	79.7	81.5	79.3	159.9	161.7	150.2	179.8	*5*
80.3	79.9	81.6	79.4	159.9	163.4	150.1	173.9	*6*
80.5	80.2	81.8	79.4	163.0	168.0	152.4	174.7	*7*
80.8	80.9	81.9	79.6	166.3	172.8	154.6	176.3	*8*
80.8	80.8	81.9	79.6	166.4	172.7	155.3	176.1	*9*
81.0	81.4	81.9	79.6	165.0	170.6	154.3	176.1	*10*
81.3	81.7	82.2	80.3	164.0	168.9	153.8	175.0	*11*
81.5	81.9	82.4	80.3	163.6	168.4	154.1	173.5	*12*
81.5	81.9	82.4	80.4	163.0	167.9	153.2	172.6	*13*
81.6	82.2	82.4	79.9	162.7	167.9	152.5	172.4	*14*
81.6	82.3	82.4	79.7	162.2	166.7	152.1	173.2	*15*
81.8	82.3	82.6	79.9	161.4	165.7	151.5	172.4	*16*
81.7	82.1	82.6	79.9	158.1	160.8	149.8	170.4	*17*
81.6	82.1	82.6	79.4	158.8	163.1	149.8	169.3	*18*
81.8	82.2	83.0	79.6	162.2	170.2	149.8	171.0	*19*
81.7	81.7	83.1	79.7	163.5	171.6	151.0	172.7	*20*
81.9	81.8	83.1	80.2	164.2	172.0	152.2	173.0	*21*
81.8	81.5	83.1	80.2	160.0	165.2	149.8	171.8	*22*
81.9	81.5	83.2	80.3	160.1	166.3	149.2	170.8	*23*
81.9	81.9	83.1	80.2	160.4	166.5	149.7	170.7	*24*
82.0	82.0	83.0	80.2	160.7	166.7	150.0	170.7	*25*
82.1	82.3	83.0	80.2	161.9	167.7	151.8	170.0	*26*
82.2	82.5	83.2	80.0	163.3	169.2	153.4	170.5	*27*
82.4	82.6	83.4	80.1	164.2	169.8	154.4	171.4	*28*
82.1	81.9	83.4	80.0	164.5	169.1	155.1	172.0	*29*
82.2	82.0	83.5	80.1	167.1	173.4	156.4	172.7	*30*
82.3	82.1	83.6	79.9	169.3	177.0	157.7	172.8	*31*
82.3	82.2	83.6	79.8	170.5	178.3	158.7	173.5	*32*
82.1	82.2	83.3	79.8	171.7	180.4	159.2	173.5	*33*
82.1	82.1	83.3	79.2	172.6	181.2	160.1	174.7	*34*
82.0	82.2	@	79.0	173.4	182.7	@	175.3	*35*
82.1	82.1	83.4	79.0	175.8	185.1	162.6	177.4	*36*
81.9	82.0	83.0	79.8	176.2	184.4	164.0	178.3	*37*
81.7	81.7	82.8	79.8	174.6	181.9	163.3	178.1	*38*
81.5	81.4	82.7	79.8	172.3	178.8	161.3	177.4	*39*
81.5	81.5	82.5	79.8	171.9	178.5	161.3	176.5	*40*
81.4	81.7	82.3	79.7	172.6	179.3	161.9	176.2	*41*
81.6	81.7	82.3	80.4	173.0	180.4	161.7	176.8	*42*
81.5	81.6	82.3	@	172.8	180.5	161.0	@	*43*
81.3	81.6	82.1	79.6	172.2	178.9	161.0	177·3	*44*
81.3	81.6	82.0	79.6	171.7	179.1	159.9	177.0	*45*
81.2	81.4	81.9	79.7	170.5	177.5	158.7	176.5	*46*
81.2	81.6	81.9	79.6	169.1	175.6	158.0	175.4	*47*
81.1	81.5	81.9	79.4	168.5	175.1	157.2	175.4	*48*
81.2	81.7	81.9	79.4	169.0	176.6	156.9	175.4	*49*
81.4	82.2	82.0	79.5	170.2	178.6	157.1	176.5	*50*
81.6	82.5	82.1	79.5	171.7	180.2	158.6	177.0	*51*
81.5	82.4	82.1	79.3	174.3	184.3	160.1	178.4	*52*
81.5	82.4	82.1	79.4	171.7	179.6	159.3	177.6	*53*
81.6	82.4	82.1	79.6	171.0	179.0	158.4	178.0	*54*
81.5	82.4	82.1	79.3	168.1	174.3	157.1	177.3	*55*
81.5	82.3	82.0	79.4	167.6	174.0	156.3	177.1	*56*

STATEMENT 42—INDEX NUMBERS OF

(Base : 1952-53

(Compiled by the Department of Statistics

Average of weeks	GROUP INDICES				SUB-GROUP INDICES OF GOVERNMENT AND SEMI-GOVERNMENT SECURITIES			SUB-GROUP INDICES			
	Government and semi-Government Securities	Debentures	Preference shares (Fixed dividend)	Variable dividend	Government of India	State Governments	Municipal, Port trust and Improvement trust	Plantations	Coal	Sugar	Cotton textiles
	1	2	3	4	5	6	7	8	9	10	11
1960-61	101.0	100.8	87.2	171.7	100.9	102.2	99.9	100	96	98	99
1961-62	100.9	101.1	83.2	183.7	100.8	102.0	99.4	100	96	98	98
1962-63	100.1	99.2	81.3	179.5	99.8	101.9	98.8	100	96	98	97
1963-64	99.4	97.6	81.6	167.1	99.1	101.7	98.9	100	96	100	96
March 1963	99.2	98.3	80.3	164.4	98.9	101.6	98.2	100	96	98	97
April ,,	99.7	97.1	80.4	162.3	98.6	101.4	98.3	100	96	98	96
May ,,	98.7	96.9	81.2	164.8	98.3	101.2	98.6	100	96	98	96
June ,,	98.7	97.0	81.6	161.5	98.3	101.3	98.8	100	96	98	95
July ,,	98.9	97.3	81.8	162.2	98.6	101.3	98.9	100	96	99	95
August ,,	99.1	97.5	81.9	160.6	98.8	101.6	99.0	100	96	100	95
September ,,	99.5	97.6	82.2	164.8	99.1	101.8	99.1	100	95	101	96
October ,,	99.7	97.7	82.2	171.0	99.4	102.0	99.0	100	95	101	96
November ,,	99.9	97.8	81.8	174.5	99.6	102.0	99.0	100	95	101	96
December ,,	100.1	98.1	81.5	172.6	99.8	102.1	99.0	100	95	101	97
January 1964	100.1	98.1	81.2	170.9	99.8	102.1	98.9	100	95	101	97
February ,,	99.9	98.1	81.4	170.7	99.6	102.1	98.9	100	95	101	97
March ,,	99.7	97.9	81.5	169.6	99.4	102.1	98.9	100	96	101	97
Percentage variation of March 1964 over March 1963	*+ 0.5*	*— 0.4*	*+ 1.5*	*+ 3.2*	*+ 0.5*	*+ 0.5*	*+ 0.7*	*—*	*—*	*+ 3.1*	*—*

Average of weeks	SUB-GROUP INDICES OF VARIABLE									
	Tea plantations	Coffee plantations	Rubber plantations	Coal	Other mining	Sugar	Cotton textiles	Jute textiles	Silk and woollen	Iron and steel
	29	30	31	32	33	34	35	36	37	38
1960-61	163	204	175	120	182	187	151	90	1051	160
1961-62	161	170	171	123	187	158	180	91	1190	164
1962-63	146	148	165	120	181	135	180	101	1099	151
1963-64	137	159	171	107	167	128	167	97	888	153
March 1963	138	143	158	111	169	126	168	94	881	129
April ,,	134	142	158	108	157	124	166	91	875	135
May ,,	137	143	160	112	155	124	169	97	890	144
June ,,	134	144	159	110	159	121	164	99	814	146
July ,,	132	149	162	108	169	124	162	97	822	151
August ,,	133	148	166	106	165	123	161	96	807	147
September ,,	136	156	171	107	168	124	164	101	864	152
October ,,	142	163	172	108	181	129	171	102	931	157
November ,,	142	169	175	109	178	139	174	102	946	160
December ,,	141	177	177	108	169	135	170	98	933	159
January 1964	138	175	181	105	166	133	169	95	933	160
February ,,	136	172	182	103	169	132	169	94	939	161
March ,,	135	174	185	102	169	131	167	92	891	161
Percentage variation of March 1964 over March 1963	*— 2.2*	*+21.7*	*+17.1*	*— 8.1*	*—*	*+ 4.0*	*— 0.6*	*— 2.1*	*+ 1.1*	*+24.8*

SECURITY PRICES—ALL-INDIA (ANNUAL AND MONTHLY)

= 100)
of the Reserve Bank of India)

OF DEBENTURES **SUB-GROUP INDICES OF PREFERENCE SHARES (FIXED DIVIDEND INDUSTRIAL SECURITIES)**

Jute textiles	General engineering	Electricity generation and supply	Others	Plantations	Coal	Sugar	Cotton textiles	Jute textiles	Iron and steel	General engineering	Basic industrial chemicals	Cement	Paper	Electricity generation and supply	Trading	Shipping and other transport
12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28
94	101	96	104	95	73	93	78	78	87	101	86	98	81	84	92	90
93	101	96	104	87	71	86	77	76	84	97	80	90	79	79	80	88
96	100	94	102	82	73	82	76	77	81	96	80	87	82	78	72	85
97	100	92	100	79	74	80	77	83	80	95	81	89	83	77	71	82
97	99	92	101	79	72	81	75	78	79	97	78	87	83	76	70	84
97	100	92	99	79	73	81	75	78	79	97	79	87	83	77	69	84
96	100	92	99	79	73	81	76	79	81	97	79	89	82	77	70	83
96	100	92	99	80	75	81	76	80	82	98	80	90	83	77	71	82
96	100	92	99	80	75	80	75	82	82	98	81	89	83	78	71	82
96	100	92	100	79	75	80	76	84	81	97	82	89	83	79	71	80
97	100	92	100	79	74	80	78	86	81	97	82	90	83	79	71	78
97	100	92	100	79	75	80	79	86	80	97	82	89	84	78	71	78
97	100	92	100	79	75	80	79	85	79	97	82	89	84	77	71	78
97	100	93	100	79	75	79	78	84	78	96	82	90	84	77	72	83
97	101	93	100	78	74	77	78	84	78	96	83	90	83	76	73	83
97	100	93	100	77	74	77	78	84	79	96	82	90	83	76	72	85
96	100	93	100	77	75	78	77	83	79	96	82	90	83	76	71	86
— 1.0	*+ 1.0*	*+ 1.1*	*— 1.0*	*—2.5*	*+4.2*	*—3.7*	*+2.7*	*+6.4*	*—*	*—1.0*	*+5.1*	*+3.4*	*—*	*— +1.4*	*+2.4*	

DIVIDEND INDUSTRIAL SECURITIES

Transport equipment	Electrical machinery	Machinery other than transport and electrical	Basic industrial chemicals	Cement	Paper	Electricity generation and supply	Trading	Shipping and other transport	Construction	Banks	Insurance	Investment trust
39	40	41	42	43	44	45	46	47	48	49	50	51
399	140	211	208	144	224	82	119	108	303	195	139	91
404	165	218	212	149	211	84	124	96	291	235	151	91
367	171	231	186	155	216	86	118	90	279	231	164	90
333	156	225	177	144	197	86	112	92	277	208	157	84
338	157	216	169	145	199	84	111	84	265	213	150	86
325	152	214	166	141	195	83	110	84	266	211	150	85
328	149	215	169	142	198	83	112	84	264	210	153	85
322	145	214	165	139	195	84	109	81	261	202	160	84
320	147	215	171	141	190	86	109	86	264	202	166	82
313	148	214	174	141	186	87	109	87	262	204	159	83
327	152	223	180	139	192	86	112	88	262	205	160	85
340	165	236	183	148	201	85	114	93	278	205	166	86
353	171	239	182	151	205	86	116	100	290	212	167	86
348	164	233	182	149	202	88	116	100	289	215	155	84
346	159	233	185	146	199	88	114	96	288	211	149	85
347	159	233	185	147	198	88	113	98	291	210	149	84
331	160	231	187	147	198	88	109	100	302	212	147	85
— 2.1	*+ 1.9*	*+ 6.9*	*+10.7*	*+ 1.4*	*— 0.5*	*+ 4.8*	*— 1.8*	*+ 19.0*	*+14.0*	*— 0.5*	*— 2.0*	*— 1.2*

STATEMENT 43 -YIELDS ON INDUSTRIAL SECURITIES ALL-INDIA

(Revised

(Compiled by the Department of Statistics

Average of months/ month	Debentures (Total)	Preference Shares (Total)	ALL-Variable Dividend Total	Agriculture and Allied Activities Total (a)	Tea plantations	Coffee plantations	Rubber plantations	Mining and Quarrying Total	Coal	Other mining
	1	2	3	4	5	6	7	8	9	10
1 1960-61	**4.11**	**5.32**	**4.88**	**5.80**	6.01	5.12	6.33	**5.31**	4.56	5.82
2 1961-62	**4.15**	**5.64**	**4.67**	**5.74**	5.94	4.74	6.56	**5.15**	4.13	5.85
3 1962-63	**4.35**	**5.87**	**4.85**	**6.27**	6.45	5.44	7.54	**4.93**	4.01	5.59
4 1963-64	**4.65**	**5.88**	**4.90**	**5.91**	6.17	3.84	6.32	**4.66**	4.37	4.87
5 March 1963 ...	**4.45**	**5.96**	**5.12**	**6.44**	6.76	4.16	7.96	**5.09**	4.16	5.76
6 April ,, ...	**4.56**	**5.93**	**5.13**	**6.52**	6.90	4.05	7.96	**5.27**	4.28	5.98
7 May ,, ...	**4.59**	**5.88**	**4.99**	**6.37**	6.72	4.00	7.82	**5.27**	4.24	5.99
8 June ,, ...	**4.60**	**5.84**	**4.99**	**6.24**	6.50	3.98	7.94	**4.77**	4.23	5.15
9 July ,, ...	**4.60**	**5.82**	**4.91**	**5.71**	5.89	3.72	7.06	**4.78**	4.36	5.08
10 August ,, ...	**4.62**	**5.80**	**4.96**	**5.68**	5.95	3.64	6.11	**4.85**	4.51	5.10
11 September ,, ...	**4.62**	**5.80**	**4.92**	**5.58**	5.80	3.59	5.69	**4.80**	4.53	4.99
12 October ,, ...	**4.65**	**5.82**	**4.77**	**5.53**	5.74	3.57	5.60	**4.60**	4.37	4.75
13 November ,, ...	**4.70**	**5.84**	**4.69**	**5.69**	5.96	3.64	5.55	**4.54**	4.29	4.72
14 December ,, ...	**4.69**	**5.90**	**4.77**	**5.80**	6.05	3.64	5.57	**4.23**	4.28	4.20
15 January 1964 ...	**4.69**	**5.95**	**4.85**	**5.91**	6.20	3.79	5.42	**4.25**	4.41	4.14
16 February ,, ...	**4.71**	**5.95**	**4.89**	**5.93**	6.21	3.83	5.58	**4.27**	4.44	4.15
17 March ,, ...	**4.80**	**5.99**	**4.93**	**5.94**	6.15	4.60	5.53	**4.32**	4.52	4.17

Average of months/ month	ALL-Variable Dividend: Processing and Manufacturing (Contd.) Others Total (a)	Others Cement	Others Paper	Other Industries Total (a)	Electricity generation and supply	Trading	Shipping and other transport	Construction
	23	24	25	26	27	28	29	30
1 1960-61 ...	**4.90**	5.21	4.76	**6.05**	6.28	8·38	5.17	4.49
2 1961-62 ...	**4.52**	4.77	4.54	**5.28**	5.42	6.74	4.40	3.98
3 1962-63 ...	**4.59**	5.00	3.87	**5.30**	5.60	6.62	4.20	3.83
4 1963-64 ...	**4.92**	5.41	4.32	**5.56**	5.86	7.26	4.81	3.62
5 March 1963 ...	**4.98**	5.39	4.31	**5.60**	5.78	7.41	4.55	3.92
6 April ,, ...	**4.99**	5.47	4.41	**5.68**	5.85	7.43	4.50	3.70
7 May ,, ...	**4.95**	5.42	4.35	**5.69**	5.83	7.57	4.53	3.86
8 June ,, ...	**5.14**	5.76	4.21	**5.57**	5.76	7.81	4.59	3.89
9 July ,, ...	**5.13**	5.75	4.20	**5.36**	5.60	7.71	4.28	3.83
10 August ,, ...	**5.10**	5.67	4.21	**5.45**	5.83	7.47	4.30	3.87
11 September ,, ...	**5.10**	5.62	4.52	**5.42**	5.90	7.35	4.22	3.71
12 October ,, ...	**4.80**	5.27	4.31	**5.38**	6.00	7.17	3.99	3.37
13 November ,, ...	**4.64**	5.08	4.15	**5.40**	5.91	6.84	4.46	3.28
14 December ,, ...	**4.74**	5.15	4.27	**5.62**	5.86	6.85	5.60	3.37
15 January 1964 ...	**4.83**	5.26	4.37	**5.71**	5.92	6.92	5.87	3.39
16 February ,, ...	**4.84**	5.26	4.40	**5.70**	5.93	6.90	5.80	3.34
17 March ,, ...	**4.84**	5.25	4.43	**5.74**	5.92	7.07	5.64	3.85

Note: Tax-free yields of taxable securities are calculated, deducting income-tax at maximum rate and surcharge.
(a) Including miscellaneous. (b) Including edible and vegetable oils.

AND REGIONAL BY GROUPS AND SUB-GROUPS

Series*)

of the Reserve Bank of India) *(Per cent per annum)*

INDIA

Industrial Securities

Total	Processing and Manufacturing											
	Foodstuffs, Textiles, etc.					Metals and Chemicals						
	Total *(a) (b)*	Sugar	Cotton textiles	Jute textiles	Silk and woollen	**Total** *(a)*	Iron and steel	Transport equipment	Electrical machinery	Machinery other than transport and electrical	Basic industrial chemicals	
11	12	13	14	15	16	17	18	19	20	21	22	
4.35	**4.26**	5.80	3.47	6.15	3.17	**4.18**	4.25	3.38	5.03	4.07	3.59	*1*
4.24	**4.16**	5.62	3.72	5.14	2.92	**4.22**	4.69	3.77	4.46	3.46	3.64	*2*
4.48	**4.33**	6.18	4.33	3.87	3.50	**4.65**	5.31	4.56	4.32	3.54	4.74	*3*
4.48	**4.18**	5.19	4.16	4.44	3.31	**4.73**	5.24	4.10	4.91	3.80	4.86	*4*
4.74	**4.41**	5.70	4.50	3.72	4.36	**5.13**	6.03	4.49	4.68	3.79	4.80	*5*
4.70	**4.39**	5.47	4.50	3.85	4.07	**5.02**	5.72	4.39	4.83	3.84	4.90	*6*
4.51	**4.16**	5.37	4.23	3.63	3.23	**4.82**	5.33	4.36	4.93	3.81	4.84	*7*
4.57	**4.21**	5.61	4.19	3.54	3.58	**4.84**	5.24	4.42	5.06	4.05	4.86	*8*
4.55	**4.19**	5.45	4.19	3.55	3.66	**4.80**	5.24	4.34	5.01	4.05	4.69	*9*
4.60	**4.23**	5.43	4.27	3.88	3.72	**4.92**	5.44	4.60	5.07	4.12	4.71	*10*
4.57	**4.24**	5.38	4.25	4.43	3.45	**4.80**	5.32	4.66	5.15	3.89	4.52	*11*
4.38	**4.08**	5.06	4.07	4.47	3.12	**4.61**	5.14	4.39	4.75	3.65	4.70	*12*
4.26	**3.95**	4.67	3.94	4.50	3.05	**4.55**	5.08	4.30	4.57	3.56	5.15	*13*
4.33	**4.01**	4.77	4.00	4.67	3.05	**4.62**	5.14	3.41	4.78	3.65	5.16	*14*
4.39	**4.11**	4.92	4.05	5.02	2.88	**4.62**	5.10	3.42	4.95	3.67	5.07	*15*
4.45	**4.23**	5.00	4.06	5.82	2.88	**4.59**	5.08	3.44	4.94	3.64	4.88	*16*
4.49	**4.32**	5.19	4.18	5.87	3.06	**4.58**	5.04	3.48	4.92	3.68	4.80	*17*

INDIA — *(Contd.)* **REGIONAL**

Industrial Securities—*(Contd.)*

Financial				Variable Dividend Industrial Securities				
Total	Banks	Insurance	Investments	Bombay	Calcutta	Madras	Delhi	
31	32	33	34	35	36	37	38	
6.31	5.93	7.55	6.85	4.51	5.16	5.23	5.25	*1*
5.84	5.42	7.07	6.72	4.45	4.70	5.38	4.93	*2*
5.91	5.66	6.58	6.54	4.79	4.67	5.84	4.70	*3*
6.57	6.40	7.27	6.48	4.84	4.83	5.62	5.53	*4*
6.41	6.24	7.07	6.44	5.14	4.99	5.79	5.10	*5*
6.43	6.27	7.05	6.43	5.08	5.04	5.79	5.20	*6*
6.43	6.25	7.15	6.38	4.81	4.96	5.84	5.50	*7*
6.59	6.44	7.18	6.59	4.90	4.92	5.83	5.61	*8*
6.60	6.46	7.00	6.94	4.85	4.82	5.72	5.75	*9*
6.66	6.50	7.20	6.78	4.98	4.84	5.60	5.73	*10*
6.65	6.53	7.17	6.51	4.95	4.79	5.56	5.64	*11*
6.57	6.50	6.93	6.40	4.74	4.67	5.52	5.35	*12*
6.34	6.19	6.90	6.42	4.65	4.59	5.43	5.41	*13*
6.48	6.24	7.39	6.58	4.72	4.70	5.45	5.48	*14*
6.67	6.42	7.72	6.53	4.80	4.80	5.52	5.59	*15*
6.69	6.48	7.75	6.12	4.78	4.89	5.55	5.55	*16*
6.74	6.54	7.83	6.11	4.81	4.91	5.64	5.54	*17*

*For details please see March 1960 issue of the Reserve Bank of India Bulletin.

STATEMENT 44—PRICES OF

	Scrip	End September 1953	November 1955	August 1956	December 1957	December 1961	December 1962	March 1963
		1	2	3	4	5	6	7
Iron and Steel								
1	Indian Iron	23.16	43.25	36.81	18.70*	25.40*	22.00	19.70(*b*)
2	Tata Ordinary	314.75	270.75*	212.75*	160.50	140.75*	123.75	117.00
Cotton Textiles								
3	Bombay Dyeing	356.25	617.50	667.50	49.80(*a*)	66.20	62.00	62.10
4	Buckingham	122.00	181.50	205.00	155.00	253.00	281.00	262.00
5	Century	256 50	495.00	584.50	382.00	599.00*	575.00	490.00
6	Kohinoor	276 50	356.00	379.00	259.50	307.00	291.00	280.00
7	Madura	39.50	52.25	52.25	33.75	41.50	33.12	30.43
Jute Textiles								
8	Anglo-India	200.00	228.00	188.00	146.50	196.00	229.00	200.50(*b*)
9	Birla	35.50	19.50	18.25	14.75	28.37*	29.75	25.00(*b*)
10	Howrah	23.00	30.12	24.25	13.44	20.62	19.00	17.72(*b*)
Banks								
11	Central (F50)	63.75	53.00	53.00	52.30	66.00	60.00	52.00
12	India (F100)	155.50	160.00	172.00	132.25*	140.00	110.50*	101.00
Coal								
13	Bengal	507.00	548.00	542.00	228.00*	350.00*	335.00	265.00(*b*)
14	Central India	4.87	8.75	7.44	5.94	12.25	10.37	8.75(*b*)
Tea Plantations								
15	Hantapara	171.00	330.00	197.00*	113.00	118.50	102.00	103.00(*b*)
16	Hasimara	27.50	41.62	33.87	21.12	33.12	14.00*	12.06(*b*)
17	Periakaramalai	6.75	9.19	11.25	4.05*	3.54	2.96	3.05
Engineering								
18	Guest, Keen, Williams				29.12	39.00*	35.00	30.00(*b*)
19	Jessop & Co.	22.81	67.00	34.12*	22.12	20.37*	22.25	21.06(*b*)
20	Premier Construction	84.25	183.50	214.50	154.00	184.00*	131.50	128.50
21	Tata Locomotives		147.50	176.00	137.25	356.50*	295.50	279.00*
22	Texmaco	6.12	20.44*	24.19	15.60	21.40	20.00	20.30(*b*)
Electricity								
23	Andhra Valley	1,325.00*	1,350.00	1,242.50	1,117.50	1,010.00	1,005.00	1,005.00
24	Tata Power	1,381.25*	1,397.50	1,305.00	1,155.00	1,077.50	1,100.00	1,070.00
Miscellaneous								
25	Belapur sugar	242.00	372.00	254.50*	252.00	264.00	216.00	200.00
26	Deccan Sugar	8.87	10.06	13.00	7.85*	11.10	9.65	9.50
27	Cochin Malabar	6.37	8.87	13.12	4.25*	7.23	6.30	6.00
28	Consolidated coffee	18.00	24.25	22.37*	28.00	19.80	16.35	16.25
29	Ouchterlony Valley	4.00	5.88	5.65	4.85	3.44	3.85	4.35
30	A. C. C.	170.00	227.25*	205.25*	151.00*	161.50	154.00	138.00
31	India Cement	3.12	6.62	6.50*	4.70	6.33*	6.30*	6.20
32	Amar Dye Chem.				100.00	340.00*	230.00	217.50
33	Colour Chem.					447.50*	375.00	317.50
34	F.A.C.T.	3.00	7.56	7.25	3.90	8.50	6.85	6.95
35	Tata Chem.	8.53	18.87	20.00	12.80*	19.88	13.56*	14.76
36	Ashok Leyland		6.19	5.31	4.45	9.08*	8.15	7.85
37	Hindustan Motors				5.69	21.31	17.12	15.90(*b*)
38	Premier Automobiles			109.00	87.50	156.00*	108.00*	103.00
39	Ceat Tyres					213.75*	167.50	140.00
40	Dunlop Rubber	29.12	35.87	29.94	19.75*	38.56*	38.25	32.00(*b*)
41	Orient Paper	32.50	34.62	40.31	24.25	40.45*	36.70	31.25(*b*)
42	West Coast Paper				65.00	176.00*	150.00	133.00
43	National Rayon	112.25	241.00	265.00	211.25	556.50*	427.00	353.00
44	Travancore Rayons	5.00	16.06	16.25	10.65	43.40	28.75	29.75
45	Aluminium Industries	11.00	20.62	23.00	13.00*	23.10*	23.30	20.37*
46	Bombay-Burmah (old)	331.87	658.75	762.50	520.00	667.50*	652.00	621.00
47	Hindustan Lever				19.76	58.30	48.00*	45.00
48	Imperial Tobacco		15.00	15.69	11.75	12.87	10.87	10.12(*b*)
49	Scindia Steam	13.66	18.03	18.62	17.08*	13.12	11.04	10.60
50	Voltas				112.75	303.00	259.00	248.00

* Ex-right/bonus. (*a*) Split share. (*b*) Nominal.

REPRESENTATIVE INDUSTRIAL SHARES

(Rupees)

of								
June 1963	September 1963	December 1963	March 1964	1963-64		*Percentage variation of (11) over*		
				Highest	Lowest	(4)	(7)	
8	9	10	11	12	13	14	15	
22.38	23.76	24.86	24.72	28.30	19.25	+ 58.6	+ 25.5	1
134.75	142.75	148.00	146.75	153.00	116.75	+ 21.3	+ 25.4	2
57.00	62.50	61.20	60.50	64.50	56.00	+ 21.5	— 2.6	3
261.00	269.00	295.50	285.00	297.00	254.00	+ 83.9	+ 8.8	4
508.80	592.00	690.00	616.50	709.00	467.00	+228.3	+ 25.8	5
302.00	320.00	336.00	338.00	349.50	274.00	+ 30.3	+ 20.7	6
31.25	32.50	34.00	35.30	36.75	28.50	+ 4.6	+ 16.0	7
224.00	224.50	176.00*	180.00(*b*)	238.00	175.00	+ 47.4	+ 7.7	8
28.00	33.37	34.44	32.62(*b*)	36.31	25.00	+219.1	+ 30.5	9
18.87	18.87	18.75	16.75(*b*)	20.25	16.25	+ 24.6	— 5.5	10
55.30	54.30	45.75*	45.00	63.30	44.50*	+ 2.0	+ 2.6	11
109.00	105.50	105.50	102.00	114.00	102.00	— 11.5	+ 1.0	12
270.00	267.00	256.00	250.00(*b*)	289.00	250.00	+ 17.9	— 5.7	13
9.87	9.34	9.44	9.19(*b*)	10.06	8.75	+ 54.7	+ 5.0	14
106.00	119.00	108.50	108.00(*b*)	120.00	99.00	— 4.4	+ 4.9	15
12.56	13.75	13.06	12.56(*b*)	14.50	11.75	+ 18.9	+ 4.1	16
3.05	3.66	3.45	3.44	3.93	2.82	— 15.1	+ 12.8	17
31.75	36.00	26.37*	25.06	35.12	24.62	+ 63.5	+ 25.3	18
23.31	26.19	24.25	23.12(*b*)	26.87	20.31	+ 54.1	+ 9.8	19
132.50	152.00	167.50	181.00	196.00	126.50	+ 76.3	+ 40.9	20
251.00	284.50	292.75	299.00	317.50	245.00	+194.2	+ 7.2	21
23.65	25.85	27.85	28.00	29.10	19.60	+ 79.5	+ 37.9	22
1,015.00	1,035.00	1,067.50	1,042.50	1,075.00	973.75	— 6.7	+ 3.7	23
1,058.75	1,085.00	1,131.25	1,106.25	1,142.50	1,015.00	— 4.2	+ 3.4	24
173.00	203.00	236.50	224.00	268.00	170.00	+ 11.1	+ 12.0	25
9.75	10.40	11.93	11.90	12.60	9.00	+ 51.6	+ 25.3	26
5.95	6.10	6.37	6.40	6.50	5.61	+ 50.6	+ 6.7	27
17.60	19.10	21.50	20.85	22.25	15.62	— 25.5	+ 28.3	28
3.65	4.35	4.35	4.40	4.70	3.56	— 9.3	+ 1.1	29
138.50	153.50	157.25	148.75	160.50	137.00	— 1.5	+ 7.8	30
5.49	5.75	5.50	5.65	6.20	5.40	+ 49.6	— 8.9	31
157.50	183.75	150.00*	138.75	208.75	138.75*	+102.0	— 28.6	32
336.25	400.00	362.50	341.25	410.00	317.50		+ 7.5	33
7.10	6.10	6.10	5.40	7.55	5.40	+ 38.5	— 22.3	34
16.60	17.68	18.68	18.52	19.72	13.80	+ 57.0	+ 25.5	35
7.35	7.34*	7.30	6.95	7.85	6.95	+108.1	— 8.3	36
15.62	17.75	18.94	18.37	20.25	15.50	+222.8	+ 15.5	37
107.75	104.50	100.50	102.00	117.00	95.00	+ 42.3	— 1.0	38
135.00	125.00	130.00	116.25	162.50	113.75		— 17.0	39
30.87	35.37	38.56	36.50	39.75	31.00	+177.2	+ 14.1	40
34.35	37.00	38.75	37.35	40.65	30.50	+ 71.2	+ 19.5	41
127.50	144.00	162.00	155.50	175.00	125.00	+166.4	+ 16.9	42
302.00	376.50	425.50	379.50	448.50	294.50	+113.8	+ 7.5	43
22.75	24.50	26.75	24.10	29.75	22.75	+126.3	— 19.0	44
16.80	17.00	18.75	19.80	20.37	16.50	+ 88.0	— 2.8	45
60.00(*a*)*	64.80	61.20	60.00	685.00	58.00(*a*)*	+ 44.2	— 3.4	46
33.75	41.00	38.65	35.00	45.00	33.50	+162.1	— 22.2	47
10.25	10.50	9.94	9.75(*b*)	11.12	9.44	— 17.0	— 3.7	48
10.36	12.80	15.48	15.48	16.56	9.76	— 9.4	+ 46.0	49
228.00	261.00	264.50	263.00	288.00	219.00	+133.3	+ 6.0	50

Source : Stock Exchanges.

STATEMENT 45—BUDGETARY POSITION OF THE GOVERNMENT OF INDIA

(Crores of Rupees)

	1950-51 (Accounts)	1955-56 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63 (Accounts)	1963-64 (Budget)	1963-64 (Revised)	1964-65 (Budget)
I. Revenue Account								
A. Revenue (*a*) ..	405.86	481.19	877.46	1,036.79	1,427.53	1,680.29	1,753.28	1,970.84(*b*)
B. Expenditure(*c*) ..	346.64	440.74	826.21	911.94	1,314.14	1,696.51	1,664.94	1,876.76
C. *Surplus* (+) *or deficit* (—) ..	*+ 59.22*	*+ 40.45*	*+ 51.25*	*+124.85*	*+113.40*	*— 16.22*	*+ 88.34*	*+ 94.08*
II. Capital Account								
A. Receipts (*d*) ..	104.45	280.95	1,127.00(*e*)	957.34(*e*)	1,204.25(*e*)	1,603.62	1,579.46(*e*)	1,861.95(*b*)
B. Disbursements ..	182.59	470.92	1,000.53	1,171.61	1,454.38	1,778.27	1,825.89	2,025.58
C. *Surplus* (+) *or deficit* (—) ..	*— 78.14*	*—189.97*	*+126.47*	*—214.27*	*—250.13*	*—174.65*	*—246.43*	*—163.63*
III. Miscellaneous								
(Net) (*f*) ..	*+ 15.26*	*— 10.35*	*— 60.87*	*— 25.09*	*— 19.41*	*+ 9.37*	*+ 5.47*	*— 16.04*
IV. Overall Surplus (+) or Deficit (—) (I C + II C + III) ..	**— 3.66**	**—159.87**	**+116.85**	**—114.51**	**—156.14**	**—181.50**	**—152.62**	**— 85.59**
Financed by :								
A. Treasury bills (*g*) [Increase (—)]	— 16.10	—123.38	+141.31	—118.69	—174.57	—181.00	—135.00	— 86.00
B. Cash balances [Decrease(—)]	+ 12.44	— 36.49	— 24.46	+ 4.18	+ 18.43	— 0.50	— 17.62	+ 0.41
(*i*) Opening balance	149.50	32.23	69.67	45.22	49.40	50.62	67.83	50.21
(*ii*) Closing balance	161.94	— 4.26	45.21	49.40	67.83	50.12	50.21	50.62

Note : Accounts are provisional. Budget estimates for 1964-65 relate to those presented to the *Lok Sabha.*

(*a*) Excluding States' share of excise duties and other taxes. (*b*) Including the effect of budget proposals; subsequent modifications in tax proposals have not been taken into account. (*c*) Excluding the payment of States' share of excise duties and additional excise duties. (*d*) Excluding Treasury bill receipts. (*e*) Excludes *ad hoc* Treasury bills of Rs. 50 crores each in 1960-61, 1961-62 and 1962-63 and Rs. 75 crores in 1963-64 (Revised) funded in January 1961, February 1962 and December 1962 and January 1964, respectively. (*f*) Includes remittances, transfer of cash between England and India and Reserve Bank Deposits. (*g*) Mostly sold to the Reserve Bank.

STATEMENT 46—CONSOLIDATED BUDGETARY POSITION OF STATES

(Crores of Rupees)

	1951-52 (Accounts)	1955-56 (Accounts)	1956-57 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63 (Accounts)	1963-64 (Budget)	1963-64 (Revised)	1964-65 (Budget)
I. Revenue Account									
A. Revenue(*a*)	396.4	554.3	598.1	1,011.8	1,073.5	1,283.9	1,357.5	1,458.0	1,554.7 (1,552.9)
B. Expenditure(*a*)	392.6	604.1	628.4	987.4	1,121.3	1,260.9	1,365.2	1,422.0	1,547.9
C. *Surplus(+) or Deficit(−)* ...	*3.8*	*− 49.8*	*− 30.3*	*+ 24.4*	*− 47.8*	*+ 23.0*	*− 7.7*	*− 36.0*	*+ 6.8 (+ 5.0)*
II. Capital Account									
A. Receipts(*b*)	135.0	382.0	338.3	580.0	699.9	778.2	782.5	885.2	946.0
B. Disbursements	188.7	335.9	364.4	632.9	668.5	749.1	843.8	930.4	995.8
C. *Surplus(+) or Deficit(−)* ...	*− 53.7*	*+ 46.1*	*− 26.1*	*− 52.9*	*− 31.4*	*+ 29.1*	*− 61.3*	*− 45.2*	*− 49.8*
III. Miscellaneous (*Net*) (*c*)	*+ 1.6*	*+ 4.1*	*− 2.9*	*− 19.9*	*− 21.0*	*− 24.6*	—	*− 1.5*	*− 4.1*
IV. Overall Surplus(+) or Deficit(−) ...	**− 48.3**	**+ 0.4**	**− 59.3**	**− 48.4**	**− 37.5**	**+ 27.5**	**− 69.1**	**− 10.7**	**− 47.1 (− 48.9)**
Financed by:									
V. Increase(+) or Decrease(−) in Cash Balances(*d*)	**− 10.8**	**+ 10.0**	**− 77.2**	**+ 3.7**(*e*)	**− 0.9**	**+ 11.4**	**− 58.5**	**− 1.1**	**− 42.7**
(1) Opening balance	61.5	93.8	131.9	− 4.6	− 0.9	− 1.8	− 11.4	+ 9.6	+ 8.5
(2) Closing balance	50.7	103.8	54.7	− 0.9	− 1.8	+ 9.6	− 69.9	+ 8.5	− 34.2
VI. Purchase (+) or Sale (−) of Securities	**− 37.6**	**− 9.6**(*f*)	**+ 17.9**(*f*)	**− 52.1**	**− 36.6**	**− 16.1**	**− 10.6**	**− 9.6**	**− 4.4**

Note: The figures for the years 1951-52 do not include the then Part C States (*viz.*, Ajmer, Bhopal, Coorg, Delhi, Himachal Pradesh and Vindhya Pradesh) since they had capital budgets only from 1954-55. The revised and budget estimates for 1955-56 and 1956-57 respectively, given in the previous reports have been replaced by the accounts data taken from the "Combined Finance and Revenue Accounts of the Central and State Governments" published by the Comptroller and Auditor General. The figures of purchase and sale of securities upto 1956-57 relate to the then Part A and Part B States. The figures from 1957-58 onwards relate to the reorganised States which exclude Delhi and Himachal Pradesh which are now Union Territories and include Kutch which was a part of the composite State of Bombay till 1959-60 and now a part of Gujarat State. The figures from 1957-58 onwards include Jammu and Kashmir. The figures for 1964-65 (Budget) are before tax changes except in the case of Jammu and Kashmir and Madras; the position before tax changes in all the States is also shown in brackets.

(*a*) Transfers from and to funds are excluded from revenue and expenditure, respectively. (*b*) Excluding *net* purchase or sale of securities. (*c*) Consists of remittances. (*d*) Including overdraft. (*e*) For the purpose of arriving at this figure, the opening balance for 1960-61, given in the budget papers of Maharashtra (which represents the figures for the composite State of Bombay) has been adjusted to exclude the amount transferred to Gujarat. (*f*) As seperate figures of Cash Balance Investment Accounts are not available, total Suspense Account has been included under this head.

STATEMENT 47—REVENUE AND EXPENDITURE OF THE GOVERNMENT OF INDIA

(On Revenue Account) (Crores of Rupees)

	1950-51 (Accounts)	1955-56 (Accounts)	1960-61 (Accounts	1961-62 (Accounts)	1962-63 (Accounts)	1963-64 (Budget)	1963-64 (Revised)	1964-65 (Budget)
REVENUE								
I. Taxes on Income and Expenditure (1+2+3)	**125.70**	**113.23**	**191.97**	**228.84**	**312.39**	**342.15**	**390.89**	**449.10**
Taxes on income other than corporation tax	132.73	131.35	167.38	165.39	185.96	218.00	235.00	250.00
Less States' share	47.52	55.16	87.37	93.85	95.27	97.95	119.29	108.45
1. Net receipts	85.21	76.19	80.01	71.54	90.69	120.05	115.71	141.55
2. Corporation tax	40.49	37.04	111.05	156.46	221.50	222.00	275.00	306.00
3. Expenditure tax	—	—	0.91	0.84	0.20	0.10	0.18	1.55
II. Taxes on Property and Capital Transactions (1+2+3+4+5)	**3.81**	**2.55**	**13.49**	**14.21**	**16.15**	**16.04**	**6.76**	**19.05**
Estate duty	—	1.81	3.09	4.21	3.94	4.00	4.35	7.40
Less States' share	—	1.86	2.91	3.88	3.88	3.88	4.22	7.22
1. Net receipts	—	—0.05	0.18	0.33	0.06	0.12	0.13	0.18
2. Tax on wealth	—	—	8.15	8.26	9.54	9.40	10.00	10.20
3. Gift tax	—	—	0.89	1.01	0.97	0.95	1.10	3.10
4. Stamps and registration	1.81	1.72	3.68	4.05	5.00	.87	5.25	5.41
5. Land revenue	2.00	0.88	0.59	0.56	0.58	0.70	0.28	0.16
III. Taxes on Commodities and Services (1+2+3+4)	**227.49**	**295.69**	**524.68**	**632 32**	**732.44**	**874.94**	**902.41**	**980.93**
Customs								
Imports	107.70	127.98	154.61	198.22	238.42	298.91	318.82	335.79
Exports	47.36	37.76	13.12	12.69	9.60	3.95	3.46	2.96
Other revenue	6.37	4.22	8.21	7.82	7.50	6.84	6.42	6.32
Less refunds	4.28	3.26	5.91	6.48	9.56	8.50	8.70	8.70
1. Net receipts	157.15	166.70	170.03	212.25	245.96	301.20	320.00	336.37
Union excise duties	67.54	145.25	416.35	489.31	598.83	687.51	703.47	769.93
(Of which additional excise duties)	(—)	(—)	(33.60)	(38.96)	(44.75)	(47.86)	(45.55)	(48.13)
Less States' share	—	16.57	75 10	80.65	124.91	128.07	135.99	141.37
2. Net receipts	67.54	128.68	341.25	408.66	473.92	559.44	567.48	628.56
Tax on railway passenger fares	—	—	15.89	—	—	—	—	—
Less States' share	—	—	13.79	—	—	—	—	—
3. Net receipts	—	—	2.10	—	—	—	—	—
4. Other taxes & duties	2.80	0.31	11.30	11.41	12.56	14.30	14.93	16.00
IV. Total Tax Revenue (I+II+III)	**357.00**	**411.47**	**730.14**	**875.37**	**1,060.98**	**1,233.13**	**1,310.06**	**1,449.08(*a*)**
V. Administrative Receipts	**12.53**	**17.08**	**59.32**	**53.92**	**63.44**	**48.64**	**48.00**	**47.67**

VI. Net Contribution of Public Undertakings (1+2+3+4) ...	**23.16**	**28.92**	**53.00**	**65.69**	**56.07**	**84.88**	**68.53**	**66.46**
1. Railways	6.50	5.80	4.77	20.66	20.37	24.15	23.90	24.53
2. Posts and Telegraphs	3.98	3.47	0.46	0.77	0.77	1.11	1.19	1.38
3. Currency and Mint	9.71	19.75	47.95	42.75	32.21	56.43	40.61	36.40
(Profits of the Reserve Bank of India)	(9.91)	(20.00)	(40.00)	(42.50)	(43.50)	(44.50)	(44.50)	(40.00)
4. Others (*b*)	2.97	—0.10	—0.18	1.51	2.72	3.19	2.83	4.15
VII. Other Revenue	**13.17**	**23.72**	**35.00**	**41.81**	**247.03**(*c*)	**313.64**(*c*)	**326.69**(*c*)	**407.63**(*c*)
VIII. Total Revenue (IV+V+VI+VII) ...	**405.86**	**481.19**	**877.46**	**1,036.79**	**1,427.53**	**1,680 29**	**1,753.28**	**1,970.84**
EXPENDITURE								
IX. Collection of Taxes, Duties and other Principal Revenues(*d*)	10.24	12.51	22.43	21.16	23.47	23.83	23.67	25.34
X. Civil Administration (*e*)	21.29	33.57	58.66	59.17	75.18	88.28	80.45	81.84
XI. Defence Services (net)	164.13	172.23	247.55	289.54	425.30	708 51	692.55	717.80
XII. Debt Services(*f*)	37.36	43.14	77.09	82.85	245.43	280.24	282.06	318.41
XIII. Pensions, Superannuation and Privy Purses (including allowances)	6.99	8.97	10.04	10.24	10.63	10 68	10.77	11.04
XIV. Extraordinary Charges (*g*)	0.07	—	3.68	13.63	64.22	85 97	83.90	147.31
XV. Miscellaneous (*h*)	44.28	48.82	117.82	57.10	81.31	89.26	71.53	78.80
XVI. S cial and Developmental Services(*i*) ...	39.50	82.41	236.40	176.29	186.09	184.84	177.29	199.54
XVII. Contributions and Miscellaneous adjustments between Union and State Governments(*j*)	15.59	35.87	48.55	198.01	198.45	220.97	239.16	293.21
XVIII. Other Expenditure(*k*)	7.19	3.22	3.99	3.95	4.06	3.93	3.56	3.47
XIX. Total Expenditure...	**346.64**	**440.74**	**826.21**	**911.94**	**1,314.14**	**1,696.51**	**1,664.94**	**1,876.76**
Surplus (+) or deficit (−)	*+59.22*	*+40.45*	*+51.25*	*+124.85*	*+113.40*	*−16.22*	*+88.34*	*+ 94.08*

Note:—(1) The figures of total revenue and expenditure as given in the Statement differ from those in the Budget papers as receipts from forests, opium and currency and mint are shown on a net basis and States' share of Union excise duties and additional duties of excise are excluded. Owing to changes in accounting classification, the figures from 1962-63 onwards, particularly in respect of items VII, X, XII and XVI are not comparable with those for earlier years. Budget estimates for 1964-65 relate to those presented to the *Lok Sabha*. (2) From 1957-58, figures under revenue and expenditure include self-balancing items in respect of grants under P.L. 480 and Steel Equalisation Funds; for 1962-63 (Accounts) and 1963-64 (Budget and Revised) also include Emergency Risks (Goods and Factories) Insurance Funds.

(*a*) Including the effect of the tax proposals; subsequent modifications in tax proposals have not been taken into account. (*b*) Including forests, opium, irrigation, electricity, road and water transport schemes, and from 1962-63, dividends due from commercial and other undertakings. (*c*)Includes recoveries of interest from State Governments and Commercial Departments, adjusted as reduction of interest charges till 1961-62. (*d*) Excludes forests, opium and States' share of Union excise duties and additional excise duties.(*e*) Comprises General Administration, Audit, Administration of Justice, Jails, Police, Tribal Areas and External Affairs; with effect from 1961-62,expenditure relating to Tribal Areas is adjusted under the relevant Major Heads closely connected with the object of the expenditure. From 1962-63, this includes miscellaneous departments of administrative nature and Supplies and Disposals. (*f*) Includes appropriation for reduction or avoidance of debt. From 1962-63, these also include interest charges on capital advanced to Commercial Departments like Railways and Posts and Telegraphs which were hitherto booked in the accounts in reduction of receipts. (*g*) Includes provision for grants to States for G.M.F. schemes, relief in natural calamities, etc. From 1954-55 these items are transferred to miscellaneous expenditure under appropriate ministries ; from 1961-62 these figures are shown against item XVII. Since 1957-58 it includes provision for transfer to the Special Development Fund of grants received under P.L. 480. For 1962-63 (accounts) and 1963-64 (Budget and Revised) it includes Emergency Risks (Goods and Factories) Insurance Funds. (*h*) Includes certain grants to States; from 1961-62 these grants are shown against item XVII. (*i*) Comprise irrigation and multi-purpose river schemes, ports and pilotage, ligbthouses and light ships, scientific departments, education, medical, public health, agriculture, rural development, animal husbandry, co-operation, industries (and supplies upto 1961-62), aviation, broadcasting, civil works, post-war reconstruction and electricity schemes, community development projects, national extension service, labour and employment, overseas communications service and miscellaneous departments. (*j*) Includes grants-in-aid to States; all grants to States are grouped together under this item from 1961-62. (*k*) Comprises famine, stationery and printing, civil defence and pre-partition payments.

STATEMENT 48—REVENUE FROM UNION EXCISE DUTIES

(Lakhs of Rupees)

Commodity	1950-51 (Accounts)	1955-56 (Accounts)	1960-61(*a*) (Accounts)	1961-62(*a*) (Accounts)	1962-63(*a*)(*b*) (Accounts)	1963-64(*b*) (Revised)	1964-65(*b*)(*c*) (Budget)
1	2	3	4	5	6	7	8
Basic duties on :							
Motor spirit	2,08	23,05	40,46	45,51	51,56	66,25	71,65
Kerosene	28	2,43	8,29	12,84	16,55	35,00	39,60
Sugar	6,46	18,58	44,19	47,23	60,18	54,70	58,25
Matches	8,07	10,08	18,08	18,48	21,91	21,50	21,50
Steel ingots	54	69	13,14	15,51	4,61	2	2
Tyres and tubes	4,04	5,53	13,54	14,50	17,04	22,20	23,52
Tobacco	31,99	36,46	53,73	56,45	64,43	80,00	84,69
Vegetable products	2,19	3,82	5,63	6,06	7,81	14,40	15,00
Coffee	1,17	93	1,35	1,92	1,83	2,16	2,40
Tea	3,36	3,17	7,47	10,57	10,21	14,98	15,28
Cotton fabrics	9,26	28,18	45,94	47,51	58,37	56,50	54,94
Artificial silk fabrics		2,18	2,05	2,91	1,12	1,32	1,38
Cement		2,22	18,45	18,32	21,38	25,80	27,60
Footwear		84	1,52	1,74	2,13	2,60	3,20
Soap		1,55	2,38	2,46	3,02	4,98	4,62
Woollen fabrics		53	90	1,35	1,93	2,16	2,16
Electric fans		27	1,17	1,20	1,52	1,56	1,92
Electric bulbs		25	68	88	1,29	1,72	1,70
Electric batteries		73	1,88	1,79	2,23	2,88	3,00
Paper		2,68	8,38	11,51	13,33	17,30	16,66
Paints and varnishes ..		1,01	1,40	2,12	2,62	3,84	4,68
Vegetable non-essential oils		29	11,69	10,47	10,54	1,50	1,70
Refined diesel oils and vapourizing oils ..		16	36,38	43,36	46,99	62,75	64,30

Industrial fuel oils		47	13,01	14,49	18,89	25,40	29,90
Rayon and synthetic fibres and yarn			2,82	5,58	9,71	12,67	18,50
Motor vehicles			8,03	10,30	11,22	13,00	13,60
Coal cess	1,62	2,38	5,40	9,98	12,26	12,25	12,25
Cess on copra			9	12	12	10	10
Cess on oils and oilseeds			51	30	28	20	20
Soda ash			2	30	41	47	50
Caustic soda			2	41	51	55	60
Coal tar dyes and coal tar derivatives			9	2,15	2,03	1,76	1,82
Cosmetics and toilet preparations			-	1,21	1,34	1,50	1,50
Patent or proprietary medicines			26	4,19	5,06	5,55	5,55
Plastics			8	1,11	1,57	2,22	2,40
Cotton yarn			13	4,98	8,38	9,80	20,10
Woollen yarn			2	1,02	1,91	4,00	4,92
Glass and glassware			11	2,01	2,72	2,95	2,84
Chinaware			3	84	1,11	1,32	1,30
Copper and copper alloys			7	1,75	1,83	2,25	2,30
Refrigerators and air-conditioning machinery			2	86	1,49	1,50	1,87
Wireless receiving sets			6	1,25	1,21	1,67	1,73
Jute manufactures					5,28	5,50	6,05
Iron and steel products					24,29	36,00	50,41
Electric wires and cables					2,57	3,20	3,40
Miscellaneous	44	76	16,15	16,11	22,69	23,94	26,19
Total gross revenue	**71,50**	**149,24**	**385,69**	**453,65**	**559,48**	**663,92**	**727,80**
Less : Refunds and drawbacks	3,96	3,99	2,94	3,30	5,40	6,00	6,00
Total net revenue	**67,54**	**145,25**	**382,75**	**450,35**	**554,08**	**657,92**	**721,80**
Additional duties on :							
Sugar			10,91	11,22	15,03	15,15	17,00
Textiles			17,01	19,46	20,34	22,40	22,63
Tobacco			5,68	8,28	9,38	8,00	8,50
Total additional duties			**33,60**	**38,96**	**44,75**	**45,55**	**48,13**
Grand total—Union excise duties	**67,54**	**145,25**	**416,35**	**489,31**	**598,83**	**703,47**	**769,93**
Less : States' share of excise duties		16,57	75,10	80,65	124,91	135,99	141,37
Net receipts	**67,54**	**128,68**	**341,25**	**408,66**	**473,92**	**567,48**	**628,56**

(*a*) Figures are provisional. (*b*) Includes special duties of excise also. (*c*) Including the effect of budget proposals.

STATEMENT 49—CAPITAL BUDGET OF THE GOVERNMENT OF INDIA

(Crores of Rupees)

	1950-51 (Accounts)	1955-56 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63 (Accounts)	1963-64 (Budget)	1963-64 (Revised)	1964-65 (Budget)
RECEIPTS								
Loans								
Internal(*a*)	30.34	103.68	180.70(*i*)	202.55(*i*)	278.94(*j*)	393.00(*j*)	366.70(*i,j*)	295.00(*j*)
External	7.75	2.67	264.71	314.33	339.57	462.43	502.55	696.97
Special Floating Loan	—	—	3.45	3.45	3.45	3.45	3.45	3.45
Inter-State Debt Settlement	—	0.78	—	—	1.76	—	—	—
Treasury Deposit Receipts(*b*)	− 7.13							
Prize Bonds (*c*)			15.63	3.47	4.23	6.00	5.00	5.00
Gold Bonds					3.39	1.00	5.22	—
Small Savings(*b*)	33.52	66.51	103.77	87.75	74.09	105.00	115.00	125.00
Other Unfunded Debt (*b*)	8.30	16.89	43.99	40.13	41.84	46.92	50.33	55.65
Compulsory Deposits(*b*)						25.00	15.00	
Income-tax Annuity Deposits								67.00
Investment of U.S. Government Counterpart Deposit Funds(*b*)			240.41	54.13	48.07	90.00	65.42	−84.84
Railway Funds(*b*)	17.55	6.92	− 3.76	−14.44	15.27	22.04	23.62	31.97
Other Reserve Funds (Interest-bearing) (*b*) ...	0.16	1.02	6.57	12.26	11.75	14.06	18.40	11.20
Appropriation for Reduction or Avoidance of Debt	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Deposits under Income-Tax Act (*b*) ...	−33.21	−1.33	0.32	−0.22	−3.93	−0.18	−0.35	−0.04
Repayments of Loans by States	8.08	25.22	95.48	133.91	144.75	194.87	185.73	238.92
Special Development Fund (*d*)	—	40.50	104.52	106.15	156.04	129.15	155.12	334.93
Contingency Fund	15.00	—	—	—	—0.01	—	—	—
Other Items (*e*) (*b*)	19.09	13.09	66.21	8.87	80.02	105.89	63.26	76.74(*k*)
Total Receipts (excluding Treasury Bills) (*f*)...	**104.45**	**280.95**	**1,127.00**	**957.34**	**1,204.25**	**1,603.62**	**1,579.46**	**1,861.95**

DISBURSEMENTS

Capital outlay								
Non-Developmental								
Defence	4.19	17.59	33.39	22.95	48.61	158.72	115.63	136.10
Payment of Commuted Value of Pensions ...	− 6.57	− 9.01	− 4.04	− 3.93	− 3.45	− 3.59	− 3.34	− 5.95
State Trading Schemes	− 2.26	− 29.59	33.95	2.24	− 22.19	49.69	30.07	31.04
Currency, Mint and Security Printing Press	3.26	8.76	6.48	6.92	8.85	11.92	13.44	9.13
Others(*g*)	15.01	3.67	65.84	56.93	78.16	57.20	59.75	169.62
Total Non-Developmental	**13.63**	**− 8.58**	**135.62**	**85.11**	**109.98**	**273.94**	**215.55**	**339.94**
Developmental								
Railways	25.41	67.52	89.48	144.90	214.89	218.50	237.25	253.00
Posts and Telegraphs	7.07	9.03	11.26	11.25	20.96	28.00	30.24	20.59
Civil Aviation	1.82	1.95	3.46	3.01	2.93	3.66	3.66	4.95
Irrigation and Multi-purpose River Schemes	2.56	2.98	1.31	2.06	3.16	10.69	7.60	10.58
Civil Works	9.11	24.55	38.92	41.63	48.48	75.49	82.42	79.79
Industrial Development	8.90	11.07	91.27	110.68	171.35	224.00	208.52	217.22
Other Heads(*h*)	2.53	18.84	34.18	37.68	40.42	53.09	44.82	44.41
Total Developmental	**57.40**	**135.94**	**269.88**	**351.21**	**502.19**	**613.43**	**614.51**	**630.54**
Total Capital Outlay	**71.03**	**127.36**	**405.50**	**436.33**	**612.17**	**887.37**	**830.07**	**970.48**
Discharge of Permanent Debt								
Internal	41.74	69.04	109.19	137.62	182.30	180.00	178.15	192.00
External	4.11	3.22	17.71	65.62	46.30	51.27	61.49	67.26
Discharge of Special Floating Debt ...	—	—	1.71	—	—	3.43	3.43	3.43
Inter-State Debt Settlement	—	0.68	—	1.79	—	0.90	0.90	—
Advances to States	61.46	241.24	338.63	452.42	511.09	529.14	618.75	611.09
Advances to States from Special Development Fund		5.47				11.94	18.66	10.62
Other Loans and Advances(*b*)	4.25	23.91	127.79	77.83	102.52	114.22	114.44	170.70
Total Disbursements	**182.59**	**470.92**	**1,000.53**	**1,171.61**	**1,454.38**	**1,778.27**	**1,825.89**	**2,025.58**
Surplus (+) *or Deficit* (−)	*−78.14*	*−189.97*	*+126.47*	*−214.27*	*−250.13*	*−174.65*	*−246.43*	*−163.63*

Note: (1) Figures of receipts and disbursements will not tally with those in the budget papers as certain adjustments have been made here. (2) Accounts are provisional. (3) Receipts and disbursements include a formal adjusting item in respect of loan assistance from the U.S. Government which is transferred to the Special Development Fund by debit to Capital. (4) Treasury bill receipts and miscellaneous items such as remittances, etc., have been excluded from this statement. (5) Subsequent modifications in budget proposals for 1964-65 have not been taken into account.

(*a*) Excluding 15-Year Annuity Certificates which are included under Small Savings. (*b*) Figures are net. (*c*) Figures for the period April 1, 1960 to June 30, 1962 relate to Five-Year Interest Free Prize Bonds, 1965. Sales of these Bonds were discontinued from July 1, 1962 and a new series called Premium Prize Bonds, 1963 was issued from January 1, 1963 to December 31, 1963 and Premium Prize Bonds, 1964 from January 1, 1964. (*d*) Receipts comprise the sale proceeds of American (Loan) Wheat, wheat received under Colombo Plan, assistance under Indo-U.S. Technical Assistance Agreement and other aid. (*e*) Residual item. (*f*) Mostly sold to the Reserve Bank of India. (*g*) Include transfer of sale proceeds of American (Loan) wheat, contingency fund and payment to displaced persons, etc. (*h*) Includes grants to States for development purposes, Ports, etc. (*i*) Excludes the conversion of *ad hoc* Treasury bills of Rs. 150 crores in 1959-60, Rs. 50 crores each in 1960-61, 1961-62 and 1962-63 and Rs. 75 crores in 1963-64 (Revised). (*j*) Includes receipts from 4½ per cent National Defence Bonds, 1972 which were on tap from November 10, 1962 to April 29, 1963. (*k*) Includes sale proceeds of American and Lease-Lend Surpluses.

STATEMENT 50—BUDGETARY POSITION OF INDIVIDUAL STATE GOVERNMENTS

(On Revenue Account)

(Lakhs of Rupees)

State	REVENUE					EXPENDITURE			
	Tax Revenue								
	Taxes on income (*a*)	Taxes on property and capital transactions (*b*)	Taxes on commodities and services (*c*)	**Total tax revenue**	**Non-tax revenue** (*d*)	**Total revenue**	Non-development (*e*) (*g*)	Social and developmental services (*f*) (*g*)	**Total expenditure**	*Surplus* (+) *or deficit* (−)
	1	2	3	4	5	6	7	8	9	10
Andhra Pradesh										
1961-62 (Accounts)	7,55	13,88	35,33	**56,76**	**27,40**	**84,16**	28,60	60,43	**89,03**	− *4,87*
1962-63 (Accounts)	7,35	20,58	40,87	**68,80**	**40,30**	**109,10**	39,69	64,87	**104,56**	+ *4,54*
1963-64 (Revised)	9,23	21,15	47,43	**77,81**	**46,65**	**124,46**	50,00	72,15	**122,15**	+ *2,31*
1964-65 (Budget)	8,35	21,49	49,61	**79,45**	**51,79**	**131,24**	48,82	82,27	**131,09**	+ *15*
Assam										
1961-62 (Accounts)	5,27	3,51	11,06	**19,82**	**19,61**	**39,43**	16,26	25,26	**41,52**	− *2,09*
1962-63 (Accounts)	5,93	3,95	12,72	**22,60**	**20,08**	**42,68**	13,46	29,03	**42,49**	+ *19*
1963-64 (Revised)	7,14	4,55	15,19	**26,88**	**24,63**	**51,51**	20,57	32,73	**53,30**	− *1,79*
1964-65 (Budget)	6,97	5,85	17,28	**30,10**	**29,32**	**59,42**	20,32	36,38	**56,70**	+ *2,72*
Bihar										
1961-62 (Accounts)	9,74	13,71	27,21	**50,66**	**27,82**	**78,48**	29,55	50,16	**79,71**	− *1,23*
1962-63 (Accounts)	9,35	19,74	34,50	**63,59**	**27,39**	**90,98**	32,71	48,39	**81,10**	+ *9.88*
1963-64 (Revised)	10,43	15,33	40,24	**66,00**	**28,70**	**94,70**	35,10	50,33	**85,43**	+ *9,27*
1964-65 (Budget)	10,50	16,40	44,40	**71,30**	**32,68**	**103,98**	33,91	55,55	**89,46**	+ *14,52*
Gujarat										
1961-62 (Accounts)	9,14	7,26	28,71	**45,11**	**16,89**	**62,00**	28,78	34,89	**63,67**	− *1,67*
1962-63 (Accounts)	4,55	9,88	33,77	**48,20**	**33,95**	**82,15**	33,46	36,30	**69,76**	+ *12,39*
1963-64 (Revised)(*h*)	5,76	9,13	38,90	**53,79**	**28,81**	**82,60**	44,26	38,37	**82,63**	− *3*
1964-65 (Budget)(*h*)	5,18	9,49	40,92	**55,59**	**31,46**	**87,05**	43,17	43,72	**86,89**	+ *16*
Jammu & Kashmir										
1961-62 (Accounts)	1,05	90	1,91	**3,86**	**14,77**	**18,63**	5,42	10,18	**15,60**	+ *3,03*
1962-63 (Accounts)	67	96	3,85	**5,48**	**14,90**	**20,38**	9,45	10,70	**20,15**	+ *23*
1963-64 (Revised)	83	1,03	4,20	**6,06**	**13,86**	**19,92**	9,56	9,24	**18,80**	+ *1,12*
1964-65 (Budget)	82	1,08	5,22	**7,12**	**12,83**	**19,95**	10,70	10,44	**21,14**	− *1,19*
			(4,47)	**(6,37)**		**(19,20)**				(− *1,94*)
Kerala										
1961-62 (Accounts)	5,85	3,95	19,51	**29,31**	**17,65**	**46,96**	15,71	37,66	**53,37**	− *6,41*
1962-63 (Accounts)	5,81	3,92	24,55	**34,28**	**24,98**	**59,26**	18,54	41,04	**59,58**	− *32*
1963-64 (Revised)	6,61	3,86	30,99	**41,46**	**25,94**	**67,40**	18,87	43,41	**62,28**	+ *5,12*
1964-65 (Budget)	6,10	4,63	33,04	**43,77**	**29,61**	**73,38**	20,46	49,33	**69,79**	+ *3,59*
Madhya Pradesh										
1961-62 (Accounts)	6,33	11,07	23,49	**40,89**	**33,59**	**74,48**	28,46	48,21	**76,67**	− *2,19*
1962-63 (Accounts)	6,17	12,05	29,85	**48,07**	**29,12**	**77,19**	29,48	51,76	**81,24**	− *4,05*
1963-64 (Revised)	7,80	13,06	37,21	**58,07**	**40,90**	**98,97**	37,02	55,86	**92,88**	+ *6,09*
1964-65 (Budget)	7,14	13,64	42,59	**63,37**	**39,28**	**102,65**	36,78	66,55	**103,33**	− *68*
Madras										
1961-62 (Accounts)	9,29	11,18	37,96	**58,43**	**32,91**	**91,34**	33,49	67,46	**100,95**	− *9,61*
1962-63 (Accounts)	8,90	11,50	48,74	**69,14**	**42,75**	**111,89**	40,05	75,68	**115,73**	− *3,84*
1963-64 (Revised)	10,88	12,55	56,06	**79,49**	**44,14**	**123,63**	46,24	80,41	**126,65**	− *3,02*
1964-65 (Budget)	9,96	12,93	60,50	**83,39**	**47,17**	**130,56**	48,13	84,77	**132,90**	− *2,34*
			(59,50)	**(82,39)**		**(129,56)**				(− *3,34*)

Maharashtra											
1961-62 (Accounts)	6,89	14,32	60,02	**81,23**	**35,54**	**116,77**	62,46	61,83	**124,29**	—	*7,52*
1962-63 (Accounts)	12,79	16,73	73,95	**103,47**	**42,46**	**145,93**	78,30	64,42	**142,72**	—	*3,22*
1963-64 (Revised)	15,66	16,42	93,34	**125,42**	**44,68**	**170,10**	87,43	77,24	**164,67**	+	*5,43*
1964-65 (Budget)	14,68	16,07	97,91	**128,66**	**55,53**	**184,19**	94,99	88,69	**183,68**	+	*51*
Mysore											
1961-62 (Accounts)	5,38	7,16	23,51	**36,05**	**29,89**	**65,94**	27,20	43,41	**70,61**	—	*4,67*
1962-63 (Accounts)	5,65	8,36	29,55	**43,56**	**33,14**	**76,70**	28,98	49,80	**78,78**	—	*2,08*
1963-64 (Revised)	6,64	11,84	34,47	**52,95**	**36,75**	**89,70**	33,16	54,33	**87,49**	—	*2,21*
1964-65 (Budget)	6,26	11,88	36,59	**54,72**	**40,45**	**95,17**	34,93	60,17	**95,10**	—	*7*
Orissa											
1961-62 (Accounts)	3,53	3,53	9,81	**16,87**	**25,91**	**42,78**	24,84	33,15	**57,99**	—	*15,21*
1962-63 (Accounts)	3,38	4,04	16,27	**23,69**	**35,25**	**58,94**	25,34	37,32	**62,66**	—	*3,72*
1963-64 (Revised)	4,15	4,61	19,07	**27,83**	**39,49**	**67,32**	26,42	41,50	**67,92**	—	*60*
1964-65 (Budget)	3,77	4,70	20,03	**28,50**	**42,76**	**71,26**	27,31	47,87	**75,18**	—	*3,92*
Punjab											
1961-62 (Accounts)	4,21	10,13	23,82	**38,16**	**32,02**	**70,18**	24,57	34,97	**59,54**	+	*10,64*
1962-63 (Accounts)	5,01	11,43	29,74	**46,18**	**38,32**	**84,50**	36,20	38,84	**75,04**	—	*9,46*
1963-64 (Revised)	5,77	12,54	37,62	**55,93**	**46,59**	**102,52**	50,02	48,79	**98,81**	—	*3,71*
1964-65 (Budget)	5,20	11,73	38,69	**55,63**	**47,93**	**103,56**	47,72	56,08	**103,80**	+	*24*
Rajasthan											
1961-62 (Accounts)	3,87	9,96	14,46	**28,29**	**16,99**	**45,28**	22,21	28,86	**51,07**	—	*5,79*
1962-63 (Accounts)	3,84	10,86	20,62	**35,32**	**21,61**	**56,93**	24,40	30,76	**55,16**		*1,77*
1963-64 (Revised)	4,80	10,07	25,45	**40,32**	**26,96**	**67,28**	29,32	38,36	**67,68**		*40*
1964-65 (Budget)	4,34	10,66	26,88	**41,88**	**27,53**	**69,41**	29,16	40,87	**70,03**	—	*62*
Uttar Pradesh											
1961-62 (Accounts)(*h*)	15,86	26,76	45,60	**88,22**	**48,38**	**136,60**	65,92	70,10	**136,02**	—	*58*
1962-63 (Accounts)(*h*)	14,01	31,17	55,75	**100,93**	**60,58**	**161,51**	77,56	82,61	**160,17**	—	*1,34*
1963-64 (Revised)(*h*)	17,46	31,24	60,61	**109,31**	**61,95**	**171,26**	82,51	89,97	**172,48**	+	*1,22*
1964-65 (Budget)	16,11	28,88	65,53	**110,52**	**79,49**	**190,01**	91,41	110,19	**201,60**	+	*11,59*
West Bengal											
1961-62 (Accounts)	10,30	11,43	47,18	**68,91**	**31,54**	**100,45**	47,57	53,66	**101,23**	—	*78*
1962-63 (Accounts)	12,36	13,95	54,33	**80,64**	**25,08**	**105,72**	53,20	58,54	**111,74**	—	*6,02*
1963-64 (Revised)	14,97	15,86	64,04	**94,87**	**31,74**	**126,61**	55,06	63,75	**118,81**	+	*7,80*
1964-65 (Budget)	13,84	16,21	65,88	**95,93**	**36,93**	**132,86**	55,09	72,16	**127,25**	+	*5,61*
Total											
1961-62 (Accounts)	104,26	148,75	409,58	**662,59**	**410,90**	**1,073,49**	461,04	660,23	**1,121,27**	—	*47,79*
1962-63 (Accounts)	105,77	179,12	509,06	**793,95**	**489,91**	**1,283,86**	540,82	720,06	**1,260,88**	+	*22,99*
1963-64 (Revised)	128,13	183,24	604,82	**916,19**	**541,79**	**1,457,98**	625,54	796,44	**1,421,98**	+	*36,00*
1964-65 (Budget)	119,22	185,64	645,07	**949,93**	**604,76**	**1,554,69**	642,90	905,04	**1,547,94**	—	*6,75*
			(643,32)	**(948,18)**		**(1,552,94)**				(—	*5,00)*

Note: Figures given here would differ from those in the budget papers as certain adjustments have been made to ensure uniformity in presentation. Budget estimates for 1964-65 are before tax changes except in the case of Madras and Jammu & Kashmir: the position before tax changes in these States is shown in brackets.

(*a*) Includes States' share of income-tax, agricultural income-tax and profession tax. (*b*) Covers estate duty, land revenue, urban immovable property tax, stamps and registration and forward contracts tax in the case of Punjab. (*c*) Comprises excise duties, sales taxes, entertainment tax, electricity duties, motor vehicles taxes and other taxes and duties. (*d*) Includes administrative receipts, net contribution of public enterprises, grants-in-aid and other contributions from the Centre, etc. (*e*) Covers collection of taxes, duties and other principal revenues, debt services, civil administration, miscellaneous, famine and other non-development expenditure. (*f*) Includes education, medical and public health, agriculture, veterinary and co-operation, irrigation, electricity schemes, rural and community development projects, civil works, industries and supplies and other development expenditure. (*g*) The classification of development and non-development expenditure has been done on the basis of broad budget heads. (*h*) Excludes transfer from/to the Revenue Reserve Fund.

STATEMENT 51—REVENUE AND EXPENDITURE OF STATES

(On Revenue Account)

(Lakhs of Rupees)

	1951-52 (Accounts)	1955-56 (Accounts)	1956-57 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63 (Accounts)	1963-64 (Budget)	1963-64 (Revised)	1964-65 (Budget)
				REVENUE					
TAX REVENUE									
Taxes on Income	**57,05**	**63,08**	**65,89**	**100,47**	**104,26**	**105,77**	**109,20**	**128,13**	**119,22**
Share of income-tax	52,65	55,28	57,90	90,58	94,37	95,24	98,32	118,07	108,28
Agricultural income-tax	4,33	7,67	7,84	9,49	9,44	9,59	10,26	9,35	10,26
Profession tax	7	13	15	40	45	94	62	71	68
Taxes on Property and Capital Transactions	**75,40**	**111,04**	**119,04**	**144,41**	**148,75**	**179,12**	**183,51**	**183,24**	**185,64**
Estate duty		1,86	2,41	2,89	3,89	3,87	3,92	3,93	3,98
Land revenue	47,99	78,01	83,17	97,19	95,23	120,07	120,38	118,16	118,55
Stamps and registration	25,56	29,08	31,33	43,33	46,57	52,21	57,78	59,26	61,66
Urban immovable property tax	1,85	2,10	2,13	1,00	3,06	2,97	1,43	1,89	1,45
Taxes on Commodities and Services	**148,60**	**182,01**	**210,80**	**379,90**	**409,58**	**509,06**	**536,70**	**604,82**	**645,07** (643,32)
Union excise	70	16,57	17,94	75,11	80,65	124,92	127,07	136,71	141,71
State excise	49,41	45,09	46,38	53,11	58,58	62,81	63,09	67,55	70,99
General sales tax	54,40	80,06	96,60	142,44	163,14	187,52	195,43	236,62	253,00
Sales tax on motor spirit	4,53	1,54	1,03	16,30	18,30	21,35	24,20	25,72	27,30
Motor vehicles taxes	10,09	15,88	18,63	34,10	37,93	46,29	50,28	54,07	54,89
Tax on railway fares(*a*)				13,79					
Entertainment tax	6,39	7,34	8,59	13,11	15,10	18,21	18,26	21,38	22,19
Electricity duties	3,39	5,82	6,69	12,51	14,89	19,48	22,37	26,10	29,41
Other taxes and duties(*b*)	19,69	9,71	14,94	19,43	20,99	28,48	36,00	36,67	45,58 (43,83)
Total Tax Revenue	**281,05**	**356,14**	**395,73**	**624,78**	**662,58**	**793,95**	**829,41**	**916,19**	**949,93** (948,18)
NON-TAX REVENUE									
Administrative Receipts (*c*)	**38,13**	**61,86**	**68,52**	**139,53**	**85,50**	**93,22**	**94,51**	**98,54**	**104,82**
Net Contribution of Public Enterprises (*d*)	**24,92**	**31,41**	**39,35**	**47,44**	**46,52**	**57,34**	**63,10**	**60,05**	**65,70**
Forests	12,61	15,92	20,71	32,55	34,31	37,96	36,51	37,64	36,65
Irrigation(*e*)	8,03	6,89	7,30	7,60	6,24	9,72	12,84	11,31	14,48
Electricity schemes	3,41	7,46	7,90	3,45	2,37	2,74	5,22	4,85	5,90
Road and water transport	77	1,45	1,82	5,74	5,56	5,66	7,24	6,00	7,74
Industries and others	10	— 31	1,62	— 1,90	— 1,95	1,26	1,29	25	93
Other Revenue (*f*)	**26,94**	**51,87**	**50,88**	**78,43**	**83,99**	**129,97**	**134,90**	**151,78**	**154,76**
Grants-in-aid and other Contributions	**25,36**	**52,98**	**43,62**	**121,63**	**194,88**	**209,38**	**235,57**	**231,42**	**279,48**
Total Non-Tax Revenue	**115,35**	**198,13**	**202,37**	**387,03**	**410,90**	**489,91**	**528,08**	**541,79**	**604,76**
Total Revenue	**396,40**	**554,27**	**598,10**	**1011,81**	**1073,49**	**1283,86**	**1357,49**	**1457,98**	**1554,69** (1552,94)

EXPENDITURE

Social and Developmental Services (*g*)								
Education	60,30	104,16	113,44	195,39	234,56	250,52	266,32	276,24	307,74
Medical and public health	29,22	47,18	47,46	80,84	93,95	106,77	110,93	113,12	127,79
Agriculture, veterinary, co-operation and rural development	25,90	39,02	38,79	65,95	75,77	85,50	100,67	100,67	120,01
Irrigation (*h*)	17,62	23,47	22,78	31,36	35,52	39,93	40,77	45,48	48,30
Electricity schemes (*h*)	4,61	8,37	10,42	5,35	3,06	2,42	3,58	3,72	4,53
Community development projects	82	26,89	26,95	52,31	57,59	62,08	63,21	64,90	80,05
Civil works	40,93	68,28	55,08	67,40	84,45	88,86	87,14	90,47	95,76
Industries and supplies	5,81	3,54	7,08	21,82	23,82	26,19	30,08	28,57	33,83
Other developmental expenditure (*i*)	11,00	17,00	19,57	49,21	51,51	57,79	71,86	73,27	87,03
Total Expenditure on Social and Developmental Services	**196,21**	**337,91**	**341,57**	**569,63**	**660,23**	**720,06**	**774,56**	**796,44**	**905,04**
Non-Developmental Expenditure (*g*) ...									
Collection of taxes, duties and other Principal revenues (*j*)	26,94	46,02	49,18	66,19	62,18	58,65	66,03	66,49	70,68
Debt services (*k*)	8,49	18,82	26,95	84,38	99,66	152,54	178,64	201,02	209,90
Civil administration (*l*)	106,65	122,40	131,47	167,00	185,36	202,25	203,46	209,26	215,57
Miscellaneous (*m*)	17,53	31,02	36,26	42,93	50,24	68,59	75,19	80,39	82,72
Famine	3,99	16,61	13,02	21,50	22,53	15,60	11,57	17,53	10,69
Other non-developmental expenditure (*n*) ...	32,82	31,32	29,95	35,74	41,07	43,19	55,76	50,85	53,34
Total Non-Developmental Expenditure ...	**196,42**	**266,19**	**286,84**	**417,74**	**461,04**	**540,82**	**590,65**	**625,54**	**642,90**
Total Expenditure	**392,63**	**604,09**	**628,41**	**987,37**	**1121,27**	**1260,88**	**1365,21**	**1421,98**	**1547,94**
Surplus (+) *or deficit* (−)	*+3,77*	*−49,82*	*−30,31*	*+24,44*	*−47,78*	*+22,99*	*−7,72*	*+36,00*	*−6,75* (*+5,00*)

Note: Figures given here would differ from those in the budget papers as certain adjustments have been made to ensure uniformity in presentation. The figures for the year 1951-52 do not include the then Part C States (viz., Ajmer, Bhopal, Coorg, Delhi, Himachal Pradesh and Vindhya Pradesh) since separate revenue budgets for these States are available only from 1952-53. For 1955-56 and 1956-57, the revised and budget estimates respectively have been replaced by accounts figures taken from the "Combined Finance and Revenue Accounts of the Central and State Governments" published by the Comptroller and Auditor General. The figures from 1957-58 onwards relate to the reorganised States which exclude Delhi and Himachal Pradesh which are now Union Territories and include Kutch which was a part of the Composite State of Bombay till 1959-60 and now a part of the Gujarat State. The figures from 1957-58 onwards include Jammu and Kashmir. The budget estimates for 1964-65 are before tax changes except in the case of Madras and Jammu and Kashmir. The position before tax changes in all States is also shown in brackets.

(*a*) From 1961-62, receipts from tax on Railway fares have been excluded from tax revenue and included under "Grants-in-aid and other Contributions". (*b*) Includes sugar-cane cess, purchase tax on sugar, tax on passengers and goods, tobacco duties, tax on prize competition and betting, inter-State transit duties, tax on raw jute, etc. (*c*) Includes receipts from civil works and receipts of the various departments such as education, medical, public health, etc., and certain grants from the Central Government; from 1961-62, these grants have been shown under "Grants-in-aid and other contributions". (*d*) The contribution of public enterprises to revenue is not as given in the budgets and does not constitute a commercial surplus but represent excess of revenue over working expenses. (*e*) Irrigation works for which capital accounts are not kept are taken on a gross basis. (*f*) Comprises receipts on account of debt services, which from 1962-63 also include recoveries of interest from commerical departments hitherto adjusted in reduction of expenditure, stationery and printing and miscellaneous receipts; excludes transfers from reserve funds. (*g*) The classification of development and non-development expenditure has been done on the basis of broad budget heads. (*h*) Including interest on capital outlay; consequently the figures shown under debt services are under-estimates. (*i*) Includes expenditure on scientific and miscellaneous departments, aviation and ports and pilotage; from 1962-63 expenditure on miscellaneous departments of an administrative nature has been shown under civil administration. (*j*) Excludes forest. (*k*) Includes appropriation for reduction or avoidance of debt; figures from 1962-63 include interest charges on capital advanced to Commercial Departments, hitherto booked in the accounts as reduction of expenditure. (*l*) Comprises general administration, administration of justice, jails and convict settlements and police. (*m*) Covers expenditure on displaced persons, grants and other contributions to local bodies and private parties, irrecoverable loans and advances, advanced technical training, scholarships, etc. (*n*) Includes pensions, stationery and printing and extra-ordinary charges, dividends in respect of all investments in autonomous undertakings; but excludes transfers to reserve funds.

STATEMENT 52—CAPITAL BUDGET OF STATES

(Lakhs of Rupees)

	1951-52 (Accounts)	1955-56 (Accounts)	1956-57 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63 (Accounts)	1963-64 (Budget)	1963-64 (Revised)	1964-65 (Budget)
				RECEIPTS					
Permanent debt	11,81	74,19	66,92	93,77	92,98	104,46	30,92(*e*)	40,11(*e*)	78,58
Floating debt (*a*)	3,75	—38	9,96	15,89	8,54	—25,58	—17	16,37	—3,25
Loans from the Centre	73,96	261,89	205,00	345,67	451,35	525,71	549,85	657,12	640,58
Other loans (*b*)			2,00	11,75	16,13	19,33	25,76	26,01	26,41
Unfunded debt (*a*)	2,57	8,68	9,35	15,69	14,05	13,79	17,72	19,62	20,53
Loans and advances repaid to State Governments	24,33	26,97	38,67	48,49	53,56	62,25	95,73	71,41	87,87
Deposits and advances and other items (*a*) (*c*)	18,57	10,64 (*f*)	6,38 (*f*)	48,78	63,31	78,25	62,67	54,52	95,30
A. Total Receipts	**134,99**	**381,99**	**338,27**	**580,04**	**699,92**	**778,22**	**782,48**	**885,16**	**946,02**
				DISBURSEMENTS					
CAPITAL OUTLAY									
Development									
Multi-purpose river valley schemes	27,59	55,71	51,03	46,46	56,36	54,57	47,59	53,56	55,94
Irrigation and navigation	24,00	64,39	61,42	80,65	83,85	94,96	101,81	112,76	127,49
Schemes of agricultural improvement and research	12	4,07	1,81	3,69	4,72	3,31	4,68	8,82	14,73
Electricity schemes	19,94	42,87	54,23	25,42	25,69	25,44	37,21	35,18	46,53
Road transport	1,63	2,35	3,08	4,82	3,71	5,04	4,91	5,93	4,98
Buildings, roads and water works	21,04	29,79	55,93	114,78	116,20	121,64	108,40	116,08	141,92
Industrial development	5,81	7,07	10,80	15,49	23,02	22,73	34,23	31,34	36,84
Others	16	13	20	2,28	1,60	2,51	2,93	2,94	3,44
Total Development	**100,29**	**206,38**	**238,49**	**293,59**	**315,15**	**330,20**	**341,76**	**366,61**	**431,87**
Non-Development									
State trading (*a*)	25,09	—12,40	3,19	10,17	—9,55	12,34	2,70	7,08	—2,27
Compensation to landholders on the abolition of Zamindari	2,03	2,65	2,13	14,06	14,36	11,93	13,60	28,14	13,54
Other financial transactions	16	2,16	65	19	29	6	24	14	5
Total Non-Development	**27,28**	**—7,60**	**5,97**	**24,42**	**5,10**	**24,33**	**16,54**	**35,36**	**11,32**
Total Capital Outlay (*d*)	**127,57**	**198,78**	**244,47**	**318,01**	**320,25**	**354,53**	**358,30**	**401,97**	**443,19**
Discharge of Permanent debt	1,01	14,77	6,90	17,78	16,94	21,27	46,39	46,84	32,10
Repayment of loans to the Centre	11,37	25,62	34,88	114,25	149,32	163,24	164,98	177,01	180,13
Repayment of other loans (*b*)				2,81	2,77	5,62	6,98	5,77	7,96
Loans and advances by State Governments	48,77	96,75	78,16	180,08	179,28	204,49	267,13	298,76	332,44
B. Total Disbursements	**188,72**	**335,92**	**364,40**	**632,93**	**668,56**	**749,15**	**843,78**	**930,35**	**995,82**
C. *Surplus (+) or deficit (—) on Capital Account (A—B)*	*—53,73*	*+46,07*	*—26,13*	*—52,89*	*+31,36*	*+29,07*	*—61,30*	*—45,19*	*—49,80*

Note: Figures given here would differ from those in the budget papers as certain adjustments have been made to ensure uniformity in presentation. The figures for 1951-52 do not include the then Part C States (namely Ajmer, Bhopal, Coorg, Delhi, Himachal Pradesh and Vindhya Pradesh) since they had capital budgets only from 1954-55. For 1955-56 and 1956-57, revised and budget estimates, respectively published in the earlier Reports have been replaced by accounts figures taken from the Combined Finance and Revenue Accounts of Central and State Governments published by the Comptroller and Auditor General. The figures from 1957-58 onwards relate to the reorganised States which exclude Delhi and Himachal Pradesh which are now Union Territories and include Kutch which was a part of the Composite State of Bombay till 1959-60 and now a part of Gujarat State. The figures from 1957-58 also include Jammu and Kashmir. Figures for 1960-61 (Accounts) exclude Rs. 66.62 crores in the case of Uttar Pradesh Government representing the value of assets of electricity schemes transferred to the State Electricity Board; this item has been treated in the budget papers as a loan to the State Electricity Board and shown as recovery of capital expenditure on electricity schemes.

(*a*) Figures are net. (*b*) This is a new item opened from 1956-57 to show loans from National Agricultural Credit (Long-term Operations) Fund of the Reserve Bank of India, loans from National Co-operative Development and Ware-housing Board, loans from Khadi and Village Industries Commission, Employees' State Insurance Corporation, etc. (*c*) Excluding sale or purchase of securities but including Contingency Fund transactions (net); also including in the case of Assam, transfers from/to Contingency Fund included under revenue account of that State. (*d*) Excludes appropriations to Contingency Fund and other funds which are adjusted under the item 'Deposits and advances and other items'. (*e*) The figure relates mainly to bonds issued in connection with the abolition of Zamindari, Jagirdari, etc. In view of the decision to centralise the market borrowings of the Centre and States, the States' share of the centralised market borrowings is shown under 'loans from the Centre'. (*f*) Exclusive of suspense account.

STATEMENT 53—RAILWAY FINANCES

(Crores of Rupees)

	1950-51 (Accounts)	1955-56 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63 (Accounts)	1963-64 (Budget)	1963-64 (Revised)	1964-65 (Budget)
I. Capital-at-charge	**827.04**	**968.98**	**1,520.87**	**1,682.98**	**1,896.81**	**2,104.06**	**2,136.40**	**2,389.40**
II. Gross Traffic Receipts	**263.01**	**316.29**	**456.80**	**500.50**	**566.79**	**599.69**	**622.22**	**668.00**
(*a*) Passenger	97.84	107.71	131.59	150.88	169.19	172.50	180.03	184.00
(*b*) Other coaching	16.64	20.87	27.21	29.10	32.54	34.80	34.80	35.00
(*c*) Goods	143.01	180.28	286.14	306.90	349.52	379.00	391.66	432.00
(*d*) Other earnings*	5.52	7.43	11.86	13.62	15.54	13.39	15.73	17.00
III. Total Expenses (1+2+3+4 5)	**215.45**	**265.95**	**368.93**	**400.75**	**443.47**	**475.58**	**489.44**	**533.90**
1. Ordinary Working Expenses	**180.23**	**212.95**	**313.15**	**325.33**	**362.38**	**379.04**	**393.34**	**414.68**
(*a*) Administrative	23.36	31.52	37.51	37.60	40.90	42.67	44.48	47.46
(*b*) Repairs and maintenance	57.11	78.67	99.75	100.45	112.84	118.40	122.04	130.92
(*c*) Operating staff	35.41	49.73	63.44	64.38	72.26	75.61	77.11	82.13
(*d*) Operation (Fuel)	30.72	23.58	62.80	68.35	75.73	81.02	86.04	92.04
(*e*) Operation (Other than staff and fuel)	13.35	10.19	18.30	18.20	21.27	22.14	21.78	23.82
(*f*) Miscellaneous	19.39	14.97	23.84	26.50	28.10	26.56	28.46	24.26
(*g*) Labour welfare	3.19	5.03	9.68	10.24	11.90	13.37	13.86	15.46
(*h*) Suspense	—2.30	—0.74	—2.17	—0.39	—0.62	—0.73	—0.44	—1.42
2. Depreciation	**30.00**	**45.00**	**45.00**	**65.00**	**67.00**	**80.00**	**80.00**	**83.00**
3. Payments to Worked Lines	**0.25**	**0.26**	**0.09**	**0.18**	**0.14**	**0.14**	**0.14**	**0.14**
4. Miscellaneous Expenses	**4.97**	**7.74**	**10.69**	**10.24**	**13.95**	**16.40**	**15.96**	**17.08**
(*a*) Open line works	3.93	5.97	11.50	9.60	10.95	12.50	12.50	13.00
(*b*) Others (net)	1.04	1.77	—0.81	0.64	3.00	3.90	3.46	4.08
5. Appropriation to Pension Fund	—	—	—	—	—	—	—	**19.00**
IV. Net Revenue (II—III)	**47.56**	**50.34**	**87.87**	**99.75**	**123.32**	**124.11**	**132.78**	**134.10**
V. Dividend to General Revenues	**32.51**	**36.12**	**55.86**	**62.85**	**68.76**	**80.61**	**82.53**	**90.73**
VI. Payment to General Revenues in lieu of Tax on Railway Passenger fares	—	—	—	**12.50**	**12.50**	**12.50**	**12.50**	**12.50**
VII. Surplus (IV—V—VI)	**15.05**	**14.22**	**32.01**	**24.40**	**42.06**	**31.00**	**37.75**	**30.87**
VIII. Appropriation to								
(*a*) Development fund	10.00	7.08	32.01	24.40	42.06	31.00	37.75	30.87
(*b*) Revenue reserve fund	5.05	7.14	—	—	—	—	—	—

* Includes suspense.

STATEMENT 54—INTEREST-BEARING OBLIGATIONS AND INTEREST-YIELDING ASSETS OF THE GOVERNMENT OF INDIA

(Crores of Rupees)

	Outstanding at the end of						
	1950-51 (Revised)	1955-56 (Revised)	1960-61 (Revised)	1961-62 (Revised)	1962-63 (Revised)	1963-64 (Revised)	1964-65 (Budget)
I. Interest-Bearing Obligations							
In India							
1. Loans	1,438.46	1,509.61	2,572.21	2,688.13	2,851.04	3,114.46	3,222.19
2. Treasury bills, ways and means advances and Treasury deposit receipts	373.20	711.87	1,262.60	1,182.30	1,414.98	1,359.55	1,535.55
3. Small savings	326.25	574.41	966.15	1,064.54	1,142.24	1,246.33	1,371.23
4. Depreciation and reserve funds	155.56	186.76	87.28	98.79	141.33	200.50	243.67
5. Investment of U.S. Government Counterpart Deposit Funds	—	—	240.00	300.00	354.54	408.03	323.19
6. Others	207.26	188.17	326.79	370.28	428.31	479.65	544.62
7. **Total**	**2,500.73**	**3,170.82**	**5,455.03**	**5,704.04**	**6,332.44**	**6,808.52**	**7,240.45**
In England							
8. Loans	1.35	0.59	107.17	136.33	161.14	220.72	236.31
9. Others	34.82	22.61	15.33	13.41	7.41	0 08	0.08
10. **Total**	**36.17**	**23.20**	**122.50**	**149.74**	**168.55**	**220.80**	**236.39**
11. *Dollar Loans*	24.60	117.57	521.40	650.95	869.46	1,145.89	1,444.75
12. *Defence Certificates*					0.02	0.09	0.09
13. *Loans from U.S.S.R.*	—	—	61.53	73.35	104.95	167.75	236.00
14. *Loans from West Germany*	—	—	108.17	141.04	155.38	173.08	191.04
15. *Loans from other Foreign Sources*	—	—	11.97	74.82	60.02	80.82	309.87
16. **Total Interest-Bearing Obligations**	**2,561.50**	**3,311.59**	**6,280.60**	**6,793.94**	**7,690.82**	**8,596.95**	**9,658.59**
II. Interest-Yielding Assets							
17. Capital advanced to railways	814.13	973.66	1,555.90	1,690.62	1,885.98	2,134.06	2,387.06
18. Capital advanced to other commercial departments (including D.V.C.)	90.11	112.08	219.69	240.65	260.60	304.74	306.79
19. Investment in commercial concerns	—	56.02	473.35	545.71	690.68	853.74	1,012.44
20. Capital advanced to States and other interest-bearing loans	216.97	959.13	2,521.28	2,900.87	3,340.53	3,978.66	4,584.81
21. Debt due from Pakistan	348.15(*a*)	300.00	300.00	300.00	300.00	300.00	300.00
22. Deposits with the U.K. Government for redemption of Railway Annuities	10.96	1.99	—	—	—	—	—
23. Purchase of annuities for Sterling pensions	200.89	65.41	19.43	18.80	18.17	17.44	14.23
24. **Total Interest-Yielding Assets**	**1,681.21**	**2,468.29**	**5,089.65**	**5,696.65**	**6,495.96**	**7,588.64**	**8,605.33**
25. Cash and securities held on Treasury Account	141.97	50.33	54.01	82.13	101.93	52.32	51.90
26. Balance of total interest-bearing obligations not covered by above assets	738.32	792.97	1,116.41	1,015.16	1,092.93	955.99	1,001.36

Note : The outstandings at the end of each year are shown in the Statement. The accounts for the year 1947-48 (pre-partition) and 1962-63 have not yet been closed finally and the figures have, therefore, been worked out on the basis of the best information available. Under unfunded debt, deposits and interest-yielding assets, allowance has been made on a rough basis for the share allocable to Pakistan. As a result of the transfer of the payment of Sterling pensions to the U.K Government with effect from April 1, 1955, the figure against "purchase of annuities for Sterling pensions" represents only the amount recoverable from the U.K Government and the State Governments in India.

(*a*) Includes debt due from Burma.

STATEMENT 55—DEBT POSITION OF THE GOVERNMENT OF INDIA

(Crores of Rupees)

End of March	Rupee loans (*a*)	*Percentage to Col. 9*	Treasury bills	*Percentage to Col. 9*	Small savings (*b*)	*Percentage to Col. 9*	Other obligations (*c*)	*Percentage to Col. 9*	**Total Internal Debt**	*Percentage increase (+) or decrease (−) over the previous year*	**External debt**		**Total Debt**
											Dollar loans	**Total**	
	1	2	3	4	5	6	7	8	9	10	11	12	13
1951 ..	1,438·46	*58·2*	364·72(*d*)	*14·7*	327·64	*13·2*	342·81	*13·9*	**2,473·63**	+ *2·3*	24·60	**49·81**	**2,523·44**
1956 ..	1,508·67	*49·1*	595·25	*19·4*	576·06	*18·8*	390·29	*12·7*	**3,070·27**	+ *7·8*	117·57	**138·81**	**3,209·08**
1961 ..	2,571·33 (*e*)	*46·9*	1,106·30	*20·2*	974·56	*17·8*	825·77(*f*)	*15·1*	**5,477·96**	+ *6·6*	521·40	**846·22**	**6,324·18**
1962 ..	2,688.45 (*e*)	*45.9*	1,174.98	*20.1*	1,061.47	*18.1*	931.38(*f*)	*15.9*	**5,856.28**	+ *6.9*	650.95	**1,110.55**	**6,966·83**
1963 ..	2,840·94 (*e*)	*45.0*	1,299.55	*20.6*	1,136.38	*18.0*	1,035.81(*f*)	*16.4*	**6,312.68**	+ *7.8*	869.46	**1,379.03**(*g*)	**7,691·71**
1964 ..	3,113·92(*e*)	*45·1*	1,381·95	*20·0*	1,251·63	*18·1*	154·58(*f*)	*16·7*	**6,902·08**	+ *9·3*	1,145·89	**1,809.08**(*g*)	**8,711·16**

Note : Figures are provisional, excepting those of Rupee loans and Treasury bills. The figure of small savings for 1951 being revised estimate based on budget papers is not comparable with those for the subsequent period.

(*a*) Figures from 1957 include Hyderabad State loans, the liability of which was taken over by the Central Government under Section 82(1) of the States Reorganisation Act, 1956; the figures from 1961 include those of 5-year interest-free prize bonds issued from April 1, 1960 and those from 1963 include those of premium prize bonds, 1963, issued from January 1963, and from 1964 premium prize bonds, 1964, issued from January 1964. (*b*) Inclusive of Indian Union's share of prepartition liabilities. (*c*) Including (1) unclaimed balances of old loans which have ceased to bear interest from the date of discharge, (2) balances of special loans, (3) balances of State Provident Funds and other accounts such as General Family Pension Fund, the Hindu Family Annuity Fund, the Postal Insurance and Life Annuity Fund etc., (4) unclaimed balances in respect of Three-Year Interest-Free Defence Bonds and Five-Year Interest-Free Prize Bonds; these were issued from June 1940 and January 1944, respectively and discontinued from May 1946 and January 1949, respectively and (5) outstanding of Compulsory deposits. (*d*) Including Treasury deposit receipts. (*e*) Includes further issues of Rs. 300 crores created in July 1958, Rs. 150 crores in December 1959, Rs. 50 crores each in January 1961, February 1962 and December 1962 and Rs. 75 crores in January 1964. (*f*) Includes investment of Rs. 240 crores, Rs. 300 crores, Rs. 355 crores and Rs. 408 crores of U. S. Government Counterpart Deposit Funds in 'Special Securities' for the years 1961, 1962, 1963, and 1964 respectively. (*g*) Includes outstanding of the 'Defence Certificates' which are being issued in foreign countries.

STATEMENT 56—MATURITY PATTERN OF THE GOVERNMENT OF INDIA RUPEE LOANS (*a*)

(Crores of Rupees)

End of March	Undated	*Percentage to total*	Over 10 years	*Percentage to total*	Between 5 and 10 years	*Percentage to total*	Under 5 years	*Percentage to total*	**Total** (*b*)
	1	2	3	4	5	6	7	8	9
1951 ..	257.85	*17.9*	519.33	*36.1*	342.51	*23.8*	318.77	*22.2*	**1,438.46**
1956 ..	257.85	*17.1*	241.17	*16.0*	616.52	*40.9*	393.13	*26.1*	**1,508.67**
1961 ..	257.85	*10.0*	690.45	*26.9*	756.41	*29.4*	866.62(*c*)	*33.7*	**2,571.33**(*c*)
1962 ..	257.84	*9.6*	806.43	*30.0*	698.96	*26.0*	925.21(*c*)	*34.4*	**2,688.45**(*c*)
1963 ..	257.84	*9.1*	869.67	*30.6*	711.51	*25.0*	1,001.91(*c*) (*d*)	*35·3*	**2,840·94**(*c*)(*d*)
1964 ..	257.84	*8.3*	558.45	*17.9*	1,245.28	*40.0*	1,052.34(*c*) (*d*)	*33.8*	**3,113.92**(*c*)(*d*)

(*a*) Where loans bear two dates of maturity, the earlier date has been taken for purposes of classification; for loans not redeemed on the earlier date, later date has been taken. Includes Hyderabad State loans from 1957 onwards, the liability for which was taken over by Central Government on October 31, 1956 under Section 82 (1) of the States Reorganisation Act; the total amount outstanding of Hyderabad loans was Rs. 34.74 crores for 1961, Rs. 28.15 crores for 1962 and 1963 and Rs. 19.42 crores for 1964. (*b*) Figures are actuals as available with the Reserve Bank of India and differ from those in Statement 54 which are revised estimates for all years. (*c*) Including 5 year Interest free Prize Bonds issued from April 1960. (*d*) Including Premium Prize Bonds, 1963 and Premium Prize Bonds. 1964 issued from January 1963 and January 1964 respectively.

STATEMENT 57—DEBT POSITION OF STATES

(Lakhs of Rupees)

	At the end of					
	1951-52	1955-56(*b*)	1960-61	1961-62	1962-63	1963-64(*b*)
I. Public debt						
(*i*) Permanent debt ..	133,71	264,48	493,12(*c*)	569,53(*c*)	654,24(*c*)	645,23(*c*)
(*ii*) Floating debt ..	15,66	8,20	41,75	50,27	24,67	40,05
(*iii*) Loans from Central Government ..	238,54	876,07	2,015,81	2,314,24	2,676,57	3,156,15
(*iv*) Other debt(*a*) ..	—	—	51,57	63,60	77,29	97,25
II. Unfunded debt ..	57,37	83,19	134,93	150,01	163,70	183,21
III. Gross Total Debt ..	**445,28**	**1,231,94**	**2,737,17**	**3,147,65**	**3,596,47**	**4,121,89**

Note: The figures in this Statement are based on actual returns furnished by the States except in certain cases, (Assam and Jammu & Kashmir) where they are based on the Budget papers. The data for 1951-52 and 1955-56 exclude the then Part C States which had a separate Capital Account only from 1954-55. Figures from 1956-57 onwards relate to reorganised States and include Jammu & Kashmir from 1957-58.

(*a*) Includes loans from National Agricultural Credit (Long-Term Operations) Fund, National Co-operative Development and Warehousing Board, Khadi and Village Industries Commission, Employees' State Insurance Corporation. Life Insurance Corporation, etc. (*b*) Revised Estimates. (*c*) Excludes the amounts provisionally allocated to Kerala on the population ratio.

STATEMENT 58—GOVERNMENT OF INDIA TREASURY BILLS (ANNUAL AND MONTHLY)

(Lakhs of Rupees)

Period			Amount offered	Amount tendered	Amount sold	Sales of inter-mediate Treasury bills	**Total sales (3+4)**	*Average rate of discount for auction sales (per cent per annum)*	Sold in favour of the Reserve Bank of India (*a*)	Total amount outstanding at the end of the period (*b*)(*c*)
			1	2	3	4	5	6	7	8
1950-51	..	..							1,394,35	358,02
1955-56	..	..	55,50	86,25	55,50		**55,50**	*2.52*	1,994,09	595,25
1960-61	..	..	100,00	108,74	100,00	15,72	**115,72**	*2.65*	4,532,92	1,106,30
1961-62	..	..	96,00	100,16	96,00	35,59	**131,59**	*2.58*	4,270,22	1,174,98
1962-63	..	..	96,00	107,45	96,00	68,06	**164,06**	*2.42*	4,798,97	1,299,55
1963-64	..	..	100,00	111,56	100,00	122,22	**222,22**	*2.35*	5,248,72	1,381,95
March	1963	..	10,00	10,00	10,00	1,46	**11,46**	*2.37*	407,04	1,299,55
April	,,	..	8,00	8,13	8,00	1,88	**9,88**	*2.36*	629,94	1,262,54
May	,,	..	10,00	10,66	10,00	3,19	**13,19**	*2.35*	272,95	1,344,46
June	,,	..	8,00	8,10	8,00	9,72	**17,72**	*2.35*	447,45	1,391,13
July	,,	..	6,00	8,20	6,00	22,94	**28,94**	*2.33*	649,31	1,371,85
August	,,	..	10,00	11,05	10,00	16,86	**26,86**	*2.32*	224,82	1,316,12
September	,,	..	8,00	10,10	8,00	21,54	**29,54**	*2.32*	351,00	1,300,45
October	,,	..	10,00	10,00	10,00	18,55	**28,55**	*2.32*	704,26	1,363,03
November	,,	..	8,00	13,03	8,00	13,93	**21,93**	*2.31*	284,95	1,400,22
December	,,	..	8,00	8,12	8,00	6,11	**14,11**	*2.32*	329,60	1,381,40
January	1964	..	8,00	8,00	8,00	3,29	**11,29**	*2.32*	821,64	1,385,35
February	,,	..	8,00	8,05	8,00	2,58	**10,58**	*2.34*	175,12	1,362,32
March	,,	..	8,00	8,12	8,00	1,64	**9,64**	*2.49*	357,69	1,381,95

Note : Sales of Treasury bills to the public were suspended from December 20, 1949 to September 9, 1952, from April 20, 1954 to November 2, 1954 and from April 6, 1956 to July 28, 1958.

(*a*) Including creation/renewal of *ad hoc* Treasury bills. (*b*) Comprising amount outstanding on account of (*i*) Treasury bills held by the public, (*ii*) Treasury bills held by State Governments and other approved bodies, (*iii*) *ad hocs* created in 1948-49 for holding in the Bank's Issue Department to replace sterling securities transferred to the U. K. Government in terms of the Sterling Balances Agreement of July 1948 and (*iv*) *ad hocs* created since 1954-55 and held in the Issue Department for replenishing the Centre's cash balances. The outstandings of *ad hocs* under (*iii*) and (*iv*) above amounted to Rs. 274.51 crores at the end of 1950-51, Rs. 487.52 crores at the end of 1955-56, Rs. 886.37 crores at the end of 1960-61, Rs. 912.41 crores at the end of 1961-62, Rs. 1,048·41 crores at the end of 1962-63 and Rs. 1,099.42 crores at the end of 1963-64. (*c*) Excludes *ad hoc* Treasury bills for Rs. 300 crores funded in July 1958, Rs. 150 crores in December 1959 and Rs. 50 crores each in January 1961, February 1962 and December 1962 and Rs. 75 crores in January 1964.

STATEMENT 59—GOVERNMENT OF INDIA

Week ended	Sales to Public								Sold in favour of the Reserve Bank of India (*b*)	Total amount outstanding at the end of the period (*c*)
	Amount offered	Amount tendered	Amount sold (*a*)	Sales of intermediate Treasury bills	**Total sales (3+4)**	Amount discharged	Amount outstanding	*Average rate of discount for auction sales (per cent per annum)*		
	1	2	3	4	5	6	7	8	9	10
1963										
April 5 ...	2,00	2,00	2,00	5	**2,05**	5,05	29,66	*2.37*	131,14	1,296,62
,, 12 ...	2,00	2,05	2,00	3	**2,03**	2,05	29,64	*2.36*	206,10	1,295,72
,, 19 ...	2,00	2,03	2,00	35	**2,35**	2,31	29,68	*2.35*	149,15	1,272,97
,, 26 ...	2,00	2,05	2,00	1,25	**3,25**	2,23	30,70	*2.35*	223,47	1,273,16
May 3 ...	2,00	2,00	2,00	26	**2,26**	2,17	30,79	*2.35*	85,77	1,271,69
,, 10 ...	2,00	2,04	2,00	18	**2,18**	2,78	30,19	*2.35*	68,47	1,272,86
,, 17 ...	2,00	2,62	2,00	1,53	**3,53**	2,54	31,18	*2.36*	68,20	1,329,84
,, 24 ...	2,00	2,00	2,00	87	**2,87**	2,01	32,04	*2.36*	18,57	1,331,82
,, 31 ...	2,00	2,00	2,00	55	**2,55**	6	34,53	*2.35*	32,66	1,344,46
June 7 ...	2,00	2,00	2,00	1,35	**3,35**	5,26	32,63	*2.35*	25,39	1,361,01
,, 14 ...	2,00	2,10	2,00	1,05	**3,05**	2,05	33,63	*2.35*	110,86	1,355,26
,, 21 ...	2,00	2,00	2,00	4,42	**6,42**	2,06	37,99	*2.35*	61,43	1,375,65
,, 28 ...	2,00	2,00	2,00	2,90	**4,90**	2,10	40,79	*2.35*	249,78	1,391,13
July 5 ...	2,00	2,00	2,00	3,10	**5,10**	2,05	43,84	*2.34*	65,27	1,408,94
,, 12 ...	2,00	4,00	2,00	10,50	**12,50**	2,03	54,31	*2.32*	221,44	1,434,75
,, 19 ...	2,00	2,20	2,00	5,51	**7,51**	2,35	59,48	*2.32*	172,83	1,463,59
,, 26 ...	—	—	—.	1,13	**1,13**	3,25	57,36		180,58	1,363,59
August 2 ...	2,00	2,00	2,00	2,71	**4,71**	2,31	59,76	*2.32*	124,67	1,404,68
,, 9 ...	2,00	3,05	2,00	1,13	**3,13**	2,13	60,76	*2.32*	38,05	1,405,46
,, 16 ...	2,00	2,00	2,00	1,53	**3,53**	3,53	60,76	*2.32*	24,20	1,366,46
,, 23 ...	2,00	2,00	2,00	5,19	**7,19**	2,92	65,03	*2.32*	22,99	1,322,42
,, 30 ...	2,00	2,00	2,00	9,00	**11,00**	2,50	73,53	*2.32*	24,12	1,316,12
September 6 ...	2,00	4,00	2,00	2,27	**4,27**	3,35	74,44	*2.32*	9,28	1,309,92
,, 13 ...	2,00	2,10	2,00	4,00	**6,00**	3,05	77,39	*2.32*	61,86	1,328,87
,, 20 ...	2,00	2,00	2,00	10,85	**12,85**	6,42	83,83	*2.32*	43,93	1,317,80
,, 27 ...	2,00	2,00	2,00	4,27	**6,27**	4,90	85,20	*2.32*	227,55	1,301,95

(*a*) Represent transactions relating to the particular issue of Treasury bills during the period. (*b*) Including creation/renewal of *ad hoc* Treasury bills. (*c*) Excludes *ad hoc* Treasury bills for Rs. 300 crores funded in July 1958, Rs. 150 crores in December 1959, Rs. 50 crores each in January 1961, February 1962 and December 1962, and Rs. 75 crores in January 1964.

TREASURY BILLS (WEEKLY), 1963-64

(Lakhs of Rupees)

Week ended	Sales to Public					Amount discharged	Amount outstanding	*Average rate of discount for auction sales (per cent per annum)*	Sold in favour of the Reserve Bank of India (*b*)	Total amount outstanding at the end of the period (*c*)
	Amount offered	Amount tendered	Amount sold (*a*)	Sales of intermediate Treasury bills	**Total sales (3+4)**					
	1	2	3	4	5	6	7	8	9	10
1963 (*Contd.*)										
October 4 ...	2,00	2,00	2,00	1,15	**3,15**	5,10	83,25	*2.32*	56,60	1,291,33
,, 11 ...	2,00	2,00	2,00	2,05	**4,05**	12,50	74,80	*2.32*	231,66	1,293,10
,, 18 ...	2,00	2,00	2,00	3,31	**5,31**	7,51	72,60	*2.32*	192,43	1,310,50
,, 25 ...	2,00	2,00	2,00	6,09	**8,09**	1,13	79,55	*2.32*	218,56	1,355,43
November 1 ...	2,00	2,00	2,00	7,85	**9,85**	4,71	84,69	*2.32*	109,79	1,345,69
,, 8 ...	2,00	3,03	2,00	2,00	**4,00**	3,13	85,56	*2.31*	49,66	1,358,17
,, 15 ...	—	—	—	2,84	**2,84**	3,53	84,87		81,85	1,415,13
,, 22† ...	4,00	6,00	4,00	2,27	**6,27**	7,19	83,95	*2.31*	34,34	1,425,56
,, 29 ...	2,00	4,00	2,00	5,07	**7,07**	11,00	80,02	*2.32*	22,66	1,400,17
December 6 ...	2,00	2,00	2,00	1,39	**3,39**	4,27	79,14	*2.32*	1,54	1,391,56
,, 13 ...	2,00	2,12	2,00	23	**2,23**	6,00	75,37	*2.32*	48,53	1,394,45
,, 20 ...	2,00	2,00	2,00	2,35	**4,35**	12,85	66,87	*2.32*	51,91	1,393,93
,, 27 ...	2,00	2,00	2,00	2,10	**4,10**	6,27	64,70	*2.31*	222,50	1,386,71
1964										
January 3 ...	—	—	—	24	**24**	3,15	61,79		67,81	1,395,01
,, 10 ...	2,00	2,00	2,00	—	**2,00**	4,05	59,74	*2.32*	273,65	1,434,95
,, 17 ...	2,00	2,00	2,00	48	**2,48**	5,31	56,91	*2.32*	229,12	1,468,81
,, 24 ...	2,00	2,00	2,00	2,60	**4,60**	8,09	53,42	*2.33*	180,84	1,402,60
,, 31 ...	2,00	2,00	2,00	—	**2,00**	9,85	45,57	*2.33*	75,40	1,385,35
February 7 ...	2,00	2,00	2,00	78	**2,78**	4,00	44,35	*2.33*	37,74	1,372,21
,, 14 ...	2,00	2,00	2,00	1,00	**3,00**	4,84	42,51	*2.34*	96,75	1,371,27
,, 21 ...	2,00	2,02	2,00	20	**2,20**	4,27	40,44	*2.34*	14,18	1,363,04
,, 28 ...	2,00	2,03	2,00	60	**2,60**	7,07	35,97	*2.35*	26,23	1,362,14
March 6 ...	2,00	2,00	2,00	1,33	**3,33**	3,39	35,91	*2.36*	1,95	1,362,49
,, 13 ...	2,00	2,12	2,00	21	**2,21**	2,23	35,89	*2.36*	40,06	1,350,02
,, 20 ...	2,00	2,00	2,00	—	**2,00**	4,35	33,53	*2.50*	59,18	1,358,92
,, 27 ...	2,00	2,00	2,00	10	**2,10**	4,10	31,53	*2.75*	227,31	1,361,73

† Includes Rs. 2 crores offered and Rs. 4 crores tendered during the week ended November 15, 1963, the payment of which was received on November 16, 1963 instead on the due date viz. November 15, 1963, which was a holiday.

STATEMENT 60—SMALL SAVINGS

Year/Month				CURRENT INVESTMENTS—							
				Post Office Savings Bank Deposits (*a*)				15-year Annuity Certificates (*b*)		Cumulative Time Deposits (*c*)	
				Gross receipts	Repay-ments	Net receipts	Out-standings	Net receipts	Out-standings	Net receipts	Out-standings
				1	2	3	4	5	6	7	8
1	1950-51	...	...	100,73	84,05	16,68	62,77				
2	1955-56	...	...	157,33	120,85	36,48	170,96	41	95		
3	1960-61	...	...	236,84	191,78	45,06	313,16	49	3,38	1,82	2,63
4	1961-62	...	...	250,64	214,95	35,69	348,85	25	3,63	3,24	5,87
5	1962-63	...	...	244,86	238,21	6,65	355,50	20	3,83	5,36	11,23
6	1963-64*	...	...	249,58	225,07	24,51	380,01	7	3,90	8,18	19,41
7	March	1963	...	38,25	20,65	17,60	355,50	3	3,83	72	11,23
8	April	,,	...	20,48	22,09	-1,61	353,89	—	3,83	57	11,80
9	May	,,	...	19,68	23,10	-3,42	350,47	—	3,83	66	12,46
10	June	,,	...	18,84	18,88	-4	350,44	-1	3,82	62	13,08
11	July	,,	...	21,37	17,41	3,96	354,40	-1	3,81	72	13,80
12	August	,,	...	18,33	15,60	2,73	357,13	2	3,83	72	14,52
13	September	,,	...	18,21	15,53	2,68	359,81	—	3,83	72	15,24
14	October	,,	...	19,84	17,65	2,19	361,99	1	3,84	72	15,96
15	November	,,	...	18,73	17,13	1,60	363,59	2	3,86	70	16,66
16	December	,,	...	19,61	17,55	2,06	365,65	—	3,86	73	17,39
17	January	1964	...	20,35	18,79	1,56	367,21	1	3,87	61	18,00
18	February	,,	...	20,70	19,48	1,22	368,43	1	3,88	64	18,64
19	March	,,	...	33,44	21,86	11,58	380,01	2	3,90	77	19,41

Note : (1) Outstandings relate to end of period and do not include the Indian Union's share of pre-partition liabilities; repayments, however, include those from the pre-partition holdings of Indian investors. (2) This Statement does not include the outstandings of 'Defence Certificates' which are being issued in foreign countries.

* Figures are provisional; constituent items, therefore, do not necessarily add up to the totals. The latest data available, which are also provisional, place net receipts from small savings at about Rs. 126.30 crores (including accrued interest) for 1963-64.

(*a*) Including Dead Savings Bank Account. Receipts and outstandings include interest credited to depositors' account from time to time. (*b*) Relates to first series issued from July 1954 to December 1957 and to second series issued from January 1958. Outstandings include both the series. (*c*) Includes Five-year, Ten-year and Fifteen-year Cumulative

(ANNUAL AND MONTHLY)

(Lakhs of Rupees)

EXISTING SERIES

12 year National Defence Certificates (*d*)		4½% Ten-year Defence Deposit Certificates (*e*)		Old Series (Discharges) Outstandings as at the End of the Period						Total (*l*)		
Net receipts	Out-standings	Net receipts	Out-standings	National Savings Certificates (*f*)	10 year National Plan Certificates (*g*)	Post Office Cash and Defence Savings Certificates (*h*)	10 year Treasury Savings Deposit Certificates 3½% (*i*)	10 year Treasury Savings Deposit Certificates 4% (*j*)	12 year National Plan Savings Certificates (*k*)	Net receipts	Out-standings	
9	10	11	12	13	14	15	16	17	18	19	20	
				57,91		--22,32	5,31			39,34	125,99	*1*
				153,60	16,38	-37,68	41,25			69,26	383,14	*2*
				85,07	18,84	--42,01	38,80	37,34	286,74	105,59	785,96	*3*
				68,24	17,91	--42,45	27,50	53,35	347,96	87,35	873,31	*4*
53,59	53,59	8,56	8,56	50,17	16,91	--42,65	20,38	60,70	367,55	75,11	948,42	*5*
106,92	160,51	20,57	29,13	34,15	15,96	--42,75	14,47	60,08	346,16	115,36	1,063,78	*6*
16,40	53,59	2,13	8,56	50,17	16,91	-42,65	20,38	60,70	367,55	31,99	948,42	*7*
7,95	61,54	1,92	10,48	48,63	16,77	--42,68	19,90	60,66	364,82	3,90	952,32	*8*
8,08	69,62	1,44	11,92	47,16	16,65	42,67	19,37	60,62	362,68	2,46	954,78	*9*
8,12	77,74	1,46	13,38	45,63	16,61	-42,69	18,93	60,57	360,64	6,05	960,84	*10*
10,08	87,82	1,93	15,31	44,03	16,51	--42,71	18,20	60,50	358,53	12,07	972,91	*11*
7,88	95,70	1,71	17,02	42,62	16,41	--42,72	17,64	60,44	356,62	9,01	981,93	*12*
8,38	104,08	2,14	19,16	41,26	16,15	--42,71	17,13	60,43	354,83	9,99	991,92	*13*
8,13	112,21	1,44	20,60	39,70	16,06	--42,74	16,67	60,39	352,70	8,21	1,000,12	*14*
8,49	120,70	1,91	22,51	38,29	15,97	-42,74	16,23	60,31	351,14	9,14	1,009,26	*15*
7,72	128,42	1,60	24,11	36,91	16,09	--42,75	15,89	60,27	349,36	8,69	1,017,95	*16*
8,92	137,34	1,71	25,82	36,90	16,08	42,75	15,50	60,22	349,24	12,23	1,030,18	*17*
8,21	145,55	1,58	27,40	35,79	16,04	42,74	14,87	60,14	347,79	8,35	1,038,53	*18*
14,96	160,51	1,73	29,13	34,15	15,96	42,75	14,47	60,08	346,16	25,25	1,063,78	*19*

Time Deposits, the first two commenced from January 2, 1959 and the last from June 1962. (*d*) Issued from November 15, 1962. (*e*) Issued from November 10, 1962. (*f*) Includes Twelve-year, Seven-year and Five-year National Savings Certificates, the last being discontinued with effect from July 1, 1953 and others from June 1, 1957. (*g*) Issued from May 10, 1954 to May 30, 1957. (*h*) Represents progressive net repayments at the end of period since August 15, 1947. Includes Defence Savings Bank Deposits upto 1954-55. (*i*) Issued from February 1, 1951 to May 31, 1957. (*j*) Issued from June 1, 1957 and discontinued from November 10, 1962. (*k*) Issued from June 1, 1957 and discontinued from November 15, 1962. (*l*) Repayments and outstandings in respect of items in column 15 are not included.

Source : Accountant General, Posts and Telegraphs.

STATEMENT 61—MARKET BORROWINGS (LOANS FLOATATION) OF THE GOVERNMENT OF INDIA AND STATE GOVERNMENTS, 1963-64

Description of loan	Amount of Issue (Rs. Crores)	Period of matu-rity (No. of years)	Issue Price (Rupees)	Redemp-tion yield at issue price(%)	Amount sub-scribed (Rupees crores)	Subscriptions accepted (Rs. crores)				Repay-ment in cash of maturing loans (Rs. crores)	Net borrow-ing (Rs. crores) (7—11)
						Cash	Conversion		Total		
							Description of loan	Amount			
1	2	3	4	5	6	7	8	9	10	11	12
					1960-61						
Central Government ...	**175.00**				**180.70**	**106.07**		**74.63**	**180.70**	**38.79**	**+ 67.28**
State Governments ...	**75.00**				**85.47**	**73.28**		**6.44**	**79.71**	**6.56**	**— 66.72**
Total ...	**250.00**				**266.17**	**179.35**		**81.07**	**260.41**	**45.35**	**+134.00**
					1961-62						
Central Government ...	**193.59**				**202.50**	**105.19**		**97.31**	**202.50**	**42.56**	**+ 62.63**
State Governments ...	**80.00**				**92.17**	**82.04**		**5.01**	**87.06**	**7.87**	**+ 74.17**
Total ...	**273.59**				**294.68**	**187.23**		**102.33**	**289.56**	**50.44**	**+136.79**
					1962-63						
Central Government ...	**250.00**				**256.87**	**103.21**		**153.66**	**256.87**	**30.29**	**+ 72.92**
State Governments ...	**93.50**				**109.03**	**95.93**		**4.73**	**100.67**	**10.93**	**+ 85.00**
Total ...	**343.50**				**365.90**	**199.14**		**158.39**	**357.54**	**41.22**	**+157.92**
					1963-64						
Central and State Governments (combined)											
4 % Loan 1969 ...	—	6	99.50	4.10		—	3½%Bonds1963 3%loan, 1963-65	85.73	**85.73**		
4½% Loan 1986 ...	—	23	100.00	4.50		—	—do—	53.10	**53.10**		
4 % Loan 1969 (Further issue) ...	225.00	6	99.50	4.10	365.12	107.56	2½%Hyderabad loan, 1953-63 4% Hyderabad State Dev. loan, 1963 State Govt. Loans*	9.65	**117.21**	63.99	+143.11
4¼% Loan, 1973 ...		10	100.00	4.25		99.54	—do—	9.54	**109.08**		
Total ...	**225.00**				**365.12**	**207.10**		**158.02**	**365.12**	**63 99**	**+143.11**

Note: The Statement excludes (*i*) further issues of the value of Rs. 75 crores created in January 1964 against cancellation of *Ad hoc* Treasury bills held by the Reserve Bank of India in their Issue Department, (*ii*) the outstanding balance of Rs. 28.22 crores as on March 31, 1964 of 4¼% National Defence Bonds, 1972 issued from November 10, 1962 and (*iii*) issues and repayments of 3½% U. P. Encumbered Estate Act Bonds, 2½% U.P. Zamindari Abolition Compensation Bonds, U. P. Zamindari Abolition Rehabilitation Grant Bonds, 2½% Rajasthan Zamindari and Biswedari Abolition Compensation Bonds, 2½% Rajasthan Jagir Resumption Compensation and Rehabilitation Grant Bonds, 3% Bombay Land Tenure Abolition Acts Compensation Bonds (Maharashtra, Gujarat and Mysore), 2¾% Mysore Inams Abolition Compensation Bonds and 2½% Bihar Zamindari Abolition Compensation Bonds and only repayments of 3% Bombay Land Tenure Abolition Act Compensation Bonds (former State of Bombay); total issues and repayments of these during 1963-64 amounted, respectively, to Rs. 7.10 crores and Rs. 7.38 crores.

* The State Government loans allowed to be converted were 4% Bihar State Development loan, 1963, 4% Bombay State Development loan, 1963, 4% Madhya Bharat State Development loan, 1963, 4% Madhya Pradesh State Development loan, 1963, 4% Madras loan, 1963, 4% Mysore Government Conversion loan, 1953-63, 4% Mysore State Development loan, 1963, 4% Saurashtra State Development loan, 1963, 4% Travancore-Cochin State Development loan, 1963, 4% Uttar Pradesh State Development loan, 1963 and 4% West Bengal loan, 1963, the total amount of conversion being Rs. 16.93 crores.

STATEMENT 62—GOVERNMENT BALANCES IN INDIA WITH THE RESERVE BANK OF INDIA AND AT GOVERNMENT TREASURIES

(Lakhs of Rupees)

Reserve Bank of India				End of	Government Treasuries			
Central Government		State Governments			Central Government		State Governments	
1962-63	1963-64	1962-63	1963-64		1962-63	1963-64	1962-63	1963-64
44,18	92,63	—44,60	— 7,21	April	— 1,59	10	4,85	5,68
32,86	112,99	—46,85	— 14	May	— 78	16	4,68	5,45
52,75	112,82	22,56	9,17	June	— 94	— 14	4,56	4,39
71,75	249,96	19,67	— 4,22	July	— 62	10	4,73	3,97
94,64	121,93	56.06	11,61	August	— 1,11	28	4,32	4,65
71,88	113,09	— 1,35	18	September	— 95	— 3	4,18	3,33
38,64	85,45	41	71	October	— 1,01	— 60	3,93	3,23
54,56	86,89	4,06	1,42	November	— 30	— 43	4,53	3,49
52,23	83,78	—10,34	— 5,67	December	— 44	21	4,91	4,06
81,44	88,32	14,00	14,23	January	— 69	56	6,14	4,73
113,54	115,90	14,37	5,30	February	— 67	1,21	5,14	3,59
109,96	..	— 2,61	—23,97	March	— 1,11	..	6,07	4,62†

† Provisional.

STATEMENT 63—CENTRAL AND STATE GOVERNMENT LOANS (OUTSTANDINGS AS ON MARCH 31, 1964)

(Thousands of Rupees)

Central Government Loans	Amount outstanding
3½% National Plan Loan, 1964	1,58,17,94
3% Loan, 1964	30,33,10
3½% National Plan Bonds (Second series), 1965	1,53,67,92
3½% Bonds, 1966	82,65,41
3% Funding Loan, 1966-68	1,10,11,78
3½% National Plan Bonds (Third series), 1967	1,97,40,92
3¾% National Plan Bonds (Fourth series), 1967	56,99,30
3¾% National Plan Bonds (Fifth series), 1968	1,56,64,22
3½% Loan, 1968	70,00,00
3½% Bonds, 1969	1,90,85,42
4% Loan, 1969	2,02,89,72
3% First Development Loan, 1970-75	1,15,05,82
4% Loan, 1972	1,54,70,47
4% Loan, 1973	94,51,44
4% Loan, 1973 (*Ad hoc* Issue)	3,00,00,00
4½% Loan, 1973	1,59,03,22
3¾% Loan, 1974	86,63,53
2¾% Loan, 1976	14,77,48
4% Loan, 1979	81,06,39
4% Loan, 1980	98,05,17
4% Loan, 1981	65,96,55
4½% Loan, 1985	1,14,03,37
4½% Loan, 1986	78,06,45
3% Bhopal Loan, 1966-76	1,21,73
1¼% Hyderabad Loan, 1964	3,85,71
4% Hyderabad Development Loan, 1967	2,12,46
4% Hyderabad Development Loan, 1968	2,18,02
2¾% Hyderabad Loan, 1974	4,40,00
2¾% Hyderabad Loan, 1975	6,85,71
3% Conversion Loan, 1986 or later	2,48,90,95
3% Non-terminable Loan, 1896-97	8,93,33
4¼% National Defence Bonds, 1972	28,21,94
6½% Gold Bonds, 1977	8,60,64
5 year Interest-Free Prize Bonds	20,27,09
Premium Prize Bonds, 1963	5,75,49
Premium Prize Bonds, 1964	92,85
	31,13,91,54
Loans not bearing interest	
Central Government loans	5,94,24
Hyderabad Loans	1,22,54
TOTAL	**31,21,08,32**
State Government Loans	
ANDHRA PRADESH	
4% Andhra State Development Loan, 1967	5,00,16
4% Andhra State Development Loan, 1968	6,56,15
4% Andhra State Development Loan, 1969	9,85,51
4¼% Andhra State Development Loan, 1970	5,48,92
4% Andhra State Development Loan, 1971	6,57,75
4¼% Andhra State Development Loan, 1972	11,01,81
4½% Andhra State Development Loan, 1974	10,99,77
TOTAL	**55,50,07**

Note : (1) The liability for Hyderabad State Loans was taken over by the Central Government on October 31, 1956 under Section 82(1) of the States Reorganization Act. The outstanding balances of Hyderabad Loan in O.S.currency have been converted into India Government currency at the rate of I.G. Rs. 6=O.S. Rs. 7. (2) The data regarding State Government loans are incomplete in respect of loans issued prior to the financial arrangement with the Reserve Bank of India.

STATEMENT 63—CENTRAL AND STATE GOVERNMENT LOANS (*Contd.*) (OUTSTANDINGS AS ON MARCH 31, 1964)

(Thousands of Rupees)

State Government Loans—(*Contd.*)	Amount outstanding
ASSAM	
4 % Assam Loan, 1971	2,76,40
4½ % Assam Loan, 1974	3,01,83
TOTAL	**5,78,23**
BIHAR	
2½ % Bihar Z.A.C. Bonds	12,22,23
4 % Bihar State Development Loan, 1967	1,54,02
4 % Bihar State Development Loan, 1968	2,13,41
4 % Bihar State Development Loan, 1969	3,22,43
4¼ % Bihar State Development Loan, 1970	2,76,71
4 % Bihar State Development Loan, 1971	3,33,22
4¼ % Bihar State Development Loan, 1972	3,40,85
4½ % Bihar State Development Loan, 1974	4,31,75
	32,94,62
Loans not bearing interest	50,78
TOTAL	**33,45,40**
GUJARAT	
4 % Gujarat State Development Loan, 1969	5,24,50
4¼ % Gujarat State Development Loan, 1972	5,88,37
4½ % Gujarat State Development Loan, 1974	6,44,91
3 % Bombay Land Tenure Abolition Acts Compensation Bonds	95,99
TOTAL	**18,53,77**
KERALA	
4 % Travancore-Cochin State Development Loan, 1968	2,22,08
4 % Kerala State Development Loan, 1969	4,09,41
4¼ % Kerala State Development Loan, 1970	3,27,43
4 % Kerala State Development Loan, 1971	4,47,08
4¼ % Kerala State Development Loan, 1972	4,10,08
4½ % Kerala State Development Loan, 1974	4,21,16
	22,37,24
Loans not bearing interest	75,15
TOTAL	**23,12,38**
MADHYA PRADESH	
3 % Madhya Pradesh State Development Loan, 1964	2,03,29
4 % Madhya Pradesh State Development Loan, 1967	1,63,12
4 % Madhya Pradesh State Development Loan, 1968	1,58,42
4 % Madhya Bharat State Development Loan, 1968	1,11,26
4 % Madhya Pradesh State Development Loan, 1969	5,16,80
4¼ % Madhya Pradesh State Development Loan, 1970	2,21,35
4 % Madhya Pradesh State Development Loan, 1971	5,28,25
4¼ % Madhya Pradesh State Development Loan, 1972	5,04,45
4½ % Madhya Pradesh State Development Loan, 1974	5,06,29
	29,13,23
Loans not bearing interest	10,74
TOTAL	**29,23,97**

STATEMENT 63—CENTRAL AND STATE GOVERNMENT LOANS (*Contd.*) (OUTSTANDINGS AS ON MARCH 31, 1964)

(Thousands of Rupees)

State Government Loans —(*contd.*)		Amount outstanding
MADRAS		
4 %	Madras Loan, 1964	5,24,81
4 %	Madras Loan, 1967	10,47,17
4 %	Madras Loan, 1968	13,83,56
4 %	Madras Loan, 1969	12,20,72
4¼ %	Madras Loan, 1970	5,55,57
4 %	Madras Loan, 1971	8,72,75
4¼ %	Madras State Development Loan, 1972	10,44,00
4½ %	Madras Loan, 1974	13,26,03
		79,74,62
	Loans not bearing interest	1,25,67
	TOTAL	**81,00,30**
MAHARASHTRA		
4 %	Bombay State Development Loan, 1964	3,34,83
4 %	Bombay State Development Loan, 1967	9,41,35
4 %	Maharashtra State Development Loan, 1969	10,98,87
4¼ %	Bombay State Development Loan, 1969	6,47,37
4¼ %	Bombay State Development Loan, 1970	6,48,62
4 %	Bombay State Development Loan, 1970	7,70,11
4¼ %	Bombay State Development Loan, 1971	4,31,45
4 %	Bombay State Development Loan, 1971	6,58,14
4¼ %	Maharashtra State Development Loan, 1972	10,77,36
4½ %	Maharashtra State Development Loan, 1974	13,64,97
4 %	Saurashtra State Development Loan, 1964	2,50,94
4 %	Saurashtra State Development Loan, 1967	3,45,39
4 %	Saurashtra State Development Loan, 1968	2,62,56
3 %	Porbandar Water Project Loan, 1950-75	35,00
3 %	Bombay Land Tenure Abolition Acts Compensation Bonds (Maharashtra)	1,17,83
		27,46
		90,12,23
	Loans not bearing interest	68,68
	TOTAL	**90,80,91**
MYSORE		
4 %	Mysore State Development Loan, 1967	3,54,94
4 %	Mysore State Development Loan, 1968	4,11,13
4 %	Mysore State Development Loan, 1969	4,37,76
4¼ %	Mysore State Development Loan, 1969	3,34,32
4¼ %	Mysore State Development Loan, 1970	5,51,61
4 %	Mysore State Development Loan, 1971	5,43,46
4¼ %	Mysore State Development Loan, 1972	7,54,19
4½ %	Mysore State Development Loan, 1974	6,59,08
3 %	Bombay Land Tenure Abolition Acts Compensation Bonds	9,46
2¾ %	Mysore I.A.C. Bonds	17,16
		40,73,11
	Loans not bearing interest	1,49,73
	TOTAL	**42,22,84**

STATEMENT 63 CENTRAL AND STATE GOVERNMENT LOANS (*Concld.*)
(OUTSTANDINGS AS ON MARCH 31, 1964)

(Thousands of Rupees)

State Government Loans—(*Concld.*)		Amount outstanding
ORISSA		
4 %	Orissa Government Loan, 1968	3,09,34
4 %	Orissa Government Loan, 1969	4,40,63
4½ %	Orissa Government Loan, 1970	3,28,60
4 %	Orissa Government Loan, 1971	3,82,58
4½ %	Orissa State Development Loan, 1972	5,89,00
4½ %	Orissa Government Loan, 1974	7,66,66
	TOTAL	**28,16,81**
PUNJAB		
4 %	Punjab Government Loan, 1968	2,03,86
4 %	Punjab Government Loan, 1971	2,18,87
4½ %	Punjab State Development Loan, 1972	3,13,03
4½ %	Punjab Loan, 1974	3,64,88
	TOTAL	**11,00,65**
RAJASTHAN		
4 %	Rajasthan State Development Loan, 1968	3,14,19
4 %	Rajasthan State Development Loan, 1969	5,09,25
4½ %	Rajasthan State Government Loan, 1970	2,79,88
4 %	Rajasthan State Development Loan, 1971	3,84,19
4½ %	Rajasthan State Development Loan, 1972	4,49,20
4½ %	Rajasthan State Development Loan, 1974	4,94,74
2½ %	Rajasthan Zamindari and Biswedari Abolition Compensation Bonds	37,33
2½ %	Rajasthan Jagir Resumption Compensation and Rehabilitation Bonds	16,51,63
	TOTAL	**41,20,39**
UTTAR PRADESH		
3 %	Uttar Pradesh Loan, 1961-66	1,54,30
4 %	Uttar Pradesh Loan, 1964	5,82,17
4 %	Uttar Pradesh State Development Loan, 1967	8,93,57
4 %	Uttar Pradesh State Development Loan, 1968	8,18,11
4 %	Uttar Pradesh State Development Loan, 1969	7,67,40
4½ %	Uttar Pradesh State Development Loan, 1970	7,65,02
4 %	Uttar Pradesh State Development Loan, 1971	8,57,08
4½ %	Uttar Pradesh State Development Loan, 1972	6,43,95
4½ %	Uttar Pradesh State Development Loan, 1974	9,69,24
3½ %	U.P.E.E. Act Bonds	92,98
2½ %	U.P.Z.A. Compensation Bonds	42,46,44
2½ %	U.P.Z.A.C.R.G. Bonds	39,73,46
		1,47,63,71
	Loans not bearing interest	24.71
	TOTAL	**1,47,88,42**
WEST BENGAL		
4 %	West Bengal Government Loan, 1964	2,00,00
4 %	West Bengal Government Loan, 1967	7,58,72
4 %	West Bengal Government Loan, 1968	7,11,46
4 %	West Bengal Government Loan, 1969	7,05,32
4½ %	West Bengal Government Loan, 1970	5,10,50
4 %	West Bengal Government Loan, 1971	7,69,69
4½ %	West Bengal State Development Loan, 1972	7,30,71
4½ %	West Bengal Loan, 1974	7,03,29
		50,89,69
	Loans not bearing interest	2,87
	TOTAL	**50,92,56**
TOTAL OF ALL STATES		
	Loans bearing interest	6,53,78,37
	Loans not bearing interest	5,08,33
	TOTAL	**6,58,86,70**

STATEMENT 64—INDIA'S OVERALL BALANCE OF PAYMENTS, 1963 (PRELIMINARY)

A. CURRENT ACCOUNT

(Crores of Rupees)

Item	January-March 1963			April-June 1963			July-September 1963			October-December 1963			January-December 1963		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
1. Merchandise (*a*)															
(i) Private ...	177.6	146.6	+ *31.0*	177.5	162.3	+ *15.2*	192.3	148.0	+ *44.3*	225.1	143.8	+ *81.3*	772.5	600.7	+ *171.8*
(ii) Government ...	0.4	128.0	− *127.6*	0.5	138.1	− *137.6*	0.3	146.4	− *146.1*	0.2	155.7	− *155.5*	1.4	568.2	− *566.8*
2. Non-monetary gold movement ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Travel(*b*) ...	0.5	2.0	− *1.5*	0.4	3.5	− *3.1*	0.3	2.8	− *2.5*	0.7	1.9	− *1.2*	1.9	10.2	− *8.3*
4. Transportation (*c*) ...	12.2	5.5	− *6.7*	13.0	7.7	− *5.3*	14.2	6.5	+ 7.7	15.5	8.1	+ *7.4*	54.9	27.8	+ *27.1*
5. Insurance (*c*) ...	3.0	1.5	+ *1.5*	2.1	1.3	+ *0.8*	2.0	1.5	+ *0.5*	2.2	1.2	+ *1.0*	9.3	5.5	+ *3.8*
6. Investment income (*d*)...	2.4	22.7	− *20.3*	2.7	19.8	− *17.1*	3.1	26.5	− *23.4*	1.6	26.7	− *25.1*	9.8	95.7	− *85.9*
7. Government, not included elsewhere(*e*) ...	11.1	6.7	+ *4.4*	14.3	3.9	+ *10.4*	11.9	4.4	+ 7.5	28.3	12.1*	+ *16.2*	65.6	27.1*	+ *38.5*
8. Miscellaneous (*f*) ...	13.2	10.1	+ *3.1*	14.8	12.3	+ *2.5*	13.6	10.4	+ *3.2*	10.2	10.0	+ *0.2*	51.8	42.8	+ *9.0*
9. Donations															
(i) Official (*g*) ...	22.8	—	+ *22.8*	14.3	—	+ *14.3*	30.4	—	+ *30.4*	10.9	—	+ *10.9*	78.4	—	+ *78.4*
(ii) Private (*h*) ...	13.5	3.1	+ *10.4*	12.4	4.0	+ *8.4*	10.5	2.9	+ *7.6*	11.5	3.4	+ *8.1*	47.9	13.4	+ *34.5*
10. Total Current Transactions ...	**256.7**	**326.2**	− *69.5*	**252.0**	**352.9**	− *100.9*	**278.6**	**349.4**	− *70.8*	**306.2**	**362.9**	− *56.7*	**1093.5**	**1391.4**	− *297.9*
Errors & Omissions ...			+ *8.1*			+ *4.6*			− *22.5*			− *30.8*			− *40.6*

(*a*) Exports *f.o.b.*, imports *c.i.f.* Data include exports from & imports into Goa. (*b*) Data for receipts are incomplete. (*c*) Receipts cover estimated amounts for reimbursements of freight and insurance paid in advance by exporters and disbursements of foreign ships in Indian ports, etc., and payments include operating expenses abroad of Indian steamship companies and some freight and insurance payments. It may be noted that these items are more or less complete on the receipts side but in regard to payments, only a portion of the expenditure is entered here. Payments for imports are recorded on a *c.i.f.* basis and, therefore, they include all but a portion of expenditure on account of 'Transportation' and 'Insurance'. (*d*) Receipts include interest on investments of the Reserve Bank of India and payments cover remittances of profits, interest and dividends accruing to foreigners including interest and commitment charges on borrowings from the I.M.F. (*e*) The receipts include diplomatic expenditures of foreign Governments in India including U.S. Embassy expenditures in India from the rupee proceeds of sales of U.S. surplus agricultural commodities under P.L. 480 agreements. The payments figures represent Government disbursements abroad, for example, for the upkeep of its organisations abroad and contributions to international agencies. (*f*) Covers receipts and payments mainly for services, for example, for film rentals and technicians and agency services. (*g*) Represents contra-entries for imports financed by aid received under the Colombo Plan, Indo-American Technical Co-operation Agreement, P.L. 480 programme and cash receipts from Ford Foundation etc. (*h*) Comprises unilateral transfers like migrants' transfers and personal and institutional remittances like family maintenance allowances, upkeep of religious missions, etc.

* Includes Rs. 8.3 crores paid to the I.B.R.D. as our contribution to the Indus Basin Development Fund under the terms of the Indus Water Treaty signed on September 19, 1960.

STATEMENT 64—INDIA'S OVERALL BALANCE OF PAYMENTS, 1963 (PRELIMINARY)—(*Concld.*)

B. CAPITAL ACCOUNT

Net credit (−), Net debit(−) (Crores of Rupees)

Item	January-March 1963			April-June 1963			July-September 1963			October-December 1963			January-December 1963		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
I. Private (*a*)															
1. Long-term ...	10.5	10.7	*− 0.2*	9.8	6.2	*− 3.6*	2.3	8.7	*− 6.4*	5.7	7.6	*− 1.9*	28.3	33.2	*− 4.9*
2. Short-term ...	0.9	0.5	*− 0.4*	1.1	2.2	*− 1.1*	1.4	1.6	*− 0.2*	1.0	1.1	*− 0.1*	4.4	5.4	*− 1.0*
II. Banking (*b*) ...	18.8	1.6	*− 17.2*	4.3	13.7	*− 9.4*	6.5	16.7	*− 10.2*	13.8	8.5	*− 5.3*	43.4	40.5	*− 2.9*
III. Official (*c*)															
1. Loans (*d*) ...	116.3	—	*− 116.3*	114.0	11.9	*− 102.1*	98.1	—	*− 98.1*	104.9	—	*− 104.9*	433.3	11.9	*− 421.4*
2. Amortisation (*e*) ...	—	19.0	*− 19.0*	0.8	15.1	*− 14.3*	—	12.0	*− 12.0*	0.8	10.3	*− 9.5*	1.6	56.4	*− 54.8*
3. Miscellaneous (*f*) ...	19.6	21.4	*− 1.8*	18.1	8.8	*− 9.3*	16.0	13.8	*− 2.2*	20.2	9.4	*− 10.8*	73.9	53.4	*− 20.5*
4. Reserves (*g*) ...	0.5	52.0	*− 51.5*	16.7	10.6	*− 6.1*	24.0	2.2	*− 21.8*	4.7	26.7	*− 22.0*	45.9	91.5	*− 45.6*
IV. Total Capital and Monetary Gold ...	**166.6**	**105.2**	*− 61.4*	**164.8**	**68.5**	*− 96.3*	**148.3**	**55.0**	*− 93.3*	**151.1**	**63.6**	*− 87.5*	**630.8**	**292.3**	*−338.5*

(*a*) Non-banking. Data for October-December 1963, include long-term loans received and repayments thereof, under the Cooley Amendment to U.S. P. L. 480 Act. (*b*) Excluding R.B.I. (*c*) Including R.B.I. (*d*) Credits represent utilisation of various foreign loans and credits obtained by the country *viz.*, loans from I.B.R.D., I.D.A., U.K. E.C.G.D., U.S. Eximbank, A.I.D., U.S. loans under P.L. 480, U.S.S.R. credits, West German credits and Japanese Yen credits etc. (*e*) Debits relate to repayments of loans from the I.B.R.D., A.I.D., Canadian wheat loan, U.S. banks' loan to A.I.I., Rourkela credit, Japanese credits, Lazard Bros. credit etc. Credits represent repayments by Burma of 1957 loan. (*f*) Includes changes in the P.L. 480 and P.L. 665 balances and R.B. I's rupee liabilities to non-resident official and semi-official institutions. (*g*) Covers charges in the foreign exchange assets of the R.B.I. and the Government and the gold holdings of the former.

STATEMENT 65—INDIA'S BALANCE OF PAYMENTS

Current Account : Region-wise Summary

(Crores of Rupees)

	1950-51	1955-56	1960-61	1961-62	1962-63 (Revised)	1962	1963 (Preliminary)
All Areas							
Imports, *c.i.f.*	650·3	773·1	1105·7	1006·0	1091·3	1089·7	1168·9
Exports, *f.o.b.*	646·8	640·3	630·5	668·3	682·2	672·3	773·9
Trade balance	— 3·5	—132·8	—475·2	—337·7	—409·1	—417·4	—395·0
Official donations	+ 2·1	+ 51·9	+ 45·2(*c*)	+ 45·9	+ 76·7	+ 70·8	+ 78·4
Other invisibles (net)	+ 40·3	+ 87·6	+ 37·6(*d*)	— 14·6(*d*)	— 13·1(*d*)	— 22·7(*d*)	+ 18·7(*d*)
Current Account (net)	**+ 38·9**	**+ 6·7**	**—392·4**	**—306·4**	**—345·5**	**—369·3**	**—297·9**
Sterling Area							
Imports, *c.i.f.*	330·2	361·6	349·7	283·8	270·6	276·8	267·2
Exports, *f.o.b.*	351·4	331·0	300·9	292·4	279·1	276·2	312·8
Trade balance	+ 21·2	— 30·6	— 48·8	+ 8·6	+ 8·5	— 0·6	+ 45·6
Official donations	—	+ 0·1	+ 1·6	+ 1·1	+ 0·3	+ 0·3	+ 0·4
Other invisibles (net)	+ 51·8	+ 73·7	+ 22·5	+ 8·5	+ 5·9	— 0·8	+ 20·7
Current Account (net)	**+ 73·0**	**+ 43·2**	**— 24·7**	**+ 18·2**	**+ 14·7**	**— 1·1**	**+ 66·7**
Dollar Area							
Imports, *c.i.f.*	138·9	143·3	395·0	271·7	383·7	361·2	447·2
Exports, *f.o.b.*	168·1	120·4	121·5	137·4	143·7	141·4	159·7
Trade balance	+ 29·2	— 22·9	—273·5	—134·3	—240·0	—219·8	—287·5
Official donations	+ 2·1	+ 51·8	+ 43·5(*c*)	+ 44·3	+ 76·3	+ 70·2	+ 78·0
Other invisibles (net)	— 1·8	+ 5·9	+ 37·6	+ 11·9	+ 20·2	+ 17·4	+ 36·3
Current Account (net)	**+ 29·5**	**+ 34·8**	**—192·4**	**— 78·1**	**—143·5**	**—132·2**	**—173·2**
O.E.E.C. Countries(*a*)							
Imports, *c.i.f.*		154·5	188·0	197·6	173·9	179·6	173·6
Exports, *f.o.b.*		72·5	56·7	63·2	67·9	63·0	78·8
Trade balance		— 82·0	—131·3	—134·4	—106·0	—116·6	— 94·8
Official donations		—	+ 0·1	+ 0·1	+ 0·1	+ 0·1	—
Other invisibles (net)		— 2·7	— 10·2	— 12·9	— 16·8	— 17·4	— 17·9
Current Account (net)		**— 84·7**	**—141·4**	**—147·2**	**—122·7**	**—133·9**	**—112·7**
Rest of Non-Sterling Area(*b*)							
Imports, *c.i.f.*	181·2	113·7	173·0	252·9	263·1	272·1	280·9
Exports, *f.o.b.*	127·3	116·4	151·4	175·3	191·5	191·7	222·6
Trade balance	— 53·9	+ 2·7	— 21·6	— 77·6	— 71·6	— 80·4	— 58·3
Official donations	—	—	—	+ 0·4	—	+ 0·2	—
Other invisibles (net)	— 9·7	+ 10·7	+ 8·8	+ 4·5	+ 2·3	+ 2·4	+ 1·8
Current Account (net)	**— 63·6**	**+ 13·4**	**— 12·8**	**— 72·7**	**— 69·3**	**— 77·8**	**— 56·5**
International Institutions							
Imports, *c.i.f.*			—	—	—	—	—
Exports, *f.o.b.*			—	—	—	—	—
Trade balance			—	—	—	—	—
Official donations			—	—	—	—	—
Other invisibles (net)			— 21·1(*d*)	— 26·6(*d*)	— 24·7 (*d*)	—24·3(*d*)	— 22·2(*d*)
Current Account (net)			**— 21·1**	**— 26·6**	**— 24·7**	**—24·3**	**— 22·2**

Note : (1) Till December 1960, imports of mineral oils are classified region-wise on the basis of the currency liability involved and thereafter according to geographical origin. (2) Transactions with international institutions are classified region-wise on the basis of the location of their headquarters till March 1956 and thereafter shown separately. (3) Imports into and exports from Goa, Diu and Daman are covered since April 1962.

(*a*) Include their associated territories upto June 1955. (*b*) Including O.E.E.C. countries in 1950-51. (*c*) Includes Rs. 8·4 crores earmarked by the U.S. authorities to finance export of goods and services to Nepal under their economic aid programme to that country. (*d*) Includes Rs. 8·3 crores paid to the I.B.R.D. under the Indus Water Treaty, 1960.

STATEMENT 66—INDIA'S BALANCE OF PAYMENTS, 1963 (PRELIMINARY)

CURRENT ACCOUNT: REGION-WISE
STERLING AREA

(Crores of Rupees)

Item	January-March 1963			April-June 1963			July-September 1963			October-December 1963			January-December 1963		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
1. Merchandise*															
(*i*) Private ...	72.3	49.4	+ *22.9*	61.6	46.2	+ *15.4*	72.9	45.0	+ 27.9	105.9	40.6	+ *65.3*	312.7	181.2	+ *131.5*
(*ii*) Government ...	—	21.7	— *21.7*	0.1	22.9	— *22.8*	—	20.8	— *20.8*	—	20.6	— *20.6*	0.1	86.0	— *85.9*
2. Non-monetary gold movement ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Travel ...	0.1	0.7	— *0.6*	0.1	0.8	— *0.7*	0.1	1.0	— *0.9*	0.1	0.8	— 0.7	0.4	3.3	— *2.9*
4. Transportation ...	5.8	2.3	+ *3.5*	6.3	3.1	+ *3.2*	6.5	2.5	+ *4.0*	7.3	3.3	+ *4.0*	25.9	11.2	+ *14.7*
5. Insurance ...	2.3	1.0	+ 1.3	1.5	0.9	+ 0.6	1.2	1.0	+ *0.2*	1.5	1.0	+ *0.5*	6.5	3.9	+ *2.6*
6. Investment income ...	2.0	5.9	— *3.9*	2.3	8.7	— *6.4*	2.4	8.9	— *6.5*	1.4	11.7	— *10.3*	8.1	35.2	— *27.1*
7. Government, not included elsewhere ...	3.0	2.1	+ *0.9*	3.5	1.8	— *1.7*	1.4	1.8	— *0.4*	1.3	1.5	— *0.2*	9.2	7.2	+ *2.0*
8. Miscellaneous ...	8.6	6.4	+ *2.2*	10.6	6.0	+ *4.6*	7.8	5.3	+ *2.5*	6.0	4.9	+ *1.1*	33.0	22.6	+ *10.4*
9. Donations															
(*i*) Official ...	0.1	—	+ *0.1*	—	—	—	—	—	—	0.3	—	+ *0.3*	0.4	—	+ *0.4*
(*ii*) Private ...	8.8	2.4	+ *6.4*	8.3	3.1	+ *5.2*	6.3	2.0	+ *4.3*	7.3	2.2	+ *5.1*	30.7	9.7	+ *21.0*
10. Total Current Transactions ...	**103.0**	**91.9**	+ *11.1*	**94.3**	**93.5**	+ *0.8*	**98.6**	**88.3**	+ *10.3*	**131.1**	**86.6**	+ *44.5*	**427.0**	**360.3**	+ *66.7*

* Exports *f.o.b.*, imports *c.i.f.*

STATEMENT 66—INDIA'S BALANCE OF PAYMENTS, 1963 (PRELIMINARY)—(*Contd.*)

CURRENT ACCOUNT: REGION-WISE
DOLLAR AREA

(Crores of Rupees)

Item	January-March 1963			April-June 1963			July-September 1963			October-December 1963			January-December 1963		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
1. Merchandise*															
(*i*) Private ...	37.7	33.0	+ *4.7*	41.6	43.2	— *1.6*	41.2	35.6	+ 5.6	39.2	34.2	+ *5.0*	159.7	146.0	+ *13.7*
(*ii*) Government ...	—	64.5	— *64.5*	—	76.4	— *76.4*	—	82.4	— *82.4*	—	77.9	— *77.9*	—	301.2	—*301.2*
2. Non-monetary gold movement ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Travel ...	0.4	0.7	— *0.3*	0.3	0.5	— *0.2*	0.2	0.9	— *0.7*	0.5	0.5	—	1.4	2.6	— *1.2*
4. Transportation ...	2.1	1.3	+ *0.8*	2.2	2.1	+ *0.1*	2.5	2.1	+ *0.4*	2.8	2.3	+ *0.5*	9.6	7.8	+ *1.8*
5. Insurance ...	0.1	0.3	— *0.2*	0.1	0.3	— *0.2*	0.2	0.2	—	0.2	0.1	+ *0.1*	0.6	0.9	— *0.3*
6. Investment income ...	0.4	6.9	— *6.5*	0.2	7.2	— *7.0*	0.5	7.0	— *6.5*	0.1	9.1	— *9.0*	1.2	30.2	— *29.0*
7. Government, not included elsewhere ...	7.0	0.5	+ *6.5*	8.2	0.4	+ *7.8*	8.1	0.5	+ *7.6*	26.1	0.8	+ *25.3*	49.4	2.2	+ *47.2*
8. Miscellaneous ...	1.9	1.2	+ 0.7	2.5	2.0	+ *0.5*	3.3	1.0	+ *2.3*	2.4	1.6	+ *0.8*	10.1	5.8	+ *4.3*
9. Donations															
(*i*) Official ...	22.7	—	+ *22.7*	14.3	—	+ *14.3*	30.4	—	+ *30.4*	10.6	—	+ *10.6*	78.0	—	+ *78.0*
(*ii*) Private ...	4.1	0.2	+ *3.9*	3.5	0.2	+ *3.3*	3.3	0.2	+ *3.1*	3.4	0.2	+ *3.2*	14.3	0.8	+ *13.5*
10. Total Current Transactions ...	**76.4**	**108.6**	— *32.2*	**72.9**	**132.3**	— *59.4*	**89.7**	**129.9**	— *40.2*	**85.3**	**126.7**	— *41.4*	**324.3**	**497.5**	—*173.2*

* Exports *f.o.b.*, imports *c.i.f.*

STATEMENT 66—INDIA'S BALANCE OF PAYMENTS, 1963 (PRELIMINARY)—(*Contd.*)

CURRENT ACCOUNT : REGION-WISE
O.E.E.C. COUNTRIES

(Crores of Rupees)

Item	January-March 1963			April-June 1963			July-September 1963			October-December 1963			January-December 1963		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
1. Merchandise*															
(*i*) Private	19.3	25.6	*— 6.3*	19.8	26.4	*— 6.6*	19.5	23.7	*— 4.2*	20.1	25.5	*— 5.4*	78.7	101.2	*— 22.5*
(ii) Government ...	0.1	20.2	*— 20.1*	—	13.3	*— 13.3*	—	18.5	*— 18.5*	—	20.4	*— 20.4*	0.1	72.4	*— 72.3*
2. Non-monetary gold movement ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Travel ...	—	0.3	*— 0.3*	—	0.5	*— 0.5*	—	0.6	*— 0.6*	0.1	0.4	*— 0.3*	0.1	1.8	*— 1.7*
4. Transportation ...	1.0	1.1	*— 0.1*	1.0	1.7	*— 0.7*	1.0	1.2	*— 0.2*	1.0	1.8	*— 0.8*	4.0	5.8	*— 1.8*
5. Insurance ...	0.2	0.1	*+ 0.1*	0.1	0.1	—	0.1	0.3	*— 0.2*	0.1	0.1	—	0.5	0.6	*— 0.1*
6. Investment income ...	—	3.9	*— 3.9*	—	1.2	*— 1.2*	0.1	5.0	*— 4.9*	0.1	1.5	*— 1.4*	0.2	11.6	*— 11.4*
7. Government, not included elsewhere ...	0.3	0.5	*— 0.2*	0.5	0.4	*+ 0.1*	0.3	0.6	*— 0.3*	0.4	0.4	—	1.5	1.9	*— 0.4*
8. Miscellaneous ...	1.0	1.1	*— 0.1*	0.7	1.7	*— 1.0*	1.1	1.5	*— 0.4*	1.0	1.3	*— 0.3*	3.8	5.6	*— 1.8*
9. Donations															
(*i*) Official ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(*ii*) Private ...	0.4	0.4	—	0.2	0.5	*— 0.3*	0.4	0.5	*— 0.1*	0.5	0.8	*— 0.3*	1.5	2.2	*— 0.7*
10. Total Current Transactions ...	**22.3**	**53.2**	*— 30.9*	**22.3**	**45.8**	*— 23.5*	**22.5**	**51.9**	*— 29.4*	**23.3**	**52.2**	*— 28.9*	**90.4**	**203.1**	*— 112.7*

* Exports *f.o.b.*, imports *c.i.f.*

STATEMENT 66—BALANCE OF PAYMENTS, 1963 (PRELIMINARY)—(*Contd.*)

CURRENT ACCOUNT: REGION-WISE

REST OF NON-STERLING AREA

(Crores of Rupees)

Item	January-March 1963			April-June 1963			July-September 1963			October-December 1963			January-December 1963		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
1. Merchandise*															
(i) Private ...	48.3	38.6	+ *9.7*	54.5	46.5	+ *8.0*	58.7	43.7	+ *15.0*	59.9	43.5	+ *16.4*	221.4	172.3	+ *49.1*
(ii) Government ...	0.3	21.6	– *21.3*	0.4	25.5	– *25.1*	0.3	24.7	– *24.4*	0.2	36.8	– *36.6*	1.2	108.6	–*107.4*
2. Non-monetary gold movement ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Travel ...	—	0.3	– *0.3*	—	1.7	– *1.7*	—	0.3	– *0.3*	—	0.2	– *0.2*	—	2.5	– *2.5*
4. Transportation ...	3.3	0.8	+ *2.5*	3.5	0.8	+ *2.7*	4.2	0.7	+ *3.5*	4.4	0.7	+ *3.7*	15.4	3.0	+ *12.4*
5. Insurance ...	0.4	0.1	+ *0.3*	0.4	—	+ *0.4*	0.5	—	+ *0.5*	0.4	—	+ *0.4*	1.7	0.1	+ *1.6*
6. Investment income ...	—	1.5	– *1.5*	0.2	0.4	– *0.2*	0.1	0.4	– *0.3*	—	1.9	– *1.9*	0.3	4.2	– *3.9*
7. Government, not included elsewhere ...	0.6	1.3	– *0.7*	0.4	1.3	– *0.9*	1.0	1.2	– *0.2*	0.1	0.9	– *0.8*	2.1	4.7	– *2.6*
8. Miscellaneous ...	1.7	1.4	+ *0.3*	1.0	2.6	– *1.6*	1.4	2.6	– *1.2*	0.8	2.2	– *1.4*	4.9	8.8	– *3.9*
9. Donations															
(i) Official ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(ii) Private ...	0.2	0.1	+ *0.1*	0.4	0.2	+ *0.2*	0.5	0.2	+ *0.3*	0.3	0.2	+ *0.1*	1.4	0.7	+ *0.7*
10 Total Current Transactions ...	**54.8**	**65.7**	– *10.9*	**60.8**	**79.0**	– *18.2*	**66.7**	**73.8**	– *7.1*	**66.1**	**86.4**	– *20.3*	**248.4**	**304.9**	– *56.5*

* Exports *f.o.b.*, imports *c.i.f.*

STATEMENT 66—BALANCE OF PAYMENTS, 1963 (PRELIMINARY)—(*Concld.*)

CURRENT ACCOUNT: REGION-WISE

INTERNATIONAL INSTITUTIONS

(Crores of Rupees)

Item	January-March 1963			April-June 1963			July-September 1963			October-December 1963			January-December 1963		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
1. Merchandise															
(i) Private ...	—	—	—	—	—	—	—	—	—	—		—	—	—	—
(ii) Government ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2. Non-monetary gold movement ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Travel ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4. Transportation ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5. Insurance ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6. Investment income ...	—	4.5	— *4.5*	—	2.3	— *2.3*	—	5.2	— *5.2*	—	2.5	— *2.5*	—	14.5	— *14.5*
7. Government, not included elsewhere ...	0.2	2.3	— *2.1*	1.7	—	+ *1.7*	1.1	0.3	+ *0.8*	0.4	8.5*	— *8.1*	3.4	11.1*	— *7.7*
8. Miscellaneous ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9. Donations															
(i) Official ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(ii) Private ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10. Total Current Transactions ...	**0.2**	**6.8**	*—6.6*	**1.7**	**2.3**	— *0.6*	**1.1**	**5.5**	— *4.4*	**0.4**	**11.0**	— *10.6*	**3.4**	**25.6**	— *22.2*

* Includes Rs. 8.3 crores paid to the I.B.R.D. as our contribution to the Indus Basin Development Fund under the terms of the Indus Water Treaty signed on September 19, 1960.

STATEMENT 67—INDIA'S FOREIGN EXCHANGE RESERVES

(Lakhs of Rupees)

End of	Assets (*a*)	Movement (Increase+, Decrease−)
1950-51	951,41	+28,55
1955-56	824,61	+10,47
1960-51	303,61	−59,25
1961-62(*b*)	297,31	− 6,30
1962-63(*b*)	295,10	− 2,21
1963-64	305,83	+10,73
March 1963	295,10	+16,60
April ,, ...	294,74	− 36
May ,, ...	306,41	+11,67
June ,, ...	288,99	−17,42
July ,, ...	262,23	−26,76
August ,, ...	257,21	− 5,02
September ,, ...	267,16	+ 9,95
October ,, ...	277,86	+10,70
November ,, ...	273,56	− 4,30
December ,, ...	289,11	+15,55
January 1964	285,81	− 3,30
February ,, ...	295,38	+ 9,56
March ,, ...	305,81	+10,43

(*a*) Include (*i*) 7.1 million ounces of gold held by the Reserve Bank of India, valued till October 5, 1956, at Rs. 21.24 per tola and at Rs. 62.50 per tola thereafter as provided under Section 33 of the Reserve Bank of India (Amendment) Act, 1956, (*ii*) foreign assets of the Reserve Bank of India and (*iii*) Government balances held abroad. (*b*) Include net borrowing from the I.M.F. of $ 122.5 million (Rs. 58.3 crores) during 1961-62 and borrowing of $ 25 million (Rs. 11.9 crores) from the I.M.F. against the stand-by credit of $ 100 million in 1962-63.

STATEMENT 68—EXPORTS AND IMPORTS (COMMODITY-WISE) OF GOA, DAMAN AND DIU DURING 1962-63

(Lakhs of Rupees)

Commodity	Exports	Commodity	Imports
1. Iron Ore	15,69	1. Milk and milk preparations ...	10
2. Manganese Ore	18	2. Prepared explosives	25
3. Ferro-Manganese	31	3. Art Silk fabrics	19
4. Others	12	4. Iron and Steel manufactures ...	23
		5. Machinery other than electric ...	81
		6. Electric machinery	27
		7. Transport equipment	56
		8. Professionals, scientific and controlling instruments, photographic and optical goods, watches and clocks	39
		9. Others	1,29
Total (including re-exports) ...	**16,30**	**Total**	**4,09**

Source : Monthly Statistics of the Foreign Trade of India, issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 69—INDIA'S FOREIGN TRADE

(Lakhs of Rupees)

Year/Month	Imports (—)	Exports (+)	Balance of trade
1950-51	650,43	600,68	— 49,75
1955-56	774,35	608,91	— 165,44
1960-61	1,122,48	642,07	— 480,41
1961-62	1,093,62	660,57	— 433,05
1962-63	1,120,96 (1,125,05)	688,10 (704,40)	— 432,86 (— 420,65)
1963-64	1,017,49	771,10	— 246,39
March 1963	83,02	64,26	— 18,76
April ,, ...	90,30	56,96	— 33,34
May ,, ...	100,60	63,01	— 37,59
June ,, ...	85,32	57,21	— 28,11
July* ,, ...	89,54	63,19	— 26,35
August* ,, ...	81,60	65,99	— 15,61
September* ,, ...	77,07	61,56	— 15,51
October* ,, ...	80,02	68,55	— 11,47
November* ,, ...	71,94	71,68	— 26
December* ,, ...	74,79	72,71	— 2,08
January* 1964	80,90	63,01	— 17,89
February* ,, ...	89,15	58,02	— 31,13
March* ,, ...	96,26	69,21	— 27,05

Note : Total of sea, air and land trade but excludes trade with Nepal (by land), Sikkim and Bhutan. With effect from April 1963, trade of Goa, Daman and Diu, as well as Andaman and Nicobar Islands is included. Totals are exclusive of postal exports of pearls, precious stones etc. Figures in brackets for 1962-63 are inclusive of the trade of Goa, Daman and Diu. Transit and transhipment trade and ships' stores are excluded; includes silver upto December 1956 and treasure-gold upto June 1963. From January 1957, silver is included under merchandise. Imports are based on general system of recording and include parcel post and dutiable articles of passengers' baggage and letterpost. Exclude certain consignments of foodgrains and stores imported on Government account awaiting adjustment. Exports include re-exports and parcel post but exclude passengers' baggage and letterpost. Imports are on *c.i.f* basis and exports on *f.o.b.* basis inclusive of export duty. As the monthly figures do not incorporate revisions, they do not add up to the annual totals, the latter being revised.

* Provisional.

Source : Monthly Statistics of the Foreign Trade of India and the supplements thereto and Monthly Press Notes issued by the Department of Commercial Intelligence and Statistics.

STATEMENT 70—DIRECTION OF INDIA'S FOREIGN TRADE

(Lakhs of Rupees)

Year/Quarter	ALL COUNTRIES			WESTERN HEMISPHERE								
				TOTAL			U.S.A.			OTHERS		
	Imports (−)	Exports (+)	Balance	Imports (−)	Exports (+)	Balance	Imports (−)	Exports (+)	Balance	Imports (−)	Exports (+)	Balance
	1	2	3	4	5	6	7	8	9	10	11	12
1960-61	**1,121,62**	**642,32**	**−479,30**	**352,18**	**138,26**	**−213,92**	327,56	102,53	−225,03	24,62	35,73	+11,11
1961-62	**1,090,06**	**660,34**	**−429,72**	**279,59**	**149,98**	**−129,61**	255,54	115,74	−139,80	24,05	34,24	+10,19
1962-63	**1,131,47**	**685,48**	**−445,99**	**367,57**	**156,68**	**−210,89**	346,84	114,33	−232,51	20,73	42,35	+21,62
	(1,135,56)	**(701,78)**	**(−433,78)**									
1963-64	**1,143,60**	**766,85**	**−376,75**	**416,04**	**170,62**	**−245,42**	390,24	128,67	−261,57	25,80	41,95	+16,15
April-June 1962 ...	**272,60**	**147,54**	**−125,07**	**80,39**	**35,35**	**− 45,04**	75,98	25,66	− 50,32	4,41	9,69	+ 5,28
July-September ,, ...	**291,53**	**177,35**	**−114,17**	**103,69**	**39,24**	**− 64,46**	100,28	27,02	− 73,27	3,41	12,22	+ 8,81
October-December ,, ...	**285,13**	**184,60**	**−100,53**	**95,74**	**43,58**	**− 52,17**	90,09	31,36	− 58,73	5,65	12,22	+ 6,57
January-March 1963 ...	**282,21**	**176,00**	**−106,21**	**87,74**	**38,51**	**− 49,23**	80,48	30,29	− 50,19	7,26	8,22	+ 96
April-June ,, ...	**276,00**	**177,19**	**− 98,81**	**90,20**	**43,68**	**− 46,52**	84,05	34,91	− 49,14	6,14	8,76	+ 2,62
July-September ,, ...	**278,71**	**190,81**	**− 87,90**	**95,06**	**43,11**	**− 51,95**	87,41	30,55	− 56,86	7,65	12,56	+ 4,91
October-December ,, ...	**294,30**	**212,94**	**− 81,36**	**127,13**	**40,60**	**− 86,53**	120,10	29,53	− 90,57	7,03	11,07	+ 4,04
January-March 1964 ...	**294,60**	**185,92**	**−108,68**	**103,64**	**43,24**	**− 60,40**	98,67	33,69	− 64,98	4,97	9,55	+ 4,58

Year/Quarter	WESTERN EUROPE														
	TOTAL			U.K.			E.E.C. COUNTRIES			E.F.T.A. COUNTRIES (Other than U.K.)			OTHERS		
	Imports (−)	Exports (+)	Balance	Imports (−)	Exports (+)	Balance	Imports (−)	Exports (+)	Balance	Imports (−)	Exports (+)	Balance	Imports (−)	Exports (+)	Balance
	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
1960-61 ...	**447,74**	**239,85**	**−207,89**	217,15	172,48	−44,67	195,89	51,75	−144,14	30,35	5,99	−24,36	4,35	9,63	+ 5,28
1961-62 ...	**432,56**	**228,87**	**−203,69**	200,15	160,93	−39,22	191,15	51,82	−139,33	35,95	7,03	−28,92	5,31	9,09	+ 3,78
1962-63 ...	**372,82**	**234,71**	**−138,11**	185,56	163,22	−22,34	158,05	48,82	−109,23	26,29	7,63	−18,66	2,93	15,04	+12,11
1963-64 ...	**339,77**	**239,47**	**−100,30**	168,89	161,41	− 7,48	137,76	57,12	− 80,64	30,27	7,50	−22,77	2,84	13,45	+10,61
April-June 1962	**93,33**	**43,31**	**− 50,02**	47,32	29,57	−17,75	38,80	10,57	− 28,23	6,48	1,80	− 4,68	73	1,37	+ 64
July-September ,,	**92,37**	**64,55**	**− 27,81**	44,02	46,62	+ 2,60	40,99	11,75	− 29,23	6,53	1,94	− 4,58	84	4,24	+ 3,40
October-December ,,	**91,23**	**63,39**	**− 27,84**	47,18	44,43	− 2,75	37,06	12,26	− 24,80	6,35	1,87	− 4,48	64	4,82	+ 4,18
January-March 1963	**95,90**	**63,47**	**− 32,43**	47,04	42,61	− 4,43	41,20	14,24	− 26,96	6,93	2,02	− 4,91	72	4,61	+ 3,89
April-June ,,	**85,34**	**51,16**	**− 34,18**	41,44	30,01	−11,43	34,85	13,42	− 21,43	8,48	1,84	− 6,64	57	5,89	+ 5,32
July-September ,,	**85,08**	**62,30**	**− 22,79**	44,23	45,11	+ 88	33,65	13,21	− 20,45	6,66	1,59	− 5,07	54	2,39	+ 1,85
October-December ,,	**83,93**	**74,24**	**− 9,69**	42,50	53,90	+11,40	33,39	15,17	− 18,22	7,28	2,13	− 5,16	76	3,05	+ 2,29
January-March 1964	**85,41**	**51,77**	**− 33,64**	40,72	32,39	− 8,33	35,87	15,32	− 20,55	7,85	1,94	− 5,91	98	2,12	+ 1,14

STATEMENT 70—DIRECTION OF INDIA'S FOREIGN TRADE—(*Contd.*)

(Lakhs of Rupees)

Year/Quarter	EASTERN EUROPE									MIDDLE EAST		
	TOTAL			U.S.S.R.			OTHERS					
	Imports (−)	Exports (+)	Balance	Imports (−)	Exports (+)	Balance	Imports (−)	Exports (+)	Balance	Imports (−)	Exports (+)	Balance
	28	29	30	31	32	33	34	35	36	37	38	39
1960-61	**44,31**	**49,56**	**+ 5,25**	15,87	28,81	+12,94	28,44	20,75	− 7,69	**82,68**	**52,99**	**−29,69**
1961-62	**87,62**	**63,79**	**−23,83**	39,94	32,20	− 7,74	47,68	31,59	−16,09	**103,22**	**54,55**	**−48,67**
1962-63	**110,11**	**92,36**	**−17,75**	58,64	38,25	−20,39	51,47	54,12	+ 2,65	**97,50**	**53,21**	**−44,29**
1963-64	**123,77**	**109,03**	**−14,74**	63,99	52,25	−11,74	59,77	56,78	− 2,99	**104,36**	**55,03**	**−49,33**
April-June 1962 ...	**29,08**	**21,33**	**− 7,75**	15,33	8,21	− 7,12	13,74	13,11	− 63	**22,44**	**11,03**	**−11,41**
July-September ,, ...	**23,94**	**23,12**	**− 82**	11,90	10,62	− 1,29	12,03	12,51	+ 47	**26,50**	**11,63**	**−14,87**
October-December ,, ...	**30,25**	**25,96**	**− 4,29**	17,67	10,63	− 7,04	12,58	15,34	+ 2,75	**21,59**	**16,91**	**− 4,69**
January-March 1963 ...	**26,85**	**21,96**	**− 4,89**	13,74	8,79	− 4,95	13,11	13,16	+ 5	**26,97**	**13,65**	**−13,32**
April-June ,, ...	**29,93**	**26,52**	**− 3,41**	15,40	11,69	− 3,71	14,54	14,83	+ 30	**25,97**	**11,41**	**−14,57**
July-September ,, ...	**30,28**	**29,23**	**− 1,05**	16,66	14,91	− 1,75	13,62	14,32	+ 70	**31,62**	**11,13**	**−20,49**
October-December ,, ...	**28,04**	**24,31**	**− 3,73**	15,08	12,86	− 2,22	12,96	11,45	− 1,50	**17,69**	**17,03**	**− 65**
January-March 1964 ...	**35,52**	**28,96**	**− 6,56**	16,85	12,78	− 4,07	18,67	16,18	− 2,49	**29,08**	**15,46**	**−13,62**

Year/Quarter	OTHER AFRICA			OTHER ASIA (EXCLUDING U.S.S.R.)									OCEANIA		
				TOTAL			SOUTH EAST			FAR EAST					
	Imports (−)	Exports (+)	Balance	Imports (−)	Exports (+)	Balance	Imports (−)	Exports (+)	Balance	Imports (−)	Exports (+)	Balance	Imports (−)	Exports (+)	Balance
	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54
1960-61 ...	**44,83**	**23,38**	**−21,45**	**130,53**	**107,57**	**−22,96**	23,22	35,52	+12,30	107,31	72,05	−35,26	**19,35**	**30,71**	**+11,36**
1961-62 ...	**41,43**	**29,95**	**−11,48**	**120,24**	**108,86**	**−11,38**	20,27	31,56	+11,29	99,97	77,30	−22,67	**25,40**	**24,34**	**− 1,06**
1962-63 ...	**29,42**	**25,40**	**− 4,02**	**127,93**	**97,09**	**−30,84**	30,24	29,20	− 1,04	97,69	67,89	−29,80	**26,11**	**26,02**	**− 9**
1963-64 ...	**27,20**	**23,71**	**− 3,49**	**113,93**	**142,85**	**+28,92**	20,39	34,06	+13,67	93,54	108,79	+15,25	**18,54**	**26,14**	**+ 7,60**
April-June 1962	**7,71**	**5,73**	**− 1,98**	**33,37**	**24,49**	**− 8,89**	5,14	7,73	+ 2,59	28,23	16,76	−11,47	**6,29**	**6,30**	**+ 1**
July-September ,,	**6,83**	**7,66**	**+ 83**	**29,48**	**23,46**	**− 6,02**	8,41	8,02	− 39	21,07	15,44	− 5,63	**8,72**	**7,70**	**− 1,02**
October-December ,,	**6,94**	**5,71**	**− 1,23**	**33,22**	**22,13**	**−11,10**	8,17	7,50	− 67	25,06	14,63	−10,43	**6,15**	**6,93**	**+ 78**
January-March 1963	**7,94**	**6,30**	**− 1,64**	**31,85**	**27,01**	**− 4,84**	8,52	5,96	− 2,56	23,33	21,06	− 2,27	**4,95**	**5,10**	**+ 15**
April-June ,,	**6,00**	**5,83**	**− 17**	**33,94**	**31,89**	**− 2,05**	5,95	6,29	+ 34	27,99	25,60	− 2,39	**4,61**	**6,70**	**+ 2,09**
July-September ,,	**5,73**	**6,13**	**+ 40**	**26,54**	**32,19**	**+ 5,66**	4,09	9,35	+ 5,27	22,45	22,84	+ 39	**4,39**	**6,71**	**+ 2,32**
October-December ,,	**7,05**	**6,17**	**− 88**	**24,92**	**43,71**	**+18,79**	4,24	9,74	+ 5,50	20,68	33,97	+13,29	**5,54**	**6,87**	**+ 1,33**
January-March 1964	**8,41**	**5,58**	**− 2,83**	**28,53**	**35,05**	**+ 6,52**	6,12	8,67	+ 2,55	22,42	26,38	+ 3,96	**4,00**	**5,86**	**+ 1,86**

Note : The scope and coverage of the Statement are the same as those for Statement 69 except for the exclusion of treasure. Trade statistics are classified according to countries to which imports and exports are credited, i.e. imports to the country of consignment and exports to the country of final destination and these countries are classified on a politico-geographic basis. Total figures shown in this statement may not agree with those in Statement 69 as the former takes into account the latest revisions. Revisions in the total figures are carried out by the D.G.C.I. & S. as and when details become available. Details of exports from and imports into Goa, Diu and Daman are included in trade figures quarterly as well as annual from April 1963. However, for 1962-63 the trade inclusive of those of Goa, Diu and Daman are given in brackets for total trade only.

Source : *Monthly Statistics of the Foreign Trade of India*, issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 71—INDIA'S IMPORTS OF PRINCIPAL COMMODITIES

(Lakhs of Rupees)

Commodity	April 1960-March 1961	April 1961-March 1962	April 1962-March 1963	April 1963-March 1964	April-June 1962	July-Sept. 1962	Oct.-Dec. 1962	Jan.-March 1963	April-June 1963	July-Sept. 1963	Oct.-Dec. 1963	Jan.-March 1964
	1	2	3	4	5	6	7	8	9	10	11	12
I. Food	**214,06**	**147,07**	**179,41**	**163,01**	**46,63**	**41,73**	**45,91**	**45,14**	**34,65**	**25,84**	**66,23**	**36,28**
1 Cereals & Cereal Preparations	**181,28**	**116,90**	**144,26**	**129,76**	**39,84**	**33,47**	**37,48**	**33,48**	**27,33**	**18,54**	**57,17**	**26,73**
(i) Wheat	**153,20**	**93,87**	**113,09**	**102,86**	24,21	31,01	31,86	26,02	15,72	16,06	50,48	20,61
(ii) Rice	**22,44**	**18,73**	**27,01**	**20,40**	15,01	1,25	4,11	6,64	9,98	2,16	4,81	3,45
(iii) Others	**5,74**	**4,30**	**4,16**	**6,51**	62	1,21	1,51	81	1,62	32	1,89	2,67
2. Cashewnuts	**9,61**	**6,70**	**9,12**	**10,93**	1,92	1,16	2,57	3,46	1,82	1,43	3,54	4,14
3. Spices	**1,83**	**1,67**	**1,77**	**70**	22	60	62	33	31	11	14	14
4. Others	**21,24**	**21,80**	**24,26**	**21,62**	4,65	6,49	5,24	7,87	5,19	5,77	5,39	5,27
II. Beverages & Tobacco	**79**	**1,65**	**1,66**	**1,07**	**9**	**42**	**80**	**35**	**7**	**6**	**43**	**52**
1. Tobacco unmanufactured	**23**	**1,14**	**1,37**	**79**	2	34	73	29	1	—	35	42
III. Crude Materials, Inedible except Fuels	**155,36**	**129,89**	**127,20**	**122,58**	**27,47**	**44,05**	**26,80**	**28,88**	**30,31**	**32,84**	**25,15**	**34,28**
1. Hides & skins (raw)	**2,47**	**2,24**	**2,76**	**3,32**	71	56	69	81	94	66	91	81
2. Copra	**11,63**	**9,42**	**9,97**	**8,79**	2,31	2,60	2,58	2,47	2,37	1,99	1,96	2,48
3. Crude rubber	**10,78**	**10,10**	**10,23**	**9,75**	2,97	2,35	2,88	2,03	2,79	2,79	2,26	1,92
4. Cotton raw other than linters	**81,74**	**62,66**	**56,92**	**48,98**	9,44	27,36	8,66	11,46	10,03	14,35	7,09	17,51
5. Jute raw including cuttings & waste	**7,64**	**6,27**	**3,35**	**1,85**	63	53	1,41	77	62	33	31	59
6. Wool raw and other animal hair	**10,41**	**12,18**	**12,15**	**15,72**	3,43	2,74	2,52	3,46	4,74	4,31	3,74	2,93
7. Others	**30,69**	**27,02**	**31,83**	**34,16**	7,99	7,91	8,06	7,88	8,82	8,41	8,88	8,05
IV. Mineral Fuels, Lubricants & Related Materials	**69,52**	**95,86**	**87,97**	**104,52**	**18,76**	**23,62**	**22,89**	**22,70**	**29,31**	**30,87**	**16,65**	**27,69**
1. Petroleum crude & partly refined	**17,36**	**42,36**	**30,15**	**46,17**	9,04	8,54	4,68	7,89	10,94	18,27	4,84	12,12
2. Kerosene	**22,80**	**27,91**	**32,33**	**25,38**	4,63	8,68	10,41	8,61	7,92	5,32	5,00	7,15
3. Other petroleum products	**29,27**	**25,38**	**25,18**	**32,87**	5,01	6,30	7,69	6,19	10,42	7,26	6,79	8,41
4. Others	**9**	**21**	**30**	**10**	8	10	11	2	3	2	3	1
V. Animal & Vegetable Oils and Fats	**4,60**	**8,62**	**5,63**	**4,87**	**2,20**	**1,42**	**90**	**1,12**	**1,05**	**1,88**	**1,00**	**94**

VI. Chemicals	**85,70**	**89,76**	**100,52**	**88,40**	**25,24**	**23,78**	**28,46**	**23,03**	**26,18**	**20,85**	**16,31**	**25,06**
1. Chemical elements & compounds	**39,34**	**35,59**	**38,07**	**32,01**	11,15	9,55	8,78	8,59	10.00	7,45	6.77	7,80
2. Dyeing, tanning & colouring materials	**12,91**	**14,46**	**12,15**	**8,04**	3,12	2,98	2,94	3,12	2,84	1,80	1,64	1,76
3. Medicinal & pharmaceutical products	**10,50**	**11,30**	**9,28**	**8,34**	2,66	2,28	2,58	1,76	2 36	1,99	1,82	2,17
4. Fertilizers, manufactured	**9,61**	**12,22**	**26,73**	**27,49**	4,31	5,67	10,65	6,10	7,18	6,46	3,18	10,67
5. Others	**13,34**	**16,19**	**14,29**	**12,52**	4,01	3,31	3,51	3,47	3,80	3,15	2,89	2,67
VII. Manufactured Goods	**234,16**	**221,16**	**203,95**	**195,53**	**49,57**	**51,17**	**51,81**	**51,40**	**45,42**	**48,31**	**48,57**	**53,22**
1. **Paper & Paper Boards and Manufactures Thereof**	**12,10**	**15,95**	**13,64**	**11,86**	**2,65**	**3,30**	**3,46**	**4,23**	**3,07**	**2,68**	**2,70**	**3,41**
(i) Newsprint	**5,95**	**9,71**	**7,63**	**6,93**	1,25	1,91	2,14	2,33	1,88	1,63	1.55	1,87
2. Artsilk yarn & thread	**13,65**	**12,82**	**12,88**	**10,45**	3,10	3,38	3,47	2,93	2,29	2,77	2,72	2,67
3. Iron and steel	**122,54**	**107,81**	**89,01**	**89,64**	22,25	20,61	22,61	23,53	20,13	24,20	19,50	25,81
4. Non-ferrous metals	**47,31**	**49,46**	**55,14**	**55,57**	14,39	15,58	12,54	12,63	12,84	11,53	16,74	14,46
5. Metal Manufactures	**22,94**	**17,95**	**20,94**	**15,56**	3,90	5,33	6,61	5,10	4,30	3,97	3,82	3,47
6. Others	**15,62**	**17,17**	**12,34**	**12,46**	3,27	2,97	3,13	2,97	2,80	3,16	3,09	3,41
VIII. Machinery & Transport Equipment	**332,98**	**367,52**	**387,38**	**421,57**	**95,01**	**97,17**	**100,14**	**95.06**	**101,30**	**102.89**	**107,25**	**110,13**
1. Machinery other than electric	**203,37**	**236,99**	**250,55**	**277,33**	65.64	59,30	65,96	59.65	67.10	68,89	68,45	72,90
2. Electric machinery, apparatus & appliances	**57,22**	**65,91**	**64,78**	**83,48**	14,54	14,52	17,19	18,52	20.55	20,71	20,82	21,40
3. **Transport Equipment**	**72,39**	**64,62**	**72,05**	**60,76**	**14,83**	**23,35**	**16,98**	**16,89**	**13,66**	**13,29**	**17,98**	**15,83**
(i) Railway vehicles	**25,37**	**15,50**	**27,07**	**16,40**	4,10	12,15	5,42	5,40	3.22	2,94	4,39	5,84
(ii) Others	**47,02**	**49,12**	**44,99**	**44,36**	10,73	11,20	11,56	11,49	10,44	10,34	13,59	9,99
IX. Miscellaneous Manufactured Articles	**17,40**	**21,69**	**30,73**	**35,38**	**5,65**	**6,60**	**5,82**	**12,66**	**6.08**	**13,44**	**11,07**	**4,79**
GRAND TOTAL(*a*)	**1,121,62**	**1,090,06**	**1,131,48 (1,135,57)**	**1,143,60**	**272,60**	**291,53**	**285,13**	**282.22**	**276,00**	**278,71**	**294,30**	**294,59**

Note: The scope and coverage of the Statement are the same as those for Statement 69 except for the exclusion of treasure. Total figures shown in this Statement will not agree with those in Statement 69 as the former takes into account the latest revisions. Revisions in the total figures are carried out by the D.G.C.I & S as and when details become available. Details of imports into Goa, Diu and Daman are included in trade figures quarterly as well as annual from April 1963. However, for 1962-63 the trade inclusive of those of Goa, Diu and Daman are given for total trade only.

(*a*) Includes "Miscellaneous transactions and commodities" and excludes (i) the value of treasure imports and (ii) value of articles under reference (1963-64).

Source : *Monthly Statistics of the Foreign Trade of India* issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 72—INDIA'S EXPORTS[a] OF PRINCIPAL COMMODITIES

(Lakhs of Rupees)

Commodity	April 1960 to March 1961	April 1961 to March 1962	April 1962 to March 1963	April 1963 to March 1964	April to June 1962	July to Sept. 1962	Oct. to Dec. 1962	Jan. to March 1963	April to June 1963	July to Sept. 1963	Oct. to Dec. 1963	Jan. to March 1964
	1	2	3	4	5	6	7	8	9	10	11	12
I. Food ..	**198,05**	**214,02**	**233,95**	**248,51**	**37,98**	**64,75**	**70,92**	**60,30**	**48,69**	**66,98**	**78,65**	**54,19**
1. Cashew Kernel	**18,91**	**18,17**	**19,36**	**21,41**	4,97	4,32	4,77	5,30	4,92	6,26	5,30	4,94
2. Coffee ..	**7,22**	**9,02**	**7,61**	**8,30**	1,60	2,52	2,66	85	2,59	2,01	2,34	1,36
3. Tea (Black) ..	**122,61**	**121,40**	**128,22**	**122,22**	13,88	41,23	42,99	30,12	13,30	38,84	49,12	20,96
4. Spices(*b*) ..	**16,62**	**17,51**	**13,79**	**15,83**	3,32	2,81	3,74	3,91	2,86	3,18	4,64	5,14
5. Oilcakes ..	**14,30**	**17,32**	**31,79**	**35,37**	6,01	6,40	8,55	10,83	7,72	7,11	8,58	11,96
6. Sugar ..	**3,28**	**15,33**	**17,93**	**26,87**	4,83	4,32	3,87	4,90	13,21	5,47	3,24	4,95
7 Others ..	**15,11**	**15,27**	**15,26**	**18,50**	3,37	3,16	4,34	4,39	4,08	4,11	5,44	4,87
II. Beverages and Tobacco ...	**15,77**	**14,99**	**18,88**	**21,70**	**7,60**	**4,94**	**2,15**	**4,19**	**8,41**	**8,82**	**2,16**	**2,31**
1. Tobacco Unmanufactured	**14,61**	**14,05**	**18,00**	**21,01**	7,45	4,74	1,91	3,89	8,24	8,60	2,01	2,16
2. Others ..	**1,16**	**94**	**88**	**69**	15	20	24	29	17	21	15	16
III. Crude Materials, Inedible except fuels ..	**112,06**	**118,38**	**111,08**	**131,51**	**27,40**	**25,58**	**26,91**	**31,19**	**32,45**	**28,79**	**33,05**	**37,23**
1. Hides & skins (raw) ..	**9,45**	**8,22**	**10,71**	**9,60**	2,70	2,18	2,49	3,34	2,63	2,17	2,64	2,16
2. Wool & other animal hair ..	**7,72**	**9,20**	**6,64**	**7,61**	1,70	1,77	2,26	90	88	1,57	2,44	2,71
3. Cotton (raw and waste) ..	**11,56**	**20,35**	**17,04**	**16,84**	4,07	5,15	2,41	5,40	5,01	3,93	3,12	4,78
4. Mica ..	**10,15**	**9,66**	**10,36**	**9,20**	2,73	2,77	2,53	2,33	2,27	2,17	2,09	2,67
5. Iron ore (including concentrates) ..	**17,03**	**17,41**	**19,83**	**36,38**	4,54	3,58	5,93	5,78	8,63	7,53	10,11	10,10
6. Manganese ore (including concentrates) ..	**14,06**	**10,44**	**7,88**	**8,26**	2,37	1,77	1,73	2,01	1,68	2,05	2,42	2,11
7. Lac ..	**6,32**	**4,61**	**4,80**	**4,62**	1,13	1,26	1,12	1,28	1,05	1,13	1,14	1,30
8. Others ..	**35,76**	**38,49**	**33,82**	**39,01**	8,16	7,10	8,44	10,12	10,31	8,23	9,07	11,40
IV. Mineral Fuels, Lubricants and Related Materials	**7,41**	**5,90**	**6,48**	**7,71**	**1,25**	**2,08**	**1,78**	**1,37**	**2,34**	**1,73**	**2,08**	**1,56**
V. Animal and Vegetable Oils and Fats	**9,80**	**6,49**	**13,65**	**20,43**	**2,70**	**2,88**	**2,59**	**5,48**	**5,92**	**3,42**	**3,34**	**7,74**
1. Vegetable oils	**8,54**	**5,82**	**13,10**	**19,75**	2,52	2,71	2,51	5,36	5,73	3,26	3,18	7,59
2. Others ..	**1,26**	**67**	**56**	**68**	18	17	9	12	19	16	16	16
VI. Chemicals ..	**7,19**	**7,83**	**7,84**	**6,57**	**2,05**	**2,13**	**1,63**	**2,04**	**1,79**	**1,50**	**1,77**	**1,50**
VII. Manufactured Goods ..	**263,34**	**269,78**	**266,69**	**299,11**	**60,84**	**69,11**	**72,62**	**64,12**	**70,51**	**72,61**	**82,67**	**73,33**
1. Leather and Leather manufactures ..	**24,97**	**25,45**	**22,63**	**26,38**	5,92	5,30	5,79	5,62	6,71	5,78	7,11	6,77
2. Cotton textiles	**57,55**	**48,26**	**46,21**	**49,66**	10,01	11,26	12,15	12,78	11,19	11,38	13,22	13,87
3. Jute textiles— (*a*) Cloth	**74,37**	**79,57**	**100,73**	**105,61**	20,81	24,65	28,12	27,15	27,87	26,33	26,30	25,11
(*b*) Bags and sacks ..	**57,35**	**60,92**	**51,39**	**47,94**	14,30	14,55	12,12	10,42	12,85	12,70	11,84	10,55
4. Woollen carpets and rugs ..	**4,79**	**4,28**	**4,33**	**5,26**	95	1,06	1,13	1,20	1,33	1,33	1,33	1,27
5. Art silk manufactures ..	**3,94**	**7,42**	**8,33**	**10,43**	2,27	2,22	2,35	1,49	2,05	2,07	3,63	2,68
6. Cement ..	**64**	**90**	**28**	**67**	8	12	7	2	—	10	42	16
7. Iron & steel ..	**9,76**	**9,68**	**2,28**	**3,51**	32	78	77	41	27	49	68	2,07
8. Others ..	**29,97**	**33,30**	**30,51**	**49,67**	6,17	9,18	10,11	5,05	8,24	12,44	18,14	10,84
VIII. Machinery and Transport Equipment (*c*) ..	**7,19**	**4,74**	**6,47**	**6,60**	**2,51**	**1,30**	**1,27**	**1,38**	**1,41**	**1,37**	**1,57**	**2,26**
Total Exports(*d*)	**642,32**	**660,34**	**685,48 (701,78)**	**766,85**	**147,53**	**177,36**	**184,60**	**175,99**	**177,19**	**190,81**	**212,94**	**185,92**

Note : Figures are provisional. The scope and coverage of the Statement are the same as those for Statement 69, except for the exclusion of treasure. Totals are exclusive of postal exports of pearls, precious stones, etc. Total figures shown in this Statement will not agree with those in Statement 69 as the former takes into account the latest revisions. Revisions in the total figures are carried out by the D.G.C.I. & S. as and when details become available. Details of exports from Goa, Daman and Diu are included in trade figures quarterly as well as annual from April 1963. However, for 1962-63 the trade inclusive of those of Goa, Daman and Diu are given in brackets for total trade only.

(*a*) Include re-exports. (*b*) Of this, the exports of pepper (black) amounted to Rs. 8,50 lakhs in 1960-61, Rs. 8,08 lakhs in 1961-62, Rs. 6,57 lakhs in 1962-63 and Rs. 5,89 lakhs in 1963-64. (*c*) Of these, selected engineering goods (sewing machines, electric fans, diesel engines, dry batteries and bicycles) amounted to Rs. 1,82 lakhs in 1960-61, Rs. 2,00 lakhs during 1961-62, Rs. 2,19 lakhs during 1962-63 and Rs. 2,29 lakhs during 1963-64. (*d*) Include miscellaneous commodities but exclude value of articles under reference (1963-64).

Source: Monthly Statistics of the Foreign Trade of India issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 73—EXPORTS OF TEA (BLACK) TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	1960-61	1961-62	1962-63	1963-64
Africa				
Egypt	7,17	8,59	8,89	9,64
Sudan	2,66	3,15	2,20	1,81
America, North				
Canada	4,42	3,71	3,50	3,19
U.S.A.	5,27	6,34	6,33	5,76
America, South				
Chile	34	35	18	5
Asia				
Afghanistan	87	79	1,06	1,28
Baherin	27	22	15	16
Iran	3,23	2,62	3,78	2,10
Iraq	1,14	1,30	1,26	1,44
Kuwait	46	54	45	47
Saudi Arabia	12	9	5	8
Trucial Oman	53	61	38	45
Europe				
Germany, West	1,31	1,14	1,32	1,26
Irish Republic	4,07	3,47	4,59	4,32
Netherlands	80	95	1,84	1,79
Turkey	1,53	2,19	1,22	43
U.K.	77,53	73,36	75,64	70,38
Oceania				
Australia	1,05	1,23	2,45	1,92
New Zealand	36	28	32	20
Communist Bloc				
Czechoslovakia	—	5	10	67
Poland	—	11	45	69
U.S.S.R.	7,95	8,70	10,62	10,72
Other Countries	1,53	1,61	1,44	3,41
Total	**1,22,61**	**1,21,40**	**1,28,22**	**1,22,22**

Source : Monthly Statistics of the Foreign Trade of India issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 74—EXPORTS OF LEATHER (*a*) AND LEATHER MANUFACTURES TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	1960-61	1961-62	1962-63	1963-64
Africa—				
Uganda	1	2	2	1
America, North—				
U.S.A.	1,47	1,75	1,79	2,32
Asia—				
Afghanistan	9	4	8	4
Japan	1,09	1,32	1,35	1,64
Pakistan	5	7	1	3
Europe—				
France	1,28	1,57	1,40	1,52
Germany, West	3,47	3,92	1,96	1,99
Italy	57	82	1,17	1,93
U.K.	14,60	13,63	11,97	12,95
Other countries	2,34	2,32	3,00	3,95
Total (*b*)	**24,97**	**25,46**	**22,75**	**26,38**

(*a*) Comprises of hides and skins, tanned or dressed.

(*b*) Total figures in this Statement will not tally with those for this item shown in Statement 72—'India's Exports of Principal Commodities', as the latter takes into account the revisions carried out by the D. G. C. I. & S.

Source : *Monthly Statistics of Foreign Trade of India* issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 75—EXPORTS OF TOBACCO (UNMANUFACTURED) TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	1960-61	1961-62	1962-63	1963-64
Asia—				
Aden	49	51	35	50
Malaya (including Singapore)	35	58	36	50
Japan	—	12	11	54
Europe—				
U.K.	10,87	9,85	9,62	9,75
Belgium	31	33	34	46
Netherlands	24	26	29	35
Communist Bloc—				
U.S.S.R.	68	1,10	3,32	4,86
Germany, East	—	1	1,18	72
Yugoslovia	—	2	99	1,34
Poland	—	27	34	1,03
Other countries	1,67	99	1,09	96
Total (*a*)	**14,61**	**14,04**	**17,99**	**21,01**

(*a*) Total figures in this statement will not tally with those for this item shown in statement 72—'India's Exports of Principal Commodities', as the latter takes into account the revisions carried out by the D. G. C. I. & S.

Source: *Monthly Statistics of the Foreign Trade of India* issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 76—EXPORTS OF JUTE GOODS (BAGS AND CLOTH) TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	1960-61	1961-62	1962-63	1963-64
(Gunny Bags)				
Africa				
Egypt	4,32	1,97	2,05	1,48
Kenya	66	78	54	37
Mozambique	58	72	24	14
Nigeria	1,73	3,65	3,25	50
Sudan	1,40	3,47	2,50	2,44
Tanganyika	34	42	66	39
America, North				
U.S.A.	4,82	7,33	4,84	4,85
America, South				
Chile	1,05	1,40	1,05	1,06
Cuba	7,13	4,73	3,21	3,91
Peru	1,40	81	1,14	66
Asia				
Burma	77	1,22	99	20
Hongkong	60	13	3	3
Indonesia	1,24	3,37	3,23	1,69
Iraq	7	43	30	8
Philippines	64	22	17	26
Thailand	2,34	1,60	1,05	21
Europe				
Belgium	1,17	96	57	41
Germany, West	71	72	64	1,25
Netherlands	38	30	99	85
Turkey	38	12	1,14	60
U.K.	2,00	2,07	1,15	1,23
Oceania				
Australia	9,11	5,30	5,08	3,86
New Zealand	1,81	2,22	1,33	1,50
Communist Bloc				
U.S.S.R.	2,09	4,00	3,65	7,87
Other Countries	10,56	12,96	11,55	11,52
Total (*a*)	**57,30**	**60,90**	**51,35**	**47,37**
(Gunny Cloth)				
Africa				
Egypt	62	97	71	40
America, North				
Canada	7,42	7,65	8,94	9,53
U.S.A.	39,74	43,94	55,56	60,36
America, South				
Argentina	4,34	4,77	8,38	9,86
Cuba	15	43	31	10
Uruguay	34	44	75	59
Asia				
Philippines	2	4	4	1
Europe				
Denmark	12	24	90	57
Germany, West	1,74	1,59	86	58
Turkey	95	1,10	2,56	1,31
U.K.	6,22	4,86	5,80	5,29
Oceania				
Australia	3,18	3,11	3,68	3,82
New Zealand	84	69	72	84
Communist Bloc				
U.S.S.R.	1,58	1,66	1,89	3,88
Other Countries	6,81	7,86	9,44	8,30
Total (*a*)	**74,07**	**79,35**	**1,00,54**	**1,05,45**

(*a*) Total figures in this statement will not tally with figures for the item 'Jute Textiles' shown in Statement 72 on 'India's Exports of Principal Commodities' owing to slight differences in coverage.

Source: *Monthly Statistics of the Foreign Trade of India* issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 77—EXPORTS OF SUGAR (*a*) TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	1960-61	1961-62	1962-63	1963-64
America, North				
Canada	—	54	4,76	3,03
U.S.A.	—	10,97	4,06	10,34
Asia				
Aden	36	1	30	—
Ceylon	67	8	53	21
Hong Kong	—	—	58	—
Japan	15	28	1,33	4,65
Malaya (including Singapore)	1,75	2,84	3,17	5,69
Pakistan	—	—	1,14	—
Syria	—	—	—	92
Vietnam, South	—	—	34	92
Europe				
Netherlands	—	—	31	36
U.K.	3	—	91	64
Other Countries	38	62	60	11
Total (*b*)	**3,34**	**15,34**	**18,03**	**26,87**

(*a*) Comprises of refined and un-refined beet sugar and cane, inedible and edible molasses and other sugars and syrups not elsewhere stated.

(*b*) Total figures in this statement may not tally with those for this item shown in Statement 72 : ' India's Exports of Principal Commodities' as the latter take into account the revisions carried out by the D.G.C.I. & S.

Source : Monthly Statistics of the Foreign Trade of India issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 78—EXPORTS OF OILCAKES TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	1960-61	1961-62	1962-63	1963-64
Asia				
Japan	—	14	41	2,67
Europe				
Belgium	16	12	25	24
Denmark	21	9	25	52
France	—	1	81	42
Germany, West	76	58	1,48	91
Netherlands	3	7	25	34
U.K.	10,77	12,27	15,84	13,37
Communist Bloc				
Bulgaria	—	12	1	45
Czechoslovakia	9	9	1,31	2,81
Germany, East	63	1,13	1,94	2,85
Hungary	1	1,46	3,74	3,95
Poland	1,32	84	3,59	3,88
Yugoslavia	29	28	1,36	1,74
Other Countries	3	12	55	1,22
Total (*a*)	**14,30**	**17,32**	**31,79**	**35,37**

(*a*) Total figures in this statement may not tally with those for this item shown in statement 72 on 'India's Exports of Principal Commodities' as the latter takes into account the revisions carried out by the D.G.C. I & S

Source: Monthly Statistics of the Foreign Trade of India issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 79—EXPORTS OF COTTON PIECEGOODS TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	1960-61	1961-62	1962-63	1963-64
Africa				
Kenya	2,40	2,44	2,07	1,58
Nigeria	1,64	1,05	72	73
Sudan	4,25	2,72	2,95	1,65
Tanganyika	1,37	1,67	1,19	1,21
America, North				
Canada...	1,45	1,66	1,68	1,58
U.S.A.	1,73	1,35	6,04	3,46
Asia				
Aden	2,25	2,24	1,47	1,37
Afghanistan	2,16	1,15	1,73	1,39
Burma	1,47	72	91	81
Ceylon	3,04	3,11	1,67	3,88
Malaya (including Singapore) ...	3,85	3,35	2,64	3,41
Europe				
Belgium	15	21	14	27
Germany, West	49	28	30	42
Netherlands	55	21	7	2
U.K.	15,27	11,42	11,03	15,40
Oceania				
Australia	4,45	2,61	3,19	2,85
Other Countries	10,84	12,04	8,41	9,20
Total (*a*)	**57,36**	**48,23**	**46,21**	**49,23**

(*a*) Total figures in this Statement will not tally with the figures for the item 'Cotton Textiles' shown in Statement 72 on 'India's Exports of Principal Commodities' owing to slight differences in coverage.

Source: Monthly Statistics of the Foreign Trade of India issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 80—CURRENT RATES OF EXPORT DUTIES

Item	Unit	Rate of Duty	Effective from
1. Cotton raw(*a*) ...	Bale of 181.44 Kgs.	Ranging from Rs. 25 to Rs. 125	October 1, 1960
2. Cotton waste (other than soft) ...	--	50% *ad valorem*	March 16, 1952
3. Rice Products ...	Quintal	38 naye paise	July 12, 1957
4. Mercury ...	Flask of 34.02 Kgs.	Rs. 300	October 8, 1952

(*a*) Certain varieties like cotton linters, yellow pickings and zoda cotton, Assam/comila cotton and pickings and sweepings of cotton of no practical use are exempted from export duty.

STATEMENT 81—INDEX NUMBERS OF EXPORTS

(1958=100)

Commodity head	UNIT VALUE				VOLUME			
	1960-61	1961-62	1962-63	1963-64	1960-61	1961-62	1962-63	1963-64
I. Food	**106**	**102**	**101**	**106**	**97**	**109**	**121**	**122**
1. Fish and fish preparations	101	91	121	123	79	74	58	80
2. Fruits and vegetables	108	109	101	107	114	111	126	131
3. Coffee	77	67	83	77	131	187	128	150
4. Tea and mate	104	100	99	90	87	90	96	91
5. Spices	149	125	111	120	126	159	141	149
6. Oilseed cake	108	113	121	123	178	206	353	386
II. Beverages and Tobacco	**114**	**112**	**97**	**109**	**85**	**82**	**119**	**122**
III. Crude Materials, Inedible except Fuels	**103**	**104**	**103**	**89**	**106**	**111**	**105**	**142**
7. Hides and skins, undressed	143	127	126	128	95	95	119	107
8. Wool and other animal hair	105	104	106	113	79	95	67	70
9. Cotton, raw and waste	109	112	99	98	50	86	81	81
10. Crude minerals excluding coal, petroleum, etc.	100	99	98	98	108	105	108	96
11. Metalliferous ores and metal scrap	92	96	89	71	140	125	118	237
12. Animal and vegetable crude materials	103	104	115	113	116	113	95	104
IV. Mineral Fuels and Lubricants, etc.	**93**	**92**	**84**	**83**	**82**	**66**	**85**	**96**
13. Coal and coke	96	90	87	90	62	48	58	45
V. Animal and Vegetable Oils and Fats	**96**	**92**	**91**	**91**	**124**	**86**	**183**	**272**
VI. Chemicals	**172**	**204**	**175**	**157**	**94**	**87**	**102**	**94**
VII. Manufactured Goods Classified Chiefly by Material	**118**	**118**	**114**	**113**	**102**	**105**	**109**	**121**
14. Leather and manufactures thereof	121	113	110	114	112	123	112	126
15. Textile yarn and thread	114	132	132	125	82	88	96	111
16. Cotton fabrics of standard type	115	114	109	112	108	91	92	95
17. Fabrics of jute	130	136	139	138	97	99	123	130
18. Fabrics of synthetic fibre and spun glass	32	27	33	36	187	269	334	383
19. Bags and sacks for packing	131	143	120	112	104	101	101	101
20. Floor coverings	107	121	125	122	97	79	77	93
VIII. Machinery and Transport Equipment	**91**	**88**	**74**	**90**	**239**	**263**	**351**	**358**
IX. Miscellaneous Manufactured Articles	**109**	**104**	**101**	**124**	**126**	**115**	**130**	**168**
GENERAL	**110**	**109**	**106**	**105**	**100**	**105**	**112**	**126**
TERMS OF TRADE	**115**	**111**	**113**	**108**	**128**	**115**	**117**	**107**

Source : Department of Commercial Intelligence and Statistics.

STATEMENT 82—INDEX NUMBERS OF IMPORTS

(1958=100)

Commodity head	UNIT VALUE				VOLUME			
	1960-61	1961-62	1962-63	1963-64	1960-61	1961-62	1962-63	1963-64
I. Food	**95**	**90**	**88**	**88**	**104**	**79**	**97**	**104**
1. Dairy products, eggs and honey	80	58	62	47	106	225	201	251
2. Cereals and cereal preparations	91	91	87	88	107	71	90	99
3. Fruits and vegetables ...	127	114	117	128	92	73	89	83
II. Beverages and Tobacco ...	**98**	**104**	**114**	**127**	**41**	**77**	**74**	**43**
III. Crude Materials, etc. ...	**90**	**94**	**93**	**96**	**123**	**172**	**170**	**159**
4. Copra	110	99	103	97	101	91	93	87
5. Wool and other animal hair	93	91	92	93	101	121	119	153
6. Raw cotton other than linters	82	89	88	96	326	230	211	167
7. Crude fertilisers ...	91	92	96	91	154	173	187	219
IV. Mineral Fuels, etc.	**96**	**99**	**86**	**81**	**95**	**128**	**135**	**170**
8. Petroleum crude, etc. ...	89	80	83	77	63	146	100	166
9. Petroleum products ...	100	124	88	85	124	108	165	173
V. Animal and Vegetable Oils and Fat	**98**	**95**	**86**	**89**	**107**	**204**	**149**	**124**
VI. Chemicals	**91**	**82**	**63**	**55**	**145**	**166**	**244**	**246**
10. Chemical elements and compounds	95	86	80	74	144	144	166	152
11. Dyeing, tanning and colouring materials ...	103	100	109	86	143	165	127	107
12. Fertilisers manufactured	72	58	43	40	180	250	772	837
VII. Manufactured Goods, etc. ...	**101**	**100**	**98**	**98**	**122**	**114**	**109**	**107**
13. Paper, paperboard, etc.	95	92	95	88	150	206	170	163
14. Textile yarn and thread .	93	83	72	65	111	115	130	118
15. Iron and steel	96	98	94	94	128	106	94	98
16. Copper	133	124	128	137	122	139	146	144
17. Aluminium	99	98	89	78	129	135	197	136
18. Zinc	126	108	101	115	119	112	146	140
19. Manufactures of metals	118	120	144	138	90	73	67	59
VIII. Machinery, etc.	**98**	**105**	**111**	**128**	**134**	**134**	**135**	**133**
20. Machinery other than electric	99	105	107	127	145	158	165	156
21. Electric machinery, etc.	93	152	141	191	123	85	90	89
22. Transport equipment ...	98	90	116	108	119	101	91	95
IX. Miscellaneous Manufactured Articles	**96**	**104**	**101**	**101**	**102**	**114**	**146**	**206**
GENERAL	**96**	**98**	**94**	**97**	**128**	**121**	**131**	**135**

Source: Department of Commercial Intelligence and Statistics

STATEMENT 83—STERLING TRANSACTIONS OF THE RESERVE BANK OF

		FORWARD CONTRACTS					
		Purchases (*a*)		Sales (*b*)		Net Purchases (+) / Sales (−)	
		£ thousands	Rs. lakhs	£ thousands	Rs. lakhs	£ thousands	Rs. lakhs
1	1950-51 ..	344,098	458,80	21,526	28,73	+ **322,572**	+ **430,07**
2	1955-56 ..	98,150	130,87	4,985	6,64	+ **93,165**	+ **124,23**
3	1960-61 ..	20,295	27,08	1,600	2,14	+ **18,695**	+ **24,94**
4	1961-62 ..	45,184	60,23	1,560	2,07	+ **43,624**	+ **58,16**
5	1962-63 ..	20,150	26,87	5,420	7,22	+ **14,730**	+ **19,65**
6	1963-64 ..	30,754	41,00	4,620	6,16	+ **26,134**	+ **34,84**
7	March 1963..	1,215	1,62	425	57	+ **790**	+ **1,05**
8	April 1963..	925	1,23	150	20	+ **775**	+ **1,03**
9	May 1963..	1,495	1,99	1,850	2,47	− **355**	− **48**
10	June 1963..	1,020	1,36	450	60	+ **570**	+ **76**
11	July 1963..	2,850	3,80	—	—	+ **2,850**	+ **3,80**
12	August 1963..	3,300	4,40	25	3	+ **3,275**	+ **4,37**
13	September 1963..	3,247	4,33	—	—	+ **3,247**	+ **4,33**
14	October 1963..	2,968	3,96	50	7	+ **2,918**	+ **3,89**
15	November 1963..	5,734	7,65	—	—	+ **5,734**	+ **7,65**
16	December 1963..	2,140	2,85	300	40	+ **1,840**	+ **2,45**
17	January 1964..	1,375	1,83	900	1,20	+ **475**	+ **63**
18	February 1964..	2,510	3,35	250	33	+ **2,260**	+ **3,02**
19	March 1964..	3,190	4,25	645	86	+ **2,545**	+ **3,39**

Note: Rate for both forward and spot purchases is 1 sh. 6 d. ; rates for forward and spot sales are 1 sh. 5-31/32d. and 1 sh. 5-63/64 d., respectively. Totals may not add up owing to rounding and conversion.

INDIA (EXCLUDING GOVERNMENT TRANSACTIONS)

DELIVERIES								Total Deliveries		
Spot Transactions				Against Forward Contracts				Net Purchases(+) Sales (−)		
Purchases		Sales		Purchases		Sales				
£ thousands	Rs. lakhs	£ thousands	Rs. lakhs	£ thousands	Rs. lakhs	£ thousands	Rs. lakhs	£ thousands	Rs. lakhs	
1,075	1,43	88,092	117,56	216,974	289,30	730	97	+129,227	+172,20	*1*
10,015	13,36	68,404	91,29	97,230	129,65	—	—	+ 38,841	+ 51,72	*2*
9,830	13,10	60,862	81,22	21,480	28,63	1,250	1,66	− 30,802	− 41,15	*3*
2,425	3,23	78,649	104,97	36,084	48,10	225	30	− 40,365	− 53,94	*4*
30,210	40,28	70,216	93,69	27,335	37,51	3,530	4,72	− 16,201	− 20,62	*5*
41,759	55,67	16,459	21,96	29,604	39,46	5,575	7,45	+ 49,329	+ 65,72	*6*
10,050	13,40	220	29	1,990	2,65	—	—	+ 11,820	+ 15,76	*7*
686	91	190	25	1,820	2,43	—	—	+ 2,316	+ 3,09	
6,035	8,05	282	38	1,610	2,14	200	27	+ 7,163	+ 9,54	*8*
1,220	1,63	4,825	6,44	315	42	775	1,03	− 4,065	− 5,42	*10*
145	19	4,850	6,47	900	1,20	1,100	1,47	− 4,905	− 6,55	*11*
185	24	920	1,23	905	1,21	800	1,07	− 630	− 85	*12*
1,620	2,16	1,350	1,80	2,245	2,99	1,500	2,00	+ 1,015	+ 1,35	*13*
1,015	1,35	2,370	3,16	2,985	3,98	300	40	+ 1,330	+ 1,77	*14*
2,164	2,89	10	1	2,617	3,49	50	7	+ 4,721	+ 6,30	*15*
9,840	13,12	500	67	6,173	8,23	—	—	+15,513	+ 20,68	*16*
4,356	5,81	244	33	2,358	3,14	—	—	+ 6,470	+ 8,62	*17*
9,565	12,75	46	6	4,037	5,38	—	—	+13,556	+ 18,07	*18*
4,928	6,57	872	1,16	3,639	4,85	850	1,14	+ 6,845	+ 9,12	*19*

(*a*) Includes cancellations of forward sale contracts. (*b*) Includes cancellations of forward purchase contracts.

STATEMENT 84—EXTERNAL ASSISTANCE : AUTHORISED AND UTILISED

(Crores of Rupees)

	Aid authorised upto the end of the First Plan	Aid utilised upto the end of the First Plan	Aid undisbursed as at the end of the First Plan (1−2)	Aid authorised during the Second Plan	Total available for utilisation after 31st March 1956 (3+4)	Utilisation during the Second Plan	Aid undisbursed as at the end of March 1961 (5−6)	Aid authorised during April 1961 to December 1963	Total available for use after March 1961 (7+8)	Utilisation during April 1961 to December 1963	Aid undisbursed as at the end of December 1963 (9−10)
	1	2	3	4	5	6	7	8	9	10	11
I. Loans											
A. Repayable in Foreign Currencies											
1. From International Institutions ..	**57·2**	**33·8**	**23·4**	**262·6**	**286·0**	**222·8**	**63·2**	**226·4**	**289·6**	**121·4**	**168·2**
(*a*) **I.B.R.D.**	**57·2**	**33·8**	**23·4**	**262·6**	**286·0**	**222·8**	**63·2**	**83·6**	**146·8**	**79·8**	**67·0**
(*b*) **I.D.A.**	—	—	—	—	—	—	—	**142·8**	**142·8**	**41·6**	**101·2**
2. From Foreign Countries											
(i) **U.S.A.**	**90·3**	**90·3**	—	**108·5**	**108·5**	**36·8**	**71·7**	**451·9**	**523·6**	**258·7**	**264·9**
(*a*) Wheat loan of 1951	90·3	90·3	—	—	—	—	—	—	—	—	—
(*b*) Eximbank loans for Import of Machinery & Capital Goods** ..	—	—	—	102·6*	102·6	30·9	71·7	47·6	119·3	75·4	43·9
(*c*) U.S. Banks' loans to Air India ..	—	—	—	5·9	5·9	5·9	—	6·4	6·4	1·1	5·3
(*d*) A.I.D. Loans	—	—	—	—	—	—	—	397·9	397·9	182·2	215·7
(ii) **Canada**	—	—	—	**15·7**	**15·7**	**15·7**	—	**11·0**	**11·0**	—	**11·0**
(*a*) Wheat Loans	—	—	—	15·7	15·7	15·7	—	—	—	—	—
(*b*) Import of Capital Equipment ..	—	—	—	—	—	—	—	11·0	11·0	—	11·0
(iii) **U.K.**	—	—	—	**122·6**	**122·6**	**121·8**	**0·8**	**149·9**	**150·7**	**72·2**	**78·5**
(*a*) Lazard Bros'. Credit (Durgapur)	—	—	—	15·3	15·3	15·3	—	—	—	—	—
(*b*) Credit of June 1958 (Durgapur)	—	—	—	20·0	20·0	20·0	—	—	—	—	—
(*c*) Credit of December 1958 ..	—	—	—	38·0	38·0	38·0	—	—	—	—	—
(*d*) Credit of June 1959 (Oil Pipe Line)	—	—	—	4·0	4·0	3·2	0·8	—	0·8	0·8	—
(*e*) General Credit of November 1959	—	—	—	25·3	25·3	25·3	—	—	—	—	—
(*f*) General Credit of August 1960	—	—	—	13·3	13·3	13·3	—	—	—	—	—
(*g*) General Credit of December 1960	—	—	—	6·7	6·7	6·7	—	—	—	—	—
(*h*) General Credit of May 1961 ..	—	—	—	—	—	—	—	13·3	13·3	13·3	—
(*i*) Credit of May 1961 (Third Plan)	—	—	—	—	—	—	—	40·0	40·0	27·5	12·5
(*j*) General Credit of November 1961	—	—	—	—	—	—	—	6·7	6·7	6·7	—
(*k*) General Credit of May 1962 ..	—	—	—	—	—	—	—	13·3	13·3	6·7	6·6
(*l*) Credit of May 1962 (Durgapur Extension)	—	—	—	—	—	—	—	29·3	29·3	1·9	27·4
(*m*) General Credit of September 1962	—	—	—	—	—	—	—	6·7	6·7	6·7	—

(*n*) Credit of September 1962 (Third Plan)	—	—	—	—	—	—	—	17·3	17·3	0·4	16·9
(*o*) Credit of April 1963 (Steel)	—	—	—	—	—	—	—	4·7	4·7	0·3	4·4
(*p*) General Credit of August 1963	—	—	—	—	—	—	—	13·3	13·3	7·9	5·4
(*q*) General Credit of October 1963	—	—	—	—	—	—	—	5·3	5·3	—	5·3
(iv) West Germany	—	—	—	**134·2**	**134·2**	**120·0**	**14·2**	**221·1**	**235·3**	**117·3**	**118·0**
(*a*) Credit of February 1958 (Rourkela)	—	—	—	75·5@	75·5	61·3	14·2@	—	14·2	13·1	1·1
(*b*) DM 168 million Credit (January 1959)	—	—	—	19·1	19·1	19·1	—	—	—	—	—
(*c*) DM 125·1 million Credit (May 1960)	—	—	—	14·2	14·2	14·2	—	—	—	—	—
(*d*) DM 125·1 million Credit (November 1960)	—	—	—	14·2	14·2	14·2	—	—	—	—	—
(*e*) DM 98·4 million Credit of January 1961 (Refinancing)	—	—	—	11·2	11·2	11·2	—	—	—	—	—
(*f*) DM 230 million Credit of April 1961 (Refinancing)	—	—	—	—	—	—	—	27·4	27·4	27·4	—
(*g*) DM 100 million Credit (April 1961)	—	—	—	—	—	—	—	11·9	11·9	11·9	—
(*h*) DM 170 million Credit (September 1961)	—	—	—	—	—	—	—	20·2	20·2	20·2	—
(*i*) Credit of January 1962 (HSL Personnel)	—	—	—	—	—	—	—	0·5	0·5	0·4	0·1
(*j*) DM 85 million Credit of May 1962 (Refinancing)	—	—	—	—	—	—	—	10·1	10·1	10·1	—
(*k*) DM 100 million Credit (June 1962)	—	—	—	—	—	—	—	11·9	11·9	11·9	—
(*l*) DM 370 million Credit (December 1962)	—	—	—	—	—	—	—	44·1	44·1	11·3	32·8
(*m*) DM 61·4 million Credit of April 1963 (Refinancing)	—	—	—	—	—	—	—	7·3	7·3	7·3	—
(*n*) DM 400 million Credit of April 1963 (Rourkela Expansion)	—	—	—	—	—	—	—	47·6	47·6	3·7	43·9
(*o*) DM 336·6 million Credit (November 1963)	—	—	—	—	—	—	—	40·1	40·1	—	40·1
(v) Japan	—	—	—	**35·4**	**35·4**	**16·0**	**19·4**	**81·0**	**100·4**	**33·5**	**66·9**
(*a*) 18 Billion Yen Credit (February 1958)	—	—	—	23·0	23·0	16·0	7·0	—	7·0	6·9	0·1
(*b*) Loan for Orissa Iron Ore Project	—	—	—	3·8	3·8	—	3·8	—	3·8	2·0	1·8
(*c*) 34·2 Billion Yen Credit as amended in May 1963	—	—	—	—	—	—	—	45·2	45·2	18·8	26·4
(*d*) Ad hoc Credit of 1959	—	—	—	8·6	8·6	—	8·6	—	8·6	5·8	2·8
(*e*) Suppliers' Credit for Textile Machinery (1962)	—	—	—	—	—	—	—	4·8	4·8	—	4·8
(*f*) Credit of 23·4 Billion Yen (October 1963)	—	—	—	—	—	—	—	31·0	31·0	—	31·0

STATEMENT 84—EXTERNAL ASSISTANCE : AUTHORISED AND UTILISED—(*Contd.*)

(Crores of Rupees)

	Aid authorised upto the end of the First Plan	Aid utilised upto the end of the First Plan	Aid undisbursed as at the end of the First Plan (1−2)	Aid authorised during the Second Plan	Total available for utilisation after 31st March 1956 (3+4)	Utilisation during the Second Plan	Aid undisbursed as at the end of March 1961 (5−6)	Aid authorised during April 1961 to December 1963	Total available for use after March 1961 (7+8)	Utilisation during April 1961 to December 1963	Aid undisbursed as at the end of December 1963 (9−10)
	1	2	3	4	5	6	7	8	9	10	11
(vi) U.S.S.R.	**64·7**	—	**64·7**	**319·0**	**383·7**	**74·8**	**308·9**	—	**308·9**	**90·2**	**218·7**
(*a*) Credit for Bhilai Steel Plant	64·7	—	64·7	—	64·7	64·5	0·2	—	0·2	0·2	—
(*b*) Credit for Industrial Enterprises	—	—	—	59·5	59·5	8·1	51·4	—	51·4	27·3	24·1
(*c*) Credit for Manufacture of Drugs	—	—	—	9·5	9·5	—	9·5	—	9·5	5·3	4·2
(*d*) Credit for Barauni Oil Refinery	—	—	—	11·9	11·9	0·4	11·5	—	11·5	9·6	1·9
(*e*) Credit for Third Plan—I †	—	—	—	178·6	178·6	1·8	176·8	—	176·8	45·8	131·0
(*f*) Credit for Third Plan—II †	—	—	—	59·5	59·5	—	59·5	—	59·5	2·0	57·5
(vii) Switzerland	—	—	—	**12·0**	**12·0**	—	**12·0**	**3·3**	**15·3**	**0·8**	**14·5**
(viii) France	—	—	—	—	—	—	—	**38·1**	**38·1**	—	**38·1**
(*a*) Credit for Third Plan—I ($30 million)	—	—	—	—	—	—	—	14·3	14·3	—	14·3
(*b*) Credit for Third Plan—II ($20 million)	—	—	—	—	—	—	—	9·5	9·5	—	9·5
(*c*) Credit to IFC ($10 million).	—	—	—	—	—	—	—	4·8	4·8	—	4·8
(*d*) Credit for Third Plan—III ($20 million)	—	—	—	—	—	—	—	9·5	9·5	—	9·5
(ix) Italy	—	—	—	—	—	—	—	**47·0**	**47·0**	**1·8**	**45·2**
(*a*) E.N.I. Credit of $45 million (August 1961)	—	—	—	—	—	—	—	21·4	21·4	0·3	21·1
(*b*) Montecatini Credit for Aluminium Plant	—	—	—	—	—	—	—	4·2	4·2	1·5	2·7
(*c*) Suppliers' Credit of $45 million	—	—	—	—	—	—	—	21·4	21·4	—	21·4
(x) Poland	—	—	—	**14·3**	**14·3**	—	**14·3**	**15·5**	**29·8**	**1·0**	**28·8**
(*a*) Credit of May 1960 ..	—	—	—	14·3	14·3	—	14·3	—	14·3	1·0	13·3
(*b*) Credit of November 1962 ..	—	—	—	—	—	—	—	15·5	15·5	—	15·5
(xi) Yugoslavia †	—	—	—	**19·1**	**19·1**	—	**19·1**	—	**19·1**	**0·1**	**19·0**
(xii) Czechoslovakia†	—	—	—	**23·1**	**23·1**	—	**23·1**	—	**23·1**	—	**23·1**
(xiii) Austria	—	—	—	—	—	—	—	**4·2**	**4·2**	**0·5**	**3·7**
(*a*) Credit for Capital Goods -I	—	—	—	—	—	—	—	2·4	2·4	0·5	1·9
(*b*) Credit for Capital Goods -II	—	—	—	—	—	—	—	1·8	1·8	—	1·8

(xiv) **Belgium**	—	—	—	—	—	—	—	9·6	9·6	—	9·6
(*a*) Suppliers' Credit—I	—	—	—	—	—	—	—	4·8	4·8	—	4·8
(*b*) Suppliers' Credit—II	—	—	—	—	—	—	—	4·8	4·8	—	4·8
(xv) **Netherlands**	—	—	—	—	—	—	—	**13·2**	**13·2**	—	**13·2**
(*a*) General Purpose loan	—	—	—	—	—	—	—	**8·6**	**8·6**	—	**8·6**
(*b*) Finance (Export) Credit	—	—	—	—	—	—	—	4·6	4·6	—	4·6
Total A	**212·2**	**124·1**	**88·1**	**1066·5**	**1154·6**	**607·9**	**546·7**	**1272·2**	**1818·9**	**697·5**	**1121·4**
B. Repayable in Rupees											
(i) **U.S.A.**	**14·6**	**2·3**	**12·3**	**232·9**	**245·2**	**116·8**	**128·4**	**46·2**	**174·6**	**119·9**	**54·7**
(*a*) Loans from D.L.F.	—	—	—	196·5	196·5	76·9	119·6	46·2	165·8	113·0	52·8
(*b*) Asian Economic Development Fund Credit for Orissa Iron Ore Project	—	—	—	8·8	8·8	—	8·8	—	8·8	6·9	1·9
(*c*) Loans under T.C.A. (excluding P.L. 665)	14·6	2·3	12·3	27·6	39·9	39·9	—	—	—	—	—
(ii) **Denmark**	—	—	—	—	—	—	—	**1·0**	**1·0**	—	**1·0**
Total B	**14·6**	**2·3**	**12·3**	**232·9**	**245·2**	**116·8**	**128·4**	**47·2**	**175·6**	**119·9**	**55·7**
Total I (A+B)††	**226·8**	**126·4**	**100·4**	**1299·4**	**1399·8**	**724·7**	**675·1**	**1319·4**	**1994·5**	**817·4**	**1177·1**
II. Grants											
(i) **U.S.A.@@**	**91·8**	**44·3**	**47·5**	**54·6**	**102·1**	**85·6**	**16·5**	**12·6**	**29·1**	**20·4**	**8·7**
(*a*) T.C.A. (excluding P.L. 665)	86·2	42·0	44·2	44·1	88·3	76·2	12·1	11·4	23·5	18·6	4·9
(*b*) Ford Foundation	5·6	2·3	3·3	10·5	13·8	9·4	4·4	1·2	5·6	1·8	3·8
(ii) **Colombo Plan Countries**	**45·5**	**25·2**	**20·3**	**62·1**	**82·4**	**71·0**	**11·4**	**24·0**	**35·4**	**22·7**	**12·7**
(*a*) Canada	32·3	19·7	12·6	57·8	70·4	60·3	10·1	21·0	31·1	21·2	9·9
(*b*) Australia	11·1	5·2	5·9	2·2	8·1	7·4	0·7	2·7	3·4	1·2	2·2
(*c*) New Zealand	1·7	0·3	1·4	1·7	3·1	2·9	0·2	0·2	0·4	0·2	0·2
(*d*) United Kingdom	0·4	—	0·4	0·4	0·8	0·4	0·4	0·1	0·5	0·1	0·4
(iii) **West Germany**	—	—	—	**2·1**	**2·1**	**0·6**	**1·5**	—	**1·5**	**0·8**	**0·7**
(iv) **Norway**	**0·7**	**0·7**	—	**1·9**	**1·9**	**1·9**	—	**1·3**	**1·3**	**1·0**	**0·3**
(v) **U.S.S.R.**	—	—	—	**1·2**	**1·2**	**1·2**	—	—	—	—	—
Total II††	**138·0**	**70·2**	**67·8**	**121·9**	**189·7**	**160·3**	**29·4**	**37·9**	**67·3**	**44·9**	**22·4**
III. Other Assistance											
(*i*) P.L. 480 (Gross)	—	—	—	1113·0	1113·0	515·5	597·5	48·2	645·7	331·6	314·1
(*ii*) P.L. 665 (Gross)	16·9	5·1	11·8	15·0	26·8	26·8	—	—	—	—	—
(*iii*) Third Country Currency Assistance from the U.S.A.	—	—	—	2·8	2·8	2·5	0·3	—	0·3	0·3	—
Total III	**16·9**	**5·1**	**11·8**	**1130·8**	**1142·6**	**544·8**	**597·8**	**48·2**	**646·0**	**331·9**	**314·1**
Grand Total (I+II+III).	**381·7**	**201·7**	**180·0**	**2552·1**	**2732·1**	**1429·8**	**1302·3**	**1405·5**	**2707·8**	**1194·2**	**1513·6**

Notes: 1. The data presented here are not comparable with those incorporated in the balance of payments because of differences in source, coverage, etc.
2. Assistance under P.L. 480 and P.L. 665 are shown here on a gross basis representing the rupees deposited against the value of goods received from time to time.

**Includes two loans to the Air India by Eximbank and the Boeing Co. of the U.S.A.
*Of this, Rs. 23·8 crores is earmarked for the use of projects included in the Third Plan.
@Undisbursed amount in the case of West German Rourkela Credit has been raised by 5% to take into account the revaluation of D.M. in March 1961. To the same extent loan authorisation figure has also been raised.
†Earmarked for the use of projects included in the Third Plan.
††Excludes Loans and Grants received by Government of India out of the U.S.P.L. 480 (Title I) and P.L. 665 funds.
@@Excludes grants under P.L. 480 Titles II and III as they do not strictly form a part of the assistance for plan projects and programmes.

STATEMENT 85—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS

(Crores of Rupees)

	Sector	Aid authorised upto the end of the First Plan	Aid utilised upto the end of the First Plan	Aid undisbursed as at the end of the First Plan (2−3)	Aid authorised during the Second Plan	Total available for utilisation after 31st March 1956 (4+5)	Utilisation during the Second Plan	Aid undisbursed as at the end of March 1961 (6−7)	Aid authorised during April 1961 to December 1963	Total available for use after March 1961 (8+9)	Utilisation during April 1961 to December 1963	Aid undisbursed as at the end of December 1963 (10−11)
	1	2	3	4	5	6	7	8	9	10	11	12
I. Railway Development												
(*i*) *I.B.R.D.*												
(*a*) Railways I	Public	15·6	15·6	—	—	—	—	—	—	—	—	—
(*b*) Railways II	Public	—	—	—	42·8	42·8	42·8	—	—	—	—	—
(*c*) Railways III	Public	—	—	—	40·5	40·5	40·5	—	—	—	—	—
(*d*) Railways IV	Public	—	—	—	23·8	23·8	23·8	—	—	—	—	—
(*e*) Railways V	Public	—	—	—	33·3	33·3	6·9	26·4	—	26·4	26·4	—
(*f*) Railways VI	Public	—	—	—	—	—	—	—	23·8	23·8	23·8	—
(*ii*) *DLF/AID*												
(*a*) Railways I	Public	—	—	—	14·3	14·3	12·5	1·8	—	1·8	1·8	—
(*b*) Railways II	Public	—	—	—	16·7	16·7	16·7	—	—	—	—	—
(*c*) Railways III	Public	—	—	—	23·8	23·8	—	23·8	—	23·8	20·4	3·4
(*d*) Railways IV	Public	—	—	—	—	—	—	—	20·5	20·5	15·2	5·3
(*e*) Railways V	Public	—	—	—	—	—	—	—	7·6	7·6	—	7·6
(*iii*) *I.D.A* Credit for Railways	Public	—	—	—	—	—	—	—	32·1	32·1	15·7	16·4
(*iv*) U. S. Eximbank Credit for Diesel Loco Works	Public	—	—	—	—	—	—	—	9·0	9·0	—	9·0
Total I		**15·6**	**15·6**	—	**195·2**	**195·2**	**143·2**	**52·0**	**93·0**	**145·0**	**103·3**	**41·7**
II. Power Projects												
(*i*) *I.B.R.D.*												
(*a*) D.V.C. I	Public	8·0	8·0	—	—	—	—	—	—	—	—	—
(*b*) D.V.C. II	Public	5·0	2·0	3·0	—	3·0	3·0	—	—	—	—	—
(*c*) D.V.C. III	Public	—	—	—	10·5	10·5	8·7	1·8	—	1·8	1·0	0·8
(*d*) Trombay I	Private	6·6	2·1	4·5	—	4·5	4·1	0·4	—	0·4	0·3	0·1
(*e*) Trombay II	Private	—	—	—	4·6	4·6	4·3	0·3	—	0·3	0·2	0·1
(*f*) Koyna	Public	—	—	—	8·9	8·9	4·4	4·5	—	4·5	3·2	1·3
(*ii*) *I.D.A.*												
(*a*) Durgapur Power Extension	Public	—	—	—	—	—	—	—	8·8	8·8	0·1	8·7
(*b*) Koyna Power Project	Public	—	—	—	—	—	—	—	8·3	8·3	1·2	7·1
(*c*) Kothagudem Power Unit	Public	—	—	—	—	—	—	—	9·5	9·5	0·2	9·3

(iii) DLF/AID												
(*a*) Power Development	Public	—	—	—	4·8	4·8	4·8	—	—	—	—	—
(*b*) Chandrapura—I	Public	—	—	—	14·3	14·3	—	14·3	—	14·3	8·9	5·4
(*c*) Sharavathi—I	Public	—	—	—	4·0	4·0	—	4·0	—	4·0	1·8	2·2
(*d*) Barauni	Public	—	—	—	1·8	1·8	—	1·8	—	1·8	1·4	0·4
(*e*) Durgapur	Public	—	—	—	9·5	9·5	—	9·5	—	9·5	5·8	3·7
(*f*) Ahmedabad Electricity Co.	Private	—	—	—	1·9	1·9	—	1·9	—	1·9	1·8	0·1
(*g*) Kanpur	Public	—	—	—	0·8	0·8	—	0·8	—	0·8	0·6	0·2
(*h*) Barapani	Public	—	—	—	1·2	1·2	—	1·2	—	1·2	0·4	0·8
(*i*) Talcher	Public	—	—	—	—	—	—	—	15·7	15·7	1·1	14·6
(*j*) Birsinghpur	Public	—	—	—	—	—	—	—	4·0	4·0	1·3	2·7
(*k*) Sharavathi—II	Public	—	—	—	—	—	—	—	8·8	8·8	0·4	8·4
(*l*) Cambay Power	Public	—	—	—	—	—	—	—	16·0	16·0	13·7	2·3
(*m*) Bandel Power	Public	—	—	—	—	—	—	—	18·1	18·1	11·6	6·5
(*n*) Pambakakki	Public	—	—	—	—	—	—	—	9·6	9·6	0·4	9·2
(*o*) Trombay Power	Private	—	—	—	—	—	—	—	8·5	8·5	3·5	5·0
(*p*) Delhi Power	Public	—	—	—	—	—	—	—	7·6	7·6	—	7·6
(*q*) Satpura Power	Public	—	—	—	—	—	—	—	12·0	12·0	—	12·0
(*r*) Ramagundam	Public	—	—	—	—	—	—	—	4·0	4·0	—	4·0
(*s*) Chandrapura—II	Public	—	—	—	—	—	—	—	7·6	7·6	—	7·6
(*t*) Tarapur nuclear power	Public	—	—	—	—	—	—	—	38·1	38·1	—	38·1
Total II		**19·6**	**12·1**	**7·5**	**62·3**	**69·8**	**29·3**	**40·5**	**176·6**	**217·1**	**58·9**	**158·2**
III. Steel and Steel Projects												
(i) I.B.R.D.												
(*a*) I.I.S.Co. I	Private	13·9	2·7	11·2	—	11·2	11·2	—	—	—	—	—
(*b*) I.I.S.Co. II	Private	—	—	—	9·5	9·5	8·3	1·2	—	1·2	1·2	—
(*c*) I.I.S.Co. III	Private	—	—	—	—	—	—	—	9·3	9·3	0·1	9·2
(*d*) T.I.S.Co. I	Private	—	—	—	35·7	35·7	35·7	—	—	—	—	—
(*e*) T.I.S.Co. II	Private	—	—	—	15·5	15·5	15·5	—	—	—	—	—
(ii) U.S.S.R.												
Bhilai	Public	64·7	—	64·7	—	64·7	64·5	0·2	—	0·2	0·2	—
(iii) West Germany												
(*a*) Rourkela Credit	Public	—	—	—	75·5(*a*)(*a*	75·5	61·3	14·2(*a*)(*a*	—	14·2	13·1	1·1
(*b*) Credit for Rourkela Expansion of April 1963	Public	—	—	—	—	—	—	—	47·6	47·6	3·7	43·9
(iv) U.K.												
(*a*) Lazard Bros'. Credit (Durgapur)	Public	—	—	—	15·3	15·3	15·3	—	—	—	—	—
(*b*) Credit of June 1958 (Durgapur)	Public	—	—	—	20·0	20·0	20·0	—	—	—	—	—
(*c*) Credit of May 1962 (Durgapur extension)	Public	—	—	—	—	—	—	—	29·3	29·3	1·9	27·4
(*d*) Credit of April 1963 (Steel)	Public & Private	—	—	—	—	—	—	—	4·7	4·7	0·3	4·4
(v) DLF/AID												
(*a*) Steel Loan I	Public	—	—	—	8·5	8·5	7·4	1·1	—	1·1	1·1	—
(*b*) Steel Loan II	Public & Private	—	—	—	10·4	10·4	9·2	1·2	—	1·2	1·2	—

STATEMENT 85—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS—(*Contd.*)

(Crores of Rupees)

Sector		Aid authorised upto the end of the First Plan	Aid utilised upto the end of the First Plan	Aid undisbursed as at the end of the First Plan (2—3)	Aid authorised during the Second Plan	Total available for utilisation after 31st March 1956 (4+5)	Utilisation during the Second Plan	Aid undisbursed as at the end of March 1961 (6—7)	Aid authorised during April 1961 to December 1963	Total available for use after March 1961 (8+9)	Utilisation during April 1961 to December 1963	Aid undisbursed as at the end of December 1963 (10—11)
1		2	3	4	5	6	7	8	9	10	11	12
(*c*) Steel Loan III	Public & Private	—	—	—	9·3	9·3	5·7	3·6	—	3·6	3·6	—
(*d*) Steel Loan IV	Public & Private	—	—	—	11·9	11·9	—	11·9	—	11·9	11·1	0·8
Total III		**78·6**	**2·7**	**75·9**	**211·6**	**287·5**	**254·1**	**33·4**	**90·9**	**124·3**	**37·5**	**86·8**
IV. Orissa Iron Ore Project												
(*i*) U.S.A.	Public	—	—	—	8·8	8·8	—	8·8	—	8·8	6·9	1·9
(ii) Japan	Public	—	—	—	3·8	3·8	—	3·8	—	3·8	2·0	1·8
Total IV		—	—	—	**12·6**	**12·6**	—	**12·6**	—	**12·6**	**8·9**	**3·7**
V. Ports Development												
(*i*) *I.B.R.D.*												
(*a*) Calcutta Port I & II	Public	—	—	—	13·8	13·8	4·8	9·0	10·0	19·0	7·8	11·2
(*b*) Madras Port	Public	—	—	—	6·7	6·7	2·0	4·7	—	4·7	1·8	2·9
(*ii*) *I.D.A.* Credit for Bombay Port	Public	—	—	—	—	—	—	—	8·6	8·6	1·3	7·3
Total V		—	—	—	**20·5**	**20·5**	**6·8**	**13·7**	**18·6**	**32·3**	**10·9**	**21·4**
VI. Transport and Communications												
(*i*) *I.B.R.D.* loan to Air India	Public	—	—	—	2·7	2·7	2·7	—	—	—	—	—
(*ii*) U.S. Banks' loans to Air India	Public	—	—	—	5·9	5·9	5·9	—	6·4	6·4	1·1	5·3
(*iii*) *D.L.F.* loan for Road Transport	Private	—	—	—	6·2	6·2	0·4	5·8	—	5·8	5·8	—
(*iv*) U.S. Eximbank loans to Air India@	Public	—	—	—	—	—	—	—	6·8	6·8	6·8	—
(*v*) *I.D.A.*												
(*a*) Credit for Construction of National Highways	Public	—	—	—	—	—	—	—	28·6	28·6	11·0	17·6
(*b*) Expansion of P.T.T.	Public	—	—	—	—	—	—	—	20·0	20·0	2·6	17·4
Total VI		—	—	—	**14·8**	**14·8**	**9·0**	**5·8**	**61·8**	**67·6**	**27·3**	**40·3**
VII. Industrial Development												
(*i*) *I.B.R.D.*												
(*a*) I.C.I.C.I. — I	Private	4.7	—	4.7	—	4.7	3.7	1.0	—	1.0	1.0	—
(*b*) I.C.I.C.I. — II	Private	—	—	—	4.7	4.7	0.4	4.3	—	4.3	3.9	0.4
(*c*) I.C.I.C.I. — III	Private	—	—	—	9.5	9.5	—	9.5	—	9.5	6.3	3.2
(*d*) I.C.I.C.I. — IV	Private	—	—	—	—	—	—	—	9.5	9.5	1.7	7.8
(*e*) I.C.I.C.I. — V	Private	—	—	—	—	—	—	—	14.3	14.3	0.2	14.1
(*f*) Development of Coal Industry	Private	—	—	—	—	—	—	—	16.7	16.7	0.9	15.8

(ii) U.K.												
(*a*) Credit of December 1958 ...	Public & Private	—	—	—	38.0	38.0	38.0	—	—	—	—	—
(*b*) Credit for Oil Pipeline	Public	—	—	—	4.0	4.0	3.2	0.8	—	0.8	0.8	—
(*c*) General credit of November 1959	Public & Private	—	—	—	25.3	25.3	25.3	—	—	—	—	—
(*d*) General credit of August 1960	Public & Private	—	—	—	13.3	13.3	13.3	—	—	—	—	—
(*e*) General credit of December 1960	Public & Private	—	—	—	6.7	6.7	6.7	—	—	—	—	—
(*f*) General credit of May 1961 ...	Public & Private	—	—	—	—	—	—	—	13.3	13.3	13.3	—
(*g*) Credit of May 1961 (Third Plan)	Public & Private	—	—	—	—	—	—	—	40.0	40.0	27.5	12.5
(*h*) General credit of November 1961	Public & Private	—	—	—	—	—	—	—	6.7	6.7	6.7	—
(*i*) General credit of May 1962 ...	Public & Private	—	—	—	—	—	—	—	13.3	13.3	6.7	6.6
(*j*) General credit of September 1962	Public & Private	—	—	—	—	—	—	—	6.7	6.7	6.7	—
(*k*) Credit of September 1962 (Third Plan)	Public & Private	—	—	—	—	—	—	—	17.3	17.3	0.4	16.9
(*l*) General credit of August 1963	Public & Private	—	—	—	—	—	—	—	13.3	13.3	7.9	5.4
(*m*) General credit of October 1963	Private	—	—	—	—	—	—	—	5.3	5.3	—	5.3
(iii) West Germany												
(*a*) D.M. 168 million credit (January 1959)	Public & Private	—	—	—	19.1	19.1	19.1	—	—	—	—	—
(*b*) D.M. 125.1 million credit (May 1960)	Public & Private	—	—	—	14.2	14.2	14.2	—	—	—	—	—
(*c*) D.M. 125.1 million credit (Nov. 1960)	Public & Private	—	—	—	14.2	14.2	14.2	—	—	—	—	—
(*d*) D.M. 100 million credit (April 1961)	Public & Private	—	—	—	—	—	—	—	11.9	11.9	11.9	—
(*e*) D.M. 170 million credit (Sept. 1961)	Public & Private	—	—	—	—	—	—	—	20.2	20.2	20.2	—

STATEMENT 85—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS—(*Contd.*)

(Crores of Rupees)

	Sector	Aid authorised upto the end of the First Plan	Aid utilised upto the end of the First Plan	Aid undisbursed as at the end of the First Plan (2—3)	Aid authorised during the Second Plan	Total available for utilisation after 31st March 1956 (4+5)	Utilisation during the Second Plan	Aid undisbursed as at the end of March 1961 (6—7)	Aid authorised during April 1961 to December 1963	Total available for use after March 1961 (8+9)	Utilisation during April 1961 to December 1963	Aid undisbursed as at the end of December 1963 (10—11)
	1	2	3	4	5	6	7	8	9	10	11	12
(*f*) D.M. 4 million credit (January 1962)	Public	—	—	—	—	—	—	—	0.5	0.5	0.4	0.1
(*g*) D.M. 100 million credit (June 1962)	Public & Private	—	—	—	—	—	—	—	11.9	11.9	11.9	—
(*h*) D.M. 370 million credit (Dec. 1962)	Public & Private	—	—	—	—	—	—	—	44.1	44.1	11.3	32.8
(*i*) D.M. 336.6 million credit (Nov. 1963)	Public & Private	—	—	—	—	—	—	—	40.1	40.1	—	40.1
(*iv*) *U.S.S.R.*												
(*a*) Industrial Enterprises	Public	—	—	—	59.5	59.5	8.1	51.4	—	51.4	27.3	24.1
(*b*) Barauni Oil Refinery	Public	—	—	—	11.9	11.9	0.4	11.5	—	11.5	9.6	1.9
(*c*) Drugs credit	Public	—	—	—	9.5	9.5	—	9.5	—	9.5	5.3	4.2
(*d*) Credit for Third Plan I*	Public	—	—	—	178.6	178.6	1.8	176.8	—	176.8	45.8	131.0
(*e*) Credit for Third Plan II*	Public	—	—	—	59.5	59.5	—	59.5	—	59.5	2.0	57.5
(*v*) *U.S.A.*												
(1) *D.L.F/A.I.D.*												
(*a*) Automobile, Jute & Cement Industry	Public & Private	—	—	—	16.7	16.7	15.1	1.6	—	1.6	1.6	—
(*b*) Machinery & Capital Equipment I	Private	—	—	—	7.1	7.1	5.1	2.0	—	2.0	2.0	—
(*c*) Machinery & Capital Equipment II	Private	—	—	—	11.9	11.9	—	11.9	—	11.9	11.2	0.7
(*d*) Trombay Fertiliser Project	Private	—	—	—	14.3	14.3	—	14.3	—	14.3	11.4	2.9
(*e*) I.F.C-I	Private	—	—	—	4.8	4.8	—	4.8	—	4.8	3.0	1.8
(*f*) I.C.I.C.I.	Private	—	—	—	2.4	2.4	—	2.4	—	2.4	0.3	2.1
(*g*) Non-ferrous Metals	Public & Private	—	—	—	—	—	—	—	9.5	9.5	9.5	—
(*h*) N.S.I.C.	Private	—	—	—	—	—	—	—	4.8	4.8	3.0	1.8
(*i*) Patherdih Coal Washery	Public	—	—	—	—	—	—	—	2.0	2.0	1.7	0.3
(*j*) Premier AutomobilesI	Private	—	—	—	—	—	—	—	3.4	3.4	2.7	0.7
(*k*) Premier AutomobilesII	Private	—	—	—	—	—	—	—	1.4	1.4	—	1.4

(*l*) Non-project Imports I	Public & Private	—	—	—	—	—	—	—	95.2	95.2	84.7	10.5
(*m*) I.F.C.-II	Private	—	—	—	—	—	—	—	9.5	9.5	—	9.5
(*n*) Hindustan Motors	Private	—	—	—	—	—	—	—	7.5	7.5	0.7	6.8
(*o*) Napco Bevel Gear	Private	—	—	—	—	—	—	—	1.1	1.1	0.9	0.2
(*p*) D.C.M. Tire Cord	Private	—	—	—	—	—	—	—	4.7	4.7	1.2	3.5
(*q*) Telco	Private	—	—	—	—	—	—	—	6.5	6.5	2.9	3.6
(*r*) Non-project Imports II	Public & Private	—	—	—	—	—	—	—	114.3	114.3	45.5	68.8
(*s*) Central Ropeway 'F' Project	Public	—	—	—	—	—	—	—	3.7	3.7	—	3.7
(*t*) Dugda Coal Washery	Public	—	—	—	—	—	—	—	2.4	2.4	—	2.4
(2) Eximbank loans	Public & Private	—	—	—	102.6†	102.6	30.9	71.7	31.8	103.5	68.6	34.9
(3) T.C.A. loans (excluding P.L. 665)	Public	14.6	2.3	12.3	27.6	39.9	39.9	—	—	—	—	—
(*vi*) *Japan*												
(*a*) Credit of 18 billion yen (February 1958)	Public & Private	—	—	—	23.0	23.0	16.0	7.0	—	7.0	6.9	0.1
(*b*) Ad-hoc Credit (1959)	Private	—	—	—	8.6	8.6	—	8.6	—	8.6	5.8	2.8
(*c*) Credit of 34.2 billion yen as amended in May 1963	Public & Private	—	—	—	—	—	—	—	45.2	45.2	18.8	26.4
(*d*) Suppliers' credit for Textile Machinery (1962)	Private	—	—	—	—	—	—	—	4.8	4.8	—	4.8
(*e*) Credit of 23.4 billion yen (October 1963)	Public & Private	—	—	—	—	—	—	—	31.0	31.0	—	31.0
(*vii*) *France*												
(*a*) Credit of $30 million (Third Plan I)	Public & Private	—	—	—	—	—	—	—	14.3	14.3	—	14.3
(*b*) Credit of $20 million (Third Plan II)	Public & Private	—	—	—	—	—	—	—	9.5	9.5	—	9.5
(*c*) Credit to I.F.C. of $10 million	Private	—	—	—	—	—	—	—	4.8	4.8	—	4.8
(*d*) Credit of $20 million (Third Plan III)	Public & Private	—	—	—	—	—	—	—	9.5	9.5	—	9.5
(*viii*) *Italy*												
(*a*) E.N.I. credit of $45 million (August 1961)	Public & Private	—	—	—	—	—	—	—	21.4	21.4	0.3	21.1
(*b*) Montecatini credit for Aluminium Plant	Public & Private	—	—	—	—	—	—	—	4.2	4.2	1.5	2.7
(*c*) Suppliers' credit of $45 million	Public & Private	—	—	—	—	—	—	—	21.4	21.4	—	21.4
(*ix*) *Czechoslovakia**	Public	—	—	—	23.1	23.1	—	23.1	—	23.1	—	23.1
(*x*) *Yugoslavia**	Public & Private	—	—	—	19.1	19.1	—	19.1	—	19.1	0.1	19.0
(*xi*) *Poland*	Public & Private	—	—	—	14.3	14.3	—	14.3	15.5	29.8	1.0	28.8
(*xii*) *Switzerland*	Public & Private	—	—	—	12.0	12.0	—	12.0	3.3	15.3	0.8	14.5
(*xiii*) *Canada*	Public & Private	—	—	—	—	—	—	—	11.0	11.0	—	11.0

STATEMENT 85—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS—(*Contd.*)

(Crores of Rupees)

	Sector	Aid authorised upto the end of the First Plan	Aid utilised upto the end of the First Plan	Aid undisbursed as at the end of the First Plan (2—3)	Aid authorised during the Second Plan	Total available for utilisation after 31st March 1956 (4+5)	Utilisation during the Second Plan	Aid undisbursed as at the end of March 1961 (6—7)	Aid authorised during April 1961 to December 1963	Total available for use after March 1961 (8+9)	Utilisation during April 1961 to December 1963	Aid undisbursed as at the end of December 1963 (10—11)
1		2	3	4	5	6	7	8	9	10	11	12
(*xiv*) *Netherlands*												
(*i*) General Purpose Loan	Public & Private	—	—	—	—	—	—	—	8.6	8.6	—	8.6
(*ii*) Finance (Export) credit	Public & Private	—	—	—	—	—	—	—	4.6	4.6	—	4.6
(*xv*) *Austria*												
(*i*) Credit for capital goods—I	Public & Private	—	—	—	—	—	—	—	2.4	2.4	0.5	1.9
(*ii*) Credit for capital goods—II	Public & Private	—	—	—	—	—	—	—	1.8	1.8	—	1.8
(*xvi*) *Belgium*												
(*i*) Suppliers' credit—I	Public & Private	—	—	—	—	—	—	—	4.8	4.8	—	4.8
(*ii*) Suppliers' credit—II	Public & Private	—	—	—	—	—	—	—	4.8	4.8	—	4.8
(*xvii*) *Denmark*	Public & Private	—	—	—	—	—	—	—	1.0	1.0	—	1.0
Total VII		**19.3**	**2.3**	**17.0**	**755.5**	**772.5**	**255.4**	**517.1**	**806.8**	**1,323.9**	**516.3**	**807.6**
VIII. Agricultural Development												
(*i*) *IBRD* loan for Agriculture	Public	3.4	3.4	—	—	—	—	—	—	—	—	—
(*ii*) *I.D.A.*												
(*a*) U.P. Tubewells	Public	—	—	—	—	—	—	—	2.9	2.9	2.3	0.6
(*b*) Salandi Irrigation	Public	—	—	—	—	—	—	—	3.8	3.8	0.4	3.4
(*c*) Shetrunji Irrigation	Public	—	—	—	—	—	—	—	2.1	2.1	0.6	1.5
(*d*) Punjab Drainage	Public	—	—	—	—	—	—	—	4.8	4.8	3.2	1.6
(*e*) Sone Irrigation	Public	—	—	—	—	—	—	—	7.1	7.1	1.2	5.9
(*f*) Purna Irrigation	Public	—	—	—	—	—	—	—	6.2	6.2	1.8	4.4
Total VIII		**3.4**	**3.4**	**—**	**—**	**—**	**—**	**—**	**26.9**	**26.9**	**9.5**	**17.4**
IX. Wheat Loans												
(*i*) U.S.A.	Public	90.3	90.3	—	—	—	—	—	—	—	—	—
(*ii*) Canada	Public	—	—	—	15.7	15.7	15.7	—	—	—	—	—
Total IX		**90.3**	**90.3**	**—**	**15.7**	**15.7**	**15.7**	**—**	**—**	**—**	**—**	**—**
Grand Total		**226.8**	**126.4**	**100.4**	**1288.2**	**1388.6**	**713.5**	**675.1**	**1274.6**	**1949.7**	**772.6**	**1177.1**

Notes : 1. Loans and credits are classified purpose-wise and sector-wise on a rough basis.

2. West German credits of D.M. 98.4 million (Rs. 11.2 crores) of January 1961, D.M. 230 million (Rs. 27.4 crores) of April 1961, D.M. 85 million (Rs. 10.1 crores) of May 1962 and D.M. 61.4 million (Rs. 7.3 crores) of April 1963 authorised for the purpose of meeting repayment liabilities arising out of Rourkela credit have been excluded.

@@ Undisbursed amount in the case of West German Rourkela credit has been raised by 5% to take into account the revaluation of D.M. in March 1961. To the same extent the loan authorisation figure has also been raised.

@ Includes two loans to Air India by the Boeing Co. of the U.S.A.

* Earmarked for the use of the projects included in the Third Plan.

† Of this, Rs. 23.8 crores is earmarked for the use of the projects included in the Third Plan.

STATEMENT 86—INLAND AND FOREIGN BILLS PURCHASED AND DISCOUNTED BY SCHEDULED BANKS

(Amount in Crores of Rs.)

As on the last Friday of	No. of reporting Banks	Inland Bills			Foreign Bills				Total Inland and Foreign Bills purchased and discounted
		Purchased	Discounted	Total	Export Bills drawn in India (in approved currencies)	Import Bills drawn on and payable in India (in approved currencies)	Other Foreign Bills purchased and discounted	Total	
	1	2	3	4	5	6	7	8	9
1955 ..	87	38.91	30.76	**69.67**	32.13	16.01	..	**48.14**	**117.81**
1960 ..	93	73.44	35.05	**108.49**	37.53	15.03	..	**52.56**	**161.05**
1961 ..	82	86.77	56.92	**143.69**	31.03	11.86	0.42	**43.31**	**187.00**
1962 ..	79	89.32	68.12	**157.44**	39.90	14.06	1.23	**55.19**	**212.63**
1963 ..	78	115.97	75.85	**191.82**	43.85	16.22	1.26	**61.33**	**253.15**
1962									
March ..	80	93.33	85.82	**179.15**	36.02	13.45	0.72	**50.19**	**229.34**
June ..	80	80.80	43.79	**124.59**	31.35	12.08	0.73	**44.16**	**168.75**
September	80	82.75	67.83	**150.58**	35.16	13.14	0.89	**49.19**	**199.77**
Demceber ..	79	89.32	68.12	**157.44**	39.90	14.06	1.23	**55.19**	**212.63**
1963									
March ..	78	107.99	113.58	**221.57**	38.13	17.94	1.51	**57.58**	**279.15**
June ..	79	87.09	62.52	**149.61**	38.03	14.19	1.40	**53.62**	**203.23**
September ..	80	92.73	72.94	**165.67**	38.50	12.65	1.53	**52.68**	**218.35**
December ..	78	115.97	75.85	**191.82**	43.85	16.22	1.26	**61.33**	**253.15**

STATEMENT 87—INDIA CURRENCY IN CIRCULATION (*a*)

(Lakhs of Rupees)

Last Friday	Circulation				Increase(+) or decrease(−) in circulation(*b*)			
	Notes (*c*)	Rupee coin (*d*)	Small coin (*e*)	**Total (1+2+3)**	Notes	Rupee coin	Small coin	**Total (5+6+7)**
	1	2	3	4	5	6	7	8
1950-51	1,204,24	130,02	75,76	**1,410,02**	+ 83,89	+ 2,86	− 3,20	+ **83,55**
1955-56	1,423,47	122,26	65,79	**1,611,52**	+189,55	+ 8,26	+ 1,48	+**199,29**
1960-61	1,941,57	141,69	71,02	**2,154,28**	+139,84	+ 10,47	+ 2,87	+**153,18**
1961-62	2,027,13	150,18	78,33	**2,255,64**	+ 85,56	+ 8,49	+ 7,31	+**101,36**
1962-63	2,198,79	156,17	84,39	**2,439,35**	+171,66	+ 5,99	+ 6,06	+**183,71**
1963-64	2,410,83	168,47	89,14*	**2,668,44***	+212,04	+ 12,30	+ 4,75*	+ **229,09***
March 1963	2,198,79	156,17	84,39	**2,439,35**	+ 47,48	+ 1,60	+ 77	+ **49,85**
April ,, ...	2,261,17	159,08	85,43	**2,505,68**	+ 62,38	+ 2,91	+ 1,04	+ **66,33**
May ,, ...	2,238,27	163,29	86,37	**2,487,93**	− 22,90	+ 4,21	+ 94	− **17,75**
June ,, ...	2,216,33	162,22	86,87	**2,465,42**	− 21,94	− 1,07	+ 50	− **22,51**
July ,, ...	2,165,74	157,48	87,24	**2,410,46**	− 50,59	− 4,74	+ 37	− **54,96**
August ,, ...	2,147,90	153,86	87,44	**2,389,20**	− 17,84	− 3,62	+ 20	− **21,26**
September ,, ...	2,149,14	152,21	87,54	**2,388,89**	+ 1,24	− 1,65	+ 10	− **31**
October ,, ...	2,208,21	156,90	87,93	**2,453,04**	+ 59,07	+ 4,69	+ 39	+ **64,15**
November ,, ...	2,221,88	157,12	88,36	**2,467,36**	+ 13,67	+ 22	+ 43	+ **14,32**
December ,, ...	2,296,55	159,91	88,83	**2,545,29**	+ 74,67	+ 2,79	+ 47	+ **77,93**
January 1964	2,348,54	163,19	89,14	**2,600,87**	+ 51,99	+ 3,28	+ 31	+ **55,58**
February ,, ...	2,379,99	167,07	89,15*	**2,636,21***	+ 31,45	+ 3,88	+ 1*	+ **35,34***
March ,, ...	2,410,83	168,47	89,14*	**2,668,44***	+ 30,84	+ 1,40	− 1*	+ **32,23***

Note: Figures relate to India currency (for data relating to India and *Hali Sicca* currency, please see Statement 22).

(*a*) Includes India currency in circulation outside India. (*b*) The figures are not adjusted to take account of net inward or outward movements of currency. (*c*) Figures are net of the return of about Rs. 43 crores from Pakistan awaiting adjustment but allows for the special currency (Rs. 26·93 crores in April 1961, Rs. 6·72 crores in May 1961 and Rs. 0·55 crore in June 1961) withdrawn from Kuwait. (*d*) Estimated (for details, please see footnote to Statement 86 of the Report for 1953-54). (*e*) Estimated. Figures are as on last day of the year/month. Excluding balances held in the small coin depots. Excludes balances held at treasuries also upto March 1962.

* Provisional.

STATEMENT 88—TOTAL NOTES ISSUED (DENOMINATION-WISE)

(Lakhs of Rupees)

End of March	Rs. 2	*Percentage to total*	Rs. 5	*Percentage to total*	Rs. 10	*Percentage to total*	Rs. 100	*Percentage to total*	Rs. 1,000(*a*)	*Percentage to total*	Rs. 5,000(*a*)	*Percentage to total*	Rs. 10,000(*a*)	*Percentage to total*	**Total**
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1956 ..	31,92	*2·2*	176,76	*11·9*	609,88	*41·2*	591,00	*39·9*	55,17	*3·7*	9,78	*0·7*	6,28	*0·4*	**1,480,80**
1961 ..	37,83	*1·9*	203,40	*10·2*	814,40	*40·7*	864,73	*43·2*	54,31	*2·7*	16,18	*0·8*	12,09	*0·6*	**2,002,95**
1962 ..	37,38	*1·8*	201,71	*9·6*	840,42	*39·9*	932,91	*44·3*	62,82	*3·0*	21,73	*1·0*	10,09	*0·5*	**2,107,06**
1963 ..	37,65	*1.7*	212,80	*9.4*	936,79	*41.5*	999,51	*44.3*	48,95	*2.2*	12,44	*0.6*	8,02	*0.4*	**2 256.16**
1964 ..	38,00	*1·5*	229,16	*9·2*	1,030,82	*41·6*	1,109,33	*44·7*	50,29	*2·0*	14,34	*0·6*	8,85	*0·4*	**2,480,78**

Note: Figures are inclusive of Rs. 43 crores of India notes retired from circulation in Pakistan. In compiling the Statement, circulation of old Re. 1, Rs. 2½, Rs. 20, Rs. 50 and Rs. 500 notes and adjustments in respect of inter-office remittances are not taken into account.

(*a*) Relates to the new high denomination notes issued from April 1954.

STATEMENT 89—MOVEMENTS IN CIRCULATION OF INDIA SMALL COIN (DENOMINATION-WISE)

[**Absorption (+) or Return (−)**]

(Thousands of Rupees)

	Half Rupee(*a*)	Four Anna (*b*)	Two Anna (*c*)	One Anna	Half Anna (*d*)	Single Pice(*e*)	Half Pice	Pie	Fifty Naye Paise	Twenty-five Naye Paise	Ten Naye Paise	Five Naye Paise	Two Naye Paise	One Naya Paisa	**Total**
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1950-51	−1,00,54	−97,53	− 60,09	− 65,54	− 3,78	+ 7,73	− 7	+ 3							**−3,19,79**
1955-56	+ 35,13	+59,81	+ 11,61	+ 23,74	+ 6,58	+ 9,69	− 1	− 1							**+1,46,54**
1960-61	+ 8,34	−23,45	−3,41,40	−1,00,14	−46,59	− 2,48	− 2	−13	+ 71,19	+2,85,11	+1,89,45	+1,17,64	+68,56	+62,26	**+2,88,34**
1961-62	− 9,77	+ 5,37	− 53,64	− 43,47	− 9,93	− 1,31	−	−14	+2,03,37	+2,47,08	+1,85,18	+1,06,12	+51,82	+57,07	**+7,37,75**
1962-63	− 48,06	−26,42	− 18.64	− 56.99	− 5,96	− 2,38	−	−	+2,35.88	+1,83,08	+1,51,52	+ 94.26	+52.31	+57,25	**−6,15,85**
1963-64	− 61,41	−30,58	− 11,62	−1,12,83	− 5,05	− 3,82	−	−	+2,19,65	+1,88,10	+1,65.75	+1,08,50	+72,15	+61,12	**+5,89,96**

(*a*) Since the inauguration of the Reserve Bank in 1935, silver Half Rupees have been included in statistics relating to small coin; includes pure nickel Half Rupees introduced in May 1946. (*b*) Including pure nickel Four Anna introduced in May 1946. (*c*) Including nickel Two Anna introduced in 1917-18. (*d*) Nickel Half Anna introduced in January 1942. (*e*) Including Single Pice with a circular hole issued from February 1943.

STATEMENT 90—MOVEMENTS IN CIRCULATION OF INDIA SMALL COIN (METAL-WISE)

[Absorption (+) or Return (−)]

(Lakhs of Rupees)

	1950-51	1955-56	1960-61	1961-62	1962-63	1963-64
I. Quaternary Silver Coin						
8 Annas	−1,51	− 61	− 10	− 4	— 3	− 2
4 Annas	−1,34	− 48	− 23	− 2	— 2	− 1
Total	**−2,85**	**−1,09**	**− 33**	**− 6**	**— 5**	**− 3**
II. Nickel Coin						
A. Pure Nickel						
8 Annas	+ 50	+ 96	+ 18	− 6	— 45	− 60
4 Annas	+ 41	+1,09	+ 2	+ 8	— 24	− 30
50 Naye Paise ..			+ 71	+ 2,03	+ 2,36	+ 2,20
25 Naye Paise ..			+2,85	+ 2,47	+ 1,83	+ 1,88
Total	**+ 91**	**+2,05**	**+3,76**	**+ 4,52**	**+ 3,50**	**+ 3,18**
B. Nickel-Alloy (*a*)						
4 Annas	− 4	− 2	− 2	—	—	—
2 Annas	− 60	+ 12	−3,41	− 54	— 19	− 12
1 Anna	− 66	+ 24	−1,00	− 43	— 57	− 1,13
½ Anna	− 4	+ 7	− 47	− 10	— 6	− 5
10 Naye Paise ..			+1,89	+ 1,85	+ 1,52	+ 1,66
5 Naye Paise ..			+1,18	+ 1,06	+ 94	+ 1,09
2 Naye Paise ..			+ 69	+ 52	+ 52	+ 72
Total .. .	**−1,34**	**+ 41**	**−1,15**	**+ 2,36**	**+ 2,16**	**+ 2,17**
Total Nickel Coin (A+B)	**− 43**	**+2,46**	**+2,62**	**+ 6,88**	**+ 5,66**	**+ 5,35**
III. Copper (*b*)						
Single Pice	+ 8	+ 10	− 2	− 1	− 2	− 4
Half Pice	—	—	—	—	—	—
Pie	—	—	—	—	—	—
1 Naya Paisa ..			+ 62	+ 57	+ 57	+ 61
Total	**+ 8**	**+ 10**	**+ 60**	**+ 56**	**+ 55**	**+ 57**
IV. Total Small Coin (*c*) ..	**−3,20**	**+1,**	**+2,88**	**+ 7,38**	**+ 6,16**	**+ 5,90**

(*a*) Cupro-nickel and nickel-brass coins. (*b*) Including bronze coins. (*c*) Including negligible amounts of standard silver small coins returned from circulation.

STATEMENT 91 MOVEMENTS IN CIRCULATION OF INDIA SMALL COIN (CIRCLE-WISE)

[Absorption (+) or Return (−)]

(Thousands of Rupees)

	Bangalore	Bombay	Byculla	Calcutta	Kanpur	Madras	Nagpur	New Delhi	Total
1950-51		32,43		− 1,51,36	1,14,13	91		22,78	3,19,79
1955-56		+ 94,03		+ 25,84	− 11,14	35,28		2,53	+ 1,46,54
1960-61	+ 27,19	+1,27,28		1,02,71	17,36	− 22,96	+ 15,63	+ 9,93	+ **2,88,34**
1961-62	+ 59,50	+1,66,64		+ 2,26,32	+ 29 34	+ 1,21,63	+ 58,78	+ 75,54	+ **7,37,75**
1962-63	+ 34,59	1,81,76		1,85,31	+ 49,71	− 47,09	45,68	71,71	**6,15,85**
1963-64	+ 46,12	+ 79,80	+ 84,32	+ 1,70,77	+ 5,39	+ 81,37	− 59,69	+ 62,50	+ **5,89,96**

STATEMENT 92—LOST, DESTROYED AND MUTILATED NOTES, 1963-64

	No. of claims admitted	No. of pieces	Amount of claims admitted Rs.	Amount paid against claims(*a*) Rs.
	1	2	3	4
Lost or wholly destroyed notes	1	1	1,000	26,300
Half notes				
Mutilated notes				
Registered (Denominations above Rs. 100)	83	127	1,58,400	1,32,400
Unregistered (Denominations of Re. 1 to Rs. 100)	1,27,097	6,90,278	60,13,491	52,25,546
Government of India new one rupee notes		9,46,640	9,44,644	8,71,854

(*a*) Includes amount paid during 1963-64 in respect of claims admitted in previous years

STATEMENT 93—NOTE FORGERIES (*a*)

	Re. 1 (Government of India notes)	Rs. 2	Rs. 5	Rs. 10	Rs. 100	Total	
						Number	Value Rs.
	1	2	3	4	5	6	7
1950-51 ..	2,400	84	1,676	2,783	182	**7,125**	**56,978**
1955-56 ..	6,136	152	813	2,220	175	**9,496**	**50,205**
1960-61 ..	391	607	241	878	277	**2,394**	**39,290**
1961-62 ..	1,057	637	232	951	238	**3,115**	**36,801**
1962-63 ..	502	890	226	343	263	**2,224**	**33,142**
1963-64 ..	71	838	784	292	8,932	**10,917**	**9,01,787**

(*a*) Relates to notes received during the year.

STATEMENT 94—PROSECUTIONS ON ACCOUNT OF NOTE FORGERIES

	Fresh prosecutions	Pending at the end of the previous year	Total Trials	Discharges	Convictions	Pending
1950-51 ..	48	43	**91**	38	28	25
1955-56 ..	47	30	**77**	14	12	51
1960-61 ..	44	49	**93**	28	25	40
1961-62 ..	51	40	**91**	11	26	54
1962-63 ..	42	54	**96**	28	15	53
1963-64 ..	27	53@	**80@**	16	20	43

@ Includes one case which has been closed on account of death of the accused.

STATEMENT 95—MINTAGE OF INDIA RUPEES (*a*) AND SMALL COIN

(Lakhs of Rupees)

	Small Coin			
	Bombay	Hyderabad	Alipore	Total
1950-51	1,08	—	5	**1,12**
1955-56	5	—	2,55	**2,60**
1960-61	2,20	20	3,22	**5,63**
1961-62	3,55	43	4,80	**8,77**
1962-63	4,38	50	5,37	**10,25**
1963-64	4,24	51	4,79	**9,54**

(*a*) Pure Nickel Whole Rupees were minted in 1950-51 in Bombay Mint of the value of Rs. 2,80 lakhs and in 1961-62, in Alipore Mint of the value of Rs. 2.40 lakhs. Pure nickel decimal rupee coins of the value of Rs. 33 lakhs were minted in Alipore Mint in 1962-63.

STATEMENT 96—MINTAGE OF INDIA COINS BY DENOMINATIONS, 1953-64

(Figures in thousands)

Denomination	Bombay		Hyderabad		Alipore		Total	
	Number	Value Rs.	Number	Value Rs.	Number	Value Rs.	Number	Value Rs.
Pure Nickel 50 Naye Paise	2,54,00	1,27,00	—	.	2,79,56	1,39,78	**5,33,56**	**2,66,78**
,, ,, 25 ,, ,, ...	4,11,92	1,02,98	—	.	3,75,12	93,78	**7,87,04**	**1,96,76**
Cupro-Nickel 10 ,, ,, ...	7,78,70	77,87	1,26,60	12,66	9,62,30	96,23	**18,67,60**	**1,86,76**
,, ,, 5 ,, ,, ...	13,48,35	67,42	3,63,95	18,20	14,43,70	72,19	**31,56,00**	**1,57,80**
,, ,, 2 ,, ,, ...	15,18,90	30,38	—	—	28,00,65	56,01	**43,19,55**	**86,39**
Nickel Brass One Naya Paisa	18,37,20	18,37	20,05,50	20,06	21,08,60	21,09	**59,51,30**	**59,51**
Total	**61,49,07**	**4,24,02**	**24,96,05**	**50,92**	**79,69,93**	**4,79,08**	**1,66,15,05**	**9,54,00**

STATEMENT 97—WITHDRAWAL OF SILVER, CUPRO-NICKEL AND COPPER COINS, 1963-64

(In Rupees)

I. Uncurrent Coin	Amount withdrawn
Silver Rupees	
Standard Silver Rupee Coins	52.00
Silver Whole Rupees	276.00
Other uncurrent rupee coin (Shroff marked, soldered etc.)	5.00
Small Silver Coins	
Silver ½ Rupees	14.50
Silver ¼ Rupees	41.00
Nickel and Nickel-Alloy Coins	
Cupro-Nickel -/2/- pieces (*a*) (*b*)	72,53,549.82
Cupro-Nickel -/1/- pieces (*a*) (*c*)	81,76,381.21
Cupro-Nickel -/½/- pieces (*a*) (*b*)	8,85,478.46
Copper and Bronze Coins	
Single Pice (*c*)	5,26,220.74
Half Pice (*d*)	136.31
Pie Pieces (*d*)	536.21
Total of Uncurrent Coin	**1,68,42,691.25**
II. Current Coin	
Quaternary Silver Coins	
Quaternary Whole Rupees	36,88,049.00
Quaternary Half Rupees	30,11,563.50
Quaternary Quarter Rupees	25,91,590.62
Nickel and Nickel-Alloy Coins	
Nickel Rupees	1,35,19,687.00
Nickel ½ Rupees	4,15,532.50
Nickel ¼ Rupees	5,31,969.00
Pure Nickel 50 Naye Paise	27,480.00
Pure Nickel 25 Naye Paise	62,801.25
Cupro-Nickel 10 Naye Paise	40,235.52
Cupro-Nickel 5 Naye Paise	25,519.64
Cupro-Nickel 2 Naye Paise	13,292.35
Copper and Bronze Coins	
1 Naya Paisa	19,772.47
Total of Current Coin	**2,39,47,492.85**

(*a*) Includes withdrawn nickel-brass coins. Nickel-brass Two Anna coin was demonetised with effect from 1st January 1959 *vide* Government of India Notification No. S.O. 1437 dated 18th July 1958. Nickel-brass One Anna and Half Anna coins were demonetised with effect from 1st January 1960 *vide* Government of India Notification No. S. O. 1374 dated 15th June 1959. (*b*) Demonetised with effect from 1st October 1960 *vide* Government of India Notification No. F. 2(4)—/C&C/60 dated 2nd March 1960. (*c*) Demonetised with effect from 1st January 1964 *vide* Government of India Notification No. F. 2(3)—/C&C/63 dated 1st July, 1963. (*d*) Demonetised with effect from 1st January 1959 *vide* Government of India Notification No. S.O. 1437 dated 18th July 1958

STATEMENT 98—NUMBER OF COUNTERFEIT COINS CUT AT TREASURIES AND RAILWAY STATIONS

	1950-51	1955-56	1960-61	1961-62	1962-63	1963-64
Silver Coins						
Rupee ..	9,200	5,056	2,060	1,480	558	68
Half Rupee ..	8,252	4,214	2,403	1,542	671	385
Quarter Rupee	13,642	4,871	2,515	992	667	373
One-eighth Rupee	4	—	—	—	—	—
Total	**31,098**	**14,141**	**6,978**	**4,014**	**1,896**	**1,445**
Nickel and Copper Coins						
Rupee ..	4,429	3,637	2,060	2,981	2,778	1,612
Half Rupee ..	12,886	5,438	10,626	14,103	12,396	7,301
Quarter Rupee	23,073	8,010	11,071	4,302	4,261	3,503
Two Anna ..	1,70,327	1,24,845	1,83,667	47,835	37,098	26,268
One Anna ..	23,820	8,430	40,787	9,696	9,635	22,274
Half Anna ..	1,771	1,158	12,824	1,173	1,098	805
Single Pice ..	—	—	10	20	675	
Fifty Naye Paise			15	1,102	1,979	2,629
Twenty-five Naye Paise			580	761	1,983	1,765
Ten Naye Paise			160	97	676	241
Five Naye Paise			14	9	101	6
Two Naye Paise			—	2	32	15
One Naya Paisa			17	10	146	—
Total ..	**2,36,306**	**1,51,518**	**2,61,831**	**82,091**	**72,858**	**66,419**

STATEMENT 99—DESCRIPTION OF COINS IN ACTIVE CIRCULATION AT THE END OF MARCH 1964

Denomination	Gross weight	Composition (Proportion of metals)	Diameter	Edge	Shape
Quaternary Alloy Rupee ..	180 Grains	Silver 50 per cent and rest base metal	1·2″	Milled and security edged	Round coin
,, ,, Half Rupee ..	90 ,,	,,	0·95″	,,	,,
,, ,, Quarter Rupee ..	45 ,,	,,	0·75″	,,	,,
Pure Nickel Rupee (*a*) ..	180 ,,	Nickel 100 per cent	1·1 ″	,,	,,
,, ,, Half Rupee (*a*) ..	90 ,,	,,	0·95″	Milled	,,
,, ,, Quarter Rupee (*a*) ..	45 ,,	,,	0·75″	,,	,,
Cupro-Nickel Four Anna ..	105 ,,	75 per cent Copper and 25 per cent Nickel	0·925″ Across flats / 1·000″ ,, corners	Plain	Scalloped coin
DECIMAL COINS (*a*)					
Pure Nickel Decimal Rupee coin ..	10·00 Grams	Nickel 100 per cent	28 Millimetres	Milled and security edged	Round coin
Pure Nickel Fifty Naye Paise ..	5·00 ,,	,,	24 ,,	Milled	,,
,, ,, Twenty-five Naye Paise ..	2·50 ,,	,,	19 ,,	,,	,,
Cupro-Nickel Ten Naye Paise ..	5·00 ,,	75 per cent Copper and 25 per cent Nickel	23 ,, (Outer)	Plain	Scalloped coin
,, ,, Five Naye Paise ..	4·00 ,,	,,	22 ,, ,,	,,	Square coin with round corners
,, ,, Two Naye Paise ..	3·00 ,,	,,	18 ,, ,,	,,	Scalloped coin
Bronze One Naya Paisa	1·50 ,,	97 per cent Copper, 2½ per cent Zinc and ½ per cent Tin	16 ,,	,,	Round coin
Nickel-Brass One Naya Paisa ..	1·50 ,,	78 to 83 per cent Copper, 17 to 20 per cent Zinc and 9/10ths to 1-4/10ths per cent Nickel	16 ,,	,,	,,

a) These coins are being currently issued ; the issue of the remaining coins has been discontinued.

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