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

REPORT

ON

CURRENCY AND FINANCE

FOR THE YEAR 1964-65



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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 1964-65

The Indian economy was under considerable pressure during 1964-65. Three aspects of the economic situation which caused anxiety were the rising trend in prices, the difficulties in raising adequate resources for investment and the sharp decline in foreign exchange reserves. The price situation continued to pose a serious problem for the Indian economy, the pressure on prices that had set in in the previous years having been aggravated further. The bold programmes of resource mobilisation, undertaken in the context of substantial increase in investment outlays and defence expenditures, in the last two years could not halt the rise in prices mainly because of the slow rate of growth of the economy, accompanied to some extent by speculative activity. The virtual stagnation in agricultural production for the third consecutive year (1963-64) and the deceleration in the rate of growth in industrial output in 1964 in the face of increasing outlays by the Government as also the expanding private investment, aggravated the pressure of demand on the economy. In order to ensure a better balance between aggregate monetary demand and overall supplies and thus check the pressure on prices, measures were taken by the Government to augment domestic availabilities particularly of foodgrains through arrangements for larger imports, intensification of internal procurement, greater releases of stocks, an increase in the number of fair price shops and fixation of maximum prices at wholesale and retail levels. These were supplemented by measures to strengthen fiscal and monetary discipline, mainly with a view to restraining the forces of demand and, in particular, controlling the build-up of inventories, to dispel the psychology of scarcity and to promote a climate of stability. Even so, the upward trend of prices continued during the major part of the year.

Another feature of the Indian economy which caused considerable concern during the year was the continued pressure on the external payments position. During 1963-64, the balance of payments showed some improvement and the foreign exchange reserves registered a small increase, even with the repayment of Rs. 24 crores to I.M.F. But in 1964-65, despite the improvement in aid utilisation, the foreign exchange position remained extremely difficult, mainly due to virtual stagnation in exports, larger Government imports of foodgrains, fertilisers and capital equipment and increasing debt charges. There was an unseasonal decline in the foreign exchange reserves during October 1964 to January 1965, necessitating imposition of a regulatory import duty and resort to credit from the I. M. F.

Capital and stock markets were generally subdued for the greater part of the year. With a view to aiding the investment activity in the economy, various measures were instituted by the Government to strengthen the institutional framework for provision of long-term finance and promoting savings in the economy. During the year, the Unit Trust of India started its operations in a big way for channelling the savings of middle and low income groups for investment in risk capital. The Industrial Development Bank was also set up to co-ordinate the activities of various agencies in the field of industrial finance and to promote the fulfilment of the Plan targets in the private industrial sector. A scheme of tax credit certificates was announced in December 1964 with a view to encouraging investments in equity capital of eligible newly established public limited companies ; this scheme was given effect to in the Finance Act, 1965. The budget for 1965-66 provided incentives, *inter alia*, for promotion of savings through reduction in personal income taxation and moderate relief in corporate taxation and included measures for streamlining and simplifying the tax schedules.

As the prospects of agricultural production in 1964-65 indicated a further and substantial increase over the previous year and the arrivals in markets improved, there was an easing of the general price level after the second week

of January 1965. The general price level which reached the peak of 161.1 on January 9, declined to 151.0 by the end of March. This decline during the last quarter served to wipe off, to some extent, the magnitude of rise in prices over the year 1964-65. The easing of the general price level developed against the background of a favourable supply position, particularly of foodgrains, coupled with a restrictive monetary policy which was further tightened up during the last quarter of the year. With the beginning of the lean season, however, prices have started rising again.

PRICE AND OUTPUT SITUATION

The persistent upward pressure on prices, particularly of food articles, caused a severe strain in the Indian economy during 1964-65. The index of wholesale prices advanced sharply to 151.0 at the end of March 1965 from 138.9 at the end of March 1964, or by about 8.7 per cent. (Table 1). The average of weekly indices for 1964-65 showed a sharp increase of 12.9 per cent compared to a rise of 5.8 per cent in 1963-64 and 2.2 per cent in 1962-63. The index of wholesale prices which showed a continuous upward trend during 1964, except for some easiness during September to November, reached a peak of 161.1 in the second week of January 1965, showing a rise of 18.3 per cent over the year. Thereafter there was some easing of the price level till about March 20, 1965, which was somewhat unusual, the index falling to 150.3 showing a decline of 6.7 per cent. At this level the index was higher by 8.0 per cent over the level a year earlier. Since March 20, 1965, however, the prices started moving upwards and by July 3, the index number was 158.9, at which level it showed a rise of 6.6 per cent over the year and continued to be a cause for concern.

The continued pressure on the general price level during 1964-65 was mainly due to

Table 1. Index Numbers of Wholesale Prices

(*Base* : 1952-53 = 100)

	Weight	End of March			% Variation of		% Variation of Annual Averages	
		1963	1964	1965	(2) over (1)	(3) over (2)	1963-64 over 1962-63	1964-65 over 1963-64
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
I. All Commodities ..	**1,000**	**127.4**	**138.9**	**151.0**	**+ 9.0**	**+ 8.7**	**+ 5.8**	**+12.9**
II. Food Articles	504	123.5	141.0	153.7	+14.2	+ 9.0	+ 8.5	+16.9
(*a*) Cereals	193	102.8	121.5	140.3	+18.2	+15.5	+10.1	+19.9
(*b*) Pulses	42	99.4	133.1	152.2	+33.9	+14.4	+ 9.7	+43.2
III. Liquor and Tobacco ..	21	117.0	119.4	138.3	+ 2.1	+15.8	+18.5	+ 9.7
IV. Fuel, Power, Light and Lubricants	30	137.6	140.4	146.6	+ 2.0	+ 4.4	+12.1	+ 3.7
V. Industrial Raw Materials	155	135.3	146.1	163.3	+ 8.0	+11.8	+ 2.2	+16.6
VI. Manufactures	290	129.5	132.8	141.2	+ 2.5	+ 6.3	+ 1.8	+ 4.7
(*a*) Intermediate Products ..	41	136.2	144.2	157.6	+ 5.9	+ 9.3	+ 0.1	+ 9.2
(*b*) Finished Products	249	128.4	130.9	138.6	+ 1.9	+ 5.9	+ 2.0	+ 3.9

the virtual stagnation, for the third consecutive year, in agricultural production, which is the important factor on the supply side of the price situation. The agricultural output, after receiving a setback in 1962-63 (the index had dropped from 141.4 in 1961-62 to 137.2), increased by 2.4 per cent in 1963-64 (the index of agricultural output rising to 140.5) which represented no more than a recovery, in absolute terms. This marginal recovery was mainly the result of a marked increase (of 14.4 per cent to 36.5 million tonnes) in the production of rice, while the output of other major cereals and pulses fell during that year ; wheat production declined for the second year in succession. For the crop year 1964-65, the available data indicate a considerable improvement in the overall agricultural output particularly in respect of principal crops like rice, sugarcane and oilseeds ; this improvement in crop outlook together with the measures taken by the authorities to hold the price line appear to have exerted some downward pressure on the price level towards the end of the year.

The course of prices during 1964-65 amply reflected the impact of the stagnant output of foodgrains in the context of growing demand due to the operation of both long-term factors such as population growth and urbanisation and short-term factors such as increase in money incomes, as also speculative build-up of inventories on the part of the traders and greater holding power of the big cultivators, the latter factor being reflected in the smaller market arrivals during the busy season, of such major cereals as rice, wheat and jowar. The uptrend in prices, which started early in November 1963, continued till the third week of September 1964, the general index of wholesale prices (base : 1952-53 = 100) moving up almost uninterruptedly from 133.5 for the week ended November 30, 1963 to 160.1 on September 19, 1964. The first half of the year 1964-65 which is broadly the lean season, witnessed an abnormal rise of 15.3 per cent in prices compared to an increase of 7.7 per cent in the lean season of 1963-64 (end-March—first week of September). As against this, the post-harvest decline in prices in 1964 was both relatively small (3.5 per cent) and short-lived. Thereafter, the uptrend was resumed till the index reached a high of 161.1 on January 9, 1965, from which level the index declined gradually to 151.0 thus recording a fall of 6.3 per cent between January 9 and March 27, 1965. Since then however, as mentioned earlier, prices have started rising with the onset of the lean season, the index moving up to 158.9 by July 3, 1965.

Food Articles

Although all the constituent groups of the general index had contributed to the steep rise in the general price level in 1964-65, the bulk of the increase in prices was accounted for by the groups 'food articles' and 'industrial raw materials', the two together explaining nearly three-fourths of the increase in the general index. The average of the weekly indices for food articles during 1964-65 showed a rise of 16.9 per cent compared to 8.5 per cent in 1963-64 ; however, as at the end of March 1965 the index at 153.7 showed a much smaller rise of 9.0 per cent over the year, compared to 14.2 per cent in the last year, largely due to a decline in the index during the last quarter of the year, referred to earlier. Among food articles, price rise was more pronounced in the case of jowar (43.3 per cent), bajra (24.7 per cent), wheat (22.1 per cent), rice (5.0 per cent), pulses (14.4 per cent) and edible oils (13.5 per cent) (Table 2).

Industrial Raw Materials

Prices of industrial raw materials, which had registered a sizeable rise of 8.0 per cent during 1963-64, advanced further by 11.8 per cent in 1964-65 (Table 3). The average of the weekly indices of raw material prices at 162.7 increased by 16.6 per cent during 1964-65 compared to a rise of 2.2 per cent in 1963-64. Though all the constituents of this group recorded increases during the year, the price rise was more marked in the case of oilseeds (17.0 per cent), raw jute (13.7 per cent) and minerals (23.6 per cent).

Liquor and Tobacco and Fuel, Power etc.

The index of the group 'liquor and tobacco' advanced by 15.8 per cent during the year 1964-65 as compared to a rise of only 2.1 per cent in 1963-64, the increase occurring mainly in the sub-group 'tobacco' (17.1 per cent). The modest rise of 4.4 per cent in the

Table 2. Wholesale Prices of Food Articles

(*Base* : 1952-53 = 100)

	Weight	End of March			% Variation of		% Variation of Annual Averages	
		1963	1964	1965	(2) over (1)	(3) over (1)	1963-64 over 1962-63	1964-65 over 1963-64
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
Food Articles	**504**	**123.5**	**141.0**	**153.7**	**+14.2**	**+ 9.0**	**+ 8.5**	**+16.9**
1. Cereals	193	102.8	121.5	140.3	+18.2	+15.5	+10.1	+19.9
(*a*) Rice	113	111.4	122.2	128.3	+ 9.7	+ 5.0	+12.3	+ 7.9
(*b*) Wheat	53	86.0	117.7	143.7	+36.9	+22.1	+10.0	+31.5
(*c*) Jowar	10	106.3	134.2	192.3	+26.2	+43.3	—10.9	+63.5
(*d*) Bajra	5	114.6	145.2	181.0	+26.7	+24.7	+ 6.4	+32.0
2. Pulses	42	99.4	133.1	152.2	+33.9	+14.4	+ 9.7	+43.2
3. Milk and Ghee ..	84	126.1	131.6	150.8	+ 4.4	+14.6	+ 3.1	+14.4
4. Edible Oils	47	139.7	163.4	185.4	+17.0	+13.5	— 0.8	+32.5
5. Sugar	18	140.6	145.2	151.1	+ 3.3	+ 4.1	+ 6.3	+ 8.6
6. Gur	30	152.8	181.6	156.8	+18.8	—13.7	+41.9	— 3.5

Table 3. Wholesale Prices of Industrial Raw Materials and Manufactures

(*Base* : 1952-53 = 100)

	Weight	End of March			% Variation of		% Variation of Annual Averages	
		1963	1964	1965	(2) over (1)	(3) over (2)	1963-64 over 1962-63	1964-65 over 1963-64
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
Industrial Raw Materials ..	**155**	**135.3**	**146.1**	**163.3**	**+ 8.0**	**+11.8**	**+ 2.2**	**+16.6**
1. Fibres	61	133.6	135.5	147.0	+ 1.4	+ 8.5	+ 3.4	+ 7.1
(*a*) Cotton Raw ..	32	117.6	120.0	130.6	+ 2.0	+ 8.8	+ 5.2	+ 6.2
(*b*) Jute Raw ..	23	149.8	151.2	171.9	+ 0.9	+13.7	+ 0.5	+11.5
2. Oilseeds	60	142.5	166.0	194.2	+16.5	+17.0	+ 1.8	+30.0
(*a*) Groundnuts ..	27	135.4	152.8	183.9	+12.9	+20.4	+ 2.6	+28.9
Manufactures	**290**	**129.5**	**132.8**	**141.2**	**+ 2.5**	**+ 6.3**	**+ 1.8**	**+ 4.7**
1. Intermediate Products	41	136.2	144.2	157.6	+ 5.9	+ 9.3	+ 0.1	+ 9.2
2. Finished Products ..	249	128.4	130.9	138.6	+ 1.9	+ 5.9	+ 2.0	+ 3.9
(*a*) Cotton Manufactures ..	91	134.9	136.6	139.0	+ 1.3	+ 1.8	+ 3.7	+ 1.2
(*b*) Jute Manufactures	37	100.1	98.7	126.7	— 1.4	+28.4	— 9.6	+14.0
(*c*) Oil Cakes ..	10	155.5	173.7	204.5	+11.7	+17.7	+ 3.0	+20.6

prices of 'fuel, power, light and lubricants' during the year was largely due to the rise in prices of castor oil and coal.

Manufactures

The sharp rise in the prices of food articles, raw materials, fuel, power and transport had its impact on the prices of manufactures, in the form of higher production costs and larger wage bill. As a result, the price index of manufactures advanced by 6.3 per cent during 1964-65 compared to a rise of only 2.5 per cent in 1963-64. The overall rise of 6.3 per cent was shared by both intermediate and finished products, the prices of which rose by 9.3 per cent and 5.9 per cent, respectively. Within the category of intermediate products, the items which accounted for sizeable increases in prices were : linseed oil (13.0 per cent) and metals (39.7 per cent); on the other hand, rayon yarn and coir yarn registered a decline of 11.4 per cent and 7.2 per cent, respectively.

Among finished goods, there was a marked increase in the prices of jute manufactures (28.4 per cent as against a decline of 1.4 per cent in the previous year). The increase in prices of jute manufactures was the result of higher raw jute prices and the expectation of further increase in the jute goods offtake, both internal and external. Cotton textiles recorded a modest rise of 1.8 per cent. The imposition of statutory control in October and December 1964 on certain popular varieties of cloth which account for about 50-60 per cent of the total cloth production of the mill sector, contributed, to some extent, to the comparative stability in the prices of cotton fabrics. The other important items of finished goods which showed price increases were : chemicals (3.6 per cent), metal products (5.6 per cent), textiles (6.5 per cent) and oilcakes (17.7 per cent).

During 1964, industrial production showed a deceleration in rate of growth, the index of industrial production rising by 6.7 per cent as compared to the rise of 8.3 per cent in 1963. Month-wise, except in March, June and September, the rate of growth in output throughout 1964 had been somewhat slower than in the corresponding months of 1963. The growth rate in 1964 was the lowest since the beginning of the Third Plan, the rates for 1961 and 1962 being 7 per cent and 8.7 per cent, respectively. In the result, the average annual rate of growth for the four years of the Third Plan worked out to 7.7 per cent and was thus considerably lower than the average annual increase of 11 per cent envisaged during the Third Plan period. However, compared to the average annual rate realised during the Second Plan period (7.2 per cent) the growth rate of industrial output during the Third Plan period, so far, is slightly higher. The decline in the rate of growth was due to absolute declines in the output of some major industries (e.g. coal, pig iron and chemical industries), slower rate of growth in a number of others, notably cement, petroleum products, rubber products, fertilisers etc. and the slackening of the pace of growth, following achievement of full utilisation of the rated capacity in certain others like steel, aluminium, jute etc. A notable feature of industrial output during 1964 is that consumer goods on the whole gave a better performance than in 1963. During 1964, the position in regard to availability of basic materials like coal, power and transport was generally satisfactory and is expected to remain so in the coming year also. In keeping with the need to increase the pace of industrialisation, Government policy was directed towards removing bottlenecks in the expansion of industrial output. For instance, procedures connected with obtaining Government's approval for industrial schemes were considerably simplified during the year, as a result of the implementation of the recommendations of the Industries Development Procedure Committee. The policy of encouraging industrial production through fiscal and price incentives to priority industries was continued. The seasonally adjusted index (*Base:* 1956=100) of industrial output, after hovering around the December 1963 level of 174 during January-March 1964, declined to 164 in May but rose steadily again from June to 185 in December 1964.

Among *capital goods industries*, railway wagons, power transformers and automobiles recorded a higher rate of growth in output in 1964 (28 per cent, 25 per cent and 29 per cent, respectively) than in 1963 (12 per cent, 14 per cent and a decline of 10 per cent). Generation of electricity also continued to

Table 4. Index Numbers of Industrial Production

(Revised Series : 1956=100)

Month	Seasonally adjusted index				Percentage Variation of		
	1961 (1)	1962 (2)	1963 (3)	1964 (4)	(2) over (1) (5)	(3) over (2) (6)	(4) over (3) (7)
January	138.3	146.7	161.6	174.7	+ 6.1	+10.2	+ 8.1
February	137.4	144.3	161.0	172.5	+ 5.0	+11.6	+ 7.1
March	142.2	151.2	159.6	174.5	+ 6.3	+ 5.6	+ 9.3
April	139.1	147.3	157.9	167.3	+ 5.9	+ 7.2	+ 6.0
May	138.8	149.5	162.3	163.8	+ 7.7	+ 8.6	+ 0.9
June	139.6	148.9	159.7	171.4	+ 6.7	+ 7.3	+ 7.3
July	134.9	147.1	164.3	175.6	+ 9.0	+11.7	+ 6.9
August	140.0	152.2	163.3	171.5	+ 8.7	+ 7.3	+ 5.0
September	140.4	146.2	161.6	179.8	+ 4.1	+10.5	+11.3
October	139.9	145.8	167.9	178.7	+ 4.2	+15.2	+ 6.4
November	141.4	160.3	172.1	182.5	+13.4	+ 7.4	+ 6.0
December	140.6	157.1	173.8	183.7	+11.7	+10.6	+ 5.7
General Index (Unadjusted) Annual Average ..	**139.2**	**151.3**	**163.8**	**174.7**	**+ 8.7**	**+ 8.3**	**+ 6.7**

increase almost at the same rate as last year (15 per cent). The rate of growth slowed down in cement, batteries and electric motors, though in absolute terms the output of these industries in 1964 was at a higher level than in 1963. The pace of expansion in production of cement was adversely affected by shortage of power and raw materials. Coal production during the year registered a decline of 4 per cent, as against a rise of 9 per cent in 1963. Demand for coal slackened during the year due to the sluggish growth of output in the major coal-using industries like steel and cement, increased use of diesel oil in the railways and switch-over by certain other industries from coal to furnace oil. Moreover, several coal-consuming industries could run down their stocks of coal in anticipation of a regular supply following the improvement in the transport situation. As a result, there was an accumulation of stocks of coal at pit-heads necessitating a cut-back in coal production.

In the *intermediate goods industries* also, the growth rate slowed down in respect of all the major items. During 1964, output of petroleum products and fertilisers rose by 11 per cent and 10 per cent, respectively, as against a higher growth rate (16 per cent each) in 1963. In jute goods and aluminium, production was at capacity levels and further increases in production are possible only through the creation of new capacity. In the chemical and chemical products industries output registered a decline of 5 per cent during the year as against an impressive rise of 23 per cent in 1963. The decline in the output of some of these industries was attributed to power-cut and the shortage of raw materials. The industries in this group which showed a decline in output in 1964 included ammonium sulphate, zinc oxide, ammonium chloride and potassium chlorate.

Among *consumer goods industries*, faster rates of growth were recorded by many industries, notably cotton and silk textiles, sugar, bicycles and tea. Output of cotton yarn in 1964 was higher (8 per cent) than in 1963 (3 per cent). The cotton textile industry, particularly the mill sector, gave a better performance in 1964 than in 1963, the output of mill cloth rising by 6 per cent as against a small decline (1 per cent) in 1963. The increase in cotton cloth production was made possible by the greater availability of raw cotton and partly by the increase, though small, in spinning capacity and the further progress made in the installation of automatic looms. Output in the decentralised sector also rose over the year by about 7 per cent, though the rate of growth was lower than in 1963 (19 per cent). Output of woollen textiles declined in comparison with last year partly because of normalisation of defence demands and reduction in import allocations for wool tops. Output of cigarettes and tea

was much higher in 1964 (13 per cent and 9 per cent, respectively) than in 1963. Production of sugar which suffered a setback during 1962-63 recorded a substantial rise during 1963-64. In the sugar-year ending October 1964, the output was of the order of 25.7 lakh tonnes as against 21.5 lakh tonnes in the preceding season, recording a rise of over 19 per cent. The increased production of sugar was made possible by larger sugarcane crop as well as fiscal and price incentives granted by Government through an upward revision of minimum sugarcane prices and relief in basic excise duty on the excess production over a specified base period.

There was a substantial rise (19 per cent compared to 6 per cent in 1963) in the production of bicycles. On the other hand, production of sewing machines and electric fans recorded declines mainly due to protracted labour troubles. While the overall output of engineering industries has been increasing, capacity is still not fully utilised in many of the industries—particularly in those which are dependent on imports of metals, components and intermediates. Shortage of these items continues to be a serious constraint on industrial production.

Notwithstanding the slower rate of growth in the overall industrial output, notable progress was made during the year in regard to (*i*) diversification of industrial output, (*ii*) import replacement and (*iii*) substantial additions to capacity in many industries. There was a substantial addition to capacity for the manufacture of machine tools and machinery items for a number of industries such as coal mining, steel making, paper, cement and cotton textiles while the production of other machinery had also recorded an increase. Production of new items on a commercial scale, such as tapered roller bearings, taxi meters, micro-meters, copper drawing diamond dies, single spindle automatic lathes, etc. was commenced. Manufacture of several raw material items such as pulp for the manufacture of paper and rayon, components for industries like machine tools, electric motors, transformers, switchgear, automobiles etc. which were being imported hitherto, was undertaken on a substantial scale ; this trend was facilitated by the speedier utilisation of foreign assistance. In quite a few industries like commercial vehicles, jeeps and passenger cars, the indigenous content of output has also gone up.

On the whole, industrial output in 1964, though at a higher level than in 1963, increased at a rate lower than in the previous three years, 1963, 1962 and 1961, thus bringing down the average annual rate of increase during the Third Plan period so far to 7.7 per cent. The easiness in supply position in regard to coal, power and transport would continue. With the increase in agricultural production, supplemented with imports, industries dependent on agricultural materials would show notable increases in production ; and among other industries, steel, fertilisers and cement would show higher production. The difficult foreign exchange position imparts a degree of uncertainty in regard to production of industries dependent on imported materials and components. However, considering the aid prospects and the above factors as also fiscal and other incentives for increasing production the rate of growth of industrial output should show improvement in 1965.

Gold and Silver Prices

Activity in the bullion market was at a low ebb during the year due to restrictions on dealings in gold and continued ban on forward trading in both gold and silver ; however, prices of both the metals firmed up for the greater part of the year. The price of gold moved up in response to continuing inflationary pressures in the economy, boom in commodity markets and persistent demand in the context of meagre inflow of contraband gold. The price which reached a peak in August, received a setback in September, in the wake of official action to unearth unaccounted money. Subsequently, although prices moved either way, the undertone was firm reflecting the continued pressure of demand in the context of paucity of stocks and intensification of Government's anti-smuggling measures. The price of 14-carat gold moved up initially from Rs. 63.25 per 10 gms. at end-March 1964 to Rs. 72.75 by August 27, 1964. Thereafter, the price eased considerably to Rs. 64.50 by September 11, before resuming its uptrend. By end-March 1965, the price was quoted at Rs. 71.75 recording a net gain of Rs. 8.50 over the year. Control on the internal trade

and distribution of gold, which was designed to discourage the use of gold and reduce its smuggling, has been placed on a permanent footing with the passage of the Gold Control Bill by the Lok Sabha towards the close of December 1964.

In his Budget speech in February 1965, the Finance Minister announced the proposal for issue of a new series of Gold Bonds, 1980 carrying an interest rate of 7 per cent. The terms of the new Bonds were the same as those of the earlier issue of $6\frac{1}{2}$ per cent Gold Bonds, 1977. There was, however, an additional incentive offered in the form of an opportunity for conversion of unaccounted money into these bonds without any investigations into the origin and source of the gold tendered for subscription.

Silver prices were buoyant for the greater part of the year and reached an all-time peak of Rs. 281.50 per kg. towards end-March 1965. The uptrend in silver prices, particularly marked in the latter half of the year, was mainly attributed to a broadening of seasonal demand in the context of limited stocks and continued bull strength in silver in the international markets. The uptrend was also aided in part by a reported switch-over of speculation to the bullion market from certain commodity markets, *viz.*, cotton and oilseeds, forward trading in which was suspended for sometime in December 1964 and January 1965. Although forward trading in silver has been banned since January 1963, forward trading in silver coins which have now ceased to be legal tender, was reported on a party to party basis. With a view to putting an end to these transactions also, the Government extended the ban on forward trading to silver coins as well in March 1965. Simultaneously non-transferable specific delivery contracts in silver coins were also banned.

Consumer Prices

The deterioration in commodity prices, particularly in prices of foodgrains and other articles of mass consumption, was reflected in a sharp rise of 11.2 per cent over the year 1964-65 (on top of a rise of 10 per cent in the previous year) in the consumer price index. The all-India Consumer Price Index for working class (*base :* 1949 = 100) rose continuously from 143 in March 1964 to 165 in January 1965 and later came down to 159 in March 1965 following the decline in the general price level during this period. As with the general price level, the cost of living also moved up subsequently, the index rising to 161 in May 1965. As in the previous year, the normal seasonal decline was not in evidence this year also. Regional data available for 17 centres showed a rising trend in consumer price indices at almost all centres, the increase being more pronounced in Madras, Cuttack, Nagpur, Gauhati and Ajmer.

PRICE POLICY

The continuous upward movement in the general price level during the year, which was primarily due to a rise in the prices of agricultural commodities and in particular food articles, became a source of anxiety in view of the hardships caused to the large sections of the community, and called for concerted measures on several fronts ; the measures taken by the Government included efforts to augment supplies by stimulating higher production and increasing imports, regulation of prices and distribution of essential commodities, strengthening of fiscal and monetary discipline, tax-reliefs, intensive drive to check tax evasion and to unearth unaccounted money, etc.

Fiscal policy was directed to an increasing extent towards maintaining prices at reasonable levels. From this point of view the budget for 1964-65 provided for a reduced scale of deficit financing, reduction in non-Plan outlay, smaller increase in non-development expenditures, avoidance of further taxation of essential commodities in view of the pressure on prices and tax relief to lower income brackets. This process was carried further in the budget for 1965-66, which, for the first time in several years, provided for an overall surplus of Rs. 10 crores at the existing rates of taxation.

The sharp increase in prices called for remedial measures of more immediate character such as larger internal procurement and imports, greater releases from Government stocks and extension of network of fair price shops and fixation of foodgrain prices. In

order to increase the availability of supplies, the Government resorted to larger internal purchases. Internal procurement of rice by the Central and State Governments out of the 1963-64 crop (November-October) totalled 10.1 lakh tonnes as against 6.7 lakh tonnes for 1962-63. In addition 16.0 lakh tonnes of rice have been purchased upto end-March out of the 1964-65 crop. To supplement internal procurement, imports of foodgrains were also stepped up ; imports in 1964 aggregated 6.27 million tonnes as against 4.56 million tonnes in 1963 and 3.64 million tonnes in 1962. Simultaneously, releases of stocks from Central Reserve Depots were also stepped up considerably. Thus, the offtake of foodgrains during the year 1964 amounted to 86.63 lakh tonnes as against 51.78 lakh tonnes during the preceding year. The network for distribution of food supplies was widened during the year, particularly in scarcity areas. Fair price shops operating in the country at the end of 1964 numbered nearly 104,000 compared to 60,000 at the end of 1963.

The zonal arrangements in respect of wheat were in operation during 1964-65 and would be continued till an adequate buffer stock is built up. At the Chief Ministers' Conference in mid-November 1964, it was decided to constitute each State into a separate rice zone, with effect from November 27, 1964 except the northern zone comprising the Punjab, Delhi and Himachal Pradesh. It was also decided that surplus rice available in surplus States should be procured by the Government and despatched to deficit States on Government to Government basis. It was also agreed that informal rationing be introduced in big cities and industrial towns while the introduction of statutory rationing be left to the discretion of the States. Accordingly, statutory rationing has been introduced in Calcutta and informal rationing in most urban areas and also in Kerala.

The various State Governments have also embarked upon a programme of intensive procurement of foodgrains through compulsory levies, direct purchases and purchases through co-operatives. For instance, the Government of Maharashtra have undertaken monopoly procurement of jowar and procurement of rice on the basis of a hundred per cent levy.

It was decided that all restrictions on the movement of pulses should be removed except in the case of gram, the export of which could be allowed (till the arrival of the next crop) to the extent of 50 per cent of the stock with traders.

Besides, steps were taken to exercise a stricter control over private trade through more effective enforcement of Foodgrains Dealers' Licensing Orders. With a view to checking speculative activities, the regulation of forward trading and the control of commercial bank credit were made more stringent. The State Governments were advised to strengthen their machinery for enforcement of the various licensing and anti-hoarding orders. Further, to curb hoarding and profiteering, the Essential Commodities Amendment Act was passed on December 9, 1964, providing for summary trial of dealers and public servants for offences under the Essential Commodities Act, 1955.

Long-term measures taken during the year comprised : (*i*) the fixation of maximum wholesale and retail prices of paddy and rice in terms of the recommendations of the Jha Committee, (*ii*) setting-up of the Food Corporation of India, and (*iii*) the constitution of an Agricultural Prices Commission.

The Food Corporation of India, which will act as the principal agency for making purchases from producers and building up buffer stocks so as to ensure a fair deal for both the producers and the consumers has come into existence since January 1, 1965. Provision has also been made for the establishment of Food Corporations in States after consultation with the State Governments. The Corporation has already set up its branches/ organisations for effecting purchases of paddy/ rice in Andhra Pradesh, Madras, Mysore and Kerala. In Mysore the Corporation has undertaken paddy purchase operations. The Government also announced on January 8, 1965, the appointment of an Agricultural Prices Commission to advise the Government on agricultural policy and in evolving a rational price structure in the context of the need to raise agricultural production as also to give relief to the consumer. The maximum wholesale and retail prices have been fixed for paddy and rice in the States of Andhra Pradesh, Bihar, Kerala, Maharashtra, Madras, Mysore, Uttar Pradesh, the Punjab, Gujarat,

Madhya Pradesh, Orissa, West Bengal, Delhi, Pondicherry, Goa, Daman and Diu, and Manipur. While the producers' prices for wheat for the 1964-65 crop have been announced by the Centre, the fixation of maximum prices has been left to the discretion of the States. Besides, the Union Government have authorised the State Governments to announce producers' prices in respect of gram applicable to 1964-65 crop.

In order to build up buffer stocks and to meet the requirements of deficit States the Central Government has adopted a programme of procurement of about two million tonnes of rice during 1964-65 in addition to the quantum to be procured by the State Governments. To supplement internal supplies, a sizeable import programme is reported to have been drawn up for the year 1965 by the Food and Agriculture Ministry.

Special assistance was given to the States for speedier execution of agricultural programmes already in hand and for taking up new schemes of a quick-yielding nature. Special financial provision was also made for the year 1964-65 for programmes of minor irrigation and soil conservation. Allocation for the import of fertilisers has been stepped up progressively to supplement growing domestic availabilities ; the availability of nitrogenous fertilisers in 1964-65 in terms of nitrogen was of the order of 4.50 lakh tonnes as against 4.42 lakh tonnes in 1963-64 and is expected to increase further to over 6.00 lakh tonnes in 1965-66. Altogether, the Plan outlay on agriculture is likely to exceed the original Plan provision; physical achievements in respect of minor irrigation and soil conservation programmes are also expected to be better than what was envisaged in the Plan.

As regards industrial commodities, in addition to the items which are already under statutory controls, control on production and prices was extended with effect from October 20, 1964, to four popular varieties of mill-made cotton textiles, namely, dhoties, saris, longcloth and shirting (and to drills from December 1, 1964) accounting for about 50-60 per cent of the total annual mill production excluding sales for export and defence requirements. In order to stimulate production of certain industrial commodities, incentives by way of increases in controlled prices were granted to certain industries such as cement and coal ; concessions by way of rebate in excise duties were granted to sugar and cement industries. Similarly, to encourage increased production and supply of sugarcane to factories for 1964-65 season, the basic minimum price of sugarcane payable by the sugar factories was enhanced during the year. The budget for 1965-66 offers substantial fiscal incentives (e.g. tax credit schemes) to stimulate investment and production and thus ensure a higher growth rate in industrial output in the coming year.

MONEY AND BANKING

Money supply expanded during 1964-65, though the pace of expansion was much slower as compared to that in the previous year reflecting partly the slackening tempo of growth in industrial output and partly the impact of measures taken by the monetary authorities to restrict expansion in bank credit and curb the growth of liquidity in the economy. Money supply expanded by Rs. 328 crores or 8.7 per cent as compared to Rs. 442 crores or 13.4 per cent in 1963-64 and Rs. 264 crores or 8.7 per cent in 1962-63. In the 1964 slack season, as was normally expected, there was a contraction in money supply of Rs. 33 crores as against an unseasonal expansion of Rs. 30 crores in the 1963 slack season. In the 1962 slack season the contraction was of the order of Rs. 63 crores. In the 1964-65 busy season also, the expansion in money supply was smaller than in the preceding busy season though it was higher than in the 1962-63 busy season. Seasonal trends in money supply are presented in Statement 26 in Part III.

It was observed that in 1963-64, deposit money accounted for 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. During 1964-65, increase in money supply was shared equally by currency with the public and deposit money (Rs. 164 crores each).

Table 5. Variations in Money Supply

(Crores of Rupees)

Item	1962-63	1963-64	1964-65
	(1)	(2)	(3)
1. Currency with the public ..	+ 178	+ 226	+ 164
2. Deposit Money	+ 86	+ 216	+ 164
3. Money Supply	+ 264	+ 442	+ 328
Factors Affecting Money Supply			
A. Net Bank Credit to Govt. Sector@ ..	+ 269	+ 281	+ 235
B. Net Bank Credit to Private Sector@ ..	+ 105	+ 163	+ 74
C. Net Foreign Exchange Assets ..	— 43	+ 39	— 19
D. Others (increase —) ..	— 67	— 41	+ 38

@ Adjusted for P.L. 480 and P.L. 665 deposits with banks in India other than the Reserve Bank but ignoring the transfer of P.L. 480 deposits from the State Bank to Reserve Bank (Rs. 40 crores) during November 1964-March 1965.

As regards the factors contributing to the monetary expansion, net bank credit to the Government continued to be the principal factor influencing the expansion in money supply, though the rate of its increase during the year was lower than in the preceding year. Net bank credit to Government rose by Rs. 235 crores as compared to Rs. 281 crores in 1963-64 and Rs. 269 crores in 1962-63. The smaller rise this year was mainly due to lower growth in the Reserve Bank credit to Government reflecting a levelling off of the tempo of growth of defence expenditure coupled with a smaller increase in the non-developmental expenditure, the extent of rise being Rs. 127 crores this year compared to Rs. 195 crores in 1963-64. The rate of increase in net bank credit to the private sector (mainly to private trade and industry), registered an appreciable slowing down during 1964-65 ; the increase under this head was Rs. 74 crores as compared to Rs. 163 crores in 1963-64 and Rs. 105 crores in 1962-63. The smaller increase this year was mostly explained by a substantially larger rise in time deposits of banks* of Rs. 162 crores than in the preceding year (Rs. 81 crores) and partly by restrictive credit controls imposed by the Reserve Bank of India. If, seasonal variations in money supply and the factors affecting them are considered, it is seen that while in the slack season of 1964, net bank credit to the private sector showed a contraction of Rs. 180 crores in contrast to an expansion in net bank credit to the Government of Rs. 139 crores, in the busy season of 1964-65, the expansion in net bank credit to the private sector was substantially larger (Rs. 276 crores) than that (Rs. 165 crores) to the Government following a record rise in scheduled bank credit ; it may be noted that the busy season expansion in bank credit this year was somewhat prolonged and continued up to mid-May 1965. For the financial year, the movement in balance of payments as measured by changes in foreign exchange assets of the banking sector exerted a contractionary impact on money supply of the order of Rs. 19 crores as against its expansionary impact last year (Rs. 39 crores). Other factors comprising mainly the net non-monetary liabilities of the banking system exerted an expansionary influence (Rs. 38 crores) as against their contractionary role in 1963-64 (Rs. 41 crores).

Seasonal Banking Trends

In the 1964 slack season, covering broadly the first half of the year, scheduled bank credit contracted by Rs. 139 crores, or by 37 per cent of the record expansion of Rs. 376 crores in the preceding busy season. In comparison, the contraction of Rs. 121 crores in 1963 slack season worked out at 60 per cent of the 1962-63 busy season expansion. Seasonal advances declined in May-October 1964 by Rs. 194 crores, nearly the amount of expansion in the 1963-64 busy season. Advances against almost all the major commodity groups in respect of which the busy seasonal expansion was significant recorded declines. Non-seasonal advances, however, expanded very sharply by Rs. 54 crores, or by six times the expansion in the 1963 slack season. Manufactures and minerals (excluding sugar and gur) rose by Rs. 46 crores as compared to Rs. 26 crores in the 1963 slack season and Rs. 78 crores in the 1963-64 busy season. Unsecured advances increased by Rs. 12 crores as compared to Rs. 31 crores in the 1963 slack season and Rs. 23 crores in the 1963-64 busy season. The smaller increase in unsecured advances may be attributed to the Governor's request to banks in March 1964 to review their portfolios of such advances and bring down their level.

* Adjusted for P. L. 480 and P. L. 665 funds.

Table 6. Scheduled Bank Data—Slack Season
(Crores of Rupees)

Item	1962 (1)	1963 (2)	1964 (3)
1. Aggregate Deposits	+ 84·1	+148·0	+210·7
(*a*) Demand	+ 14·0	+ 84·5	+119·8
(*b*) Time	+ 70·1	+ 63·5	+ 90·9
2. Borrowings from R.B.I.	— 3·3	— 29·4	— 43·3
3. Borrowings from S.B.I. and/or notified banks	+ 0·5	+ 8·1	+ 18·5
4. Bank Credit	— 42·1	—120·9	—138·8
5. Investments in Government Securities	+111.9	+145·6	+258·5
6. Cash reserves	— 6·9	+ 43·0	+ 11·9

Table 7. Scheduled Bank Data—Busy Season
(Crores of Rupees)

Item	1962-63 (1)	1963-64 (2)	1964-65@ (3)
1. Aggregate Deposits	+ 35·6	+ 84·5	+106·5
(*a*) Demand	+ 87·0	+100·3	+ 43·8
(*b*) Time	— 51·4	— 15·8	+ 62·7
2. Borrowings from R.B.I.	+ 21·8	+ 43·3	+124·5
3. Borrowings from S. B. I. and/or notified banks	— 3·9	— 0·5	+ 8·6
4. Bank Credit	+203·3	+376·2	+407·1
5. Investments in Government Securities	— 97·7	—145·4	—153·9
6. Cash reserves	+ 4·2	— 29·4	+ 12·5

@ Revised.

While the credit contraction in the 1964 slack season was smaller in relation to the preceding busy season expansion, the growth in deposits at Rs. 211 crores was substantial ; during the 1963 slack season, the accretion to deposits had amounted to Rs. 148 crores. The large deposit accretion enabled banks to reduce their credit-deposits ratio from 79.5 per cent at the end of April 1964 to 67.4 per cent at the end of October 1964 as compared to the fall from 76.1 per cent to 65.7 per cent in the 1963 slack season. The corollary to the sizeable growth in deposits and the credit contraction was a rise in investment portfolio of banks. The raising of the minimum liquidity ratio under the Banking Companies Act, 1949 from 20 to 28 per cent with effect from September 16, 1964 also obliged some of the larger banks to add to their investments in Government and other approved securities. As a result, the investments-deposits ratio rose from 26.5 per cent to 34.5 per cent over the 1964 slack season. The banks also reduced their borrowings from the Reserve Bank by Rs. 43.3 crores to Rs. 1.7 crores at the end of October 1964.

Reflecting the comfortable resources position of the banking system, the money market ruled generally easy. The inter-bank call rate slipped to 1 per cent in Bombay and 1.7 per cent in Calcutta at the end of the slack season, as compared to 1.9 per cent and 1.5 per cent, respectively, at the end of the 1963 slack season.

On the eve of the 1964-65 busy season, there was a further tightening of the credit policy on September 25, 1964. The Bank rate was raised by ½ per cent to 5 per cent and the quota-cum-slab rate system of Reserve Bank accommodation to scheduled banks was replaced by a system of lending under which the rate charged by the Reserve Bank was related to the borrowing bank's net liquidity position. On February 17, 1965, the Bank rate was further raised by a full one per cent to 6 per cent and the cost of borrowing from the Reserve Bank was put up still further. Yet the seasonal credit expansion in the 1964-65 busy season, at Rs. 407 crores, was Rs. 31 crores higher than the expansion in the 1963-64 busy season. It may, however, be added that the pace of expansion was slower till the end of March 1965, when the seasonal rise amounted to Rs. 329 crores, as compared to that of Rs. 348 crores in the corresponding period of the 1963-64 busy season. The expansion in seasonal advances in the 1964-65 busy season at Rs. 235 crores was larger by Rs. 34 crores than that in the 1963-64 busy season. In terms of percentages, seasonal advances accounted for 64 per cent of the overall expansion as against 57 per cent during the previous busy season. The commodities, advances against the security of which accounted for the major part of the increased expansion, were sugar (Rs. 26 crores), raw cotton (Rs. 3 crores) and other oilseeds (Rs. 4 crores). Non-seasonal advances expanded by Rs. 17 crores less than in the 1963-64 busy season.

The rise in advances against cotton textiles and iron and steel was higher than the expansion in the previous busy season by Rs. 8 crores and Rs. 7 crores, respectively ; but this was more than offset by a much smaller expansion in advances against the security of other non-seasonal commodities. Unsecured advances also showed a smaller expansion than in the previous busy season.

The growth in scheduled banks' deposits during the 1964-65 busy season amounted to Rs. 107 crores or Rs. 22 crores more than in the 1963-64 busy season. But along with extending larger credit, banks also added to their cash balances to the tune of Rs. 13 crores. They, therefore, had to liquidate their investments in Government securities by Rs. 154 crores, and borrow substantially larger amounts from the Reserve Bank, the outstandings touching the peak of Rs. 163 crores on April 2, 1965* as against that of Rs. 107 crores recorded on March 6, 1964. Money market turned tight gradually over the season. The inter-bank call rate which stood at 1 per cent and 1.7 per cent in Bombay and Calcutta, respectively, at the end of the 1964 slack season, firmed up to 8.5 per cent during the week ended April 9, 1965; the rate was 6.5 per cent in Bombay and 6.6 per cent in Calcutta during the first week of April 1964.

Overall Banking Trends

On a financial year basis, the expansion in bank credit was lower in 1964-65 than in 1963-64, while the growth in deposits was somewhat larger, whereas both bank deposits and credit rose by larger amounts in 1963-64 than in 1962-63. Bank credit expanded by Rs. 218.2 crores or 12.0 per cent in 1964-65, the comparable figures for 1963-64 being Rs. 228.5 crores or 14.4 per cent. Aggregate deposits of scheduled banks increased by Rs. 298 crores or by 13.0 per cent during 1964-65 as against Rs. 243 crores or by 11.9 per cent during 1963-64. The growth in demand deposits was lower at Rs. 168 crores as compared to Rs. 204 crores in 1963-64, while the growth in time deposits was substantially higher at Rs. 130 crores as compared to Rs. 39 crores. On the other hand, banks added to their investments to a substantially larger extent mainly to fulfil the higher liquidity requirements under Section 24 of the Banking Companies Act, which came into force on September 16, 1964. Banks increased their holdings of Government securities by Rs. 79 crores as compared to Rs. 47 crores in 1963-64. Other investments and miscellaneous assets also recorded a significant rise. In the result, the banks resorted to the Reserve Bank accommodation to a much larger extent ; borrowings from the Bank increased by more than five times the increase in 1963-64.

Table 8. Scheduled Bank Data—Financial Year
(Crores of Rupees)

Item	1962-63 (1)	1963-64 (2)	1964-65 (3)
1. Aggregate Deposits	+125·4	+242·8	+298·1
(*a*) Demand	+ 81·5	+204·0	+168·1
(*b*) Time	+ 43·9	+ 38·8	+130·0
2. Borrowings from R.B.I.	+ 18·2	+ 12·9	+ 68·9
3. Borrowings from S.B.I. and/or notified banks	+ 4·9	+ 4·4	+ 30·9
4. Bank Credit	+180·4	+228·5	+218·2
5. Investments in Government Securities	— 8·6	+ 46·9	+ 78·5
6. Cash Reserves	+ 2·3	+ 21·9	+ 14·9

Credit Policy

Against the background of renewed inflationary pressures and a marked deterioration in the foreign exchange position, a major revision in the Reserve Bank's credit policy was effected during the year under review. Along with the intensification of selective credit controls, greater emphasis was laid on the regulation of cost of Reserve Bank accommodation to scheduled banks. Increasing use was also made of the mechanism of interest rates so as to promote savings in the economy and to induce a more economic turnover of funds by the banking system.

Following the inadequate contraction of credit and the continuance of the upward

* As on May 7, 1965 the outstanding level was still higher at Rs. 164 crores.

trend in prices, it appeared by the middle of September 1964 that the ensuing busy season would experience a significant expansion in bank credit. On September 25, 1964, therefore, the Reserve Bank raised the Bank rate from 4½ per cent to 5 per cent and changed the system governing its accommodation to scheduled banks. A differential system of interest rates was adopted in substitution of the quota-cum-slab rate system. Under the new system, the rate charged on the borrowings of a scheduled bank varied with its net liquidity position defined as a ratio of net liquid assets to aggregate demand and time liabilities.* Borrowings by a bank with a net liquidity ratio equal to or more than 28 per cent were charged at the Bank rate and for every percentage point decline in the net liquidity ratio below 28 per cent, the rate on the *entire* amount of borrowing rose by ½ per cent. Two additional measures were adopted to reinforce the new policy. One was the placing of a ceiling of 9 per cent which foreign banks and larger Indian banks with aggregate demand and time liabilities of Rs. 50 crores and above could charge on their advances/overdrafts/discounts, so that these banks did not expand credit by borrowing from the Bank even at progressively higher rates. The other was the regulation of the inflow of banking funds from abroad which added to the borrowing bank's liquid resources offsetting the Reserve Bank's restrictive credit policy. A limit of Rs. 20 lakhs was placed on the amount a banking company could borrow from abroad without prior approval from the Reserve Bank. Borrowings in excess of this limit could be secured only with the prior approval of the Bank to be given on the merits of each case but generally only when the borrowing was for a period of not less than 30 days. At the same time, with a view to widening the spread between very short-term and longer-term deposits, the Bank imposed ceilings of 2.5 per cent and 1.25 per cent on interest rates payable on deposits for 46 to 90 and 15 to 45 days, respectively. The maximum rate payable on deposits for periods upto 14 days was pegged at the rate payable on current accounts. Banks were also advised to pay a minimum of 4 per cent per annum on deposits of 91 days with adequate spread for deposits of longer periods, with a view to encouraging further deposit mobilisation.

Even while these measures were having a restrictive influence on the level of credit expansion in the 1964-65 slack season, the price situation continued to be difficult and the foreign exchange situation remained critical. A further tightening of the restrictive measures was, therefore, indicated and on February 17, 1965 the Bank rate was raised by a full one per cent to 6 per cent and the system of progressively rising interest rates on accommodation to scheduled banks was amended to stiffen the cost of Reserve Bank accommodation still further. Accommodation at the Bank rate was made available to a scheduled bank with a net liquidity ratio equal to or above 30 per cent, instead of 28 per cent previously ; and for every fall of 1 per cent or a fraction thereof in the net liquidity ratio, the rate of interest on the *entire* amount borrowed by the bank went up by half a per cent. Simultaneously, the ceiling of 9 per cent imposed in September 1964 on the rate for advances/overdrafts/discounts of larger Indian and foreign banks was raised to 10 per cent. At the same time, to adjust deposit rates suitably to the other changes, maximum interest payable on deposits for 15 to 45 days and 46 to 90 days were raised by a quarter per cent and half per cent, respectively, and minimum rates were prescribed for deposits for 91 days, six months and 1 year and for savings bank deposits at 5, 5½, 6 and 4 per cent, respectively.

Selective credit controls continued to be administered during the year to dampen the rising tendency of prices of certain individual commodities of common use. With the inadequate contraction in bank credit in the 1964 slack season in the wake of shortages in the supply of foodgrains and edible oils, the minimum margins required to be maintained in respect of bank advances against oilseeds other than groundnuts and cotton-

* Net liquid assets were defined on September 25, 1964 as the total of a bank's cash, balances with the Reserve Bank balances in current account with other banks and investments in Government securities *less* its total borrowings from the Reserve Bank and the State Bank. This definition was amended on December 4 thus: total of cash and balances with the Reserve Bank, current account balances with other banks and investments in Government and other approved securities *less* the borrowings from the Reserve Bank, the State Bank and the Industrial Development Bank of India.

seeds were raised in July 1964 from 40 to 50 per cent, which was also prescribed for advances against vegetable oils including *vanaspati*, the minimum margin for advances against groundnuts having earlier been raised to that level in March, 1964. In August 1964, the minimum margin on advances against all foodgrains was raised from 35 per cent to 50 per cent, and the ceiling limits on advances against foodgrains other than rice and wheat were reduced from 100 to 90 per cent of the level reached in 1962, ceiling limits on advances against rice and wheat having been already prescribed in February and April, respectively. The only relaxation effected during the year was in respect of advances against stocks held by *vanaspati* manufacturers of soya bean oil imported under the P. L. 480 agreement. It was notified on December 31, 1964, that no margin applied to such advances since soya bean oil imports were undertaken to reduce the demand pressure on domestic vegetable oil supplies.

GILT-EDGED AND EQUITIES

Contrary to the upsurge displayed by prices in the commodity markets during 1964-65, stock markets continued to be subdued throughout, except for a brief interlude between mid-June and early September 1964. The initial downtrend upto mid-June was a continuation of the earlier bearish phase reflecting the markets' reaction to the Union Budget for 1964-65, fears of stricter measures to arrest the rising trend in prices and costlier credit conditions following the tightening of its credit policy by the Reserve Bank of India in March 1964. The All-India Index of Variable Dividend Industrial Securities (Base : 1952-53=100) declined initially from 167.6 at end-March 1964 to 160.8 by mid-June. There was a distinct improvement in the market sentiment thereafter, the Index of Variable Dividend Industrial Securities recovering to 168.6 by early September. The recovery was induced by a number of favourable factors, namely, the relaxation of margin restrictions on forward trading* on the stock exchanges, the institutional support to the market, the setting up of the Industrial Development Bank strengthening the institutional structure for the provision of long-term finance and the authorisation by the Government to the Controller of Capital Issues to relax the present debt-equity ratio of 2 : 1 at his discretion in suitable cases.

The bearishness reasserted itself since September 1964 with the All-India Index of Variable Dividend Industrial Securities declining to a low of 157.8 by end-March 1965. Sentiment was adversely affected by apprehensions of possible Governmental action to assume wider powers of control on the stock exchanges following the recommendations made in this behalf by the Company Law Administration, reports of Chinese build-up on the Sikkim and Nepal borders and the Reserve Bank's credit control measures announced on September 25. Despite occasional flow of encouraging corporate news and reports of intermittent purchases by the Unit Trust of India and the Life Insurance Corporation of India, markets failed to pick up. The reports of Governmental efforts to unearth unaccounted money and announcements by Government of various measures against violation of the Essential Commodities Act further affected the sentiment adversely. In such generally depressed state, the only encouraging factor was the announcement by the Finance Minister, of a scheme of tax credit certificates, in respect of investments in equity capital of certain newly established public limited companies, on December 24. The decline in share prices was accelerated towards the closing months of the year, in the wake of stringent monetary conditions following the rise in the Bank rate, troubles on the Indo-Pakistani border, imposition of regulatory customs duty of 10 per cent on imports and the fact that the market expectations regarding the changes in dividend tax on equity and the capital gains tax on bonus issues in the Union Budget for 1965-66 did not materialise.

* Since July 1, 1964, the margins on the daily outstanding business and the additional carryover margins have been substantially revised downwards by modifying the slabs and reducing the rates on the highest slabs. The interim margins have also been reduced from 100 per cent of the difference between the interim making-up price and last making-up price to 50 per cent.

The gilt-edged market, which had ruled firm during the preceding year, eased considerably during the year 1964-65. The easiness represented a process of adjustment of prices and yields to the new spectrum of interest rates, which had undergone during the year an appreciable upward levering. The prices of Government securities ruled more or less steady upto mid-August notwithstanding the substantially larger amount of new loan flotations by the Central and State Governments during July and August 1964 mainly because of a considerable broadening of the demand for Government securities from commercial banks in the context of enhanced liquidity requirements prescribed for them effective September 16, 1964. Since mid-August, the gilt-edged prices recorded further declines mainly as a process of adjustment to the slightly higher yields offered on the new State loans and the raising of the Bank rate from 4-1/2 per cent to 5 per cent on September 25, 1964. The yields offered on the new Central loans, issued in July 1964, worked out more or less to be in tune with the market expectations. The yields on the new State loans issued in August were higher in the range of 4.75 — 4.81 per cent than those (4.52—4.62 per cent) on existing loans of comparable maturity. The gilt-edged market, which ruled generally quiet reflecting the stringent monetary conditions (following the rise in Bank rate in September 1964), turned distinctly easy in the process of adjustment to the higher pattern of interest rates after the increase in the Bank rate to 6 per cent effective February 17, 1965, the Reserve Bank's all-India index of Government and Semi-Government securities declining to 97.9 at end-March 1965 as against 99.7 at end-March 1964. The Reserve Bank's open market operations continued to be designed to absorb the excess liquidity in the market and resulted in larger open market net sales of Rs. 99 crores (excluding purchases from the State Bank of India on account of P.L. 480 funds) than in the last two years when there were net sales of Rs. 45 crores (in 1963-64) and Rs. 11 crores (in 1962-63). As stated above, the institutional support to the market appeared to be particularly strong during the year due to the new liquidity requirements enforced on banks in September 1964. The investments in Government securities by scheduled banks rose by a substantially larger amount of Rs. 79 crores during the year than that (Rs. 47 crores) in the preceding year.

With a view to providing larger finance to the private sector, Government initiated measures to broadbase the institutional framework and announced further measures of fiscal reliefs and concessions to revive private investment. In regard to industrial finance, the institutional framework was considerably strengthened with the establishment of the Unit Trust of India and the Industrial Development Bank of India which commenced operations during the year. The existing financial institutions like the Industrial Finance Corporation of India and the Industrial Credit and Investment Corporation of India also helped sustain industrial investment through various types of financial assistance. However, consequent on the rise in the Bank rate from 5 per cent to 6 per cent in mid-February 1965, there was an upward revision in the cost of financial accommodation by the term-lending institutions towards the close of the year.

The setback to the new issue market which was noticed since the last quarter of 1962 gave place to increased new issue activity during 1964-65, which reflected the private sector's urgent need for resources to fulfil their capital investment plans. The trend towards preference for fixed-income yielding securities continued while the response to the new issues remained selective. Along with the increase in capital issues there was an increasing tendency on the part of the entrepreneurs to have their issues underwritten and this was reflected in a substantial increase in underwriting activity; both the number of issues and the amount underwritten showed a marked rise. During the year 1964, the magnitude of capital raised through the issue of shares and debentures (other than bonus issues and loans) at Rs. 92.6 crores was about the same as last year. Consents of the Controller of Capital Issues to the private sector were somewhat lower in 1964 than in 1963.

The Unit Trust of India, which was formally established on February 1, 1964 to encourage savings by providing for various classes of investors, particularly the middle class, the facility of investing their money in units of small denominations, commenced sale of its units from July 1, 1964. Total sales of units upto March 31, 1965 aggregated Rs. 19 crores,

of which Rs. 17 crores were subscribed between July 1 and August 14, 1964, when the units were being sold at par. Three-fourths of the total funds of the Trust were invested in shares and debentures of industrial concerns.

The Industrial Development Bank of India also started operations from July 1, 1964 both as an apex institution co-ordinating the operations of other financial institutions providing term-finance to industry and as an agency providing direct financial assistance to bridge the gap between the supply and demand for industrial finance wherever necessary.

The Agricultural Refinance Corporation continued to sanction long-term financial assistance for development of agriculture and allied activities. During the year 1964-65, the Corporation sanctioned refinance to five central land mortgage banks in respect of five schemes of development involving a total financial outlay of Rs. 20.62 crores, out of which the Corporation's financial commitments amounted to Rs. 16.94 crores. These schemes are to be implemented over a period of years and the actual disbursements of refinance in any one year would be small in relation to the total commitments made. None of the banks to whom refinance was sanctioned since the establishment of the Corporation drew any amount from the Corporation till March 31, 1965.

BUDGET PERFORMANCE AND FORECAST

The aggregate expenditure* of the Government of India during 1964-65, according to the revised estimates, is expected to go up sizeably by Rs. 512 crores ; the magnitude of increase would, however, be smaller than in the previous two years (Rs. 685 crores in 1962-63 and Rs. 650 crores in 1963-64). The slower rate of growth in outlay in 1964-65 was mainly due to the levelling off of defence outlay. As a result, the share of defence outlay in the increase in total expenditure in 1964-65 came down perceptibly to about 4 per cent from about one-fourth in 1962-63 and more than one-half in 1963-64. Nearly two-thirds of the increase in aggregate expenditure was on account of direct developmental outlays as well as assistance to States and other parties in the form of loans and grants, mostly for implementation of Plan projects. The remainder of the increase could be attributed partly to mounting debt servicing charges and partly to discharge of debt obligations, both internal and external, the increase in civil expenditure being only nominal.

The combined disbursements of the States during 1964-65, according to the revised estimates, showed a rise of Rs. 412 crores which was much larger than that of Rs. 317 crores for the year 1963-64 and Rs. 220 crores in 1962-63. As much as two-thirds of this increase of Rs. 412 crores was accounted for by development schemes like education, agriculture, irrigation projects, electricity schemes, industrial development and loans advanced by the States largely for development purposes.

The increase in budgetary expenditure of the Centre in 1964-65, though smaller than in 1963-64, was nevertheless substantial, more so as it came on top of very large increases in outlays during the previous two years. With a view to containing the inflationary consequences of budgetary outlays, the budget for 1964-65 provided for reduction in non-Plan development outlays as also for a smaller increase in non-developmental expenditure as compared to the previous year. Simultaneously, additional outlays were sought to be covered by mobilising resources through additional taxation and from borrowings, so as to narrow down substantially the overall budgetary gap. The Central Government proposed to raise a sum of Rs. 33 crores by way of additional taxation, over and above the expected yield of Rs. 11 crores from increases in railway freights. The State Governments also introduced certain tax measures estimated to yield about Rs. 6.6 crores for the year. Moreover, the receipts from existing taxes, both direct and indirect, were expected to exceed the Budget estimates by a comfortable margin. Net receipts from market borrowings were also higher at Rs. 100 crores as compared to Rs. 88 crores in the previous year. Small savings collections

* Revenue and Capital Accounts combined without adjusting for purely book-keeping items.

showed a continuous progress, the net collections amounting to Rs. 127 crores in 1963-64 and Rs. 135 crores in 1964-65 (R.E.) as against the average annual target of Rs. 120 crores during the Third Plan period. The Annuity Deposit Scheme, which replaced the Compulsory Deposit Scheme, was expected to realise Rs. 65 crores during the year. As a result, the overall deficit of the Central Government which was placed at Rs. 97 crores has been narrowed down to Rs. 80 crores.

Alongside of the measures for resource mobilisation, the 1964-65 budget proposals of the Central Government had in view the twin roles of taxation as an instrument of social justice and as a means of stimulating production and growth. Substantial tax relief to the basic industries as well as to foreign investors was provided, which was intended to be ploughed back into business for future development. The super-profits tax was replaced by surtax on profits of companies, which provided for a wider capital base inclusive of debentures and certain forms of loan capital, a higher exemption limit of 10 per cent of the wider capital base and a lower tax incidence of 40 per cent of the taxable profits (i.e. profits after deduction *inter alia* of a 10 per cent return on capital employed). The concessions on exports were continued and made more liberal. The structure of personal income taxation was simplified and remodelled in order to stimulate individual incentives to work and to give relief to lower income groups. Measures for rationalisation of excise and customs levies were taken; however, there was no further taxation of essential commodities in view of the pressure on prices.

The budget for 1965-66 provides for a much smaller increase (of Rs. 123 crores) in the aggregate expenditure of the Central Government, due to reduced requirements in certain sectors of industrial development (like the Oil and Natural Gas Commission and Hindustan Steel) and smaller provision for development projects to be financed out of P.L. 480 funds. The increase of Rs. 123 crores in expenditure is necessitated by civil administration, debt service charges, State trading, loans and advances to States and other parties for development purposes and defence ; of these, the last item (*i.e.* defence) alone claims a little over one-third of the rise. The State Governments also have budgeted for increased overall disbursements. But their total disbursements during 1965-66 have been marked up by only Rs. 226 crores as against Rs. 412 crores in 1964-65 (R.E.). As much as Rs. 166 crores or 73 per cent of this increase will be spent on development schemes comprising education, medical and public health, agriculture, rural development, civil works and loans for development purposes. Among non-development items, while increased outlays are budgeted for debt services and civil administration, only a smaller provision has been made for State trading schemes and discharge of debt.

As regards the resources for meeting the enhanced outlay, the Central Budget for 1965-66, has not only not proposed additional taxation, but also provided for changes which, on balance, are estimated to result in a net loss of Rs. 6.38 crores. Even so, the marked buoyancy in tax revenues resulting from further growth in the economy is expected to cover the proposed increase in expenditure and also provide for a small surplus.

The budget proposals for 1965-66, which are in the nature of a follow-up action on the earlier budget, aim at further rationalisation and simplification of the tax structure, in addition to imparting a certain measure of stability to taxation policy. Simultaneously, levies on certain items have been raised or new ones imposed with a view to restraining consumption of luxury goods, preventing excessive profits arising from a scarcity of materials, correcting lop-sided growth of urban areas, checking the accumulation of urban property and tracking down unaccounted incomes.

As regards personal income taxation, modifications have been made with a view to streamlining the tax structure as well as replacing the present taxes by a revised and simplified schedule aimed at lower taxes at all levels so as to stimulate a greater flow of personal savings and at the same time to reduce the scope and incentive for tax evasion. In the realm of corporate taxation, the major concessions such as higher development rebate, tax credit certificates, etc. are provided on a selective basis mainly to priority industries

and export sector. In regard to indirect taxation, a compromise has been attempted between the objectives of raising additional revenues and its use as an instrument of price policy by selective abolition or reduction of excise duties on certain consumer goods coupled with increases in both import and excise duties on some others to mop up excessive profits and to encourage import substitution. The opportunity offered by buoyant revenue position has also been utilised to extend the benefits of the proposed tax reliefs to a wider section of the community. To mitigate the deleterious effects of the existence of unaccounted incomes and wealth in the economy, a scheme for voluntary disclosures has been proposed. Besides, proposals have been made to float a second series of Gold Bonds at a higher rate of interest than that on the old Bonds and to issue a new series of small savings certificates also carrying a higher rate of interest but liable to tax in order to promote savings in the community.

In sum, the overall surplus of about Rs. 4 crores anticipated in the latest budget, for the first time in several years, augurs a welcome shift in fiscal policy, especially when considerable efforts at resource mobilisation to match increasing investment outlays in the past few years were not effective in checking the rise in prices.

The overall position of the State Governments for 1965-66, at the existing rates of taxation, is anticipated to show a deficit of Rs. 81 crores which is twice that in 1964-65 (according to revised estimates). This is on account of a smaller rise anticipated in receipts in relation to the increase in budgeted expenditure during 1965-66. However, twelve out of the fifteen States have not proposed additional taxation. Only three States, *viz.*, Madhya Pradesh, Rajasthan and Gujarat have introduced additional tax proposals, expected to yield an additional revenue of Rs. 4.14 crores which will reduce the overall deficit of States to Rs. 77 crores. The measures of additional taxation resorted to by the States upto 1964-65, are estimated to yield in the aggregate a revenue of Rs. 572 crores over the entire Third Plan period as against the Third Plan target of Rs. 610 crores.

On the other hand, in the case of the Centre the yield from additional taxation imposed upto 1964-65 is expected to aggregate Rs. 2,025 crores, thus exceeding the Plan target of Rs. 1,100 crores by Rs. 925 crores or by 84 per cent.

BALANCE OF PAYMENTS

The external transactions during the year under review were characterised by a rapid increase in imports on the one hand and stagnation in exports on the other, leading to an almost continuous draft on the country's foreign exchange reserves, which was in striking contrast to the sizeable improvement in reserves during 1963-64. The persistent attrition of reserves, which occurred despite substantially larger aid receipts, necessitated recourse to a stand-by credit agreement with the International Monetary Fund, as also a transfer* of gold worth Rs. 16 crores from Government stocks to the Reserve Bank. Even so, over the year, reserves were drawn down by Rs. 56.1 crores, whereas in the preceding year they had risen by Rs. 10.7 crores after providing for a repayment of Rs. 24 crores to the I.M.F.

Overall Trends:

In the absence of information covering the entire financial year, the detailed discussion on balance of payments that follows is confined to the trends during the calendar year 1964. During the year 1964, the reserves *declined* by Rs. 52.1 crores, as compared to an *increase* of Rs. 45.6 crores during the preceding year. If borrowings from and repayments to the I.M.F. were excluded, the reserves would show a fall of Rs. 28.3 crores, as against an accretion of Rs. 33.7 crores during the preceding year, i.e. an adverse swing of Rs. 62 crores as between the two years. On a quarterly basis, the balance of payments transactions during the first quarter (*i.e.* January-March 1964) resulted in a modest net accretion to the reserves, while in each of the remaining three quarters, there was a draft on them.

* Represents gold transferred from non-monetary stocks to the official holdings.

Table 9. Balance Of Payments

(Preliminary) (Crores of Rupees)

		Jan.-March 1964	April-June 1964	July-Sept. 1964	Oct.-Dec. 1964	Jan.-Dec. 1964	Jan.-Dec. 1963
		(1)	(2)	(3)	(4)	(5)	(6)
A.	**Current Account**						
	Imports, c.i.f.						
	(*a*) Private	166.2	158.1	153.5	144.2	622.0	600.7
	(*b*) Government	170.2	200.4	176.6	218.7	765.9	568.2
	Total imports (a+b)	336.4	358.5	330.1	362.9	1387.9	1168.9
	Exports, f.o.b.	205.8	203.1	202.9	205.8	817.6	773.9
	Trade balance	—130.6	—155.4	—127.2	—157.1	—570.3	—395.0
	Official Transfer Payments*	+ 23.3	+ 48.4	+ 51.8	— 5.5	+118.0	+ 78.4
	Other invisibles (net)	+ 0.4	+ 22.2	— 2.0	— 1.5	+ 19.1	+ 18.7
	Current account (net)	—106.9	— 84.8	— 77.4	—164.1	—433.2	—297.9
B.	**Errors and Omissions**	**+ 2.1**	**— 29.3**	**— 18.0**	**— 32.2**	**— 77.4**	**— 40.6**
C.	**Capital Account**						
	Private capital (net)						
	(*a*) Long-term	— 6.4	+ 1.9	+ 3.9	+ 6.6	+ 6.0	— 4.9
	(*b*) Short-term	+ 0.9	— 0.7	— 1.3	— 0.7	— 1.8	— 1.0
	Banking capital (net)	+ 11.2	— 8.5	— 7.9	+ 5.1	— 0.1	+ 2.9
	Official capital (net)						
	(*a*) Loans	+125.8	+186.9	+132.0	+104.0	+548.7	+433.3
	(*b*) I.M.F. drawings	— 11.9	— 11.9	—	—	— 23.8	— 11.9
	(*c*) Amortisation	— 20.7	— 3.5	— 13.2	—13.7	— 51.1	— 54.8
	(*d*) Miscellaneous	+ 22.6	— 77.4	— 46.2	+ 81.6	— 19.4	+ 20.5
D.	**Movement in Reserves (A+B+C)** (Increase +, Decrease —)	+ 16.7	— 27.3	— 28.1	— 13.4	— 52.1	+ 45.6

* Official Transfer Payments comprise unilateral transactions hitherto classified as official donations and in addition figures since April-June 1964, include receipts and payments of pensions on Government account and contributions to international organisations which were previously classified under 'other invisibles' (net).

The overall balance of payments picture (Table 9) shows a significant bulge in the current account deficit, from Rs. 297.9 crores in 1963 to Rs. 433.2 crores in 1964, which was due exclusively to a widening of the gap on the merchandise account, from Rs. 395 crores to Rs. 570.3 crores, there being larger receipts under official transfer payments and other invisibles (net). Payments for aggregate imports, particularly those on Government account, went up by Rs. 219.0 crores to Rs. 1,387.9 crores ; nearly half of this increase was financed by foreign aid available under various external assistance programmes. Performance on the export front was noticeably better, the value of exports rising by Rs. 43.7 crores ; but the pace of growth in exports slowed down considerably compared to 1963. The outflow on account of unidentified transactions, representing, by and large, the lag between actual receipts of foreign exchange and the value of goods exported was almost twice that in 1963. As against these, the net inflow of capital was substantially larger (by Rs. 74.4 crores), thus considerably reducing the pressure on the reserves.

Imports:

The rise in payments for imports of Rs. 219 crores during 1964, was nearly thrice the increase noticed during 1963. The bulk of the increase in payments was under Government imports, private imports showing only a modest rise of Rs. 21.3 crores to Rs. 622.0 crores. A commodity-wise break-down of Government imports shows that, by far, the major part of the increase was due to foodgrains imported under the U.S. P.L. 480 Assistance Programme and imports of capital equipment, under which some imports of fertilisers and raw materials are also included(@), and iron and steel. Among private imports, while cotton raw and waste, rayon textiles, iron and steel, vehicles and food, drink and tobacco were higher by Rs. 8.6 crores, Rs. 4.8 crores, Rs. 6.8 crores, Rs. 6.9 crores and Rs. 6.3 crores, respectively, wool raw and

(@) These fertilisers and raw materials are included because in the case of imports under non-project loans a commodity break-down is not available and, in the absence of this break-up, the full value is treated as capital equipment.

waste and machinery of all kinds declined by Rs. 7.8 crores and Rs. 4.8 crores, respectively.

Exports:

In response to the various promotional measures taken during the past few years, exports maintained their rising trend and increased over the year by Rs. 43.7 crores to Rs. 817.6 crores ; but this magnitude of the increase was not as high as in 1963 (Rs. 101 crores). More than half of this improvement in export earnings was brought about by exports of manufactured articles such as cotton manufactures (Rs. 5.1 crores), jute manufactures (Rs. 2.5 crores), leather manufactures (Rs. 2.0 crores), hides and skins tanned (Rs. 3.7 crores) and other miscellaneous manufactures (Rs. 9.7 crores). Among the other items of export showing a significant advance, mention should be made of metallic ores (Rs. 15.4 crores), cashew kernels (Rs. 7.5 crores) and coffee (Rs. 7.0 crores). Exports of tea, sugar and vegetable oils were, however, lower by Rs. 8.0 crores, Rs. 4.8 crores and Rs. 2.9 crores, respectively.

Invisibles :

Receipts from official transfer payments at 118.0 crores were higher by Rs. 39.6 crores, almost the entire rise representing larger disbursements of grants out of the U.S. P.L. 480 (Title 1) counterpart funds. Other invisible transactions (i.e. other than official transfer payments) resulted in a net surplus of Rs. 19.1 crores during 1964, which was about the same as in the preceding year. On the gross basis, both receipts and payments were marked up by an identical sum (Rs. 13 crores) to Rs. 254.5 crores and Rs. 235.4 crores Item-wise, receipts on account of 'Government not included elsewhere' increased by Rs. 21.8 crores to Rs. 87.4 crores, due to larger refunds of freight advanced on P.L. 480 imports and higher U.S. embassy expenditure financed out of the P.L. 480 counterpart funds. Transportation receipts were also higher by Rs. 2.5 crores. On the other hand, receipts on account of miscellaneous transactions declined by Rs. 13.4 crores to Rs. 38.4 crores, chiefly owing to a drop in the receipts of oil companies and under unclassified items. On the payments side, investment income outgo, representing interest on the growing external debt and remittances of dividends/profits on foreign private capital, was larger by Rs. 15.7 crores. Miscellaneous payments were marked up by Rs. 5.3 crores, due mainly to larger payments to technicians. A part of the increase was, however, offset by lower outgo under 'Government not included elsewhere'; this decline in the outgo was largely of a statistical nature due to a shift in classification of certain items from this head to 'Official Transfer Payments '.

Capital Account:

Reflecting largely the accelerated utilisation of external assistance, the net inflow of capital amounted to Rs. 458.5 crores this year, as compared to Rs. 384.1 crores during the preceding year, notwithstanding the fact that repayments to the I. M. F., at Rs. 23.8 crores in 1964, were twice as high as in 1963. Sector-wise, the step-up in the inflow was exclusively under the official sector. The favourable swing under private capital transactions, from an outflow of Rs. 4.9 crores in 1963 to an inflow of Rs. 6 crores in 1964, was largely of a statistical nature, resulting from a change in the classification, with effect from April 1964, of all the loans drawn by the private sector under Government guarantee, from official to private sector. Movement of funds by the banking system, which had resulted in a net inflow during 1963, led to a nominal outflow during 1964. Even so, there were significant variations in the currency composition of the banking funds during the year. Whereas during 1963 a decrease in foreign currency liabilities was offset by a decrease in foreign currency holdings, in 1964 there was a significant increase in foreign currency holdings of Rs. 7 crores. However, this was more or less neutralised by an increase in rupee liabilities. The increase in the foreign currency assets, which occurred mostly in the last quarter of 1964, was in contrast to the sizeable increase in net foreign liabilities in the corresponding quarter of 1963 and was probably due to the higher interest rates prevailing in the London market. The ceilings imposed by the Reserve Bank on the movement of funds by the authorised dealers do not appear to have had any noticeable impact on banking capital transactions during the year, as these became operative only in December 1964.

Regional Trends :

The regional pattern of the payments position shows that the widening of the overall deficit on current account during the year was the combined result of the worsening of the payments position with all the regions, including international institutions. For instance, the surplus on current account with the sterling area narrowed down by Rs. 26.8 crores to Rs. 39.9 crores and, at the same time, the deficits with the dollar area, the O.E.C.D. countries, the rest of the non-sterling area and international institutions at Rs. 198.8 crores, Rs. 147.4 crores, Rs. 100.3 crores and Rs. 26.6 crores were higher by Rs. 25.6 crores, Rs. 34.7 crores, Rs. 43.8 crores and Rs. 4.4 crores, respectively.

Table 10. Current Account: Region-wise

(Surplus (+), Deficit (—)) **(Preliminary)** (Crores of Rupees)

Region	Jan.-March 1964	April-June 1964	July-Sept. 1964	Oct.-Dec. 1964	Jan.-Dec. 1964	Jan.-Dec. 1963
	(1)	(2)	(3)	(4)	(5)	(6)
Sterling Area	+ 14.8	— 0.4	+ 6.5	+ 19.0	+ 39.9	+ 66.7
Dollar Area	— 60.2	— 33.3	— 11.8	— 93.5	—198.8	—173.2
O.E.C.D. Countries@	— 28.8	— 30.9	— 45.6	— 42.1	—147.4	—112.7
Rest of Non-Sterling Area	— 25.9	— 16.9	— 21.5	— 36.0	—100.3	— 56.5
International Institutions	— 6.8	— 3.3	— 5.0	— 11.5	— 26.6	— 22.2
Total	**—106.9**	**— 84.8**	**— 77.4**	**—164.1**	**—433.2**	**—297.9**

@ Being the countries hitherto shown as O.E.E.C. countries.

With imports from the sterling area at almost the same level as in the preceding year and exports lower by only Rs. 3.5 crores, the substantial drop in the current account surplus with that region was brought about by a deterioration on invisibles account excluding official transfer payments, from a net surplus of Rs. 20.7 crores in the preceding year to a net deficit of Rs. 2.9 crores in 1964. The deterioration on the current account position with other currency areas, on the other hand, stemmed mainly from merchandise transactions. While earnings from exports to the dollar area went up by Rs. 8.2 crores, imports from this area rose by Rs. 101.2 crores. Commodity-wise, on private account, imports of cotton raw and waste, machinery and iron and steel, increased by Rs. 3.5 crores, Rs. 4.1 crores and Rs. 5.7 crores, respectively, and, on Government account, the imports of food went up by Rs. 87.7 crores. To some extent, this adverse trade balance was offset by larger receipts on account of invisible transactions (particularly official transfer payments arising from P.L. 480 grants), which registered a net surplus of Rs. 181.7 crores, i.e. Rs. 67.4 crores higher than in the preceding year. With the O.E.C.D. countries, the deficit on current account increased from Rs. 112.7 crores to Rs. 147.4 crores, due mainly to the worsening of the adverse trade balance. Exports to this area declined by Rs. 9.0 crores and imports increased by Rs. 23.6 crores, with the result that the trade deficit rose from Rs. 94.8 crores to Rs. 127.4 crores. The current account deficit with the rest of non-sterling area at Rs. 100.3 crores was nearly double that in the preceding year. Exports to this region increased by Rs. 48.0 crores to Rs. 270.6 crores. Exports of jute manufactures, manganese ore and food, drink and tobacco went up by Rs. 14.6 crores, Rs. 10.8 crores and Rs. 12.0 crores, respectively. But the increase in imports by Rs. 94.4 crores (to Rs. 375.3 crores) was almost twice that in exports. Commodity-wise, imports of capital equipment for government projects, machinery and iron and steel rose by Rs. 62.7 crores, Rs. 5.6 crores and Rs. 4.2 crores, respectively. The increase in the current account

deficit with international institutions, from Rs. 22.2 crores to Rs. 26.6 crores, was due to an increase in interest payments.

To sum up, during 1964, India's external transactions resulted in a current account deficit (including 'errors and omissions') of Rs. 510.6 crores. As against this, the net capital inflow amounted to Rs. 458.5 crores, leaving a gap of Rs. 52.1 crores, which was financed by drawing on the country's foreign exchange reserves. Altogether, the growing volume of imports and mounting external debt charges in the context of the present critically low level of foreign exchange reserves emphasise the need for continued vigilance on the foreign exchange situation and above all call for an all-out effort to boost up exports so as to build up the reserves to a satisfactory level.

Foreign Investment Policy:

The encouraging response from foreign investors to the various measures taken by Government for promoting inflow of private foreign capital resulted in an increase in the number of collaboration agreements approved by Government. During the first three quarters of 1964, the number of such agreements approved totalled 302, as compared to 298 for the whole of 1963.

Among the measures taken by Government during the past year to promote foreign private investment, mention may be made of the announcement of various tax concessions for foreign investors in the 1964-65 budget, such as, exemption of intercorporate dividends from super-tax, reduction of the tax rate on engineering services, exemption to non-residents from tax on income from approved securities, as well as from loans given by them to Indian companies etc., to further the flow of foreign equity capital and technical know-how in the priority industries. Preliminaries for an agreement for avoidance of double taxation between India and France were completed on October 1, 1964. The agreement is generally on the same lines as that between India and other developed countries. One of its provisions stipulates that corporations should be taxed only in the country of their incorporation. Provision is also made to give credit for tax paid in the other country as also for tax spared in India for developing its industry. Under the Indo-German Guarantee Scheme, West Germany decided to offer protective insurance to selected German investments in India, in exchange for the grant of certain specific concessions by the Government of India to West Germany. This is expected to ensure larger German capital participation in Indian industry.

With the object of attracting larger foreign private investment, the Government of India decided to give 'letters of intent' to a foreign company to proceed with its capital project, instead of making the foreign company find an Indian partner and then giving the 'letter' to the Indian partner. It was also decided to make the services of the Industrial Development Bank of India available for rupee finance required by such undertakings. The Union Minister of Finance also announced that interest accruing in a non-resident account on money transferred from abroad through recognised banking channels and deposited in any bank in India would be exempt from tax. This provision was subsequently incorporated in the Finance Act of 1965 and was made applicable to the assessment year 1965-66 onwards.

The Finance Act of 1965 has also made provision for certain additional concessions. The tax exemption limit of five years, allowed in respect of salaries of foreign technicians under the Finance Act 1964, was extended to seven years. Tax rates on incomes assessable in India of non-residents were brought down on par with those applicable to incomes of residents. The rates at which tax is deducted at source from a non-resident's income were also lowered. The Act further provided for the refund of capital gains tax arising from the transfer of shares held by non-residents in an Indian company, provided the sale proceeds were invested in India.

External Assistance:

There has been a marked improvement in the rate of utilisation of external assistance in recent years. The magnitude of such assistance utilised during 1963-64 (Rs. 590 crores) surpassed substantially the fresh authorisations during that year (Rs. 451 crores) ; in 1964-65, utilisation was still higher at Rs. 720 crores, very near the fresh authorisations amounting to Rs. 742 crores for that year. A major factor responsible for the rapid rise in the utilisation of external assistance was the growing importance of non-project assistance, especially from the U.S.A. Nearly 50 per

cent of the amount pledged by the Aid-India Consortium for 1964-65 was not tied to any specific project. In addition, the streamlining of the procedures, both by the donor and the recipient country, and the speedier implementation of projects contributed to the faster utilisation of foreign aid. The inflow of P.L. 480 assistance, mainly for financing purchases of foodgrains to augment domestic supplies, was also higher.

Table 11. External Assistance to India

(Crores of Rupees)

	Loans	Grants@	P.L. 480/ 665 Aid & Third Country Currency Assistance (Gross)	Total (1+2+3)
	1	2	3	4
1. Amount undisbursed as at the end of March 1961	**675·1**	**29·4**	**597·8**	**1302·3**
2. Fresh authorisations during				
1961-62	411·2	20·6	—	431·8
1962-63	591·8	15·6	43·3	650·7
1963-64	436·1	9·7	4·9	450·7
1964-65	497·7	18·6	225·2	741·5
Total for 4 years	**1936·8**	**64·5**	**273·4**	**2274·7**
3. Amount available for utilisation after March 1961 (1+2)	**2611·9**	**93·9**	**871·2**	**3577·0**
4. Estimated utilisation during				
1961-62	230·1	21·0	87·8	338·9
1962-63	310·7	14·9	125·8	451·4
1963-64	394·6	9·8	185·1	589·5
1964-65	485·4	19·6	215·3	720·3
Total for 4 years	**1420·8**	**65·3**	**614·0**	**2100·1**
5. Amount undisbursed as at the end of March 1965 (3—4)	**1191·1**	**28·6**	**257·2**	**1476·9**

Notes : (1) Data on P. L. 480 assistance are given on a gross basis under cloumn (3) ; disbursements of loans and grants out of P.L. 480 and P.L. 665 funds are, therefore, excluded from columns (1) and (2) . (2) Data exclude amounts pending authorisation as at the end of March 1965 out of the Aid-India Consortium credits pledged upto March 1965 and fresh pledges for 1965-66.

@ Excludes grants under P.L. 480 Titles II and III.

The substantial step-up in the assistance authorised during 1964-65, by Rs. 291 crores to Rs. 742 crores, reflects mainly the larger flow of P.L. 480 assistance from the U.S.A. The agreement between India and the U.S.A. concluded in November 1962, for the import into India of agricultural commodities under the U.S. Public Law 480 (Title I), was amended in April 1964, providing for additional aid amounting to Rs. 22 crores for the purchase of cotton. Similarly, the agreement signed in September 1964 was amended in December 1964 and April 1965, as a result of which the U.S. Government provided aid amounting to Rs. 203 crores (including part of the transportation cost) for the purchase of wheat (Rs. 128 crores), rice (Rs. 20 crores), vegetable oil and inedible tallow (Rs. 14 crores), corn and grain sorghum (Rs. 6 crores).

A breakdown of the assistance authorised during 1964-65 shows that loans constituted 67 per cent, P.L. 480, 30 per cent and grants, 3 per cent. Of the total loan assistance, the members of the Aid-India Consortium provided about 70 per cent, and the balance was given by the U.S.S.R. (Rs. 100.5 crores), Czechoslovakia (Rs. 40 crores), Poland (Rs. 10.5 crores), Sweden (Rs. 2 crores) and Denmark (Rs. 1 crore). The amount of assistance pledged by the Aid-India Consortium members upto the end of 1964-65, but not authorised till the end

of March 1965, amounted to Rs. 401 crores, of which the U.S.A. accounted for Rs. 236 crores. The composition of the loan assistance and the terms on which the loans were made available during 1964-65 were about the same as in the previous year. During the first four years of the Third Plan period taken together, total assistance authorised aggregated Rs. 2,275 crores. Including the undisbursed amount at the end of the Second Plan, the total foreign assistance available for utilisation after March 1961 was Rs. 3,577 crores, of which 73 per cent (Rs. 2,612 crores) was in the form of loans, 24 per cent (Rs. 871 crores) in the form of P.L. 480, P.L. 665 and Third Country Currency assistance and the balance of 3 per cent (Rs. 94 crores) in the form of grants. Out of the total amount, Rs. 2,100 crores are estimated to have been utilised by the end of March 1965 leaving a balance of Rs. 1,477 crores for use after March 1965. A major part of the loan assistance secured from abroad was for industrial development and infrastructure projects (purpose-wise details of external assistance authorised and utilised are given in Statement 85 appearing in Part III of this Report).

Total external assistance authorised by friendly countries and international institutions in the post-war period upto the end of March 1965 by way of loans, grants, P.L. 480 assistance etc. amounted to Rs. 5,209 crores, of which Rs. 3,732 crores (or 72 per cent) were utilised by the end of March 1965. The U.S.A. alone accounted for a little over one-half of the total authorisations and a little under three-fifths of the utilisation.

Table 12. Aggregate External Assistance in the Post-war Period

(Crores of Rupees)

	Authorised upto March 1965		Utilised upto March 1965	
	Amount	% to the total	Amount	% to the total
	(1)	(2)	(3)	(4)
IBRD/IDA	634·3	12·2	469·3	12·6
U.S.A.	2,719·3	52·2	2,178·0	58·4
U.S.S.R.	485·4	9·3	245·2	6·6
West Germany	402·8	7·7	295·8	7·9
United Kingdom	330·7	6·4	250·0	6·7
Others	636·0	12·2	293·3	7·8
Total	**5,208·5**	**100·0**	**3,731·6**	**100·0**

Upto the end of March 1965, aid authorisations from the U.S.A. under the P.L. 480 programme amounted to Rs. 1,386 crores, or about one-half of the total assistance from that country. A major part of the rupee counterpart funds accruing from the import of agricultural commodities under the programme was earmarked for disbursement as loans (Rs. 740 crores) and grants (Rs. 375 crores) to the Government of India for financing developmental projects. A part of the funds (Rs. 100 crores) was earmarked for loans to private firms in India under the Cooley Amendment. The balance of Rs. 171 crores was retained by the U.S. Government for its use in India.

The ten-nation Aid-India Consortium, which met in Washington in April 1965 under the auspices of the World Bank, to consider India's foreign exchange requirements during 1965-66, pledged assistance to the tune of Rs. 489 crores for the last year of the Third Plan. This is in addition to the aid from the U.S.A. under the P.L. 480 programme and from the East European and other countries.

Table 13. Assistance Pledged by the Aid-India Consortium

(Crores of Rupees)

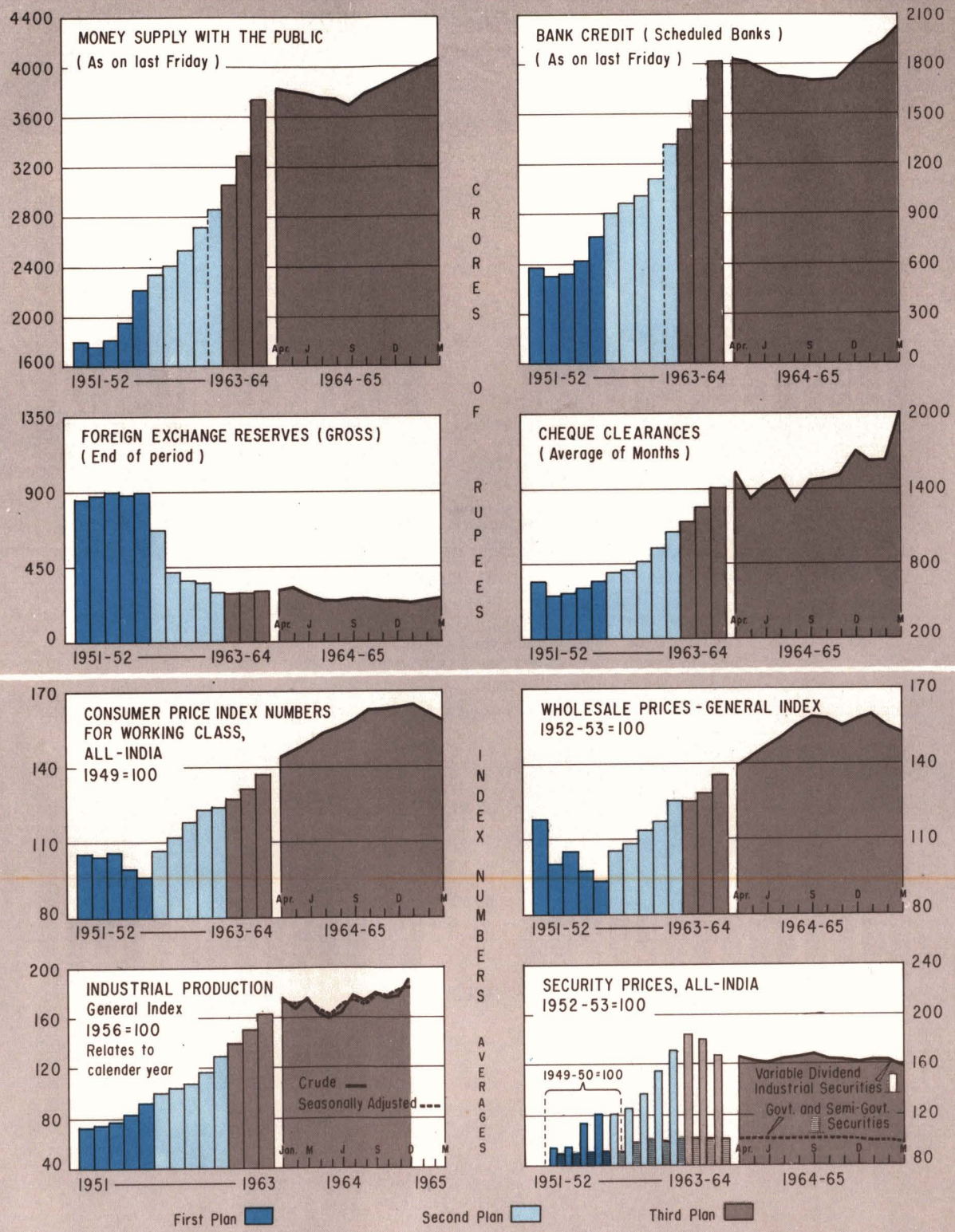
	1961-62	1962-63	1963-64	1964-65	1965-66	Third Plan Total
	(1)	(2)	(3)	(4)	(5)	(6)
Austria	..	2.4	3.3	0.5	2.4	8.6
Belgium	..	4.8	4.8	..	1.9	11.5
Canada	13.3	15.7	14.5	19.5	19.5	82.5
France	7.1	21.4	9.5	9.5	9.5	57.0
West Germany	107.2	66.2	47.4	45.2	40.9	306.9
Italy	..	25.2	21.4	17.1	17.1	80.8
Japan	23.8	26.2	31.0	28.6	28.6	138.2
Netherlands	..	5.2	5.2	5.2	5.2	20.8
United Kingdom	86.7	40.0	40.0	40.0	40.0	246.7
U.S.A.	259.5	207.1	207.1	207.2	207.1	1088.0
World Bank and I.D.A.	119.1	95.3	116.7	116.7	116.7	564.5
TOTAL	**616.7**	**509.5**	**500.9**	**489.5**	**488.9**	**2605.5**

It is significant to note that the total assistance pledged by the Consortium nations for India's Third Plan (Rs. 2,605 crores) slightly exceeded the target (Rs. 2,600 crores) for the period originally stipulated in the Third Five-Year Plan.

As in the preceding year, upto one-half of the aid pledged for 1965-66 is expected to be in the form of non-project assistance. Two-thirds of aid pledged for 1965-66 may consist of grants and low-interest loans for periods of 25 years and over.

GRAPH I

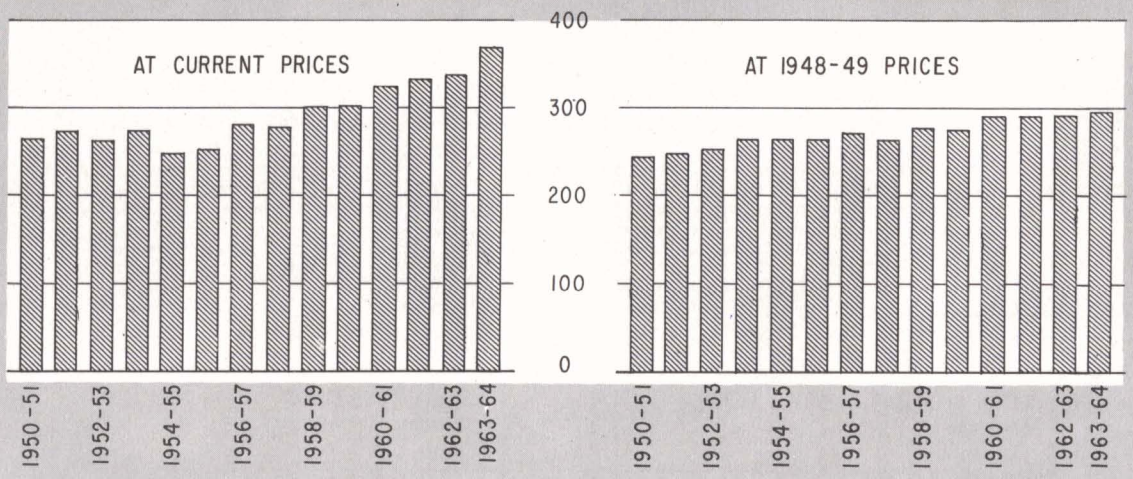
SELECTED ECONOMIC INDICATORS



GRAPH 2

PER CAPITA NATIONAL INCOME

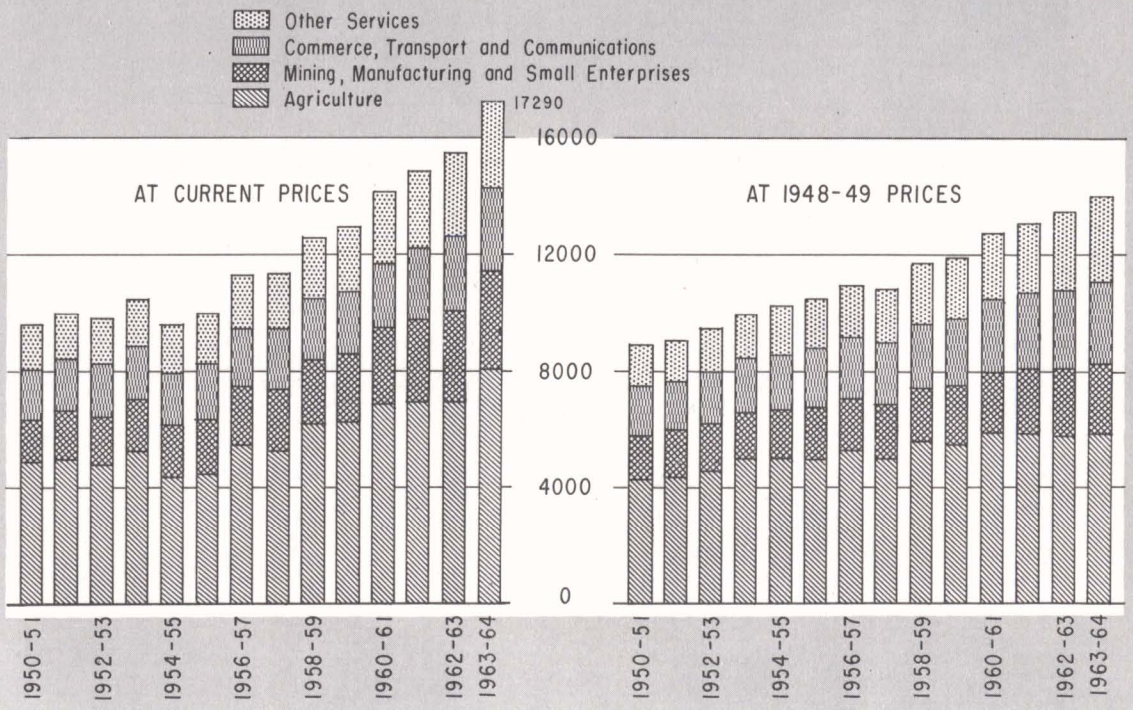
(RUPEES)



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) rose from 137.2 in 1962-63 to 140.5 in 1963-64 showing an increase of 2.4 per cent. The index for 1963-64 at 140.5, however, was marginally lower by 0.6 per cent than the record level of 141.4 touched in 1961-62. The increase in production in 1963-64 would have been larger but for the adverse weather conditions which affected the rabi crops, particularly wheat, gram and other pulses. Among foodgrains, the production of rice and small millets showed appreciable increases. Among the major commercial crops, the production of cotton, jute, sugarcane and groundnut, tea and coffee increased while that of tobacco declined. The index of agricultural production for 1964-65 is expected to reach 150. A record production of 87.2 million tonnes of foodgrains is likely to be achieved. Among commercial crops, production of sugarcane, groundnut and oilseeds is also put materially higher while cotton is expected to show a small decline. Jute has declined marginally. The following pages set out in some detail the trends in production, procurement, imports and prices in respect of the major agricultural commodities.

During the year 1963-64, the total production of foodgrains increased to 79.4 million tonnes or about 1.0 million tonnes higher than in 1962-63. Total imports during the year 1964 were higher at 6.27 million tonnes as compared to 4.56 million tonnes in 1963. Despite a somewhat higher level of production and increased imports, the stresses and strains on the country's food economy, which had begun to be felt from the second half of 1963, continued unabated during the major part of the year under review. This continued strain was the cumulative result of the decline in the production of foodgrains by nearly 3 million tonnes in 1962-63 as compared to 1961-62 and the two successive shortfalls in the production of wheat during the years 1962-63 and 1963-64 ; this trend in production has to be viewed against the background of a continuously rising demand as a result of the increase in population and rise in the levels of income. This imbalance in availability and demand led to a steep rise in the prices of foodgrains; prices of cereals and pulses, which had moved up by more than 9 per cent in 1963-64 over the 1962-63 levels, rose further by 20 per cent and 43 per cent, respectively in 1964-65.@

Table 1. Foodgrains

Year	Total foodgrains production (million tonnes) (1)	RICE			WHEAT		
		Production (million tonnes) (2)	Procurement (thousand tonnes) (3)	Imports (thousand tonnes) (4)	Production (million tonnes) (5)	Procurement (thousand tonnes) (6)	Imports (thousand tonnes) (7)
1950-51	54.9[1]	23.5[1]	2750	358.7	6.4[1]	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[2]	395	4386.1
1961-62	81.0[2]	34.8[2]	519	384.4	12.0[2]	20	3092.2
1962-63	78.4[2]	31.9[2]	479	389.6	10.8[2]	..	3250.4
1963-64	79.4[3]	36.9[2]	744	483.4	9.7[3]	5	4072.7
1964-65	..	38.7[3]	1283	644.5	..	90[4]	5621.5

Note : Figures for procurement and imports are for calendar year

1 Data relate to 1949-50. 2 Partially revised estimates. 3 Final estimate. 4 Includes stocks acquired from traders in Punjab and purchases made by Jammu & Kashmir from Punjab.

@ The yearly percentage increase or decrease in indices of wholesale prices are worked out on the basis of the financial year averages for the respective years.

Rice

Production of rice, which had declined to 31.9 million tonnes in 1962-63 from 34.8 million tonnes in 1961-62, rose by 5.0 million tonnes to 36.9 million tonnes in 1963-64. The output of rice, according to the all-India final estimate for 1964-65, is placed at a record level of 38.7 million tonnes.

As regards prices, the all-India index number of wholesale prices of rice (1952-53 = 100), which had stood at 122 in March 1964, rose continuously to touch a peak of 146 in September 1964, due to smaller market arrivals in 1963-64 than in 1962-63. Following an improvement in market arrivals on expectations of a good crop in 1964-65 and the stepping up of the quantum of foodgrains distributed through Government channels, the price index declined from 146 in September 1964 to 128 in March 1965. Over the year 1964-65, the index showed a net rise of 7 per cent. The issue of rice from Central Government stocks during the period July-December 1964 was at the rate of 145 thousand tonnes per month compared to 88 thousand tonnes during the period January-June 1964. Further it was felt that as part of the measures to discipline private trade it was desirable that the maximum wholesale and retail prices of rice are statutorily fixed and announced in advance. Accordingly, the maximum wholesale and retail prices of rice were fixed in West Bengal from January 1964 and in the Southern states from August 1964. Later, following the recommendations of Foodgrains Prices Committee, maximum wholesale and retail prices of rice were fixed in different States for the 1964-65 crop. Again, in pursuance of the decision taken at the Chief Ministers' Conference held in November 1964, statutory rationing was introduced in Calcutta from 5th January 1965. Informal rationing has been introduced in most urban areas and also in Kerala since November 1964.

Purchases of rice on behalf of the Central Government in the 1963-64 season (November-October) were made in the States of Andhra Pradesh, Madhya Pradesh, Madras, Punjab, Uttar Pradesh and to a small extent in Orissa ; these purchases aggregated 6.20 lakh tonnes as compared to 4.64 lakh tonnes purchased in 1962-63. In addition, purchases of rice and paddy by the State Governments on their own account were made in Assam, Punjab, Orissa, Uttar Pradesh, West Bengal, Jammu and Kashmir, Manipur and Tripura during 1963-64 and totalled 3.95 lakh tonnes (in terms of rice) as against 2.09 lakh tonnes during 1962-63. As mentioned earlier, the rice crop in the 1964-65 season is the highest on record. Efforts are being made to procure the maximum possible quantity of rice from surplus States by cordoning off each State into a separate zone. The target of procurement has been fixed at 19.5 lakh tonnes of rice for the year. Till the end of March 1965 about 16.0 lakh tonnes of rice had been purchased on behalf of the Central and State Governments. The State-wise procurement targets are : Andhra Pradesh 8.0 lakh tonnes, Madras 2.0 lakh tonnes, Madhya Pradesh 4.0 lakh tonnes, Punjab 2.5 lakh tonnes and Orissa 3.0 lakh tonnes. In Punjab the procurement of rice on the basis of a levy of 66-2/3 per cent of rice on licensed dealers and millers is continuing. In Madhya Pradesh, the percentage of levy has been raised from 30 per cent to 60 per cent of rice. It has also been decided to accept, in addition, voluntary offers from millers and traders. In Orissa, procurement of rice will be made directly by the Government of India as in Madhya Pradesh from the mills at the rail head centres under a levy scheme ; in the interior, away from the railheads, the State Government have undertaken the procurement. In Andhra Pradesh, the procurement will be made by the State Government on behalf of Government of India. Besides, the State Governments of Maharashtra, Gujarat, Assam, West Bengal, Uttar Pradesh, Jammu and Kashmir, Andhra Pradesh, Mysore, Madras and Kerala are also making purchases on their own account.

It has been the accepted policy of the Government to fix support prices for agricultural produce ; accordingly support prices of standard varieties of coarse paddy ranging from Rs. 34.00 to Rs. 41.00 per quintal were announced in October 1964 ; these prices were fixed in pursuance of the Jha Committee recommendations. It may be added that the prices so fixed are higher than the average prices received by the producer in post-harvest period during the past three seasons.

The Government propose to build a buffer stock of 2 million tonnes of rice mainly through imports and partly from internal procurement.

The zonal arrangements for rice were reviewed during the year and each State has been constituted into a separate rice zone, effective November 27, 1964, except for the Northern Zone, comprising the State of Punjab and the Union Territories of Delhi and Himachal Pradesh, which was allowed to continue.

Imports of rice were stepped up from 4.83 lakh tonnes in 1963 to 6.45 lakh tonnes in 1964. Of the rice imported, 3.32 lakh tonnes were from U.S.A. under P.L. 480 Agreement, about 1.52 lakh tonnes from Burma, and the balance from Pakistan, Thailand, Cambodia and U.A.R. Agreements for imports of rice were concluded during the year with as many as six countries *viz.*, (1) with U.S.A. on September 30, 1964 under P.L. 480 for 0.3 million tons during the U.S. fiscal year 1964-65, (2) with Burma for 1.5 lakh tons of rice during 1964 ; 2 lakh tons during 1965, (3) with Pakistan for 120 thousand tons, (4) with Thailand for 59 thousand tonnes, in 1964 and for a 1.3 lakh tonnes in 1965, (5) with the Society of National Exports and Imports of Cambodia for 65 thousand tonnes and (6) with the U.A.R. in November 1964 for 71 thousand tonnes.

Wheat

Production of wheat, which had touched the peak level of 12.0 million tonnes in 1961-62, declined to 10.8 million tonnes in 1962-63 and further to 9.7 million tonnes in 1963-64. The decline in production in 1963-64 was mainly due to deficient winter rains accompanied by spells of severe cold during January 1964.

The area under wheat, according to the first estimate for 1964-65, shows an increase of 4 per cent over the corresponding adjusted estimates of 1963-64. No official estimate for production of wheat for the current season is as yet available. However, the output is expected to show an increase over last year.

Wheat prices eased during the first quarter of 1964-65, the price index (1952-53 = 100) declining from 120 in March 1964 to 112 in June 1964. Thereafter, the index started moving up and touched the peak of 151 in January 1965 ; subsequently in March 1965 the index declined to 141. The steep rise in prices was due mainly to successive shortfalls in production during 1962-63 and 1963-64. In order to stabilise prices and conserve supplies of wheat, the zonal restrictions were continued.

The issue price of common wheat ex-Central stocks was raised from Rs. 37.51 to 48.00 per quintal effective January 1, 1965.

It has been decided to build a buffer stock of 4.0 million tonnes of wheat mainly out of imports and partly from internal procurement. Procurement of wheat would be made in the major wheat-producing States in order to make over such quantities to the deficit States. It has, however, been left to the States to decide on the system of procurement that they should follow. Also a decision has been taken not to fix at the national level the statutory maximum prices of wheat though the discretion in the matter has been left to the State Governments.

Imports of wheat were stepped up from 40.73 lakh tonnes in 1963 to 56.21 lakh tonnes in 1964. Of the imported wheat, 52.54 lakh tonnes were received from U.S.A. under P.L. 480 Agreement. Wheat from Canada was imported (1.07 lakh tonnes) under the Colombo Plan and from Australia (2.61 lakh tonnes) against commercial purchases. An agreement was signed in September 1964 with U.S.A. for the import of approximately 4 million tons of wheat under P.L. 480. Four agreements were entered into with the Australian Wheat Board for the purchase of 0.04 lakh tons, 1.71 lakh tons, 0.75 lakh tons and 1.25 lakh tons of wheat. Under the Colombo Plan Programme for 1963-64 and 1964-65, about 0.20 lakh tonnes and 0.88 lakh tonnes of wheat were purchased. The Governments of Australia and Canada recently made gifts of 1.50 lakh tonnes and 1.00 lakh tons, respectively, to maintain supplies which were interrupted on account of the prolonged strike by the longshoremen in the U.S.

The price support scheme for wheat was continued in 1964-65 ; for the 1964-65 crop

the producer's prices fixed are : red variety Rs. 45.50 per quintal, common white variety Rs. 49.50 and superior variety Rs. 53.50. There were no purchases of wheat during the year 1964 ; only a nominal quantity of 90 thousand tonnes was acquired from traders.

Other cereals

During 1963-64 the production of other cereals (other than rice and wheat) at 23.4 million tonnes was lower by about 1.0 million tonnes than in 1962-63. Production of jowar, bajra, maize, ragi and barley registered declines while the output of small millets showed a substantial rise. Official estimates of production for 1964-65 are not as yet available.

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 ..	24.3	—
1963-64 ..	23.4	—

@ 1949-50.

The abnormal price rise noticed in the major cereals was also discernible in jowar, bajra, maize, ragi and barley. Prices of coarse grains during the major part of the period under review remained at a level higher than last year. Prices, however, generally tended to ease during February-March 1965 due mainly to better crop prospects in 1964-65.

As regards the movement of coarse grains, it has been decided that the State Governments may be permitted to prohibit their export except that the surplus States which have traditionally been exporting coarse grains to other States should continue to allow such export on a regulated basis.

The price support scheme extended to jowar in June 1963 was continued during 1964-65. The State Governments have been authorised to fix prices for jowar for the 1964-65 crop at Rs. 38.00 to 38.50 per quintal for yellow variety, with a suitable discount for red variety, and a premium for white variety. Similarly support prices for bajra (F.A.Q.) and maize (F.A.Q.) have been fixed at Rs. 40.00 to 40.50 per quintal and Rs. 36.00 to 36.50 per quintal, respectively.

Pulses

Production of pulses declined from 11.4 million tonnes in 1962-63 to 9.9 million tonnes in 1963-64. Official estimates of production for 1964-65 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	11.4
1963-64	9.9

@ 1949-50.

Prices of pulses showed a generally rising trend during the period April 1964 to January 1965 ; the price index moved up from 134 in March 1964 to 184 in October. It declined to 179 in November but firmed up again to reach a peak of 196 in January 1965. However, with better crop prospects during 1964-65, the index declined and stood at 159 in March 1965.

At the conference of the Chief Ministers held in November 1964, it was decided that all restrictions on the movement of pulses may be removed except that the existing restrictions on the export of gram might continue till the arrival of the next crop but the States concerned should allow export to the extent of 50 per cent of the stocks held by traders. It was also decided to advise such State Governments as have imposed a ban on the movement of gram outside their States to remove it.

Under the price support policy the State Governments have been authorised to

announce producer's prices for gram within the range of Rs. 40.00 to Rs. 40.50 per quintal for the 1964-65 crop.

Cotton

Production of cotton during 1963-64 reached a record high of 54.4 lakh bales registering a rise of 2.5 per cent over that in 1962-63. Official estimates of production for 1964-65 are not yet available; trade estimates, however, have placed the output at about 59.5 lakh bales. This is much below the Third Plan target of 66 lakh bales for this year and the trade estimate of 63 lakh bales during the last year.

The record output in 1963-64 was attributed, partly to the various measures taken by the Government under the Package Programme for cotton cultivation and partly to generally favourable weather conditions throughout the growing period. The Package Programme for cotton initiated in 1962-63, covered an area of 2.21 lakh hectares in 1963-64; the coverage was 3.16 lakh hectares in 1964-65 as against the target of 4.75 lakh hectares, the States covered being Andhra Pradesh, Madras, Gujarat, Madhya Pradesh, Maharashtra, Punjab and Rajasthan. The target for the Third Plan has been placed at 6.2 lakh hectares.

Table 4. Cotton

(In Thousand Bales of 180 Kgs. each)

Year (September-August)	Production	Imports	Exports	Consumption*	Stocks with mills and trade (end-August)
	(1)	(2)	(3)	(4)	(5)
1950-51	2874	800	178	3578	1518
1955-56	3949	603	603	4908	1593
1960-61	5324	1100	297	5574	2236
1961-62	4457	794	324	5886	1828
1962-63	5308	850	330	5868	2533
1963-64	5439	640	270	6275	2441
1964-65†	..	850	275	6687	2280

* Including extra factory consumption of 2.67 lakh bales. † Estimated.

Source : Official estimates for Col. 1 and Indian Central Cotton Committee for Cols. 2 to 5.

As the domestic crop during 1963-64 was good, imports were confined to varieties with staples 1-1/16″ and above only. During 1963-64, imports aggregated 6.4 lakh bales as against 8.5 lakh bales in the preceding year. Imports during the seven months of the 1964-65 season (September-March) totalled 5.1 lakh bales or 1.2 lakh bales more than in the corresponding period of the previous season. Total imports during this year are also expected to be higher at around 8.5 lakh bales.

Exports of cotton, consisting mostly of Bengal Deshi, amounted to 2.7 lakh bales in 1963-64. The decline in exports as compared to 3.3 lakh bales in 1962-63 was due mainly to an increase in the domestic consumption of Bengal Deshi. Exports in 1964-65 also may not exceed 2.75 lakh bales as the output of this variety is expected to be smaller at about four lakh bales as against 6.42 lakh bales in 1963-64. Unlike during the previous years, Bengal Deshi during the current season is allowed to be exported freely without any quantitative restrictions. The export duty of Rs. 25.00 per bale on cotton exports has also been abolished.

Cotton consumption by mills at 60.08 lakh bales in the 1963-64 season (September-August) exceeded the 1961-62 record consumption by 3.89 lakh bales and was mainly due to an increase in the spindlage and loomage capacity of the cotton textile mills. Consumption of Indian cotton formed 90 per cent

of the total consumption as compared to a little over 84 per cent in the preceding season. Aggregate mill consumption during the first seven months of the 1964-65 season was 37.62 lakh bales as against 35.62 lakh bales during the corresponding period of last year, indicating a rising level of consumption which is expected to exceed the 1963-64 consumption by 3 to 4 lakh bales.

The cotton policy for the 1964-65 season, announced by the Government in June 1964, was marked by its generally liberal attitude. Some of the control measures like compulsory survey and the supervisory scheme, which had been suspended at the beginning of the 1963-64 season, continued to be inoperative in the initial period of the 1964-65 season as well. The floor and ceiling prices have been maintained at the levels prevailing in the 1963-64 season except for some marginal increases allowed in respect of some varieties keeping in view the improvement in their quality. Mills were permitted to purchase Indian cotton for the 1964-65 season of a quantum equal to the total consumption during the previous season.@

Contrary to the original expectation of a good crop and an easy supply position throughout the 1964-65 season, trade estimates of the crop came to be successively scaled down as the picking progressed. Secondly, arrivals during the early part of the current season were considerably below normal due presumably to a tendency among the growers to hold on to their crop for better prices and to speculative hoarding on the part of traders in the primary markets. In a market already under the pressure of an increasing demand, this had the effect of further raising the prices. Thus, in the Bombay cotton futures market, the Jarilla March 1965 contract recorded a rise of Rs. 41 per 3 quintals between October 16 and December 9, 1964. Futures trading came to a standstill thereafter as prices pierced the pre-delivery ceiling limit. Though trading was resumed on January 9, 1965, the contract was ruling around the pre-delivery ceiling limit till the commencement of the delivery period on March 1 ; prices moved up further in March, to be quoted on March 23 at a level only Rs. 2 below the statutory ceiling of Rs. 798. In the spot section, popular varieties were ruling at ceiling levels right from the time the new crop started moving into the market at the end of November 1964. In unofficial trading they were commanding high premia for the major part of the period till the close of March 1965. The all-India index number of wholesale prices for raw cotton (1952-53 = 100) rose from 120 in March 1964 to a peak of 132 in March 1965.

With a view to ensuring an adequate supply of cotton to mills at the ceiling prices, Government announced in December 1964 the re-introduction of quality survey at the point of delivery to mills for cotton purchased above the basic ceilings and also fixed last dates for ginning and pressing in different States to accelerate the movement of cotton. The Indian Cotton Mills' Federation on their part introduced the scheme of self discipline among member-mills in regard to purchases and stocks. The trade was also prohibited from selling cotton to mills not adhering to this scheme. As a combined result of all these measures the uptrend in prices was halted in March 1965, and prices were more or less steady at ceiling levels by the end of the month.

Jute

Production of jute during 1963-64 at 61.85 lakh bales recorded an increase of 13.5 per cent over that in 1962-63. In 1964-65, however, according to the final estimate, production showed a decline of about 1 lakh bales to 60.79 lakh bales. As regards mesta, estimates of production are not yet available; according to the second estimate for the 1964-65 season, there is a decline of 4.9 per cent in area from 342 thousand hectares in 1963-64 to 326 thousand hectares.

Imports of raw jute declined from 2.7 lakh bales in 1962-63 to 1.4 lakh bales in 1963-64. However, during the first nine months of the 1964-65 season (*i.e.*, from July 1964 to March 1965), imports were substantially higher at 2.6 lakh bales compared to barely one lakh bales during the corresponding

@ This facility was virtually withdrawn between Dec. 1964 and March 1965 during which period mills were, compelled to make their purchases according to the self-discipline scheme formulated by the Indian Cotton Mills' Federation.

period of the previous season, reflecting increased mill activity in the context of a shortfall in domestic production of quality raw jute. The total consumption of raw jute by mills is also expected to rise from 78 lakh bales in 1963-64 to 81 lakh bales in 1964-65.

Exports of raw jute during 1963-64 totalled 1.14 lakh bales as against 1.16 lakh bales in 1962-63. During the first nine months of the 1964-65 season these amounted to one lakh bales as against 0.9 lakh bales during the corresponding period of the preceding season.

Table 5. Jute

(In Thousand Bales of 180 Kgs. each)

Year	Production			Imports	Consumption (*d*)	Exports	Stocks(*f*)
	Jute	Mesta	Total				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1950-51	3309	..	**3309**	2598	5851	1	1021
1955-56	4231	1168	**5399**	1482	6916	..	1471
1960-61	4014(*a*)	1140(*a*)	**5154**	416	6451	—	870
1961-62	6398(*a*)	1706(*a*)	**8104**	404	6703	2	2848
1962-63	5449(*a*)	1697(*a*)	**7146**	274	7610	116	3416
1963-64	6185(*a*)	1819(*a*)	**8004**	144	7993(*e*)	114	3096
1964-65	6079(*b*)	..	..	261(*c*)	8256(*e*)	100(*c*)	1840

(*a*) Partially revised estimate. (*b*) Final estimate. (*c*) From July 1964 to March 1965. (*d*) Includes village consumption. (*e*) Estimated. (*f*) Trade estimates; include stocks with Jute Buffer Stock Association and State Trading Corporation.

Source : Cols. 1 to 3 Official estimates. Cols. 4 to 7 Indian Central Jute Committee.

As regards raw jute prices, the problem during the 1964-65 season was one of checking an undue rise unlike in the preceding three seasons when lower prices had necessitated support measures. There was a sharp spurt in prices during August-September 1964, which was largely speculative, and the East India Jute & Hessian Exchange Ltd., with the concurrence of the Forward Markets Commission, adopted various regulatory measures including suspension of forward trading, fixation of daily price fluctuation limits, and imposition of margins. Also in a bid to offset the slow pace of arrivals, the Jute Commissioner released on August 11 the entire buffer stock of 7.81 lakh bales. Further, the system of weekly maximum purchase quotas was introduced in September 1964 under the Jute (Licensing and Control) Order. Although the speculative forces were arrested as a result of these measures, prices of raw jute continued to rule much above the operational minimum price of Rs. 80.38 per quintal (basis Assam Bottoms) during the rest of the season. The all-India index number of wholesale prices of raw jute (1952-53 100) rose from 151 in March 1964 to touch a peak of 182 in September 1964 and at the end of March 1965 was ruling at 172. The factors contributing to the firmness in prices, *inter alia*, were the shortfall in production of raw jute during the 1964-65 season both in India and Pakistan, increased consumption by mills and sizeable purchases of sackings by the Government of India.

Tea

The declining trend in the production of tea witnessed during 1962 and 1963 was reversed during 1964 and the output reached a record level of 373.6 million kgs. This represented an increase of 8 per cent over the previous year, an appreciable rise in production in North India being only partly offset by a fall in production in South India.

Exports of tea during 1964 at 210.5 million kgs. were lower by 6 per cent as compared to the preceding year.

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	346.7	214.0
1963	345.9	223.5
1964	373.6†	210.5

† Estimates.

Source : Tea Board.

The Tea Plantation Finance Scheme introduced in 1962 was continued during the year under review and, till the end of March 1965, applications for loans totalling Rs. 9.7 crores were received by the Tea Board.

The Tea Finance Committee appointed by the Government of India in July 1964 submitted its report in December 1964. The Committee recommended, *inter alia*, (1) a development allowance of 40 per cent on replantation and 50 per cent on extension of the existing tea estates and (2) the establishment of a Tea Finance Corporation to provide short and long-term finance to the industry.

Coffee

Production of coffee during 1964-65 is estimated at 60,000 tonnes as against 69,000 tonnes in 1963-64, showing a decline of 13 per cent over the preceding year. The decline in production is attributed to unfavourable climatic conditions.

The total quantity of coffee released from the Coffee Pool for internal consumption during the calendar year 1964 worked out to a little more than 35 thousand tonnes as against 33.6 thousand tonnes during 1963.

Table 7. Coffee

(Thousand Tonnes)

Year	Production (1)	Consumption@ (2)	Exports (3)
1950-51 ..	18.9	17.5	0.3
1955-56 ..	35.0	22.6	8.1
1960-61 ..	68.0	30.0	32.3
1961-62 ..	46.1	33.9	19.8
1962-63 ..	56.2	34.7	22.4
1963-64 ..	69.2	33.6	33.0
1964-65 ..	60.0+	35.2	0.7*

@ Data relate to calendar year. * January-March 15, 1965. + Estimated,

Source : Coffee Board.

Exports out of the 1963-64 crop at 33 thousand tonnes were about 11 thousand tonnes more than those of the 1962-63 crop. In view of a lower out-turn, export allocation out of the 1964-65 crop is tentatively fixed lower at 23 thousand tonnes by the Coffee Board.

Under the Coffee Development Plan launched by the Coffee Board in October 1956 to help coffee growers to increase production, long-term loans totalling Rs. 34.67 lakhs were sanctioned to 544 planters during 1956-61 under the first Coffee Development Plan. Under the second Coffee Development Plan, upto March 1965, 148 planters were sanctioned loans totalling Rs. 15.66 lakhs. Besides, short-term loans for working capital requirements aggregating Rs. 7.19 lakhs have been sanctioned to 212 planters since 1962-63 when this scheme was introduced.

Tobacco

The output of tobacco during 1963-64 at 3.36 lakh tonnes was lower by 8.1 per cent than in 1962-63 (3.66 lakh tonnes), due mainly to a decrease of 4.7 per cent in acreage and partly to insufficient rains during the season. Exports of unmanufactured tobacco during 1963-64, were higher at 63.9 million kgs. as against 60.3 million kgs. in 1962-63.

Oilseeds

Production of major oilseeds declined nominally from 7.11 million tonnes in 1962-63 to 7.10 million tonnes in 1963-64, due mainly to failure of the mustardseed crop on account of inadequate winter rains and spells of severe cold in January 1964. Production of rape and mustardseed, linseed and sesamum registered declines of 30 per cent, 11 per cent and 12 per cent, respectively, but these declines were largely off-set by the increase in production of groundnut which recorded an increase of 10 per cent over the previous year to touch an all-time high of 5.29 million tonnes. The output of castorseed, however, remained unchanged at the previous year's level. In 1964-65 the acreages under groundnut, rape and mustardseed and linseed (second estimate) and sesamum (third estimate) show increases of 4.6 per cent, 3.5 per cent and 4.8 per cent and 6.2 per cent, respectively, as compared to the corresponding adjusted estimates of the previous year. So far official estimate (final) of production is available only for sesamum ; output for 1964-65 is higher by 6.1 per cent as compared to 1963-64. However, according to trade estimates the production of groundnut is placed at 6.0 million tonnes as against 5.3 million tonnes reached during the last year ; production of linseed, castorseed, rape and mustardseed is also placed at higher levels than in 1963-64.

Table 8. Oilseeds

Year	Production* (Nov.-Oct.) (In Million Tonnes) (1)	Imports (April-March) (Tonnes) (All oilseeds) (2)	Exports (April-March) (Tonnes) (All oilseeds) (3)
1950-51 ..	5.16	..	..
1955-56 ..	5.73	..	..
1960-61 ..	6.62	16	49,317
1961-62 ..	6.96	36	40,130
1962-63 ..	7.11	538	42,396
1963-64 ..	7.10	3,682	41,097
1964-65 ..	..	..	..

* Relates to groundnut, sesamum, rape and mustardseed, linseed and castorseed.

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

With a view to achieving higher production of oilseeds, integrated oilseeds development schemes were sanctioned in all the States. Under the package programme for increasing the production of groundnut, 33 package units are functioning at present. The package programmes for increasing the production of rapeseed and mustardseed were also implemented during the *rabi* season of 1963-64 in Rajasthan and Uttar Pradesh. It is proposed to launch package programme for castorseed in Andhra Pradesh and Gujarat. Further, schemes for extending the cultivation of castorseed in potential areas have been formulated in Gujarat, Madras, Madhya Pradesh, the Punjab and Rajasthan.

During the year 1964-65, exports of groundnut-in-shell and rape and mustardseed were licensed freely, subject to prescribed ceilings. Exports of groundnut (HPS) were banned from January 1, 1965. Export controls were imposed on kardiseed, nigerseed and sesamum effective July 20, 1964. Exports of linseed, castorseed and cottonseed were banned. Vegetable oils including vegetable products or hydrogenated oils were also brought under export control with effect from July 11, 1964. An agreement providing for the import of 75,000 tons of soyabean oil under P.L. 480 programme during the period ending June 1965 was signed by the Government of India and the U.S.A. on September 30, 1964. The oil would be imported directly by the manufacturers of vanaspati. Arrangements for import of about 2,500 tons of mustard oil have also been made.

The all-India index number of wholesale prices of oilseeds (1952-53 = 100) moved up from 163 in March 1964 to 214 in September 1964. The index declined subsequently to 203 in October and November, only to soar up again to 221, an all-time high in December. Thereafter prices eased, the index declining gradually to 195 in March 1965. Groundnut prices ruled generally higher than in the preceding year. The price index moved up from 155 in April to touch 209 in September 1964. Subsequently, on arrivals of the new crop the index declined to 177 in October. Thereafter the index once again moved up and in March 1965 it stood at 186.

With a view to containing the speculative forces, forward trading in 14 commodities

including groundnut, groundnut oil and cake was banned through a directive issued on June 1, 1964. The ban on groundnut and groundnut oil was removed on September 15, presumably in view of a bumper crop this year. For the April 1965 contract for groundnut, trading in which was permitted since February 6, 1965, the ceiling was fixed at Rs. 105.00 per 100 kgs. Trading in the contract, however, did not actually commence as the spot prices ruled generally above the ceiling limit. In order to restrain the rising price trend, the Forward Markets Commission on June 23, 1964 imposed a limit of Rs. 2.00 per 250 kgs. on the weekly rises in prices of castorseed June and September deliveries. The Bombay Oilseeds and Oils Exchange Ltd., however, on June 26, 1964 prohibited transactions in the September 1964 deliveries above Rs. 181.50 per 250 kgs. till August 31, 1964 as against the ceiling of Rs. 186.00 fixed by the Commission. In respect of the March 1965 contracts for castorseed and linseed, trading was prohibited whenever the prices ruled above the stipulated weekly limits. The Bombay Oilseeds and Oils Exchange Ltd., however, on November 26, voluntarily imposed ceiling limits operative upto January 30, 1965. Further on December 28, the Forward Markets Commission imposed a second line of margin on linseed contract. Trading in the June 1965 contracts for castorseed and linseed was permitted subject to weekly price limits. In addition, special margins were imposed. The ceiling price limit for cottonseed was raised by Rs. 5.00 to Rs. 118.00 per 250 Kgs. from August 1, 1964. The ceiling limit in the case of groundnut oil, which had been waived for the January 1965 contract, was re-imposed.

It may be recalled that the Reserve Bank of India on March 11, 1964 had increased the minimum margin required to be maintained by banks on advances against groundnut from 45 to 50 per cent and also reimposed the ceiling limits. As regards other oilseeds (i.e., those excluding groundnut and cottonseed) the minimum margin was raised from 40 to 50 per cent through a directive issued on July 7, 1964; the same minimum margin requirement was also applied, for the first time, to advances against vegetable oils (including vanaspati). On December 31, 1964 the Reserve Bank of India decided to exempt from the minimum margin requirements, advances to vanaspati manufacturers against the security of stocks of soyabean oil imported under U.S. P.L. 480 Agreement.

Sugar

Despite a slight decline in area, production of sugarcane during 1963-64, increased by 7.5 per cent to 10.26 million tonnes, due mainly to better seasonal conditions as compared to the previous year. The increase in production was particularly marked in Uttar Pradesh where the out-turn of sugarcane was abnormally low during the previous year. Official data for sugarcane production for 1964-65 are not yet available. The area under sugarcane during 1964-65 (second estimate) shows a perceptible increase of 12.6 per cent over the corresponding adjusted estimate for the previous year.

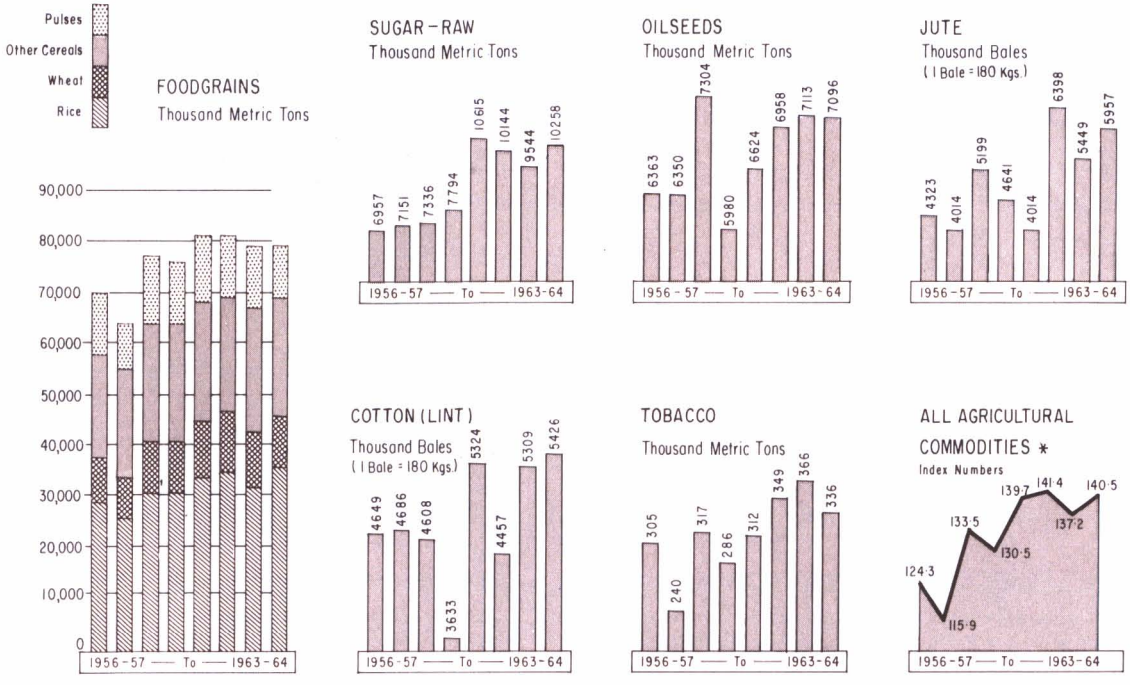
Production of sugar during 1963-64 season (November to October) increased from 21.52 lakh tonnes in 1962-63 to 25.69 lakh tonnes. This production though higher than the previous year fell short of the earlier estimate of over 30 lakhs tonnes, mainly on account of large-scale diversion of sugarcane to gur and khandsari production. The sugar production during the 1964-65 season to end-March 1965 amounted to 26.12 lakh tonnes as compared to 23.16 lakh tonnes during the corresponding period of the previous season. For the season as a whole the production is likely to exceed 30 lakh tonnes.

Exports of sugar declined from 5.14 lakh tonnes in 1962-63 to 2.50 tonnes in 1963-64. This decline was due to curtailment of exports in view of the inadequate supply position of sugar within the country. Exports during the period November 1964 to March 1965 are placed at 0.59 lakh tonnes as against 0.96 lakh tonnes during the corresponding period of the previous year.

The control over price, distribution and movement of sugar imposed on April 17, 1963 was continued during 1964-65. The system of allotment of monthly quotas of sugar to the States was also continued. The index of sugar prices firmed up from 145 in April to 153 in June 1964 consequent upon the increase in controlled prices effected in May 1964. The index declined to 151 in

GRAPH 4

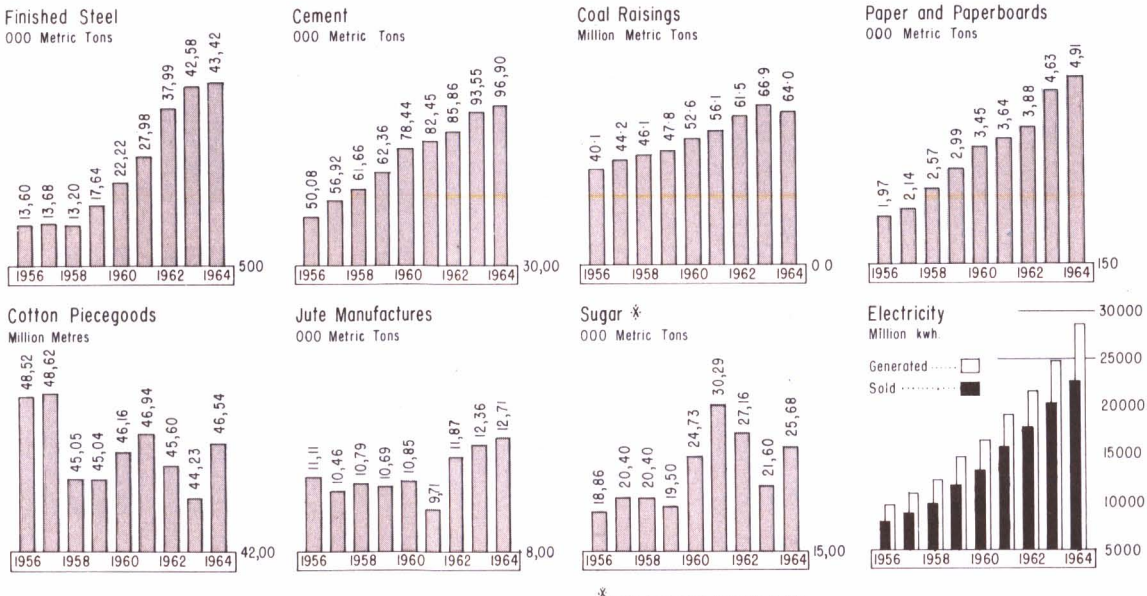
AGRICULTURAL PRODUCTION



* Base:— Agricultural year 1949-50=100. The indices for 1960-61, 1961-62 and 1962-63 are generally based on partially revised estimates while those for 1963-64 are generally based on final estimates. The indices for these years are, therefore, subject to revision.

GRAPH 5

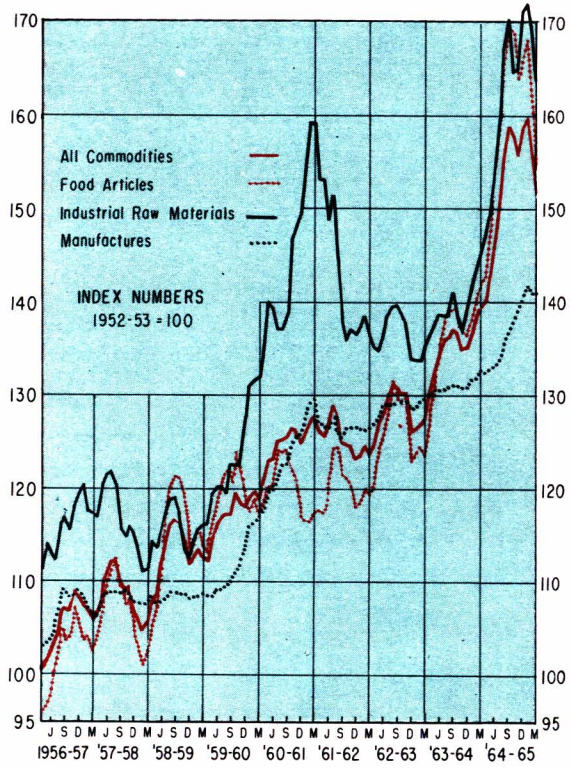
INDUSTRIAL PRODUCTION



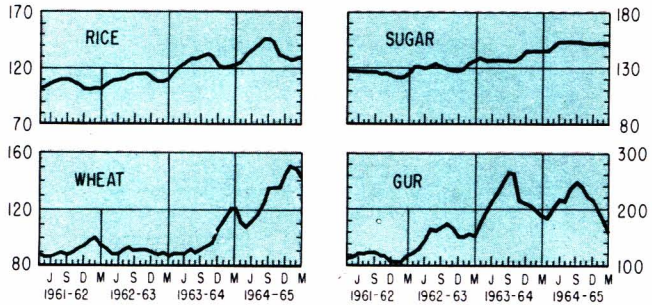
* Relates to crop year Nov. to Oct.

GRAPH 6

WHOLESALE PRICES

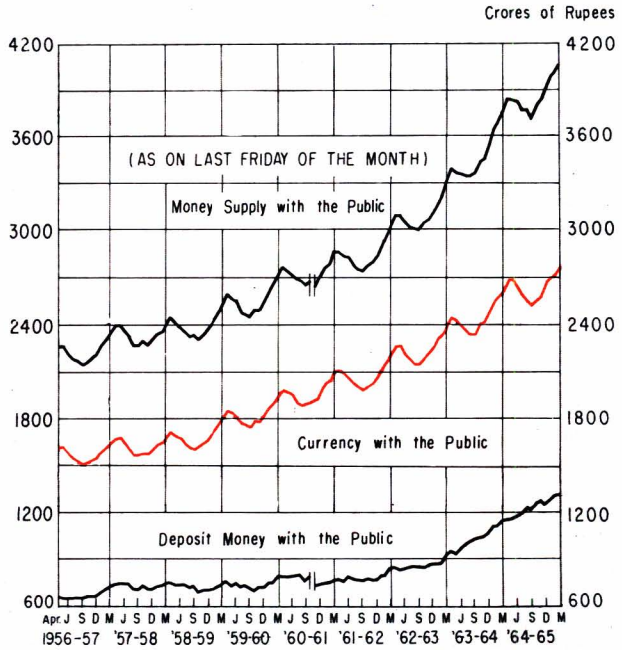


INDEX NUMBERS - IMPORTANT COMMODITIES - 1952-53 = 100



GRAPH 7

MONEY SUPPLY WITH THE PUBLIC



SOURCES OF VARIATIONS IN MONEY SUPPLY WITH THE PUBLIC

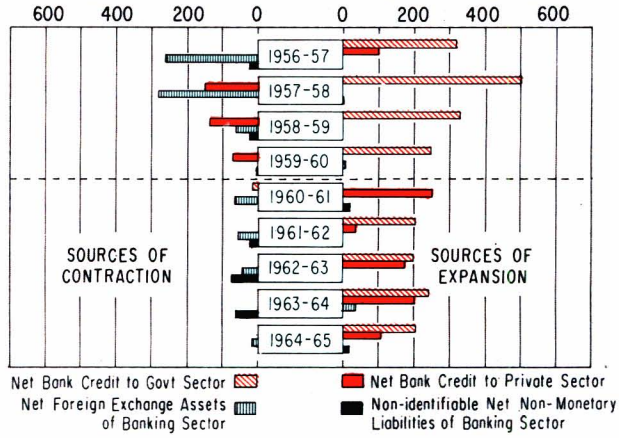


Table 9. Sugar

Year (Nov.-Oct.)	Production of sugarcane (gur) (Million Tonnes)	Production of sugar (Lakh Tonnes)	Imports of sugar (Lakh Tonnes)	Exports of sugar (Lakh Tonnes)	Internal consumption of sugar (Lakh Tonnes)	Stocks of sugar at the end of the year (Lakh Tonnes)
	(1)	(2)	(3)	(4)	(5)	(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	9·5	21·52	—	5·14	24·88	1·76+
1963-64	10·3	25·69	—	2·50	23·36	1·59+
1964-65	..	26·12	—	0·59@	9·53	..
(Upto 31-3-65)						

@ Quantity despatched by factories for exports is 1·10 lakh tonnes out of which 0·59 lakh tonnes has been shipped upto March 31, 1965. + Including stocks of sugar with export agency at ports.

Source : Directorate of Sugar and Vanaspati, Ministry of Food and Agriculture, Government of India.

December and remained at that level till the end of the year. This decline was a sequel to revision effected on November 12, 1964 of ex-factory prices. Over the year, the index showed a rise of 8.6 per cent.

Among the measures taken by the Government of India to raise the level of production of sugar during 1964-65 the following may be mentioned: 1) On the basis of the recommendations made by the Sen Commission (interim report) the minimum cane price payable by the sugar factory has been raised from Rs. 4.69 per quintal linked to a recovery of 9 per cent or less in 1963-64 to Rs. 5.36 per quintal linked to a recovery of 10.4 per cent or less for the 1964-65 season; prices at other levels of recovery have been correspondingly increased, 2) the maximum deduction from the cane price on account of charges incurred by factories on transport of cane purchased by them at road-side centres has been restricted to 32 paise per quintal as against 96 paise per quintal admissible in the years prior to 1963-64, 3) a rebate of 50 per cent in the basic excise duty has been allowed for the excess of production during the months of October and November 1964 over the production in the corresponding period of 1962. Further, a rebate on basic excise duty varying between 20 per cent and 50 per cent on a slab system has been allowed on production of sugar during the period January to June 1965 which is in excess of the production during the corresponding period in 1964. In the case of factories which went into production in 1960-61 or thereafter, a rebate at the flat rate of 30 per cent in the basic excise duty has been granted only on such quantity of sugar produced as is in excess of the production in 1963-64 or the notional production, 4) inter-State movement of *rab* was banned from January 15, 1965 except on permits and 5) State Governments were asked to regulate supplies of cane between the sugar factories and gur and khandsari producers by demarcation of zones for factories, licensing of power crushers and khandsari units, etc.

INDUSTRIAL

Cotton Textiles :

Cotton textiles production in both the mill and the decentralised sectors showed a rise during 1964 (Table below). While the decentralised sector maintained the rising trend, the declining trend noticed in the mill sector since 1961 was reversed during 1964, the output in this sector reaching almost the 1961 level. The total output of cotton textiles, which had gone up from 6,972 million metres in 1962 to 7,303 million metres in 1963, increased further to 7,726 million metres in 1964, a level which is short by only some 778

million metres of the target of 8,504 million metres to be reached by the end of the Third Plan. The average index of production of cotton textiles (*base*: 1956=100) at 123.3 for 1964 represented a growth rate of 7 per cent for 1964 compared to 6 per cent for 1963.

The increase in production of textiles during 1964 was facilitated by the greater availability of raw cotton and by additions to spinning capacity and the further progress made in the installation of automatic looms. Category-wise, the rise in the production of mill-made fabrics during 1964 was accounted for by all the varieties except fine, the output of which declined slightly. The rise was more pronounced in medium category, particularly lower medium variety.

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)
Cloth—Mill Sector	1951	3727	..	3096	..
	1956	4852	680	3818	372
	1961	4694	522	4106	291
	1962	4560	465	3852	432
	1963	4423	493	4117	186
	1964	4654	520	3961	224
Cloth—Decentralised Sector.. ..	1951	1013	..	..	..
	1956	1668	55†	..	..
	1961	2376	26†	..	..
	1962	2412	27†	..	..
	1963	2880	33†	..	..
	1964	3072	33†	..	..
Cloth—Total	1951	4740	753	3992**	..
	1956	6520	735	5847**	..
	1961	7070	548	6527**	..
	1962	6972	492	6482**	..
	1963	7303	526	6780**(1)	..
	1964	7726	553	7173**(2)	..
Cotton Yarn—Mill Sector	1951	591	..	124	..
	1956	758	..	200	5
	1961	862	7	290	7
	1962	860	10	295	10
	1963	893	14	317	9
	1964	965	18	338	12

* Represents deliveries for civil consumption. Figures for yarn relate to sale of yarn by mills to handlooms and powerlooms. ** Represents cloth available for home consumption, i.e., total cloth produced in the mill and decentralised sectors plus actual imports minus actual exports of cloth. † Figures refer to export of handloom cloth only. (1) Provisional. (2) Estimated.

Source : Indian Textile Bulletin and Report of the Ministry of Commerce, 1964-65.

The overall improvement in the supply position was, however, not matched by a corresponding improvement in domestic offtake of cloth. Deliveries of mill cloth for civilian consumption declined from 4,117 million metres in 1963 to 3,961 million metres in 1964. Offtake for export at 580 million metres in 1964 was only slightly higher than 574 million metres in 1963. Exports, however, recorded an improvement both in terms of quantity and value over 1963; exports rose from 526 million metres to 553 million metres and export earnings from Rs. 53.7 crores to Rs. 58.3 crores. The improvement in export performance was due largely to increased offtake by some European markets (particularly U.K.), Afghanistan and Nigeria.

Stocks of unsold cloth with the mills rose from 186 million metres at the end of December 1963 to 224 million metres at the end of December 1964. Stocks of unsold yarn also showed a rise over the year. The increase

demand following steady increase in agricultural and industrial production.

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	1236·3	874·4	82·8	303·0
1963	1289·1	890·0	112·3	333·0
1964	1324·0	1090·0	105·0	378·1

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 till end October 1964 and to IJMA mills and 2 non-member mills thereafter.

* Figures represent despatches for internal consumption.

Source: (i) Monthly and Annual Summary of Jute and Gunny Statistics and (ii) Report of the Ministry of Commerce, Government of India, 1964-65.

Exports of jute goods during 1964 established a new record at 10.90 lakh tonnes as compared to 8.90 lakh tonnes in 1963, thus exceeding the Third Plan target of 9 lakh tonnes. In terms of value, export earnings at Rs. 176 crores in 1964 were higher than in 1963 by Rs. 19 crores.

The general uptrend in domestic offtake of jute goods noticed during recent years continued during 1964 also. Despatches of jute goods for internal consumption, which rose from 3.03 lakh tonnes in 1962 to 3.33 lakh tonnes in 1963, went up further to 3.78 lakh tonnes in 1964. The increase in offtake for both exports and domestic consumption outstripped the rise in output in 1964 and led to a decline in stocks which at 105 thousand tonnes as at the end of the year were lower by seven thousand tonnes than the stocks as at the end of 1963.

Reflecting mainly the impact of increased demand, prices of jute goods ruled firm throughout the year, particularly from August 1964, aided by the rise in raw jute prices following the reports of damage to the 1964-65 crop both in India and Pakistan. With a view to checking an undue rise, the Jute Commissioner adopted several measures including release of buffer stock of raw jute and fixation of maximum weekly quotas of purchases of raw jute by mills. The Economic Adviser's index number of wholesale prices (*base:* 1952-53=100) for jute manufactures recorded a rise of 28.4 per cent from 98.7 on March 28, 1964 to 126.7 on March 27, 1965.

The jute industry continued its efforts at building up new capacity for production of wide hessian for tufted carpet backing. Additional capacity for broad looms was licensed during the year for further diversification of production. The installed capacity of broad looms increased from 1,823 at the end of March 1963 to 2,854 as at the end of October, 1964. Further progress was also made in the modernisation of machinery upto the spinning stage. The coarse side spindle has been almost fully modernised and on the fineside spindle the extent of modernisation has increased from 89 per cent to 91 per cent. In addition, new fineside spindles to feed a further 354 looms have also been installed. Under the Self-financing Scheme, a reference to which was made in last year's Report, in addition to licences for the import of machinery worth Rs. 5 crores granted last year, a further sum of Rs. 50 lakhs was made available for modernisation and broad looms expansion. Out of a total of Rs. 5.5 crores of foreign exchange made available under the scheme, Rs. 2.48 crores related to modernisation and Rs. 3.02 crores to diversification including 2.36 crores for broad looms.

Important developments in the industry during the year were: (*i*) the introduction of quality control and compulsory pre-shipment inspection in regard to exports, (*ii*) the appointment of a Jute Textiles Consultative Board and (*iii*) the setting up of a Jute Goods Export Promotion Committee. Jute goods for which ISI specification has been finalised were subjected to compulsory pre-shipment inspection under the Quality Control and Pre-shipment Inspection Act, 1963 with effect from January 1, 1965. A voluntary organization called the Indian Jute Mills' Association Quality Inspection Committee (IJMAQIC)

in stocks was the net result of a higher level of production accompanied by a decline in cloth deliveries for domestic consumption. The trend of accumulating stocks became perceptible towards the end of 1964 and is reported to have persisted since then. The accumulation in respect of controlled varieties is attributed to the reluctance on the part of traders to lift stocks because of the inadequate margin allowed to them.

Prices of cotton textiles showed a modest rise over the year, the Economic Adviser's index number of wholesale prices (*base* : 1952-53=100) for cotton manufactures rising over the year ended March 27, 1965 by 1.8 per cent from 136.6 to 139.0. The price increase was confined largely to fabrics produced in the mill sector, the price index of which moved up by 2.4 per cent over the year from 133.2 to 136.4; the index for handloom cloth, in fact, declined by 0.3 per cent from 149.7 to 149.2 during the year.

The main developments affecting the cotton textile industry during the year were : (*i*) the imposition of (statutory) price and production controls on certain varieties of mill-made cloth, (*ii*) the publication of the report of the Power loom Enquiry Committee and (*iii*) the appointment of the Second Wage Board for the Industry.

A scheme of statutory control covering roughly half of the aggregate production of mill-made cloth was introduced with effect from October 20, 1964. This replaced the voluntary price regulation scheme in operation from September 1960 and envisages partial control over production, quality and standardization, prices and distribution. The entire production of dhoties, saris, longcloth, shirtings and drills other than supplies made to the Defence Department and for exports is subject to control. However, cloth produced in the decentralised sector (*i.e.* handlooms and powerlooms) is not subject to controls while in regard to yarn, the voluntary price regulation continues. The prices of controlled varieties are based on a Schedule of Realisation Multipliers. The mills are statutorily required to stamp the ex-mill price on the cloth of the controlled categories.

The Asoka Mehta Committee Report on Powerlooms, published during the year, recommended, *inter alia*, that (*i*) the All-India Handloom Board should be made a statutory committee, (*ii*) the additional cloth production in the Fourth Plan should be reserved for the decentralised sector and (*iii*) the control in regard to acquisition and installation etc. of powerlooms in the decentralised sector should be removed and instead a scheme of registration of powerlooms on payment of a fee should be introduced. The Government announced in the Lok Sabha (on March 19, 1965) its decision to accept broadly all the recommendations except the last one.

A second Wage Board for the Cotton Textile Industry was appointed in August 1964. The Wage Board would consider the question of a further revision of the wage structure in the industry.

Jute Textiles

During 1964 the jute industry set up a new record in production and export, surpassing the Third Plan targets in respect of both. The continued availability of abundant supplies of raw jute, the prevalence of buoyant conditions in regard to demand, both external and internal, and the removal of the Working Time Agreement from February 1964 enabled the jute mills to work at maximum capacity throughout the year; total production of jute goods in 1964 at 13.24 lakh tonnes exceeded the Third Plan target of 13 lakh tonnes to be achieved by 1965-66. Output of hessian went up from 528(@) thousand tonnes in 1963 to 536(@) thousand tonnes in 1964. Sackings also rose from 508(@) thousand tonnes in 1963 to 515(@) thousand tonnes in 1964. While the proportion of sackings in the total production showed a further small decline, the share of hessian remained generally unchanged and that of carpet backing cloth, which has been in increasing demand in the overseas markets, went up. The continued decline in the share of sacking cloth in total production was attributed to the stiff competition offered by Pakistan in some of India's traditional markets for these goods. The decline in the overseas demand for sacking was, however, partly offset by rising internal

(@) Relating to the production by mills in the membership of Indian Jute Mills' Association and to one non-member mill.

was constituted by the industry to promote in-process quality control and pre-shipment inspection for jute goods. A Jute Textiles Consultative Board, with the Minister of Commerce as Chairman, was appointed in September 1964 to advise the Government on all important matters relating to the jute industry. The Jute Goods Export Promotion Advisory Committee, which has been set up under the Chairmanship of the Jute Commissioner, would advise the Government on all matters connected with the promotion of exports of jute goods and would also act as a channel of communication between the Government, industry and trade.

Woollen textiles :

Output of woollen textiles, which had increased considerably during 1963 under the impetus of the defense requirements, suffered a setback during 1964. The index of output of woollen textiles (*base :* 1956=100) declined by 22.6 per cent from 165.6 in 1963 to 128.1 in 1964. In terms of actual output, production of woollen/worsted yarn fell from 22.7 million kilograms in 1963 to 20.9 million kilograms in 1964, and fabrics (wearable) from 18.1 million metres to 11.7 million metres as against the Third Plan target for fabrics of 32 million metres.

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	—
	1964	20·9	—
Woollen/worsted fabrics**	1951	11·1	..
	1956	14·9	0·04
	1961	12·0	0·2
	1962	14·8	0·4
	1963	18·1	1·0
	1964	11·7	0·6@

* Figures relate to the financial year, i.e., 1956 figure relates to 1956-57 and so on. @ Figure relates to the first 10 months of 1964-65 (April to January). **Production figures exclude (i) production of hosiery goods from 1958 onwards and (ii) production of independent powerloom factories from 1961 onwards. From November 1962, production figures also exclude production of non-wearable woollen/worsted fabrics.

Source: Indian Textile Bulletin.

Expansion of output of woollen textiles is heavily dependent on imports of raw wool and wool tops. With the tapering off of defence demand for woollen textiles in 1964, foreign exchange allocation was also reduced to the pre-emergency level. This development adversely affected the output.

Exports of woollen manufactures which had been rising in recent years, registered a fall from Rs. 7.57 crores in 1963 to Rs. 6.32 crores in 1964. Imports of fabrics and yarn are not permitted at present. Imports of raw wool, wool tops and shoddy wool during 1964 declined in terms of both quantity and value to 15 million kgs. valued at Rs. 11.10 crores from 22.5 million kgs. valued at Rs. 16.34 crores in 1963. In order to augment the supplies of imported wool, an agreement was concluded with Australia for the supply of Rs. 3 crores worth of wool to be used as a stockpile. With a view to assisting this industry to improve the quality of its products so as to make them more competitive in the overseas markets, Government permitted during the year imports of wool/worsted machinery for rehabilitation and modernisation to the extent of over Rs. 220 lakhs and also concluded an agreement with the Soviet Union for the import of equipment and machinery worth Rs. 1 crore.

Government also inaugurated in October 1964 an Export Promotion Council for Wool and Woollens which, at its first meeting, decided to impose a levy of 10 per cent on the f.o.b. value of imports of wool by actual user, the proceeds of which would be utilised exclusively for promoting the exports of woollen goods.

Prices of woollen manufactures rose further in 1964. The Economic Adviser's index number of wholesale prices (*Base* : 1952-53=100) for woollen manufactures moved up over the year ended March 27, 1965 from 162.4 to 170.3, thus recording a rise of 5 per cent on top of a rise of 13.6 per cent during 1962-63 and of 14 per cent during 1963-64. An important development in the field of price regulation was the statutory fixation of prices for worsted weaving, hosiery and hand-knitting yarns.

Coal

The uptrend in coal production noticed since 1961 was reversed during 1964, the ouput declining from 67 million tonnes in 1963 to 64 million tonnes. At the same time, reflecting a fall in the demand for coal, the stocks at pit-heads rose from 4.7 million tonnes to 5.0 million tonnes.

Table 13. Coal

(Million Tonnes)

Year	Production (1)	Year-end stocks (at pit-heads) (2)
1951	34·9	2·8
1956	40·1	2·8
1961	56·1	3·3
1962	61·5	3·5
1963	66·9	4·7
1964	64·0	5·0

The decline in the demand for coal, which had set in during the latter half of 1963 and which continued in 1964, stemmed from a number of factors such as (*i*) the achievement of capacity production in some major coal-consuming industries, (*ii*) a switch-over from the use of coal to furnace oil by certain industries in response to the Government policy of encouraging the use of oil mainly to reduce the pressure on transport arising from the movement of coal, (*iii*) more efficient utilisation of coal by the steel industry, (*iv*) progressive dieselisation of the railways and (*v*) reduced offtake of coal by thermal power houses. Although overall supplies of coal were in excess of demand, the excess was composed of low grade coals, while selected grades of superior coal continued to be in short supply. The problem of disposal of lower grade coals was aggravated by the reported insistence of the coal consumers for the supply of Grade I coal only. Some producers had to resort to distress sales of accumulated stocks.

The more important measures taken to step up consumption of coal included (*i*) the blending of lower grade coking coal with coals of superior grades before they are charged to coke ovens, (*ii*) the designing of all future thermal stations so as to facilitate only the use of the lower grade coal, (*iii*) persuading the Railways and other public sector undertakings to step up their offtake, (*iv*) slowing down the production of second and third grade coals (the demand for which had fallen) in the mines of the National Coal Development Corporation (NCDC) and (*v*) the closure of some of the mines of the NCDC so as to adjust supplies to demand.

Coal prices, which have been under statutory control, were revised upwards thrice during the year, the increases thus given making a total increase over the year of 3.6 per cent. The first revision was made on June 5, 1964, when a nominal increase of 6 paise per ton was allowed to compensate the industry for the costs arising from the grant of annual increment to workers under the terms of the Award of the Arbitrator (Colliery Disputes). The second revision came in October when a rise of 50 paise per ton was allowed to compensate the industry for the incidence of enhanced dearness allowance. The third revision with an increase of 40 paise per tonne came in January 1965 to make good the wage rise given under the second interim report of the Central Wage Board for the coal mining industry.

An important development relating to this industry during 1964 was the removal of the distribution control on soft coke and coals of grade II and below effective from July 1964.

Iron Ore

The output of iron ore, which had risen steadily from 4.98 million tonnes in 1956 to to 14.78 million tonnes in 1963, showed a small increase to 14.89 million tonnes in 1964. Among the factors responsible for the relative stagnation in output were (1) stoppages of production due to breakdown of machinery in some units, (2) adverse weather conditions (heavy rains) in some mining areas, and (3) accumulation of stocks due to smaller offtake by steel plants, and the consequent curtailment of production by some of the small mines.

Exports of iron ore, which have been rising progressively, constitute a major item in India's export trade; foreign exchange earned from iron ore exports, which formed only 0.5 per cent of the total exports in 1952-53, rose to 4.4 per cent by 1964, thus taking the sixth place among the country's foreign exchange earners. In 1964, iron ore exports aggregated about 10 million tonnes valued at Rs. 37 crores against 8 million tonnes valued at Rs. 32 crores in the previous year. The export earnings were not commensurate with the increase in the export quantum, due mainly to lower per unit earnings; the average unit value (per tonne) declined from Rs. 39·74 in 1963 to Rs. 35.36 in 1964. According to present indications, iron ore exports might reach only 13 million tonnes by the end of the Third Plan period as against the target of 16 million tonnes.

Table 14. Iron Ore

(Thousand Tonnes)

Year	Production @	Exports		Year-end Stocks
		Quantity	Value (Rs. lakhs)	
	(1)	(2)	(3)	(4)
1956 ..	4,980	1,828	931	1,546
1961 ..	12,276	3,332	1,793	3,378
1962 ..	13,368	3,694	1,923	2,516
1963 ..	14,784	8,086	3,213	2,089
1964 ..	14,880	10,482	3,706	1,404

@ Excluding Goa, Daman & Diu.

The pressure from foreign buyers to reduce the per unit price of iron ore has been persistent as a result of the availability of supplies from alternative sources. The difference between Indian prices and those of other countries arises mainly due to ocean freight partly because Indian ports are not equipped to receive large ore carriers. In addition, the loading rate which India is able to guarantee is much lower than in some other countries. These disadvantages would be offset when the development plans for the ports are completed. Suitable steps are being taken by the Government to reduce the cost of production and improve the transport and shipping facilities. These include development of ports at Haldia, Paradip, Visakhapatnam, Madras, Marmagao and Mangalore and construction of new railway lines or broad-gauge lines in addition to existing metre-gauge lines. Arrangements are also being made for the introduction of compulsory quality control and pre-shipment inspection for iron ore and other mineral ores to ensure the quality of exports.

Manganese Ore

The output of manganese ore (excluding the output of Goa, Diu and Daman), which declined from 12.36 lakh tonnes in 1961 to 10.80 lakh tonnes in 1963, showed a substantial improvement to 12.36 lakh tonnes during 1964. Despite severe competition in international markets, exports of First and Second Grade manganese ore (including that of Goa, Diu and Daman) also increased from 9.14 lakh tonnes (valued at Rs. 8.18 crores) in 1963 to over 15.90 lakh tonnes (valued at Rs. 13.52 crores) during the year. This rise in quantity as well as value of exports, which is the highest on record since 1957, was due to the fact that most of the exports were made under barter deals. As internal prices did not compare favourably with world prices, it was decided that from January 1965 the Minerals and Metals Trading Corporation should undertake direct exports of manganese ore at internationally competitive prices.

In 1964, Government granted mine owners 10 per cent of foreign exchange realisations (f.o.b.) of their exports for the import of machinery and equipment to modernise their mines.

Over the year 1964-65, internal prices of manganese ore recorded a rise of 6.5 per cent as against a decline of 11.4 per cent recorded in the previous year.

The major markets for Indian manganese ore are U.S., Japan, Switzerland, U.K. and West Germany; other markets are Belgium and Holland and a few East European countries. Recently, however, American steel manufacturers have switched over to Brazilian manganese ore in view of its relative high grade quality and lower cost of transportation, while East European countries have been increasingly tending to buy from the U.S.S.R.,

which possesses the largest and one of the richest manganese ore deposits in the world.

Table 15. Manganese Ore

(Thousand Tonnes)

Year	Production*	Exports	
		Quantity	Value (Rs. lakhs)
	(1)	(2)	(3)
1961 ..	1236	996	1100
1962 ..	1224	792	839
1963 ..	1080	914@	818@
1964 ..	1236	1590@	1352@

* Excluding Goa, Diu & Daman. @ Includes exports from Goa also.

Mica

Although India is the principal supplier of world's mica requirements, the industry has been facing two major problems viz., high internal prices and competition among Indian exporters. The production of mica showed a decline since 1962 and was 21,516 tonnes in 1964. Exports in terms of quantity also declined during the year, though export earnings were higher than in 1963 due to higher prices. The index number of wholesale prices of mica (*base : 1952-53=100*) at 149.2 for the week ended March 27, 1965 was higher by 31.3 per cent over the year on top of a rise of 14.3 per cent in the previous year.

Table 16. Mica

Year	Production (crude)	Exports	
	(Tonnes)	Quantity (Lakh Kgs.)	Value (Rs. lakhs)
	(1)	(2)	(3)
1956-57 ..	28,488	208	877
1961-62 ..	28,344	270	1,047
1962-63 ..	28,356	310	1,070
1963-64 ..	25,104	350	895
1964-65 ..	21,516	300*	978*

Note; Production relates to calendar year.
* Estimated.

In order to stabilise the prices of mica, the Government of Bihar, the State in which the industry is concentrated, set up in 1964 a Bihar Mica Syndicate which will secure export orders from abroad and arrange to finance the suppliers so as to enable them to maintain quality of their products and schedule of exports. Thus, the Syndicate is expected to eliminate uneconomic competition among Indian suppliers and avoid the possibility of being priced out of export markets. The Syndicate has a capital of Rs. 2 crores of which 51 per cent is subscribed by the Bihar Government and the balance by the Mica trade.

With the introduction of compulsory pre-shipment inspection of mica it has been possible to stabilise the prices *vis-a-vis* quality. The establishment of the Syndicate has given a fillip to the industry and in the latter part of the year both production and exports showed an improvement. However, the estimated production of mica at 21.5 thousand tonnes in 1964 was 3.6 thousand tonnes less than that in the previous year. Similarly, exports declined from 350 lakh kgs. in 1963 to 300 lakh kgs. in 1964 although export earnings improved from Rs. 895 lakhs in 1963 to Rs. 978 lakhs in 1964 mainly because of a rise in the price realised.

Cement

The considerable improvement in the rate of growth witnessed in the cement industry during 1963, was not maintained in 1964; output of cement increased by only 3.6 per cent to 96.9 lakh tonnes in 1964 as compared to a 9.0 per cent rise (to 93.6 lakh tonnes) in the preceding year. The inadequate expansion in capacity, owing to the scarcity of foreign exchange and the high costs of indigenous plants, was the main constraint on the growth of the industry. Besides, the rising cost of production following the rise in the prices of such inputs as coal, gypsum, stores, spares, etc. also impaired the performance of the industry. The utilisation of capacity during the year was almost at the last year's level (90 per cent). On present indications, the industry is not likely to achieve the Third Plan target of 15 million tonnes of installed capacity and 13 million tonnes of production.

Table 17. Cement

(Thousand Tonnes)

Year	Installed capacity	Production	Year-end stocks
	(1)	(2)	(3)
1951 ..	3613	3252	—
1956 ..	5795	5008	110
1961 ..	9474	8245	169
1962 ..	9728	8586	148
1963 ..	10285	9355	122
1964 ..	10768	9690	145

The expansion of cement industry posed a pressing problem for some time in view of the continued broadening of demand emanating from the spurt in constructional activities and the added requirements of the defence sector. The Government, therefore, established on January 18, 1965, the Cement Corporation of India which will undertake *i*) the exploration activities for the development of raw materials for this industry, *ii*) the establishment of further capacity for manufacture of cement and *iii*) all ancillary and supporting activity for building up the cement industry in the country, including the development of expertise.

Effective July 1, 1964, the Government allowed an increase of Rs. 1.25 per tonne in the ex-works price to the cement manufacturers, in view of the rise in the prices of power, fuel, rail freight, etc. As an incentive for achieving the maximum utilisation of cement manufacturing capacity the Government also sanctioned on September 9, 1964 an extra price to cement producers, ranging from Rs. 5.50 to Rs. 2.50 per tonne in respect of production in 1964 in excess of the best annual production during the three years ending 1962.

In the case of asbestos cement, though production expanded by 58 thousand tonnes (to 366.0 thousand tonnes) in 1964, the rate of expansion at 18.7 per cent was appreciably lower than 31.8 per cent in 1963. To meet the growing demand for asbestos products, five schemes have been approved for increasing the installed capacity.

Pig Iron & Ferro Alloys

Production of pig iron and ferro alloys, which had recorded a rise of 16 per cent in 1962 and 14 per cent in 1963, was estimated in 1964 to be at the same level as in 1963—6.74 million tonnes

Table 18. Pig Iron and Ferro Alloys

(Thousand Tonnes)

Year	Production during	Stocks with Producers at the end of the year
	(1)	(2)
1951	1829 (..)	61
1956	1990 (448)	39
1961	5101 (1083)	68
1962	5917 (1117)	54
1963	6742 (1386)	71
1964	6742 (1318)	61

Note : Figures in brackets represent production of foundry grade pig iron.

This stagnation in output during the year was largely attributed to the delay in the implementation of schemes licensed in the private sector. In fact, three licences for a total capacity of about 300,000 tonnes were revoked because of the poor progress in implementation.

The Third Plan envisaged the production of foundry grade pig iron at 1.5 million tonnes by 1965-66. Of this, as much as one million tonnes was to come from the integrated steel plants of Hindustan Steel Limited (including Bokaro) and 0.5 million tonnes from plants licensed in the private sector. Against this, the actual production was 1.3 million tonnes in 1963-64.

For the year 1964-65 the supply of foundry grade pig iron is expected to aggregate 2.2 lakh tonnes more than in 1963-64. The improved supply position was due to the fact that the Government persuaded the railways to use scrap to an appreciable extent instead of pig iron. Moreover, as mentioned in the last Report, the Government was purchasing the entire quantity of one and a half lakh tonnes of pig iron (Grade I) imported from the

Soviet Union. These supplies from imports to a great extent made good the shortage of graded pig iron from indigenous sources.

In view of the complaints generally made by the foundries that the quality of pig iron available fell short of their requirements, the Central Government has appointed a committee to go into the problems of the foundry industry. Measures taken by the Government to augment pig iron production included the setting up of additional blast furnaces at Bhilai and Durgapur in advance as part of the steel plant expansion in the Fourth Plan and low shaft furnace at Bhilai with a daily capacity of 150 to 200 tonnes and launching of feasibility studies for setting up a few blast furnace complexes to produce pig iron. The estimated demand for foundry grade pig iron by 1970-71 is placed at 3.5 to 4 million tonnes and it is expected that integrated steel works would yield about one million tonnes while another 0.75 million tonnes would be available from private sector plants. The gap would have to be met from the proposed blast furnace complexes.

Finished Steel

Production of finished steel, which rose from 3.80 million tonnes in 1962 to 4.26 million tonnes in 1963, practically touching the level of full rated capacity of the existing steel plants, recorded only a moderate increase to 4.34 million tonnes in 1964. The total availability of finished steel during 1964-65 was about 5.5 million tonnes, including imports of about one million tonnes.

Table 19: Finished Steel

(Thousand Tonnes)

Year	Production (1)	Year-end stocks (2)
1951	1034	130
1956	1270	115
1961	2798	208
1962	3799	187
1963	4258	161
1964	4342	166

As in the case of cement and aluminium any further expansion in the output of finished steel would be expected only when the expansion programmes now under way materialised. The setting up of an additional blast furnace at Bhilai was completed and the expanded steel plant is expected to go into production towards the end of 1965. The current expansion programmes at Durgapur and Rourkela are likely to be delayed and will be completed only in 1966-67. On present indications, there would be an addition of about 1.5 million tonnes in steel production over the next two years, raising the total domestic production of finished steel to about 6 million tonnes by 1966-67. Advance action is also being taken for the Fourth Plan expansion of the three public sector steel plants, the construction of a steel plant at Bokaro, the setting up of a fifth steel plant and the expansion of the steel industry in the private sector. The expansion programme is being planned so as to ensure that the requisite quantities of pig iron would be available for sale to foundries and would thus alleviate the shortage of pig iron. Two additional blast furnaces are being constructed at Bhilai and Durgapur in advance of the steel plant expansion in the Fourth Plan and are expected to be ready early in the Fourth Plan period. The supply of alloy, tool and special steels is expected to improve after the conversion of the Bhadravati steel works and the completion of the plant at Durgapur. The former is expected to produce 74,000 tonnes and the latter 66,000 tonnes annually. Plants are also licensed in the private sector.

It is estimated that, from a total target capacity of 8.9 million tonnes in the Third Plan period, the existing steel works might be expanded to a total capacity of 13.5 million tonnes in the Fourth Plan period as against the overall capacity target of 16.5 million tonnes for 1970-71. The balance of requirements of steel is proposed to be met by establishing new steel works, besides Bokaro. The Bokaro plant will be constructed with the assistance of the U.S.S.R. Government with a capacity of 1.5 to 2 million tonnes with provision for further expansion upto 4 million tonnes. Preliminary steps for the construction work have been taken and the plant is expected to be commissioned early in 1970.

Consequent on Government's acceptance of the Raj Committee's Report, distribution control over non-flat products, *i.e.*, bars, rods, structurals, etc., was withdrawn during the year. But control over distribution of pig iron, billets and flat products, *i.e.* plates, tinplates, black sheets (plain and corrugated), galvanised sheets (plain and corrugated), skelp, hoops, strips and defectives of these categories continued and these could be acquired by stockists and consumers only against Quota Certificates. Price control over tinplate, including cuttings and waste, was withdrawn in December 1964.

The prices of controlled categories announced on 1st March 1964 continued to be in force for the major part of the year under review. There were some adjustments in the prices of tin bar, tinplate (before decontrol), billets and galvanised sheets, partly as a measure of rationalisation and partly to cover increases in prices arising from the higher incidence of excise duty on sales-tax. Consequent on further increases in the excise duties on controlled categories of iron and steel announced on February 27, 1965 and March 5, 1965, a revised schedule of prices was notified on March 6, 1965.

Paper and Paper Boards

The spectacular increase in the output of paper and paper boards industry during 1963 was followed by a much smaller growth rate during 1964 ; the output rose by only 6.0 per cent (to 4.91 lakh tonnes) in 1964 as against an increase of 19.3 per cent (to 4.63 lakh tonnes) in the preceding year. Scarcity of raw materials and inadequate availability of foreign exchange for the implementation of schemes already licensed contributed to the slowing down in the rate of production. Seven new units, with a total capacity of 13,780 tonnes started production during the year. The utilisation of capacity during 1964 at about 88 per cent was lower than in 1963 (92 per cent).

Although the capacity so far licensed for the production of paper, paper boards and pulp, etc., was in excess of the Third Plan target, the capacity which would in fact be available by the end of the Plan was likely to be of the order of 6.80 lakh tonnes per annum which would only be sufficient to give an annual production of 5.80 lakh tonnes. To meet the shortage in production, a Technical Committee has been set up to explore ways and means of stepping up production in the existing units. Thirteen schemes with an additional output of 1.20 lakh tonnes per year recommended by this Committee were approved by the Government. The implementation of these schemes was expected to enable the industry to achieve the production target for the Third Plan. As an incentive to further production, effective May 2, 1964, the rebate (15 per cent) on excise duty, which had been allowed only to those mills which commenced production or embarked on substantial expansion after March 1, 1964, was extended to cover mills which commenced production or undertook expansion programmes after March 1, 1961. Moreover, the reduction of 5 p. per kg. in excise duty, which had been allowed only to paper "containing not less than 50 per cent bagasse in the form of pulp" was made applicable to paper "containing not less than 40 per cent bagasse, jute stalks or cereal straw in the form of pulp". The latter concession was expected to ease the pressure on the limited supplies of bamboo, by encouraging paper mills to use other raw materials in an increasing measure.

Table 20. Paper and Paper Boards

(Thousand Tonnes)

Year	Production (1)	Year-end stocks (2)
1951	134	—
1956	197	12
1961	364	17
1962	388	16
1963	463	26
1964	491	24

The performance of the newsprint industry during the year was not satisfactory because of the delay in the licensing of schemes for the production of newsprint. To meet the steadily rising demand for newsprint, the expansion of the capacity of NEPA mills from 30,000 tonnes to 75,000 tonnes per year was approved. Besides this, two private units with a licensed capacity of 90,000 tonnes of newsprint per year were also licensed. How-

ever, in view of the slow progress of these two schemes in the private sector, possibilities of setting up one or two more Newsprint Mills in the public sector are also being explored.

The index number of wholesale prices (*base :* 1952-53 = 100) for "paper and newsprint", which had eased by 1.1 per cent from 112.4 in March 1963 to 111.2 in March 1964, declined by 4.0 per cent to 106.8 in March 1965, following the reduction in excise duty in the 1965-66 budget.

Rubber Manufactures

There was a perceptible fall in the rate of production of rubber goods during 1964. The annual index of rubber manufactures (*base :* 1956 = 100), which had spurted up by 10.3 per cent from 169.5 in 1962 to 187.0 in 1963, rose by only 5.9 per cent to 198.0 in 1964. There was a slackening in the rate of growth of output in almost all the items of rubber manufactures, which was more noticeable in automobile tyres and tubes and was attributed partly to a slowing down of demand and partly to resistance on the part of buyers to the higher prices following decontrol. The production of rubber footwear, which had declined in 1963, showed a slight improvement during 1964, but was still lower than the level attained in 1962.

Table 21. Rubber Products

(In thousands)

	Tyres (Automobiles)		Tubes (Automobiles)		Tyres (Cycle)		Tubes (Cycle)		Footwear* (Rubber)	
	Production (1)	Year-end stocks (2)	Production (3)	Year-end stocks (4)	Production (5)	Year-end stocks (6)	Production (7)	Year-end stocks (8)	Production (9)	Year-end stocks (10)
1951	870	..	821	..	3,941	..	6,327	..	230	..
1956	938	23	918	30	6,320	..	6,373	290	361	53
1961	1,562	27	1,484	37	11,346	399	12,848	399	451	59
1962	1,710	30	1,643	38	11,940	315	11,562	536	498	64
1963	1,926	38	2,029	36	14,186	331	13,343	260	466	56
1964	2,090	61	2,208	119	16,157	302	15,194	216	470	64

* Figures in lakh pairs.

Of the total supplies of natural rubber required by the Indian rubber industry, about 60 per cent was being met at present from indigenous production while the balance of the natural rubber and some of the other important raw materials were imported to a limited extent. Steps were being taken to establish and expand capacity for the manufacture of the chief raw materials *viz.* natural rubber, synthetic rubber, reclaim rubber, rayon cord, carbon black, rubber chemicals etc.

The wholesale price index of rubber tyres and tubes (*base :* 1952-53 = 100), which had risen by 15.0 per cent from 87.4 at the end of March 1963 to 100.5 at the end of March 1964, recorded a decline of 1.6 per cent to 98.9 by the end of March 1965.

Engineering and Metallurgical Industries

The continuing diversification of the industrial structure in India was amply reflected in the encouraging performance of the mechanical and electrical engineering industries during 1964. The progress of the metallurgical industries, however, was not satisfactory

In the *light mechanical engineering industries*, with the notable exception of sewing machines and stoves, the output of most of the other major items showed substantial increases reflecting the higher rate of utilisation of existing capacity as well as the installation of additional capacity during the year. The rise in output was relatively more marked in bicycles (19.1 per cent), ball bearings (18.0

per cent) and crown corks (14.7 per cent). The rising trend in output noticed in the previous year was maintained in respect of typewriters, conveyor beltings, zip fasteners and duplicators. Manufacture of new items such as tapered and cylindrical roller bearings, taxi meters, screwing machines, micro-meters, punch-card data processing machines, calculating and adding machines was also undertaken during the year. The output of sewing machines and stoves, however, declined by 26.3 per cent and 11.6 per cent, respectively, the decline in the former being due mainly to protracted labour strike in one of the major units, and in the latter due partly to shortage of raw materials and partly to lack of demand.

Table 22. Light Mechanical Engineering Industries

Items	1962 (1)	1963 (2)	1964 (3)
Ball Bearings (Million Nos.)	3·9	5·0	5·9
Typewriters ('000 Nos.) ..	36·3	42·4	44·1
Conveyor Beltings (Tonnes)	973	1,607	2,325@
Zip Fasteners ('000 metres)	2,857	3,083	3,320
Crown Corks (Million Nos.)	698·4	784·8	900·0
Bicycles ('000 Nos.) ..	1,116	1,182	1,408
Sewing Machines ('000 Nos.)	343	346	255
Duplicators (Nos.)	4,728	5,088	5,376

@ Estimated.

In the group of *heavy mechanical engineering industries*, there was considerable improvement in the pace of production of automobiles (the index of production rose by 28.6 per cent as against a decline of 9.6 per cent in 1963) and railway wagons (27.9 per cent compared to a rise of 11.7 per cent). The progress of the automobile industry was facilitated by the substantial credit given by the International Bank for Reconstruction and Development for the production of commercial vehicles and construction equipment. The purpose of this credit was to finance imports of components as well as the equipment needed by the industry.

As in the preceding year, the output of almost all the items of *industrial machinery* recorded substantial increases in 1964, the increase being sizeable in cement machinery (the value of the output being estimated at Rs. 216 lakhs in 1964 as compared to Rs. 96 lakhs in 1963), paper and printing machinery (Rs. 172 lakhs as compared to Rs. 120 lakhs), boilers (Rs. 442 lakhs as compared to Rs. 289 lakhs), chemicals and pharmaceutical machinery (Rs. 679 lakhs as compared to Rs. 537 lakhs) and sugar machinery (Rs. 715 lakhs as compared to Rs. 578 lakhs). The output of steel castings, steel pipes and tubes, complete machine tools, twist drills, grinding wheels and hacksaw blades also showed a rise. The output of power driven pumps, road rollers and diesel engines rose by 12.0 per cent, 20.5 per cent and 20.3 per cent, respectively, but the rate of increase was much smaller as compared to increases of 15.7 per cent, 49.0 per cent and 25.5 per cent, respectively, in the previous year.

The items which were produced for the first time in the country during 1964 were : disc filter for coal washery, cylindrical and tapered roller bearings, sizing machines and calendering machines required for textile industry, single spindle automat, screwing machines, spindle moulder (wood working), combination planing surfacing and thicknessing machines (wood working), programme controlled milling machines, plastic injection moulding machines, induction-melting furnace, diamond drawing dies, segmental saws, cold chisels, gear hobs and socket wrenchers.

Table 23. Heavy Mechanical Engineering Industries

Items	Units	1962 (1)	1963 (2)	1964 (3)
Automobiles				
(i) Passenger Cars ..	'000 Nos.	23·3	15·7	23·2
(ii) Commercial Vehicles ..	,,	26·8	28·4	33·5
(iii) Jeeps and Station Wagons ..	,,	7·6	8·1	10·4
Power Driven Pumps ..	,,	129·6	150·0	168·0
Diesel Engines ..	,,	51	64	77
Railway Wagons	,,	17·0	19·0	24·2
Road Rollers ..	Nos.	588	876	1,056

As regards *electrical engineering items* the rising trend in output of most of the items noticed in the previous year was maintained during the year. There was a spectacular increase in the production of domestic refrigerators (42.9 per cent), power transformers (25.4 per cent), storage batteries (11.5 per cent), radio receivers (13.1 per cent) and electric motors (11.5 per cent). The performance of industries manufacturing room air conditioners, measuring instrument and electrical accessories was also satisfactory. One more unit started production of cast alloy permanent magnets while the manufacture of lightning arrestors and teleprinter machines was also undertaken for the first time. Labour troubles and shortage of raw materials led to a decline in the output of fluorescent tubes (5.6 per cent), miniature lamps (14.0 per cent) and electric fans (0.2 per cent).

Table 24—Electrical Engineering Industries

Items	Units	1962	1963	1964
		(1)	(2)	(3)
Electric lamps—				
(*i*) G. L. S. & others	Million Nos.	55·3	66·7	66·7
(*ii*) Fluorescent tubes	„	3·2	3·6	3·4
(*iii*) Miniature lamps	„	26·9	37·2	32·0
Radio Receivers	'000 Nos.	343	419	474
Storage Batteries	„	565	689	768
Dry Cells	Lakh Nos.	2,394	2,761	2,866
Domestic Refrigerators	'000 Nos.	13	21	30
Power Transformers	Thousand k.v.a.	2,306	2,639	3,308
Electric Motors	'000 H.P.	986·4	1,182·0	1,317·6
Electric Fans	'000 Nos.	1,129	1,144	1,142

Metallurgical industries made little progress during 1964, the output of most of the items in this group showing no marked improvement over the 1963 levels of production. Production of virgin aluminium metal rose slightly from 53.4 thousand tonnes in 1963 to 55.0 thousand tonnes in 1964, that of aluminium sheets and circles remained virtually stagnant at 22 thousand tonnes. At this level of output the existing capacity of the industry was fully utilised. Government therefore undertook various projects to increase the capacity by 25,000 tonnes and 35,000 tonnes, respectively during 1965 and 1966. Besides, the implementation of the schemes in the private sector was expected to augment capacity to the extent of 75,000 tonnes per annum. With a view to assisting this industry during the period of its expansion, Government accepted the Tariff Commission's recommendation for the continuation of protection granted for certain varieties of aluminium ingots, bars and certain other items till December 31, 1968.

The domestic availabilities of copper, lead and zinc ores being very limited, the output performance of these industries depended largely on the imports of these metals. However, owing to the sharp increase in the international prices of these metals and the critical foreign exchange situation, the import of these metals particularly copper was greatly restricted. This was reflected in a slight fall in the output of virgin copper from 9.6 thousand tonnes in 1963 to 9.5 thousand tonnes in 1964. The output of copper sheets and circles also declined for the second year in succession, from 3,528 tonnes in 1962 to 3,168 tonnes in 1963 and further to 2,064

tonnes in 1964, following the substitution of aluminium in place of copper in the conductor and other industries. At the present level of production, the installed capacity in this industry was also fully utilised. The Indian Copper Corporation was licensed to replace its old smelter of 7,500 tonnes capacity by a new smelter of 16,500 tonnes capacity with facilities for the production of sulphuric acid.

Among other metals, while the production of zinc sheets and stripes showed a sizeable expansion from 3,882 tonnes in 1963 to 4,648 tonnes in 1964 that of lead showed only a small rise from 3,536 tonnes to 3,624 tonnes.

Table 25. Metallurgical Industries

(Thousand tonnes)

Items	1962 (1)	1963 (2)	1964 (3)
Virgin Metal—			
Aluminium	35·2	53·4	55·0
Copper	9·8	9·6	9·5
Lead	2·8	3·5	3·6
Semi-Manufactures ..			
Aluminium sheets and circles	16·3	22·2	22·5
Aluminium wire rods for A. C. S. R.	11·4	18·0	20·5
Copper sheets & circles	3·5	3·2	2·1
Brass sheets & circles ..	23·7	22·6	20·3
Zinc sheets & stripes ..	3·5	3·9	4·6

On account of limited supplies of non-ferrous metals in the context of rising demand, shortage of these metals was a chronic feature ; in the result, prices of all the metals rose steeply during the year. Over the year ended-March 27, 1965, the wholesale price index (*base:* 1952-53 = 100) firmed up sharply by 74.0 per cent for lead, by 68.5 per cent for zinc spelter and by 61.2 per cent and 32.2 per cent for copper and aluminium, respectively.

Chemicals and chemical products

The output of chemicals and chemical products showed a decline of 4.5 per cent in 1964 in contrast to the substantial rise of 23.2 per cent during 1963. The fall in the group index of production was mainly the result of a decline in the output of nitrogenous fertilisers, matches, certain dyestuffs like azo dyes, sulphur black and organic pigments and certain plastic materials like polyethylene moulding powder.

The main factors which impaired the performance of this industry were (*i*) the shortages of raw materials resulting in the downward trend in production of certain dyestuffs like azo dyes, sulphur black and organic pigments, (*ii*) the lack of demand particularly in the case of certain insecticides, plastics, plastic chemicals and 'paints and varnishes' and (*iii*) labour troubles mainly in the Sindri Fertiliser Factory leading to the decline in the output of nitrogenous fertilisers.

Production of matches, bromides and bromines, potassium chlorate and inorganic photographic chemicals fell during the year, while there was a considerable slowing down in the growth rate of soda ash and 'paints and varnishes'. In contrast to this, other major chemicals maintained steady progress, though in certain cases at a level slightly lower than in the previous year. Thus, the output increased during 1964 in the case of phosphatic fertilisers (21.6 per cent as against 26.0 per cent in 1963), caustic soda (21.1 per cent as against 19.7 per cent), sulphuric acid (19.9 per cent as against 21.1 per cent), liquid chlorine (14.4 per cent as against 16.8 per cent) and soap (5.7 per cent as against 4.6 per cent). This was made possible by the commissioning of new units and increased utilisation of capacity in some of these units. Increase in production was also noticed in certain other items like hydrogen peroxide, sodium perborate, calcium carbide, sodium hydrosulphite and calcium carbonate.

An important development in this industry during the year was the discontinuance of protection to soda ash, caustic soda and chlorine with effect from January 1, 1965.

In line with the trends in the general price level, prices of chemicals continued to firm up during the year. The wholesale price index (*base :* 1952-53 = 100) of chemicals as a group moved up from 120.4 at the end of March 1964 to 124.7 at the end of March

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1965 or by 3.6 per cent compared to a rise of 2.5 per cent during the previous year. Group-wise, prices rose in respect of sulphuric acid (3.8 per cent in contrast to a decline of 1.0 per cent in 1963), caustic soda (5.8 per cent compared to a rise of 26.4 per cent), soap (6.7 per cent compared to 4.0 per cent) and paints (10.6 per cent compared to 11.4 per cent). On the other hand, prices of 'drugs and medicines' declined by 1.0 per cent, as against a rise of 0.3 per cent in the preceding year.

Table 26. Major Chemicals and Chemical Products

(Thousand Tonnes)

Year	Sulphuric Acid		Caustic Soda		Paints and Varnishes		Nitrogenous Fertilisers ('N' content)		Phosphatic Fertilisers (P_2O_5 content)		Soda Ash		Soap@	
	Production (1)	Year-end stocks (2)	Production (3)	Year-end stocks (4)	Production (5)	Year-end stocks (6)	Production (7)	Year-end stocks (8)	Production (9)	Year end stocks (10)	Production (11)	Year-end stocks (12)	Production (13)	Year-end stocks (14)
1951	109	—	15	—	34	—	11	—	10	—	48	—	85	—
1956	168	7	40	1	42	2	79	1	14	1	86	2	112	7
1961	422	14	120	4	59	6	79	8	62	8	177	23	149	6
1962	469	24	127	3	65	4	84	10	77	12	223	12	152	6
1963	568	23	152	3	74	6	89	3	97	12	267	8	159	5
1964	681	23	184	4	75	6	86	3	118	7	282	13	168	4

@ Figures relate to production of organised sector.

Gold and Silver

The domestic output of gold, which had declined by 775 kgs. to 4,305 kgs. in 1963, increased to 4,603 kgs.* in 1964. Silver production also increased from 3,991 kgs. in 1963 to 4,734 kgs.* in 1964.

Trading in the Bombay bullion market was confined to spot as the ban on forward trading in both gold and silver continued during 1964-65. As the Central Government received reports that some persons were conducting forward trading in silver coins on a party-to-party basis, forward dealings in silver coins, which were no longer legal tender, were also banned from March 12, 1965 under Section 17 of the Forward Contracts (Regulation) Act 1952. Simultaneously, forward trading in non-transferable specific delivery contracts in silver coins was also banned.

Both gold and silver ruled firm during the greater part of the year, silver in particular scaling an all-time peak. The firmness in gold was attributed to the continued rise in the general price level, boom in commodity markets and persistent demand from goldsmiths and industrial users. Reports of seizures of sizeable quantity of contraband gold by the Customs authorities also imparted strength to the market. As a result, the price of gold moved up consistently upto end-August. There was a reaction during September, which was attributed to the steps taken by Government to unearth unaccounted money and also to reports of increased arrivals of the smuggled gold, with the close of monsoon. The price tended to move up again particularly since early December. The passage of the Gold Control Bill in the Lok Sabha towards the close of December did not have any perceptible impact on the market. Reports of gold purchases for the purpose of conversion of unaccounted money into the new Gold Bonds issued in March 1965 further aided the sentiment.

* Provisional.

The price of 14-carat gold, which ruled at Rs. 63.25 (per 10 grammes) at end-March 1964, moved up by stages to reach Rs. 72.75 by August 27, 1964. But subsequently, following the raids by the Enforcement Directorate in September, prices slumped to a low of Rs. 64.50. The uptrend reasserted itself thereafter and the price of gold moved up further to Rs. 72 by February 15, 1965 reflecting a broadening of seasonal demand with the progress of marriage season. On March 31, 1965 it was quoted at Rs. 71.75, showing a net gain of Rs. 8.50 over the year.

Silver prices ruled buoyant for the greater part of the year and reached an all-time peak of Rs. 281.50. During the first two months and a half, silver was more or less easy, mainly on selling pressure in the face of larger arrivals, the price moving down from Rs. 260 (per kg.) at end-March 1964 to Rs. 244 on June 9. However, persistent demand for silver and the bullish trend on international silver markets tended to push up the price threafter; the price reached Rs. 261 by the first week of August. For the next two months, silver remained subdued on upcountry offerings but since Diwali with the progress of the marriage season the trend was again upward and silver soared to an all-time high of Rs. 281.50 by March 25, 1965. At end-March the price was quoted at Rs. 280.50, representing a sizeable rise of Rs. 20.50 over the year.

The average price of silver in India in 1964-65 was higher by Rs. 20.85 over 1963-64. The gap between the internal and external price of silver, which was around Rs. 70 (per kg.) at end-January 1964 when the last year's peak was touched, widened further. On March 25, 1965, when silver scaled a new peak of Rs. 281.50, the Indian price was higher by about Rs. 81 over the international price.

TRENDS IN NATIONAL INCOME

Preliminary estimates for 1963-64 place National Income (or net national output at factor cost) at constant (1948-49) prices at Rs. 13,910 crores which was 4.5 per cent above the level attained in 1962-63; compared to the level of 1961-62, national income in 1962-63 was higher by 1.9 per cent only.

The main feature of national income during 1963-64 was that in absolute terms the sector of agriculture shared in the rise during the year unlike in the previous year when it registered a decline. All sectors of the economy expanded in absolute terms in 1963-64. The increase of Rs. 600 crores in national income in 1963-64 was shared by agriculture, animal husbandry and ancillary activities including forestry and fishery (Rs. 110 crores), mining, manufacturing and small enterprises (Rs. 140 crores), commerce, transport and communications (Rs. 130 crores) and other services—professions and liberal arts, government services (administration), domestic service and house property (Rs. 230 crores).

Expressed at current prices, national income in 1963-64 was estimated at Rs. 17,200 crores or Rs. 1,800 crores (11.7 per cent) higher than in 1962-63. Per capita income at current prices also rose from Rs. 339.4 in 1962-63 to Rs. 370.7 in 1963-64.

National income (at 1948-49 prices), which had risen at an annual average rate of 3.5 per cent during the First Plan period and at 4.0 per cent in the Second Plan period, recorded a comparatively lower growth rate of 3.0 per cent during the first three years of the Third Plan. A sector-wise analysis since the beginning of the planning era in 1951 reveals that the agricultural sector has been responsible for the tardy growth in national income. Taking the three years of the Third Plan together, agriculture made no contribution to the growth of national income during the Third Plan period so far, as against an annual rate of growth of 3—3.4 per cent during the First and Second Plan periods. The contribution of agriculture to the increase in national income during 1964 was just sufficient to neutralise the negative contribution of this sector in the earlier two years taken together. The groups 'mining, manufacturing and small enterprises' and 'other services' have shown a progressive rise in their contribution to the growth of national income.

The annual average rate of growth of the former group advanced from 3.5 per cent in the First Plan to 3.7 per cent in the Second Plan and to 5.0 per cent in the first three years of the Third Plan, and that of the latter from 4.5 per cent to 6.0 per cent and to 7.8 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 4.0 per cent in the first three years of the Third Plan.

Taking the entire Plan period *i.e.* 1951-52 to 1963-64, national income (at constant prices) recorded a rise of 56.8 per cent. Sector-wise, income from agriculture rose by 35.9 per cent over the period, while that from (1) mining, manufacturing and small enterprises, (2) commerce, transport and communications and (3) other services showed a larger increase *viz.* 64.9 per cent, 66.9 per cent and 107.9 per cent, respectively. The pattern of contribution to national income by the various sectors has changed over the years. The share of agricultural sector declined steadily from 48.9 per cent in 1950-51 to 42.4 per cent in 1963-64 while the shares of other sectors have shown increases, the increase being significantly large in the case of 'other services'.

The per capita national income (at constant prices), which had 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). During the first three years of the Third Plan, the per capita national income has risen by Rs. 6.6 to Rs. 299.8 in 1963-64.

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	1963-64 †	The First Plan	The Second Plan	First Three years of Third Plan
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
I. Agriculture, animal husbandry and ancillary activities (*a*)	43·4 (48·9)	50·2 (47·9)	59·0 (46·3)	59·1 (45·3)	57·9 (43·5)	59·0 (42·4)	+ 3·0	+ 3·4	—
II. Mining, manufacturing and small enterprises	14·8 (16·7)	17·6 (16·8)	21·1 (16·6)	22·1 (16·9)	23·0 (17·3)	24·4 (17·5)	+ 3·5	+ 3·7	+ 5·0
III. Commerce, transport and communications	16·6 (18·7)	19·7 (18·8)	24·6 (19·3)	25·4 (19·4)	26·4 (19·8)	27·7 (19·9)	+ 3·5	+ 4·6	+ 4·0
IV. Other services (*b*)	13·9 (15·7)	17·3 (16·5)	23·1 (18·1)	24·7 (18·9)	26·6 (20·0)	28·9 (20·8)	+ 4·5	+ 6·0	+ 7·8
Net National output at factor cost—National income	88·7	104·8	127·3	130·6	133·1	139·1	+ 3·5	+ 4·0	+ 3·0

* Abja=100 crores=1 billion † Provisional.

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 home property.

Table 28. Trends in National Income

(Rs. Abja)

	Year						Annual average percentage increase (+) / decrease(—) during		
	1950-51	1955-56	1960-61	1961-62	1962-63	1963-64 †	1950-51 to 1955-56 (First Plan)	1955-56 to 1960-61 (Second Plan)	1961-62 1962-63 and 1963-64 (First three years of Third Plan)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1. Net output in Rs. abja* (*a*) At current prices	95·3	99·8	141·4	148·0	154·0	172·0	+ 1·1	+ 7·3	+ 6·8
	(+5·8)	(+3·9)	(+9·2)	(+4·7)	(+4·1)	(+11·7)			
(*b*) At 1948-49 prices	88·5	104·8	127·3	130.6	133·1	139·1	+ 3·4	+ 4·0	+ 3·0
	(+0·3)	(+1·9)	(+7·3)	(+2·6)	(+1·9)	(+4·5)			
2. Per capita net output Rs. (*a*) At current prices	266·5	255·0	325·7	333·6	339·4	370·7	— 0·7	+ 5·1	+ 4·4
	(+4·1)	(+1·9)	(+6·9)	(+2·4)	(+1·7)	(+9·2)			
(*b*) At 1948-49 prices	247·5	267·8	293·2	294·3	293·4	299·8	+ 1·6	+ 1·9	+ 0·7
	(—1·2)	(—)	(+5·0)	(+0·4)	(—0·3)	(+2·2)			

* Abja = 100 crores = 1 billion † Provisional.

Note :- Figures in brackets relate to percentage variation over previous year.

CHAPTER III : MONEY MARKET AND BANKING

Money Rates

In 1964-65, while the money market was easy during the slack season, the busy season witnessed a hardening of the rates, reflecting the sustained pressure on funds. During the first week of April 1964 the call rate among selected major scheduled banks reached the peak levels for the 1963-64 busy season, 6.53 per cent in Bombay and 6.62 per cent in Calcutta, which were higher than the peaks reached during the 1962-63 busy season. The rates eased to the slack season low of 0.50 per cent in Bombay and 1.23 per cent in Calcutta in July to close the 1964 slack season at 1 per cent and 1.7 per cent, respectively. The high demand for funds during the busy season of 1964-65, the increase in the Bank rate by one per cent in February 1965 on top of a half per cent rise in September 1964, and the directives of the Bank regarding minimum and maximum rates to be paid and charged by banks which brought about an upward adjustment of the interest rate structure—all these factors resulted in a tightening of the inter-bank call money market, the rate reaching 8.48 per cent in Bombay during the first week of April 1965 and closing for the month at 7.28 per cent. In Calcutta, the rate rose to 8.31 per cent during the second week of April and closed for the month at 7.04 per cent. The average discount rate on Treasury bills, which was 2.75 per cent by end-March 1964, declined to 2.36 per cent by end-November, but in keeping with the general upward movement referred to earlier, moved up to 3.50 per cent in March 1965.

Pursuant to the Reserve Bank's interest rate directives and the increases in the Bank rate, the deposit rates of the State Bank of India, and other scheduled banks (which are members of the All India Inter-Bank Agreement on Maximum Rates on Deposits) underwent upward revisions twice—first in September 1964 and again in February 1965. The State Bank of India put up its advances rate from 6 per cent to $6\frac{1}{4}$ per cent on October 1, 1964 and further to 7 per cent on February 18, 1965. The minimum advances rate under the All India Inter-Bank Agreement was raised from $6\frac{1}{2}$ per cent to 7 per cent on September 26, 1964 and then to 8 per cent on February 17, 1965. The hundi rate of the State Bank of India was put up thrice during the year, from $7\frac{1}{4}$ to $7\frac{3}{4}$ per cent on October 1, 1964, to $8\frac{1}{4}$ per cent on January 1, 1965 and to $9\frac{1}{4}$ per cent on February 18, 1965.

Credit Controls

The revisions effected in the Reserve Bank's general credit controls on September 25, 1964 and February 17, 1965 have been referred to in Chapter I.

Selective credit controls, as already stated, are aimed at restraining the rising tendency of prices of particular commodities. Early in the year, in view of the decline in the wheat crop and the rise in prices, the Bank issued a directive on April 21, 1964 reimposing in respect of advances against wheat the margin and ceiling restrictions which had been withdrawn in May 1961. The banks were directed to maintain a minimum margin of 35 per cent on advances against wheat. The ceiling limits for each two-month period commencing from May-June 1964 (excluding all exempted categories) were 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 were exempted from the ceiling limits and were subject to a lower minimum margin requirement of 25 per cent, while advances to roller-flour mills and those given to co-operative marketing and/or processing societies were exempted from the ceiling limits as well as the margin requirements.

The Bank imposed on July 7, 1964 a minimum margin of 50 per cent on advances by scheduled banks against the security of vegetable oils including *vanaspati*, as prices of vegetable oils and oilseeds showed a markedly rising tendency and also because scheduled bank advances against these commodities recorded a considerable expansion. Simultaneously, the minimum margin required to be maintained on bank advances against "other oilseeds" (*i.e.* oilseeds other than groundnuts and cotton-

seeds) was raised from 40 per cent to 50 per cent. At the end of 1964, however, an exemption from these restrictions was granted in respect of bank advances to *vanaspati* manufacturers against stocks of soya bean oil imported under the P.L. 480 agreement in view of the fact that these imports were bunched together in relation to their expected utilisation by the manufacturers.

The sharp rise in the prices of foodgrains during the 1964 slack season months led the Bank in the middle of August 1964 to tighten up the existing controls on advances by banks against all foodgrains, with a view to checking possible speculative hoarding of stocks of foodgrains with the help of bank advances. The minimum margin required to be maintained by banks on advances against all foodgrains was raised from 35 per cent to 50 per cent, and those against warehouse receipts covering foodgrains from 25 per cent to 40 per cent. Also, the ceiling limits required to be maintained with regard to bank advances against 'other foodgrains' commencing from September-October 1964 were reduced from 100 per cent to 90 per cent of the levels of such advances maintained in the corresponding period in 1962, thus bringing the position in respect of these on par with that of advances against paddy and rice.

Banking Legislation

Consequent upon the establishment of the Industrial Development Bank of India on July 1, 1964, the Reserve Bank of India Act, 1934 was amended to empower the Reserve Bank to make loans and advances to the Industrial Development Bank and purchase its bonds and debentures, and also to provide for the establishment of the National Industrial Credit (Long Term Operations) Fund and to lay down the objects for which the Fund would be utilised.

In order that balances maintained by banking companies with the subsidiaries of the State Bank of India may be treated as eligible assets for the purpose of liquidity requirements under the Banking Companies Act, the Government of India notified the subsidiaries to that effect.

In terms of the notification issued by Government on October 12, 1964, borrowings of scheduled banks from the Industrial Development Bank of India (which took over the Refinance Corporation for Industry Ltd.) are to be treated as those from a notified bank, with the result that they are not to be included for purposes of their liquidity requirements.

Following the closure of the London Office of the Reserve Bank of India in September 1963, banking companies incorporated outside India but having offices in India were permitted to deposit sterling securities with the London Office of the State Bank of India in fulfilment of the obligations under Section 11(2) of the Banking Companies Act, 1949. This facility was withdrawn by the notification issued by the Government on May 20, 1964, bringing into force the relative amendment to Rules 6, 8 and 10 of the Banking Companies Rules 1949 effective May 30, 1964.

On August 17, 1964, the Government of India notified certain draft amendments to the Rules governing Form IV (Statement of unsecured loans and advances) to be submitted under Section 20 and Form XII (return on unclaimed deposits) to be submitted under Section 26 of the Banking Companies Act. This notification also seeks to amend certain other rules and forms with a view to simplifying the returns required to be submitted by banking companies. These amendments were brought into force by a Government notification dated July 3, 1965.

In the last Report, mention was made of the legislation passed on December 30, 1963, *viz.* the Banking Laws (Miscellaneous Provisions) Act, 1963, which provides for control over companies or institutions which though they are not treated as banks, accept deposits from the general public or carry on other business which is allied to banking. In exercise of the powers thus conferred on the Reserve Bank by Sections 45K and 45L of the abovementioned Act, the Reserve Bank issued three Orders on May 14, 1964, requiring *non-banking companies and financial institutions* to furnish, in prescribed forms, information relating to or connected with receipt of deposits from the public and other business allied to banking. The returns from the affected Companies covering each of the

first 5 half years ending March 1964 have been analysed and a study is being made with a view to framing an appropriate policy to regulate the activities of these institutions so as to ensure adequate protection to depositors.

The three Orders dated May 14, 1964 have since been revised and three fresh Orders have been issued on May 7, 1965, mainly with a view to remove doubts as to whether companies accepting deposits from their shareholders only and from none else are covered by the Orders. The fresh Orders make it clear that companies should file the returns, whether the deposits have been received from their shareholders or from any other person or party ; the effect of this is that companies accepting deposits from shareholders only, shall also now submit returns.

Deposit Insurance Corporation

The number of insured banks declined to 146 at the end of March 1965 from 242 at the end of March 1964, the decline resulting from (*i*) the cancellation during the year of the registration of 97 banks, due mostly to transfers of liabilities (including deposits) and assets to other banks and voluntary amalgamations, and (*ii*) the inclusion under insured banks of one new bank, *viz.*, the Bank of America, which was insured during the year on its opening an office in India. In addition to the claims in respect of the insured deposits of the two banks *viz.*, the Metropolitan Bank Ltd., Calcutta and the Cochin Nayar Bank Ltd., Trichur, which were outstanding at the end of 1963-64 (referred to in the last Report), the Corporation met during 1964-65, the claims in respect of the insured deposits of four banks, *viz.*, (1) Latin Christian Bank Ltd., Ernakulam, (2) Unao Commercial Bank Ltd., Unnao, (3) Southern Bank Ltd., Calcutta, and (4) Shree Jadeya Shankarling Bank Ltd., Bijapur. Since its inception upto March 31, 1965, the Corporation has met the claims in respect of insured deposits of nine banks. As on the last Friday of September 1964, the total number of deposit accounts with insured banks was 98.37 lakhs, of which 76.26 lakhs (or 77.5 per cent of the total number) having balances not exceeding Rs. 1,500 each were fully insured under the Deposit Insurance Scheme.

Export Credit and Guarantee Corporation

The main functions of the Export Credit and Guarantee Corporation (ECGC), which replaced the Export Risks Insurance Corporation on January 15, 1964, have been set out in the last year's Report. The authorised capital of the ECGC is Rs. 5 crores and the paid-up capital is Rs. one crore. During the year 1964-65, the Corporation introduced two new guarantees, *viz.*, (1) Post-shipment Export Credit Guarantee and (2) Export Finance Guarantee, with a view to helping exporters to get adequate post-shipment finance from commercial banks. The Post-shipment Export Credit Guarantee protects banks against loss which may arise from purchase, discount or negotiation of an export bill. The Export Finance Guarantee seeks to assist exporters of products which fetch prices in the international market substantially lower than in the domestic market and has been designed to provide the exporter with post-shipment finance equivalent to the accommodation he would receive on the basis of the domestic value of his goods. The ECGC guarantees bank advances to exporters 25 per cent in excess of the value of the shipping documents enabling banks to offer discount facilities for a larger amount than the expected export proceeds. Another notable addition to the Corporation's services during the year is the scheme of 'revolving foreign exchange credits for exporters' under which foreign exchange credits are made available on a revolving basis to manufacturer-exporters for import of essential raw materials, components, spares, etc. required for the manufacture of goods for export. The foreign exchange will be raised by commercial banks in India from their correspondents, branches or principals abroad and will be allocated to manufacturer-exporters of proved export performance or capable of giving a satisfactory export performance, for importing essential raw materials which will be processed into finished products for exports. The foreign exchange obligation of the exporters will have to be met out of the relative export proceeds. Through this facility Indian exporters will be able to augment the import of essential raw materials at international prices, utilise more fully their industrial capa-

city, reap the economies of scale and compete more effectively in the world market.

During the year 1964-65, the Corporation issued 988 policies as against 684 in 1963-64. At the end of 1964-65 1,075 policies were in force as compared to 868 at the end of previous year. During 1964-65, the ECGC covered risks worth Rs. 38.25 crores as against Rs. 28.82 crores in 1963-64. The premium income of the Corporation during 1964-65 was Rs. 9.9 *lakhs* as against Rs. 6.7 *lakhs* in 1963-64.

Co-operative Credit—Institutional Developments

A reference was made in the last year's Report to the question of extending the benefits of deposit insurance to co-operative banks, and of bringing these banks within the scope of the Reserve Bank of India Act and the Banking Companies Act in certain respects. No legislation relating to the extension of deposit insurance was taken up as several State Governments were not in favour of amending the State Co-operative Societies Acts for the purpose. However, a measure providing for the extension of certain provisions of the Reserve Bank of India Act, 1934 and the Banking Companies Act, 1949 to the State co-operative banks, central co-operative banks and the primary non-agricultural credit societies with a paid-up capital and reserves of Rs. one *lakh* or more was introduced in the Lok Sabha in December 1964. The more important of the provisions of the Banking Companies Act 1949 that are sought to be extended to co-operative banks relate to the maintenance of cash reserves and liquid assets, inspection of books of account, licences for the commencement or carrying on of banking business and for opening new offices, grant of loans and advances and preparation of balance sheet and profit and loss account.

Among other important developments during the year, mention may be made of the annual conference of Registrars of Co-operative Societies and State Ministers for Co-operation held at Hyderabad in June 1964. With a view to strengthening the primary societies and developing them into viable units, the State Ministers' Conference recommended four broad criteria for determining the viability of a society namely, (*i*) ability to have a regular office, (*ii*) ability to appoint a full-time paid secretary, (*iii*) ability to contribute to reserves on the scale considered necessary and (*iv*) ability to pay a reasonable return on capital. The Conference suggested that a survey of the existing primary credit societies should be carried out to identify viable and potentially viable societies, the remaining societies being amalgamated or liquidated. Government assistance in the shape of managerial subsidy should be provided only to potentially viable societies which would undertake programmes of development, and the existing scale of managerial subsidy should be suitably increased. This subject came up for discussion at the Conference of Registrars of Co-operative Societies held at New Delhi in October 1964 and it was decided that the survey of existing societies should be completed expeditiously and efforts should be made to complete the process of amalgamation of weak societies and liquidation of dormant societies by the end of June 1966. The State Governments have initiated action on these lines. The State Ministers' Conference also recommended the appointment of a high-powered Committee to review the existing pattern of organisation of co-operative marketing of agricultural produce, distribution of production requisites and supply of consumer articles at different levels, to indicate the future pattern of development with particular reference to *inter-se* relationship between the organisation at different levels and to recommend measures for enabling co-operative marketing societies to play their due role in an integrated structure of credit, supplies and processing. Other problems considered at the Conference included those relating to routing of *takavi* loans through co-operatives, urban consumers' co-operatives, financing weaker sections of the village community, and co-operative training and education. During the year, the Government appointed a Committee, under the chairmanship of Shri R. N. Mirdha, to recommend measures (i) for weeding out non-genuine societies and preventing their registration, and (ii) for the elimination and prevention of vested interests from entrenching themselves in co-operative institutions.

Following the rise in the Bank rate twice during the year, once from 4½ per cent to 5 per cent with effect from September 26, 1964 and again from 5 per cent to

6 per cent with effect from February 17, 1965, the effective rate charged to State co-operative banks also increased correspondingly; the concession allowed to them remained as before at 2 per cent below the Bank rate for short-term loans for seasonal agricultural operations and marketing of crops and 1½ per cent below the Bank rate for loans for medium-term agricultural purposes and for the purpose of financing the production and marketing activities of cottage and small scale industries.

The Standing Advisory Committee on Agricultural Credit met thrice during the year. The important subjects discussed related to (*i*) the extension of certain provisions of the Reserve Bank of India Act and of the Banking Companies Act to co-operative banks and insurance of their deposits, (*ii*) the agricultural credit stabilisation fund and (*iii*) the viability of central co-operative banks. In accordance with the recommendation of the Standing Advisory Committee, a detailed scheme in respect of agricultural credit stabilisation fund has been formulated and circulated to State Governments. The salient features of the scheme are (*i*) that a minimum contribution of 25 per cent of the net profits made by central banks and apex co-operative bank each year should be allocated to the funds at the respective levels, (*ii*) that the amount of dividend on the shares of the State Government in the central banks and apex bank over and above 3 per cent should also be credited to the funds and (*iii*) that the fund at the State co-operative bank level should immediately be strengthened by an outright contribution from the State Government equal to between 5 and 10 per cent of the estimated outstanding of agricultural loans at the level of the central co-operative banks and that 50 per cent of the contribution should be provided as grant and the remaining 50 per cent as an interest-free loan for 20 years repayable in 10 annual instalments commencing from the end of the eleventh year following the contribution.

Preliminary work has already commenced in regard to the programmes of co-operative development under the Fourth Plan and a broad indication of the current thinking which has emerged is given in the published Memorandum on the Fourth Plan. The two broad assumptions which will underlie the Plan are that, firstly, the co-operative sector will shoulder an increasing responsibility than before, especially in the matter of provision of agricultural credit, though the targets should, at the same time, be realistic and related to the likely growth and capacity of the institutions and, secondly, that with a view to correcting the present imbalance between the development in the fields of credit and marketing, the programme for co-operative marketing and processing should be substantially intensified during the Fourth Plan period. In the context of the rising trend of overdues, and shortfalls in the mobilisation of resources which have handicapped the co-operatives in fulfilling the Third Plan targets, it is stressed that vigorous efforts will have to be made during the Fourth Plan for improving the operational efficiency of co-operatives through the implementation of the Action Programme for co-operative agricultural credit, which contemplates, *inter alia*, the adoption of appropriate lending policies, the strengthening of supervisory arrangements and the mobilisation of larger resources in the form of deposits, etc. and that the progress in reaching the co-operative credit targets will depend on the success achieved in bringing about a qualitative improvement of the entire structure in various directions. The introduction of crop loan system in order to reorient credit to production is the main feature of the Action Programme.

Trends in Co-operative Credit

During 1963-64, efforts were made in certain areas to rationalise the credit structure at the primary level. As a result, the number of primary agricultural credit societies declined from 2.11 *lakhs* at the end of June 1963 to 2.09* *lakhs* at the end of June 1964. Membership of these societies, however, increased from 217 *lakhs* to 242* *lakhs* during the same period. The total volume of short and medium term credit provided by the primary agricultural credit societies is estimated to have increased from Rs. 257 crores during 1962-63 to Rs. 290 crores during 1963-64.

The outstanding amount of advances and bills purchased and discounted by the State

* Provisional.

co-operative banks as on March 26, 1965† was Rs. 242.17 crores, showing a rise of Rs. 44.81 crores over the previous year's level. Aggregate deposits (exclusive of inter-bank deposits and borrowings from the Reserve Bank and other banks) also increased by Rs. 8.40 crores to Rs. 58.37 crores. In order to meet the demand for credit during the year, State co-operative banks had to rely mainly on borrowings from the Reserve Bank of India. Outstanding borrowings from the Reserve Bank as on March 26, 1965 at Rs. 150.13 crores were Rs. 16.62 crores more than those a year ago (Rs. 133.51 crores).

The financial accommodation provided by the Reserve Bank and the loan assistance given by the National Co-operative Development Corporation during 1964-65 are given in Table 1. The gross amount of Reserve Bank credit to State co-operative banks at Rs. 284 crores during 1964-65 was lower by Rs. 18 crores than that in 1963-64. The outstanding borrowings from the Reserve Bank as on March 31, 1965 at Rs. 148.7 crores showed a rise of Rs. 13.1 crores over the previous year.

In the sphere of *short-term finance*, the amount drawn by the State co-operative banks from the Reserve Bank during 1964-65 for seasonal agricultural operations and marketing of crops at the concessional rate (*i.e.* 2 per cent below the Bank rate) aggregated Rs. 252.94 crores showing a decline of 8 per cent over the previous year. The outstanding borrowings at the end of March 1965 were Rs. 131.32 crores as against Rs. 120.49 crores a year ago. The accommodation provided to the State co-operative banks at the Bank rate for general banking purposes under Section 17(4)(a) of the Reserve Bank of India Act during 1964-65 was slightly lower at Rs. 13.22 crores than Rs. 14.75 crores in 1963-64, the outstandings at the end of March 1965 at Rs. 58 *lakhs* also being lower by Rs. 12 *lakhs* than at the end of the previous year. The Reserve Bank continued to provide finance to handloom weavers' co-operatives under Section 17(2)(bb) or (4)(c) of the Reserve Bank of India Act at 1½ per cent below the Bank rate. The gross amount of credit drawn by the State co-operative banks for this purpose during the year and the amount outstanding at the end of March 1965, at Rs. 5.06 crores and Rs. 4.94 crores respectively, were marginally higher by 4 per cent and one per cent than in the preceding year. Accommodation provided to State co-operative banks on behalf of the apex weavers' societies under Section 17(2)(a) or (4)(c) of the Reserve Bank of India Act at the Bank rate for purchase and sale of yarn during the year aggregated Rs. 5.8 crores as compared to only Rs. 2.91 crores in the previous year, the amount outstanding at the end of March 1965 being Rs. 73 *lakhs* as against Rs. 79 *lakhs* a year ago. During 1964-65, the Reserve Bank did not sanction any loan to State co-operative banks for meeting the working capital requirements of co-operative sugar factories.

The Intensive Agricultural District Programme has been in operation for nearly 4 years in the districts of Thanjavur, West Godavari and Shahabad, 3 years in Raipur, Ludhiana, Pali and Aligarh, 2 years in Alleppey, Burdwan, Mandya, Palghat, Surat and Sambalpur and one year in Bhandara and Cachar. The total cultivated area brought under the Programme increased from 50.74 *lakh* hectares during 1962-63 to 63.44 *lakh* hectares during 1963-64. Of this, the area covered under farm plans was 21.34 *lakh* hectares in 1963-64 as against 13.18 *lakh* hectares in 1962-63. The percentage of cultivated area covered by the plans was 33 in 1963-64. The total number of farm plans prepared in 1963-64 was 8.66 *lakhs* as against 5.44 *lakhs* during 1962-63, 2.05 *lakhs* in 1961-62 and 0.55 *lakh* in 1960-61. The special credit limits sanctioned by the Reserve Bank under Section 17(2)(b) or 17(4)(c), at 2 per cent below the Bank rate, to the central co-operative banks in the Intensive Agricultural District Programme districts amounted to Rs. 952.50 *lakhs* for the year 1964-65 as against Rs. 839.25 *lakhs* for 1963-64.

The report of the Expert Committee for the Assessment and Evaluation of the Intensive Agricultural District Programme, a reference to which was made in the last year's report, disclosed among other things, certain

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

Table 1. State Aid and Reserve Bank Credit to Co-operatives, 1964-65

(Lakhs of Rupees)

Purpose	Amount outstanding at the end of March 1964	Amount advanced during the year April 1964 to March 1965	Amount outstanding at the end of March 1965
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): Normal	117,90	248,19	128,06
Package	2,59	4,75	3,26
II. Production and marketing of handloom products (at 1½% below Bank rate)	4,87	5,06	4,94
III. Purchase and sale of yarn (at Bank rate)	79	5,80	73
IV. General banking purposes (at Bank rate)	70	13,22	58
Medium-term—			
I. Agricultural purposes (at 1½% below Bank rate)	8,64	7,37	11,05
II. Financing agriculturists for purchase of shares in co-operative sugar factories (at Bank rate)	10	—	5
B. Loans to State Governments for contribution to share capital of co-operative credit institutions*	28,32	4,18	29,88
C. Investment in debentures :—			
I. Rural debentures	3,42	86†	4,28
II. Ordinary debentures	6,16	4,81†@@	10,97
III. Special debentures	18	—	18
State Aid (National Co-operative Development Corporation—Loan Assistance)			
I. Share capital contribution to co-operatives		1,99@	
II. Loans for construction of godowns		1,75@	
III. Loans for cold storages		18@	
IV. Loans for cash credit to centrally sponsored consumers' co-operatives		22@	
V. Loans for purchase of trucks by consumers' co-operatives	20,56	2@	26,08@
VI. For purchase of vehicles by marketing/processing societies		7@	
VII. Loans for share capital contribution to Modern Rice Mills		36@	
VIII. Loans for construction of godowns and silos of Modern Rice Mills		50@	
IX. Loans for Normal Rice Mills (100% assistance)		1,70@	
X. Investment in debentures of central land mortgage banks		33	

* Rate of interest charged to State Governments in respect of these loans is nil per cent for the first two years, 2% during the next 3 years, 2½% for the next 4 years and 3% during the next 3 years. @ Provisional.

† Purchased during the year. @@Represents face value.

weaknesses in the existing policies and procedures of co-operatives which inhibit their effectiveness. The Government of India have, thereupon, constituted a Working Group to study the working of co-operatives in the Intensive Agricultural District Programme districts and suggest such measures as would enable the co-operatives to lend their maximum support to the production programme. The Working Group is also required (i) to formulate programmes for launching, in the co-operative sector, intensive area development projects in regard to agricultural credit, marketing, supplies, processing and storage, animal husbandry, dairy, fisheries and rural consumer services in seven selected Intensive Agricultural District Programme districts; (ii) to make a broad assessment of the requirements of agricultural credit *vis-a-vis* the various inputs envisaged and (iii) to suggest measures for strengthening the co-operative structure. The Report of the Working Group is expected shortly.

On the basis of the experience gained in the working of the Intensive Agricultural District Programme, intensive cultivation programmes have been formulated which aim at rapid increases in the production of selected crops like paddy, wheat, millets, pulses, cotton and sugarcane etc. Although there is greater emphasis on the production of the crop which is grown predominantly in the area selected, the development of the entire economy of the area is envisaged. The Programme has been initiated in selected blocks in as many as 148 districts in the country. In this connection, the Government of India has, in consultation with the Reserve Bank, drawn up an Action Programme covering, *inter alia*, various aspects of co-operative credit and marketing in the selected blocks.

In the sphere of *medium-term credit*, State co-operative banks, as in the previous years, could not draw fully upon the limits sanctioned by the Reserve Bank. The under-utilisation of medium-term credit limits by the State co-operative banks was brought to the notice of the Registrars of Co-operative Societies and certain steps were suggested to them for improving the rate of utilisation of these facilities. One of these was that a State co-operative bank might sanction cash credit limits to its affiliated central banks in cases where the latter had no resources of their own for advancing loans in the first instance before approaching the State co-operative bank for reimbursement. Secondly, it was suggested that State and central co-operative banks might approach the State Bank of India for financing certain types of societies, such as marketing societies, consumers stores, etc. so that their own resources utilised in such financing would be released and become available for the issue of medium-term loans for agricultural purposes. It was also indicated that the Reserve Bank would, for its part, waive the condition regarding the maintenance of the basic level (*i.e.* medium-term loans given by a bank from its own resources as on June 30, 1962) in the case of central co-operative banks whose basic level was less than Rs. one *lakh* or reduce the basic level in the case of any other central co-operative bank, if a reduction was sought supported with reasons. During 1964-65 the gross amount drawn by State co-operative banks at 1½ per cent below the Bank rate for agricultural purposes under Section 17(4AA) read with Section 46A(2)(b) of the Reserve Bank of India Act, at Rs. 7.37 crores was higher by Rs. 2.89 crores than in the previous year ; the outstanding borrowings at the end of March 1965 were Rs. 11.05 crores as compared to Rs. 8.64 crores a year ago. The outstanding borrowings for purchase of shares in co-operative sugar factories at Rs. 5 *lakhs* showed a decline of Rs. 5 *lakhs* over the previous year.

In the field of *long-term credit*, seven central land mortgage banks (Andhra Pradesh, Madras Mysore, Maharashtra, Gujarat, Punjab and Orissa) floated rural debentures of the order of Rs. 1.83 crores during 1964-65 as compared to Rs. 1.50 crores floated by 6 banks during 1963-64. Subscriptions amounted to Rs. 1.62 crores of which Rs. 0.86 crore or 53 per cent came from the Reserve Bank of India. The balance of Rs. 75.40 *lakhs* was subscribed by individuals. Besides, ordinary debentures for a total amount of Rs. 25.26 crores were also issued by 10 central land mortage banks (Madras, Maharashtra, Madhya Pradesh, Orissa, Gujarat, Andhra Pradesh, Punjab, Kerala, West Bengal and Uttar Pradesh) as against Rs. 20.59 crores issued by 11 banks in the previous year. They were oversubscribed to the tune of Rs. 13 *lakhs*. Of the total subscription, the amount taken by co-operative institutions was Rs. 9.15 crores

or 36 per cent. The Reserve Bank's contribution of Rs. 4.55 crores constituted about 18 per cent and the LIC's contribution of Rs. 7.11 crores about 28 per cent.

In the last report it was mentioned that the National Co-operative Development Corporation had decided to purchase debentures of central land mortgage banks upto an overall limit of 25 per cent of its surplus funds, subject to the condition that such purchases would be limited to the shortfall, if any, but not exceeding 5 per cent of any individual issue by a central land mortgage bank. Subsequently, at the instance of the Reserve Bank, the National Co-operative Development Corporation agreed to subscribe to the debentures not on the basis of a shortfall in public subscription but before the issues were closed to the public. The Corporation also agreed to contribute during 1964-65 an amount equal to 7½ per cent of the issue of each series of debentures of central land mortgage banks except those of Andhra Pradesh, Gujarat, Madras, Maharashtra and Mysore where long-term credit had fairly well developed. This decision was to be operative for the year 1964-65 only and the position was to be reviewed thereafter. The Corporation purchased debentures worth Rs. 33.40 *lakhs*.

The Reserve Bank made a further contribution of Rs. 13 crores to the National Agricultural Credit (Long-Term Operations) Fund, raising the amount to the credit of the Fund to Rs. 86 crores as on June 30, 1964. During the year 1964-65, loans amounting to Rs. 4.37 crores were sanctioned to 13 State Governments for contribution to the share capital of co-operative credit institutions as compared to Rs. 3.35 crores sanctioned during 1963-64. Out of this, Rs. 83 *lakhs* were sanctioned for 5 State co-operative banks, Rs. 216 *lakhs* for 97 central co-operative banks, Rs. 76 *lakhs* for 2,082 primary agricultural credit societies and Rs. 62 *lakhs* for 8 central land mortgage banks. The outstandings on account of all loans to State Governments for share capital contribution amounted to Rs. 29.88 crores as on March 31, 1965—an increase of Rs. 1.56 crores over the year. During the year, the Reserve Bank made a contribution of Rs. one crore to the National Agricultural Credit (Stabilisation) Fund, raising the amount to the credit of the Fund to Rs. 9 crores as on June 30, 1964. So far, no amount has been utilised from this Fund.

The Agricultural Refinance Corporation continued to sanction long-term financial assistance for development of agriculture and allied activities. During the year 1964-65, the Corporation sanctioned refinance to five central land mortgage banks in respect of five schemes of development involving a total financial outlay of Rs. 20.62 crores, out of which the Corporation's financial commitment amounted to Rs. 16.94 crores. These schemes are to be implemented over a period of years and the actual disbursements of refinance in any one year would be small in relation to the total commitments made. None of the banks to whom refinance was sanctioned since the establishment of the Corporation drew any amount from the Corporation till March 31, 1965. Three out of the five schemes, referred to above, envisage reclamation and development of land—one each in Andhra Pradesh (2.90 lakh acres), Madras (1.80 lakh acres) and Maharashtra (0.52 lakh acres). Of the remaining two schemes, one proposes development of coconut plantation in Orissa (2,000 acres) and the other, development of horticulture in Madhya Pradesh (1,000 acres). As the financing institutions in all these cases are central co-operative land mortgage banks, the Corporation's refinance will be in the form of contribution to special development debentures floated by these institutions. Besides, the Corporation had under its consideration several other schemes which were at various stages of scrutiny. As one of the important aspects of the Corporation's functions *viz.* refinance facilities for development of plantation crops had not evoked adequate response from the planters, the Corporation liberalised its policy in this regard in respect of crops such as tea, coffee and rubber. These liberalisations enable scheduled banks with good reputation and enjoying sound financial position to obtain refinance from the Corporation without State Government's guarantee for loans to be granted to them ; the refinance from the Corporation would be made available on the security of land, plant, machinery, etc. mortgaged, hypothecated or pledged etc. to them by the planters and sub-mortgaged and sub-hypothecated etc. by the banks to the Corporation. They also enable scheduled banks to meet all the long-

term requirements of the planters including the finance needed for the construction of labour houses and discharge of debts incurred in the past for development purposes to the extent possible in appropriate cases. Further, a Conference of the representatives of scheduled banks, Planters' Associations and others was held in Bombay on January 25, 1965 to explain the role expected to be played by scheduled banks in the sphere of development finance for plantations and to discuss difficulties, if any, envisaged by them in availing of the refinance facilities from the Corporation. As at the end of March 1965, some schemes for development of rubber, coffee, tea and cardamom received from the scheduled banks were under the Corporation's examination.

During the year 1964-65, the National Co-operative Development Corporation continued to assist the State Governments for the development of credit, marketing, processing and consumers' co-operatives. The total loans advanced by the Corporation amounted to Rs. 6.80 crores. Of this, Rs. 1.99 crores were advanced as share capital contribution to co-operatives, Rs. 1.94 crores for construction of godowns and cold storages, Rs. 24 *lakhs* as cash credit and for purchase of trucks by consumers' co-operatives and Rs. 7 *lakhs* for purchase of vehicles by marketing and processing co-operatives. Besides, the Corporation assisted the rice mills to the tune of Rs. 2.56 crores. A new feature of the activities of the Corporation during the year was the substantial assistance given by it for the setting up of modern rice mills in the co-operative sector. In view of the urgency for implementing the scheme, it was decided that the assistance may be provided to State Governments to the full extent of the expenditure incurred by them. It was further decided that, for the time being, the assistance may be provided out of the accumulated funds of the Corporation and that they should be outside the State Plan ceilings. Of the six modern rice mills proposed to be set up in IADP areas, five will be in the co-operative sector and located in Thanjavur (Madras), West Godavari (Andhra Pradesh), Raipur (Madhya Pradesh), Mandya (Mysore) and Burdwan (West Bengal).

In the sphere of *co-operative marketing*, in addition to providing financial assistance, the Corporation during 1963-64 formulated proposals to accelerate its development. In this context, the Corporation recommended to State Governments the fixation of society-wise and commodity-wise targets, requested them to exempt marketing societies from the levy of sales and purchase taxes, recommended for consideration the creation of a price fluctuation fund at the level of selected marketing societies to enable them to undertake purchase of produce on a larger scale, called upon State Governments to take concrete steps to accelerate the progress of linking credit with marketing societies to enlarge the scope of marketing societies as also to facilitate recovery of loans granted by credit societies and emphasised the need to associate increasingly co-operatives in the distribution of production requisites and consumer articles. During 1964-65, over 200 marketing societies have been selected for implementing the scheme of price fluctuation fund. Government contribution will be at the rate of 2 per cent of the value of outright purchases made by the societies in the previous year subject to a ceiling of Rs. 20,000 for each selected primary marketing society, Rs. one *lakh* for regional/apex societies and Rs. 2.5 *lakhs* for the federation of apex marketing societies.

The Corporation also appointed a Study Team to examine the problems relating to marketing and processing of plantation crops. The Study Team in its report recommended, *inter alia*, the organisation of new marketing societies for handling plantation crops, the activising of some of the existing societies, the affiliation of all village societies to marketing societies and the enrolment of individual members with adequate safeguards to develop a direct and intimate contact with actual problems faced in marketing. Further, to strengthen the finances it recommended the provision of State contribution to share capital on a more liberal basis. To enable the societies to participate effectively in inter-State trade which is a special feature of plantation crops, it suggested the formation of an all-India organisation. To secure adequate finances for marketing, the State Governments are advised to provide guarantees in favour of the State Bank of India. The Study Team also recommended that, in respect of clean accommodation by central co-operative banks, the condi-

tion that marketing societies should invest in shares equivalent to 10 per cent of the loan should be reconsidered. The Study Team has, pending the institution of suitable managerial cadres, suggested the building up of a small pool of trained managerial personnel to be lent to the societies. Further it has called for rectification of defects in the working of the Regulated Markets Act.

The Corporation continued to provide financial assistance to State Governments for the implementation of the programme relating to co-operative processing. During 1963-64, besides assisting State Governments for contribution to share capital of 7 co-operative sugar factories to the tune of Rs. 40 *lakhs*, the Corporation gave financial assistance through State Governments to 91 units engaged in the processing of agricultural produce other than sugarcane. The assistance amounted to Rs. 36 *lakhs* during the year, Rs. 34.64 *lakhs* by way of share capital contribution and Rs. 1.38 *lakhs* by way of subsidies for managerial staff. As at the end of March 1963, the Corporation had assisted 650 processing units, of which 318 were in production. 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 by the State Bank rose to Rs. 143 *lakhs* during the year, the amount outstanding at the end of the year being Rs. 18 *lakhs*.

In the co-operative *processing sector*, further progress was recorded by the co-operative sugar factories during 1963-64. The number of co-operative sugar factories remained unchanged at 57 during 1963-64. Of these, 48 were in production during 1963-64 as against 41 in 1962-63. The production of these factories upto May 15, 1964 showed an increase of 24.6 per cent over that of the preceding year for the same period, while the corresponding increase in the private sector was 17.10 per cent only. As a result, the share of the co-operative sector in the national production of sugar registered an increase from 21.4 per cent during 1962-63 to 22.7 per cent during 1963-64. The total share capital of co-operative sugar factories amounted to Rs. 22.68 crores as on March 31, 1964 of which Government contribution was Rs. 9.10 crores. The total loans granted by the Industrial Finance Corporation since its inception to end-March 1964 to co-operative sugar factories amounted to Rs. 37.66 crores of which Rs. 20.93 crores were outstanding. Co-operative sugar factories continued to avail of the State Bank of India's assistance directly. The aggregate limits sanctioned to them by the State Bank reached a level of Rs. 9.92 crores during the current year and the outstandings at the end of March 1965 amounted to Rs. 7.43 crores.

The number of wholesale *consumers' stores* and retail units started under the Centrally sponsored scheme initiated in November 1962 increased from 143 wholesale stores and 2,341 retail units at the end of December 1963 to 222 wholesale stores and 3,837 retail units at the end of December 1964. These units were serving 222 out of the 250 towns whose population exceeded 50,000. The Centrally sponsored scheme is expected to be extended to the remaining 28 towns during 1965-66, thus covering all the principal towns in the country. The total share capital and the working capital of the wholesale stores stood at Rs. 2.75 crores and Rs. 12.75 crores, respectively. By and large, financial accommodation was provided to the stores by the co-operative banks. Since the operation of some of the stores was handicapped for want of finance from co-operative banks which could not provide finance in the absence of Government guarantee, arrangements have been finalised for the provision of liberal working capital loans from banking channels. Total turnover of the stores during 1964 was of the order of Rs. 61 crores. Most of the established business houses continued to make supplies to the stores on terms and conditions applicable to their distributors. The textile mills continued to earmark 10 per cent of the cross section of the production to the consumers' co-operatives. A quota of woollen fabric and knitting wool was also made available to them. Similarly, the Coffee Board and some tea producers assisted the stores in the matter of supplies. The Central Board of Revenue continued to supply confiscated consumer goods to the stores for sale to the public. The consumers' stores continued to be recognised as fair price shops for the distribution of essential goods including sugar. During 1964, import licences for certain consumer goods were given directly to a number

of stores. As a part of the scheme, Government sponsored the organization of a State Federation of wholesale stores in each State having at least 10 wholesale stores or where the wholesale stores would have total annual business turnover of Rs. 50 *lakhs*, and approved a pattern of financial assitance. State federations of consumers' stores have already been set up in 4 States ; six other States have initiated steps to organise such federations. These federations will function as central purchasing and co-ordinating agencies in the States and would be further strengthened with the establishment of an all-India Federation.

Another Centrally sponsored scheme for distribution of consumer articles in rural areas through marketing societies and village co-operatives, a reference to which was made in the last year's report, made significant progress during the year. It is estimated that the value of sales under the scheme rose from Rs. 25 crores in 1962-63 to Rs. 67 crores in 1963-64. Under the scheme, managerial assistance upto Rs. 5,000 to each marketing society on a tapering scale spread over a period of 3 years was provided. By the end of 1963-64, 1,935 co-operative marketing societies were assisted with managerial subsidies to undertake this work and about 45,000 village societies were covered under the scheme.

Storage facilities provided by the Central Warehousing Corporation increased further during 1964-65. As at the end of March 1965, 85 warehouses of the Central Warehousing Corporation were functioning with a total storage capacity of 2.1 *lakh* tonnes of which 1.1 *lakh* tonnes was in owned accommodation. The Corporation has also undertaken to construct, on a 'priority basis', warehouses with a capacity of 1.3 *lakh* tonnes to cater to the needs of the Andhra Pradesh and the Madras State Governments and the Food Corporation of India. The State Warehousing Corporations also made considerable progress. During the year ended March 1964 they set up 41 warehouses and 10 sub-warehouses, raising the total number to 429 warehouses and 93 sub-warehouses. One cold storage was established by the West Bengal State Warehousing Corporation. Total storage capacity with the various State Warehousing Corporations as at the end of the year was 4.69 *lakh* tonnes including 1.1 *lakh* tonnes of owned capacity. Apart from this, construction was in progress at 43 centres for providing storage capacity of 66 thousand tonnes.

CHAPTER IV : CAPITAL MARKET

Gilt-edged Market

The gilt-edged market, which had evinced a firm trend during 1963-64, showed a marked decline during 1964-65, mainly in a process of adjustment to the emerging higher pattern of interest rates following the reinforcement by the authorities of a dear money policy. Despite the weakness in gilt-edged prices, the Reserve Bank's open market operations in 1964-65 resulted in large net sales amounting to Rs. 98.6 crores as compared to Rs. 44.7 crores in the preceding year (excluding the purchases from State Bank of India on account of P.L. 480 funds), which reflected mainly the increased demand from banks for Government securities in view of the new liquidity requirements which came into force in September 1964.

The market ruled easy during April 1964 in sympathy with the higher yields offered on the new Central loans. The first instalment of the borrowing programme of the Central Government for 1964-65 announced at end-March 1964 with an offer of the 4 per cent Loan 1970 and the $4\frac{3}{4}$ per cent Loan 1989 in conversion for the maturing $3\frac{1}{2}$ per cent Loan 1964 and the 3 per cent Loan 1964 gave higher yields (4.19 and 4.75 per cent) than those on existing issues of more or less comparable maturity (4.13 — 4.50 per cent). During the next three months (May to July), however, with improved demand for gilt-edged following the advent of the slack season, the market tended to be steady, the yield offered under the second instalment of the borrowing programme of the Central Government, announced on July 3, with an offer of further tranches of the 4 per cent Loan 1970 and the $4\frac{3}{4}$ per cent Loan 1989 being in tune with the market expectations. The steadiness, however, proved shortlived, and the market turned easy again from mid-August in a process of adjustment to the higher yields offered on the new State Loans. The yields offered on the new State Loans, namely the $4\frac{3}{4}$ per cent Loans 1976, announced on August 3, were in the range of 4.75 — 4.81 per cent as compared to 4.52 — 4.62 per cent on existing issues of more or less comparable maturity. The increase in the Bank rate from $4\frac{1}{2}$ per cent to 5 per cent on September 25, 1964 and further to 6 per cent on February 17, 1965, followed by a tightening of the Bank's credit control policy, accentuated the easiness in the gilt-edged market.

The Reserve Bank's All-India index of Government and Semi-Government securities (*base :* 1952-53 = 100) after an initial decline from 99.7 at end-March 1964 to 99.5 by mid-April, recovered to 99.9 by mid-August. Thereafter, the index declined almost continuously to 97.9 by end-March 1965, representing a net decline, over the year, of 1.8 per cent as against a rise of 0.7 per cent in the preceding year. Region-wise, Bombay showed the largest decline (2.7 per cent) followed by Calcutta (2.1 per cent) and Madras (0.9 per cent).

Loan-wise, the 3 per cent Conversion Loan 1986 or later showed the largest decline of Rs. 5.25 over the year. Among the long-dated, the 4 per cent Loans 1980 and 1981 declined by Rs. 4.25 each to Rs. 94.00. The medium-dated loans recorded declines ranging from 50 p. in the case of the $4\frac{1}{4}$ per cent Loan 1973 to Rs. 4.75 in the case of the $3\frac{3}{4}$ per cent Loan 1974. In the short-dated section, the $3\frac{1}{2}$ per cent Loan 1967, 1968 and 1969 declined by 10 p.—75 p. Both the new Loans floated in 1964-65 *viz.*, (*i*) the 4 per cent Loan 1970 and (*ii*) the $4\frac{3}{4}$ per cent Loan 1989 were quoted at a discount over their issue prices, the discount as at the close of the year being 45 p. in the case of the former and 30 p. in the case of the latter.

In the State list also, prices showed widespread declines. In the medium-dated section, the decline in the 4 per cent 1971 Loans ranged up to Rs. 3. The $4\frac{1}{4}$ per cent Loan 1972 of Kerala, West Bengal, Gujarat and Maharashtra recorded declines ranging upto Rs. 1.35. Among the short-dated, the 4 per cent 1968 and the 4 per cent 1969 Loans of most of the States recorded declines ranging upto Rs. 1.05. The new $4\frac{3}{4}$ per cent 1976 Loans issued by 13 States in August were quoted at a discount over their issue prices, the discount as at end-March 1965 ranging between Re. 1.00 and Rs. 3.75.

Reflecting the fall in gilt-edged prices, the yields recorded all-round increases, the in-

creases being particularly marked in the case of medium and long-dated securities. In the Central list, rise in yields of long-dated ranged upto 0.42 per cent and of medium-dated upto 0.69 per cent. The yield on the 3 per cent Conversion Loan advanced by 0.43 per cent to 5.19 per cent. Among short-dated, the yields on the $3\frac{1}{2}$ per cent Loans 1968 and 1969 recorded rises of 0.15 per cent and 0.31 per cent, respectively. In the State List, the rises in yield ranged upto 0.46 per cent in short-dated and upto 0.61 per cent in medium-dated loans.

Equities

The industrial securities market evinced a general bearish trend in 1964-65. There were occasional spells of recovery as for instance from mid-June to early September and again from end-December to early-February but these proved short-lived and the All-India index for Variable Dividend Industrial Securities closed for the year substantially lower on balance reflecting mainly the impact on the markets of (*i*) the disquieting developments on the Indo-Pakistan borders, (*ii*) the two Bank rate rises and other credit control measures during the year and (*iii*) the fact that the concessions in the 1965-66 Budget did not come up to market expectations in some respects.

The nervousness following the presentation of the 1964-65 Budget on February 29, 1964 continued upto mid-June. The other adverse factors affecting sentiment were the acute stringency in the money market which was accentuated by a further tightening of credit control measures on March 11, 1964, fears of drastic Governmental measures to hold the price line and the statement by the Deputy Chairman of the Planning Commission on June 9, indicating the need for a quicker expansion of the public sector. The Reserve Bank's weekly All-India Index of Variable Dividend Industrial Securities (*base : 1952-53 = 100*) fell from the pre-Budget level of 174.3 at end-February 1964 to 160.8 by mid-June.

From mid-June upto early September, there was a revival, the main factors contributing to the recovery being (*i*) some relaxation in the system of margins on stock exchanges, (*ii*) the setting up of the Industrial Development Bank, (*iii*) reports of substantial purchases of shares by the Unit Trust of India, (*iv*) the authorisation to the Controller of Capital Issues to relax the present debt-equity ratio of 2 : 1 at his discretion in suitable cases and (*v*) the World Bank President's reassuring statement regarding flow of aid to India for economic development. The index of share prices recovered from 160.8 in mid-June to 168.6 in the week ended September 5, 1964.

Subsequently, however, the markets resumed the earlier bearish trend, sentiment being affected by a number of adverse factors including reports of Chinese incursions on the Sikkim and Nepal borders, the raising of the Bank rate to 5 per cent and other credit control measures announced on September 25, the statement made by the Managing Director of the I.M.F. indicating further scope for increasing taxation in India, the adoption by the A.I.C.C. in November of the non-official resolution on ceiling on urban property holdings, the provision to restrict the period of currency of blank transfers contained in the Companies (Second Amendment) Bill 1964, and fears of reduction in foreign exchange allocation for imports for the half year October 1964—March 1965 (which materialised on December 31). The index of share prices fell from 168.6 in early September to 161.8 in the week ended December 12, 1964.

There was again a temporary revival from end-December to early February, aided, among other things, by the announcement by the Union Finance Minister on December 24, of certain tax concessions to individual investors including a scheme of tax credit for investment in new issues upto Rs. 35,000 and renewed hopes of further substantial measures of relief to the corporate sector in the 1965-66 Budget. However, following the raising of the Bank rate to 6 per cent on February 17 and the imposition on the same date of a regulatory customs duty of 10 per cent on all imports with a few exceptions, the bearish trend reasserted itself. It was further accentuated in the wake of the Central Budget, with the concessions proposed in corporate and personal taxation and selective cuts in excise duties falling short of market expectations. In particular the market was disappointed by the absence of anticipated reliefs in the surtax, in the super-tax on dividends on equity capital and in the capital gains tax on

bonus issues. In the context of the new pattern of higher interest rates and the growing stringency in the money market, equities declined sharply. The index of share prices, which had recovered partially from 161.8 in mid-December to 164.2 in early February, dropped thereafter to 157.8 by end-March 1965—the lowest level since the general downtrend started in May 1962. Over the year, the index registered a decline of 5.9 per cent as against a rise of 4.6 per cent during 1963-64 and a fall of 16.8 per cent during 1962-63.

Region-wise, Calcutta showed the largest decline over the year (8.0 per cent) and was followed by Delhi (6.0 per cent), Madras (4.5 per cent) and Bombay (4.2 per cent).

In line with the general trend, most of the sub-groups recorded declines over the year. Jute textiles fell by 15.6 per cent ; although the jute industry showed an increase in both production and exports, it was faced with the problem of growing costs of production resulting mainly from the rise in the prices of raw jute. Coal shares continued to remain depressed despite successive increases granted in prices of coal, the index declining by 11.1 per cent ; the industry was faced with the problem of reduced demand for coal and large accumulation of pit-head stocks. Among plantation shares, while tea showed a significant decline of 9.6 per cent, coffee and rubber shares were more or less maintained at their previous levels. Total tea production was estimated to be higher this year although the average auction prices for tea realised in Calcutta were reported to be lower. Cotton textiles, cement and paper shares registered losses of around 8 per cent each. In Bombay, Century and Standard, among the textile group, closed for the year lower at Rs. 541 and Rs. 431 as against the preceding year's levels of Rs. 616.50 and Rs. 664, respectively. The iron and steel group, which had shown the largest rise (26.1 per cent) in 1963-64, declined by 1.9 per cent. Tata Steel at Rs. 143 and Indian Iron at Rs. 24.38 showed net declines of Rs. 3.75 and 34 paise over the year. The following sub-groups, however, recorded rises ; electricity generation and supply (8.3 per cent), construction (7.2 per cent), trading (4.8 per cent) and banks (3.7 per cent). There was a broadening of demand in the face of shortage of floating stocks for electricity shares in view of expectations of a higher return following the increase in Bank rate. Cash scrips in general, barring a few exceptions showed widespread losses. Colour Chem fell by Rs. 73.75 to Rs. 267.50, Permanent Magnets by Rs. 45 to Rs. 70, Ceat Tyres by Rs. 39.25 to Rs. 77, Synthetics and Chemicals by Rs. 38 to Rs. 58 and Baroda Rayon by Rs. 22 to Rs. 64.50.

In view of the depressed state of ordinary shares, investors seemed to have shown preference for fixed interest industrial securities. The All-India index of preference shares moved up from 81.5 at end-March 1964 to 82.8 in the week ended September 26, 1964. Following the two Bank rate increases, however, the general uptrend in preference shares was halted ; the index, after moving around 82 till mid-February, dropped to 80.9 by end-March 1965, showing a net decline of 0.7 per cent over the year as against a rise of 1.6 per cent in 1963-64 and a decline of 2.9 per cent in 1962-63. The index of debentures, after rising from 97.9 at end-March 1964 to 99 by end-January 1965, receded to 97.3 towards the close of the year, showing a net decline of 0.6 per cent as compared to a decline of 0.3 per cent in 1963-64 and of 2.7 per cent in 1962-63.

The pattern of yields showed an upward levering in line with the structure of high interest rates prevalent in the economy. Thus, the average yield on Variable Dividend Industrial Securities moved up over the year from 4.91 per cent to 6.05 per cent. Likewise, the average yield on preference shares rose from 5.99 per cent to 6.72 per cent and that on debentures from 4.75 per cent to 5.78 per cent.

Regulatory Measures

Mention was made in the last year's Report of grant by Government of permission for the resumpton of forward trading on stock exchanges in June 1963, subject to a system of stringent margins. Early in the year on July 1, 1964, some relaxations in the system of margins were made in response to the representations from the Stock Exchanges in this behalf. The margins on daily outstanding purchases and sales of each security and additional carryover margin rates were substantially revised downwards through a modification

of the slabs and a lowering of the rates on the highest slabs. The interim margins payable on individual scrip, whenever it rises or falls by more than 10 per cent from the last making-up price, were also reduced from 100 per cent of the difference between the interim making-up price and the last making-up price to 50 per cent. However, the margin of 2 per cent on business carried forward was retained. The newly constituted Department of Company Affairs and Insurance in the Ministry of Finance, Government of India, continued to exercise vigilance over the stock exchanges.

Capital Issues

New issue activity, which had suffered a setback during 1963-64 as a sequel to the declaration of the Emergency in October 1962 and its aftermath, showed recovery during 1964-65 with a substantial increase in the magnitude of capital issues floated. The public response to the issues, however, remained largely selective with the result that some entrepreneurs were still experiencing difficulty in raising the necessary resources, particularly risk capital, from the open market. Despite the improved performance of the corporate sector, as revealed by the generally higher profits and larger dividends declared during 1964 and despite the provisions in the 1964-65 Budget of various incentives to revive the capital market, the attitude of individual investors for investment in industrial securities remained pessimistic which was attributed to the imposition in that Budget of a new 7½ per cent tax on the distribution of equity dividends by companies and the extension of the capital gains tax to bonus shares in the hands of investors. The persistent weakness of the stock markets further impiared the outlook for prospects of capital appreciation which adversely affected investment in new issues. New companies, in particular, encountered greater difficulty in raising the necessary capital. In the prevailing uncertain conditions, the tendency on the part of entrepreneurs to have their issues underwritten became more pronounced during the year. Consequently, there was an increase in underwriting activity and both the number of issues and the amount underwritten rose substantially during the year. In view of the generally poor response from the public, the underwriters were obliged to take up a substantial portion of the issues left unsubscribed. The underwriters, which included the specialised financial institutions, played an important part in providing the requisite finance to the corporate sector for enabling sustained investment activity through substantially greater underwriting commitments. In the context of the difficult capital market conditions for raising risk capital and in response to the market's changed psychology in favour of fixed-income yielding securities, there was a growing tendency on the part of entrepreneurs to raise capital through the issue of preference shares and debentures instead of equity capital. These trends were reflected in a relatively greater increase in both the number and amount of preference shares and debentures in comparison with equities. Debenture issues showed a particularly marked rise during the year.

The official data on consents for capital issues, which indicate broadly the investment intentions of the private sector, showed a decline in the amount of consents during 1964. Total consents (including bonus and miscellaneous issues) for non-Government companies† were lower at Rs. 224.8 crores during 1964* than Rs. 237.6 crores in 1963. Consents for the issue of shares (other than bonus) and debentures, which had dropped from the peak of Rs. 163.0 crores in 1962 to Rs. 141.5 crores in 1963, declined further to Rs. 138.9 crores in 1964. Security-wise, the total consents for ordinary shares fell from Rs. 114.4 crores in 1963 to Rs. 101.8 crores in 1964 while those for debentures showed a rise from Rs. 15.4 crores to Rs. 25.4 crores and those for preference shares also showed a fractional rise. The proportion of equity shares in the total consents for the issue of shares (other than bonus) and debentures declined from 80.8 per cent to 73.2 per cent during the year while that of debentures rose from 10.9 per cent to 18.3 per cent and that of preference shares frac-

† Total consents given to Government companies during 1964 amounted to Rs. 167.5 crores as against Rs. 306.7 crores in 1963 ; their share in the total consents declined from 56.3 per cent to 42.7 per cent.

* The exemption limit for obtaining consents for the issue of capital was raised from Rs. 10 lakhs to Rs. 25 lakhs in December 1963.

tionally from 8.3 per cent to 8.5 per cent. Consents for bonus issues declined steeply from Rs. 10.8 crores in 1963 to Rs. 4.1 crores in 1964 and those for miscellaneous issues (loans, etc.) from Rs. 85.3 crores to Rs. 81.8 crores. There was also a steep fall in the number of consents for initial issues, *i.e.*, first issues by new companies (from 116 in 1963 to 52 in 1964) as well as in their amount (from Rs. 85.0 crores to Rs. 54.7 crores). As regards foreign participation, the number of consents involving foreign participation fell sharply from 161 in 1963 to 90 in 1964 while the amount involved in such consents was also slightly lower at Rs. 59.3 crores as against Rs. 61.8 crores in the previous year, although as a proportion to the total consents (including bonus and miscellaneous issues), there was a fractional increase from 26.0 per cent in 1963 to 26.4 per cent in 1964.

As regards capital actually raised against consents and under the Exemption Order, the total amount raised by non-Government companies through shares (other than bonus) and debentures in 1964 (Rs. 92.6 crores) was only of the same order as in 1963 (Rs. 92.7 crores), which was lower than both in 1962 (Rs. 107.3 crores) and in 1961 (Rs. 101.0 crores).

During the year, the Government continued their efforts to bring about a revival of the capital market and adopted a series of further measures with a view to restoring investor confidence and stimulating private investment. A number of fiscal reliefs designed to induce a greater flow of personal savings and investment were given to individuals, while selective tax concessions were announced for a wide range of industries with a view to stimulating production and exports and encouraging their expansion and development. In order to encourage public response to issues of equity capital, the Government in December 1964 announced an incentive scheme for investments in equity shares of new industrial companies in the form of tax-free tax credit certificates equivalent to 5 per cent of such investments upto Rs. 15,000, 3 per cent for the next Rs. 10,000 and 2 per cent for the next Rs. 10,000. The tax credit certificates for a maximum amount of Rs. 1,250 on a total equity investment of Rs. 35,000 will be given to individuals and Hindu undivided families for a period of four years from the year of such investment provided these are in ordinary shares issued for the first time by Indian public limited companies engaged in specified industries and held by them as original subscribers. The scheme is thus intended to help finance new industrial companies which find it particularly difficult to raise funds from the open market. This tax credit scheme was later incorporated as part of the 1965-66 Budget proposals and was extended to cover purchases by individuals and Hindu undivided families of eligible issues of capital also from underwriters. The Finance Bill, as finally passed by Parliament, provided for a number of other fiscal concessions and reliefs both to individuals and the corporate sector with a view to stimulating investment in desired channels. Thus, in addition to the aforementioned tax credit benefits, investments in equities of industrial companies issued for the first time have also been exempted from the levy of wealth tax for a period of five years. This exemption will apply to shares forming part of an initial issue of equity share capital made after March 31, 1964, whether subscribed directly or purchased from the market. These incentive measures have been taken to facilitate the acquisition of shares of new companies by the public from the financial institutions which have underwritten and have been obliged to hold new equity issues in terms of their underwriting obligations. Tax relief has also been given to equity shareholders in respect of capital gains tax on bonus shares allotted by a company after March 31, 1964 by way of a rebate of $12\frac{1}{2}$ per cent of the face value of such shares. Further, dividends received from the Unit Trust of India by individuals and Hindu undivided families have been given a concessional treatment, such dividends being deemed as earned income in the same way as interest on Central and State Government securities is treated.

Besides the above measures providing a stimulus to investment in equity issues, the 1965-66 Budget also provided for fiscal concessions designed to encourage higher production and exports as well as growth and expansion of specified industries. The benefit of the tax rebate of 10 per cent of income-tax and 20 per cent of surtax given in the 1964-65 Budget to companies in specified basic or

priority industries was extended to include a wide range of industries while the development rebate in respect of new plant and machinery installed after March 31, 1965 by the specified industries listed in the Fifth Schedule to the Income-tax Act was also increased from the existing 20 per cent to 25 per cent. A scheme of tax credit certificates was also announced in favour of manufacturers and exporters on their increased production and exports over the specified base period. Besides these aforesaid fiscal reliefs and concessions, it was also decided, on the recommendations of the Capital Issues Advisory Committee, to relax the capital issues control. An important step taken in this direction was the decision to relax the debt-equity ratio in respect of capital intensive industries by permitting a larger proportion of debt in relation to equity.

Special Financial Institutions Providing Industrial Finance

In the field of industrial finance, the institutional framework for provision of financial assistance to the industrial sector in all aspects—underwriting, equity participation, term-loans and guarantees—was considerably strengthened with the establishment of the Industrial Development Bank of India and the commencement of operations by the Unit Trust of India from July 1, 1964. As regards the working of the existing financial institutions, the magnitude of assistance sanctioned by the Industrial Finance Corporation and the Industrial Credit and Investment Corporation of India during 1964-65 was below the level of the previous year, while a majority of the State Financial Corporations provided increased financial accommodation. Disbursements were higher than last year in respect of IFC, ICICI and a majority of the State Financial Corporations. In its first year of operations, the Industrial Development Bank played an important role in making assistance available to industry on an appreciable scale. All the institutions helped in sustaining investment activity, the all-India institutions especially providing substantial underwriting support to capital issues.

As regards provision of finance for small-scale industries, the Credit Guarantee Scheme as well as the scheme of assistance of the State Bank of India to small industrial units made good progress. Industrial co-operatives, particularly those providing finance to the sugar industry, received larger assistance from the Industrial Finance Corporation of India than hitherto.

Industrial Finance Corporation of India : The aggregate financial assistance approved by the Industrial Finance Corporation of India during 1964-65 (April-March) was considerably lower at Rs. 27.8 crores than Rs. 42.1 crores in the previous year. This comprised loans of Rs. 20.8 crores (rupee loans Rs. 13.8 crores and foreign currency loans Rs. 7.0 crores), underwriting of share and debenture issues of Rs. 3.8 crores and deferred payment guarantees and foreign loan guarantees of Rs. 3.2 crores. The amount disbursed was Rs. 17.6 crores (Rs. 15.1 crores of rupee loans and Rs. 2.5 crores of foreign currency loans), which was slightly higher than in the previous year (Rs. 17.1 crores). The industries to which loans were sanctioned covered, among others, chemicals, sugar, paper, cotton textiles, engineering, glass, cement and automobiles and were made for the establishment of new units, expansion or renovation of existing units and for meeting increased capital costs.

The underwriting assistance sanctioned by the Corporation aggregated Rs. 3.8 crores, comprising Rs. 1.7 crores in respect of 28 equity issues, Rs. 0.7 crore in respect of 19 preference share issues and Rs. 1.4 crores in respect of 2 debenture issues. The Corporation finalised 27 agreements during the year involving Rs. 4.8 crores (Rs. 2.7 crores equity shares, Rs. 0.7 crore preference shares and Rs. 1.4 crores debentures). In respect of 23 issues underwritten involving an amount of Rs. 3.8 crores, the Corporation had to take up Rs. 3.2 crores, representing about 84 per cent of the underwriting commitment. The aggregate amount which devolved on the Corporation on account of its underwriting commitments since its inception in 1948 till March 1965 in respect of 67 issues involving Rs. 11.9 crores which had been underwritten and placed in the market came to Rs. 9.4 crores or 78.9 per cent of the total amount underwritten.

During the year, the Corporation approved 5 applications for guaranteeing deferred payments of Rs. 2.2 crores in respect of machinery and equipment to be imported from abroad as compared to Rs. 2.0 crores in respect of ten applications in 1963-64. The letters of guarantee for deferred payments issued during the year amounted to Rs. 0.7 crore in respect of 2 cases as compared to 6 cases involving Rs. 0.7 crore in the previous year. In respect of guarantee of foreign currency loans, the Corporation approved during the year one application for Rs. 1.0 crore and also executed guarantees for Rs. 2.7 crores in favour of two concerns which had been sanctioned in the previous years.

The total financial assistance (net) approved by the Corporation since its inception in 1948 upto March 31, 1965 amounted to Rs. 211.8 crores in respect of 674 operations against which a sum of Rs. 142.8 crores representing 67.4 per cent was disbursed.

With a view to augmenting its resources and also repaying the $3\frac{1}{4}$ per cent I.F.C. bonds 1964 for Rs. 7.8 crores which matured during the year, the Corporation issued two tranches of $4\frac{3}{4}$ per cent bonds with a maturity of 12 years for an aggregate sum of Rs. 11.0 crores. The total bonds of the Corporation outstanding as on March 31, 1965 amounted to Rs. 31.5 crores. The outstanding borrowings from the Central Government and from the Reserve Bank (under Section 21(3)(b) of the I.F.C. Act) as on the above date amounted to Rs. 37.4 crores and Rs. 0.7 crore, respectively. The Corporation concluded two new agreements with Kreditanstalt fur Wiederaufbau for loans aggregating DM 30 million, thereby bringing the total amount of loans sanctioned by the Kreditanstalt to the Corporation to DM 55 million. Also a third loan for $ 10 million from AID of the U.S.A. was secured, bringing the total amount of loans from this agency to $ 40 million.

In accordance with its declared policy to afford special encouragement to industrial co-operatives as enunciated in the Industrial Policy Resolution of July 1956, the Industrial Finance Corporation has been extending financial assistance to these co-operatives. Total net assistance sanctioned to 56 co-operative societies upto March 31, 1965 amounted to Rs. 39.3 crores, a major portion of this (Rs. 37.7 crores) representing loans to 52 sugar co-operatives in eleven States. Of the remaining Rs. 1.6 crores, Rs. 1.3 crores represented loans to three co-operative spinning units in the States of Bihar, Maharashtra and Uttar Pradesh and Rs. 10 lakhs a guarantee for deferred payments to a spinning unit in Uttar Pradesh ; the balance of Rs. 23 lakhs was in respect of a co-operative unit to be set up in Mysore State for the manufacture of vegetable oil. Total loans outstanding and due from co-operative sugar factories as on March 31, 1965 aggregated Rs. 20.9 crores while those from co-operative spinning mills amounted to Rs. 0.6 crore.

*The State Financial Corporations :** During the year, the jurisdiction of the Maharashtra State Financial Corporation was extended to cover the Union Territories of Goa, Daman and Diu. At the end of the year, proposals were still under consideration for the extension of the jurisdiction of the West Bengal Financial Corporation to the Andaman and Nicobar islands and that of the Gujarat State Financial Corporation to Dadra and Nagar Haveli.

The combined financial assistance to industries given by all the fifteen State Financial Corporations showed an appreciable rise during 1964-65, the total amount of loans and advances sanctioned amounting to Rs. 20.0 crores as compared with Rs. 16.6 crores in the preceding year. The loans sanctioned by eleven Corporations (Madras, Punjab, Maharashtra, Gujarat, West Bengal, Uttar Pradesh, Bihar, Rajasthan, Madhya Pradesh, Mysore and Jammu and Kashmir) together showed an increase of Rs. 5.7 crores which was partially offset by a decline of Rs. 2.4 crores in the loans sanctioned by the remaining Corporations, mainly Assam and Andhra Pradesh. A majority of the Corporations increased their disbursements during the year. In the result, the aggregate loans and advances outstanding as at the end of March 1965 stood higher at Rs. 49.1 crores than Rs. 40.5 crores at the end of March 1964.

* Including the Madras Industrial Investment Corporation Ltd.

The total investments of the Corporations (six) in shares of industrial concerns amounted to Rs. 5.6 crores, of which the Madras Industrial and Investment Corporation Ltd. alone accounted for the bulk (Rs. 5.3 crores). Three of the State Financial Corporations (Mysore, Andhra Pradesh and Gujarat) also subscribed to debentures of industrial concerns for Rs. 36.6 lakhs as compared to Rs. 22.0 lakhs in the previous year. One of the Corporations, namely, the Andhra Pradesh Financial Corporation, commenced guaranteeing deferred payments due from industrial concerns in connection with their purchase of capital goods within India. The outstandings of such guarantees aggregated Rs. 36.8 lakhs in respect of 4 concerns.

The effective rates of interest charged on the loans by the various Corporations in 1963-64 varied from 7 per cent to 7½ per cent except in the case of the Jammu and Kashmir State Financial Corporation which charged 6½ per cent. Following the increases in the Bank rate in September 1964 and February 1965, all the Corporations except Assam stepped up their lending rates by the end of March 1965, the revised effective rates* varying from 8 per cent to 9 per cent. (The Assam Corporation also raised its lending rate in April 1965).

During the year, six State Financial Corporations augmented their resources through issue of bonds for Rs. 5.0 crores 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 (Rs)	Offered	Retained
West Bengal	27- 5-1964	5% 1976	100.00	100	104.26
Orissa	28- 5-1964	5% 1976	100.00	50	50.00
Maharashtra	26-10-1964	5% 1976	100.00	100	103.42
Assam	30-11-1964	5% 1976	99.50	100	100.00
Mysore	21-12-1964	5% 1977	99.50	50	50.00
Madhya Pradesh	6- 2-1965	5% 1977	99.50	100	93.85

The total amount of bonds issued by 14 of the Corporations and outstanding as on March 26, 1965 amounted to Rs. 25.6 crores. The State Financial Corporations of Andhra Pradesh, Assam, Kerala, Maharashtra and the Madras Industrial Investment Corporation Ltd. continued to accept fixed deposits which aggregated Rs. 10 crores on the same date.

By the end of the year, eleven Corporations had been sanctioned medium-term credit facilities by the Reserve Bank of India under Section 7(2)(b) of the State Financial Corporations Act, for an aggregate limit of Rs. 5.5 crores. As at the end of March 1965, the total amount outstanding in respect of borrowings by six State Financial Corporations amounted to Rs. 1.9 crores. The Bank sanctioned Rs. 2.1 crores to nine State Financial Corporations for borrowings upto 90 days against Government securities. All these Corporations availed of the facilities and the total outstandings in respect of seven Corporations as at the end of March 1965 amounted to Rs. 53.1 lakhs.

The agency arrangements entered into by seven State Financial Corporations, *viz.*, Maharashtra, Andhra Pradesh, Punjab, Uttar Pradesh, West Bengal, Rajasthan and Orissa with the State Bank of India for disseminating, on their behalf, information relating to their activities and routing the loan applications received from mofussil parties, furnishing credit reports on prospective borrowers, disbursing loans, collecting loan repayments, etc. continued during the year. Some of the Corporations, *i.e.*, Maharashtra, Andhra

* After allowing for the usual rebate of ¼ per cent for prompt payment of interest and instalment of principal on the due dates.

Pradesh and Madhya Pradesh have also appointed certain other scheduled banks for the above purpose.

At the end of March 1965, nine State Financial Corporations (*viz.*, Andhra Pradesh, Maharashtra, Uttar Pradesh, Punjab, Kerala, Rajasthan, Assam, Gujarat and Orissa) were acting as agents of their respective State Governments for routing block loans to small-scale industries under the State Aid to Industries Acts or Rules. Though the Governments of Bihar and Madhya Pradesh had agreed to route through their respective Corporations the State Aid loans to small-scale industries, no progress was made in this respect during the year, and in Jammu and Kashmir, the question was still under consideration of the State Government. In West Bengal, where the State Financial Corporation was officially appointed as an agent of the State Government, the arrangement was kept in abeyance owing to some constitutional and statutory objections raised by the Accountant General, West Bengal. The Government of Madras, which had decided not to appoint the Madras Industrial Investment Corporation Ltd. as its agent for the purpose, was reconsidering its decision at the request of the Central Government. The Mysore State Financial Corporation, on the other hand, did not accept the responsibility to disburse small loans, particularly on the terms laid down by the State Government. The total amount of loans disbursed by eight Corporations under agency arrangements and the outstanding amount as on December 31, 1964 in respect of these loans were Rs. 3.1 crores and Rs. 2.2 crores, respectively.

Industrial Credit and Investment Corporation of India Ltd : The financial assistance (gross) sanctioned by the Corporation in 1964 at Rs. 22.7 crores was below the level in 1963 at Rs. 24.9 crores. Of the total assistance approved in 1964, rupee assistance in the form of loans, underwriting of and direct subscriptions to shares and debentures amounted to Rs. 11.4 crores, while foreign currency assistance accounted for the rest (Rs. 11.3 crores). The decline in the gross amount sanctioned during the year was accounted for by a decline in loans and guarantees (both rupee and foreign). As against this decline, there was a substantial increase in underwriting assistance for which gross sanctions increased from Rs. 3.7 crores in 1963 to Rs. 6.2 crores in 1964. The Corporation's total disbursements during 1964 were also substantially higher (Rs. 15.3 crores) than in 1963 (Rs. 10.8 crores).

The Corporation completed 10 underwriting operations during 1964 for a total amount of Rs. 1.8 crores, of which it was called upon to take up Rs. 1.2 crores. In addition, it had also to take up an amount of Rs. 66 lakhs in respect of 4 underwriting agreements for Rs. 1.2 crores signed in 1963.

The aggregate financial assistance (net) sanctioned by the Corporation during the decade of its existence (1955-1964) amounted to Rs. 102.3 crores in respect of 328 companies, of which 156 were new undertakings. The Corporation's assistance was spread over a wide range of industries, among which metal products (ferrous), chemicals and chemical products and machinery manufacture (other than electrical) claimed a little less than half of the total financial assistance. The disbursements so far amounted to Rs. 54.3 crores or about 53 per cent of the total net sanctions. Out of Rs. 22.3 crores sanctioned for underwriting upto the end of 1964, the Corporation completed 64 operations for a total sum of Rs. 16.0 crores, against which it was called upon to take up Rs. 8.4 crores.

In order to replenish its resources for meeting the growing demand for assistance, the Corporation obtained from the World Bank a sixth line of credit for U.S. $ 50 million (Rs. 23.8 crores). Two further lines of credit for DM 5 million (Rs. 59.5 lakhs) and DM 10 million (Rs. 1.2 crores) were also secured in 1964 from the Kreditanstalt fur Wiederaufbau (Reconstruction Loan Corporation) of the Federal Republic of Germany. Negotiations for a fourth loan of DM 5 million were in progress at the end of 1964 (since finalised). The Corporation was also considering the question of strengthening and broadbasing its capital structure by the issue of rights shares in the ratio of 1 : 2.

National Industrial Development Corporation Ltd : The activities of this Corporation were confined mainly to making disbursements of the remaining instalment of loans com-

mitted prior to the Government's directive in February 1963 enjoining upon the Corporation not to entertain fresh applications. The loans sanctioned and disbursed by the Corporation to cotton textile and jute industries for purposes of rehabilitation and modernisation of machinery and to machine tools units for expansion and rehabilitation until March 31, 1965 amounted to Rs. 28.0 crores and Rs. 16.3 crores, respectively. In addition to the grant of loans on a long-term basis, the Corporation also made available to cotton textile mills indigenous machinery of the value of Rs. 3.8 lakhs on hire-purchase basis.

The Technological Consultancy Bureau set up as part of N.I.D.C. in 1960 for the provision of consultancy and engineering services continued its preliminary investigation of a number of projects like the Pumps and Compressors, Ball and Roller Bearing project, Aluminium project, Bio-Gas and Bio-Fertiliser Plant, etc.

Unit Trust of India : Reference was made in the last year's Report to the establishment of the Unit Trust of India and some of the important aspects relating to its management and working as laid down under the Unit Trust of India Act, 1963. The Trust, which was formally established on February 1, 1964, commenced sales of units to the public from July 1, 1964. The units are being sold in terms of the Unit Scheme 1964 formulated by the Board of Trustees in exercise of the powers conferred under the Unit Trust of India Act, 1963.

During the initial sale period from July 1, 1964 to August 14, 1964, units were sold at their face value, *i.e.*, Rs. 10 each. Thereafter, units were sold at prices fixed daily by the Trust. The sale price of the units was raised from time to time and as on March 31, 1965 it was Rs. 10.55 per unit. From November 16, 1964, the Trust started announcing the prices at which units could be sold back to it. As on March 31, 1965 the repurchase price of the unit was Rs. 10.05. Both the sale and repurchase prices are determined by the Trust in accordance with the provisions laid down in the Unit Scheme.

Units are being sold through a net-work of over 4,000 offices of the State Bank of India and its subsidiaries and the commercial banks which have contributed to the initial capital. Brokers on the recognised Stock Exchanges in the country also act as agents for the sale of units.

The response to the Unit Scheme indicated that the Trust had made a good beginning. The amount subscribed aggregated Rs. 18.8 crores till end-March 1965. Of this, Rs. 17.1 crores were subscribed in the initial period *i.e.* from July 1, 1964 upto August 14, 1964, when units were sold at the face value of Rs. 10 per unit. The bulk of the applications was from individuals. Repurchases of units were on a very small scale, the total amount of units repurchased upto March 1, 1965 being only about Rs. 14 lakhs.

The investment policy of the Trust was in keeping with its main objectives of affording the small investor a means of acquiring a share in the widening prosperity based on steady industrial growth of the country which combines the advantages of a minimum risk and a reasonable return. As of March 15, 1965, of the Trust's total funds aggregating Rs. 24.4 crores (including the initial capital of Rs. 5 crores), Government and semi-Government securities accounted for Rs. 3.9 crores (15.8 per cent), ordinary shares of corporate enterprises for Rs. 8.7 crores (35.5 per cent), preference shares for Rs. 1.8 crores (7.2 per cent), debentures for Rs. 8.0 crores (32.7 per cent), advance deposits for purchase of debentures (which the Trust has already decided to underwrite) for Rs. 2.0 crores (8.0 per cent) and cash for the balance of Rs. 0.2 crore (0.8 per cent). The Trust invested its funds in the securities of old and well established industrial enterprises engaged in diverse manufacturing activities. In addition to investing in the existing shares and securities of these companies, the Trust also embarked, in a limited way, upon providing underwriting facilities for new issues of debentures and preference shares by established enterprises by way of offering firm commitments to invest upto the amounts underwritten.

Industrial Development Bank of India : The Industrial Development Bank of India, a wholly owned subsidiary of the Reserve Bank of India, started functioning from July 1, 1964 both as an apex institution co-ordinating

and supplementing the operations of other institutions providing term-finance to industry and as an agency for providing direct financial assistance by filling in the gaps that remain after taking into consideration the assistance available from other institutions.

The operations of IDBI broadly comprise (*i*) direct assistance to industrial concerns in the form of loans, subscribing to or underwriting of issues of shares and bonds and guaranteeing of loans and deferred payments either on its own or in participation with other institutions and (*ii*) assistance to specified financial institutions by subscribing to their shares and bonds and refinancing of loans granted by them to industrial concerns. The financial institutions eligible for such assistance comprise commercial banks, State co-operative banks, the Industrial Finance Corporation of India (IFC), State Financial Corporations (SFCs) including the Madras Industrial Investment Corporation Ltd., (MIIC) and any other financial institution which may be notified by the Central Government under Section 9 of the IDBI Act. In October 1964, the Industrial Credit & Investment Corporation of India Ltd. was, by a notification, included in the list of eligible financial institutions.

During the nine month period from July 1, 1964 to March 31, 1965, the IDBI sanctioned 18 applications for underwriting of shares involving commitments of Rs. 3.1 crores, comprising Rs. 2.3 crores of ordinary and Rs. 0.8 crore of preference shares. Of the operations completed during the period in respect of ordinary shares of Rs. 33·4 lakhs and preference shares of Rs. 5.5 lakhs, ordinary shares of Rs. 30.8 lakhs and preference shares of Rs. 5.4 lakhs devolved on the IDBI. Loans sanctioned during the period aggregated Rs. 46.3 lakhs in respect of two industrial concerns, and a guarantee of Rs. 1.0 crore was agreed to be provided to one concern. No loan was actually disbursed nor the guarantee sanctioned executed during the period ended March 31, 1965.

With a view to encouraging stock brokers to put in greater efforts in procuring subscriptions, the IDBI initiated and secured in December 1964 the agreement of the IFC and the ICICI to arrangements for sharing of underwriting commission with the brokers. In cases where these institutions participate in underwriting issues of shares, the arrangements are operated jointly by the participating institutions so that subscriptions received on their account are pooled together and allocated among them in proportion to the underwriting commitment of each institution.

The IDBI may also provide assistance by accepting, discounting or rediscounting of *bona fide* commercial bills or promissory notes of industrial concerns. With a view to extending enlarged credit facilities to manufacturers of indigenous machinery to enable them to market their growing volume of production by affording deferred payment terms to users of such machinery, the IDBI introduced, with effect from April 1, 1965, a scheme for rediscounting of bills of exchange/promissory notes arising out of sales of indigenous machinery on deferred payment basis, discounted by approved banks and other financial institutions for the machinery manufacturers, in terms of the provision of subsection (1)(b) of Section 9 of the IDBI Act, 1964. The scheme covers deferred payment arrangements for a minimum period of six months and maximum period of five years. For the present, the rediscounting rate has been fixed at $6\frac{1}{2}$ per cent per annum and these facilities are, to start with, to be provided in respect of bills relating to cotton textiles, jute, cement, sugar and paper machinery manufacturing industries.*

The lending rate of IDBI was initially fixed at $7\frac{1}{2}$ per cent per annum, with a rebate of $\frac{1}{2}$ per cent for punctual payment of instalments of principal and interest so that the effective rate was 7 per cent. Following the raising of the Bank Rate to 6 per cent in February 1965, the rate for direct lending was stepped up on March 5, 1965 and simultaneously a change was made in the basis of charge by providing for a penalty for defaults instead of a rebate for prompt payment. The effective rate is now 8 per cent with a penalty charge of $\frac{1}{2}$ per cent for defaults.

With the establishment of the IDBI, some rationalisation and integration of term-lending

* The Scheme has since been made applicable to silk and art silk machinery industry.

institutions have been brought about as a corollary to its function of co-ordinating the activities of the various term-lending financial institutions. Thus, the shares of the Industrial Finance Corporation of India held by the Government and the Reserve Bank have been transferred to the IDBI, which now holds 50 per cent of the issued capital of the IFC. The Refinance Corporation for Industry Ltd. (RCI) was taken over by IDBI on September 1, 1964 and the latter now operates all the three schemes of RCI, *viz.*, (*i*) refinancing of industrial loans, (*ii*) refinancing of export credits, and (*iii*) the Government of India's scheme for the guarantee of advances made by specified financial institutions to colliery units in the private sector.

Prior to its merger with the IDBI, the RCI had on August 29, 1964 enhanced the limit of refinance in respect of any one industrial concern from Rs. 50 lakhs to Rs. 100 lakhs, which was related to the outstanding balance instead of to the total amount sanctioned. A few more changes in the scheme were made in November 1964 liberalising it in several respects in conformity with the provisions of the IDBI Act. Thus, applications for refinance in respect of units with paid-up capital and reserves of over Rs. 2.5 crores are now considered eligible ; applications for refinance in excess of Rs. 100 lakhs (outstanding in respect of one industrial concern) are entertained on merits and refinancing facilities are extended to loans made by term-lending institutions for periods longer than 10 years.

In order to assist a larger number of industrial units, a change was made in the scheme whereby it was decided to extend refinance normally to the extent of 80 per cent of the loans offered for refinance by financial institutions, instead of the entire amount of the loans as hitherto.

During the financial year 1964-65, 213 applications for re-financing of term loans for Rs. 34.2 crores were received as against 237 applications for Rs. 32.0 crores during the previous year and 124 applications for Rs. 22.7 crores were sanctioned as against 177 applications for Rs. 23.2 crores during the previous year. The total disbursements during the year increased from Rs. 15.0 crores to Rs. 21.2 crores. Since the inception of RCI in June 1958 upto the end of March 1965, 694 applications for refinance for Rs. 106.1 crores were received, of which 491 applications for Rs. 77.6 crores were sanctioned. Disbursements amounted to Rs. 54.1 crores, of which a sum of Rs. 45.2 crores was outstanding as on March 31, 1965.

To meet the growing requirements of refinance, further sums aggregating Rs. 17.0 crores were borrowed from the Central Government (as against Rs. 13.5 crores in the previous year), raising the total amount borrowed upto the end of March 1965 to Rs. 45 crores. Of this, Rs. 36 crores represented the initial and subsequent allocations to RCI from P.L. 480 funds and the balance from Government.

Consequent on the increase in the Bank rate in February 1965, the lending rate of IDBI for refinance was raised from $5\frac{1}{2}$ per cent to $6\frac{1}{2}$ per cent with effect from March 5, 1965.

As regards *refinancing of export credits*, in September 1964 the ceiling of Rs. 50 lakhs in respect of refinance of medium-term export credits for any one exporter, fixed under the RCI's scheme which came into force on January 1, 1963, was removed. During the year, the IDBI received one application for Rs. 56.0 lakhs and sanctioned an amount of Rs. 54.8 lakhs, which was subsequently reduced to Rs. 21.42 lakhs ; no amount was disbursed during the year. In the previous year, the RCI had sanctioned one application for Rs. 10.8 lakhs and disbursed Rs. 7.6 lakhs. Although the rates for other types of financial assistance by the IDBI were raised following the Bank rate increase in February 1965, the rate of interest on medium-term export credit was maintained at $4\frac{1}{2}$ per cent, provided the financing bank did not charge more than 6 per cent to the exporters ; in cases where the financing bank charged more than 6 per cent, the rate continued to be 5 per cent.

Under the *Scheme for the guarantee of loans to colliery units in the private sector* which was introduced on April 1, 1963, 18 applications for advances aggregating Rs. 1.8 crores were received from three credit institutions and 13 guarantees for Rs. 1.1 crores were issued during 1964-65 as against 28 applications for

loans of Rs. 3.1 crores and issue of 25 guarantees for Rs. 2.3 crores during the previous year.

During the period, the Development Bank subscribed a sum of about Rs. 1 crore to the bonds of three State Financial Corporations and Rs. 25 lakhs to the share capital of the Madras Industrial Investment Corporation Ltd. These operations were financed out of borrowings from the National Industrial Credit (Long-term Operations) Fund set up by the Reserve Bank on July 1, 1964 with an initial contribution of Rs. 10 crores, under an amendment of its statute in terms of the Industrial Development Bank of India Act. The Reserve Bank may utilise this fund for purchasing bonds and debentures issued by the IDBI and for making loans and advances to the latter for acquiring shares, bonds or debentures of other specified financial institutions or for the purpose of any other business of the Development Bank. At the end of the period, the outstanding borrowings of the IDBI from this Fund amounted to Rs. 1.25 crores.

Tea Garden Finance : It was mentioned in the last Report that the progress of the 'Tea Plantation Finance Scheme' announced in February 1962 was somewhat slower than expected. In view of the importance of the tea industry in the national economy, particularly as an earner of foreign exchange, the Government appointed a Committee in July 1964 to examine the needs of the industry and the assistance which should be given to it. The Committee submitted its report in December 1964 and its more important recommendations relate to the giving of financial incentives to the tea industry in the form of tax reliefs and to the creation of a single agency to cater to all its long-term financial needs. In regard to the latter objective, the Committee recommended the setting up of a Tea Finance Corporation to provide medium and long-term finance for development and to extend guarantees to commercial banks for the repayment of short-term advances made by them on the hypothecation of crops to tea companies, the title deeds of which are lodged with the Corporation as security for medium and long-term loans. The Committee also suggested organisation of co-operatives as, in its view, financial assistance to small tea growers should be provided through the co-operative structure of central co-operative banks and land mortgage banks, as suggested by the Agricultural Refinance Corporation. Some of the recommendations of the Committee were accepted by the Government while others were under consideration.

Financing of Small Industries: The Reserve Bank had been administering, since July 1960, the Government of India's Scheme for the guarantee of advances granted to small-scale industries by specified banks and financial institutions. The working of the Scheme made considerable progress during 1964-65. The Guarantee Organisation received as many as 8,055 applications for guarantee in respect of credit limits aggregating Rs. 35.7 crores during the year as against a total of 9,799 applications for Rs. 39.9 crores received from July 1960 upto the end of March 1964. Although the bulk of the applications continued to be received from the State Bank of India, the other specified credit institutions are also progressively availing themselves of the guarantee facility in respect of their advances to small-scale industries.

Guarantees in respect of 49 advances were invoked till the end of March 1965 and a total sum of Rs. 5.71 lakhs was paid as Government's share of the amounts in default in respect of 46 advances.

Role of State Bank of India and its Subsidiaries in financing small-scale industries : The liberalised scheme of assistance of the State Bank of India to small-scale industries recorded further progress during the year. The number of units assisted and the credit limits sanctioned to them under the scheme rose from 4,356 and Rs. 20.4 crores as on March 31, 1964 to 6,358 and Rs. 34.3 crores, respectively, as on March 31, 1965. During the same period, the amount of outstanding advances also rose from Rs. 10.0 crores to Rs. 17.9 crores.

The State Bank also provided medium-term credit facilities to small-scale industries for expansion and modernisation. The total medium-term loans sanctioned in respect of 106 applications stood at Rs. 93.7 lakhs as on March 31, 1965. Besides, under its Instalment Credit Scheme for facilitating pur-

chase of equipment or machinery by small and medium-sized businesses engaged in approved manufacturing operations, the State Bank sanctioned an amount of Rs. 84.7 lakhs in respect of 194 applications. It also continued to extend financial assistance to industrial co-operatives ; at the end of March 1965, limits to the extent of Rs. 49.5 lakhs had been sanctioned to 67 societies as against Rs. 17.8 lakhs to 39 societies at the end of March 1964.

The State Bank continued to provide credit facilities for working capital purposes under the guarantee scheme of the National Small Industries Corporation. The number of units assisted and the amount of credit sanctioned stood at 54 and Rs. 26.4 lakhs, respectively. It also extended indirect assistance to small-scale industries through the Small Industries Corporations functioning in various States. As on March 31, 1965, the credit sanctioned in respect of seven* such Corporations aggregated Rs. 1.4 crores. The limits granted and outstandings at the end of December 1964 in respect of advances by the State Bank to handicrafts stood at Rs. 33.4 lakhs and Rs. 9.4 lakhs, respectively.

The State Bank has commenced granting advances to units in the Rural Industries Projects constituted by the State Governments. Upto March 31, 1965, 12 units were granted advances with limits aggregating Rs. 10.1 lakhs.

The assistance provided by the Subsidiaries of the State Bank to small industries also recorded a further rise. The seven Subsidiaries of the Bank had sanctioned limits aggregating Rs. 9.1 crores under the liberalised scheme to 1,398 units as on March 31, 1965 as against Rs. 6.3 crores to 871 units at the end of March 1964. The credit outstanding rose during the period from Rs. 2.8 crores to Rs. 4.1 crores.

National Small Industries Corporation Ltd : The National Small Industries Corporation Ltd. continued to render assistance to small-scale units in securing orders from Government Departments/Railways. Due to acute shortage of foreign exchange resources, it had stopped entertaining applications for imported machinery since November 1962. The Corporation, however, obtained a third Yen credit of U.S. $ one million in 1964 and invited applications for import of machinery of Japanese origin. Also, the Government of India provided the Corporation with some Austrian currency for import of Austrian machinery.

* These are : (1) Bihar State Small Industries Corporation Ltd., (2) Kerala State Small Industries Corporation Ltd., (3) Maharashtra Small Scale Industries Development Corporation Ltd., (4) Madhya Pradesh Laghu Udyog Nigam Ltd., (5) Orissa Small Industries Corporation Ltd., (6) Uttar Pradesh Small Industries Corporation Ltd. and (7) West Bengal Small Industries Corporation Ltd.

CHAPTER V : BUDGETS AND PUBLIC DEBT

UNION GOVERNMENT BUDGET

The most outstanding feature of the Union Government's finances during 1964-65—the fourth year of the Third Plan—was a decline in its over-all budgetary deficit after the steady rise noticed in the preceding three years. The overall deficit, which had widened from Rs. 115 crores in 1961-62 to Rs. 156 crores in 1962-63 and further to Rs. 167 crores in 1963-64, narrowed down to Rs. 80 crores in 1964-65 (Revised), largely due to the buoyancy in tax receipts and also to the levelling off in defence expenditure. It may be recalled that the budget estimates for 1964-65 had anticipated an over-all deficit of Rs. 97 crores made up of (*i*) a surplus on revenue account of Rs. 83 crores, (*ii*) a deficit of Rs. 164 crores on capital account and (*iii*) a deficit of Rs. 16 crores on miscellaneous account. According to revised estimates now available, however, there was a substantial improvement on revenue account with the surplus at Rs. 229 crores, or Rs. 146 crores larger than the budget estimate, which was attributable mainly to higher tax collections expected to exceed the budget estimates by a comfortable margin as also to the efforts at effecting economy in expenditure. As against this, the capital account showed a widening of the original deficit of Rs. 164 crores to Rs. 289 crores both on account of an increase in disbursements and a short-fall in capital receipts, principally under external debt, Railways and Posts and Telegraphs Funds and Special Development Fund. In the aggregate, however, the impressive performance on revenue account helped to narrow down the overall gap from Rs. 97 crores to Rs. 80 crores.

A swing from a deficit to a surplus anticipated for 1965-66 was a welcome feature of the budget for the final year of the Third Plan. The expenditure of the Central Government during 1965-66 was marked up by Rs. 102 crores on revenue account and by Rs. 20 crores on capital account (or by an aggregate of Rs. 122 crores without adjusting for purely book-keeping items). At the existing levels of taxation, revenue receipts were expected to go up by Rs. 110 crores on account of continued buoyancy in tax revenue. On capital account, larger credit having been taken for external loans, repayments by States and P.L. 480 counterpart funds, receipts were anticipated to be higher by Rs. 138 crores. While the revenue account for 1965-66 would show a surplus of Rs. 237 crores (mainly due to continued buoyancy of tax revenue), the capital account would record a deficit of Rs. 172 crores thus resulting in an overall surplus of Rs. 10 crores (after taking into account a deficit of Rs. 55 crores on miscellaneous account). However, the adjustments in the Finance Act, 1965 are estimated to result in a net loss of revenue of Rs. 6.3 crores and consequently the overall surplus of Rs. 10 crores will be reduced to Rs. 3.7 crores.

Outlays

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

Expenditure on defence, which shot up from Rs. 290 crores in 1961-62 to Rs. 425 crores in 1962-63, and further to Rs. 704 crores in 1963-64, thus largely accounting for the spurt in total outlays on revenue account during these years, was expected to remain not significantly higher than the 1963-64 level, in the last two years of the Third Plan (*i.e.*, at Rs. 717 crores in 1964-65 and Rs. 749 crores in 1965-66). Defence outlays would account for only 7 per cent of the total increase in revenue expenditure in 1964-65 (as compared to 81 per cent in 1963-64, 34 per cent in 1962-63 and 49 per cent in 1961-62) but this percentage would be 31 for 1965-66—the final year of the Third Plan. Defence outlays on capital account also showed a rising trend. Total defence expenditure on revenue and capital accounts combined rose from Rs. 312 crores in 1961-62 to Rs. 835 crores in 1964-65 (R.E.) and was placed higher at Rs. 879 crores in 1965-66(B.E.).

Expenditure on civil heads, which stood at Rs. 622 crores in 1961-62, rose steadily to Rs. 1,203 crores in 1965-66, ranging between

58 and 68 per cent of the total revenue expenditure during the period. The increase in civil expenditure was brought about mainly by mounting debt service charges, grants to States and Union Territory Governments, and social and developmental services. At Rs. 1,203 crores in 1965-66 (B.E.), civil expenditure would be Rs. 70 crores larger than that in 1964-65 (R.E.) on top of a rise of Rs. 178 crores witnessed during 1963-64. However, between the 1964-65 budget and the revised estimates a saving of Rs. 26 crores was noticed, resulting from a smaller transfer of P.L. 480 grants for selected development projects and reduced expenses on social and developmental services. The anticipated increase of Rs. 70 crores in civil expenditure during 1965-66 was the net result of increased expenditure on debt services and grants to States and Union Territory Governments (Rs. 38 crores each), social and developmental services (Rs. 22 crores) and civil administration (Rs. 9 crores) largely counterbalanced by a decline of Rs. 62 crores under transfer of P.L. 480 grants to special development fund for financing development projects in view of the smaller receipts of grants expected under this head.

The increase in expenditure under 'Debt Services' represented the interest payments on the growing volume of public debt, both internal and external, while the rise in 'Grants-in-aid to States and Union Territories' was due mainly to larger requirements of assistance for Centrally-aided Plan Schemes. The increase of Rs. 22 crores under 'Social and Developmental Services' was due to enhanced outlays on Atomic Energy, grants to Council of Scientific and Industrial Research, Education, Medical Services, Public Health and the Khadi and Village Industries Commission. The expenditure on 'Civil Administration' was also put up by Rs. 9 crores to provide for additional requirements of police

Table 1. Disbursements (By Main Heads)

(Crores of Rupees)

	1963-64	1964-65		1965-66
	(Accts.) 1	(B.E.) 2	(R.E.) 3	(B.E.) 4
Total Revenue Expenditure	**1,659**	**1,877**	**1,850**	**1,952**
I. Defence (Net)	704	718	717	749
II. Civil	955	1,159	1,133	1,203
of which				
Civil Administration	78	82	82	91
Debt Services	278	318	318	356
Social and Developmental Services	172	200	197	219
(of which Steel Surcharge)	(16)	(14)	(14)	(6)
Transfer of P. L. 480 Funds	64	140	122	60
Emergency Risks Insurance	15	3	2	—
Grants to States	230	289	289	327
All Others	118	127	123	150
Total Capital Disbursements	**1,760**	**2,026**	**2,080**	**2,100**
I. Capital Outlays	814	970	912	843
Developmental	624	630	623	592
Non-Developmental	190	340	289	251
Of which Defence	112	136	118	130
Transfer of Development Assistance from U.S.A.	65	175	173	80
II. Loans and Advances to States	584	622	708	712
III. Other Loans and Advances	122	171	180	290
IV. All Others	240	263	280	255

and to cushion the full effect of the increase in the dearness allowance sanctioned to Government officials during 1964-65.

Total disbursements on capital account of the Centre grew progressively from Rs. 1,172 crores in 1961-62 to Rs. 2,100 crores in 1965-66 (B.E.). Whereas during 1962-64, capital outlays largely contributed to the increase in total disbursements, in the subsequent two years loans and advances increased substantially ; in fact capital outlays for 1965-66 were placed lower than in 1964-65. A major portion of the capital outlays was absorbed by direct development projects which steadily rose from Rs. 351 crores in 1961-62 to Rs. 623 crores in 1964-65 (R.E.) ; for the year 1965-66, however, developmental outlays were expected to show a decline of Rs. 32 crores to Rs. 591 crores. The revised estimates for 1964-65 showed a saving of Rs. 7 crores in developmental outlays over the budget estimates for that year which was entirely due to reduced requirements of Hindustan Steel (Rs. 19 crores) and Bokaro Steel Plant (Rs. 5 crores). Some other items under this head, however, recorded increases in expenditure ; for instance, additional provision became necessary for capital outlays on Posts and Telegraphs (Rs. 6 crores), Bharat Heavy Electricals (Rs. 6 crores) and the Food Corporation of India (Rs. 4 crores). Non-development capital outlays (excluding defence) showed a decline of Rs. 33 crores over the budget estimate due largely to decline in expenditure on State Trading Schemes (Rs. 16 crores) and receipts on account of sale of gold to the Reserve Bank of India (Rs. 15 crores) which were adjusted in accounts as a reduction of expenditure. For the year 1965-66, developmental outlays would be lower by Rs. 32 crores than in 1964-65 (R.E.) which was largely due to lower investment forecast in industrial and economic development. Thus, there was no provision for the purchase of shares of Hindustan Steel Limited against that of Rs. 81 crores in the revised estimates of 1964-65 (Hindustan Steel will, instead, be given loans to the extent of Rs. 75 crores). Requirements of Oil and Natural Gas Commission and Indian Drugs and Pharmaceuticals Limited were also estimated to be lower by about Rs. 25 crores and Rs. 6 crores, respectively. These savings were partly counterbalanced by additional requirements of Bokaro Steel Plant and Multi-purpose River Schemes (Rs. 10 crores each), and Ports and Posts and Telegraphs (Rs. 6 crores each). The non-development capital outlays (excluding defence) were placed lower in 1965-66 by Rs. 50 crores owing mainly to lower provision of Rs. 93 crores under Transfer of Development Assistance from U.S.A. compensated to some extent by larger requirements of Government trading schemes (Rs. 32 crores) and currency, mint and security printing press (Rs. 10 crores).

Centre's assistance to States by way of loans and grants for meeting the expenditure on Plan schemes, natural calamities, etc. and for tiding over temporary ways and means difficulties had been rising rapidly in recent years. Loans and advances to States, which had stood at Rs. 452 crores in 1961-62, rose to Rs. 708 crores in 1964-65 (R.E.) and were placed higher at Rs. 712 crores for 1965-66 (B.E.). The rise of Rs. 86 crores noticed between the budget and revised estimates for 1964-65 resulted mainly from additional development assistance of Rs. 51 crores, step-up of outlays on agricultural programmes (Rs. 8 crores) and loans out of larger small savings collections (Rs. 15 crores). For the year 1965-66, loans and advances to States at Rs. 712 crores, would, over the year, show a rise of Rs. 4 crores which was the net result of substantially larger provisions for development schemes counterbalanced by smaller provision for ways and means advances (Rs. 11 crores) and absence of provisions for special loan (Rs. 17 crores) to Jammu and Kashmir Government (which was granted in 1964-65 for adjustment of arrears of loans). The increase of Rs. 110 crores during 1965-66 under other loans and advances was mainly accounted for by a provision of Rs. 75 crores for loans to Hindustan Steel and larger provisions for loans to Industrial Development Bank (Rs. 16 crores) and Indian Drugs and Pharmaceuticals (Rs. 10 crores), partly counterbalanced by reduced requirements of special loans to Khadi and Village Industries Commission.

Resources transferred from the Centre to the States by way of share in tax collections and duties, and of grants and loans have been steadily increasing from year to year. These transfers, which aggregated Rs. 1,390 crores

during the First Plan period, have doubled to Rs. 2,833 crores during the Second Plan ; for the Third Plan period these transfers are expected to aggregate Rs. 5,477 crores and thus show a four-fold rise over the transfers effected during the First Plan period.

Resources

Revised Estimates for 1964-65 : The revised estimates for 1964-65 indicate a substantial increase in revenue receipts by Rs. 119 crores to Rs. 2,079 crores as compared to Rs. 1,960 crores anticipated in the original estimates for that year. The buoyancy in tax revenues accounted for almost the whole (Rs. 116 crores) of this improvement in total revenue receipts.

The increase in tax receipts was spread over a large number of items, notably under the three principal heads, *viz.*, customs, corporation tax and Union excise duties. Receipts under customs showed the largest rise of Rs. 49 crores, followed by corporation tax (Rs. 45 crores) and Union excise duties (Rs. 17 crores). In respect of revenue from income-tax, though gross receipts showed an increase of about Rs. 21 crores over the budget estimates, net receipts were placed higher by Rs. 4 crores only, owing to the constitutional provision for devolution of 66-2/3 per cent of the net proceeds under the above head to State Governments as also due to payment of arrears of income-tax to State Governments for the three years 1961-62 to 1963-64. The

Table 2. Resources (By Main Groups)

(Crores of Rupees)

	1963-64	1964-65		1965-66
	(Accts.) (1)	(B.E.) (2)	(R.E.) (3)	(B.E.) (4)
Total Revenue Receipts	**1,846**	**1,960**	**2,079**	**2,183**
Tax Revenue	1,374	1,438	1,554	1,683
of which				
1. Income-tax	139	140	144	171
2. Corporation Tax	275	297	342	372
3. Customs	335	336	385	420
4. Union Excise	594	629	646	678
Non-Tax Revenue	472	522	525	500
of which				
1. Debt Services	244	253	266	297
2. Net Contribution of Public Undertakings	70	66	69	79
3. Administrative Receipts	48	48	51	44
4. P. L. 480 Grants	64	140	122	60
Total Capital Receipts	**1,381**	**1,862**	**1,791**	**1,929**
1. Market Borrowings	752	992	950	939
Internal (Gross)	367	295	296	270
External (Gross)	385	697	654	669
2. Investments of U. S. Government Counterpart Funds (Net)	87	—85	11	191
3. Small Savings (Net)	127	125	135	135
4. Prize Bonds	4	5	2	—15
5. All Others†	411	825	693	679

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

increase in corporation and income-taxes was due mainly to the tightening up of the assessment and collection machinery and the introduction of the new provision for self-assessment. The increase in revenue under customs was more than accounted for by import duties which improved as a result of larger imports of mineral oils, machinery, iron and steel, motor vehicle parts, artificial silk yarn and thread. A part of the increase in revenue from import duties was also due to the enhancement of countervailing import duty on motor spirit, kerosene, diesel oils, vaporising oil and furnace oil from October 6, 1964 and November 18, 1964 under the Mineral Oils (Additional Duties of Excise and Customs) Act, 1958. The revenue from export duties showed a small decline (Rs. 49 *lakhs*) mainly under raw cotton and cotton waste. The revenue from basic excise duties (accruing to Centre) improved by Rs. 17 crores over the budget estimates, the increase being the net result of variations in receipts from a number of items. The yield from excise duties on mineral oils, notably kerosene, refined diesel oils and vaporising oils, paper, plastics, tyres, rayon and cotton yarn, motor vehicles, matches and electric wires showed considerable improvement reflecting increased production and clearances. A part of the increase under mineral oils was the result of the enhancement of additional duties on these items, effective from October 6, 1964 and November 18, 1964 under the Act referred to earlier, with a view to appropriating certain sums lying in favour of the Government in the accounts of the oil distributing companies. The cess on coal and coke was also expected to yield more revenue during theyear (1964-65). As against the increases in revenue from these various items, realisations from sugar, vegetable products, cement, iron and steel products, diesel oils (not otherwise specified) and woollen yarn were expected to show a considerable fall due to lower production and clearances. Non-tax revenue in 1964-65 (R.E.) improved marginally by Rs. 3 crores over budget estimates as the cumulative effect of a rise in : (*i*) net contribution of public undertakings (Rs. 3 crores), (*ii*) administrative receipts (Rs. 3 crores), (*iii*) interest receipts (Rs. 14 crores) and (*iv*) others (Rs. 3 crores), offset to some extent by a fall in receipts under 'P.L. 480 grants' (Rs. 18 crores) and Emergency Risks Insurance (Rs. 2 crores).

Capital receipts for 1964-65 (R.E.), on the other hand, were placed at Rs. 1,791 crores, that is, lower by Rs. 71 crores than the budget estimates, the decline being mainly noticed under external borrowings, Prize Bonds and 'Other Items'. In the Budget, credit had been taken for Rs. 697 crores of loans from foreign countries and international organisations ; however, the revised estimates place the borrowings lower at Rs. 654 crores. The Prize Bonds Scheme, which had been discontinued since December 31, 1964 netted in Rs. 2 crores only as against the budget estimate of Rs. 5 crores. The decline of Rs. 132 crores under "Others" was spread over a large number of items, the more important of these being (1) Railway Funds (Rs. 22 crores), (2) Repayment of Loans by State Governments (Rs. 8 crores) and (3) Special Development Fund (Rs. 14 crores). On the other hand, the net disinvestment of Rs. 85 crores in the budget estimates on account of Investment of U.S. Counterpart Funds turned out to be net investment of Rs. 11 crores in the revised estimates due mainly to larger imports under P.L. 480 programme and also lesser P.L. 480 grants to India. Small savings showed an increase of Rs. 10 crores over the budget estimates, the improvement being noticed mainly under post office savings bank deposits. The repayment of loans and advances by parties other than State Governments showed an increase of over Rs. 24 crores owing to the recovery from the Khadi and Village Industries Commission of a sum of Rs. 34 crores, representing the repayments that fell due upto September 1964 ; however, this was partly offset by smaller recoveries than anticipated from other borrowers.

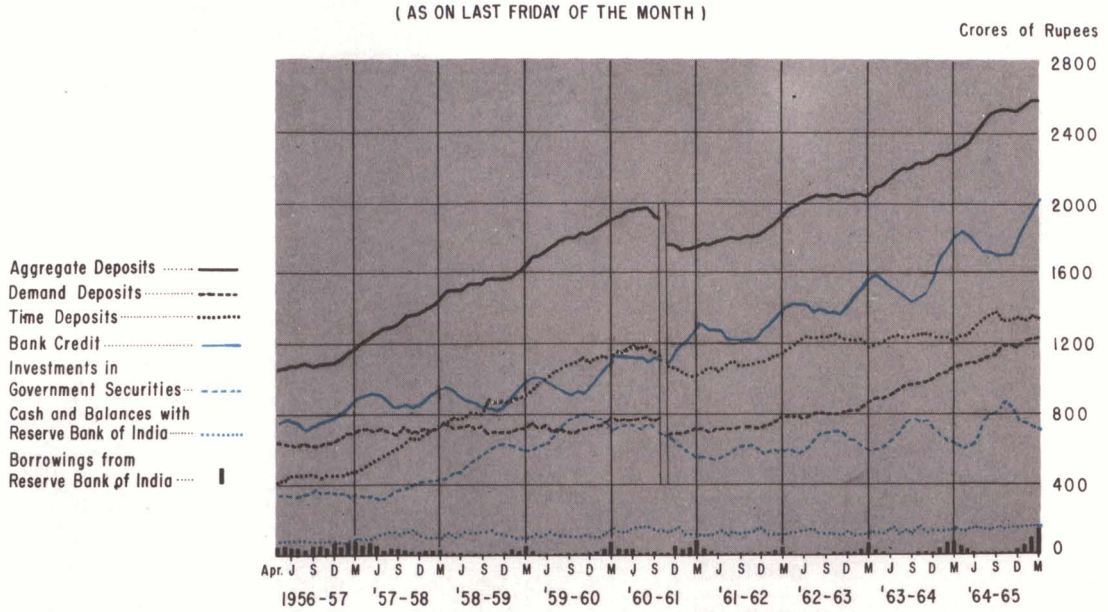
Budget Estimates for 1965-66 : For the year 1965-66, total resources on revenue account are estimated higher at Rs. 2,183 crores, after taking into account a net loss of revenue of Rs. 6.38 crores arising from various adjustments proposed in respect of both direct and indirect taxes ; this shows an improvement of Rs. 104 crores over 1964-65 (R.E.). Despite the net loss of revenue from the new proposals, tax revenue for 1965-66 is expected to improve by Rs. 129 crores, while non-tax revenue would decline by Rs. 25 crores to Rs. 500 crores.

Under non-tax revenue, the major decline in 1965-66 will be under P.L. 480 grants, owing

GRAPH 8

LIABILITIES AND ASSETS OF SCHEDULED BANKS

(AS ON LAST FRIDAY OF THE MONTH)

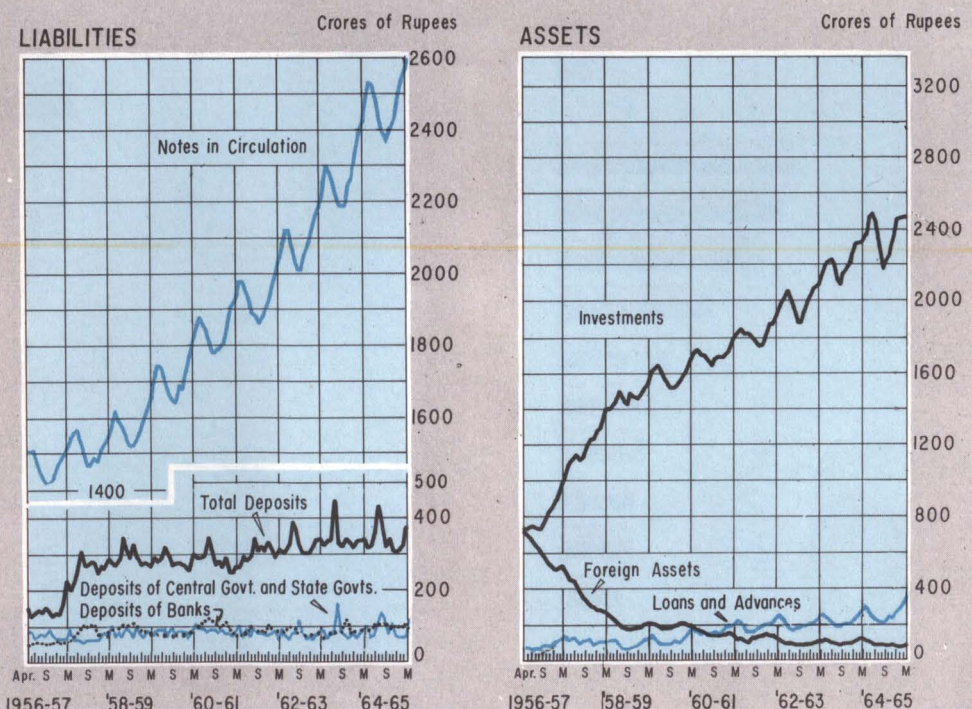


GRAPH 9

LIABILITIES AND ASSETS OF THE RESERVE BANK OF INDIA

ISSUE AND BANKING DEPARTMENTS COMBINED

(AS ON LAST FRIDAY OF THE MONTH)

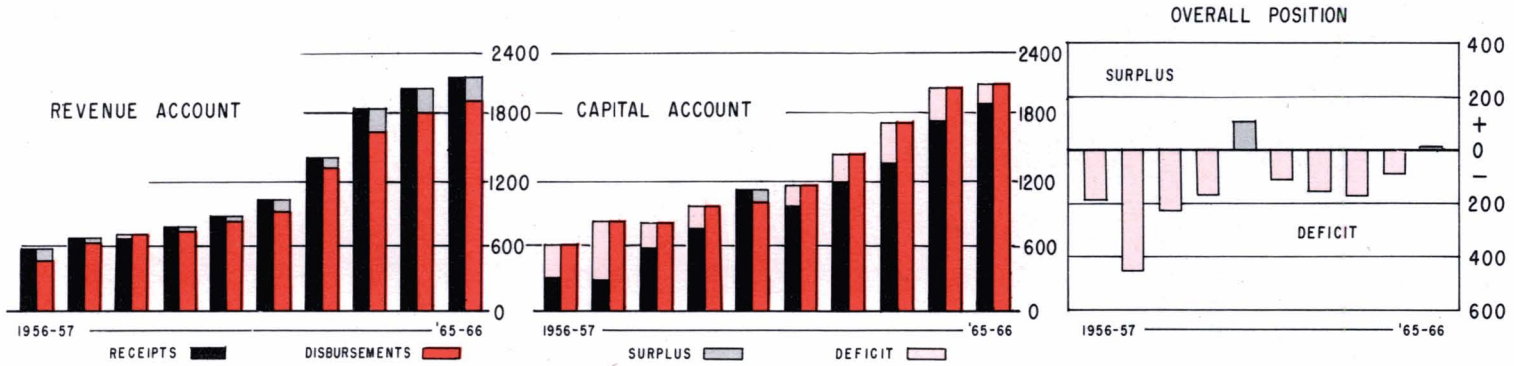


GRAPH 10

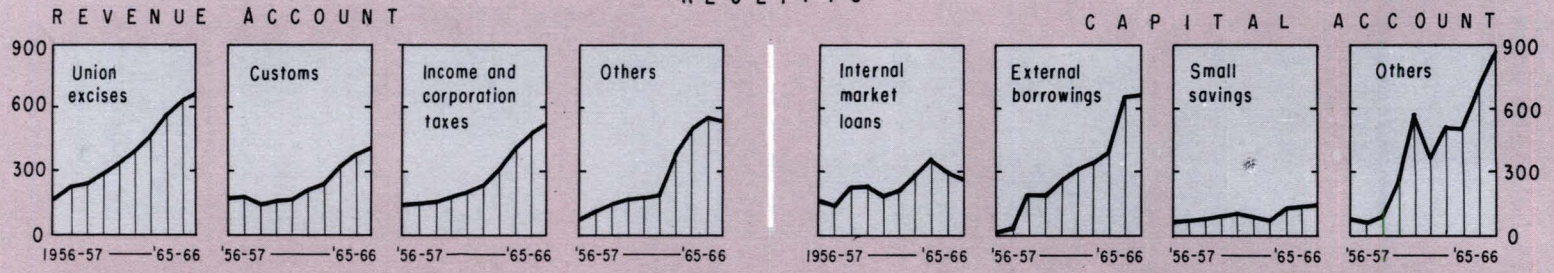
FINANCES OF THE GOVERNMENT OF INDIA

1956-57 —— 1965-66

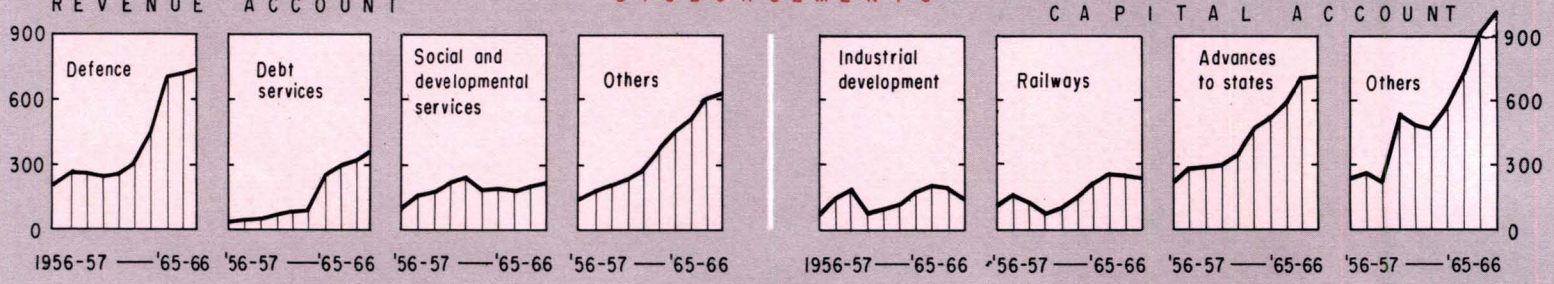
(CRORES OF RUPEES)



RECEIPTS



DISBURSEMENTS



to expectations of substantially lower receipts under this head (Rs. 60 crores as against Rs. 122 crores in 1964-65 (R.E.)). Administrative receipts are also expected to decline by Rs. 7 crores to Rs. 44 crores, mainly under 'industries' on account of the abolition of the surcharge on iron and steel from March 1, 1964. However, the declines under the above heads are expected to be offset to some extent by increases under net contribution of public undertakings (Rs. 10 crores), debt services (Rs. 31 crores) and other items (Rs. 4 crores). The improvement under the first two items is on account of the expectation of higher contributions from Railways, Posts and Telegraphs, Currency and Mint, as also on account of interest payments received from the State and Union Territory Governments. Railways, Posts and Telegraphs and other interest receipts; "Receipts Connected with National Emergency, 1962", are expected to be insignificant owing to the suspension of the Emergency Risks (Goods) and (Factories) Insurance Acts from January 1, 1964.

As regards capital receipts, larger credit is taken under external borrowings, investment of U.S. Government Counterpart Funds, Railway Funds, repayment of loans by States and other unfunded debt; as a result, total capital receipts are anticipated to show a rise of Rs. 138 crores over 1964-65 (R.E.) to Rs. 1,929 crores. External borrowings (net) show an increase of Rs. 3 crores arising from expectations of larger fresh accrual of credit to the tune of Rs. 111 crores, offset to a large extent by a decline in credits expected from the U.S.A., Export-Import Bank, Yugoslavia, Poland, France, Belgium and New Zealand. Net external borrowings during 1965-66 are placed at Rs. 572 crores. As regards new domestic market loans, the Budget assumes a credit of Rs. 270 crores as against Rs. 296 crores in 1964-65 (R.E.). Net borrowings (*i.e.*, borrowings less repayments) during 1965-66, however, are expected to amount to Rs. 115 crores. Credit for Rs. 191 crores (net) is assumed under investment of U.S. Government Counterpart Funds. As the scheme of Prize Bonds has been discontinued with effect from December 31, 1964, the budget anticipates an expenditure of Rs. 15 crores towards repayment of maturing bonds. A feature of the budget for 1965-66 is the proposal for the introduction of a new series of Small Savings Certificates carrying a higher rate of interest than at present; interest on the new certificates will be taxable, unlike in the case of existing instruments which also will be continued.

The financial effects of the various changes proposed in the tax structure during 1965-66 (for details see Appendix II) are summarised below:

Table 3. Tax Proposals

(Crores of Rupees)

TAX PROPOSALS	ESTIMATED LOSS IN REVENUE (−) OR ADDITIONAL REVENUE (+)
I. Direct	
Income-Tax	...
(Loss of revenue on account of proposed changes offset by increased collections expected)	
Corporation Tax	−14·40
Wealth Tax	1·50
**Total of I .. .. ..

which has lowered taxes at all levels of personal income, (*b*) integration of super tax with income-tax, (*c*) tax relief to professionals like Chartered Accountants, Architects and Solicitors, etc. and (*d*) the raising of the monetary limit for tax rebate in respect of contribution to provident fund, insurance premia and the cumulative time deposits to Rs. 12,500 for individuals and Rs. 25,000 for Hindu undivided families (subject to the overall ceiling of 10 per cent of the total income) together with the offer of straight deduction from income, of 60 per cent of first Rs. 5,000 and 50 per cent of the balance of the qualifying amount. However, the loss of revenue on account of the above changes will be offset by the expected improvement in tax collection.

Under indirect taxation, the changes proposed in Union excise duties are expected to result in a net loss of revenue of Rs. 7.98 crores.* However, the net effect of the changes proposed in indirect taxation including customs and excise for the budget year 1965-66 will be an increase in revenue by Rs. 6.52 crores. This is the net combined effect of (*i*) certain selective increases made in both import and excise duties to mop up excessive profits on particular items, (*ii*) reduction or abolition of excise duties on certain commodities by way of relief to the consumer, (*iii*) some technical adjustments effected in excise duties on cigarettes and tyres, and (*iv*) the pegging up of excise duties on certain scarce materials like copper and copper alloys in crude form, steel ingots, plates and rails and sleeper bars, etc. The additional yield from customs on account of increases in import duty (along with surcharge) on certain items like paints, colours, non-cellulosic art silk, stainless steel plates, etc. is expected to be around Rs. 6.5 crores. In addition, there will be an increase in revenue of Rs. 8 crores as a result of the countervailing duty on steel tinplates, iron and steel products and copper. It may also be mentioned in this connection that the regulatory duty of customs at 10 per cent *ad valorem* imposed with effect from February 17, 1965, on all goods except foodgrains, fertilizers, pesticides, books and accessories used for family planning is expected to yield Rs. 20 crores for the year 1965-66.

After taking into account the effect of the new proposals, revenue collections under customs are expected to rise by Rs. 35 crores to Rs. 420 crores, excise duties by Rs. 32 crores to Rs. 678 crores, corporation tax by Rs. 30 crores to Rs. 372 crores and taxes on income by Rs. 27 crores to Rs. 171 crores.

STATE GOVERNMENT BUDGETS

The marked deterioration in the overall budgetary performance of the States from one of sizeable surplus (of Rs. 28 crores) in 1962-63 to a deficit of over Rs. 5 crores in 1963-64, was carried further during 1964-65, when the State Governments budgeted for a much larger overall deficit amounting to Rs. 46 crores. In the revised estimates now available for 1964-65, however, the budgetary gap was narrowed down somewhat to Rs. 40 crores owing mainly to larger receipts on capital account. As between the budget and revised estimates for 1964-65, although the total expenditure bill of the States went up by Rs. 195 crores, there was a sharp increase in both revenue and capital receipts by Rs. 58 crores and Rs. 142 crores, respectively. While the improvement in revenue receipts was noticed both in States' tax receipts as well as in their share in Central taxes, the increase on capital account came mainly from loan assistance of the Centre. Despite an increase in revenue receipts, the revenue surplus of Rs. 8 crores originally envisaged was converted into a deficit of Rs. 27 crores, according to the revised estimates, due to the substantial increase in expenditure particularly under debt service charges and civil administration. However, the increase in capital receipts has reduced the deficit on capital account from Rs. 50 crores to Rs. 11 crores which, in turn, brought about a reduction in the overall deficit from Rs. 46 crores to Rs. 40 crores (taking into account miscellaneous transactions).

For the year 1965-66, at the existing levels of taxation, the States have budgeted for a combined overall deficit of Rs. 81 crores which is more than double that for 1964-65 (R.E.). The receipts under capital account having increased more than the rise in expendi-

* Exclusive of a sum of Rs. 5·02 crores to be deducted from States' share of Union excise duties.

ture, a surplus of Rs. 10 crores has emerged in contrast to a deficit of Rs. 11 crores in 1964-65 (R.E.) ; however, the failure of revenue receipts to catch up with the bulge in revenue expenditure has widened the gap on revenue account from Rs. 27 crores in 1964-65 (R.E.) to Rs. 85 crores in 1965-66. Thus with the deficit under miscellaneous transactions showing an increase from Rs. 2.4 crores to Rs. 4.9 crores, the overall deficit for 1965-66 is placed at Rs. 81 crores. On the assumption that tax proposals fructify and that there will be no delay in their implementation, the anticipated revenue deficit may be reduced by Rs. 4 crores to about Rs. 81 crores and consequently the overall deficit is likely to be reduced from Rs. 81 crores to Rs. 77 crores. It may be noted in this connection that the actual out-turn on revenue account which had shown a consistent improvement in 1962-63 and 1963-64 recorded deterioration from 1964-65 (R.E.) due mainly to the growing burden of debt servicing charges and rapid growth in administrative expenditure.

State-wise, Madras and Orissa are the only States which have balanced budgets and Assam the only State which had budgeted for a surplus, although nominal. In Gujarat, even after taking into account the additional revenue accruing from modifications proposed in the tax structure, the budgeted deficit is still perceptibly large. Madhya Pradesh and Rajasthan also have budgeted for deficits even after taking into account the proposals for additional taxation. In Maharashtra, the deficit is as large as Rs. 36 crores or 44 per cent of the aggregate deficit of the States; but the State has not taken any credit for market borrowing in its 1965-66 budget. Despite buoyancy in tax receipts and the growth in Central assistance, especially in recent years, a number of States have been continuously facing ways and means difficulties of a serious nature. The whole Position needed a careful review in the context of the Fourth Five-Year Plan and the Government of India set up in May 1964, the Fourth Finance Commission so that its Report will become available before the scope and size of the Fourth Plan is finalised.

Outlays

Aggregate budgetary outlays of the States (revenue and capital accounts combined), which had stood at Rs. 1,620 crores in 1960-61, rose steadily since, by Rs. 170 crores in 1961-62, by Rs. 220 crores in 1962-63, by Rs. 317 crores in 1963-64 and were expected to rise by Rs. 412 crores to Rs. 2,739 crores in 1964-65 (R.E.). For 1965-66 (B.E.) these were pitched higher by Rs. 226 crores. In the aggregate, over the Third Plan period, the total expenditure bill of the States was expected to rise by Rs. 1,345 crores (or by 83 per cent) to Rs. 2,965 crores. Of this rise, as much as Rs. 859 crores or 64 per cent was shared by direct development outlays (revenue and capital accounts combined) and loans and advances by States largely for agricultural and industrial development. The increase in direct development outlays over the Plan period as a proportion of the total increase in budgetary outlays remained at around 46 per cent. However, the magnitude of direct development expenditure over this period showed an increase of Rs. 112 crores in 1961-62, Rs. 75 crores in 1962-63, Rs. 98 crores in 1963-64 and Rs. 223 crores in 1964-65 (R.E.). The outlays were expected to increase further by Rs. 117 crores in 1965-66 (B.E.). In 1964-65 and 1965-66, development expenditure was expected to account for about 54 per cent and 51 per cent of the increase in total outlays in the respective years. Over 37 per cent of the expansion in developmental outlays during 1965-66 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 under 'loans and advances by States' (Rs. 48 crores) represented larger assistance to agriculturists in the form of *takavi* loans, loans for construction of irrigation wells, loans to the co-operative sector, etc.

In development expenditure, education formed the largest single head, accounting for 19 per cent of the increase in total developmental outlay in 1964-65 (R.E.) over 1963-64 and 38 per cent in 1965-66 over 1964-65 (R.E.). During 1965-66, all the States made larger provision for expenditure under this head. The growing magnitude of expenditure on education in States was explained by the introduction of National Cadet Corps at the secondary stage of education, increased emoluments as a result of appointment of more teachers at the primary school stage, strengthening of

science education in secondary schools, provision of merit scholarships and financial assistance to children of low-paid public servants, increased dearness allowance to teachers, etc. and other special kinds of assistance. In Assam for instance, assistance was being provided to the children of goldsmiths affected by the introduction of Gold Control and to refugee students, while the introduction of mid-day meal scheme in schools in Gujarat was expected to push up the expenditure under this head during the year. Similarly, expenditure on education in Uttar Pradesh would go up by Rs. 9 crores in 1965-66, largely due to increased provision for technical education, provision for payment of maintenance grants to aided higher secondary schools and non-government colleges, etc.

Table 4. Disbursements (By Main Groups)

(Crores of Rupees)

	1963-64	1964-65		1965-66
	(Accts.) (1)	(B.E.) (2)	(R.E.) (3)	(B.E.) (4)
I. Total Revenue Expenditure	**1,412**	**1,548**	**1,641**	**1,841**
(a) Development	**798**	**905**	**941**	**1,081**
(i) Education	279	308	321	366
(ii) Agriculture, etc.	98	120	123	147
(iii) Medical and Public Health	117	128	132	152
(iv) Community Development	65	80	78	91
(v) Civil Works	89	96	107	128
(vi) Irrigation	46	48	51	56
(vii) Others (Residual)	104	125	129	141
(b) Non-Development	**615**	**643**	**700**	**759**
(i) Collection of Taxes, etc.	64	71	74	79
(ii) Debt Services	198	210	222	256
(iii) Civil Administration	210	216	233	247
(iv) Others (Residual)	143	146	171	177
II. Total Capital Expenditure	**914**	**996**	**1,098**	**1,124**
1. Capital Outlay	**363**	**443**	**480**	**438**
(a) Development	**350**	**432**	**429**	**406**
(i) Multi-purpose River Valley Schemes	55	56	59	59
(ii) Irrigation and Navigation	105	128	135	137
(iii) Electricity Schemes	29	47	40	— 4
(iv) Buildings and Roads, etc.	117	142	134	144
(v) Industrial Development	23	37	35	46
(vi) Others (Residual)	21	22	26	24
(b) Non-Development	13	11	51	31
2. Loans and Advances	**314**	**332**	**368**	**416**
3. Other Expenditure	**237**	**221**	**250**	**270**
III. Grand Total (Revenue and Capital Accounts)	**2,327**	**2,544**	**2,739**	**2,965**

The next important head which claimed a sizeable proportion of development expenditure was agriculture (including animal husbandry and co-operation), the expenditure on which on revenue account showed a continuous rise since 1960-61—from Rs. 66 crores in that year to Rs. 123 crores in 1964-65 (R.E.) and was placed at Rs. 147 crores for 1965-66 (B.E.). Although total expenditure on agriculture during 1964-65

(R.E.) was slightly higher than the budget estimates for that year, a number of States like Assam, Jammu and Kashmir, Mysore, Madhya Pradesh, Uttar Pradesh and West Bengal fell a little short of the targets. However, the shortfall in expenditure on agriculture in these States was matched by increases in other States, *viz.*, Andhra Pradesh, Madras, Maharashtra and Punjab which made larger provisions for agricultural development schemes such as demonstration farms, purchase of seeds and pesticides for sale to cultivators, grants-in-aid to agricultural universities, etc. For 1965-66, all the States budgeted for higher outlays because of the proposals in various States for intensification of activities like agricultural experiments and agricultural engineering, research, development schemes, purchase of bulldozers, etc. The expenditure on rural and community development was also Rs. 13 crores higher in 1965-66, identical to the increase expected under this head in 1964-65 (R.E.). Expenditure on civil works, which had been pushed up by Rs. 40 crores during the first four years of the Third Plan period, was estimated to rise further by Rs. 21 crores during 1965-66.

On capital account, the disbursements on development schemes showed a steady increase over the first four years of the Third Plan period, rising by Rs. 21 crores in 1961-62, by Rs. 15 crores in 1962-63, by Rs. 20 crores in 1963-64 and by Rs. 79 crores in 1964-65 (R.E.) ; for the budget year 1965-66, however, these were expected to decline by Rs. 23 crores to Rs. 406 crores. The largest item of disbursement on development schemes was 'Buildings and Roads', the expenditure on which was anticipated to rise during the Third Plan period by Rs. 29 crores to Rs. 144 crores in 1965-66. In the revised estimates for 1964-65, the outlay on this item was placed at Rs. 134 crores, showing a rise of Rs. 17 crores over the 1963-64 level due to larger expenditure on buildings, communications, Centrally sponsored schemes, etc., particularly in West Bengal, Andhra Pradesh and Assam. For the year 1965-66, expenditure on this item was pitched higher by Rs. 10 crores at Rs. 144 crores, Uttar Pradesh accounting for as much as Rs. 5 crores of the increase. Expenditure on irrigation and navigation (revenue and capital accounts combined) which increased by Rs. 73 crores to Rs. 185 crores over the first four years of the Third Plan period would go up further by Rs. 8 crores to Rs. 193 crores in 1965-66. Expenditure on electricity schemes, which was around Rs. 28 crores during the first two years of the Third Plan and Rs. 34 crores in the third year, went up by Rs. 11 crores to Rs. 45 crores in 1964-65 (R.E.). The provision for expenditure on this item in the 1965-66 budgets of the States of Andhra Pradesh, Assam, Bihar, Gujarat, Jammu and Kashmir, Maharashtra, Mysore and Orissa aggregates Rs. 52 crores as against Rs. 39 crores in 1964-65 (R.E.). In Uttar Pradesh, it was decided to transfer the Rihand Dam Power Project and certain other connected projects to the U.P. State Electricity Board with effect from April 1, 1965. Consequently, the capital invested in the creation of their assets amounting to Rs. 51.23 crores would be treated as an interest-bearing loan to the Board and a corresponding amount was taken as a reduction of expenditure under capital outlays on electricity schemes in 1965-66. This adjustment in Uttar Pradesh almost offset the provision of Rs. 52 crores by other States, with the result that the expenditure on electricity schemes of all the States taken together appeared almost negligible in 1965-66. Expenditure on industrial development, including grants and investments in commercial undertakings of the Governments gradually increased from Rs. 37 crores in 1960-61 to Rs. 78 crores in 1965-66.

Non-development outlay (on revenue and capital accounts combined), which rose from Rs. 442 crores in 1960-61 to Rs. 751 crores in 1964-65 (R.E.) was likely to increase to Rs. 790 crores in 1965-66 (B.E.). Of the increase in total non-development expenditure between 1960-61 and 1965-66, debt services* alone accounted for nearly 50 per cent and civil administration for nearly 23 per cent. Reflecting the rapid rise in the volume of public debt of States over the years, the magnitude of debt service charges was growing at a fast rate, from Rs. 84 crores in 1960-61 to Rs. 198 crores in 1963-64, to Rs. 222 crores in 1964-65 (R.E.) and further to Rs. 256

* A part of the increase in debt service charges is also attributable to the change in accounting classification introduced in 1962-63, according to which interest payments came to be shown on a gross basis.

crores in 1965-66 (B.E.). Expenditure on civil administration at Rs. 247 crores in 1965-66 (B.E.) showed an increase by Rs. 80 crores over the level of expenditure on this item in 1960-61, largely due to payment of higher dearness allowance and also due to the normal growth in civil expenses.

Loans and advances by States, which represent assistance to cultivators, electricity boards, port trusts, municipalities and other local bodies, mainly for development purposes, increased from Rs. 180 crores in 1960-61 to Rs. 314 crores in 1963-64 and Rs. 368 crores in 1964-65 (R.E.) ; these are expected to rise further in 1965-66 by Rs. 48 crores to Rs. 416 crores, a major portion of this increase being earmarked for agriculture.

Resources

Revised Estimates for 1964-65 and Budget Estimates for 1965-66 : Total revenue receipts of the States, which had stood at Rs. 1,012 crores at the end of the Second Plan period rose steadily to Rs. 1,614 crores in 1964-65 (R.E.) and are expected to go up further by Rs. 141 crores to Rs. 1,755 crores during 1965-66.

Table 5. Resources (By Main Groups)

(Crores of Rupees)

	1963-64	1964-65		1965-66
	(Accts.)	(B. E.)	(R. E.)	(B. E.)
	(1)	(2)	(3)	(4)
A. Revenue Account				
Total Revenue Receipts	**1,490**	**1,556**	**1,614**	**1,755**
1. **Tax Revenue**	**939**	**951**	**984**	**1,036**
(*a*) Share from the Centre*	258	254	262	273
(*b*) States' own resources	681	697	722	763
2. **Non-tax Revenue**	**551**	**605**	**631**	**720**
(*a*) Grants from the Centre	229	280	295	354
(*b*) Administrative receipts	109	105	113	119
(*c*) Net Contributions from Public Enterprises	63	65	63	62
(*d*) Others (Residual)	150	155	160	185
B. Capital Account				
Total Capital Receipts	**865**	**946**	**1,087**	**1,134**
(*a*) Permanent Debt	38	79	106	100
(*b*) Loans from the Centre	623	641	726	753
(*c*) Others (Residual)	204	226	255	281
Grand Total (Revenue and Capital Accounts)	**2,355**	**2,502**	**2,702**	**2,889**

* Comprises share of income-tax, estate duty and Union excise.

As between the budget and revised estimates for 1964-65, total revenue receipts showed an improvement of Rs. 58 crores, the increase being shared both by tax heads (Rs. 33 crores) and by non-tax heads (Rs. 26 crores). Of the estimated increase of Rs. 141 crores in revenue receipts for 1965-66 (at the existing levels of taxation), Rs. 89 crores or 63 per cent was expected to accrue under non-tax heads, mainly grants from the Centre (Rs. 59 crores). Tax receipts would rise by Rs. 52 crores to Rs. 1,036 crores. Of this rise, as much as Rs. 41 crores would come from States' own tax resources, mainly from collections under general sales tax. States' share in Central taxes was placed higher (by Rs. 11 crores) at Rs. 273 crores ; at this level it would form about one-fourth of total tax resources of States. The increase in States' tax revenue in 1964-65 and 1965-66 was shared by almost all the tax heads, except two, *viz.*, land revenue and agricultural income-tax which remained stationary around Rs. 120 crores and Rs. 10 crores, respectively, since 1961-62. General sales-tax emerged slowly as the most important source of revenue for States and took the place of land revenue, which at one time was the main source of revenue for the States. Receipts under this head, estimated at Rs. 287 crores in 1965-66, were larger by Rs. 17 crores than

in 1964-65 (R.E.) and twice that in 1960-61 (Rs. 143 crores). During the Second Plan period, revenue from this source constituted 30 per cent of the total tax receipts of the States. Since then the proportion rose to over 37 per cent in 1964-65 (R.E.) and 1965-66 (B.E.), which is indicative of the steadily growing importance of this tax head as a source of revenue for the States. The other tax heads which are far behind the general sales-tax and land revenue in terms of collections, are steadily coming into prominence. Collections from State excise, motor vehicles tax, entertainment tax, electricity duties, stamps and registration fees and taxes on motor spirit, which aggregated Rs. 172 crores in 1960-61, had, over the Third Plan period, steadily increased to about Rs. 300 crores. Altogether, a rise of Rs. 41 crores, at the existing levels of tax rates, in the yield from State tax heads during the year 1965-66 was expected in view of the continued buoyancy in collections, speeding up of the recovery of arrears and effective tax collection measures. States' share of the divisible pool of taxes, which had shot up by Rs. 34 crores to Rs. 258 crores in 1963-64, following the large dose of additional taxation by the Centre and the marked buoyancy in yield under Central taxes, would be marginally higher at Rs. 262 crores in 1964-65 (R.E.) and increase to Rs. 273 crores in 1965-66.

Under non-tax revenue, grants from the Centre, mainly for financing the Plan schemes, are expected to be larger by Rs. 59 crores during 1965-66, on top of a rise of Rs. 173 crores during the first four years of the Third Plan. Of the other major non-tax heads, *viz.*, administrative receipts and net contributions of public enterprises, the former is likely to bring in an additional revenue of Rs. 6 crores during 1965-66, while contributions from the latter would be lower (by Rs. 1 crore) at Rs. 62 crores. The anticipated decline under the latter head is the net result of smaller contributions from electricity and road and water transport schemes, offset to some extent by increase under irrigation projects.

The Centre's assistance to States by way of loans showed a progressive rise from Rs. 346 crores in 1960-61 to Rs. 726 crores in 1964-65 (R.E.) and is expected to go up further by Rs. 27 crores to Rs. 753 crores in 1965-66. Ignoring the States' share of centralised market borrowings for 1963-64, loans from the Centre during 1964-65 (R.E.) would show a rise of Rs. 204 crores. As between the budget and revised estimates for 1964-65, loans from the Centre rose by Rs. 85 crores mainly due to the accelerated Central assistance to States in the form of loans for miscellaneous development purposes under Plan schemes (Rs. 51 crores), additional loans of Rs. 8 crores to meet the increased expenditure in respect of States' agricultural schemes and an additional sum of Rs. 15 crores received by States out of larger Small Savings collections during 1963-64 and 1964-65. The rest of the increase was due to larger receipts of ways and means advances and short-term credit intended for procurement of rice on behalf of the Food Corporation of India. Loans from the Centre during 1965-66 would show a rise of Rs. 27 crores. The total resources transferred by the Centre to States in the form of shared taxes* and grants and loans recorded a steady rise from Rs. 339 crores in 1956-57 to Rs. 742 crores in 1960-61 and further to Rs. 1,238 crores in 1964-65 (R.E.). For 1965-66, total resources to be transferred are placed at Rs. 1,307 crores. These resources financed about 41 per cent of the total expenditure of the States during the First Plan period, about 49 per cent during the Second Plan period and a little over 51 per cent during the Third Plan period.

Tax Proposals, 1965-66 : Details of the proposals in regard to additional taxation by States during 1965-66 are given in Appendix III. The table below presents the yield from additional taxation under major individual heads. In contrast to a vigorous programme of mobilisation of resources by twelve States during 1963-64 (estimated to yield Rs. 35 crores) followed by additional taxes by seven States (estimated to yield Rs. 6.6 crores) in 1964-65, only three States, namely, *Gujarat*, *Rajasthan* and *Madhya Pradesh* have come forward with proposals for additional taxation in 1965-66 which are estimated to yield Rs. 4.14 crores. *Andhra Pradesh* and *Jammu and Kashmir*, however, have proposed certain adjustments and rationalisa-

* Comprising share of income-tax, estate duty and Union excise.

tion of their tax structure, the revenue effect of which is not expected to be substantial, while the remaining States have not resorted to additional taxation.

Table 6. Estimated yield from Budget Proposals

	Yield (Lakhs of Rupees)
By States	
1. Gujarat*	25·00
2. Madhya Pradesh	216·00
3. Rajasthan	173·00
Total ..	**414·00**
By Major Heads	
General Sales Tax	41·00
Sales Tax on Motor Spirit ..	27·00
State Excise	55·00
Motor Vehicles Tax	70·00
Stamp Duty	12·00
Registration Fees	4·00
Electricity Duty	25·00
Entertainment Tax	25·00
Passengers and Goods Tax ..	17·00
Purchase Tax on Opium ..	16·00
Others	122·00
Total ..	**414·00**

*The additional revenue of Rs. 25 lakhs in Gujarat is expected from modifications proposed in the Sales Tax Schedule.

In the two States which account for bulk of the proposed additional taxation, the emphasis has been more on stepping up the rates of existing taxes than imposition of new levies. In *Rajasthan*, the existing rates have been enhanced in respect of the following taxes, *viz.*, sales-tax, motor spirits tax, excise duties on country spirits, passengers and goods tax, entertainment tax, and stamps and registration fees. Of the estimated increase of Rs. 173 *lakhs* from additional taxation, as much as Rs. 146 *lakhs* is expected to result from enhancement of rates of existing levies. In *Madhya Pradesh*, existing tax rates are proposed to be enhanced in respect of sales-tax, electricity duty, motor vehicles tax, export duty on poppy husk and registration fees. Of the estimated increase of Rs. 216 *lakhs* from additional taxation, as much as Rs. 141 *lakhs* would accrue from enhancement of the rates of the above taxes.

The new levies proposed in *Rajasthan* are: (*i*) fees under Money Lenders Act and (*ii*) a Sanad fee on transfer of proprietory interests of Government on Government wells to *Khatedari* tenants, which together are expected to bring in an additional yield of Rs. 27 *lakhs*. *Madhya Pradesh* Government's new levies relate to (*i*) tax on advertisements shown in cinema theatres, (*ii*) toll on bridges, built at a cost of Rs. 5 *lakhs* or more per bridge and (*iii*) recovery of service charges in respect of certain types of hospital facilities in district hospitals and medical colleges which in the aggregate are expected to yield additional revenue of Rs. 30 *lakhs*. In addition to the above, the Government of *Madhya Pradesh* expects as ex-gratia payment in lieu of royalty on coal extracted by the National Coal Development Corporation to the extent of Rs. 45 *lakhs*.

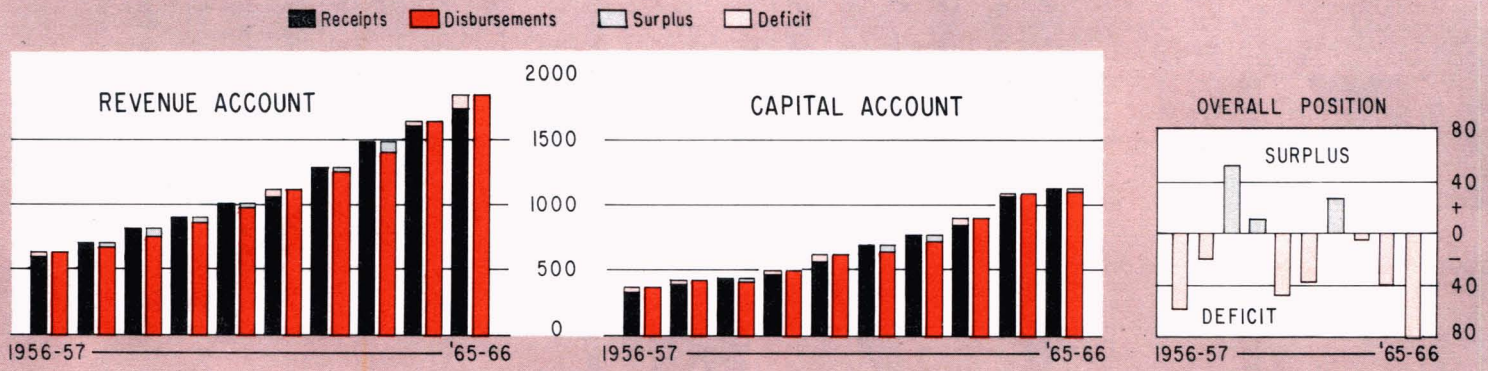
On the other hand, three States, *viz.*, *Gujarat*, *Jammu and Kashmir* and *Punjab* have offered certain tax concessions. In *Gujarat*, the existing exemption from sales-tax in respect of ready-made garments costing upto Rs. 5 has been extended to such garments costing upto Rs. 10. The net loss of revenue on account of this concession has been placed at Rs. 1.60 *lakhs*. In *Jammu and Kashmir* also, exemption from sales-tax has been granted in respect of (*i*) meals served in hotels upto Re. 1 and (*ii*) ready-made garments costing Rs. 10 or less. With a view to boosting up agricultural production, the Government of *Punjab* has abolished the electricity duty in respect of energy consumed by tube wells and pumping sets used in agricultural operations. Similarly, as a concession to industries, sales-tax on raw materials purchased by an industry and on its finished products is proposed to be refunded for an initial period of five years from the date of registration of the unit, subject to the condition that such refunds do not exceed in one year 8 per cent of the equity capital of the industry.

PUBLIC DEBT

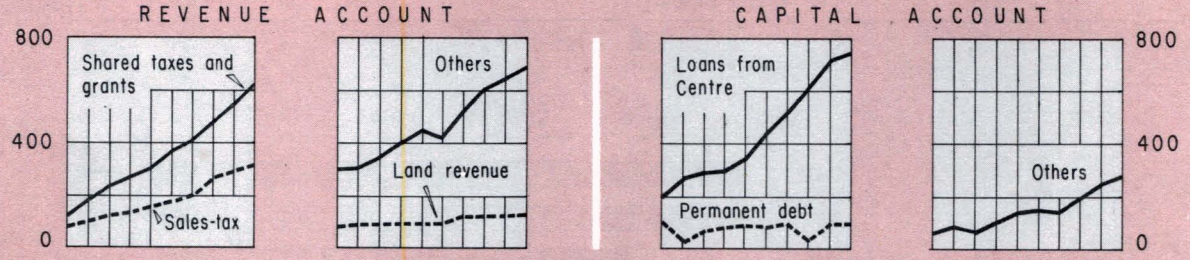
Union Government

The summary of the debt position of the Government of India over the Third Plan period presented in Table 7 brings out the progressive growth in the magnitude of public debt, the outstandings of which rose from Rs. 4,968 crores at end-March 1961 to Rs. 7,179 crores by end-March 1965 and is expected to go up further to Rs. 7,838 crores by end-March 1966. At this level it formed about 70 per cent of the total debt including public debt,

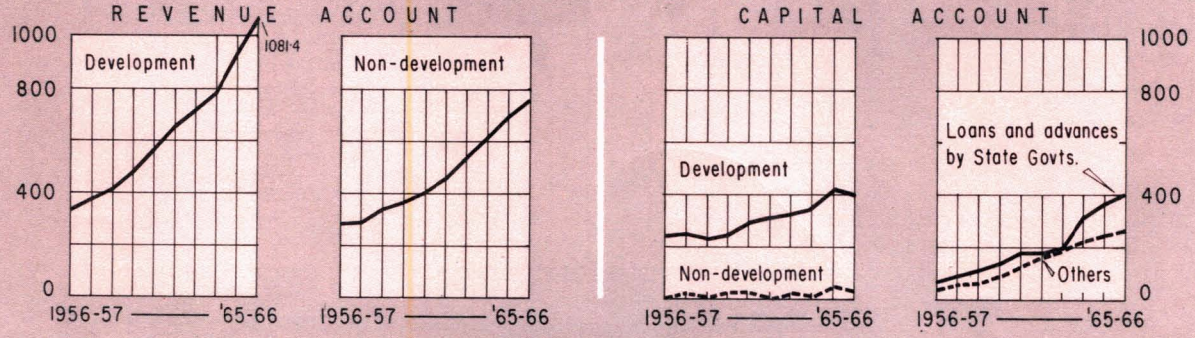
GRAPH II



RECEIPTS



DISBURSEMENTS



BUDGETARY POSITION OF STATE GOVERNMENTS

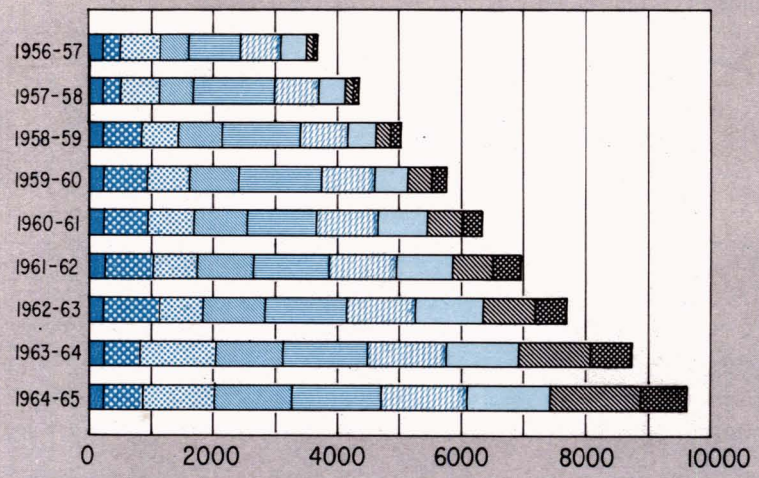
1956-57 TO 1965-66

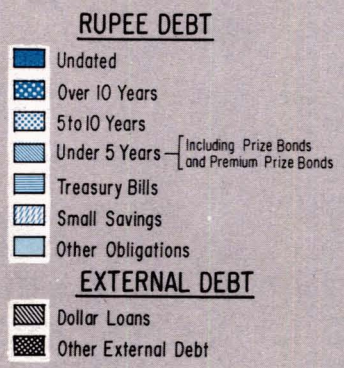
(CRORES OF RUPEES)

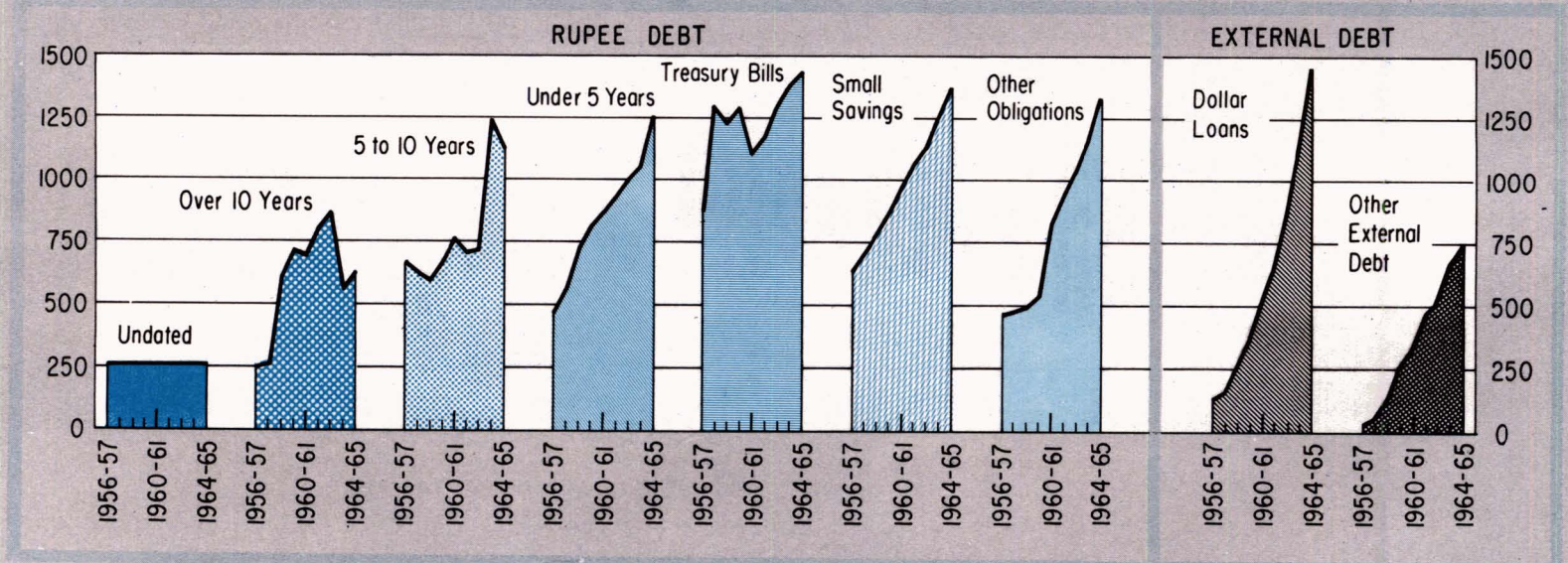
GRAPH 12

DEBT POSITION (PRELIMINARY) OF THE GOVERNMENT OF INDIA

(CRORES OF RUPEES)







small savings and other obligations. Over the Plan period, outstanding total public debt would show a rise of about Rs. 2,870 crores or 58 per cent.

The total assets position of the Government of India comprising capital outlay and loans advanced would show an excess over total liabilities of Rs. 675 crores as at the end of 1964-65 and as much as Rs. 963 crores by the end of 1965-66, the final year of the Third Plan. This excess of outlays and loans over liabilities is expected to be met largely from accumulated revenue surpluses.

Table 7. Government of India's Debt Position

(Crores of Rupees)

	As at the end of March					
	1961 (R. E.) (1)	1962 (R. E.) (2)	1963 (R. E.) (3)	1964 (R. E.) (4)	1965 (R. E.) (5)	1966 (B. E.) (6)
Public Debt						
1. Internal						
(*a*) Rupee Loans ..	2,569	2,684	2,847	3,110	3,263	3,365
(*b*) Treasury Bills ..	1,263	1,182	1,415	1,360	1,404	1,394
(*c*) Others*	290	296	306	311	320	315
Total (a+b+c)	**4,122**	**4,162**	**4,568**	**4,781**	**4,987**	**5,074**
2. External	**846**	**1,111**	**1,379**	**1,809**	**2,192**	**2,764**
Total Public Debt	**4,968**	**5,273**	**5,947**	**6,590**	**7,179**	**7,838**
Small Savings	970	1,069	1,146	1,251	1,397	1,532
Other Obligations** ..	654	769	924	1,088	1,548	1,910
Total Debt+	**6,592**	**7,111**	**8,017**	**8,929**	**10,124**	**11,280**

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

* Include special floating loan, representing India's subscriptions to I.M.F., I.B.R.D. and I.D.A.

** Investments of P.L. 480 Funds, Service Funds, State Provident Funds, Deposits of Depreciation, Development and Reserve Funds, etc. and Compulsory and Annuity Deposits.

\+ Of the total debt, an estimated amount of Rs. 300 crores is due from Pakistan on account of her share of pre-partition debt.

External Loans : An analysis of the constituents of the public debt shows that in the last three years of the Plan, external debt contributed significantly to the rise in total outstanding debt unlike in the earlier years when internal obligations were predominant. This was due mainly to the measures taken over the past few years to improve the utilisation of foreign aid, such as streamlining of procedure both by donors as well as India. The increasing proportion of non-project aid in the total external assistance also facilitated better utilisation. The budget for 1964-65 had assumed a credit of Rs. 696.97 crores for fresh foreign loans. However, in the revised estimates, foreign loans were placed lower at Rs. 653.92 crores, raising the outstanding to Rs. 2,192 crores as at end-March 1965. A break-up of the outstanding foreign loans as at end-March 1965 shows that dollar loans accounted for Rs. 1,453 crores or 66 per cent, loans from the U.K. for Rs. 229 crores or 10 per cent, loans from the U.S.S.R. for Rs. 218 crores or about 10 per cent, loans from West Germany for Rs. 178 crores or 8 per cent and loans from other foreign sources for the balance of Rs. 114 crores or 6 per cent. For the year 1965-66, the budget has taken credit for Rs. 669 crores of gross foreign borrowings and the outstandings are expected to rise, over the year, to Rs. 2,764 crores. Over the Third Plan period, external obligations more than trebled, their share in total debt increasing from 13 per cent in 1960-61 to 25 per cent during 1965-66.

Rupee Debt : Rupee debt of the Government of India advanced by Rs. 496 crores during 1964-65, compared to a rise of Rs. 600 crores during 1963-64 and of Rs. 457 crores in 1962-63. Of the total outstanding rupee debt as on March 31, 1965, rupee loans accounted for about 44 per cent, Treasury bills and small savings for 19 per cent each and other obligations for 18 per cent.

Table 8. Rupee Debt.

(Crores of Rupees)

	End-March				
	1961	1962	1963	1964	1965
Rupee Loans ..	2,571	2,688	2,841	3,114	3,268
Treasury Bills ..	1,106	1,175	1,300	1,382	1,444
Small Savings ..	975	1,061	1,136	1,263	1,375
Other Obligations	834	931	1,036	1,155	1,322
Total ..	**5,486**	**5,856**	**6,313**	**6,913**	**7,409**

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

Market Borrowings : As noticed in the last year's Report, the procedure of going in for combined market borrowings on behalf of the Central and the State Governments adopted in 1963-64 was discontinued during 1964-65. Accordingly, the Central budget for 1964-65 assumed a credit for an amount of Rs. 295 crores for the new market loans to be floated in India, which did not include any amount to be raised on behalf of the States. The loan floatations were made in two stages. In April 1964, two new loans, namely, the 6-year 4 per cent Loan, 1970 and the 25-year 4¾ per cent Loan, 1989 were announced, purely as conversion issues, the securities of 3½ per cent National Plan Loan, 1964 and 3 per cent Loan, 1964 maturing during the year being accepted for conversion at par (for details see Chapter IV). The total amount tendered for conversion of the two maturing loans was Rs. 141.79 crores—Rs. 71.95 crores for the 4 per cent Loan, 1970 and Rs. 69.84 crores for the 4¾ per cent Loan, 1989. The total amount offered for conversion formed 75 per cent of the total outstandings (Rs. 188.51 crores) of the two maturing loans. In July 1964, further tranches of the two new loans floated in April 1964 were announced for cash subscription : the 4 per cent Loan, 1970 was isued at Rs. 99 per cent and the 4¾ per cent Loan, 1989 at par. Total cash subscriptions to these two loans aggregated Rs. 152 crores. Of this, Rs. 106.3 crores were for the 4 per cent Loan, 1970 and Rs. 45.4 crores for 4¾ per cent Loan, 1989. The total subscriptions to the new loans floated during the year aggregated Rs. 294 crores comprising Rs. 152 crores in cash and Rs. 142 crores by way of conversion. Thus, the Central Government's programme of loan operations almost equalled the budget target. In addition, *ad hoc* Treasury bills of the value of Rs. 50 crores held by the Reserve Bank in their Issue Department were converted on January 8, 1965 into further issues of 4½ per cent Loan, 1986 (Rs. 25 crores) and 4¾ per cent Loan, 1989 (Rs. 25 crores). The amount of Treasury bills so funded since 1958-59, when the policy of converting the growing volume of *ad hoc* Treasury Bills held by Reserve Bank into dated securities was introduced, has aggregated Rs. 725 crores. Net market borrowings of the Union Government (*i.e.*, cash subscriptions less repayment in cash of maturing loans not tendered for conversion) during 1964-65 worked out to Rs. 100.4 crores as against Rs. 143.1 crores in the combined borrowing in 1963-64 and Rs. 72.9 crores in 1962-63.

With a view to keeping public borrowing within the limits set by a realistic expectation of the flow of genuine savings, the 1965-66 Union budget has taken only a modest credit for gross market loans of Rs. 270 crores as against Rs. 295 crores last year. On July 1, 1965, two new loans, namely, 4½ per cent Loan, 1971 and 5½ per cent Loan, 1990 were offered for subscriptions both in cash and in conversion of National Plan Bonds—Second Series (3½ per cent 1965) for a total sum of Rs. 250 crores. Actual subscriptions to these loans aggregated Rs. 251 crores—Rs. 124.43 crores in cash and Rs. 126.57 crores by way of conversion. On this basis, net borrowings (gross borrowings less repayment of maturing loans)

during the year would amount to Rs. 97.3 crores.

The total value of gold subscribed to the 6½ per cent Gold Bonds, 1977, which were on sale from November 12, 1962 to February 8, 1963, aggregated Rs. 8.62 crores (at the rate of Rs. 53.58 per 10 grammes of 0.995 fineness). Adjustments to the extent of Rs. 3.39 crores and Rs. 5.22 crores were effected in the accounts of 1962-63 and 1963-64, respectively, and the balance of Rs. 1 *lakh* has been adjusted in 1964-65. On February 27, 1965, the Union Government announced the issue of a new series of Gold Bonds, 1980 on exactly the same terms and conditions as the earlier series (*i.e.*, Gold Bonds, 1977) except that the new Bonds will carry a higher rate of interest at 7 per cent. However, those who have subscribed to the earlier issue of Gold Bonds will also be given the benefit of this higher rate for the remaining period of its currency. The 7 per cent Gold Bonds, 1980 were kept open for subscription between March 2 and May 31, 1965.

As a result of the new loan floatations (Rs. 295.98 crores@) and the funding of *ad hoc* Treasury bills (Rs. 50 crores) offset by redemption of maturing loans (Rs. 192.37 crores), the outstanding rupee loans of the Central Government during 1964-65 rose by Rs. 153.61 crores. As regards the maturity pattern of the Govenment of India rupee debt, the proportion of short-dateds (*i.e.*, maturing within five years) increased from 33.8 per cent in 1963-64 to 38.4 per cent in 1964-65, while that of medium-shorts (*i.e.*, maturing between five and ten years) declined from 40 per cent to 34.5 per cent. These changes are mainly to be attributed to shifting of loans from one maturity group to another. No perceptible changes, however, occurred in the proportion of long-dated loans (*i.e.*, maturing after ten years) and of undated loans.

Treasury bills : During the financial year 1964-65, Treasury bills showed a smaller increase (Rs. 111.6 crores)* as compared to that in 1963-64 (Rs. 157.4 crores)†. Category-wise, this was due mainly to a substantially smaller rise in the holdings of (*i*) the Reserve Bank (Rs. 97.6 crores* as against Rs. 126.0 crores† in 1963-64) and (*ii*) State Governments and 'other approved bodies' (Rs. 8.8 crores as against Rs. 29.5 crores). The holdings of the public, however, recorded a larger increase in 1964-65 (Rs. 5.4 crores) than in the previous year (Rs. 1.9 crores). Of the total outstandings of Rs. 1,443.5 crores as at end-March 1965, the holdings of the Reserve Bank (Rs. 1,147 crores) formed 79.4 per cent, those of 'State Governments and other approved bodies' (Rs. 259.7 crores) accounted for 18.0 per cent and those of the public (Rs. 37 crores) the remaining 2.6 per cent.

Small Savings : Small savings continued to play an important role in the process of resource mobilisation by Government. While they contributed more than Rs. 240 crores and Rs. 400 crores, respectively, during the first two Plans, accounting for a substantial proportion of the public sector outlays the Third Plan envisaged a receipt of Rs. 600 crores or an annual average of Rs. 120 crores. The experience during the first two years was, however, none too encouraging. Thus, net small savings collections had slipped to Rs. 75 crores in 1962-63 from the peak of Rs. 106 crores attained in 1960-61, but thereafter picked up gradually and rose to Rs. 135 crores in 1964-65 (R.E.) and are expected to remain at that level in 1965-66 also (Table 9). The encouraging trend in small savings since 1962-63 was largely attributable to the various promotional measures taken, particularly the enhancement of the rate of interest offered on National Defence Certificates and Defence Deposit Certificates, introduced in 1962, as well as the raising of the maximum limit on holdings. Of the total increase of Rs. 9 crores in net collections over the year 1964-65, more than 85 per cent was on account of the two media, *viz.*, National Defence Certificates and Defence Deposit Certificates. Net receipts under National Defence Certificates at Rs. 69.75 crores were higher by Rs. 4.73 crores than in 1963-64 while those under Defence Deposit Certificates at Rs. 17.20 crores were also larger by Rs. 3.16 crores.

@ Including Prize Bonds.
* Ignoring funding of *ad hoc* Treasury bills for Rs. 50 crores during January 1965.
† Ignoring funding of *ad hoc* Treasury bills for Rs. 75 crores during January 1964.

Table 9. Small Savings Collections (Net)

(Lakhs of Rupees)

	1960-61	1961-62	1962-63	1963-64	1964-65 (R.E.)	1965-66 (B. E.)
	(1)	(2)	(3)	(4)	(5)	(6)
1. Post Office Savings Bank Deposits* ..	4,506	3,555	665	3,919	4,000	4,200
2. National Defence Certificates+	4,552	4,346	5,411	6,502	6,975	6,795
3. Defence Deposit Certificates++	1,270	471	879	1,404	1,720	1,700
4. Cumulative Time Deposits	182	324	536	821	800	800
5. Annuity Deposits	49	25	20	7	5	5
Total ..	**10,559**	**8,721**	**7,511**	**12,630**	**13,500**	**13,500**

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

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

As regards Post Office Savings Bank Deposits, the impressive performance of net collections amounting to Rs. 39.19 crores (inclusive of accrued interest) recorded in 1963-64 was also maintained in 1964-65 when net collections amounted to Rs. 40 crores. Ignoring the element of accrued interest, net collections in 1964-65 were at Rs. 25.78 crores as against Rs. 22.42 crores in the previous year. Receipts from Cumulative Time Deposits showed a small decline in 1964-65 of Rs. 21 *lakhs* to Rs. 8 crores; net receipts from 15-year Annuity Certificates also declined from Rs. 7 *lakhs* to Rs. 5 *lakhs*

The 1965-66 budget assumed a credit for net collections from small savings at Rs. 135 crores—the same as the revised figure for 1964-65. The media-wise break-down of the target was as follows : Post Office Savings Bank Deposits Rs. 42 crores, National Defence Certificates Rs. 67.95 crores, Defence Deposit Certificates Rs. 17 crores, Cumulative Time Deposits Rs. 8 crores and Annuity Certificates Rs. 5 *lakhs*.

A number of measures were taken during 1964-65 to promote small savings. The more important of the measures taken during 1964-65 were : (1) the setting up of a Savings Mobilisation Board in October 1964, as a society registered under the Societies Registration Act, charged with the responsibility of promoting savings in all forms including conducting of publicity for the purpose. For the present, the Board will look after the requirements of publicity and propaganda of the National Savings Movement and the Unit Trust of India but in course of time, it will also take up the promotion of savings and investments in such public sector undertakings as the Central Government may decide. The Board will also advise Government on the various savings schemes, including social security and retirement benefits and also on the machinery for collection of savings, and related administrative arrangements. Representatives of the Unit Trust of India, Reserve Bank of India, Ministry of Finance, Ministry of Information and Broadcasting, Departments of Communications and Social Security and the National Savings Commissioner have been nominated on the Board. (2) The reconstitution of the National Savings Central Advisory Board, (a non-official Board advising Government on the promotion of the Savings Movement), with effect from 1st September, 1964 under the Chairmanship of the Minister in the Ministry of Finance. The reconstituted Board, held a meeting in December 1964 and made a number of recommendations which are under consideration of the Government. (3) The revision and simplification of the Post Office Savings Banks Rules so as to omit all the procedural details from the old Rules, which would be covered by Departmental instructions. There would be no limit as to the number and amount of withdrawals. The new Rules allow security deposits accounts to be opened without any fee *inter alia* for the purpose of registration for purchase of motor vehicles. Such accounts will also earn interest. (4) The decision to accept the Five-Year Interest-Free Prize Bonds, 1965 (maturing on

April 1, 1965) as deposits in Post Office Savings Bank Accounts or for investment in Ten-Year Defence Deposit Certificates and Twelve-Year National Defence Certificates. (5) The decision to make arrangements with the State Bank of India for the sale of National Defence Certificates through all its branches and subsidiaries. (6) The grant of permission to authorised agents who furnish a cash security of Rs. 5,000 or a bank guarantee or a fidelity guarantee policy of an equivalent amount to be attached to all sub-post offices in his area of work even if they fall under more than two Head Post Offices. (7) The withdrawal of the restriction on appointment of close relatives of employees working in the Reserve Bank of India, State Bank of India and its subsidiary banks as authorised agents. The restrictions on the appointment of close relatives of non-gazetted employees of the Posts and Telegraphs Departments as authorised agents were aslo liberalised. (8) The creation of Development cells in the offices of the National Savings Commissioner and all Regional Directors of National Savings in the States, to study the problems of agents, to train new and inactive agents in their work, to establish more frequent contacts with all active agents in order to bring to their notice ideas which have successfully worked elsewhere and to discuss how they may increase their business. (9) The intensification of the Pay Roll Savings Scheme in all establishments and factories. On September 1, 1964, under the scheme there were 16,397 Pay Roll Savings Groups functioning with a membership of 5,73,000 and an average monthly collection of Rs. 36 *lakhs*. (10) The increase in the rate of interest on individual and joint accounts in Post Office Savings Bank to 4 per cent with effect from April 1, 1965. The limits on deposits for purposes of earning interest were also removed.* Other classes of accounts known as public accounts will carry interest at $3\frac{1}{2}$ per cent. The interest will continue to be tax-free. The yield on the Cumulative Time Deposit Accounts opened on or after April 1, 1965 has been increased; this increase will take the form of a maturity bonus in addition to the existing maturity value, and will amount to Rs. 15 for a 5-year account, Rs. 50 for a 10-year account and Rs. 100 for a 15-year account for every deposit of Rs. 10. The maturity bonus will be tax-free and the deposits will continue to count for tax concessions. (11) The proposal in the Central Budget for 1965-66 for the introduction of a new series of Small Savings Certificates with a higher rate of interest than at present. However, interest earned on the new series would be taxable unlike in the case of existing small savings instruments which will also continue side by side. The accumulated interest will be treated as earned income, but there will be no deduction at source. The new certificates which are to be known as "National Savings Certificates (First Issue)" are available at all post offices from June 1, 1965. Purchasers of National Defence Certificates on or after April 1, 1965 are also given the option to convert them into the new certificates from the same date as the original issue. The new certificates will have a ten-year term with a maturity value of Rs. 180 for an investment of Rs. 100. They can be held only by individuals either singly or jointly, upto a limit of Rs. 25,000 for single holdings and Rs. 50,000 for joint holdings. They can be encashed after an initial lock-up period of two years, the yield progressively rising from year to year. The facilities of nomination, pledge, transfer, etc., will also be available as in respect of the existing National Defence Certificates.

Premium Prize Bonds : The Scheme of Premium Prize Bonds was discontinued with effect from December 31, 1964 as it did not prove popular. The 1965-66 Budget anticipated an expenditure of Rs. 15 crores under this head for repayment of the maturing bonds. The 1964-65 budget had assumed a credit of Rs. 5 crores on account of sale of premium prize bonds. However, the revised estimates for that year placed the receipts lower at Rs. 2 crores.

Annuity Deposit Scheme : The Annuity Deposit Scheme, which came into force from October 1, 1964, applies to income brackets above Rs. 15,000 per annum at rates varying from 5 per cent to 12.5 per cent. As against the credit of Rs. 67 crores assumed in 1964-65 budget, the revised estimate in this regard

* The limits have, however, been reimposed with effect from July 1, 1965, the new limits being Rs. 25,000 for Individual Accounts and Rs. 50,000 for Joint Accounts.

placed it at Rs. 65 crores. The deposits during 1965-66 are expected to amount to Rs. 71.50 crores. After allowing for the payment of the first instalment of the annuity (Rs. 6.50 crores), the net credit for 1965-66 has been assumed at Rs. 65 crores.

National Defence Fund : Total contributions to the National Defence Fund set up in October 1962 to receive voluntary contributions in cash, gold or gold ornaments for the defence efforts, upto end-March 1965 aggregated Rs. 59.34 crores. Besides cash, the contributions in gold (including gold ornaments) and silver aggregated 24.14 *lakh* grammes and 14.15 *lakh* grammes, respectively.

State Governments

A bulk of the rapidly rising outlays of the States is being met by increased recourse to loan assistance from the Centre and market borrowings. Thus, of the aggregate capital disbursements by the States during the First Plan, over four-fifths (82 per cent) was financed by loans granted by the Centre ; this proportion declined to 75 per cent during the Second Plan but was estimated to rise again to as much as 88 per cent in the Third Plan. Reflecting this increased reliance by States on the Centre for resources, their total outstanding debt, which had stood at Rs. 445 crores in 1951-52, rose to Rs. 1,232 crores by 1955-56 and further to Rs. 2,737 crores in 1960-61, the final year of the Second Plan. From this level, States' outstanding debt has gone up to Rs. 4,712 crores by the end of 1964-65 and is estimated to reach a figure of Rs. 5,400 crores by end-March 1966, at which level it would show a rise of nearly Rs. 2,700 crores over the Third Plan period.

Table 10 presents the debt position of States according to its major components. Loans from the Central Government, which account for about three-fourths of the total debt, rose progressively from Rs. 2,016 crores as at end-March 1961 to Rs. 3,623 crores as at end-March 1965. This rapid rise is attributed mainly to accelerated loan assistance to States for meeting the enhanced outlays on Plan schemes such as agricultural development, minor irrigation projects, rural and community development, etc.

Table 10. Debt Position of States

(Crores of Rupees)

	End March				
	1961 (1)	1962 (2)	1963 (3)	1964 (4)	1965 (5)
Permanent Debt ..	493	570	653	648	723
Floating Debt ..	42	50	25	43	40
Loans from the Central Government	2,016	2,314	2,677	3,112	3,623
Other debt ..	52	64	77	95	120
Unfunded debt ..	135	150	163	183	205
**Total .. **	**2,737**	**3,148**	**3,595**	**4,082**	**4,712**

The permanent debt of the States (comprising market borrowings and certain other categories of debt like Zamindari Abolition Compensation Bonds and Encumbered Estate Act Bonds, etc.), which forms about 15 to 18 per cent of the total outstanding debt of the States, rose from Rs. 493 crores as at end-March 1961 to Rs. 723 crores by end-March 1965 or by 47 per cent ; over the year 1964-65 it showed a rise of Rs. 75 crores. 'Other debt' which includes loans from National Agricultural Credit (Long-term) Operations Fund of the Reserve Bank of India, loans from National Co-operative Development Corporation and Central Warehousing Corporation, Loans from the Khadi and Village Industries Commission, Employees' State Insurance Corporation, Life Insurance Corporation, etc., has gone up by Rs. 25 crores to Rs. 120 crores between end-March 1964 and end-March 1965.

According to the Budget documents for the year 1965-66, the total outstanding debt of the State Governments is placed at Rs. 5,400 crores as at the end of March 1966, showing a rise of Rs. 688 crores over the year. Out of this, the States' indebtedness to the Centre would account for as much as Rs. 554 crores and permanent debt for another Rs. 84 crores. Outstanding loans from the Central Government at Rs. 4,177 crores at end-March 1966 would be higher by Rs. 2,161 crores as compared to the level in 1960-61; this, as already noticed, would account for as much as four-fifths of the rise in States' total outstanding

debt over the Third Plan period. As regards permanent debt, all the States excepting the Punjab and Jammu and Kashmir have taken credit for aggregate gross market borrowings of Rs. 99.5 crores in their 1965-66 budgets. Allowing for repayments of maturing loans, which would amount to Rs. 11.5 crores during the year, the net market borrowings by the States may be placed around Rs. 88 crores, thus raising the outstanding permanent debt to Rs. 807 crores by end-March 1966. The rise in the permanent debt over the Third Plan period would thus amount to Rs. 314 crores or about 12 per cent of the total rise in outstanding debt. Floating debt, which mainly represents ways and means advances to the States by the Reserve Bank of India, would not show any net variation over the Third Plan period. However, it may be noted that the floating debt which had been at the low level of Rs. 25 crores as at the end-March 1963 rose to Rs. 43 crores during 1963-64 and had since been hovering around this level.

RAILWAY FINANCES

The performance of the Railways in terms of financial results for 1963-64 (the latest year for which final figures are available) showed an impressive rise in gross traffic receipts from Rs. 567 crores in 1962-63 to Rs. 632 crores, reflecting a substantial growth in goods and passenger traffic, particularly in the last quarter of the year. The bulk of the increase (about 70 per cent) was noticed under goods earnings, while passenger traffic accounted for about 25 per cent of the rise. The increase in goods earnings was due to the preponderance of higher-rated commodities in the total volume of goods carried. Ordinary working expenses (gross) of the Railways at Rs. 450 crores for the year 1963-64 recorded an increase of Rs. 32 crores or 7.7 per cent, due, partly to higher emoluments paid to the staff, and partly to a rise in other items of expenditure, namely, 'repairs and maintenance' and 'fuel'. The net revenue before payment of dividend to General Revenues improved over the year by Rs. 22 crores to Rs. 145.19 crores. Of this, an amount of Rs. 83.45 crores was transferred to the General Revenues as dividend on capital received from Government at the rate of 4.50 per cent while another Rs. 12.50 crores represented the fixed contribution to States in *lieu* of the tax on Railway passenger fares. The balance representing the surplus available for transfer to the Railway Development Fund amounted to Rs. 49.24 crores which was higher by Rs. 7.18 crores than the surplus in 1962-63.

The revised estimates for 1964-65 revealed that the increase in traffic, particularly goods traffic, originally anticipated in Budget estimates, did not materialise. The Budget had anticipated a rise of 17 million tonnes in goods traffic during 1964-65. However, the slackening of demand for coal felt at the end of 1963-64 continued in 1964-65 as well, with the result that the coal traffic during the first nine months ended December 1964 was actually lower by nearly 2½ million tonnes compared to the level in the corresponding months of 1963-64. Similarly, raw materials movement to steel plants also dropped slightly during this period, while the increase in export ores hardly amounted to one-fourth of the extra one million tonnes anticipated. The increase in other revenue-earning traffic, at about one-and-a-half million tonnes upto December 1964, was also much less than the 5 million additional tonnes envisaged for the year. Passenger traffic, on the other hand, recorded a rapid increase, the increase being 8.55 per cent and 5.75 per cent, respectively, in suburban and non-suburban categories as against an increase of 2.2 per cent originally anticipated. Taking the above factors into account, the revised estimates for 1964-65 placed gross traffic receipts at Rs. 660 crores or only Rs. 8 crores lower than in the Budget. This shortfall was the net result of a decrease of Rs. 24.50 crores in goods earnings, partially offset by an increase of Rs. 16 crores in passenger earnings (which were expected to reach the Rs. 200 crores mark). Ordinary working expenses for 1964-65 (R.E.) were placed at Rs. 493.41 crores or Rs. 19.81 crores higher than the budget estimates. The expenditure was marked up mainly due to an increase of Rs. 18.88 crores, on account of higher dearness allowance, higher rates of mileage and running allowances, extra provision on account of contribution to provident fund and gratuities to staff, reimbursement of school fees under the Central Government Schemes for Education Assistance, etc. This was offset to a small extent by a reduction of Rs. 1.27 crores attributable to various economy measures taken during the year to keep down costs.

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After providing for a transfer of Rs. 92.02 crores as dividend to General Revenues (which is higher by Rs. 1.29 crores than the original estimate due to increase in capital-at-charge) and Rs. 12.50 crores for payment to States in lieu of tax on passenger fares, the net surplus creditable to the Development Fund was estimated markedly lower at Rs. 12.49 crores as against the Budget estimate of Rs. 30.87 crores.

The estimates for 1965-66 disclose only a nominal surplus of Rs. 8 crores at the existing levels of freight rates and passenger fares, which was about one-fourth of the annual development expenditure,* met from the Development Fund ; this was due to additional commitments of over Rs. 40 crores in respect of (*a*) additional dividend on increased capital during 1965-66 payable to the Central Exchequer (Rs. 11.4 crores), (*b*) additional expenditure on maintaining the increased assets and operating the additional services (Rs. 18 crores), (*c*) additional depreciation provision (Rs. 2 crores) and (*d*) provision for educational concessions and increased dearness allowances granted, following Das Commission's recommendations (Rs. 9 crores).

To meet a part of these commitments, the Budget for 1965-66 has embodied proposals for a modest increase in freight rates varying between 4 per cent and 7 per cent on a few selected items of heavy merchandise (other than coal, kerosene, foodgrains and ore meant for export, the freight rates for these remaining unaltered) which bear comparatively low rates at present, but move in large quantities, *e.g.*, iron and steel, cement, stone, limestone, ores, etc. The proposed levy on non-dangerous petroleum products represents an increase of 8 per cent over the current rates. The impact on prices of commodities subject to freight increase is, however, expected to be negligible. Simultaneously, the disparity between low-rated and high-rated commodities was proposed to be narrowed down through a reduction in freight mainly on manufactured goods other than dangerous goods in view of the increasing capacity of the Railways to carry general goods over and above the bulk commodities; moreover, freight rates on certain high-rated commodities seemed to restrict somewhat the free movement of such traffic by rail. As regards 'smalls' traffic, particularly of low-rated commodities, the existing surcharge of 20 per cent on items weighing less than 4 quintals is proposed to be made applicable to items weighing 4 quintals and above upto 10 quintals (exclusive); it is also proposed to double the minimum charge to Rs. 3 per consignment. These changes have been made in view of the fact that the existing freight rates in 'smalls' do not cover even the handling costs. The net additional revenue from these changes is estimated at Rs. 6.9 crores.

Proposals have also been made for marginal increases in passenger fares which remained virtually unchanged since April 1951, except for the 15 per cent increase in first class fares and 10 per cent increase in the second and third class fares effected in July 1962. According to the new proposals, while third class passengers travelling upto 6 kilometres will not pay anything extra, an increase of 1-5 paise is proposed for journeys between 6 and 50 kilometres; for journeys beyond this, the increase will be 10 per cent of the passenger fare for distances upto 800 kilometres for third and second classes. For journeys beyond 800 kilometres, the percentage increase will gradually come down to 5.8 at 1,500 kilometres and further to 3.1 at 3,000 kilometres. Even for the longest journey across the country the maximum rise will be Rs. 1.70 in the case of third class ordinary, Rs. 2 for third class mail and Rs. 3.60 for second class mail fare. For the first and airconditioned classes an increase of 10 per cent is proposed on fares for distances upto 1,000 kilometres and 1,200 kilometres, respectively, the percentage increase tapering off gradually for distances beyond these limits. In order to reduce existing disparities between the season ticket fares in different cities, it is proposed to increase the fare for the monthly third class season tickets in the Bombay and Calcutta areas by 50 paise for the maximum distance and less for shorter distances, and also to increase by 10 per cent the fares for first class season tickets in the Madras area. These adjust-

* It was explained by the Railway Minister last year that a surplus of Rs. 30-35 crores has to be earned in order to finance the works chargeable to the Development Fund and to enable the Railways to maintain a reasonably satisfactory return on the present enhanced capital.

ments in the passenger fares are expected to yield an additional Rs. 13.5 crores during 1965-66.

Apart from the increase in freight rates and passenger fares, the Budget provides for marginal adjustments in 'Other Coaching Traffic'. The supplementary charge of 10 per cent on parcels traffic (excluding luggage), introduced in April 1963, is proposed to be extended to luggage also with a view to preventing the diversion of parcels traffic to luggage. Similarly, the quarter parcel rates on fruits introduced in 1949 will be substituted by half parcel rates in order to place it on par with the levy of freight rates on vegetables. The increase in yield from 'Other Coaching Traffic' during 1965-66 is expected to be Rs. 60 *lakhs*.

On the expectation of normal growth in traffic earnings (Rs. 36 crores) and increased revenues from the proposed changes in freight rates, passenger fares and 'Other Coaching' (about Rs. 21 crores), the budget estimates for 1965-66 place gross traffic receipts at Rs. 716 crores, a rise of Rs. 56 crores over the revised estimates for 1964-65. Of the total earnings of Rs. 716 crores, Rs. 221.50 crores or 30.9 per cent and Rs. 441.90 crores or 61.7 per cent are expected to come from passenger traffic and goods traffic, respectively (the proportion being more or less the same as in 1964-65 (R.E.)). The income from 'Other Coaching' and 'Other Earnings' is placed at Rs. 34.60 crores and Rs. 18 crores, respectively, the former showing a decline of Rs. 40 *lakhs* and the latter a rise of Rs. 50 *lakhs* over the revised estimates of 1964-65.

Total ordinary working expenses (after adjusting for recoveries) for 1965-66, at Rs. 457.84 crores are expected to show a rise of Rs. 25.16 crores over 1964-65 (R.E.) on account of payment, at enhanced rates, of dearness allowance to staff (Rs. 20.21 crores), increase under 'repairs and maintenance' (Rs. 1.45 crores) and an increase in the fuel bill (Rs. 3.45 crores). Contribution to the Depreciation Fund is placed at Rs. 85 crores as against Rs. 83 crores in 1964-65 (R.E.). After making provision for (1) Rs. 12 crores for the Pension Fund created in 1964-65, (2) Rs. 12.50 crores for transfer to States in lieu of tax on passenger fares and (3) Rs. 103.40 crores (as against Rs. 92.02 crores in 1964-65 (R.E.) as dividend to General Revenues owing to increase in capital-at-charge, the surplus that would accrue to the Railway Development Fund is placed at Rs. 29.24 crores—Rs. 16.75 crores larger than that in 1964-65 (R.E.).

The aggregate balance in the Railway Funds (comprising the Depreciation Reserve Fund, the Revenue Reserve Fund, the Development Fund and the Pension Fund) would amount to Rs. 195.70 crores as on March 31, 1966—an increase of Rs. 41.78 crores during the Budget year and of Rs. 103.34 crores over the Third Plan period ; this contrasted with the net withdrawal of Rs. 71 crores during the Second Plan period.

Railway Plan : The Railway Development Programme for the Third Plan period, as originally drawn up, envisaged a total outlay of Rs. 1,325 crores. This was subsequently revised to Rs. 1,470 crores in 1963-64 and further to Rs. 1,581 crores in the 1964-65 budget. With the budgeted provision of Rs. 345 crores for 1965-66, the final year of the Third Plan, the total Plan outlay is estimated to aggregate Rs. 1,642 crores or Rs. 61 crores (3.9 per cent) higher than the revised Plan target. Although the physical targets stand slightly reduced, the increase in the financial allocation was necessitated by the increased costs on account of statutory increase in prices of steel and cement, enhancement of customs and excise duties, higher Central Sales tax, etc. The Plan provision of Rs. 345 crores in 1965-66 was smaller by Rs. 20 crores as compared to the provision in 1964-65 (R.E.), the decline being mainly under the heads 'Track Renewals' (about Rs. 8 crores) and 'New Lines' (Rs. 9 crores). As regards distribution of the Plan outlay in 1965-66, an amount of Rs. 326.75 crores has been earmarked for work-in-progress, including deliveries of rolling stocks and machinery, etc. and the balance of Rs. 18.25 crores for new works, new acquisition of rolling stocks and machinery and investments in Government Commercial Undertakings—Road Services.

CHAPTER VI : TRADE AND TARIFF DEVELOPMENTS

Developments in Exchange Control

The measures taken in the previous years for conserving foreign exchange were continued during the year and there were no major developments in the sphere of exchange control. However, a few changes, comprising mostly of modifications of existing arrangements, introduced during the year are referred to below :

All bank accounts in India of Chinese nationals who had left the country, irrespective of their whereabouts, were blocked with effect from May 15, 1964 and no operations on these accounts are now permitted without the prior approval of the Reserve Bank.

The policy followed for release of foreign exchange for travel abroad and for approval of passage clearance was reviewed by the Government on May 21, 1964 and a few changes were introduced. Under the revised policy (*i*) the scales for release of exchange for business travel, study tours and for attending conferences abroad were enhanced so as to meet the increased cost of living in most of the foreign countries and (*ii*) the limited exchange facilities for meeting incidental expenses were extended to persons going abroad against invitations with offer of full hospitality. The categories of persons eligible for passage clearance were revised to include (*i*) directors/executives of branches of foreign companies/wholly owned subsidiaries of foreign companies, proceeding abroad for attending Board meetings against invitations from the companies concerned with offer of full hospitality, (*ii*) persons proceeding abroad for taking up definitely secured employment (initially for a period of three months) and (*iii*) students with scholarships from universities or recognised international institutions covering maintenance and fees. Students sponsored by their close relatives abroad (*i.e.* brother, sister or uncle) who have adequate and independent income to meet the needs of the beneficiary were also made eligible for passage clearance with effect from March 8, 1965. Except for meeting parents, sons and daughters, passage clearance is not granted against offer of private hospitality.

The ban on certain non-technical arts and science courses imposed earlier was lifted on July 13, 1964 and the condition regarding minimum qualifications prescribed for non-technical courses was relaxed and exchange was released to students for taking up Honours degree courses at certain universities/institutions in certain approved subjects provided they satisfied certain prescribed conditions.

Beginning with July 17, 1964, debits to private non-resident accounts with banks in India, without prior approval of the Reserve Bank, were restricted to Rs. 1,000 per week. Debits by way of payment of premia on life insurance policies of the account holder or his dependents as well as his income-tax dues, however, were exempted from this ceiling.

The list of approved securities for investing funds in blocked accounts was amended to include from September 10, 1964, units issued by the Unit Trust of India, provided the units were held in safe custody with the authorised dealer and not disposed of without the prior approval of the Reserve Bank.

With a view to removing the inconvenience of restrictive endorsements regarding negotiability of travellers' cheques, the authorised dealers were advised on September 30, 1964 that travellers' cheques and travellers' letters of credit issued by them (with the exception of those issued for travel to countries with which India had entered into bilateral payment arrangements) should be made valid and negotiable all over the world.

Short-term borrowings, comprising loans and overdrafts, by authorised dealers from their branches and correspondents, which were hitherto made freely, were restricted upto a limit of Rs. 20 lakhs irrespective of whether the branches and correspondents were in or outside the sterling area. Similarly, a ceiling of Rs. 20 lakhs was placed on outstanding amounts in respect of short-term loans and overdrafts extended by the authorised dealers to these branches and correspondents in or outside the sterling area. Borrowings/lendings in excess of the ceiling

limits were not to be made without the prior approval of the Reserve Bank. These measures were introduced on October 8, 1964 but were enforced from December 1, 1964.

With effect from October 21, 1964, exports of units of the Unit Trust of India and shares of rupee companies purchased by Indian nationals or persons of Indian origin permanently resident abroad out of their earnings from abroad were permitted freely in order to encourage investment by such persons.

The restrictions imposed in March 1964 (referred to in the last Report) on remittances by Iranian nationals to Iran were removed on November 2, 1964 and they were permitted to make private remittances on the same basis as in the case of other non-sterling area nationals.

With the termination of the special rupee payments arrangement between India and North Korea, the latter ceased to be a bilateral account country from December 18, 1964.

The special booklets introduced in April 1963 for use by foreign tourists for declaring their foreign currency notes and travellers' cheques were abolished and from January 1, 1965 they were required to declare in the currency declaration form the foreign currency notes (including special rupee notes issued for use in Persian Gulf area) brought by them.

The follow-up arrangements in respect of realisation of exports were tightened on January 14, 1965 and it was decided that extensions beyond the prescribed period of six months would be granted for a period not exceeding three months at a time for a total period of six months. However, exports of capital goods and engineering goods as well as those under deferred credit arrangements still continued to have the benefit of reasonable extension beyond the usual period of six months. All authorised dealers were also advised on February 18, 1965 to vigorously pursue cases of outstanding export bills and to report to the Reserve Bank cases where satisfactory response was not forthcoming from the exporters concerned so that, where necessary, action could be taken against them under the Foreign Exchange Regulation Act.

Emigration facilities which were hitherto being granted on the basis of pre-June 1962 intentions were discontinued from March 4, 1965 and limited exchange facilities were granted to Anglo-Indians wishing to emigrate to the U.K. or any country irrespective of whether they held British or Indian Passport. It was decided that British and other foreign nationals, who were treated as Indian domiciled, would be eligible for retirement facilities as foreign nationals temporarily resident in India when they desired to retire provided they were of purely foreign parentage and the entire family was leaving for permanent settlement abroad.

With a view to strengthening the enforcement machinery and plugging certain loopholes in the Foreign Exchange Regulation Act, the Act was amended and the new Act known as the Foreign Exchange Regulation (Amendment) Act, 1964 came into force with effect from April 1, 1965. The amending Act requires, among other things, (1) obtaining a license from the Reserve Bank by steamer and air line companies operating through India, and travel agents, for conducting the business of booking passages for travel abroad and (2) prior approval of the Union Government/the Reserve Bank of India (*a*) for appointment of foreign controlled companies and firms operating in India as agent/technical adviser/management adviser of any persons/firms/company in India, (*b*) for issue of guarantee by a resident in favour of a non-resident and (*c*) for settlement of property in favour of a non-resident. The Act provides for delegation of powers of the Director of Enforcement to any officers of the Enforcement Directorate and to such officers of the Customs, Central Excise, Police and other departments as the Central Government may authorise. Officers of the Enforcement Directorate are empowered to arrest/search/summon and examine/interrogate persons and to search premises/conveyances. Lastly, Government is also empowered to publish the names of persons convicted under the Act.

Developments in Trade Policy

The main accent of India's trade policy continued to be on maximisation of export earnings and keeping down imports to a minimum consistent with the country's requirements for development and expansion. Thus, in the context of continuing concern over the foreign exchange situation, action was taken to impose additional restrictions on imports, including a ten per cent regulatory import duty, and to further rationalise the import policy so as to provide closer co-ordination between imports and exports. On the exports side, the various promotional measures adopted during the past several years were strengthened and supplemented by several new schemes designed to create larger export awareness among the exporters and to offer an edge of competitiveness to Indian products in the international markets. At the same time, elaborate institutional arrangements were also made to study the problems and prospects of individual export commodities and to undertake market research so as to facilitate adoption of suitable measures which would not only enhance export earnings in the short period but would also place the export trade on an enduring basis.

On the export front, a major step during the year was the setting up of a free trade zone at the Kandla port, the first of its kind in India. The main object of creating this zone was to make merchandise exports more competitive in world markets by effecting reductions in overhead costs through eliminating the elements of customs and excise duties and to stimulate the growth of processing industries for exports in that zone. Also, action was taken during the year to extend larger fiscal concessions to exporters in order to mitigate the adverse impact of the various tax measures on the export trade and thus to reduce the prices of Indian goods in the markets abroad. In addition to the scheme of rebates granted in respect of income-tax on profits earned on exports, which has been in operation since 1962-63, a new scheme of granting tax credit certificates to exporters was announced in the budget proposals for 1965-66. According to this scheme, tax credit certificates are to be issued to exporters upto a maximum of 15 per cent of the value of export proceeds realised in India in respect of goods exported after February 28, 1965. The exact quantum of assistance, which will vary from commodity to commodity, will be determined by an Advisory Board which has since been constituted*. Among other fiscal incentives provided to exporters during the year, mention may be made of the abolition of the export duty of Rs. 25.00 per bale on Bengal Deshi cotton with effect from August 31, 1964. The policy of granting drawbacks of customs and central excise duty paid on imported materials used in export commodities was continued.

An improvement in the competitive position of Indian exports was also sought to be achieved by providing cheaper and larger export credit to the exporters. With this end in view, the Export Credit and Guarantee Corporation (a state-owned institution) introduced during the year two new schemes, viz., (*i*) the post-shipment export credit guarantee scheme and (*ii*) the export finance credit guarantee scheme. Under the first scheme, the preshipment export credit guarantee offered by the Corporation was extended to the post-shipment stage to cover any loss sustained by a bank or a financing institution due to the protracted default or insolvency of the exporter during the period from the stage of shipment to the actual payment received in India. The Corporation's indemnity in this regard would be upto 66⅔ per cent of the loss incurred. Under the export finance credit guarantee scheme, banks would be enabled to offer to the exporters, on a selective basis, in respect of commodities whose export prices are lower than domestic prices, discounting facilities upto 125 per cent of the value of exports according to shipping documents; and the bank advance in excess of the value upto 25 per cent of the f.o.b. value of the export bills will be guaranteed by the E.C.G.C.; its indemnity will be upto 75 per cent of the loss incurred in the event of the loanee's insolvency or protracted default.

* On the basis of the recommendations of the Board, the Government announced on July 17, 1965 a list of export items on which tax credit certificates should be granted together with the rates applicable in each case. For particulars, see part B of Appendix IV.

The Government also approved during the year with some modifications a scheme for the establishment of an Export-Import Stabilisation Fund as recommended by the Mudaliar Committee. The administration of the scheme is entrusted to the E.C.G.C. In pursuance of the provisions of the scheme, all banks authorised to deal in foreign exchange would be permitted to participate and raise lines of credit in foreign exchange through their correspondents, branches or principals abroad. The credit will be made available on a revolving basis to manufacturers/exporters in respect of all items covered by the various export promotion schemes for importing raw materials, components and spares for manufacturing goods meant for export. The foreign exchange credit thus made available would be repaid out of the proceeds received from the exports of goods produced with the raw materials and components imported under this arrangement.

The activities of the E.C.G.C. recorded a further all-round expansion during the year. The total number of policies issued in 1964-65 rose to 988 from 684 in 1963-64 ; similarly, the number of packing credit guarantees issued was higher at 246 as against 155 in the preceding year. The value of risks covered by the Corporation during the year also showed a substantial rise of 32.7 per cent over the year, from Rs. 28.82 crores to Rs. 38.25 crores.

In the sphere of institutional and organisational arrangements, the year witnessed a number of important developments. A new feature in this direction was the enlistment of the active co-operation of the States in the export drive. As a result, some of the States like Maharashtra, Punjab, U.P., West Bengal, Mysore, Andhra Pradesh and Gujarat undertook to establish their own export promotion organisations. The need to have an apex body of export organisation to secure an effective co-ordination among exporting agencies of the country was also recognised and a Federation of Indian Export Organizations (FIEO) with its headquarters in New Delhi was formed. The Federation will concern itself largely with the co-ordination of export promotion activities of the different agencies and undertake common services and functions.

A new Export Promotion Council for wool and woollen goods was set up during the year (October 1964), thus bringing the total number of these Councils to seventeen. With a view to reviewing the working of these Councils, some of which have now been functioning for several years, and the progress made by them in developing exports of particular group of commodities for which the respective Councils were formed, an *ad hoc* committee was appointed in September 1964. This Committee would also examine, *inter alia*, the question of bringing about proper co-ordination in the working of the various Councils so that an integrated and systematic effort might be made in the drive for export promotion of the various commodities.

In order to discourage unhealthy trade practices in metal scrap exports and help in the negotiations of long-term trade contracts on favourable terms, a Corporation called the Metal Scrap Trade Corporation was set up in September 1964. All exports and imports of ferrous and non-ferrous scrap would be channelled through this Corporation which would also undertake processing of ferrous scrap for domestic use as well as export. A co-operative enterprise of the silk and rayon industry and trade known as Rayex (India) Private Ltd., was also established in March 1965, by the Silk and Rayon Textiles Export Promotion Council to supplement the existing export efforts of the Council.

During the year, the State Trading Corporation (S.T.C.) and the Minerals and Metals Trading Corporation (M.M.T.C.) registered significant progress. The total value of the trade handled by the S.T.C. increased from Rs. 66.8 crores in 1963 to around Rs. 75 crores in 1964, comprising Rs. 41 crores of direct and Rs. 34 crores of indirect trade. The Corporation also entered into a number of link/parallel deals to augment exports and to import commodities essential for industrial and economic development of the country. Besides, the Corporation continued its buffer stock operations, which were confined to three items *viz.*, raw jute, seed lac and lemon grass oil.

During the year, total exports of iron ore effected by the M.M.T.C., which was set up in September 1963, were higher at 5.31 million

metric tons valued at Rs. 22.87 crores compared to 4.18 million metric tons valued at Rs. 19.86 crores in 1963-64 (including exports effected by the S.T.C. prior to the formation of the M.M.T.C.). Exports of manganese ore by the M.M.T.C. also increased significantly from 6.4 lakh metric tons (Rs. 4.95 crores) in 1963-64 to 13.5 lakh metric tons (Rs. 11.46 crores) in 1964-65, mainly with the help of link and barter arrangements. It may be mentioned here that, in view of the adverse trends in world markets, the Corporation directly undertook exports of manganese ore from January 1965, and link/barter or compensation deals for exports involving manganese ore are no longer left to private parties. Imports, mostly of non-ferrous metals and certain steel items effected by the M.M.T.C. amounted to approximately Rs. 20.4 crores during 1964-65.

During the year, the Board of Trade held discussions on several aspects of export promotion including the need to ensure continuity and stability in export promotion schemes and policies. In this connection, the Board appointed a 'standing sub-committee on Export Promotion Scheme' for reviewing the working and progress of these schemes. The Export-Import Advisory Council also held meetings during the year to assess the progress of the developments in the field of exports and to ascertain the difficulties experienced by the export trade. A number of committees was appointed by the Government to examine problems of various commodities and to recommend suitable measures to improve their exports. Thus, in January 1965, a separate committee was appointed to identify export commodities where the existing shipping freight rates formed an obstacle to their export and to recommend suitable measures in each case so that the commodities might be exported at competitive prices. Similarly with a view to improving the export performance of traditional export products like cotton and jute textiles, tea, tobacco and iron and manganese ores, special committees were appointed.

The Quality Control and Preshipment Inspection measures, which form an integral part of India's export promotion measures, were vigorously pursued during the year ; exports of mica were subjected to compulsory preshipment inspection while exports of jute goods, tussar fabrics and some varieties of fish and fish products were brought under compulsory quality certification and preshipment inspection. So far about 58 per cent of India's exports have been covered by the Quality Control and Preshipment Inspection Schemes and it is programmed to cover around 80 per cent of the total exports by the end of 1965.

The work of the Directorate of Commercial Publicity and of the Indian Council of Trade Fairs and Exhibition was also expanded during the year. A large number of pamphlets, brochures and folders on various subjects relating to Indian export policy and products were issued during the year, some of which were distributed at the New York's World Fair, the first session of which was concluded on October 18, 1964. The Directorate also brought out a number of reports of the committees set up by the Government and the Indian delegations sent abroad.

The Indian Council of Trade Fairs and Exhibitions, which was established in January 1964 expanded its activities during the year and it has been decided to transfer the management and control of the existing showrooms and trade centres abroad to this Council so that they could be managed and run more on commercial lines with the help of experts and people of experience in actual trade, whose services could be obtained by the Council from established industry and trade. During the year, the Council participated in the Bangkok Industrial Trade Fair while it is expected to arrange about 11 exhibitions and open more showrooms in 1965-66. The Indian Institute of Foreign Trade, which started functioning in April 1964, also undertook a number of programmes in the fields of training, commodity and market studies, etc.

Exports of items in short supply like vegetable oils, oil seeds, etc. were brought under control whereas export of commodities like H.P.S. groundnut kernel was banned during the year. In some cases, the export quotas of particular items like raw goat skins were also curtailed to make available larger supply of raw materials to increase the domestic production of finished goods. On the other hand, the ban imposed earlier on exports of

certain items (*e.g.* textile cloth of olive green shade, woollen and carpet yarn produced from indigenous wool) was lifted in view of an improvement in the domestic supply position of these commodities. In the sphere of price stabilisation, the year witnessed the fixing of minimum and/or maximum f.o.b. export prices of mica, cardamom and lac (vide Appendix IV).

The *import policy* for 1964-65 announced on March 31, 1964 was basically restrictive, reflecting the difficult foreign exchange situation caused by the stresses and strains of development combined with defence mobilisation. No material changes in the policy were made except for a slight liberalisation of the quotas for the small-scale sector and some of the defence-oriented industries. However, in the expectation of an increase in non-project aid a slightly increased provision was made for maintenance imports required by actual users in order to facilitate fuller utilisation of installed capacities. The scope of annual licensing for actual users was widened so as to cover almost all of their requirements of raw materials, components and spares except raw jute, cashew nuts, raw wool, raw cotton and jute and cotton textile machinery, subject, of course, to the usual half-yearly review. Besides, 14 new items were added to the list of items permissible to actual users. The level of imports permitted to established importers was more or less the same as last year. While the quotas of some 12 items were reduced taking advantage of increased internal production, the quotas for 17 items including, among others, drugs and medicines, steel belt lacings etc. were increased. The policy in respect of established importers continued unaltered in the second half of the year also without any cut but, in respect of actual users, certain cuts were announced in December 1964 at the time of the announcement of the policy for the second half, due to the unexpected deterioration in the foreign exchange situation. Assurance, however, was given that the cuts would be effected in such a way as not to affect production adversely. In order to reinforce the physical restriction by the imposition of fiscal restraints also, the Finance Minister announced on February 17, 1965, his decision to levy a regulatory import duty of 10 per cent *ad valorem* on all imports except foodgrains, fertilizers, pesticides, books, and accessories for family planning.* The measure, besides bringing in additional revenue was expected to reduce profit margins and bring about greater import substitution. The Finance Minister also announced his intention to have all commitments for Government imports against free foreign exchange resources examined to see if any economy was possible in this regard.

The provisions of the import policy for 1964-65 were made applicable to Goa, Daman and Diu also. Earlier in September 1963 the scope of the Import-Export Control Act had been extended to cover these territories.

Details of the general import policy as well as important announcements in regard to selected individual items are set out in Appendix V.

Among other developments in the field of import control policy, the more important related to the Government's decisions on the Swaminathan Committee Report and Mathur Committee Report. The Swaminathan Committee which had been appointed to examine the possibilities of simplifying industrial licensing procedures made certain recommendations in respect of import policy also. The Committee submitted its report in March 1964 and the Government announced in June 1964 its decisions on the report. The Committee recommended that, as far as possible, import licences for raw materials and components should be issued within three months of the commencement of the licensing period. If this was not feasible, *ad hoc* licences equivalent to 50 per cent of the value of licences issued during the corresponding half of the previous year should be issued for use pending final announcement of the policy. While issuing licences for raw materials, the limitations should be normally value-wise and not in terms of quantity so that it would give the option to the licensee to import any of the permitted items in the proportions desired. The Committee also recommended a speedy issue of import licences for spare parts received short or in damaged conditions and which were being replaced free of cost. The Government ac-

* Subsequent additions to the list of items exempted from the regulatory import duty of 10 per cent *ad valorem* are raw jute, exposed cinematographic films and Soyabean oil.

cepted the recommendations of the Committee in principle but preferred simpler alternatives in respect of some of them. For example, in regard to the licensing of raw materials, when it was not feasible to expedite the issue of licences, the Government proposed to issue in the first instance, for items subject to annual licensing, licences equivalent to the previous year's level, laying down, as usual, the proportions permissible for each of the half-years. In the case of items subject to half-yearly licensing, licences equal to the value of licences in the corresponding half of the previous year would be issued. The value of the licences will be suitably adjusted, if necessary, when the final policy was announced.

The Mathur Committee, which was appointed by the Government to examine possibilities of simplification of the import and export control procedures, submitted the first part of its report on March 8, 1965. The Government announced its decision on the report on March 31, 1965, accepting most of the recommendations of the Committee. One of the important recommendations of the Committee was that all licences should, subject to certain conditions, be issued on an annual basis without any need for a formal mid-year endorsement.

Tariff Commission

In 1964-65, the Tariff Commission completed* six tariff inquiries and one price inquiry. All the tariff inquiries related to an examination of the need for the continuance of existing protection. The working of six of the industries, in respect of which the protection granted was due to expire at the end of December 1964, namely : (*i*) Titanium dioxide, (*ii*) Calcium carbide, (*iii*) Soda ash, (*iv*) Caustic soda, (*v*) Aluminium and (*vi*) Dyestuffs, was examined during the year. The Commission recommended the continuance of protection to all the six industries at the existing rates except in the case of titanium dioxide in whose case a reduction in the rate of protection was suggested. In the case of the dyestuffs industry, a few more items besides the existing ones were recommended for protection.

The Government accepted the recommendations of the Commission in regard to the continuance of protection to only two of these industries, namely, aluminium industry and dyestuffs industry. However, since the rates suggested by the Commission for some of the newer items of dyestuffs were considered rather high, the Government refixed them in such a way that the protective standard duty did not exceed 75 per cent *ad valorem* for any of them. As regards the remaining four industries *viz.*, titanium dioxide, soda ash, caustic soda and calcium carbide industries, the Government could not agree with the Commission's recommendation for the continuance of protection to these, since it felt that these industries had made satisfactory progress and there was no fear of unhealthy competition from imports.

In addition to the six tariff inquiries, the Commission completed, during the year, the price inquiry in respect of electric lamps and flourescent tubes. The Commission suggested price schedules for (*i*) general lighting service lamps and train lamps, (*ii*) flourescent tubes, (*iii*) high pressure mercury vapour lamps and (*iv*) miniature lamps. Of these, the prices of high pressure mercury vapour lamps and automobile lamps were only to serve as indicators. Since the Commission felt that the benefit of large scale production should be passed on to the consumer it recommended that the retail prices should be stamped on lamps also and the present practice of stamping prices on lamp cartons should be followed by all producers uniformly. The Commission also suggested that the producers should ensure, through arrangements with distributors and agents, the imposition of controls on margins in order to keep the retail price in line with the wholesale prices. The Government accepted the recommendations with certain modifications in the suggested price schedules. The Government also accepted the recommendations in respect of stamping of retail prices on lamp cartons. Details of the Tariff Commission's recommendations and the Government's action thereon are given in Appendix VI.

Trade Agreements

During the year, a fresh trade agreement was concluded with the Republic of Korea, while the existing agreements with Greece, Iraq, Jordan, and Italy were renewed. Further, annual trade plans under the existing agreements were finalised and revised schedules

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

drawn up with Afghanistan, Bulgaria, Ceylon, Czechoslovakia, East Germany, Hungary, Poland, Rumania, the U.A.R. and the U.S.S.R. A feature of these annual trade plans as well as of the revised trade schedules was that, although traditional items predominate in the list of exports from India, more of manufactured items, particularly light engineering goods, were also included. The agreement with Morocco expired on August 1964. As at the end of March 1965, 30* trade and payments agreements were in force with different countries.

In terms of the trade agreement of 1963 the Governments of India and Pakistan signed two protocols in July 1964 and one in January 1965, specifying the commodities to be exchanged between the two countries within a maximum upper limit (for details see Appendix VII).

The United Nations Conference on Trade and Development, a reference to which was made in the last year's Report, was held in Geneva from March 23 to June 16, 1964. India played an important role in the deliberations of the Conference and in the formulation of the main recommendations which cover all aspects of trade, finance and economic developments of the developing countries. The Conference urged special treatment by the developed countries for imports, both of primary commodities and processed, semi-processed and manufactured items from the developing countries so as to enable the latter to expand and diversify their exports. On the basis of the recommendations of the Conference, the Secretary General of the United Nations appointed two committees : (*i*) the Committee of 24 Governmental experts to draw up a convention on the access to the seas by land-locked countries, and (*ii*) a special Committee on conciliation procedures to prepare proposals for procedures within the continuing machinery. Further, in pursuance of the recommendations of the Conference, a United Nations Conference on Trade and Development (UNCTAD) and its subsidiary, the Board of Trade and Development, have since been established as permanent organs of the General Assembly by a resolution adopted by the XIX Session of the General Assembly. The Conference is to be convened at an interval of three years. Its main functions include promotion of international trade with a view to accelerating economic development, particularly the trade between countries at different stages of development, formulation of principles and policies on International trade and related problems of economic development. It would also review the activities of other institutions within the United Nations System in this field of International Trade and Development. The Board shall carry out the functions that fall within the competence of the Conference (UNCTAD) when the latter is not in session, and shall, in particular, keep under review and take appropriate action within its competence for the implementation of the recommendations and decisions of the Conference. It may also initiate studies and reports in the field of trade and related problems of development. India served on the two committees appointed by the Secretary General and is also represented both in the UNCTAD and in the Board of Trade and Development.

During the year under review the General Agreement on Tariffs and Trade underwent an important change through the incorporation of a new chapter on Trade and Development of the less developed countries, to meet a long standing demand from India and other developing countries. In a special session of the GATT held in November 1964, the draft of the new chapter on Trade and Development was finalised and was finally approved in another special session held on February 8, 1965 when 28 member countries including India signed the protocol accepting this chapter. According to the chapter, which will come into force when it is accepted by two-thirds of the Contracting Parties, the developed countries would undertake 'to the fullest extent possible', to encourage the growth of exports of less developed countries without demanding reciprocal concessions for exports of the developed countries.

* 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) Italy (16) Japan (17) Jordan (18) South Korea (19) Nepal (20) Pakistan (21) Poland (22) Rumania (23) Sweden (24) Switzerland (25) Tunisia (26) U.A.R. (27) U.S.S.R. (28) Vietnam North (29) West Germany (Federal Republic of Germany) and (30) Yugoslavia. Negotiations for a trade agreement with Brazil have been completed and the agreement is expected to be signed shortly and a trade agreement with Argentina is under negotiation.

CHAPTER VII : CURRENCY AND COINAGE

During 1964-65, currency in circulation showed a smaller rise of Rs. 171.5 crores than that in 1963-64 (Rs. 230.2 crores) and in 1962-63 (Rs. 183.7 crores). Component-wise, the expansion in the circulation of notes and rupee coin was smaller while that of small coins was higher than in the preceding year.

Circulation of Notes and Coins

Circulation of Notes : The year's expansion of Rs. 152.9 crores (or 6.3 per cent) in the circulation of notes raising the total circulation of notes to Rs. 2,564* crores was much smaller than the rise in the previous year (Rs. 212.0 crores or 9.6 per cent). Denomination-wise, while Rs. 10, Rs. 5, Rs. 2 and Rs. 5,000 denominations recorded rises, Rs. 100, Rs. 1,000 and Rs. 10,000 denominations showed declines. Rs. 10 denomination recorded the largest rise of Rs. 226 crores with its relative share in total notes in circulation rising from 41.6 per cent in 1963-64 to 47.4 per cent in 1964-65. The circulation of Rs. 5, Rs. 2 and Rs. 5,000 denominations rose by Rs. 42 crores, Rs. 11 crores and Rs. 9 crores, respectively, their share in total circulation moving up from 9.2 per cent, 1.5 per cent and 0.6 per cent, respectively, in 1963-64 to 10.2 per cent, 1.9 per cent and 0.9 per cent in 1964-65. The circulation of Rs. 100 denomination notes, which had recorded the largest rise in the preceding year (Rs. 110 crores), registered a comparable fall in 1964-65 (Rs. 109 crores), its share in total notes in circulation declining from 44.7 per cent to 37.8 per cent. Rs. 1,000 and Rs. 10,000 notes declined by Rs. 11 crores and Rs. 1 crore, respectively.

Circulation of Rupee Coin : The expansion in the circulation of rupee coin, the bulk of which represents one-rupee notes issued by the Government of India, was slightly smaller (Rs. 11.5 crores) than that in the preceding year (Rs. 12.3 crores). As at the end of 1964-65, rupee coin in circulation stood at Rs. 180.0 crores@@ representing a rise of 6.8 per cent over the year as compared to an increase of 8 per cent in 1963-64.

Circulation of Small Coin : The rise in circulation of small coins was, however, of a larger magnitude (Rs. 7.1 crores) during 1964-65 than in the preceding year (Rs. 5.9 crores). As in previous years, the rise in circulation during 1964-65 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. 7.53 crores in 1964-65 as compared to Rs. 8.15 crores in 1963-64 and Rs. 7.74 crores in 1962-63. The circulation of 50 paise coins recorded the largest rise (Rs. 1.75 crores) followed closely by 25 paise coins (Rs. 1.74 crores) and 10 paise coins (Rs. 1.70 crores). In the case of other coins, the rise in respect of 5 paise coins was Rs. 1.08 crores, 2 paise coins Rs. 55 lakhs, one paisa coins Rs. 49 lakhs and 3 paise coins Rs. 22 lakhs. The net withdrawal of old anna-pie coins was markedly smaller at Rs. 39 lakhs during 1964-65 as compared to that in 1963-64 (Rs. 2.25 crores) and in 1962-63 (Rs. 1.58 crores). Of the total decline in circulation of old coins, one anna coins accounted for the major fall (Rs. 34 lakhs) followed by two-anna coins (Rs. 8 lakhs), half-anna coins (Rs. 3 lakhs) and single pice coins (Rs. 1 lakh). Half-rupee and four anna coins, however, registered increases of Rs. 7 lakhs and Rs. 0.8 lakh, respectively.

Miscellaneous

Change of the designation 'naya paisa' to 'paisa' : The prefix 'naya' or 'naye' in the designation 'naya paisa' or 'naye paise' was dropped with effect from June 1, 1964. The paisa/paise coins were issued from July 1, 1964 from the offices of the Reserve Bank of India at Bombay and Calcutta in the first instance and from the other offices of the Reserve Bank of India, the State Bank of India and its subsidiaries and Government

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* 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 rupee issued from June 1947 and (iv) pure nickel decimal rupees issued from July 2, 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, 1965.

treasuries and sub-treasuries as further supplies became available. The design, shape, weight, metal composition, etc. of the paisa/paise coins are the same as those of the naya paisa coins, the only difference being that on the reverse of the coins, the words 'naya paisa'/'naye paise' have been replaced by the face value of the coins in words in Hindi. The naye paise coins continue to be legal tender as hitherto.

Issue of 3 paise coins : A new coin in the denomination of 3 paise in aluminium with 3.5 per cent to 4 per cent magnesium was issued from all offices of the Reserve Bank of India from October 1, 1964. The coin is hexagonal in shape with rounded corners and weighs 1.25 grams.

Issue of Nehru Commemorative coins : Commemorative coins in the denominations of the rupee and 50 paise were issued in memory of late Shri Jawaharlal Nehru with effect from November 14, 1964. The commemorative coins have the same shape, size and weight as the current decimal coins of the same denominations. These coins are legal tender just like the ordinary one rupee and 50 paise coins.

Lost, Destroyed and Mutilated Notes : During 1964-65, claims in respect of lost, destroyed and mutilated notes admitted at the Bank's offices amounted to Rs. 90 lakhs as compared to Rs. 71 lakhs in the preceding year and payments made against these claims as well as those admitted in previous years stood at Rs. 80 lakhs as compared to Rs. 63 lakhs in 1963-64.

Note Forgeries : The total number of forged notes including Government of India one-rupee notes received by the Bank during 1964-65 was markedly smaller at 1,793 (involving Rs. 26,211) than in 1963-64 at 10,917 (involving Rs. 9,01,787).

Coinage : During 1964-65, 1,468 million pieces of decimal coins valued at Rs. 8.55 crores were minted as against 1,662 million pieces worth Rs. 9.54 crores in 1963-64. The total mintage of decimal coins since the introduction of decimal coinage in 1956-57 amounts to 10,443 million pieces valued at Rs. 57 crores.

Withdrawal of Silver, Cupro-nickel and Copper Coins : During 1964-65, the total value of *uncurrent* coins withdrawn from circulation stood at Rs. 1.03 crores and *current* coins at Rs. 86 lakhs as compared to Rs. 1.68 crores and Rs. 2.39 crores, respectively, in the preceding year.

Counterfeit coins : The decline noticed since 1958-59 in the number of counterfeit coins cut at treasuries and railway stations continued during 1964-65, the number of these coins declining to 46 thousand from 68 thousand in 1963-64 and 75 thousand in 1962-63.

APPENDIX I : MEMORANDUM ON THE FOURTH FIVE-YEAR PLAN — A SUMMARY

The Memorandum on the Fourth Five-Year Plan, prepared by the Planning Commission, for the consideration of the National Development Council at its meeting on October 27 and 28, 1964, brings together the more important results of earlier studies on the various aspects of the Plan and presents the tentative framework of the Fourth Plan. Prepared some eighteen months before the completion of the Third Plan, the Memorandum's provisional nature has to be borne in mind. The forecasts concerning agriculture and industrial output, revenues and expenditure, savings, exports and other economic trends will need to be reviewed in the light of later information. The Council generally endorsed the proposals of the Commission regarding the size and objectives of the Plan and decided to constitute five committees for further consideration of various aspects of the Plan.

Aggregative Framework:

The overall rate of growth in national income during the Fourth Plan, based on various programmes in different sectors, is postulated at around 6.5 per cent a year as against the likely achievement of 4.2 per cent per annum in the current plan period. This implies an annual increase of not less than 5 per cent in agriculture, 11 per cent in organised industry, 8 per cent each in small industry, communications, railways and organised banking and insurance and 6.5 per cent in commerce, transport and other services. These targets need to be viewed against the expected rate of annual increase in population of about 2.5 per cent during the period.

The Fourth Plan envisages a development outlay of Rs. 15,620 crores@ in the public sector, of which current outlay will be Rs. 2,625 crores and investment Rs. 12,995 crores. However, the Planning Commission's preliminary assessment of financial resources suggests that it may not be possible to assume firm commitments for more than Rs. 14,500 crores. The remaining outlay in the public sector will be taken up if the progress of the economy in respect of the growth of output, resource mobilisation and balance of payments during the next 3—4 years is satisfactory. The investment in the private sector is estimated to be about Rs. 7,000 crores. Thus, the total outlay in the public and the private sectors together will range between Rs. 21,500—22,500 crores. The pattern of outlays proposed for the Fourth Plan in the public and the private sectors as also the public sector's expected outturn in the Third Plan are given in Table 1. At this stage, pending further work, sectoral allocations and targets are based on a total outlay of about Rs. 22,500 crores.

Aggregate investment in the Fourth Plan is placed at Rs. 19,975 crores as against an anticipated investment of Rs. 11,700 crores (at current prices) during the Third Plan period. It would be seen from Table 1 that in terms of proportions, and in comparison with the Third Plan, a significant increase is envisaged in the public sector outlay in the Fourth Plan under agriculture and social services. This is in keeping with the objectives of increasing agricultural production and providing for basic social needs to the masses. The outlay on agriculture and irrigation together, however, is only marginally higher in the Fourth Plan (21.8 per cent) in relation to that in the Third Plan (21.2 per cent). The percentage distribution of outlays indicates a shift in the emphasis from schemes with long gestation periods such as major irrigation to quick yielding programmes like minor irrigation included under agriculture. The industrial sector, together with the ancillary infrastructure on power and transport shows a percentage decrease, mainly under power and transport, but in absolute terms is double the original Third Plan provision. This takes account of the fact that, in the Third Plan, allocations for transport were substantially raised and the rail transport system will have some reserve capacity at the beginning of the Fourth Plan.

TABLE 1. Pattern of Expenditure

(Crores of Rupees)

	Third Plan (anticipated) Public Sector Outlay	Fourth Plan					
		Public Sector			Private Sector Investment	Total Investment (3+5)	**Total Plan Outlay (Public & Private Sectors) (4 + 5)**
		Current Outlay	Investment	Total Outlay (2 + 3)			
	1	2	3	4	5	6	7
Agriculture	1,090(13.3)	875	1,525	2,400(15.4)	700	2,225	**3,100**
Irrigation	648 (7.9)	..	1,000	1,000 (6.4)	..	1,000	**1,000**
**Total .. ..

Selected targets of production:

Certain targets of production and development have been arrived at on the assumption of a Plan outlay of Rs. 22,600 crores and on estimates of demand and judgement of administrative capacity. Some of them are shown in Table 2 below.

TABLE 2. Selected Targets of Production and Development

	Unit	1960-61	1965-66		1970-71
		Actuals	Target	Present Estimate	Target/ Estimate
I. Agriculture					
1. Foodgrains	Million tonnes	81	100	92	120
2. Cotton	Lakh bales	54.0	70.7	63.4	85.0
3. Sugarcane (gur)	Lakh tonnes	106.1	100.0	110.0	135.0
4. Oilseeds	,,	66	98	75	100
5. Jute	Lakh bales	40	62	62	80
6. Nitrogenous Fertilisers (consumed)	000 tonnes of N	203	1000	650	2000
7. Phosphatic Fertilisers (consumed)	000 tonnes of P_2O_5	71	400	250	1000
II. Irrigation & Power					
8. Electricity					
(*a*) Installed capacity	Million kw.	5.6	12.7	11.7	22.0
(*b*) Generated	Million Kwh.	20,100	45,000	43,000	88,000
9. Irrigation					
(*a*) Additional Potential at Outlet since I Plan (Gross)	Million acres	12.1	29.5	20.0	14.0†
(*b*) Additional Utilisation since First Plan (gross)	,,	8.6	22.8	16.0	11.0†
III. Minerals					
10. Iron Ore	Million tonnes	10.9	30.0	26.0	54.0@
11. Coal	,,	55.5	98.6	76.0	125·0@
12. Petroleum Refining	,,	..	17.3@	15.3@	28.3@
IV. Industry					
13. (*a*) Nitrogenous Fertilisers	000 tons of N	97	800	418	2165@
Phosphatic Fertilisers	of P_2O_5	53*	400	197	984@
(*b*) Diesel Engines	000 numbers	43.2	66.0	60.0	140.0@
(*c*) Tractors	,,	—	10	8	25 @
(*d*) Cotton Textiles—Mill made	Million yards	5048	5800	5500	6000 @
(*e*) Sugar	000 tons	3000	3500	3149	4429 @
(*f*) Paper & Paper boards	,,	343	700	640	1329 @

(Contd.)

	Unit	1960-61	1965-66		1970-71
		Actuals	Target	Present Estimate	Target/ Estimate
(*g*) Steel Ingots	Million tons	3.3	9.2	7.4	16.5@
(*h*) Pig Iron for sale	„	1.1	1.5	1.2	4.0@
(*i*) Aluminium	000 tons	18.2	80	68	240 @
(*j*) Locomotives	numbers	258	360@	340	450 @
(*k*) Commercial vehicles	000 numbers	27.5*	60	54	100 @
(*l*) Machine tools	Rs. crores	7.2*	30	25	90 @
(*m*) Cement	Million tons	7.8	13	11.8	29.5@
V. Transport & Communications					
14. Railways: freight traffic (originating) ..	Million tonnes	156.3	249	225	355
15. Commercial Vehicles on Road	000 numbers	210	365	335	596
16. Shipping: tonnage	Lakh GRT	8.6	10.9	15	30

*Refers to calendar year. † Additional during the Fourth Plan @ Refers to capacity.

Production of foodgrains is to increase at least to 120 million tonnes in 1970-71 from 92 million tonnes in 1965-66, cotton from 63 lakh bales to 85 lakh bales and sugarcane from 110 lakh tonnes to 135 lakh tonnes. From major and medium irrigation projects, irrigation facilities would be provided for additional area of 14 million acres. Under the power programmes, installed generating capacity will be almost doubled from 11.7 m.kw. to 22 m.kw. Industrial production will be expanded considerably, especially in the fields of metals, chemical fertilisers, agricultural machinery, consumer goods, machinery and intermediates and petroleum refining. Production capacity of steel ingots will rise from 8.9 m. tons in 1966-67 to 16.5 m. tons at the end of the Fourth Plan, pig iron for sale from 1.2 m. tons to 4 m. tons and aluminium from 68,000 tons to 240,000 tons. Capacity for production of nitrogenous fertilisers will increase nearly four-fold, that of newsprint over five-fold and bicycles, electric fans and cement about two-fold. Railways will carry 50 per cent more freight in 1970-71 as compared to 1965-66. The number of commercial vehicles on road will almost be doubled.

Employment:

Taking into account the backlog of unemployed persons of 12 million and the new entrants to the labour force of 23 million during the Fourth Plan, job opportunities would need to be created for about 35 million people. With an outlay ranging from Rs. 21,500—22,500 crores, the employment potential would be 20-21 million, 15.5 million to 16.2 million being in non-agricultural sector and 4.5 million in agricultural sector. If there is a big spurt in agro-processing and small scale industries, as now contemplated, it may result in much larger generation of employment than has been estimated and the employment potential may be nearer to the addition in labour force.

Financial Resources for the Plan:

On the basis of preliminary estimates, availability of resources is placed at Rs. 21,500 crores, of which Rs. 7,000 crores are expected to be mobilised by the private sector. The estimate of resources for the public sector is based on the assumptions that a number of policy measures would be taken to keep down non-plan expenditure and maximise revenues at the existing rates of taxation. Tax revenues at the present tax rates may be expected to go up by about 8 per cent per annum. The realisation of this increase in tax yields will depend on the achievement of anticipated production levels in some of the major industries and the greater responsiveness of income and corporation taxes, sales tax, tax on motor vehicles etc. to growth in production and incomes. Non-tax revenues are also expected to grow at a rate around 8 per cent per annum.

It has been assumed that, as a matter of deliberate policy, the Central and State Governments will restrict the growth of administrative expenditure on tax collection, general administration etc. to 5 per cent per annum and of non-plan expenditure (other than committed expenditure) on revenue account to 3.5 per cent per annum and that there will be no large increase in defence expenditure over the levels presently planned, and that food subsidies and non-plan expenditure on displaced persons will be kept down to a minimum.

The resource estimates take credit for a substantial step-up in receipts from market loans, small savings, provident funds, annuity deposits and miscellaneous capital receipts. As a matter of sound fiscal policy, it will be necessary for the Central Government to limit its borrowings and for the State Governments to reduce their overdraft facilities from the Reserve Bank of India to an amount justified by the increase in the demand for money as a result of higher production. Special effort will have to be made in selecting right measures for securing adequate financial resources

particularly because of a marked rise in prices in recent years. Even after taking credit for Rs. 2,500 crores under external assistance to the public sector, additional resource mobilisation of the order of Rs. 2,500-3,000 crores may have to be undertaken. These additional resources will be secured through increased taxation, reduction of tax avoidance and evasion, and adjustment of prices charged by public sector undertakings specifically for this purpose. A return of 12 per cent on the invested capital would be an adequate criterion for determining the price policy of most public undertakings.

In formulating the Fourth Plan, the need to ensure adequate foreign exchange from export earnings both for meeting import bill and the obligation on account of interest and amortisation of foreign loans is paramount. Export earnings during the Fourth Plan are expected to be of the order of Rs. 5,100 crores, while commodity imports, exclusive of P. L. 480 imports, are tentatively estimated at about Rs. 7,200 crores. Thus, the deficit on merchandise account would be Rs. 2,100 crores. In addition, resources amounting to Rs. 1,100 crores will have to be found for servicing foreign debt—Rs. 500 crores for repayment of debt and Rs. 600 crores by way of interest. In respect of invisibles, the receipts and payments will be more or less in balance. This indicates a gap of Rs. 3,200 crores which has to be covered through external assistance. A necessary condition for keeping the aid down to this figure is to realise the target of exports, which itself is by no means an easy task.

Sectoral Programmes:

The Third Plan accorded the first priority to increase in agricultural production and provided resources, material and financial, for agricultural development. But the expectations have not been fulfilled and the meagre growth in *agriculture* during the past three years has led to fresh thinking on the technique and scientific methods of agricultural cultivation as well as the machinery of planning and plan implementation in agriculture.

It is necessary to lay emphasis on the transformation of agriculture from a predominantly traditional way of life into an industry, based more and more on the adoption of science and technology, efficient utilisation of available resources, providing the necessary economic incentives for greater investment on the part of the farmer and giving him a fair measure of protection against price fluctuations, unduly high costs and to the extent possible, against risks of crop failure. It is also necessary that agricultural programmes are formulated in terms of a systematic application of science and technology, strengthening of the machinery for extension and community mobilisation for agriculture and intensified development of areas with irrigation facilities where there are fair prospects of achieving rapid increase in production.

Besides the resources allocated for agriculture under the Plan of Rs. 2,400 crores in the public sector and an estimated investment of Rs. 700 crores in the private sector, the role of co-operative credit for fulfilment of the agricultural programmes has to be stressed. The requirements of short and medium-term credit at the end of the Fourth Plan is tentatively estimated to be of the order of Rs. 650 crores as against Rs. 400 crores at the end of the Third Plan. As regards long-term credit, loans outstanding at the end of the Fourth Plan would be Rs. 300 crores, compared to Rs. 150 crores at the end of the Third Plan. Co-operative organizations are being assigned the key role in support of agricultural production programmes, including credit, distribution of fertilizers and other supplies, marketing and processing, consumer co-operation, development of co-operative farming and the resettlement of landless labour. In the field of *rural development*, a major task during the Fourth Plan will be firstly, to build up well-equipped and fairly specialised agricultural extension services and secondly to consolidate community development and planning at the district, block and village level and enable Panchayati Raj institutions to assume larger responsibilities for planned development. It is of the highest importance both for agricultural production and from the point of view of social policy that land reform legislation which has been enacted should be fully implemented before the end of the Third Plan.

Of the investment of Rs. 875 crores for *irrigation* proper, Rs. 720 crores will be for continuing schemes and only Rs. 155 crores will be available for new schemes. The emphasis should be on consolidation of irrigation schemes already completed rather than on taking up a large number of new projects. In regard to *power*, the Fourth Plan envisages an investment of Rs. 1,950 crores in the public sector and Rs. 50 crores in the private sector to attain a target capacity of 22 million kw. by March 1971. In order to achieve optimum utilisation of the natural resources, power programmes have been formulated on the basis of integrated operation extending over State boundaries. A provision of Rs. 200 crores has been made for rural electrification as against Rs. 105 crores in the Third Plan. On the price policy for electricity undertakings it is suggested by a working group that the tariffs should be so adjusted as to obtain revenue of 10 per cent on the investment, after meeting the expenses and depreciation charges.

A major emphasis on *small industries* is a clear acceptance of the policy of decentralised growth of selected industries. The present approach is one of simultaneous growth of large and small sectors of industries through 'common production programmes'. An important step to accelerate the programme of rural industrialisation would be to identify the "growth centres" in small towns and rural areas and provide the necessary assistance like credit, technical advice etc. in an integrated manner. An outlay of Rs. 450 crores is envisaged in the Fourth Plan in the public sector as against the anticipated expenditure of Rs. 235 crores in the Third Plan. In addition, Rs. 400 crores are expected to be invested from private sources, including banking institutions. The rate of growth of the sector is expected to be almost doubled over the Fourth Plan period.

The strategy of *industrial development* will, by and large, be along the lines outlined and incorporated in the Third Five Year Plan. It should, on the one hand, provide for an adequate expansion in the supply of consumer goods, particularly those which cater to the needs of the mass of people. At the same time, basic and heavy industries, supplying the capital goods and intermediate goods should continue to be expanded at a rapid pace so that the economy might be in a position to sustain an adequately high rate of development within the constraints imposed by the limited supply of foreign exchange. The following broad framework of priorities provides the guidelines for the canalisation of investments in the Fourth Plan: (*a*) completion of the investment programmes already taken in hand and intensive utilisation of the new capacity thus brought into existence, (*b*) preference to expansion of existing units over establishment of new units wherever conditions justify since such a step would help securing additional capacity with less investments, (*c*) rapid expansion of capacity under quick maturing schemes specially in the field of essential consumer goods industries and (*d*) expansion of heavy and basic industries.

For demarcation of the spheres between the public and private sectors, the Industrial Policy Resolution of July 1956 will continue to be the basis. The investment programme for private industry is substantial in relation to its past performance and its repayment obligations. Suppliers'

TABLE 3. Distribution of Fixed Investment Outlay: 1966-71 (Crores of Rupees)

	Total	Public Sector	Private Sector
1. Metals	1,500	1,250	250
2. Fertilisers & Pesticides	450	300	150
3. Mining, mineral oil & related developments	1,050	800	250
4. Machinery & Engineering industries	800	500	300
5. Consumer goods	800	150	650
6. Intermediate goods	800	150	650
7. Miscellaneous	200	50	150
Total	5,600	3,200	2,400

credit facilities of external origin, availed of liberally in the past, are likely to diminish and a substantial part of the machinery requirements will have to be secured from internal sources. Table 3 presents distribution of investment outlays between the public and private sectors under selected groups of industries.

In regard to *transport and communications* the broad approach followed is that various transport services should be developed as an integral part of a composite transport network and operated so as to ensure that each form of transport is put to the maximum advantage from the point of view of the economy as a whole. It is necessary to make an advance assessment of transport requirements and take a long-term view of transport plans as transport capacities take time to be developed. An attempt is being made to prepare a transport plan in broad outline for the period ending 1975-76 and a transport plan in detail for the Fourth Plan.

Capacity of railways to carry freight would go up by 118 million tonnes during the Fourth Plan, bringing the total capacity to 355 million tonnes (or 195 b. tonne kilometres) while road traffic is expected to increase by 70 per cent to 68 b. tonne kilometres. According to the present proposals, diesel and electric tractions together are expected to account for 50 per cent of the total railway traffic as against 37 per cent at the end of the Third Plan. The more important targets assumed in drawing up the Fourth Plan for transport, especially for rail transport, are 125 million tonnes of coal, 11.5 million tonnes of finished steel, 4 million tonnes of pig iron and 27 million tonnes of cement. The Plan provides, among programmes for railways, for electrification of over 2,000 route kilometres and construction of new lines with a total length of 1,800 kilometres. It is envisaged that about one-fifth of the total provision for roads in the plan of each State shall be earmarked for rural market roads. The number of trucks engaged in goods transport will increase from 255,000 in 1965-66 to 470,000 in 1970-71 and that of buses from 80,000 to 126,000. State Road Transport undertakings are expected to provide for 40 per cent of the total passenger services at the end of the Fourth Plan as against 33 per cent in the Third Plan.

In *shipping*, the broad aim is that by the end of the Fifth Plan, Indian shipping should have an overall share of 50 per cent in the Indian overseas trade and the share of the public sector in Indian shipping should rise to about 50 per cent from 21 per cent at the end of the Third Plan. The development programmes for the Fourth Plan of the Indian Airlines Corporation envisage an increase in available capacity by 46 per cent and of the Air India by 42 per cent. The programme for *telecommunications* in the Fourth Plan will be installation of 7 lakh additional telephone connections with the necessary equipment being supplied from the existing factory at Bangalore which will be suitably expanded. In addition, work would be started for the setting up of a second factory to be completed early in the Fifth Plan and improvement of trunk services including extension of the trunk lines network to 3,000 new stations.

Of the provision of Rs. 3,620 crores under *social services*, rural works, etc. education and scientific research would account for 43.5 per cent, the shares of health and housing being 30.1 and 11.0 per cent, respectively. In view of the increase in maladjustment between the *education* system and the socio-economic needs of the economy and the existence of shortages of trained personnel side by side with educated unemployed, the highest priority is given to the inclusion of programmes which have direct relationship with production and economic development. Technical education programmes are so worked out as to meet the manpower requirements of the economy largely in the Fifth Plan. Due to shortage of resources, efforts will have to be concentrated on provision of non-formal education also, through correspondence courses, evening colleges etc. Plan outlay on *health* is to be trebled from Rs. 340 crores during the Third Plan to Rs. 1090 crores in the Fourth. Special stress is laid on enlarging training facilities for medical personnel and the programmes envisage nearly a four-fold increase in expenditure on medical care and on education, training and research. Particular efforts would be made to provide water supply and sanitation to rural areas. For a concerted drive to control the growth of population through family planning, the Plan outlay under this head has been raised from Rs. 27 crores during the Third Plan to Rs. 95 crores in the Fourth Plan. For *housing and construction*, Rs. 400 crores are provided under Plan outlay in the public sector, besides estimated investment of Rs. 1,450 crores in the private sector. One of the problems in the implementation of housing programmes is the soaring prices of land. A fair share of the proposed outlay has been earmarked for bulk acquisition and development of land and it would serve as a revolving fund for similar activities.

Concluding Observations :

The essential priorities in determining the size and distribution of outlays in the Fourth Plan are : a substantial increase in agricultural production, an assured supply of basic consumer goods to the people at stable prices and further development of heavy industry. However, while economic growth tends to reduce the traditional disparities, it releases new forces which enlarge the scope for differences in income and wealth in certain parts of the economy. Therefore, while achieving rapid economic growth, a major objective in the Fourth Plan must be to prevent concentration of economic power and the emergence of monopolistic tendencies, progressively reduce the existing disparities in income and wealth and secure basic needs for the bulk of the people.

The broad strategy and approach of planned development is now firmly established. However, in actual execution, a number of policies and programmes have yielded smaller results than was anticipated. One of the most important tasks in the Fourth Plan will be to reduce and, wherever posible, to eliminate the gap between planning and implementation which would require a careful analysis of the operational implications of each developmental programme and appropriate methods of performance budgeting.

APPENDIX II : UNION GOVERNMENT BUDGET PROPOSALS, 1965-66

The Union Government Budget proposals for 1965-66 were presented to the Parliament on February 27, 1965 in the form of the Finance Bill, 1965. The more important features of these proposals as finally adopted by the Parliament in the Finance Act, 1965, are briefly set out below :

A. DIRECT TAXES

I. Corporate Taxation :

(*i*) *Income-tax on Companies :* In the case of companies, a composite rate of income-tax at 80 per cent has been prescribed for the assessment year 1965-66, consequent on the integration of super-tax with income-tax (made up of the pre-merger income-tax at 25 per cent and super-tax at 55 per cent) on incomes other than capital gains. But this is subject to various rebates on different categories of income, corresponding to the rebates of super-tax admissible under the Finance Act, 1964. The additional concessions proposed in the Finance Act, 1965 are:

(*a*) *Concession to Companies in which public are not substantially interested :* In the case of companies in which the public are *not* substantially interested and which are wholly or mainly engaged in the manufacture or processing of goods or construction of ships or in mining or the generation or distribution of electricity, the rate of tax on the first Rs. 10 lakhs of their income has been fixed at 50 per cent, and on the balance of the income at 60 per cent. Under the Finance Act, 1964, only companies whose total income did not exceed Rs. 5 lakhs were eligible to be charged at the rate of 50 per cent and this rate was applied only to the first Rs. 2 lakhs of their total income ; the balance of the income was taxed at 60 per cent. Thus under the Finance Act, 1965, companies at the middle and higher income brackets will also benefit by a reduction of tax liability on the first Rs. 10 lakhs of their income.

(*b*) *Special Rebate :* The area of benefit of special rebate granted to companies engaged in priority industries under the Finance Act, 1964, is enlarged by the addition of new items such as ship-building and also industries engaged in the manufacture of limestone, flame and drip proof motors, malleable iron and steel castings, calcium ammonium nitrate, motor trucks and buses, soda ash, pesticides, automobile ancillaries, seamless tubes, gears, balls (roller and tapered bearings), cotton seed oil, etc. to the list of such articles appearing in Part III of the First Schedule to the Act.

(2) *Export Incentives :* As a measure of export promotion, the Act provides for the grant of a tax credit certificate (exempt from income-tax to the extent of the amount of tax credit certificate) to any person exporting goods or merchandise out of India after February 28, 1965 and receives the sale proceeds thereof in India through recognised foreign exchange channels. The tax credit certificates will be issued by the Reserve Bank of India. The amount of tax credit which will in no case exceed 15 per cent of the value of such exports as well as the goods or merchandise in respect of which such certificates will be issued, will be specified in the scheme being finalised by the Government.

(3) *Tax on Capital Gains arising on Transfer of lands in Urban Areas :* Relief is provided to public limited companies owning an industrial undertaking, from tax on the capital gains arising to them from the transfer of lands and buildings, situate in an urban area, where such transfer has been effected with a view to shifting to any other area. The amount of tax relief will be a proportion of the tax on capital gains, the proportion being determined by the ratio of cost of transfer of machinery and plant, etc., to new areas, bear to the total amount of the capital gains subject to a maximum of the amount of tax on capital gains. This may also help to solve the problem of overcrowding of factories in big cities.

(4) *Tax Credit Certificates :* A scheme has been introduced for granting tax credit certificates to companies engaged in the manufacture or production of any of the articles specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 for a period of five years from 1966-67. The amount of tax credit certificate will be calculated at 20 per cent of the additional corporation tax including surtax paid by any manufacturing company over the corresponding tax paid during the base year, but further subject to the limit of 10 per cent of the overall-tax for the year concerned. Similarly, *tax-free* tax credit certificates will be issued to manufacturers who produce goods during any one or more of the five financial years from 1965-66 in excess of their production during the base year, at an amount not exceeding 25 per cent of the difference between central excise duty paid for the relevant year and the base year. These reliefs are intended to serve as a boost to production of selected industries and also provide resources for expansion of such industries.

(5) *Development allowance to tea plantation industry :* In pursuance of the recommendations of the Tea Finance Committee, a development allowance has been granted to the tea plantation industry of an amount of 40 per cent of the cost of planting tea bushes in a new area, and 20 per cent of the cost of replanting tea bushes in an area already under cultivation.

(6) *Development Rebate :* The following changes under development rebate have been made :

While in respect of new ships and new coal mining machinery installed after March 31, 1965 the existing rate of development rebate at 40 per cent and 35 per cent, respectively, of the cost of the ship or machinery will continue, in respect of other machinery and plant installed after March 31, 1965 there will be two rates of development rebate. A higher rate of 25 per cent will apply in respect of machinery or plant used for the business of shipbuilding or the manufacture or production of any one or more of the articles of priority industries listed in the Fifth Schedule (newly introduced) to the Income-Tax Act. The lower rate of development rebate of 15 per cent will apply to machinery or plant used in all other industries, subject to continuation of the existing general rate of development rebate at 20 per cent in respect of new machinery and plant installed during the period April 1, 1965 to March 31, 1967. However, machinery or plant installed after March 31, 1965 in office or residential accommodation, such as airconditioners, fans, refrigerators, etc., will not qualify for development rebate.

(7) *Preference Shares (Regulation of Dividends) Act, 1960 :* In view of the integration of super-tax with income-tax, a new Section is introduced in the above Act which seeks to provide that in respect of preference shares, the stipulated dividend on which is subject to a deduction by the company concerned of the

income-tax payable by it, the company shall not make a deduction in excess of 25 per cent of the amount of the stipulated dividend on such shares, 25 per cent being the existing rate at which income-tax is chargeable on companies. The object of this provision is to avoid the possibility of a deduction being made by companies from the stipulated dividends on such preference shares at the consolidated rate of income-tax of 80 per cent.

(8) *Companies (Profits) Surtax Act, 964* : Besides a few drafting amendments to the above Act which became necessary in view of the merger of super-tax with income-tax, the two amendments effected in the Third Schedule to this Act are : (1) The aggregate amount of income-tax and surtax on certain categories of companies is limited to 70 per cent of their total income. If the aggregate amount of such tax liability is found to be in excess of the aforesaid limit, the surtax otherwise payable by the company will be reduced by the excess amount. For the purpose of this provision, income-tax will include the amount of income-tax payable by the company with reference to the amount of dividends declared or distributed by it in respect of its equity capital but will not include the income-tax payable by it with reference to bonus shares or bonus issued by it to its shareholders in any year. (2) To the list of articles in paragraph 2 of the Third Schedule to the Companies (Profits) Surtax Act certain new items are added, the profits derived from the production or manufacture of which qualify for a rebate of surtax.

II. Taxation of Registered Firms :

While the rates of income-tax on registered firms remain the same as before, the general rate of surcharge, for the assessment year 1965-66, will be 20 per cent ; however, in the case of a registered firm whose income from profession is not less than 51 per cent of its total income, the surcharge at 20 per cent will be reduced by one-half.

III. Taxation of Co-operative Societies :

In the case of co-operative societies, at present a concessional levy of super-tax at a flat rate of 16 per cent together with surcharge on the super-tax at 12½ per cent on incomes exceeding Rs. 25,000 exists. This is substituted by a separate rate schedule of income-tax (as consolidated with super-tax) under the Finance Act, 1965 because in their case super-tax was charged under the Finance Act 1964 at a concessional rate. A single surcharge on income-tax will be now levied in respect of income exceeding Rs. 25,000 at a uniform rate of 6¼ per cent instead of the three surcharges leviable under the Finance Act, 1964, viz., the surcharge on income-tax on unearned income and earned income, and surcharge on super-tax.

IV Personal Income Taxation :

(*i*) *Simplification of the Structure and Rate Schedule of Income-tax :*

(*a*) The element of super-tax, which is an additional duty on income-tax, has been integrated with income-tax. Consequently, only income-tax and surcharge on income-tax (wherever applicable) will be levied.

(*b*) The existing four rate schedules of income-tax for individuals, Hindu undivided families, unregistered firms and associations of persons, etc., which were necessitated by the prescription of varying amounts of initial slabs of income free of tax, have been abolished. There will be single rate schedule for the assessment year 1965-66, under which tax will be calculated on the entire income without any exemption of an initial slab of income. However, only in the case of resident individuals and Hindu undivided families the tax calculated on the total income will be reduced by specified amounts of tax relief on account of personal allowances which will give a larger relief than the existing tax-free slabs. Incidentally, the personal allowances eliminate the acute discrimination against unmarried women and bachelors.

(*c*) The rates of consolidated income-tax for the assessment year 1965-66 have been reduced at all levels and the income slabs have been regraded. This concession, besides giving relief to the assessees, will improve individual savings also.

(*d*) Changes made in the basis of surcharge on income-tax (on both earned and unearned income) from the existing varying whole ranges of income basis to a slab rate system are intended both to simplify the calculations and to provide relief. Further, surcharge at the proposed rates will be calculated on unearned income itself instead of the existing method of calculation of tax on unearned income for the purposes of levy of surcharge placing such income in the uppermost strata of the assessees' total income which resulted in payment of larger amount of surcharge in respect of unearned income by an assessee having a larger proportion of earned income than by a person having the same amount of unearned income but no earned income or a smaller amount of earned income. Further, interest income derived by individuals and Hindu undivided families from Government securities and Unit Trust of India will be treated as 'earned' income.

(*e*) Taxes on incomes of non-resident non-company assessees have been brought down on par with taxes on income of resident assessees with the exception that they will not be eligible for relief on account of personal allowances or exemption in respect of small incomes granted to resident assessees. Further, the rates at which tax is to be deducted at source from the income of non-resident assessees have been lowered.

(*f*) The exemption from tax on salaries granted to foreign technicians for total period of five years under the Finance Act, 1964 has been now extended to seven years which will enable industrial undertakings in India to avail, for a longer period, of the services of foreign technicians and specialists.

(*g*) The scheme of tax-free tax credit certificates, announced in December 1964, under which individuals and Hindu undivided families, who subscribe directly to equity capital issued by specified public limited companies or purchase shares from underwriters and get registered as shareholders of such companies are given monetary assistance in the form of a tax credit certificate (for an amount calculated at 5 per cent of the amount paid up to Rs. 15,000 ; at 3 per cent of the next Rs. 10,000 and at 2 per cent of the next Rs. 10,000 making in all Rs. 1,250 for a total investment of Rs. 35,000) has been included in the Finance Act, 1965. Such tax credit certificates will be adjusted against the tax dues of the individual or Hindu undivided family and any amount remaining unadjusted at the end of 12-month period will be refunded to the person concerned.

(*h*) With a view to simplifying calculations, the existing rebate of tax on sums paid as life insurance premia, etc., by individuals and Hindu undivided families has been replaced by an outright deduc-

tion of 60 per cent in respect of the first Rs. 5,000 and 50 per cent of the balance of the qualifying amount, the qualifying amount being 10 per cent of the total income, subject to monetary limit of Rs. 12,500 for individuals and Rs. 25,000 for Hindu undivided families.

(*i*) Relief is provided to partners of firms engaged in certain professions (viz., chartered accountants, architects, solicitors, lawyers, etc.) by way of a deduction from the partners' total income of the amount of the premium paid under approved contract of annuity or contributions to an approved fund subject to a limit of 10 per cent of the total income or Rs. 5,000 whichever is lower.

V. Estate Duty:

In respect of estate duty, relief is granted to the assessee, by reducing the existing period of two years to one year for inclusion of property gifted by the deceased in the property passing on his death and further by allowing for total exclusion of such gift property in case the property is gifted prior to a period of five years preceding the date of his death to the spouse, a son or daughter or a brother or sister, if gift tax has been paid on it at the enhanced rates of gift tax in force from 1964-65. It is also provided that if the donor stays in a house which he has gifted to his wife, son or other close relative and there is no right of residence or any other benefit reserved for him, the property will not be included in estate duty if the donor dies after one year of the date of gift.

VI. Gift Tax:

The first amendment to the Gift Tax Act, exempts from the tax a gift made to a temple, mosque, gurdwara, church or other place which has been notified by the Central Government for the purposes of Section 86(6) of the Income Tax Act and also provided they are of historic, archaeological or artistic importance. A gift of property by way of settlement on trust where the income from property is, according to the deed of settlement, to be used exclusively in connection with such a temple, etc., will also be exempted from gift tax. According to the second amendment, where any stamp duty is paid on an instrument of gift of property in respect of which the gift tax payable exceeds Rs. 1,000, the assessee shall be entitled to a deduction from the gift-tax payable by him of an amount equal to the stamp duty so paid subject to a maximum of one-half of the sum by which the gift tax payable before making the deduction for stamp duty exceeds Rs. 1,000.

VII. Wealth Tax:

Two amendments have been made in the Wealth Tax Act 1957, under the Finance Act, 1965 ; the first one exempts for a period of five years, individuals and Hindu undivided families from wealth tax, in respect of the value of equity shares subscribed and paid for by them, which form part of the initial issue of the equity share capital made after March 31, 1964 by a company established with the object of carrying on an industrial undertaking in India. The exemption peried of five years will commence with the assessment year next following the date on which such company commences the operations for which it is established. The second amendment which is aimed at curbing large investments in urban property provides for the levy of an additional wealth tax on assets—buildings or lands other than business premises or any right in such buildings or lands—situated in areas with a population exceeding one lakh, included in the net wealth of an individual or a Hindu undivided family at graded rates on the slab system. This additional wealth-tax will be calculated at the specified rates on the total value of such assets which exceeds certain initial exempted amounts prescribed having regard to the population of the area in which the assets are situated.

VIII. Capital Gains Tax:

The concessions in respect of capital gains tax are :

(1) Tax payable by an equity shareholder in respect of the capital gains represented by the fair market value of the bonus shares allotted to him by the company after March 31, 1964 will be reduced by an amount of 12½ per cent of the face value of such bonus shares.

(2) In order to provide a disincentive for repatriation of funds by foreign investors who sell out their interest in industrial holdings, it is provided that when such persons reinvest within two years of the sale of the shares the sale proceeds in approved industrial securities, rebate of capital gains tax, if any, due on original investment will be allowed in proportion to the amount reinvested.

IX. Unit Trust of India Act, 1963:

The integration of super-tax with income-tax has necessitated two amendments to the Unit Trust of India Act. Firstly, the tax relief in terms of the consolidated income-tax (income-tax inclusive of super-tax) would be limited to what the individual would be entitled to under the existing provisions of the Unit Trust of India Act, 1963. Further, consequent to the integration of super-tax with income-tax, the existing exemption of individuals from deduction of income-tax at source from the dividends paid to them by the Unit Trust, would exempt non-residents from the deduction of the element of super-tax also from the dividends received by them from the Unit Trust of India. To avoid this, the relevant provision is amended to provide that in the case of non-resident individuals, income-tax shall be deducted at source from the dividends received by them on the units, at the rate of 15 per cent.

X. Voluntary Disclosure of Unaccounted Income:

Provision has been made in the Finance Act, 1965, for enabling the voluntary disclosure and payment of tax on an *ad hoc* basis on unaccounted income. Under this scheme, if a person has failed to disclose his income to the income-tax authorities before March 1, 1965, he may declare his income during the period from March 1 to May 31, 1965. The rate of tax payable on such declared income is 60 per cent of such income ; however, for declarant who pays the tax during March 1965 the tax will be 57 per cent. Provision has also been made under the scheme for both granting immunity to the declarant from any assessment or reassessment of the income declared by him and to maintain secrecy as to the name and identity of the declarant.

B. INDIRECT TAXES

Items	Rate of Duty	Additional Revenue (+) or Loss (−) (Crores of Rupees)
1	2	3
I. Union Excise Duties		
Changes in Existing Rates :		
A. *By Bill*		
(1) Manufactured tobacco :		
—Cigarettes of the value not exceeding Rs. 7.50 per thousand	—25 per cent *ad valorem* basic duty and 5 per cent *ad valorem* additional duty (by notification).	+ 0.40
—Cigarettes of the value exceeding Rs. 7.50 but less than Rs. 25 per thousand	—40 per cent *ad valorem* basic duty and 7.5 per cent *ad valorem* additional duty (by notification).	
—Cigarettes of the value exceeding Rs. 25 per thousand	—50 per cent *ad valorem* basic duty and 15 per cent *ad valorem* additional duty (by notification)	
(2) Copper and copper alloys—ingots, bars, blocks, etc.	—Increase in the rate of duty from Rs. 300 to Rs. 1,000 per tonne.	+ 3.65
—Manufactures *viz.*, plates, sheets, circles, etc.	—Increase in the rate of duty from Rs. 500 to Rs. 1,500 per tonne.	
(3) Steel ingots and iron and steel products:		
—Steel ingots	—Increase in the rate of duty from Rs. 50 to Rs. 60 per tonne.	+ 11.41
—Iron or steel products:		
(*i*) Semi-finished steel including blooms, billets, slabs, etc.	—Increase in the rate of duty from Rs. 90 to Rs. 105 per tonne.	
(*ii*) Bars, rods, coils, etc.	—Increase in the rate of duty from Rs. 90 to Rs. 105 per tonne.	
(*iii*) Rails and sleeper bars	—Increase in the effective rate of duty from Rs. 50 to Rs. 60 per tonne and ceiling rate from Rs. 90 to Rs. 105 per tonne.	
(*iv*) Plates	—Increase in the effective rate of duty from Rs. 110 to Rs. 120 per tonne and ceiling rate from Rs. 200 to Rs. 360 per tonne.	
(*v*) Black sheets and hoops	—Increase in the effective rate of duty from Rs. 110 to Rs. 150 per tonne and ceiling rate from Rs. 200 to Rs. 360 per tonne.	
(*vi*) Skelp	—Increase in the effective rate of duty from Rs. 150 to Rs 200 per tonne and ceiling rate from Rs. 200 to Rs. 360 per tonne.	
(*vii*) Strips	—Increase in the effective rate of duty from Rs. 110 to Rs. 200 per tonne and ceiling rate from Rs. 200 to Rs. 360 per tonne.	
(*viii*) Galvanised plates and sheets	—Increase in the effective rate of duty from Rs. 200 to Rs. 300 per tonne and ceiling rate from Rs. 200 to Rs. 360 per tonne.	
(*ix*) Steel castings	—Increase in the effective rate of duty from Rs. 50 to Rs. 60 per tonne. The ceiling rate at 5 per cent plus steel ingot duty remains unchanged.	
(*x*) Seamless pipes and tubes	—Increase in the effective rate of duty from Rs. 110 to Rs. 120 per tonne.	

Items	Rate of Duty	Additional Revenue (+) or Loss (—) (Crores of Rupees)
1	2	3
Subsequently, on March 5, 1965, the Finance Minister announced a reduction in the excise duty on hot rolled strips by Rs. 50 per tonne to equate it with that on hot rolled sheets. Consequently, the duty on cold rolled sheets and cold rolled strips is stepped up and a fixed common rate of Rs. 225 per tonne for these is fixed. The revenue effect of these changes is negligible.		
(4) Aluminium : —Extruded shapes and sections including extruded pipes and tubes	—In the place of existing different rates of duty, a duty of 10 per cent *ad valorem* is proposed ; however, by notification Rs. 800 per tonne is being fixed as the maximum.	—
(5) Tinplate, tinned sheets, etc.	—The existing effective rate of duty of Rs. 150 per tonne plus 10 per cent special duty is proposed to be replaced by a single effective rate of duty of Rs. 225 per tonne.	+ 0.69
	Total of A (By Bill)	**+16.15**
B. *By Notification*		
(1) Cigars and cheroots	—Total exemption from duty.	— 0.14
(2) Vegetable product	—The existing basic duty of Rs. 32 and special duty of Rs. 6.40 per quintal are proposed to be replaced by a single basic duty of Rs. 20 per quintal.	— 7.20
(3) Pigments, colours, paints, etc.	—The cumulative duty is proposed to be reduced to the extent the duty has already been paid or payable on synthetic resins consumed in the manufacture of these paints.	— 0.48
(4) Soap	—It is proposed to double the quantities eligible to be cleared without payment of duty by manufacturers producing soap with the aid of power, provided the annual production does not exceed 500 tonnes.	—
(5) Tyres for motor vehicles	—Full exemption from special excise duty on the first clearance of Rs. 1 crore during any financial year to such manufacturers whose total clearances for home consumption do not exceed Rs. 4 crores in a year. Simultaneously, the existing exemption of 5 per cent *ad valorem* in basic duty granted to manufacturers commencing production on or after April 1, 1962 is being withdrawn.	+ 0.35
(6) Tyres and tubes for cycles (other than motor cycles)	—The basic duty of 15 per cent *ad valorem* or 60 paise per tyre and 15 per cent *ad valorem* or 30 paise per tube and special duty of 20 per cent of basic duty are proposed to be withdrawn completely.	— 1.86
(7) Paper: —Typewriting and certain other lighter and cheaper varieties	—It is proposed to reduce the rate of basic duty from 50 paise to 35 paise and special duty from 10 paise to 7 paise per kg.	— 2.50
—Other cheaper types of printing and writing papers.	—It is proposed to reduce the rate of basic duty from 22 paise to 15 paise per kg.	
—Printing and writing paper used in the publication of registered dailies	—It is proposed to withdraw completely the existing basic duty of 22 paise per kg.	
(8) Rayon and synthetic fibre and yarn: —Cellulosic staple fibre	—It is proposed to reduce the existing rate of basic duty from 75 paise to 60 paise per kg. in the case of 1.5 and coarser denier and from Re. 1 to 60 paise on finer than 1.5 denier. The special duty of 15 paise per kg. on the latter is being withdrawn.	— 0.90
—Yarn spun out of such fibre	—It is proposed to reduce the existing basic duty from 30 paise to 25 paise per kg. on yarn of 22 NF or more but less than 29 NF and from 25 paise to 15 paise on yarn of 14 NF or more but less than 22 NF.	

Items	Rate of Duty	Additional Revenue (+) or Loss (−) (Crores of Rupees)
1	2	3
—Cellulosic filament yarn other than acetate yarn	—The existing two categories of "100d" and "101d-119d" have been integrated into one category and the basic duty proposed is Rs. 4 per kg. against Rs. 4.50 and Rs. 3.00, respectively, at present, while special duty remains unchanged at 50 paise per kg. In the case of category "120d-1100d" the basic duty has been reduced from Rs. 3 to Rs. 2.50 per kg. while as regards category "more than 1100d" the basic duty has been retained at Rs. 2 per kg., but the special duty of 66⅔ paise per kg. has been abolished.	— 1.66
(9) Cotton fabrics	—It is proposed to reduce by 50 per cent the basic grey stage and processing duty on coarse and medium varieties of all "controlled" cotton fabrics.	— 9.76
(10) Power looms	—Instead of total exemption from duty enjoyed by the units with less than 5 looms and the compounded levy rates for units with 5 to 49 looms, it is proposed to charge compounded levy of Rs. 25, Rs. 75, and Rs. 150 per loom per annum for units having upto 4, 24 and 49 looms, respectively.	—
(11) Silk fabrics	—It is proposed to abolish the existing levies of basic duty (36 paise per square metre), special duty (12 paise per square metre) and additional duty in lieu of sales tax (30 paise per square metre).	— 0.11
(12) Silver	—It is proposed to abolish the existing duty of 7 paise per 10 gms.	—
(13) Cycle parts	—It is proposed to abolish the existing duty of Rs. 2 per free wheel and Rs. 4 per rim.	— 2.25
(14) Footwear	—It is proposed to abolish the existing duty of 10 per cent *ad valorem* on footwear and 15 per cent *ad valorem* on parts of footwear.	— 2.60
(15) Gramophones and parts thereof	—It is proposed to exempt mechanically driven gramophones and parts thereof from the existing 20 per cent duty.	— 0·04
	Total of B (By notification)	**—29.15**
	Total of Union Excise Duties I (A+B)	**—13.00**
II. Customs Duties		
(1) Sodium hydro-sulphite	—It is proposed to increase standard rate of duty from 40 per cent to 100 per cent and preferential rate of duty from 30 per cent to 90 per cent.	+ 0.33
(2) Paints, colours, and painters' materials not otherwise specified	—It is proposed to increase standard rate of duty from 60 per cent to 75 per cent and preferential rate of duty from 50 per cent to 65 per cent.	+ 0.30
(3) Essential oils and perfumery not otherwise specified	—It is proposed to increase standard rate of duty from 75 per cent to 100 per cent and preferential rate of duty (for some varieties) from 65 per cent to 90 per cent.	+ 0.22
(4) Paper and certain varieties of board (excluding newsprint, printing and writing paper and some varieties bound under the GATT)	—It is proposed to increase standard rate of duty from 50 per cent to 75 per cent.	+ 0.80

Items	Rate of Duty	Additional Revenue (+) or Loss (−) (Crores of Rupees)
1	2	3
(5) Cotton raw	—It is proposed to increase standard rate of duty from 26 paise per kg. to 50 paise per kg. However, the effective rate of duty of 10 paise per kg. remains unchanged.	—
(6) Art silk yarn and thread (excluding rayon yarn and nylon filaments for tyres)	—The present rate of Rs. 7.50 per kg. or 55 per cent, whichever is higher, is proposed to be increased to Rs. 10.25 per kg. or 75 per cent, whichever is higher.	+ 1.10
(7) Steel tinplates	—It is proposed to increase standard rate of duty from Rs. 100 per tonne plus 5 per cent to Rs. 325 per tonne and preferential rate of duty from Rs. 80 per tonne plus 5 per cent to Rs. 305 per tonne.	+ 1.15
(8) Stainless steel plates and sheets	—It is proposed to increase standard rate of duty from 30 per cent to 100 per cent.	+ 2.60
	Total Customs Duty	**+ 6.50**
Countervailing Duties		
Items in regard to which the additional revenue expected or loss likely to be incurred by way of countervailing duty is Rs. 5 lakhs or over are :		
(1) Art silk yarn and thread		− 0.06
(2) Steel tinplates		+ 0.96
(3) Iron and steel products		+ 2.70
(4) Copper in crude form and certain manufactures		+ 4.40
	Countervailing Duties (net)	**+ 8.00**
	Total Yield from Customs–II	**+ 14.50**
	Total Yield from Indirect Taxes (I+II)	**+ 1.50**

APPENDIX III : STATE GOVERNMENTS' BUDGET PROPOSALS, 1965-66

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

	Estimated yield during 1965-66 (*Lakhs of Rupees*)
I. ADDITIONAL TAXATION AND ADJUSTMENTS IN TAX STRUCTURE	
1. Andhra Pradesh *	
Enhancement of Existing Levies:	
Entertainment Tax	
Suitable enhancement of the existing rates of 20 per cent to 33 1/3 per cent and 16 2/3 per cent to 25 per cent entertainment tax in Hyderabad City and Telengana regions, respectively, for strengthening the finances of local bodies.	**
Land Revenue	
Enhancement of the existing rates of land revenue in respect of sugarcane grown in Andhra area so as to bring it on par with the rates obtaining in Telengana area, with effect from next Fasli year.	**
2. Gujarat	
Enhancement of Existing Levies:	
Sales Tax	
(*a*) It is proposed to transfer crude oil (petroleum in its natural state) from schedule 'E' of the Bombay Sales Tax Act 1959 to Schedule 'C' and levy a sales tax of 6 per cent in the place of the existing rates of 3 per cent sales tax and 3 per cent general sales tax ; it is also proposed to place this item in the list of restricted goods so as not to allow tax-free purchase on recognition under Section 25 of the Act referred to above. ..	24.00
(*b*) Enhancement of the rate of tax on natural gas and associated gas from 2 per cent to 6 per cent. ..	2.60
(*c*) Enhancement of the rates of tax on spare parts and accessories of stoves, pressure lamps, incandescent lanterns and lamps and cookers from 3 per cent sales tax and 3 per cent general sales tax to 5 per cent sales tax and 3 per cent general tax.	@@
	26.60
3 Jammu and Kashmir	
Rationalisation of Tax Structure :	
Sales Tax	
Various adjustments and rationalisation of rates of tax are being contemplated.	
Toll Tax	
It is proposed to substitute the existing toll tax by a system of goods and passenger tax.	**
Electricity Duty	
The Electricity Duty Act, which has not yet taken effect, is proposed to be enforced from April 1, 1965.	
4. Madhya Pradesh	
A. *New Levies :*	
Tax on Advertisements shown in Cinema Theatres	
(*a*) Within the limits of the municipal corporation, the rate of tax is proposed to be 12 paise per slide per show, subject to a maximum of Rs. 4 per slide per month; in other areas, the rate will be 75 per cent of the above.	
(*b*) A tax of 50 paise per trailer per show, subject to a maximum of Re. 1 per trailer per day. ..	4.00
(*c*) A tax of 20 paise per other advertisement film per show subject to a maximum of Rs. 2.50 per film per week.	
Recovery of Service Charges	
(*a*) It is proposed to convert 50 per cent of the beds in the general wards attached to the district hospitals and medical colleges as paying beds and to levy a charge of Rs. 2 per day per bed for persons whose monthly income exceeds Rs. 500	15.00

* The Government of Andhra Pradesh has decided to suggest to municipalities to abolish octroi duties with effect from April 1, 1965 in view of the fact that the net yield from this source is not commensurate with expenditure involved in administration and also because of the harassment involved to small traders, farmers, etc.; however, compensation will be paid to municipalities by Government.

** Revenue effect of these measures has not yet been assessed.

@@ Negligible.

	Estimated yield during 1965-66 (*Lakhs of Rupees*)
(*b*) Recovery of operation fees in hospitals, which at present is confined to Mahakosal region, is proposed to be extended to other regions of the State.	3.00
Toll Tax	
It is proposed to levy a toll on bridges built at a cost of Rs. 5 lakhs or more. ..	8.00
B. *Enhancement of Existing Levies :*	
Sales Tax.	
Increase in the rate of sales tax on diesel from 5 paise per litre to 7 paise..	30.00
Electricity Duty	
Increase in the rate of electricity duty on power used for industrial purposes from 0.80 paisa to 1.00 paisa per unit.	25.00
Entertainment Tax.	
(*a*) Increase in the rate of entertainment tax from 30 per cent to 33 $\frac{1}{3}$ per cent.	
(*b*) Increase in the rate of entertainment tax in respect of cinematographic exhibition from 33$\frac{1}{3}$ per cent to 40 per cent in case of admission fee exceeding Rs. 1.50.	12.00
Export duty	
Increase in the export duty on poppy husk from 10 per cent to 25 per cent per kilogram by notification.	2.00
Registration fees	
It is proposed to raise registration fees by notification.	2.00
Motor Vehicles Tax	
(*a*) It is proposed to amend the Madhya Pradesh Motor Vehicles (Taxation of Passengers) Act, 1959 to make a provision for the compounding of the tax on passenger fares ..	
(*b*) The Madhya Pradesh Motor Vehicles (Taxation) Act is proposed to be amended with a view to preventing the leakage of revenue arising from the existing provisions regarding the rebate in tax for periods for which the vehicles are idle. ..	70.00
C. *Others*	
Receipts in lieu of royalty on coal. ..	45.00
	216.00

5. Rajasthan

	Estimated yield during 1965-66 (*Lakhs of Rupees*)
A. *New Levies :*	
Money Lenders Act	
A table of fees has been prescribed under the Money Lenders Act.	7.00
Sanad Fee	
A *Sanad* fee per Government well for transfer of proprietory rights of Government on the same, to *khatedar* tenants.	20.00
B. *Enhancement of Existing Levies :*	
Sales Tax	
(*a*) Increase in the rate of sales tax on medicines from 2 per cent to 4 per cent and withdrawal of exemption from sales tax in respect of handmade utensils.	10.00
(*b*) A purchase tax at the rate of 10 per cent is proposed to be imposed on opium, which was so far exempt from the tax.	16.00
Excise Duties	
Revision of duties on different varieties of country spirits.	55.00
Entertainment Tax	
The existing rates of tax are enhanced to 40 per cent in respect of admission fee up to Re. 1, 50 per cent in respect of admission fee upto Rs. 2 and 60 per cent in respect of admission fee above Rs. 2.	13.00
Passengers and Goods Tax	
(*a*) Increase in the lump sum payable on goods tax for public carriers by 25 per cent.	16.00
(*b*) Increase in the compounded sum fixed for tempos and taxi cabs by 50 per cent.	1.00
Tax on Motor Spirits	
A uniform rate of 7 paise per litre on high speed and light diesel oil, instead of the existing differential rates. ..	3.00

	Estimated yield during 1965-66 (*Lakhs of Rupees*)
Registration Fees and Stamp Duty	
(*a*) The existing table of registration fees is revised after fixing higher rates on certain items.	2.00
(*b*) Certain changes in the stamp law are contemplated to curb evasion of the levy by recourse to under-valuation of properties.	12.00
C. *Others*	
Receipts under land settlement operations.	18.00
	173.00
I **Total Additional Taxation**	**415.60**

II—CONCESSIONS

1. **Gujarat**	
Sales Tax	
Exemption of ready-made garments costing upto Rs. 10 from sales tax as against the existing exemption to garments costing upto Rs. 5; on ready-made garments costing more than Rs. 10, the rate of levy is made uniform at 4 per cent.	1.60
2. **Jammu and Kashmir**	
Sales Tax	
1) Meals served in hotels, costing upto Re. 1 are proposed to be exempted from sales tax.	
(2) Ready-made garments costing upto Rs. 10 are proposed to be exempted from sales tax.	**
Agricultural Income-tax	
It is proposed to amend the Agricultural Income-tax Act so as to allow an exemption limit of Rs. 5,000 for individuals and Rs. 8,000 for undivided families.	
3. **Punjab**	
Electricity Duty	
Abolition of electricity duty in respect of energy consumed by tube wells and pumping sets used for agricultural operations.	
Sales Tax	
Sales tax on raw materials purchased by industries and on its finished products is proposed to be refunded for an initial period of five years from the date of registration of the unit, subject to such refunds not exceeding in one year 8 per cent of the equity capital of the industry.	**
II **Total Tax Concessions** ..	**1.60**
III **Net Additional Taxation (I—II)** ..	**414.00**

**Revenue effect of these measures has not yet been assessed.

APPENDIX IV : IMPORTANT EXPORT CONTROL/PROMOTION ANNOUNCEMENTS, 1964-65

Item (1)	Month of announcement (2)	Details (3)
		A. Changes in Control
Cotton textiles	April 1964	With effect from June 1, 1964 free licensing of exports of grey cotton piecegoods to the U. K. was withdrawn (with this, free licensing of exports of all cotton textiles to the U. K. was withdrawn). Quotas for the export of finished goods to the U.K. were distributed as follows : (i) Established exporters were allowed quotas not exceeding 50 per cent of their exports during the period December 1, 1962 to November 30, 1963; (ii) The exporters of ready-made garments were allowed quotas to the extent of 200 per cent of ready-made garments exported by them during the period December 1, 1962 to November 30, 1963, (iii) The new manufacturers/exporters were allowed to export the quantity of their outstanding contracts or 20,000 sq. yards whichever was lower.
,,	June 1964	With effect from June 1, 1964 export of one more variety of cotton textiles—towels other than dish towels—to the U.S.A. was brought under control, under the scheme for Licensing of Cotton Textiles of Restricted Varieties for Export to the U.S.A.
		A scheme for Licensing of Cotton Textiles of Restricted Varieties for Export to the U.S.A. during 1964-65 was announced; reserved quotas to be allotted by the U.S.A. Textiles Licensing Advisory Committee to the established exporters on the basis of average exports during 1960, 1961 and 1962. Unreserved quotas in the specified categories (duck and non-duck) would also be issued.
,,	,,	Decision to issue additional quotas for export of restricted categories (reserved/unreserved) to the U.S.A. for the period ending September 30, 1964 and fresh quotas for the period October 1964, to March 1965 ; the conditions relating to minimum price realisation, fixed earlier, both for reserved and unreserved quotas of the category 022 (twill and satin, carded yarn) withdrawn.
,,	December 1964	The scheme relating to licensing of exports of cotton manufactures including garments but excluding cotton carpets, cotton rugs, cotton durries, cotton shawls and all handloom manufactures to the U. K. was announced for the half-year December 1, 1964 to May 31, 1965.
,,	January 1965	Decision to allow export of industrial/wiping towels during 1964-65 to the U.S.A. against export licences on the basis of quota certificates while towels other than these varieties continued to be freely licensed.
,,	,,	Export of cotton textiles (both grey and finished) at prices of Rs. 2 and above per sq. yard f.o.b. to the U.K. was allowed freely upto May 31, 1965. An established exporter who would ship atleast 60 per cent of his quota at the rate of rupee 1 per sq. yard f.o.b. would be granted an additional quota equivalent to the quantity exported by him in excess of 30 per cent of his initial quota. Additional quotas so granted would be valid upto May 31, 1965 for the export of high priced grey goods only of Re. 1 and above per sq. yard f.o.b.
Cotton yarn	December 1964	Extension of the shipment period for export of cotton yarn from India to the U. K. from November 30, 1964 to March 31, 1965 was granted to exporters who effected shipment of 75 per cent of their entire 1964 quotas by December 31, 1964.
		The scheme for licensing of exports of cotton yarn to the U.K. for the year 1965 was announced. The shipment period was fixed from December 1, 1964 to November 30, 1965. Quotas will be allotted on the basis of the total exports to the U. K. during the 12-month period December 1, 1963 to November 30, 1964. Some quotas were reserved for newcomers.
Cotton textiles (Bleeding Madras)	April 1964	Quota of handloom fabrics known as Bleeding Madras released for the period April 1964 to March 1965. Minimum and maximum export prices for the standard variety (60″×40″) remained unchanged at 51-56 cents per yard, which were effective from April 15, 1963.
,,	September 1964	Exports of garments made from handloom Bleeding Madras brought under control with effect from August 29, 1964. The garments were freely licensed for export and were subject to minimum price restrictions. The price for short sleeved sport shirts should not be below $ 22.5 per dozen and the long sleeved shirts should not be below $ 26 per dozen f.o.b.

Item (1)	Month of announcement (2)	Details (3)
Cotton textiles (Bleeding Madras)—*Contd.*	December 1964	Export control was extended to handloom cloth of lungi design of non-fast colour (including those having bleeding properties) and garments made therefrom. Export of Bleeding Madras and non-fast coloured fabrics of specified variety and construction continued to be allowed as before within the quota already released. Export of lungi type handloom cloth of a variety and construction similar to Bleeding Madras specified above and garments made therefrom, however, were not allowed. Export of any lungi type handloom cloth and garments made therefrom, other than those banned, would be licensed freely for exports.
	February 1965	Basic annual export quota for 1965-66 and onwards to established shippers allowed on the basis of actual shipments made during the best performance year out of the six calendar years 1959-64, subject to the condition that export prices would be within the floor and ceiling prices of Rs. 2.50 and Rs. 3.00 per linear yard (f.o.b.) Indian port. The revised prices would be effective from April 1, 1965 onwards.
Textile cloth and materials thereof, of olive green shade	September 1964	Ban on the export of textile cloth and materials thereof, of olive green shade was lifted with effect from September 30, 1964 ; exports of the same were allowed on merits.
Garments and ready-made articles of rayon and man-made fibre fabrics	August 1964	The ban on exports of garments and ready-made articles of rayon and man-made fibre fabrics was lifted with effect from August 24, 1964 ; exports of the same were, however, brought under control and allowed on merits.
Natural silk (including Tussar and of mixed fabrics)	December 1964	Exports of garments and ready-made articles of natural silk (including tussar and mixed fabrics) were brought under control with effect from December 1, 1964, and exports were allowed on merits. Exports of real zari-woven materials were also brought under control excepting (*i*) imitation and real zari gold and silver thread, (*ii*) zari embroidery materials, (*iii*) zari woven materials, (*iv*) embroidered pieces and (*v*) zari bangles.
,,	,,	Control on exports of ready-made articles of natural silk (including tussar and mixed fabrics) and of imitation and real zari materials was lifted with effect from December 19, 1964. Thus, the ban on the export of garments and ready-made articles of rayon and man-made fibre fabrics continued with the exception of zari items like (*i*) imitation and real zari gold and silver thread, (*ii*) zari embroidery materials, (*iii*) zari woven materials of the specified types but excluding zari woven sarees etc. and (*iv*) zari embroidered pieces of specified types.
Silk waste	January 1965	Quantum of exports of silk waste by an exporter was raised from two times to three times of the quantity sold to the Spun Silk Mill located at Chennapatna in Mysore State.
Raw cotton	August 1964	With effect from September 1, 1964, export of Bengal Deshi cotton would be allowed during 1964-65 cotton season on shipping bills accompanied by certificates from the Textile Commissioner's Appeal Committee, (Export quotas are now discontinued).
Mica	August 1964	Export floor prices for specific varieties of mica declared earlier during February and March 1964 were to be treated as exclusive of commission payable to foreign agents, which would be charged over and above the floor prices.
,,	September 1964	Certain additional specified varieties of mica splittings were allowed for exports with effect from September 24, 1964 at/or above the declared minimum f.o.b. price.
,,	December 1964	Exports of certain additional varieties of mica and mica splittings were brought under control with effect from December 10, 1964, exports being allowed on merits. Minimum f.o.b. export prices were fixed for these varieties of mica splittings.
Cardamom	October 1964	The current minimum and maximum export prices of various grades of cardamom were regarded as inclusive of a selling commission payable by exporters to their foreign agents provided the commission did not exceed 2½ per cent of the c.i.f. price which would be worked out by adding 7½ per cent to the f.o.b. price, irrespective of destination.
Guar seed	September 1964	Exports of guar seed (whole) were banned with effect from September 17, 1964.
Ethyl alcohol or rectified spirit	April 1964	Exports of ethyl alcohol or rectified spirit were brought under control with effect from April 9, 1964 and allowed on merits.

Item (1)	Month of announcement (2)	Details (3)
Ferrous scrap and finished steel	April 1964	Announcement of the export policy for the period April-September 1964. Licences would be issued for the export of ferrous scrap upto an overall quota fixed by the Iron & Steel Controller. Established exporters were allowed quotas on the basis of their best year's performance during the previous three years for the export of scrap excluding skull scrap and detinned scrap. Exports of cast iron skull scrap and heavy melting scrap would not be allowed. Exports of No. 1 quality sheet cuttings would be allowed subject to a maximum of 20% of No. 2, 2a and 3 quality sheet cuttings. Detinned scrap allowed to the exporters without any quantitative restrictions. Exports of rolled steel materials allowed during the half-year period ending September 1964. Two lists, one giving details of materials available freely for exports and the other giving materials available in limited quantities for exports were also announced. Materials other than those specified in these two lists were, however, not available for exports.
,,	November 1964	Announcement of the export policy for the period October 1964 to March 1965. Quotas to be based on the best year's exports during the last three years. Export licences issued only upto the ceiling of the export quotas fixed for the period October 1964 -March 1965. Against actual earnings of foreign exchange, by export of ferrous scrap, exporters were allowed to import finished steel. Exports of cast iron, skull scrap and heavy melting scrap were not allowed. Exports of rolled steel material were also allowed subject to certain conditions.
Metallurgical residues ; ashes of copper and zinc.	May 1964	Exporters of residues/ashes of copper and zinc were required to furnish to the port licensing authorities a declaration stipulating that the (export) price of the material would be L.M.E. price of the virgin metal on the date of shipment plus 5%.
Metallurgical residues *i.e.* drosses, skimmings, slags, ashes, slimes, and flue dust of silver	August 1964	Export control was extended to metallurgical residues of silver *i.e.* drosses, skimmings, slags, ashes, slimes and flue dust with effect from August 8, 1964.
Iron & Steel—cast iron pipes and fittings	May 1964	Exports of cast iron pipes and fittings decontrolled with effect from May 30, 1964.
Woollen and carpet yarn produced from indigenous wool	May 1964	Ban on the export of woollen and carpet yarn produced from indigenous wool lifted with effect from May 12, 1964.
Wood and timber	May 1964	Export policy announced for 1963-64 would be followed during 1964-65 except for the following changes (*a*) sandalwood exports would be freely licensed on production of certificates of origin, (*b*) exports of Andaman Timber would not be allowed and (*c*) export quota for rosewood was raised from 10,000 cubic tons to 12,500 cubic tons.
Lemon grass oil	June 1964	Exports of lemon grass oil to be canalised through the State Trading Corporation of India from May 30, 1964 and export floor prices fixed earlier were withdrawn with effect from June 1, 1964.
Deoiled rice bran	June 1964	Exports of deoiled rice bran were decontrolled and certain specifications were laid down for exportable variety.
Deer horns (including parts and produce)	June 1964	Exports of deer horns (including parts and produce) shed or dropped were allowed without any ceiling. The horns of shot deer were, however, not allowed to be exported.
,,	October 1964	Exports of finished articles made from the horns of deer and stag were allowed subject to the production of a general certificate from the Divisional Forest Officer to the effect that only the shed or dropped horns were being used.
Seedlac, shellac and all other forms of lac and manufactures thereof	June 1964	Decision to withdraw the condition of 25% compulsory offtake of seedlac against exports of seedlac, shellac, etc. from the State Trading Corporation's stocks.
Lac	January 1965	Exports of lac, shellac, etc. were allowed subject to prescribed minimum export selling prices and f.o.b. charges, thus superseding all the earlier instructions. However, exports of brood lac and lac containing living insects were not allowed.
Cashewnut and Indian plum plants	June 1964	Exports of cashewnut plants and Indian plum plants were banned with effect from June 27, 1964.

Item (1)	Month of announcement (2)	Details (3)
Vegetable oils	July 1964	With effect from July 11, 1964 exports of coconut oil, cottonseed oil, groundnut oil, kardiseed oil, nigerseed oil, salad oil, sesameseed oil were brought under control. Similarly, exports of vegetable products or hydrogenated oils were also brought under control. Exports of these products to be allowed on merits.
Kardiseed, nigerseed, and sesameseed	July 1964	Exports of kardiseed, nigerseed and sesameseed were brought under control with effect from July 20, 1964.
Cinematographic films (exposed)	July 1964	Exports of cinematographic films (exposed) were brought under control with effect from July 22, 1964 and allowed freely subject to registration of contracts by the Joint Chief Controller of Imports & Exports at the ports of Bombay/Calcutta/Madras. Contracts were required to indicate the price paid to the producer, the price agreed to by the foreign buyer together with the foreign territorial distributional rights for the film.
,,	August 1964	Exporters of cinematographic films (exposed) while applying for registration of contracts were required to furnish details of (*i*) amount paid to the producer for obtaining distribution right and (*ii*) amounts received/to be received from the foreign buyers in lieu of distribution rights for the picture abroad etc. on a prescribed form.
Cobra/Viper and other snake venoms	July 1964	Exports of cobra/viper and other snake venoms were banned with effect from July 25, 1964.
Dhanicha and Barseen seeds	August 1964	The ban on exports of dhanicha and barseen seeds was lifted with effect from August 15, 1964 and these were brought under control.
Sun hemp seed	November 1964	Ban on exports of sun hemp seed was lifted with effect from November 7, 1964. Exports of the same were allowed on merits.
Raw goatskins, wet and salted.	January 1965	The basic export quota for 1965 for raw goat skins, wet and salted, was reduced from 55% to 50% of their best year's exports during any of the calendar years, 1954-58 and minimum quota per shipper was reduced from 1.25 lakh pieces to 1.10 lakh pieces.
H. P. S. groundnut kernel	January 1965	Exports of H. P. S. groundnut kernel were banned with effect from January 1, 1965.
Flue cured virginia tobacco	January 1965	Decision to continue free licensing of flue cured virginia tobacco of 1965 and 1966 crops subject to the prescribed maximum/minimum export prices for different grades.

B. Other Export Promotion Measures

1. *Abolition of Export Duty :* Export duty of Rs. 25 per bale on Bengal Deshi cotton was abolished with effect from August 31, 1964 ; simultaneously, it was also decided to abolish the quota system and allow free licensing of Bengal Deshi cotton for export during the 1964-65 season.

2. *Compulsory Quality Control and Preshipment Inspection :* The scheme was extended to exports of (*a*) mica with effect from August 1, 1964 and (*b*) Some varieties of fish and fish products with effect from February 1, 1965. Jute goods and tussar fabrics were brought under compulsory quality certification from January 1, 1965.

3. *Removal of monetary ceiling :* The ceiling of Rs. 15,000 per loom, per year on the level of exports of rayon and synthetic fibre fabrics for claiming import entitlements which was raised in August 1962 (from the earlier level of Rs. 7500) was withdrawn with effect from June 3, 1964.

4. *Institutional Developments :* (*a*) The Metal Scrap Trade Corporation, a joint enterprise of (*i*) the Minerals and Metals Trading Corporation, (*ii*) the ferrous scrap collecting and exporting interests, and (*iii*) the domestic users of scrap, holding equal shares was set up on September 9, 1964. The Corporation will undertake collection and processing of ferrous scrap both for domestic use as well as for export, through a country-wise net work of agencies and also by providing equipment facilities. (*b*) Rayex (India) Pvt. Ltd. a co-operative enterprise of the Silk and Rayon industry and trade was set up in March 1965. Sponsored by the Silk and Rayon Export Promotion Council, Rayex will undertake exports of silk and rayon products supplementing the existing export effort of the Council.

5. *Fiscal Incentives:* In the Finance Bill for 1965, a provision has been made for granting tax credit certificates to exporters with a view to (*i*) giving an edge of competitiveness to Indian exports in the world markets and (*ii*) providing direct financial assistance to exporters on a discriminatory basis. According to this proposal, a tax credit certificate for an amount upto a maximum of 15% of the value of export proceeds realised in India (irrespective of any profit earned on such transaction) would be granted to an exporter in respect of goods exported after February 28, 1965. The amount shown in the certificate is adjustable against the existing liability of the exporters on account of Indian Income tax or the liability arising within a period of twelve months from the date of presenting the certificate to the Income-tax authority. The rates of tax credit certificates in respect of different commodities as announced by the Government on July 17, 1965 are as below :

	Commodities	Rate at which tax credit is granted
1.	(*a*) Jute Manufactures. (*b*) Tea (loose), other than green tea. (*c*) Cashew kernels in consumer packing of 2 kg. and less. (*d*) De-oiled rice bran.	2%
2.	(*a*) Tea in consumer packs of 1 kg. and less. (*b*) Green tea. (*c*) Calcined Magnesite.	5%
3.	(*a*) Iron ore fines (raw, washed or pelletised). (*b*) Lumpy iron-ore originating from points (Mines) whose nearest loading point is not less than 200 kilometres away from the port of loading irrespective of the mode of transport between such loading point and such port. (*c*) Coal. (*d*) Fresh fruits. (*e*) Surgical cotton and dressings. (*f*) Guar gum refined, pulverised or treated. (*g*) Myrobalan fruit extract. (*h*) Crushed bones. (*i*) Refractories. (*j*) Tiles of earthenware.	10%
4.	(*a*) Manganese ore containing 48% or less of manganese (Mn). (*b*) All mineral ores other than iron and manganese ores. (*c*) Ferro-manganese. (*d*) Alcoholic beverages. (*e*) Processed mica powder.	15%

APPENDIX V: IMPORTANT ANNOUNCEMENTS IN REGARD TO IMPORT CONTROL POLICY, 1964-65

Item	Month of Announcement	Details
(1)	(2)	(3)
		I. Import Policy : General
1. Policy for 1964-65	March 1964	The salient features of the import policy for 1964-65 have been broadly described in Chapter VI of the Report. The more important of the details are set out below :- 1. *Policy in respect of actual users :* (a) Widening of the scope of annual licensing to cover all items permissible to actual users for covering their industrial requirements with the exception of capital goods, raw jute, cashewnuts, raw wool, raw cotton, jute and textile machinery ; the annual licences would, however, be subject, as usual, to a half-yearly review ; (b) addition of 14 items, e.g., sperm oil, ring travellers etc., to the list of items permissible for actual users. 2. *Policy in respect of established importers :* (a) Increase in the quotas for 17 items, including, among others, steel belt lacing other than alligator type, drugs and medicines like bottled penicillin and its preparations, homoeopathic medicines, machine cloth, arms and ammunitions, etc., (b) reduction in the quotas for about 12 items like filter paper, carbon brushes, speedometer cables etc., and banning of imports of highly polished zinc sheets, component parts of knitting machines, oxalic acid, silk or artificial silk goods used for medical purposes, rubber chemicals, etc. 3. *Policy in respect of consumers' co-operatives :* The scheme of licensing specified goods to consumers' co-operative societies was replaced by a new scheme allowing imports of a few selected consumer goods during 1964-65 within a limited ceiling through wholesale/central stores organised by the Ministry of Community Development and Co-operation for distribution to consumers' co-operative stores. 4. *Changes in face value restrictions:* (a) Imposition of face value restrictions in respect of studio electric and projector bulbs, photographic negatives and printing paper, excluding X-Ray films, hearing aid and parts thereof etc., and (b) liberalisation of face value restrictions in respect of garage tools, books, power-driven road rollers and component parts thereof. 5. *Extension of the scope of import policy:* As the provisions of the Imports and Exports (Control) Act, 1947, were already extended to Goa, Daman and Diu in September 1963, provisions of the import policy for 1964-65 were also made applicable to Goa, Daman and Diu.
2. Policy for October 1964—March 1965	October 1964	*Policy for established importers:* No cuts were effected in the quotas originally sanctioned for 1964-65. It was also decided that annual licences granted to established importers need not be presented for endorsement regarding the utilisation of second half of the licence. The validity period of licences meant for utilisation in the second half was extended by another six months.
	December 1964	*Policy for actual users:* Announcement of the decision to impose certain cuts in the quotas for the second half of the annual licences issued to both the scheduled and non-scheduled sectors including small scale industries. Actual users were, therefore, called upon to submit their licences for effecting the cuts and for endorsement of the second half of the licence. However, annual licences upto the value of Rs. 5,000/- were not subjected to any cuts.
3. Regulatory Customs Duty	February 1965	Imposition of a regulatory customs duty of 10 per cent *ad valorem* on all imports, with the exception of foodgrains, fertilisers, pesticides, books and accessories for family planning.*
4. Open General Licence No. IV	September 1964	The inclusion of free gifts of books upto a value of Rs. 250, containing technical know-how, scientific data, etc., required by industrial concerns for their own use under Open General Licence No. IV.

* Subsequent additions to the list of items exempted from the regulatory import duty of 10 per cent *ad valorem* are raw jute, exposed cinematograph films and soyabean oil.

Item (1)	Month of Announcement (2)	Details (3)
		II. Policy in Regard to Important Individual Items
A. RAW MATERIALS AND COMPONENTS		
1. Newsprint	April 1964	Imposition of cuts ranging from 7.5 per cent to 12.5 per cent in the entitlements to newspapers and periodicals consuming over 500 tonnes of newsprint per annum.
2. Scientific instruments, etc.	April 1964	Decision to permit scientific instruments, X-ray and electro-medical industries to convert their A.U. licences for raw materials (other than iron and steel) or components to the extent of 10 per cent of the face value thereof for import of iron and steel items other than utensil gauge stainless steel sheets.
3. Rubber thread	May 1964	The import of cotton/rayon/nylon covered rubber thread not to be allowed to actual users in view of adequate domestic production.
	July 1964	Decision to allow the import during 1964-65 of bare rubber thread of over 60 gauge to actual users in consultation with the Textile Commissioner, Bombay.
4. Aluminium piston assemblies	August 1964	Decision to allow imports of aluminium piston assemblies of 6" diameter and less (including oversizes) upto 40 per cent of the face value of quota licences for piston assemblies.
5. Transistors and diodes	November 1964	Decision to allow actual users to import transistors and diodes upto 20 per cent within the 50 per cent portion of licences endorsed for import of component parts of valve type radio receivers, Janta radios and upto 20 per cent of the face value of licences for component parts of transistor radio receivers.
	February 1965	Decision to allow the import of components for the manufacture of transistor radio receivers upto the full face value of the licences against A.U. licences granted for the import of component parts of radio receivers to small scale units, provided the price of such transistor sets did not exceed Rs. 250 inclusive of excise duty.
6. Float glass	December 1964	Permission granted to import float glass against licences granted to actual users for the import of plate glass in view of their interchangeability in the manufacture of mirrors.
B. CONSUMER GOODS		
1. 'Sides' of Plastic spectacle frames	May 1964	Decision to allow imports of 'sides' of plastic spectacle frames upto 20 per cent of the face value of licences for hearing-aids and parts thereof.
2. Cameras other than box cameras	May 1964	Decision to allow imports during 1964-65 of cameras other than box cameras, costing Rs. 500 or above, upto 20 per cent of face value of the licences for photographic instruments, appliances, etc.
	September 1964	The value of cameras, other than box cameras which were being allowed to be imported upto 20 per cent of the face value of quota licences for photographic instruments, apparatus etc. reduced from Rs. 500 or above to Rs. 250 or above.
3. Dates	June 1964	Decision to issue additional licences to established importers for the import of dates in sailing vessels from Iraq during the licensing period April-September 1964 in order to reach the import target by September 30, 1964.
	,,	Decision to grant licences to established importers for the import of dates from Saudi Arabia, Muscat and other Persian Gulf Ports, excluding Iran and Iraq, by sailing vessels.
	,,	Decision to allow the import of dates in steamships also upto August 31, 1964 on account of the monsoon.
	July 1964	Validity of the licences for the periods October 1963—March 1964 and April—September 1964 for the import of dates from Iraq by sailing vessels extended upto December 31, 1964.
	October 1964	Decision to grant licences to established importers on an annual basis for the import of dates from Iraq.

Item (1)	Month of Announcement (2)	Details (3)
B. Consumer goods—(*Contd.*)		
3. Dates—(*Contd.*)	December 1964	Decision to grant licences on an annual basis (October 1964—September 1965) to established importers for the import of dates from Saudi Arabia, Muscat and other Persian Gulf Ports excluding Iran and Iraq, on condition that imports upto at least 60 per cent of the face value of the licence would be effected in sailing vessels.
4. Photographic flash bulbs	August 1964	Enhancement of the face value limit for import of photographic flash bulbs from 7½ per cent to 20 per cent of the quota licence for photographic negatives and printing paper.
5. Cinematograph films—exposed	December 1964	Decision to allow, in addition to the original quota of 10 per cent allowed to the established importers for 1964-65, also imports of exposed cinematograph films, provided such films have won awards at the major international festivals or are considered to be films of good quality.
C. MACHINERY		
1. Cinema machinery	October 1964	Decision to allow established importers to import hardware items required for the maintenance of cinema machinery and equipment, not otherwise banned, upto 2 per cent of the face value of the quota licences for film studio equipment and sound and projection reproduction equipments and their spare parts.
	December 1964	Decision to allow imports of F. H. P. Motors and Non-synchronous attachments required for the maintenance of cinema machinery and equipment to established importers upto 1.5 per cent of the face value of the quota licences for cinema machinery and parts thereof.
		III. Specified Items from Certain Agreement Countries
1. Afghanistan:		
(i) Fruits, all sorts—excluding coconuts, dates and cashewnuts, fresh, dried, salted or preserved, asafoetida, cuminseeds and medicinal herbs.	February 1965	Decision to issue permits for the import of specified items, within a fixed-monetary ceiling from Afghanistan during the trade agreement period, namely, February 1, 1965, to January 31, 1966, by approved importers as well as newcomers. The latter, however, had to undertake to export non-traditional items of equal value to Afghanistan.
(ii) Hides and skins	February 1965	Decision to issue permits for import of hides and skins from Afghanistan during the agreement period (1965-66) freely both to established importers and newcomers.
2. Iran:		
Dry fruits etc.	April 1964	Decision to grant *ad hoc* licences to eligible established importers for the import of specified items during April—September 1964 within the monetary ceiling fixed for each item. The licences were to be valid for importation either by sailing vessels or land routes.
	June 1964	Decision to allow imports of specified items from Iran in steamships as well, between June to August 31, 1964 in view of the rough monsoon seas.
	,,	Extension of the validity period of April—September 1964 licences upto November 30, 1964.
	November 1964	Grant of permission to import in steamships dates from Iran upto 40 per cent of the face value of the licence and also other dry fruits upto the full value of the licence.
	January 1965	Decision to grant *ad hoc* licences valid till April 15, 1965, to eligible established importers provided that at least 60 per cent of the imports of dates were effected in sailing vessels.
	February 1965	Extension of the validity period of licences from April 15, to July 15, 1965.

Item (1)	Month of Announcement (2)	Details (3)
3. Pakistan:		
A: Open General Licences for import from Pakistan of:	March 1964	Issue of Open General Licence No. LXXVI valid till June 30, 1964, for the import of specified items. Imports of fish of all sorts permitted only from East Pakistan.
(i) Fish, salted, wet, (ii) Fish, not otherwise specified, and (iii) Hides and skins raw or salted	June 1964	Issue of Open General Licence No. LXXVII, valid till September 30, 1964.
	September 1964	Issue of Open General Licence No. LXXVIII, valid till March 31, 1965.
B: Fresh Fruits	July 1964	*Ad hoc* licences upto a ceiling of Rs. 20 lakhs to be issued for utilisation before the end of September 1964 for the import of fresh fruits subject to the condition that payments would be made in non-convertible Indian Rupees through a special account opened by the National Bank of Pakistan, Karachi with the State Bank of India, New Delhi.

APPENDIX VI : TARIFF COMMISSION'S RECOMMENDATIONS, 1964-65

Industry	Purpose	Main Observations of the Commission	Government's Action on the Recommendations
1	2	3	4
		A. Tariff Inquiries	
1. Titanium dioxide	Continuance of protection	Protection granted to the industry to be extended for a further period of 3 years upto December 31, 1967 but at reduced rates of duty, *viz.*, 35 per cent *ad valorem* standard and 25 per cent *ad valorem* preferential (as against 45 per cent *ad valorem* standard and 35 per cent *ad valorem* preferential, previously).	Not accepted since Government felt that the industry had made sufficient progress and there was no likelihood of unhealthy competition from imports. Existing protective duty was converted into a revenue duty.
2. Calcium carbide	,,	Protection granted to the industry to be continued for two more years at the existing rates of duty i.e. 50 per cent *ad valorem* exclusive of surcharge, upto December 31, 1966.	,, ,, ,,
3. Soda ash	,,	Protection granted to the industry to be continued at the existing rates of protective duty *viz.*, Rs. 11·32 per quintal (standard) and Rs. 8·37 per quintal (preferential), exclusive of the additional duty and countervailing excise duty for a further period of three years upto December 31, 1967.	Not accepted.
4. Caustic soda	,,	Protection granted to the industry to be continued at the existing rates of duty *viz.*, 70 per cent *ad valorem* preferential and 80 per cent *ad valorem* standard, exclusive of the surcharge and the countervailing excise duty for a further period of three years upto December 31, 1967.	Not accepted. But the existing statutory rates were continued which, as a result of the addition of tariff values with effect from December 1, 1964, were fixed at 40 per cent *ad valorem* preferential and 50 per cent *ad valorem* standard.
5. Aluminium	,,	(i) Protection granted to aluminium ingots, bars etc., and aluminium manufactures to be continued at the existing rates of protective duty of 35 per cent *ad valorem* exclusive of surcharge and the countervailing excise duty for a further period of four years upto December 31, 1968.	Accepted.
		(ii) The existing concessional duty of 20 per cent *ad valorem* standard and 10 per cent *ad valorem* preferential on imports of alumina to be continued for a further period of four years upto December 31, 1968.	Accepted.
6. Dyestuffs	,,	(i) Protection granted to (*a*) stabilised azoics, (*b*) solubilised vats, (*c*) acid and direct azo dyes and (*d*) sulphur black to be continued at existing rates of duty of 20 per cent *ad valorem* for a further period of three years upto December 31, 1967.	Accepted.

Industry	Purpose	Main Observations of the Commission	Government's Action on the Recommendations
1	2	3	4
		(ii) Protection should be granted to the following new items of dyestuffs till December 31, 1967 at the following rates :	The Government agreed to the grant of protection for these dyestuffs but considered that standard protective rates should not exceed 75 per cent *ad valorem* and hence refixed the rates as follows :
		(*a*) Naphthols 50 % *ad valorem*	
		(*b*) Fast colour bases 100 % *ad valorem*	(a) Fast colour bases 75 % *ad valorem*
		(*c*) 2-Amino-anthroquinone { 45 % *ad valorem* (preferential); 55 % *ad valorem* (standard) }	
		(*d*) Benzanthrone { 90 % *ad valorem* (preferential); 100% *ad valorem* (standard) }	(b) Benzanthrone { 65 % *ad valorem* (preferential); 75 % *ad valorem* (standard) }
		(*e*) Beta-oxy-Naphthoic acid. { 70 % *ad valorem* (preferential); 80 % *ad valorem* (standard) }	(c) Beta-oxy-Naphthoic acid { 65 % *ad valorem* (preferential); 75 % *ad valorem* (standard) }
		B. Price Inquiry	
Electric lamps and fluorescent tubes	Fixation of selling prices	Recommended a schedule of fair selling prices for (1) general lighting service lamps and train lamps, (2) fluorescent tubes, (3) high pressure mercury vapour lamps and (4) miniature lamps. These prices were exclusive of Union excise and State and Local levies, if any, but inclusive of duties on glass shells and other materials used in the process of production.	The Government decided to withdraw the duty-free concession in respect of lamp-making raw materials and component parts and correspondingly upgraded the selling prices recommended by the Commission for the various categories of lamps.
		(ii) The practice of stamping prices on lamp cartons adopted by some producers should be followed by all producers uniformly and retail prices should, to the extent possible, be stamped on lamps so as to have control on re-sale prices. The producers should try to arrange with distributors and selling agents to impose control over margins so that the retail prices could be effectively implemented in the interests of consumers.	The Government agreed that all lamp manufacturers should follow the practice of stamping the retail prices on lamp cartons to enable the consumer to know the fair prices.

APPENDIX VII : TRADE AGREEMENTS, 1964-65

Country	Date of Agreement	Duration	Commodity Details	Other Particulars
(1)	(2)	(3)	(4)	(5)
Afghanistan	January 1, 1965	Valid upto January 31, 1966	*Imports :* (1) Schedule 'A'.– Dry and fresh fruits, asafoetida, cuminseeds, 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, bulldozers, compressors, wood working machinery, generators, drugs, medicines and all other items not included in Schedule 'B'.	The trade arrangement for 1964 was agreed to be continued for one year upto January 31, 1966 with certain modifications.
Bulgaria	November 3, 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.	This is a trade arrangement for 1965 made in terms of the trade and payments agreement concluded on February 14, 1964.
Ceylon	January 15, 1965		*Imports :* Copra, coconut oil, natural rubber. *Exports :* Dried fish, tamarind, Sukkarai and non-traditional items like drugs and medicines, type-writers, scientific instruments, insulated cables and wires, electric motors, printing machinery, agricultural implements, glassware and plywood.	This is a trade arrangement for 1965 made under the trade agreement of October 28, 1961.
Czechoslovakia	October 24, 1964		*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.	This is a trade arrangement for 1965 made in terms of the trade and payments agreement concluded on November 7, 1963.
German Democratic Republic (East Germany)	September 12, 1964	Valid for a period of three years i.e. upto December 31, 1967 (renewable by mutual consent)	*Imports :* Chemicals, fertilisers, machine tools, plant and industrial equipment, chemical plant and equipment, shipping vessels and equipment, laboratory equipment and scientific instruments, etc. *Exports :* Tea, coffee, tobacco, iron ore, mica, other minerals and allied materials, de-oiled cake, cashew kernels, jute manufactures, pepper, storage batteries, chemicals, manufactured goods, engineering goods and handicrafts.	Payments to be made in non-convertible Indian rupees. Trade plans for the year 1965 and 1966 have been made.

Country (1)	Date of Agreement (2)	Duration (3)	Commodity Details (4)	Other Particulars (5)
Greece	February 25, 1965	Valid upto December 31, 1965	*Imports :* Olive oil, honey, wines, sulphur, agricultural machinery and tools, electric motors, diesel engines, etc. *Exports :* Jute goods, vegetable oils, tea, coffee, spices, hides and skins, shellac, cashewnuts, etc.	This is a further renewal of the trade agreement originally signed in February 1958.
Hungary	November 10, 1964.		*Imports :* Capital goods and machinery for small scale industries, heavy electrical generating sets, pneumatic and precision tools, railway and signalling equipments, 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.	This is a trade arrangement made in terms of the trade and payments agreement concluded on November 22, 1963.
Italy	July 7, 1964	Valid upto June 30, 1965 and thereafter it would continue to be valid for one year at a time until terminated by either party.	*Imports :* Dairy products, fruits, woollen manufactures, silk fabrics, machinery and spare parts, motor cycles, etc. *Exports :* Tea, coffee, tobacco, spices, mica, handicrafts, chemical products, electric motors and pumps.	This is an extension of the 1959 trade agreement. It incorporates revised schedules of export-import commodities.
Iraq	November 22, 1964	Validity period extended from July 3, 1965 to September 30, 1966 and shall continue to remain in force unless terminated by either party	*Imports :* Dates, dry fruits, goat skins and washed wool, etc. *Exports :* Tea, engineering items, chemicals, handicrafts, electrical goods, machines, etc.	This protocol extends the trade agreement of December 13, 1962.
Jordan	November 15, 1964	Valid for three years i.e. upto December 31, 1967.	*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 art-silk fabrics, plastics and sports goods, leather and leather manufactures, mica, etc.	This protocol extends the trade agreement concluded on July 18, 1963.
Poland	June 18, 1964		*Imports :* Machine tools, mining machinery, capital goods, rolled steel products, textile machinery, heavy earth moving equipment, etc. *Exports :* Iron ore, manganese ore, mica, tea, de-oiled cakes, engineering goods, cotton-textiles, jute goods, etc.	This is a trade arrangement for the years 1965 and 1966, made in terms of the trade and payments agreement of December 18, 1963.

Country (1)	Date of Agreement (2)	Duration (3)	Commodity Details (4)	Other Particulars (5)
			A. Protocol I	
Pakistan Protocols I & II to the 1963 Agreement.	July 17, 1964.		*Imports :* Joshi and Kangni rice worth Rs. 365 lakhs by the end of December 1964. *Exports :* Coal, bidi leaves, spices, lime stone, umbrella fittings, stone boulders, crude drugs and railway equipment.	Payments to be settled in non-convertible Indian rupees for commodities covered under these protocols. For this purpose, two bilateral accounts were opened with the State Bank of India, New Delhi.
			B. Protocol II	
			The two countries have agreed to exchange fresh fruits to a limited extent worth Rs. 50 lakhs.	
Protocol I of 1965 to the 1963 agreement.	January 11, 1965		*Imports :* Joshi and Kangni rice worth Rs. 260 lakhs. *Exports :* Coal, bidi leaves, spices, lime stone, umbrella fittings, crude drugs, railway equipment, stone-boulders, tea, machinery, khari salt, law books, etc.	Payments for rice are made into a non-convertible Indian rupee account from which Indian exports are financed.
Republic of Korea (South Korea).	April 29, 1964	Valid for two years i.e. upto April 28, 1966 and shall continue to be in force unless terminated by either party.	*Imports :* Schedule 'A'—Raw Silk, rubber products, paper including newsprint and paper-boards, ceramics, farming machinery, non-ferrous metals, menthol, etc. *Exports :* Schedule 'B'—Sugar, spices, ferro-manganese, machine tools, electrical machinery, railway equipment, linoleum, carpets, plastic goods, etc.	Payments will be effected in U. S. dollars or pound sterling or in any other convertible currency.
Rumania	October 31, 1964.		*Imports :* Equipment for oil refining, machinery for mineral mining, oil drilling machinery, cement plants, power plants including generators, turbines, etc., plants for chemical and petro-chemical industries, railway rolling stock, river and sea vessels, electrical equipment, newsprint, power-cables, etc. *Exports :* Tea, coffee, spices, vegetable oils, cashew kernels, groundnuts, glycerine, chemicals, shellac, raw wool, jute manufactures, hides and skins, leather, iron ore, pig iron, mica, electrical appliances, handicrafts, sports goods, films exposed, footwear, etc.	This is a trade arrangement for 1965 made in terms of the trade and payments agreement concluded on November 30, 1962.
U. S. S. R.	November 18, 1964.		*Imports :* Machines, equipments, spares and industrial raw materials, oil products, rolled steel products, newsprint, medical instruments, etc. *Exports :* Mica, raw jute, goat skins, tobacco, jute bags, coffee, tea, leather footwear, woollen cloth, chemical products and insecticides.	This is a trade arrangement for 1965 made in terms of the trade and payment agreement concluded on June 10, 1963.
United Arab Republic.	September 21, 1964.	Valid for the period March 1, 1964 to February 28, 1965.	*Imports :* Cotton, rice, rock phosphate, ammonium nitrate, cotton yarn above 80 counts, furnace oil, etc. *Exports :* Tea, jute manufactures, diesel engines, electric fans, chemicals, tobacco, spices, cigarette paper, etc.	This is a trade arrangement made under Trade agreement of 1953.

APPENDIX VIII: RATES OF INTEREST UNDER THE ALL-INDIA INTER-BANK AGREEMENT

A. Maximum Rates of Interest on Deposits

(per cent per annum)

	AGREEMENT BANKS												State Bank of India		
	Category I (Foreign Banks and Banks with deposits of over Rs. 50 crores)			Category II (Banks with deposits of more than Rs. 25 crores but not exceeding Rs. 50 crores)			Category III (Banks with deposits of more than Rs. 10 crores but not exceeding Rs. 25 crores)			Category IV (Banks with deposits of not exceeding Rs. 10 crores)					
	Prior to Oct. 1, 1964	Oct. 1, 1964 to Feb. 17, 1965	Since Feb. 18, 1965	Prior to Oct. 1, 1964	Oct. 1, 1964 to Feb. 17, 1965	Since Feb. 18, 1965	Prior to Oct. 1, 1964	Oct. 1, 1964 to Feb. 17, 1965	Since Feb. 18, 1965	Prior to Oct. 1, 1964	Oct. 1, 1964 to Feb. 17, 1965	Since Feb. 18, 1965	Prior to Oct. 1, 1964	Oct. 1, 1964 to Feb. 17, 1965	Since Feb. 18, 1965
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
I. Current Accounts ..	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
II. Notice Money—at a withdrawal notice of 3 days or more ..	3	Nil	Nil.	3	Nil.	Nil.	3	Nil.	Nil.	3	Nil.	Nil.	3	Nil.	Nil.
III. Term Deposits—															
1. Upto 14 days	3	Nil.**	Nil.	$3\frac{1}{2}$	Nil**	Nil.	$3\frac{1}{2}$	Nil**	Nil.	Any rate	Nil.**	Nil.	—	Nil**	Nil.
2. 15-45 days ..	3*	$1\frac{1}{2}$**	$1\frac{1}{2}$	$3\frac{1}{2}$*	$1\frac{1}{2}$**	$1\frac{1}{2}$	$3\frac{1}{2}$*	$1\frac{1}{2}$**	$1\frac{1}{2}$	may be quoted	$1\frac{1}{2}$**	$1\frac{1}{2}$	$3\frac{1}{2}$	$1\frac{1}{2}$**	$1\frac{1}{2}$
3. 31-60 days ..	$3\frac{1}{4}$	—	—	$3\frac{1}{2}$	—	—	$3\frac{1}{2}$	—	—	Do.	—	—	$3\frac{1}{4}$@ @@	—	—
4. 46-90 days ..	—	$2\frac{1}{2}$**	3	—	$2\frac{1}{2}$**	3	—	$2\frac{1}{2}$**	3	—	$2\frac{1}{2}$**	3	—	$2\frac{1}{2}$**	3
5. 61-90 days ..	$3\frac{1}{2}$	—	—	$3\frac{1}{2}$	—	—	$3\frac{1}{2}$	—	—	Any rate may be quoted	—	—	$3\frac{1}{2}$---	—	—
6. 91 days to less than 6 months ..	—	4	5	—	$4\frac{1}{2}$	$5\frac{1}{2}$	—	$4\frac{1}{4}$	$5\frac{1}{4}$	Any Rate may be quoted			—	4	5
7. 91 days to less than 7 months ..	$3\frac{1}{2}$	—	—	$3\frac{1}{2}$	—	—	4	—	—	Do.			—	—	—
8. 6 months to less than 1 year ..	—	$4\frac{1}{2}$	$5\frac{1}{2}$	—	$4\frac{1}{2}$	$5\frac{1}{2}$	—	$4\frac{1}{4}$	$5\frac{1}{4}$	Do.			$3\frac{1}{2}$	$4\frac{1}{2}$	$5\frac{1}{2}$
9. 7 months to less than 1 year ..	4	—	—	$4\frac{1}{2}$	—	—	$4\frac{1}{2}$	—	—	Do.			—	—	—
10. 1 year to less than 2 years ..	$4\frac{1}{4}$	5	6	$4\frac{3}{4}$	$5\frac{1}{2}$	$6\frac{1}{2}$	$4\frac{1}{2}$	$5\frac{1}{2}$	$6\frac{1}{2}$	Do.			4	5	6
11. 2 years to less than 3 years ..	$4\frac{1}{2}$	$5\frac{1}{4}$	$6\frac{1}{4}$	$4\frac{3}{4}$	$5\frac{3}{4}$	$6\frac{3}{4}$	$4\frac{3}{4}$	$5\frac{1}{2}$	$6\frac{1}{2}$	Do.			$4\frac{1}{4}$	$5\frac{1}{4}$	$6\frac{1}{4}$
12. 3 years to less than 4 years ..	$4\frac{3}{4}$	$5\frac{1}{2}$	$6\frac{1}{2}$	$4\frac{3}{4}$	$5\frac{3}{4}$	$6\frac{3}{4}$	5	$5\frac{1}{4}$	$6\frac{1}{4}$	Do.			$4\frac{1}{4}$	$5\frac{1}{2}$	$6\frac{1}{2}$
13. 4 years to less than 5 years ..	5	$5\frac{1}{2}$	$6\frac{1}{2}$	$5\frac{1}{4}$	$5\frac{3}{4}$	$6\frac{3}{4}$	$5\frac{1}{4}$	$5\frac{3}{4}$	$6\frac{3}{4}$	Do.			—	$5\frac{1}{2}$	$6\frac{1}{2}$
14. 5 years to less than 6 years ..	$5\frac{1}{2}$	6	7	$5\frac{3}{4}$	$6\frac{1}{4}$	$7\frac{1}{4}$	$5\frac{1}{4}$	$6\frac{1}{4}$	$7\frac{1}{4}$	Do.			—	6	7
15. 6 years to less than 7 years ..	$5\frac{3}{4}$	6	7	$5\frac{3}{4}$	$6\frac{1}{4}$	$7\frac{1}{4}$	6	$6\frac{1}{4}$	$7\frac{1}{4}$	Do.			—	6	7
16. 7 years to less than 9 years ..	6	$6\frac{1}{4}$	$7\frac{1}{4}$	$6\frac{1}{4}$	$6\frac{3}{4}$	$7\frac{3}{4}$	$6\frac{1}{4}$	$6\frac{3}{4}$	$7\frac{3}{4}$	Do.			—	6	7
17. 9 years and over ..	6	$6\frac{1}{2}$	$7\frac{1}{2}$	$6\frac{1}{2}$	$6\frac{3}{4}$	$7\frac{3}{4}$	$6\frac{1}{2}$	$6\frac{3}{4}$	$7\frac{3}{4}$	Do.			—	6	7
IV. Savings Banks Deposits	3	$3\frac{1}{2}$	4----	3	$3\frac{1}{2}$	4----	3	$3\frac{1}{2}$	4----	3	$3\frac{1}{2}$	4----	3	$3\frac{1}{2}$	4----

** Effective from September 25, 1964. * Rate applicable upto 30 days. ---- Effective from February 1, 1965. @ Rate for deposits for a month or at 30 days' notice. @@ Rate for deposits for 2 months or at 60 days' notice. — Rate for deposits for 3 months or at 90 days' notice.

APPENDIX VIII—(*Contd.*)

B. Minimum Rate of Interest on Advances

(per cent per annum)

Agreement Banks				State Bank of India			
Prior to Jan. 2, 1963	Jan. 3, 1963 to Sept. 25, 1964	Sept. 26, 1964 to Feb. 16, 1965	From Feb. 17, 1965	Prior to April 6, 1963	From April 6, 1963 to Sept. 30, 1964	From Oct. 1, 1964 to Feb. 17, 1965	From Feb. 18, 1965
6	6½	7	8	5	6	6¼	7

Notes:—1 As on February 18, 1965 there were 47 signatories to the Inter-Bank agreement on deposits and 43 to the agreement on advances. The State Bank is not a signatory to either of the agreements.

2. The minimum rate of interest to be charged by signatory banks on all types of advances to which the All-India Inter-Bank Agreement on minimum advances rate applies is fixed at 2 per cent above the Bank rate, subject to a minimum of 6 per cent. In the case of medium-term advances for which refinance is obtained from the Industrial Development Bank of India, the minimum rate is related to the Bank rate or the Refinance rate, as the case may be.

PART III—STATEMENTS

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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 1964-65 refers to the year from April 1, 1964 to March 31, 1965. In the statements appearing in this issue, annual data for the years 1950-51, 1955-56, 1960-61, 1961-62, 1962-63, 1963-64 and 1964-65 only are presented except in a few for which data for 1950-51 and 1955-56 are not available. 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 year 1964; however, in the statement giving the region-wise summary, annual data are on a financial year basis up to 1963-64 besides calendar year data for 1963 and 1964 (preliminary). Statistics of agricultural production are on the basis of the crop year which is usually July-June.

The following statements have been excluded from this Report (*i*) Changes made in the Reserve Bank's Slab Rate system of Lending to Scheduled Banks since its introduction on October 1, 1960, (*ii*) Aggregate Deposits of Scheduled Banks excluding P. L. 480 and P. L. 665 Deposits, (*iii*) Remittances between the Offices of the State Bank of India, (*iv*) Government Balances in India with the Reserve Bank of India and at Government Treasuries, (*v*) Exports and Imports (Commodity-wise) of Goa, Daman and Diu during 1962-63, (*vi*) India Currency in Circulation, (*vii*) Movements in Circulation of India Small Coin (Circle-wise) and (*viii*) Prosecutions on account of Note Forgeries. The statement 'Interest-Bearing Obligations and Interest-yielding Assets of the Government of India' is replaced by the statement 'Debt, Liabilities, Capital Outlay and Loans advanced by the Government of India'.

The new statements in this issue are (*i*) Estimates of Aggregate Investment, (*ii*) Volume and Pattern of Saving, (*iii*) Volume and Pattern of Saving of the Household Sector, (*iv*) Industrial Finance Corporation of India—Industry-wise Distribution of Financial Assistance Sanctioned and (*v*) State Financial Corporations—Liabilities and Assets.

The currency unit of the Indian Union is the Rupee. From April 1, 1957 India adopted the decimal coinage, the Rupee being divided into 100 equal parts, called 'naya Paisa'. With effect from June 1, 1964 the prefix 'naya' or 'naye' in the designation "naya paisa" or "naye paise" was dropped and in statements where small coin data are presented the term "Paisa/Naya Paisa" is used. The abbreviations for "Rupees" and "Paise" are "Rs." and "P" 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	metric tons
	or 10.1605	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	1964										1965		
		Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
		1	2	3	4	5	6	7	8	9	10	11	12	13
I. Output and Prices														
1. Industrial Production														
(*i*) Seasonally adjusted	1956=100	174·5	167·3	163·8	171·4	175·6	171·5	179·8	178·7	182·5	183·7	185·9*	..	..
(*ii*) Unadjusted ..	„	176·4	165·1	161·9	166·9	179·3	174·0	180·8	177·0	178·6	191·1	188·5*	..	..
2. Wholesale Prices														
(*i*) All commodities ..	1952-53=100	139·2	139·9	143·1	146·8	150·6	155·5	158·6	157·7	155·5	158·2	159·6	155·4	151·5
(*ii*) Food articles ..	„	142·0	142·6	147·8	153·5	159·3	165·1	169·5	168·6	163·5	166·0	167·8	160·6	154·5
3. Consumer Prices (All-India) ..	1949=100	143	144	147	150	154	156	159	163	163	164	165	162	159
4. Security Prices														
(*i*) Government and Semi-Government securities ..	1952-53=100	99·7	99·6	99·7	99·8	99·9	99·8	99·8	99·7	99·5	99·5	99·4	99·2	98·4
(*ii*) Variable dividend industrial securities	„	169·6	165·8	163·4	161·9	164·7	165·8	167·6	165·1	163·5	162·6	163·3	163·3	159·4
5. Gold and Silver (Bombay : Spot)														
(*i*) Gold (*a*) ..	Rs. per 10 gms	64·16	65·34	68·21	70·04	69·71	72·23	68·64	67·21	66·76	67·88	69·22	71·02	69·79
(*ii*) Silver	Rs. per Kilogram	257·52	260·06	258·49	249·39	250·85	258·25	255·99	255·42	258·78	262·93	270·85	276·93	276·92
II. Labour Statistics														
6. Number of Applicants														
(*i*) Placed in employment	000's	45	43	40	45	46	47	51	46	49	49	46	44	45
(*ii*) On live registers ..	„	2,453	2,458	2,473	2,542	2,637	2,681	2,672	2,600	2,536	2,493	2,460	2,426	2,396
III. Money and Banking														
7. Money supply with the public (*b*) ..	Crores of Rs.	3,752·1	3,840·4*	3,837·8*	3,816·3*	3,766·7*	3,765·6*	3,719·5*	3,807·8*	3,844·1*	3,903·3*	3,978·5*	4,024·1*	4,080·0*
(*i*) Currency with the public ..	„	2,605·6	2,688·1*	2,682·7*	2,635·9*	2,572·1*	2,541·4*	2,516·1*	2,548·1*	2,576·6*	2,661·6*	2,692·3*	2,723·4*	2,769·0*
(*ii*) Deposit money with the public ..	„	1,146·6	1,152·3	1,155·0	1,180·4	1,194·6	1,224·2	1,203·4	1,259·7	1,267·5	1,241·8	1,286·2	1,300·8	1,311·0*

8. Reserve Bank of India														
(*i*) Central Government's deposits	„	84·2	52·7	53·6	79·7	114·6	96·2	61·3	95·9	60·1	52·8	51·5	58·7	90·9
(*ii*) State Government's deposits	„	16·0	13·5	17·0	14·1	19·2	19·4	15·1	11·7	6·3	10·5	13·0	9·0	24·7
(*iii*) Investments ..	„	2,338·1	2,380·2	2,481·6	2,504·0	2,440·1	2,312·0	2,168·9	2,230·0	2,269·0	2,364·4	2,462·4	2,469·7	2,480·7
(*iv*) Other loans and advances (*c*)	„	221·0	171·0	159·1	148·1	157·6	158·8	160·8	174·0	170·3	207·7	223·9	257·3	306·4
9. Foreign exchange reserves	„	305·8	306·9	316·5	278·5	245·9	245·3	250·5	248·2	238·9	237·1	228·6	238·1	249·7
10. A. Scheduled banks														
(*i*) Aggregate deposits	„	2,285·1	2,320·3	2,340·2	2,384·7	2,443·4	2,497·8	2,521·4	2,530·9	2,532·9	2,525·1	2,558·1	2,583·6	2,583·2
(*ii*) Bank credit (*d*) ..	„	1,816·5	1,844·4	1,825·3	1,773·8	1,732·8	1,723·3	1,703·0	1,705·6	1,715·7	1,811·1	1,893·5	1,949·4	2,034·8
(*iii*) Investments in Government securities	„	639·7	615·0	621·6	656·4	769·1	805·0	818·9	873·5	838·9	764·8	745·4	731·1	718·2
(*iv*) Cash reserves ..	„	147·6	142·1	155·7	163·4	157·2	152·8	160·9	153·9	160·9	160·5	165·6	166·0	162·5
B. Cheque clearances ..	„	1,709·5	1,530·4	1,315·3	1,419·3	1,497·1	1,283·9	1,467·9	1,479·0	1,508·8	1,710·8	1,610·2	1,618·6	2,004·1
11. Inter-bank call money rate (Bombay) (*e*) ..	Per cent per annum	6·23	6·06	5·62	3·35	1·60	2·37	2·91	1·80	2·42	4·89	4·80	5·31	7·51
12. Yield on 3 per cent conversion loan of 1986 or later (*f*)	„	4·75	4·75	4·71	4·71	4·70	4·73	4·72	4·77	4·84	4·84	4·84	4·89	5·13
IV. Government Debt														
13. Rupee debt of the Government of India ..														
(*i*) Rupee loans (*g*) ..	Crores of Rs.	3,113·9	3,038·3	3,042·5	3,039·5	3,190·9	3,191·4	3,192·0	3,188·1	3,188·1	3,188·1	3,238·2	3,238·2	3,267.5
(*ii*) Treasury bills outstandings ..	„	1,382·0	1,389·3	1,479·0	1,571·1	1,562·7	1,545·6	1,481·4	1,526·9	1,536·2	1,484·6	1,491·5	1,474·8	1,443·5
V. Trade														
14. Imports ..	Crores of Rs.	117·0	139·1	98·2	100·1	95·3	103·0	93·6	85·4	93·8	108·2	86·7	101·0*	105·8*
15. Exports ..	„	72·0	67·9	63·4	72·8	66·9	67·1	75·7	68·9	77·1	74·9	63·6	63·5*	76·7*
16. Net balance of trade ..	„	—45·0	—71·2	—34·8	—27·4	—28·4	—35·9	—18·0	—16·5	—16·8	—33·3	—23·1	—37·5*	—29·1*
17. Number of wagons loaded														
(*i*) Broad gauge ..	000's	666	633	618	607	602	578	599	614	617	660	687	631	695
(*ii*) Metre gauge ..	„	353	326	318	297	295	291	289	291	306	336	353	324	356

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.

* Provisional.

STATEMENT 2—NATIONAL INCOME BY INDUSTRIAL ORIGIN

(In Rs. abja)(*a*)

	1950-51	1955-56	1960-61	1961-62	1962-63	1963-64(*b*)
A. AT CURRENT PRICES						
Agriculture						
1. Agriculture, animal husbandry and ancillary activities	47·8	43·9	66·8	67·7	67·9	78·7
2. Forestry	0·7	0·7	1·1	1·2	1·3	1·4
3. Fishery	0·4	0·6	1·0	0·7	0·8	0·9
4. **Total of agriculture**	**48·9**	**45·2**	**68·9**	**69·6**	**70·0**	**81·0**
Mining, manufacturing and small enterprises						
5. Mining	0·7	1·0	1·6	1·7	1·9	2·2
6. Factory establishments	5·5	7·8	13·2	15·4	16·8	19·1
7. Small enterprises	9·1	9·7	11·2	11·7	12·1	12·6
8. **Total of mining, manufacturing and small enterprises**	**15·3**	**18·5**	**26·0**	**28·8**	**30·8**	**33·9**
Commerce, transport and communications						
9. Communication (post, telegraph and telephone)	0·4	0·5	0·6	0·7	0·8	0·9
10. Railways	1·8	2·5	3·6	3·8	4·6	4·9
11. Organised banking and insurance	0·7	0·9	1·6	1·9	2·1	2·3
12. Other commerce and transport	14·0	14·9	17·6	18·4	19·0	19·8
13. **Total of commerce, transport and communications**	**16·9**	**18·8**	**23·4**	**24·8**	**26·5**	**27·9**
Other services						
14. Professions and liberal arts	4·7	5·6	7·4	7·9	8·4	9·0
15. Government services (administration)	4·3	5·7	9·0	10·0	11·3	13·0
16. Domestic service	1·3	1·4	1·9	2·1	2·2	2·4
17. House property	4·1	4·6	5·3	5·5	5·6	5·7
18. **Total of other services**	**14·4**	**17·3**	**23·6**	**25·5**	**27·5**	**30·1**
19. **Net domestic product at factor cost.**	**95·5**	**99·8**	**141·9**	**148·7**	**154·8**	**172·9**
20. Net earned income from abroad	—0·2	0·0	—0·5	—0·7	—0·8	—0·9
21. **Net national output at factor cost = National Income**	**95·3**	**99·8**	**141·4**	**148·0**	**154·0**	**172·0**
B. AT 1948-49 PRICES						
1. Agriculture, animal husbandry and ancillary activities (*c*)	43·4	50·2	59·0	59·1	57·9	59·0
2. Mining, manufacturing and small enterprises	14·8	17·6	21·1	22·1	23·0	24·4
3. Commerce, transport and communications	16·6	19·7	24·6	25·4	26·4	27·7
4. Other services (*d*)	13·9	17·3	23·1	24·7	26·6	28·9
5. **Net domestic product at factor cost**	**88·7**	**104·8**	**127·8**	**131·3**	**133·9**	**140·0**
6. Net earned income from abroad	—0·2	0·0	—0·5	—0·7	—0·8	—0·9
7. **Net national output at factor cost = National income**	**88·5**	**104·8**	**127·3**	**130·6**	**133·1**	**139·1**

(*a*) Abja = 100 crores = 10^9. (*b*) Provisional. (*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—ESTIMATES OF AGGREGATE INVESTMENT

(Rs. Crores, at current prices)

	Saving 1	Net Capital Inflow 2	Investment (1 + 2) 3	Investment at 1948-49 prices 4	Investment as proportion (per cent) of National Income 5
1950-51	541·9	—7·9	534·0	495·9	5·6
1951-52	529·4	+224·4	753·8	688·0	7·6
1952-53	408·3	—17·0	391·3	376·9	4·0
1953-54	565·0	—3·5	561·5	537·6	5·4
1954-55	764·2	+46·5	810·7	867·1	8·4
1955-56	970·5	+63·2	1,033·7	1,085·6	10·4
1956-57	1,076·4	+377·9	1,454·3	1,414·7	12·9
1957-58	797·8	+489·1	1,286·9	1,230·3	11·3
1958-59	931·4	+399·3	1,330·7	1,230·3	10·6
1959-60	1,102·0	+258·3	1,360·3	1,245·8	10·5
1960-61	1,371·9	+497·3	1,869·2	1,682·9	13·2
1961-62	1,373·8	+381·3	1,755·1	1,548·7	11·9
1962-63	1,498·4	+453·5	1,951·9	1,694·4	12·7

STATEMENT 4 — VOLUME AND PATTERN OF SAVING

(Rs. Crores, at current prices)

	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63
1. Government Sector	**95·9**	**187·0**	**102·1**	**92·6**	**93·4**	**111·4**	**176·7**	**156·7**	**138·0**	**202·8**	**239·4**	**353·8**	**410·1**
(*a*)	17·7	35·3	25·0	16·4	12·2	11·5	16·4	19·6	14·8	18·4	17·4	25·7	27·4
(*b*)	1·0	1·9	1·1	0·9	1·0	1·1	1·6	1·4	1·1	1·6	1·7	2·4	2·6
2. Domestic Corporate Sector	**35·0**	**63·6**	**1·1**	**25·9**	**50·3**	**60·0**	**58·5**	**18·0**	**32·4**	**57·6**	**106·7**	**97·8**	**104·7**
(*a*)	6·4	12·0	0·3	4·6	6·6	6·2	5·4	2·2	3·5	5·2	7·8	7·1	7·0
(*b*)	0·4	0·6	—	0·2	0·5	0·6	0·5	0·1	0·3	0·4	0·7	0·7	0·7
3. Household Sector (I + II)	**411·0**	**278·8**	**305·1**	**446·5**	**620·5**	**799·1**	**841·2**	**623·1**	**761·0**	**841·6**	**1,025·8**	**922·2**	**983·6**
(*a*)	75·9	52·7	74·7	79·0	81·2	82·3	78·2	78·2	81·7	76·4	74·8	67·2	65·6
(*b*)	4·3	2·8	3·1	4·3	6·5	8·0	7·4	5·5	6·0	6·5	7·3	6·2	6·4
(I) Rural Household Sector	**166·3**	**170·7**	**163·5**	**180·5**	**147·9**	**153·7**	**187·7**	**179·5**	**212·2**	**212·5**	**234·3**	**236·6**	**237·0**
(*a*)	29·3	31·3	39·8	31·3	20·9	16·7	17·0	22·3	21·9	18·6	16·2	16·6	15·2
(*b*)	1·7	1·7	1·7	1·7	1·7	1·6	1·6	1·6	1·6	1·6	1·6	1·5	1·5
(*c*)	38·7	59·4	53·2	39·6	25·8	20·3	21·8	28·6	26·9	24·3	21·7	24·7	23·1
(II) Urban Household Sector	**244·7**	**108·1**	**141·6**	**266·0**	**472·6**	**645·4**	**653·5**	**443·6**	**548·8**	**629·1**	**791·5**	**685·6**	**746·6**
(*a*)	46·6	21·4	34·9	47·7	60·3	65·6	61·2	55·9	59·8	57·8	58·6	50·6	50·4
(*b*)	2·6	1·1	1·4	2·6	4·8	6·4	5·8	3·9	4·4	4·9	5·7	4·7	4·9
(*c*)	61·3	40·6	46·8	60·4	74·2	79·7	78·2	71·4	73·1	75·7	78·3	75·3	76·9
4. Total Saving (1+2=3)	**541·9**	**529·4**	**408·3**	**565·0**	**764·2**	**970·5**	**1,076·4**	**797·8**	**931·4**	**1,102·0**	**1,371·9**	**1,373·8**	**1,498·4**
5. Total Saving at 1948-49 prices*	**503·2**	**483·2**	**393·3**	**540·9**	**817·4**	**1,019·2**	**1,047·2**	**762·7**	**861·1**	**1,009·2**	**1,235·2**	**1,212·2**	**1,300·7**
(*b*)	5·7	5·3	4·2	5·4	8·0	9·7	9·5	7·0	7·4	8·5	9·7	9·3	9·7

*Saving in current prices is converted to 1948-49 prices by using the National Income deflator. (*a*) Proportion (per cent) of Total Saving. (*b*) Proportion (per cent) of National Income. (*c*) Proportion (per cent) of Saving of the Household Sector.

STATEMENT 5—VOLUME AND PATTERN OF SAVING OF THE HOUSEHOLD SECTOR

(Rs. Crores, at current prices)

	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63
A. Financial Assets (1 to 6)	**19·3**	**—21·6**	**42·6**	**83·0**	**307·8**	**385·6**	**320·0**	**323·6**	**341·4**	**388·1**	**436·0**	**476·6**	**492·3**
(a)	4·7	— 7·8	14·0	18·6	49·6	48·3	38·1	51·9	44·9	46·1	42·5	51·7	50·0
(b)	0·2	— 0·2	0·4	0·8	3·2	3·9	2·8	2·8	2·7	3·0	3·1	3·2	3·2
1. Currency	79·6	—114·6	—22·4	24·5	85·4	190·3	51·9	45·3	112·4	130·2	160·3	95·2	173·1
(a)	19·4	—41·1	— 7·4	5·5	13·8	23·8	6·2	7·3	14·8	15·5	15·6	10·3	17·6
(b)	0·8	— 1·1	— 0·2	0·2	0·9	1·9	0·5	0·4	0·9	1·0	1·1	0·6	1·1
2. Net Bank Deposits	—37·7	—44·8	28·1	— 8·4	32·2	0·2	5.0	55·3	28·0	62·8	— 6·0	111·1	49·2
(a)	— 9·1	—16·1	9·2	— 1·9	5·2	—	0·6	8·9	3·7	7·5	— 0·6	12·0	5·0
(b)	— 0·4	— 0·4	0·3	— 0·1	0·3	—	—	0·5	0·2	0·5	—	0·8	0·3
3. Insurance Policies	17·8	11·4	17·6	21·1	23·6	27·3	21·7	25·1	34·3	43·3	50·3	63·1	66·0
(a)	4·3	4·1	5·8	4·7	3·8	3·4	2·6	4·0	4·5	5·1	4·9	6·9	6·7
(b)	0·2	0·1	0·2	0·2	0·3	0·3	0·2	0·2	0·3	0·3	0·4	0·4	0·4
4. Provident Funds	31·8	34·1	42·9	78·0	87·2	86·2	93·0	102·8	107·3	112·6	150·6	150·9	166·7
(a)	7·7	12·2	14·1	17·5	14·0	10·8	11·1	16·5	14·1	13·4	14·7	16·4	16·9
(b)	0·3	0·3	0·4	0·8	0·9	0·9	0·8	0·9	0·8	0·9	1·1	1·0	1·1
5. Net Claims on the Government Sector	—105·1	69·5	—36·7	—56·6	41·0	30·7	63·9	41·4	20·1	—13·3	21·5	—21·3	—27·6
(a)	—25·6	24·9	—12·0	12·7	6·6	3·9	7·6	6·6	2·6	—1·6	2·1	— 2·3	— 2·8
(b)	— 1·1	0·7	—0·4	— 0·5	0·4	0·3	0·6	0·3	0·2	—0·1	0·1	— 0·1	— 0·2
6. Corporate andC o-operative Shares and Securities	32·9	22·8	13·1	24·4	38·4	50·9	84·5	53·7	39·3	52·5	59·3	77·6	64·9
(a)	8·0	8·2	4·3	5·5	6·2	6·4	10·0	8·6	5·2	6·2	5·8	8·4	6·6
(b)	0·4	0·2	0·1	0·2	0·4	0·5	0·7	0·5	0·3	0·4	0·4	0·5	0·5
B. Physical Assets	**391·7**	**300·4**	**262·5**	**363·5**	**312·7**	**413·5**	**521·2**	**299·5**	**419·6**	**453·5**	**589·8**	**445·6**	**491·3**
(a)	95·3	107·8	86·0	81·4	50·4	51·7	61·9	48·1	55·1	53·9	57·5	48·3	50·0
(b)	4·1	3·0	2·7	3·5	3·3	4·1	4·6	2·7	3·3	3.5	4·2	3·0	3·2
C. Saving of the Household Sector (A + B)	**411·0**	**278·8**	**305·1**	**446·5**	**620·5**	**799·1**	**841·2**	**623·1**	**761·0**	**841·6**	**1,025·8**	**922·2**	**983·6**
D. Saving of the Household Sector at 1948-49 prices*	**381·7**	**254·4**	**293·9**	**427·5**	**663·7**	**839·1**	**818·3**	**595·8**	**703·6**	**770·7**	**923·6**	**813·8**	**853·9**
(b)	4·3	2·8	3·1	4·3	6·5	8·0	7·4	5·5	6·0	6·5	7·3	6·2	6·4

* Saving in current prices is converted to 1948-49 prices by using the National Income deflator. (a) Proportion (per cent) of Household sector's saving. (b) Proportion (per cent) of National Income.

STATEMENT 6—INDEX NUMBERS OF AGRICULTURAL PRODUCTION

(Agricultural year ended June 1950=100)

Commodity/Group	Weight	1950-51	1955-56	1960-61	1961-62	1962-63	1963-64
Rice	35·3	87·9	114·2	136·2	139·0	127·4	145·7
Wheat	8·5	101·1	131·3	162·7	178·3	160·4	143·8
Jowar	5·0	89·8	96·7	134·6	111·2	138·2	132·5
Bajra	2·7	83·8	108·3	101.2	111·3	121·9	117·0
Maize	2·1	84·4	112·3	144·4	152·5	163·5	161·7
Total Cereals ..	**58·3**	**90·3**	**114·9**	**136·6**	**140·0**	**132·4**	**139·9**
Gram	3·7	98·0	138·9	162·3	149·5	137·1	114·9
Total Pulses ..	**8·6**	**91·7**	**118·4**	**128·6**	**120·3**	**116·9**	**101·2**
Total Foodgrains ..	**66·9**	**90·5**	**115·3**	**135·6**	**137·5**	**130·4**	**134·9**
Groundnut	5·7	101·4	112·4	131·7	138·3	142·3	156·2
Total Oilseeds ..	**9·9**	**98·5**	**108·6**	**128·0**	**134·4**	**137·7**	**133·6**
Cotton	2·8	110·7	153·9	203·3	170·2	201·8	206·3
Jute	1·4	106·3	135·8	121·6	193·8	165·1	180·5
Mesta	0·3	100·0	174·7	170·4	254·9	250·4	268·4
Total Fibres ..	**4·5**	**108·6**	**149·7**	**175·7**	**183·2**	**193·6**	**202·4**
Tea	3·3	103·8	107·2	120·9	133·5	129·1(*a*)	129·2(*a*)
Coffee	0·2	112·3	196·1	355·1	240·1	278·8(*a*)	278·8(*a*)
Rubber	0·1	93·8	146·1	165·3	176·3	204·8(*a*)	243·0(*a*)
Total Plantation Crops	**3·6**	**104·0**	**113·2**	**135·1**	**140·6**	**139·5**	**140·7**
Sugarcane	8·7	113·7	119·8	173·9	163·7	154·0	165·5
Tobacco	1·9	97·3	112·9	116·3	129·6	136·0(*a*)	125·0(*a*)
Total Miscellaneous	**15·1**	**110·3**	**120·1**	**155·8**	**150·8**	**149·7**	**151·4**
Total Non-Foodgrains	**33·1**	**105·9**	**119·9**	**147·9**	**149·2**	**151·0**	**151·8**
All Commodities ..	**100·0**	**95·6**	**116·8**	**139.7**	**141·4**	**137·2**	**140·5**

Note : The indices for 1960-61, 1961-62 and 1962-63 are generally based on partially revised estimates while those for 1963-64 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 7—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	31,521	27,557
2. Wheat	9,758	6,391	12,367	8,760
3. Jowar	15,513	5,870	17,362	6,726
4. Bajra	9,259	2,835	11,338	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	2,816
8. Small millets	5,415	2,278	5,335	2,070
Total Cereals	**79,113**	**46,757**	**87,344**	**55,805**
Pulses				
9. Gram	8,295	3,726	9,779	5,418
10. Other Pulses	11,872	4,433	13,437	5,627
Total Pulses	**20,167**	**8,159**	**23,216**	**11,045**
Total Food grains (Cereals and Pulses)	**99,280**	**54,916**	**110,560**	**66,850**
NON-FOODGRAINS				
11. Sugarcane(*b*)	1,707	5,705	1,847	6,075
12. Oilseeds	10,727	5,158	12,085	5,734
(i) Groundnut (Nuts in shell)	4,494	3,481	5,133	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*)	5,882	2,875	8,086	3,949
14. Jute(*c*)	571	3,309	704	4,232
15. Mesta(*c*)	..	..	231	1,162
16. Tea	317	279	321	308
17. Coffee	93	19	103	35
18. Rubber	69	16	84	24
19. Tobacco	357	261	410	303

Note : (1) Figures relate to the agricultural year ending June. Item 16 refers to the Calendar year *i.e.*, figures for 1950-51 relate to 1950 and so on. However, area figures refer to the year ending March. Item 18 refers to the financial year. (2) Figures for 1960-61, 1961-62 and 1962-63 are partially revised estimates while those for 1963-64 are final estimates. The available partially revised estimates for 1963-64 are shown in brackets. These figures are subject to revisions.

OF AGRICULTURAL COMMODITIES

(000's omitted)

1960-61		1961-62		1962-63		1963-64	
Area (Hectares)	Production (Metric tons)	Area (Hectares)	Production (Metric tons)	Area (Hectares)	Production (Metric tons)	Area (Hectares)	Production (Metric tons)
33,567	34,198	34,256	34,807	34,934	31,914	35,474	36,489
12,969	10,992	13,520	12,039	13,657	10,829	13,305	9,708
17,273	9,363	17,798	7,741	18,021	9,621	18,174	9,227
11,424	3,228	11,057	3,554	10,800	3,892	10,810	3,736
4,360	4,015	4,493	4,270	4,607	4,578	4,546	4,527
2,322	1,681	2,367	1,873	2,316	1,891	2,364	1,852
3,223	2,866	3,315	3,152	3,022	2,423	2,794	1,985
4,897	1,975	4,768	1,970	4,693	1,860	4,614	2,031
90,035	**68,318**	**91,574**	**69,406**	**92,050**	**67,008**	**92,081**	**69,555**
9,406	6.324	9,544	5,827	9,177	5,343	9,242	4,478
13,798	6,328	14,141	5,804	14,782	6,097	14,526	5,397
23,204	**12,652**	**23,685**	**11,631**	**23,959**	**11,440**	**23,768**	**9,875**
113,239	**80,970**	**115,259**	**81,037**	**116,009**	**78,448**	**115,849**	**79,430**
2,343	10,615	2,423	10,144	2,280	9,544	2,214	10,258
13,511	6,624	14,214	6,958	14,796	7,113	14,554	7,096
6,257	4,462	6,422	4,685	6,864	4,821	6,804	5,291
2,871	1,356	3,140	1,337	3,108	1,294	3,004	909
2,169	321	2,245	379	2,488	464	2,343	410
1,794	395	1,964	456	1,899	433	1,954	385
420	90	443	101	435	101	449	101
7,637	5,324	7,719	4,457	7,845	5,309	7,947	5,439
612	4,014	923	6,398	851	5,449	862 (868)	5,957 (6,185)
279	1,140	389	1,706	379	1,697	385	1,819
331	321	333	354	334	347(*d*)	336	346(*d*)
120	68	125	46	126	56	129	69
130	26	141	27	146	32	153	37
400	312	421	349	416	366	397	336

(*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—8A

Industry	Unit	1955	1960	1961	1962	1963	1964	Target for the third five-year plan (1965-66)
1. Coal excluding Lignite ..	000 Metric tons	3,88,21	5,26,20	5,61,00	6,15,48	6,69,24	6,39,96	9,86,00
2. Iron ore	,,	43,32	1,06,80	1,22,76	1,33,68	1,47,84	1,48.80	3,05,00
3. Sugar refined (*a*)	,,	16,20	24,73	30,29	27,16	21,60	25.68	35,56
4. Tea processing (*b*)	00,000 Kgs.	30,32	31,63	35,31	34,27	34,29	37,26	40,92
5. Salt Refining	00,000 Quintals	3,03	3,44	3,48	3,89	4,54	4,65	5,50
6. Hydrogenated oil .. .. (vanaspati)	000 Quintals	26,50	33,77	33,91	36,95	38,35	35,87	50,90
7. Cigarettes	00,00,000's	22,83	36,97	39,47	41,12	40,74	46,21	..
8. Cotton Textiles								
(*i*) Spinning	00,000 Kgs.	73,95	78,79	86,23	85,96	89,26	96,48	1,02,05
(*ii*) Weaving	00,000 Metres	4,65,84	4,61,62	4,69,44	4,56,03	4,42,29	4,65,35	5,30,35
9. Jute Textiles (*c*)								
(*i*) Hessian (*d*)	000 Metric tons	4,08	4,30	3,56	4,82	5,28	5,36	13,00
(*ii*) Sacking	,,	5,84	5,50	4,84	5,52	5,08	5,15	..
10. Footwear (Leather) ..	00,000 Pairs	55	92	1,06	1,18	1,35	1,38	14,00
11. Paper and paper boards ..	000 Metric tons	1,88	3,45	3,64	3,88	4,63	4,91	7,11
12. Footwear (Rubber) ..	00,000 Pairs	3,49	4,46	4,51	4,98	4,66	4,70	..
13. Tyres (Automobiles) ..	000's	8,82	13,62	15,62	17,10	19,26	29.90	45,00
14. Sulphuric Acid	000 Metric tons	1,69	3,54	4,22	4,69	5,68	6,81	15,24
15. Caustic soda	,,	35	98	1,20	1,27	1,52	1 84	3,46
16. Bleaching Powder (*e*) ..	Metric tons	2,743	5,928	7,128	6,720	7,344	7,932	..
17. Ammonium sulphate 'N' content ..	000 Metric tons	80	77	79	84	89	86	8,16
18. Paints and varnishes (*f*) ..	,,	40	52	58	65	74	75	1,42
19. Matches (*g*) (*h*)	000,000 boxes (*m*)	44,33	48,30	56,24	39,48	41,28	39,95	42(*n*)
20. Soap (*i*)	000 Metric tons	1,01	1,43	1,49	1,52	1,59	1,68	2,25
21. Rayon (*j*)	,,	14	45	52	62	69	78	64(*p*)
22. Glass and glass products (*k*)	000, Sq. Meters	36,12	75,48	67,80	87,48	98,40	94,44	..
23. Cement	000 Metric tons	45,59	78,44	82,45	85,86	93,55	96,90	1,32,00
24. Structural clay products ..	,,	2,79	5,51	6,26	6,71	6,59	6,56	15,30
25. Iron and steel								
(*i*) Pig iron and ferro-alloys	,,	19,25	42,64	51,01	59,17	67,42	67,42	15,30(*r*)
(*ii*) Finished steel ..	,,	12,80	22,22	27,98	37,99	42,58	43,42	69,00
26. Non-ferrous metals (*l*) ..								
(*i*) Aluminium	Metric tons	9,825	16,418	16,930	16,294	22,244	22,501	81,300
(*ii*) Copper	,,	1,585	3,252	4,368	3,528	3,168	2,064	2,03,00(*q*)
(*iii*) Brass	,,	13,253	26,988	24,612	23,748	22,644	20,328	..
27. Gold	Kilograms	6,577	4,992	4,872	5,076	4,296	4,608	..
28. Hurricane lanterns ..	000's	54,88	51,96	55,39	56,74	53,21	52.86	..
29. Enamelware	000 pieces	1,57,16	1,41,49	2,34,82	2,88,28	3,30,95	3,59,99	..
30. Diesel engines	Nos.	14,100	52,992	54,300	51,012	64,476	77,472	66,000
31. Sewing machines	000's	1,01	2,97	3,07	3,43	3,46	2,55	7,00
32. Dry cells	00,000's	16,10	20,81	21,41	23,94	27,61	28,66	35,00
33. Storage Batteries	000's	2,35	5,08	5,21	5,65	6,89	7,68	8,00
34. Electric lamps	,,	2,42,34	4,13,95	4,68,90	5,85,42	7,03,25	7,01,09	6,80,00
35. Electric fans	,,	2,82	10,13	10,74	11,29	11,44	11.42	25.00
36. Domestic refrigerators ..	Nos.	5,28	11,388	9,720	13,020	21,192	30,192	50,000
37. Motor Vehicles	,,	23,088	52,116	54,312	57,744	52,200	67,092	1,00,000
38. Bicycles	000's	4,91	10,50	10,49	11,16	11,82	14.08	20,00

Note: The industries/products have been classified according to the Standard Industrial and Occupational Classifications.

(*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*) Production figures from June 1962 relate to stable variety only.(*f*) Data in respect of certain units are not included from January to May 1963. (*g*) Includes figures for Jammu and Kashmir. (*h*) From January 1962 data relate to six A-class units only. (*i*) Figures relate to production of organised factories. (*j*) Total of viscose yarn, staple fibre, acetate yarn, cellophane and nylon monofilaments from 1961. (*k*) Production figures relate to sheet glass only. (*l*) Production figures relate to sheets and circles only. (*m*) Boxes are of 60 sticks each upto February 1961 and of 50 sticks each thereafter. (*n*) Million gross boxes (*p*) Relates to filament. (*q*) Relates to fibre refined and electrolytic. (*r*) Relates to pig iron for sale.

INDUSTRIAL PRODUCTION

1963	1964											
December	January	February	March	April	May	June	July	August	September	October	November	December
56,73	57,82	53,08	56,18	54,85	52,06	51,67	52,43	50,08	52,66	51,74	50,53	56,80
12,29	12,82	12,62	12,01	12,17	11,19	11,80	12,37	11,82	11,92	13,03	13,01	13,22
5,23	6,12	5,30	3,94	1,32	35	11	7	11	19	38	2,93	5,46
1,25	54	46	49	1,62	2,71	3,97	5,18	5,15	6,07	5,70	4,12	1,27
12	13	33	57	83	1,01	1,05	17	8	10	12	12	12
3,97	3,93	3,68	3,81	3,20	3,31	3,16	3,09	1,96	1,61	1,46	2,69	3,96
3,81	3,92	3,69	3,55	3,72	3,49	3,73	4,03	3,83	3,81	3,68	4,12	4,63
8,18	8,10	7,32	8,22	8,01	7,35	7,27	8,44	8,06	8,43	8,59	7,97	8,73
39,23	39,25	34,88	40,00	39,08	35,09	38,19	41,64	38,86	40,50	40,40	36,56	40,90
47	43	42	48	44	43	44	49	47	47	43	44	43
44	41	38	42	39	39	41	46	45	43	42	47	50
11	8	12	11	13	9	11	14	12	14	7	**12**	**14**
42	41	39	43	41	40	39	43	40	42	30	40	43
41	27	45	40	42	34	36	44	37	42	30	41	52
1,68	1,79	1,72	1,80	1,86	1,49	1,50	1,69	1,72	1,81	1,55	1,86	2,12
53	53	50	56	51	59	57	59	61	58	61	55	61
15	15	14	15	15	14	14	16	15	16	17	15	17
588	622	508	633	676	672	423	720	900	687	745	638	711
8	8	7	8	6	6	7	5	7	7	9	7	9
7	6	6	6	7	6	6	6	7	6	6	6	6
3,48	3,43	3,03	3,50	2,89	2,76	3,38	3,91	3,49	3,47	3,11	3,31	3,68
14	15	14	15	16	13	14	15	14	13	13	13	14
6	6	6	7	7	7	7	6	7	7	7	6	6
10,03	7,18	6,56	8,07	8,37	7,95	7,09	8,51	7,94	7,48	7,93	8,42	8,93
8,77	7,90	8,07	8,64	8,07	7,90	7,32	8,29	7,49	7,60	8,20	8,47	8,95
54	57	48	55	54	53	55	55	55	58	56	53	58
5,51	5,88	5,21	5,40	5,28	5,55	5,41	5,48	5,60	5,81	5,67	5,93	6,21
3,82	3,62	3,55	3,87	3,38	3,63	3,26	3,65	3,61	3,57	3,75	3,63	3,91
1,422	1,886	1,734	1,873	1,940	1,661	1,500	1,847	1,948	1,957	1,894	2,122	2,140
316	250	213	218	148	110	138	120	158	155	202	138	215
1,995	1,853	1,957	1,709	1,750	1,592	1 723	1,614	1,497	1,604	1,623	1,554	1,857
3,46	361	350	406	397	348	360	389	382	399	422	391	3,97
4,36	4,16	3,98	4,42	4,49	4,62	5,01	5,03	4,46	4,55	4,08	3,88	4,18
30,03	27,82	30,00	29,52	29,41	24,74	28,64	30,09	30,50	31,82	31,25	32,47	33,73
62,87	59,93	52,69	64,09	64,63	57,54	61,23	69,46	63,90	69,75	70,25	65,60	75,59
16	8	7	9	7	7	27	34	33	32	23	31	36
1,95	1,89	2,20	2,21	2,04	2,24	2,22	2,37	2,64	2,75	2,05	3,01	3,03
64	64	58	69	65	59	65	70	66	69	52	60	71
60,71	62,44	58,06	61,23	63,31	56,55	62,23	66,79	60,06	56,89	36,95	46,12	70,47
86	80	93	75	63	58	90	113	107	114	82	1,19	1,49
2,419	3,015	2,000	1,698	2,540	1,686	3,118	3,165	3,134	2,517	2,199	2,856	2,263
6,265	5,339	5,141	6,932	4,714	4,933	5,449	5,965	5,489	5,972	5,708	5,428	6,024
116	114	115	117	125	109	112	129	96	121	103	1.22	1,44

Source : *Monthly Statistics of the Production of Selected Industries of India* and planning Commission; Government of India

STATEMENT 8 B.—INDEX NUMBERS

Industry	Weight	1955	1960	1961	1962	1963	1964	December 1963
I. Mining and Quarrying	**7·47**	**97·1**	**137·2**	**147·3**	**161·5**	**175·9**	**169·1**	**178·5**
1. Coal	7·09	96·9	131·3	140·0	153·6	167·0	159·7	169·9
II. Manufacturing	**88·85**	**91·6**	**127·8**	**136·1**	**147·4**	**158·9**	**170·1**	**176·7**
2. Sugar	**4·52**	82·7	130·4	143·4	140·9	116·7	132·3	316·3
3. Tea	**7·42**	99·2	104·5	116·7	113·2	113·3	123·1	49·6
4. Salt	**0·64**	91·2	103·6	104·9	117·1	136·8	140·0	41·9
5. Cigarettes	**1·49**	86·8	140·6	150·0	156·3	154·9	175·7	173·8
6. Cotton textiles	**32·10**	95·4	103·0	108·5	109·4	115·6	123·3	128·4
(*a*) Spinning	**8·91**	95·8	111·3	119·6	122·0	125·5	135·5	137·1
(*b*) Weaving	**23·19**	95·3	99·9	104·3	104·6	111·8	118·6	125·1
(*i*) Mill sector	**16·94**	94·4	92·0	90·1	90·0	89·4	94·6	96·1
(*ii*) Decentralised sector (Power-loom and handloom)	**6·25**	97·1	120·9	142·4	144·4	172·4	183·8	203·6
7. Woollen Textiles	**1·10**	82·1	101·3	107·3	138·5	165·6	128·1	157·3
8. Textiles from silk and synthetic fibres	**2·94**	77·2	135·1	144·9	153·9	169·8	210·3	194·3
9. Jute manufactures	**5·62**	93·5	99·3	89·6	110·4	117·2	121·0	122·1
10. Paper and paper products	**1·39**	95·9	173·4	181·9	190·9	226·8	237·8	249·5
11. Rubber Products	**3·04**	92·0	141·3	157·4	169·5	187·0	198·0	199·4
12. Chemicals and Chemical Products	**3·58**	96·3	147·7	175·3	192·6	237·2	226·5	267·6
(*a*) Basic Industrial Chemicals	**0·97**	91·4	193·2	245·9	281·1	410·5	353·5	497·0
(*i*) Heavy inorganic chemicals@	**0·61**	89·2	207·7	279·1	323·8	519·3	394·0	632·8
(*b*) Fertilisers*	**0·60**	98·4	138·4	177·5	196·2	227·6	251·2	246·2
(*c*) Paints, varnishes and lacquers	**0·54**	99·5	131·0	142·2	162·9	181·2	179·4	187·4
(*d*) Soap	**0·72**	89·8	127·5	133·0	135·2	142·1	149·7	150·9
(*e*) Matches**	**0·58**	100·0	108·8	126·8	129·8	135·8	131·3	137·4
13. Petroleum Products	**3·79**	77·7	147·7	156·5	169·2	196·6	217·2	219·1
14. Cement	**1·24**	91·0	156·7	164·7	171·5	186·8	193·5	210·3
15. Basic Metal	**9·25**	96·6	183·1	181·6	229·7	259·1	260·7	267·3
(*a*) Iron and steel basic industries	**7·48**	96·2	192·1	188·0	236·7	269·5	270·9	280·9
(*i*) Pig iron	**0·90**	97·6	212·9	254·4	295·6	336·7	336·2	328·4
(*ii*) Finished Steel	**2·53**	94·2	163·5	205·8	279·4	314·5	319·3	336·9
(*b*) Aluminium manufacturing	**0·61**	101·1	177·7	206·3	277·2	382·5	388·0	354·9
16. Electric cables and wires	**0·72**	75·7	182·3	181·2	212·8	238·4	320·0	289·2
17. Railway wagons	**1·04**	95·4	46·6	65·7	105·9	118·3	151·3	138·2
18. Automobiles	**1·28**	71·8	162·2	169·0	179·7	162·4	208·8	233·9
III. Electricity, Gas and Steam								
19. Electricity	**3·68**	88·1	171·0	198·8	223·4	257·9	295·9	286·4
General Index	**100·00**	**91·9**	**130·1**	**139·2**	**151·3**	**163·8**	**174·7**	**180·9 (173·8)**

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

**From January 1962, production data relate to six A-Class units only.

@From January 1964 onwards the quantity of Nitric and Phosphoric acids used by producers to manufacture fertilisers is excluded from their production statistics.

*Include P_2O_5 content of Amonium Phosphate under Fertilisers and its N-content under Nitrogenous Fertilisers.

OF INDUSTRIAL PRODUCTION

(1956 = 100)

	1964											
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
182·5	**168·7**	**176·7**	**173·1**	**164·9**	**163·5**	**166·5**	**159·0**	**166·5**	**165·5**	**162·0**	**180·1**
173·2	159·0	168·3	164·3	155·9	154·7	157·0	150·0	157·7	155·0	151·3	170·1
171·9	**163·5**	**171·5**	**159·3**	**156·2**	**161·7**	**175·2**	**170·1**	**177·2**	**172·8**	**175·2**	**187·1**
370·0	320·2	238·3	79·8	21·3	6·7	4·1	6·5	11·2	22·9	176·8	330·0
21·2	18·1	19·4	64·3	107·5	157·5	205·3	204·2	240·5	225·9	163·2	50·3
48·0	120·3	207·7	300·0	363·8	380·0	62·7	28·9	34·9	44·6	44·6	44·6
178·8	168·4	162·1	169·9	159·3	170·0	183·8	174·8	173·6	168·1	188·1	211·2
124·3	116·2	124·5	119·4	112·3	115·4	129·3	123·3	129·7	130·5	120·4	134·3
135·8	123·9	138·7	135·2	124·0	120·1	141·7	135·4	142·5	144·5	134·8	149·8
119·8	113·3	119·0	113·4	107·8	113·7	124·6	118·6	124·8	125·2	114·9	128·3
96·1	85·0	98·2	95·8	85·2	93·2	101·0	94·1	98·7	99·5	88·9	99·2
184·2	189·9	175·5	161·2	169·1	169·1	188·5	184·9	195·7	195·0	185·6	207·2
137·2	124·6	131·9	132·3	128·6	119·2	129·6	130·8	134·1	129·5	119·3	119·8
201·1	204·5	206·7	207·8	210·9	211·4	218·8	236·1	224·7	218·3	192·9	190·2
115·9	114·1	130·0	119·5	117·1	123·3	135·1	127·3	117·8	110·4	117·3	124·0
240·0	223·4	250·9	236·9	235·6	230·2	251·8	230·4	242·4	232·9	229·4	249·7
190·0	196·1	203·3	209·7	176·8	180·9	205·0	198·0	207·0	166·3	207·5	235·9
223·2	211·7	235·7	219·7	208·4	219·5	236·4	227·9	228·4	234·9	222·8	249·9
343·1	329·6	370·1	352·4	337·4	327·8	371·5	339·6	352·4	366·7	343·6	401·7
379·6	365·5	406·2	386·0	385·8	362·9	408·5	390·8	402·6	414·1	391·2	426·0
240·1	217·1	258·6	208·5	212·8	257·9	247·2	275·8	267·5	299·7	248·1	281·5
164·3	176·8	177·6	175·4	168·9	177·5	183·0	190·0	188·6	182·7	185·8	182·1
156·7	146·1	160·7	166·0	140·2	148·6	161·2	146·8	139·7	135·8	141·4	153·2
135·4	119·6	137·9	113·8	109·0	133·2	154·2	137·7	136·9	122·6	130·6	145·3
220·2	203·8	225·8	198·7	225·6	213·1	196·8	223·1	233·1	226·6	220·0	220·0
189·3	193·5	207·1	193·3	189·2	175·4	198·6	179·6	182·1	196·5	202·9	214·5
269·8	249·2	265·8	248·2	252·6	239·3	259·3	256·8	260·3	265·5	273·9	287·8
282·3	258·8	276·6	255·5	265·0	249·3	269·6	264·9	269·6	274·0	283·0	301·8
351·2	310·7	322·5	315·7	332·5	324·7	328·4	334·9	347·9	339·2	355·6	371·7
319·2	313·4	341·1	298·3	320·5	287·6	322·2	318·4	315·4	330·9	320·0	345·2
406·3	369·5	394·0	386·2	368·7	339·2	396·0	401·7	393·1	404·2	417·5	380·0
286·7	290·6	319·6	322·4	291·8	323·9	344·8	328·0	330·3	293·1	330·4	378·9
152·9	159·0	163·7	156·2	146·1	156·0	157·7	149·1	153·3	138·3	138·1	145·0
199·4	192·0	258.8	176.0	184.2	203.5	222.7	205.0	223.0	213.1	202.7	224·9
290·8	280·7	293·4	289·0	293·5	299·6	305·4	297·2	297·2	301·2	295·1	307·8
177·2 (174·7)	**168·2 (172·5)**	**176·4 (174·5)**	**165·1 (167·3)**	**161·9 (163·8)**	**166·9 (171·4)**	**179·3 (175·6)**	**174·0 (171·5)**	**180·8 (179·8)**	**177·0 (178·7)**	**178·6 (182·5)**	**191·1 (183·7)**

Source : Monthly Statistics of the Production of Selected industries of India.

STATEMENT 9—STOCKS OF PRINCIPAL

At or about the end of	RAW MATERIALS						MANUFAC			
	Cotton (a)(b)		Jute (c)	Coal		Iron ore (d)	Sugar (Refined) (e)	Salt re-fining	Hydro-genated oil (Vanas-pati)	Ciga-rettes
	Indian	Foreign		Pit head	Indus-tries					
	000 Bales	000 Bales	000 Bales	000 Metric tons	000 Metric tons	000 Metric tons	000 Metric tons	Lakh quin-tals	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
1963-64	1,579	212	2,363	5,198	3,981	1,125	157	169	15,864	6,620
December 1963 ..	1,211	176	2,321	4,720	4,418	2,089	540	182	10,851	4,620
January 1964 ..	1,435	173	2,479	5,094	4,115	1,106	943	160	10,550	7,040
February ,, ..	1,656	219	2,505	5,079	4,040	1,120	1,256	152	8,028	4,050
March ,, ..	1,823	263	2,363	5,198	3,981	1,125	1,402	169	15,864	6,620
April ,, ..	1,944	267	2,227	5,236	3,987	1,121	1,306	212	14,690	9,040
May ,, ..	1,954	255	1,997	5,140	3,896	1,138	1,087	277	12,098	6,990
June ,, ..	1,970	254	1,689	5,139	3,749	1,105	877	351	10,894	7,000
July ,, ..	1,772	254	1,347	5,141	3,811	1,125	684	339	12,125	7,100
August ,, ..	1,616	240	1,077	5,053	3,678	1,090	506	327	10,203	6,900
September ,, ..	1,336	268	1,151	5,028	3,585	1,182	315	312	6,111	10,360
October ,, ..	1,124	311	1,452	4,958	3,476	1,129	152	292	2,763	8,460
November ,, ..	..	..	1,703	4,788	3,514	1,338	312	256	4,449	8,100
December ,, ..	..	..	1,917	5,006	3,251	1,404	658	243	6,611	8,650

At or about the end of	MANUFAC									
	Matches (h) (k)	Soap	Rayon (j)	Glass and glass pro-ducts (Sheet glass only)	Cement (Pro-ducers)	Structural clay products (Refrac-tories)	Pig iron pro-ducers	Finished steel (Pro-ducers)	Alumi-nium (Sheets & circles only)	Copper (Sheets and circles only)
	000,000 Boxes (i)	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	32	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	63	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
1963-64	33	4,800	11,580	1,318	120	144	80	150	869	223
December 1963 ..	25	5,069	10,383	1,116	122	104	71	161	749	425
January 1964 ..	10	5,000	11,155	1,149	128	104	75	144	726	295
February ,, ..	6	4,950	11,578	1,260	151	135	87	149	806	236
March ,, ..	33	4,800	11,580	1,318	120	144	80	150	869	223
April ,, ..	13	4,930	11,644	1,377	125	148	83	167	932	184
May ,, ..	16	4,600	13,441	1,324	134	140	84	167	846	197
June ,, ..	15	4,720	15,849	1,345	128	138	93	148	824	178
July ,, ..	16	4,770	16,707	1,244	121	146	83	147	974	139
August ,, ..	15	4,690	17,648	1,390	121	144	82	155	1,008	147
September ,, ..	36	4,560	18,207	1,324	122	143	79	160	921	148
October ,, ..	35	4,150	19,807	1,142	115	143	70	159	953	356
November ,, ..	39	4,100	20,156	1,262	133	143	65	156	1,071	175
December ,, ..	47	4,000	17,551	1,427	145	143	61	166	1,208	159

(a) Mill 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) From January 1964 onwards figures relate to stock at minehead only. (e) Annual figures relate to October falling within the financial year. (f) Relating to mills in the membership of Indian Jute Mills' Association and one non-member mill. (g) Data in respect of certain units are not included from January to May 1963. (h) Includes figures for Jammu and Kashmir. (i) Boxes are of 60 sticks each upto February 1961 and of 50 sticks each thereafter. (j) Includes cellophane from October 1960 and nylon monofilaments from January 1964. (k) From January 1962, data relate to Six A-Class units only.

COMMODITIES WITH INDUSTRY

TURES

Cotton (*a*)		Jute (*f*)		Foot-wear (Lea-ther)	Paper and paper boards	Foot-wear (Rub-ber)	Tyres (Auto-mobiles)	Sul-phuric acid	Caustic soda	Bleach-ing powder	Ammo-nium sul-phate (N'content)	Paints and var-nishes (*g*)
Spinning	Weaving	Hess-ian cloth bags	Sack-ing 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	6,558	2,665
89	207	25	47	1,961	18,833	55	30	11,500	10,905	233	10,855	4,539
78	262	16	29	2,056	18,117	57	55	16,937	3,642	160	5,343	5,450
87	290	30	45	2,439	25,439	57	59	28,960	2,750	196	8,650	4,195
118	146	43	47	2,230	21,564	53	77	22,502	3,310	145	1,983	5,822
92	186	39	47	2,597	25,899	56	38	22,840	3,024	119	2,832	5,900
100	155	44	49	2,573	23,186	51	60	22,822	3,002	185	3,487	4,500
99	136	42	46	2,226	20,745	52	81	22,477	2,967	153	2,172	5,361
118	146	43	47	2,230	21,564	53	77	22,502	3,310	145	1,983	5,822
124	140	48	45	2,061	25,548	56	86	22,608	3,841	92	2,045	5,624
134	134	47	40	1,825	21,616	57	77	28,900	3,467	151	1,180	4,500
121	146	45	45	1,981	24,759	57	76	29,927	3,081	19	2,061	4,400
108	163	46	53	2,415	23,455	56	77	26,803	3,405	148	2,660	7,600
102	190	46	50	2,897	25,851	58	86	24,993	3,863	149	2,619	7,150
117	214	48	44	3,042	24,926	65	92	23,956	3,340	144	2,705	7,000
124	248	46	41	2,553	24,926	58	83	22,315	3,418	133	2,281	7,700
129	236	45	39	2,615	23,822	62	85	20,028	3,617	139	1,736	6,100
124	224	38	37	2,345	23,615	64	61	22,836	3,821	194	2,677	6,300

TURES – (*Contd.*)

Brass (Sheets and circles only)	Hurri-cane lan-terns	Enamel-ware	Diesel engines	Sewing machines	Dry cells	Storage batteries	Electric lamps	Electric fans	Domestic refri-gerators	Motor Vehicles	Bi-cycles (*h*)
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
2,158	474	897	3,309	6,224	29	32	2,699	270	2,376	2,997	91
1,705	404	827	3,491	21,900	45	27	2,175	153	3,895	2,570	97
1,600	433	1,005	4,163	5,934	43	33	2,563	203	5,043	2,833	94
1,603	457	1,030	3,149	5,305	45	28	2,467	209	3,964	3,419	99
2,158	474	897	3,309	6,224	29	32	2,699	270	2,376	2,997	91
1,914	435	871	2,784	6,353	38	32	2,425	90	1,146	2,811	90
2,061	336	898	3,036	9,702	34	28	2,599	90	1,566	2,885	49
2,052	311	788	2,839	13,265	32	25	2,301	76	2,144	2,507	81
1,914	313	899	2,661	14,665	36	26	2,060	106	2,431	3,638	90
1,455	245	860	2,703	19,217	37	28	2,135	106	3,247	4,111	61
1,468	301	758	2,643	18,873	47	20	2,294	108	3,795	3,458	64
1,543	393	744	2,941	14,668	54	28	1,915	123	2,030	2,871	51
1,608	408	930	2,551	16,761	65	29	2,257	149	5,119	2,942	60
1,665	416	981	2,231	17,676	62	32	1,932	175	3,384	2,621	39

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 10—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
1964		365	3,831,904	544,818	2,492,874	13,742	916,572
March	1964	356	321,229	45,078	2,452,853	13,317	75,785
April	,,	356	326,329	42,782	2,457,806	13,406	76,835
May	,,	356	300,013	40,217	2,473,020	13,701	79,272
June	,,	363	385,906	45,442	2,542,283	14,503	87,362
July	,,	363	426,531	46,481	2,636,974	14,630	82,800
August	,,	365	349,545	47,312	2,680,805	14,652	77,906
September	,,	365	334,815	50,573	2,671,633	14,234	77,372
October	,,	365	261,148	46,314	2,599,626	13,746	73,361
November	,,	365	260,936	49,318	2,535,633	13,391	73,969
December	,,	365	313,177	48,754	2,492,874	13,903	72,886
January	1965	365	294,588	45,663	2,459,921	12,829	71,376
February	,,	366	263,044	43,694	2,425,516	12,420	68,538
March	,,	368	287,153	45,377	2,395,618	13,420	81,619

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
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
June	1964	**2,542,283**(d)	151,360	3,030	69,328	10,591	5,289	45,974	188,987	87,137	106,720	1,870,095
December	,,	**2,492,874**(d)	108,536	3,034	68,716	9,732	5,087	47,121	164,604	85,248	116,771	1,880,253

(a) At the end of the period. (b) Annual figures are averages of months. (c) These statistics are available only on a half yearly basis from 1963. (d) Including 3772 applicants who were on the Live Register of the Employment Exchange, Panjim (Goa) for which occupational break-up is not available.

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

STATEMENT 11—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	139·4	139·5	131·1	139·6	129·7
1964-65	**152·7**	159·9	131·2	144·5	162·7	137·2	152·5	134·7
March 1964	**139·2**	142·0	119·0	140·4	144·9	132·6	143·6	130·8
April ,,	**139·9**	142·6	119·3	142·5	147·1	132·5	145·1	130·5
May ,,	**143·1**	147·8	122·5	142·7	149·7	133·1	146·2	131·0
June ,,	**146·8**	153·5	126·3	142·8	153·9	133·2	146·7	131·0
July ,,	**150·6**	159·3	128·0	143·1	158·7	133·7	148·1	131·3
August ,,	**155·5**	165·1	129·1	143·8	166·9	135·7	150·4	133·3
September ,,	**158·6**	169·5	130·8	143·7	170·3	137·0	151·0	134·7
October ,,	**157·7**	168·5	132·8	145·2	164·5	138·1	152·8	135·7
November ,,	**155·5**	163·5	135·1	144·8	164·8	139·3	155·5	136·6
December ,,	**158·2**	166·0	135·3	145·3	171·4	140·5	158·9	137·5
January 1965	**159·6**	167·8	137·6	146·6	172·0	141·7	161·7	138·4
February ,,	**155·4**	160·6	138·8	146·3	169·2	141·0	156·8	138·4
March ,,	**151·5**	154·5	138·6	146·6	163·8	141·0	156·4	138·5

@Derived figures.

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

STATEMENT 12—INDEX NUMBERS OF WHOLESALE

(Base : 1952—

Average of months/ week ended Saturday	General Index	Food Articles				Liqour 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	**139·4**
7 1964-65	**152·7**	**159·9**	139·4	165·2	146·6	**131·2**	128.9	**144·5**
8 April 4, 1964 ..	**139·0**	**141·2**	121·6	130·1	134·6	**118·9**	115·9	**142·4**
9 „ 11, „ ..	**139·6**	**142·5**	122·2	129·9	139·6	**118·9**	115·9	**142·4**
10 „ 18, „ ..	**139·7**	**142·1**	121·8	130·0	132·5	**119·3**	116·3	**142·5**
11 „ 25, „ ..	**141·1**	**144·4**	123·6	134·2	139·9	**120·2**	117·2	**142·5**
12 May 2, „ ..	**141·8**	**145·5**	123·9	135·4	139·5	**121·4**	118·5	**142·8**
13 „ 9, „ ..	**142·8**	**147·2**	126·1	134·6	144·2	**117·0**	113·9	**141·8**
14 „ 16, „ ..	**143·0**	**147·7**	127·1	135·2	138·7	**117·0**	113·9	**141·7**
15 „ 23, „ ..	**143·6**	**148·9**	127·8	136·8	137·9	**117·0**	113·9	**141·7**
16 „ 30, „ ..	**144·1**	**149·5**	128·7	136·9	138·3	**118·6**	115·6	**141·7**
17 June 6, „ ..	**145·3**	**151·3**	130·6	139·0	139·2	**119·7**	116·8	**141·7**
18 „ 13, „ ..	**145·8**	**152·3**	131·7	140·1	140·9	**121·1**	118·2	**141·7**
19 „ 20, „ ..	**146·8**	**153·6**	133·4	144·2	150·9	**122·2**	119·3	**141·8**
20 „ 27, „ ..	**147·7**	**155·1**	134·1	143·9	140·2	**123·4**	120·6	**142·0**
21 July 4, „ ..	**148·9**	**156·5**	134·6	144·1	147·6	**123·4**	120·7	**142·2**
22 „ 11, „ ..	**150·2**	**159·1**	136·5	146·5	156·1	**123·4**	120·7	**142·8**
23 „ 18, „ ..	**150·8**	**159·9**	137·4	148·5	151·0	**123·4**	120·6	**143·0**
24 „ 25, „ ..	**152·3**	**161·7**	140·7	151·3	148·3	**128·4**	126·0	**143·4**
25 August 1, „ ..	**154·3**	**164·7**	143·4	155·3	148·3	**128·4**	126·0	**143·4**
26 „ 8, „ ..	**154·5**	**164·6**	143·7	156·4	145·8	**128·4**	126·0	**143·4**
27 „ 15, „ ..	**155·7**	**165·0**	144·4	158·7	145·3	**129·3**	126·8	**143·5**
28 „ 22, „ ..	**156·0**	**165·1**	144·5	161·2	146·4	**129·3**	126·8	**143·5**
29 „ 29, „ ..	**156·8**	**166·0**	145·9	163·6	148·6	**130·0**	127·6	**143·5**
30 September 5, „ ..	**156·7**	**166·6**	146·9	167·4	145·3	**130·0**	127·6	**143·4**
31 „ 12, „ ..	**158·0**	**168·3**	149·0	172·0	145·8	**131·1**	128·8	**143·7**
32 „ 19, „ ..	**160·1**	**171·8**	152·0	183·8	148·9	**131·1**	128·8	**143·7**
33 „ 26, „ ..	**159·7**	**171·4**	152·7	185·0	143·1	**131·1**	128·8	**143·8**
34 October 3, „ ..	**159·7**	**172·4**	151·9	188·7	145·7	**132·6**	130·4	**144·5**
35 „ 10, „ ..	**158·8**	**170·6**	151·3	189·3	145·4	**132·6**	130·4	**144·7**
36 „ 17, „ ..	**158·1**	**168·7**	148·3	184·7	146·2	**132·6**	130·4	**144·8**
37 „ 24, „ ..	**155·8**	**164·9**	145·6	176·2	146·8	**132·6**	130·4	**144·8**
38 „ 31, „ ..	**155·9**	**165·8**	146·5	180·5	146·5	**133·5**	131·4	**144·8**
39 November 7, „ ..	**154·6**	**163·2**	140·2	176·9	147·0	**134·1**	132·0	**144·8**
40 „ 14, „ ..	**155·6**	**163·7**	140·8	178·3	146·5	**134·7**	132·7	**144·8**
41 „ 21, „ ..	**156·0**	**164·0**	140·8	179·9	146·6	**135·8**	133·8	**144·8**
42 „ 28, „ ..	**155·8**	**163·1**	140·8	182·2	145·6	**135·8**	133·8	**144·9**
43 December 5, „ ..	**156·8**	**164·7**	142·1	187·7	144·8	**135·3**	133·2	**145·0**
44 „ 12, „ ..	**157·9**	**165·8**	142·1	190·3	147·2	**135·3**	133·2	**145·1**
45 „ 19, „ ..	**158·6**	**166·2**	141·8	196·5	145·5	**135·3**	133·2	**145·5**
46 „ 26, „ ..	**159·4**	**167·2**	142·3	204·8	147·8	**135·3**	133·2	**145·7**
47 January 2, 1965 ..	**161·1**	**169·0**	146·2	204·9	148·4	**135·3**	133·2	**145·8**
48 „ 9, „ ..	**161·3**	**170·1**	145·2	198·1	153·8	**136·5**	134·5	**146·7**
49 „ 16, „ ..	**160·4**	**169·0**	145·4	196·2	154·8	**138·8**	137·0	**146·7**
50 „ 23, „ ..	**158·6**	**166·9**	144·7	195·5	156·1	**138·8**	137·0	**146·6**
51 „ 30, „ ..	**156·5**	**163·8**	143·5	187·0	154·2	**138·8**	137·0	**146·2**
52 February 6, „ ..	**156·1**	**162·4**	142·3	177·4	160·6	**138·8**	137·0	**146·1**
53 „ 13, „ ..	**155·2**	**160·2**	142·6	174·9	152·5	**138·8**	137·0	**146·0**
54 „ 20, „ ..	**155·3**	**160·2**	142·8	175·0	153.1	**138·8**	137·0	**146·6**
55 „ 27, „ ..	**154·8**	**159·4**	142·2	176·8	150·6	**138·8**	137·0	**146·6**
56 March 6, „ ..	**153·0**	**156·8**	140·0	170·5	149·7	**138·8**	137·0	**146·5**
57 „ 13, „ ..	**151·3**	**154·6**	138·7	157·7	154·5	**138·8**	137·0	**146·4**
58 „ 20, „ ..	**150·3**	**152·7**	139·2	154·0	146·9	**138·3**	136·4	**146·7**
59 „ 27, „ ..	**151·0**	**153·7**	140·3	152·2	150·8	**138·3**	136·4	**146·6**

Note : Weight 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 AND SUB-GROUPS), 1964-65

53 100)

Industrial Raw Materials					Manufactures						
Total	Fibres	Oil-seeds	Mine-rals	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*
162·7	142·6	200·3	110·8	133·6	**137·2**	152·5	**134·7**	132·4	120·9	128·0	*7*
145·5	136·9	164·6	102·1	128·9	**132·8**	144·1	**131·0**	128·4	120·6	125·8	*8*
146·6	137·0	167·1	102·1	129·2	**132·2**	144·7	**130·2**	127·2	120·3	125·9	*9*
147·7	136·1	170·6	102·1	129·8	**132·4**	145·4	**130·3**	127·1	120·6	125·9	*10*
148·4	135·8	172·3	103·2	130·6	**132·7**	146·3	**130·5**	127·5	119·5	125·9	*11*
149·0	136·1	173·2	103·2	130·9	**132·8**	146·1	**130·7**	127·6	119·3	125·9	*12*
149·5	135·7	174·9	103·2	130·9	**133·4**	147·0	**131·2**	128·2	119·4	125·9	*13*
149·6	135·5	175·4	103·2	130·8	**133·4**	146·9	**131·2**	128·2	119·5	125·9	*14*
149·9	135·3	176·4	103·2	131·0	**133·2**	146·7	**131·0**	127·8	119·0	125·9	*15*
150·3	135·3	177·6	103·2	130·4	**133·4**	147·2	**131·1**	127·8	119·3	127·0	*16*
152·9	134·7	185·0	103·7	130·5	**133·2**	146·7	**131·0**	127·6	119·1	127·0	*17*
152·9	134·2	185·5	103·7	130·7	**133·1**	147·0	**130·8**	127·2	119·5	126·9	*18*
154·5	133·7	190·4	103·7	130·3	**133·2**	146·7	**131·0**	127·5	118·7	126·9	*19*
154·9	133·4	192·1	103·7	129·4	**133·5**	147·9	**131·1**	127·5	118·5	126·9	*20*
157·7	134·4	198·3	103·7	129·4	**133·6**	148·0	**131·2**	127·7	118·3	126·9	*21*
157·8	135·3	197·5	103·7	129·4	**133·5**	147·7	**131·2**	127·7	118·3	126·9	*22*
158·4	135·1	199·1	103·7	130·0	**133·6**	147·9	**131·2**	127·6	118·6	126·9	*23*
160·9	135·8	204·6	103·7	130·1	**133·9**	148·9	**131·5**	127·9	118·8	126·9	*24*
163·1	138·2	207·0	103·7	131·7	**134·4**	150·0	**131·8**	128·4	118·8	127·1	*25*
164·0	139·9	207·4	103·7	132·5	**134·9**	150·2	**132·3**	129·4	118·8	127·1	*26*
167·5	148·0	208·1	103·7	132·3	**136·3**	150·9	**133·8**	131·3	119·2	127·1	*27*
169·2	151·6	209·1	103·7	131·8	**136·2**	150·8	**133·8**	131·3	120·0	127·1	*28*
170·8	155·0	209·9	103·7	131·7	**136·7**	150·2	**134·5**	132·8	120·3	127·1	*29*
168·4	151·6	206·0	103·7	133·6	**136·5**	150·2	**134·2**	132·2	120·4	127·1	*30*
169·9	151·3	209·9	103·7	134·3	**137·0**	150·5	**134·8**	133·0	120·4	127·1	*31*
171·9	147·7	218·2	103·7	135·6	**137.3**	151·2	**135·0**	133·1	120·4	127·1	*32*
170·8	142·6	220·9	103·7	135·0	**137·2**	151·8	**134·8**	132·8	120·5	127·1	*33*
165·3	144·9	204·0	103·7	135·1	**138·0**	152·7	**135·5**	133·8	120·5	127·1	*34*
165·1	145·1	203·5	103·7	135·2	**138.2**	153·3	**135·7**	133·8	120·5	127·2	*35*
166.9	144·8	210·3	103·7	134·8	**138·1**	153·0	**135·7**	133·8	120·7	127·2	*36*
163·3	145·4	198·8	103·7	134·8	**138·3**	152·2	**136·0**	134·5	120·8	127·2	*37*
161·9	144·6	196·0	103.2	134·7	**138·1**	152·6	**135·8**	134·2	120·9	127.2	*38*
161·3	143·3	196·0	101·6	134·4	**138·6**	154·2	**136·0**	134·7	120·8	127·2	*39*
165·3	146·3	203·3	101·6	134·1	**139·1**	155·4	**136·4**	135·4	120·4	127·2	*40*
165·9	144·4	206·8	101·6	134·2	**139·4**	155·8	**136·7**	135·8	120·3	127·5	*41*
166·5	145·0	206·3	102·1	136·8	**139·9**	156·5	**137·2**	136·6	120·3	127·6	*42*
168·2	143·8	212·3	102·1	135·9	**139·8**	156·9	**136·9**	135·5	120·5	128·0	*43*
170·4	144·3	217·9	102·1	135·2	**140·1**	157·7	**137·2**	135·4	120·4	128·0	*44*
172·8	143·9	224·5	129·3	133·5	**140·9**	159·4	**137·8**	136·1	120·4	128·0	*45*
174·0	142·0	229·0	129·3	134·5	**141·3**	161·7	**138·0**	136·3	120·6	128·0	*46*
177·3	143·3	235·4	129·3	136·0	**141·6**	163·7	**138·0**	135·3	120·6	128·4	*47*
174·7	144·8	227·0	129·3	136·3	**142·0**	163·7	**138·4**	136·0	120·7	128·4	*48*
172·8	145·5	220·7	129·3	137·5	**141·7**	162·7	**138·2**	135·9	122·4	123·4	*49*
168·5	145·9	209·2	129·3	137·4	**141·4**	160·6	**138·2**	136·0	123·8	128·4	*50*
166·5	147·5	202·8	129·3	136·9	**140·6**	157·8	**137·8**	136·0	123·9	128·4	*51*
168·1	147.6	205·8	129·3	138·9	**140·7**	156·8	**138·0**	136·3	124·2	128·4	*52*
169·2	148·5	208·2	129·3	137·9	**140·8**	156·2	**138·2**	136·5	123·6	128·4	*53*
169·6	149·0	208·9	129·3	137·5	**140·9**	157·5	**138·2**	136·4	124·8	128·4	54
169·8	148·2	210·2	129.3	137·3	**140.8**	156·0	**138·4**	136·4	124·6	130.7	*55*
166·9	147·5	203·0	129·3	138·3	**140.7**	155.2	**138·3**	136·7	125·5	130·6	*56*
162·8	147·4	192·6	129·3	137·9	**140.9**	155.8	**138·5**	136·5	124·8	131·9	*57*
162·3	147·8	191·2	129·3	137·7	**141·1**	156·8	**138·5**	138·5	124·7	131·7	*58*
163·3	147·0	194·2	129·3	138·3	**141·2**	157·6	**138·6**	136·8	124·7	**131.7**	*59*

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

STATEMENT 13—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	1965	(2) over (1)	(3) over (2)	(4) over (3)	(5) over (4)	(6) over (5)	(7) over (6)
		1	2	3	4	5	6	7	8	9	10	11	12	13
I. All Commodities	**1,000**	**120·2**	**98·1**	**127·5**	**123·5**	**127·2**	**139·2**	**151·5**	**—18·4**	**+30·0**	**— 3·1**	**— 3·0**	**— 9·4**	**+ 8·8**
(i) Agricultural Commodities@ ..	**461**	120·6	95·7	126·2	119·2	121·1	138·4	154·1	*—20·6*	*+31·9*	*— 5·5*	*+ 1·6*	*+14·3*	*+11·3*
II. Food Articles ..	**504**	**112·4**	**92·8**	**117·5**	**119·1**	**123·4**	**142·0**	**154·5**	**—17·4**	**+26·6**	**+ 1·4**	**+ 3·6**	**+15·1**	**+ 8·8**
(a) *Foodgrains*†	**235**	*100*	*84*	*99*	*101*	*102*	*125*	*143*	*—16·0*	*+17·9*	*+ 2·0*	*+ 1·0*	*+22·5*	*+14·4*
(i) Cereals	**192**	100	86	100	102	102	123	140	*—14·0*	*—16·3*	*+ 2·0*	*—*	*+20·6*	*+13·8*
1. Rice	**113**	100	86	101	103	110	122	128	*—14·0*	*+17·4*	*+ 2·0*	*+ 6·8*	*+10·9*	*+ 4·9*
2. Wheat	**53**	100	85	91	94	87	120	141	*—15·0*	*+ 7·1*	*+ 3·3*	*— 7·4*	*+37·9*	*+17·5*
3. Jowar	**10**	93	102	110	120	106	134	190	*+ 9·7*	*+ 7·8*	*+ 9·1*	*—11·7*	*+26·4*	*+41·8*
(ii) Pulses	**43**	102	77	93	94	100	134	159	*—24·5*	*+20·8*	*+ 1·1*	*+ 6·4*	*+34·0*	*+18·7*
1. Gram	**15**	90	66	90	82	86	123	156	*—26·7*	*+36·4*	*— 8·9*	*— 4·9*	*+43·0*	*+26·8*
(*b*) Others														
(i) Fruits and Vegetables	**23**	103	94	108	133	133	163	158	*— 8·7*	*+14·9*	*+23·1*	*—*	*+22·6*	*— 3·1*
(ii) Milk and ghee	**84**	102	93	116	119	125	133	151	*— 8·8*	*+24·7*	*— 2·6*	*— 5·0*	*— 6·4*	*+13·5*
(iii) Edible oils	**47**	151	106	164	153	142	160	188	*—29·8*	*+54·7*	*— 6·7*	*— 7·2*	*+12·7*	*+17·5*
(iv) Fish, eggs and meat	**17**	93	93	124	140	138	153	178	*—*	*+33·3*	*+12·9*	*— 1·4*	*+10·9*	*+16·3*
(v) Sugar	**18**	104	95	127	124	137	145	151	*— 8·7*	*+33·7*	*— 2·4*	*+10·5*	*— 5·8*	*+ 4·1*
(vi) Gur	**30**	146	89	112	118	153	189	158	*—39·0*	*+25·8*	*+ 5·4*	*+29·7*	*+23·5*	*—16·4*
(vii) Tea	**19**	157	139	208	163	184	180	177	*—11·5*	*+49·6*	*—21·6*	*+12·9*	*— 2·2*	*— 1·7*
(viii) Coffee	**2**	93	80	88	89	98	105	113	*—14·0*	*+10·0*	*+ 1·1*	*+10·1*	*+ 7·1*	*+ 7·6*
III. Liquor and Tobacco	**21**	**112·9**	**78·7**	**113·4**	**99·8**	**114·2**	**119·0**	**138·6**	**—30·3**	**+44·1**	**—12·0**	**+14·4**	**— 4·2**	**+16·5**
(i) Tobacco	**20**	114	77	111	96	112	116	137	*—32·5*	*+44·2*	*—13·5*	*+16·7*	*— 3·6*	*+18·1*

IV. Fuel, Power, Light & Lubricants ..	**30**	**97·5**	**96·8**	**121·9**	**122·5**	**135·7**	**140·4**	**146·6**	**— 0·7**	**+25·9**	**+ 0·5**	**+10·8**	**+ 3·5**	**+ 4·4**
(i) Coal	**9**	100	101	141	145	158	166	172	*+ 1·0*	*+39·6*	*+ 2·8*	*+ 9·0*	*+ 5·1*	*+ 3·6*
(ii) Mineral oil	**14**	88	95	112	111	127	134	135	*+ 8·0*	*+17·9*	*— 0·9*	*+14·4*	*+ 5·5*	*+ 0·7*
(iii) Castor oil	**2**	171	79	109	105	95	103	129	*—53·8*	*+38·0*	*— 3·7*	*— 9·5*	*+ 8·4*	*+25·2*
V. Industrial Raw Materials	**155**	**153·7**	**109·4**	**159·1**	**136·1**	**135·2**	**144·9**	**163·8**	**—28·8**	**+45·4**	**—14·5**	**— 0·7**	**+ 7·2**	**+13·0**
(i) Fibres	**61**	170	113	177	128	134	136	147	*—33·5*	*+56·6*	*—27·7*	*+ 4·7*	*+ 1·5*	*+ 8·1*
1. Cotton raw	**32**	144	107	111	112	117	120	132	*—25·7*	*+ 3·7*	*+ 0·9*	*+ 4·5*	*+ 2·6*	*+10·0*
2. Jute raw	**23**	204	122	271	148	152	151	172	*—40·2*	*+122·1*	*—45·4*	*+ 2·7*	*— 0·7*	*+13·9*
(ii) Oilseeds	**60**	149	106	160	149	143	163	195	*—28·9*	*+50·9*	*— 6·9*	*— 4·0*	*+14·0*	*+19·6*
1. Groundnuts	**27**	145	102	159	149	134	153	186	*—29·7*	*+55·9*	*— 6·3*	*—10·1*	*+14·2*	*+21·6*
2. Linseed	**5**	157	123	141	138	125	142	183	*—21·7*	*+14·6*	*— 2·1*	*— 9·4*	*+13·6*	*+28·9*
3. Castorseed	**2**	172	81	128	124	117	125	169	*—52·9*	*+58·0*	*— 3·1*	*— 5·6*	*+ 6·8*	*+35·2*
(iii) Manganese ore	**0·5**	62	95	86	82	78	N.Q.	N.Q.	*+53·2*	*— 9·5*	*— 4·7*	*— 4·9*	—	—
(iv) Mica	**1**	103	93	99	99	99	107	149	*— 9·7*	*— 6·5*	—	—	*+ 8·1*	*+39·3*
VI. Manufactures	**290**	**118·7**	**102·9**	**129·7**	**126·4**	**129·6**	**132·6**	**141·0**	**—13·3**	**+26·0**	**— 2·5**	**+ 2·5**	**+ 2·3**	**+ 6·3**
(*a*) Intermediate Products	**41**	132·5	110·5	137·3	135·6	136·2	143·6	156·4	*—16·6*	*+24·3*	*— 1·2*	*+ 0·4*	*+ 5·4*	*+ 8·9*
(i) Cotton	**15**	105	101	126	129	137	139	139	*— 3·8*	*+24·8*	*+ 2·4*	*+ 6·2*	*+ 1·5*	—
(ii) Metals	**8**	121	124	149	147	162	175	236	*+ 2·5*	*+20·2*	*— 1·3*	*+10·2*	*+ 8·0*	*+34·9*
1. Pig iron	**1**	78	117	163	183	183	210	210	*+50·0*	*+39·3*	*+12·3*	—	*+14·8*	—
(iii) Linseed oil	**6**	162	136	154	137	111	132	161	*—16·0*	*+13·2*	*—11·0*	*—19·0*	*+18·9*	*+22·0*
(*b*) Finished products	**249**	116·5	101·6	128·4	124·9	128·5	130·8	138·5	*—12·8*	*+26·4*	*— 2·7*	*+ 2·9*	*— 1·8*	*+ 5·9*
(i) Cotton Manufactures	**91**	102	109	127	128	134	137	139	*+ 6·9*	*+16·5*	*— 0·8*	*+ 4·7*	*— 2·2*	*+ 1·5*
(ii) Jute manufactures	**37**	187	95	162	117	102	99	126	*—49·2*	*+70·5*	*—27·8*	*—12·8*	*— 2·9*	*+27·3*
(iii) Metal Products	**12**	86	125	151	152	161	165	175	*+45·3*	*+20·8*	*— 0·7*	*+ 5·9*	*+ 2·5*	*+ 6·1*
1. Iron & steel manufactures	**11**	84	126	147	152	161	166	175	*+50·0*	*+16·7*	*— 3·4*	*+ 5·9*	*— 3·1*	*+ 5·4*
VII. Chemicals	**20**	**96**	**92**	**105**	**113**	**117**	**120**	**125**	**— 4·2**	**+14·1**	**+ 7·6**	**+ 3·5**	**+ 2·6**	**+ 4·2**

* 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. N.Q.=Not Quoted.

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

STATEMENT 14—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	146	110	114	114	115	109	113
1964-65 ..	**157**	137	172	178	153	128	160	131	177	182	157	..	124	124	124	128	..	136
Monthly Indices																		
March 1964 ..	**143**	124	162	155	145	119	159	127	158	156	139	152	116	117	115	120	112	128
April ,, ..	**144**	124	162	156	146	121	157	126	159	157	141	154	117	118	117	120	114	125
May ,, ..	**147**	126	163	161	144	121	158	123	163	162	150	159	118	121	118	121	115	123
June ,, ..	**150**	130	166	173	145	119	159	126	169	167	155	161	119	124	116	126	119	125
July ,, ..	**154**	137	171	182	148	126	161	127	174	171	156	160	122	125	119	125	119	130
August ,, ..	**156**	138	172	179	151	128	165	126	174	180	157	161	121	125	125	126	122	137
September ,, ..	**159**	139	173	180	153	129	167	130	174	186	162	170	124	126	129	128	124	143
October ,, ..	**163**	141	175	179	155	130	163	134	177	193	168	173	126	131	132	133	126	141
November ,, ..	**163**	141	177	184	157	133	164	136	182	193	166	169	127	131	130	132	125	140
December ,, ..	**164**	145	177	190	161	131	159	139	186	200	166	167	130	132	127	133	123	144
January 1965 ..	**165**	146	177	189	159	132	157	139	189	199	161	..	130	134	122	134	..	148
February ,, ..	**162**	143	175	182	159	133	154	136	188	195	155	..	127	133	123	132	..	143
March ,, ..	**159**	138	173	181	155	133	156	135	187	181	152	..	125	..	124	131	..	138

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 15—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(*b*)	—	**88,97**(*b*)	46,68
1964-65	1,66(*b*)	..	**1,66**(*b*)	68,41
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**	—
1964-65	9,66	1,67	**11,33**	—

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

(*a*) Figures relate to the Calcutta Mint. (*b*) Includes gold received against Gold Bonds and National Defence Fund.

STATEMENT 16—PRICES OF GOLD AND SILVER—BOMBAY(*a*)

Year/Month	Gold (Rs. per 10 grams)			Silver (Rs. per Kilogram)		
	Spot			Spot		
	Highest	Lowest	Average(*b*)	Highest	Lowest	Average(*b*)
	1	2	3	4	5	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			
1964-65	72·75	63·25	68·84	281·50	244·00	261·17
March 1964	65·50	62·50	64·16	261·00	254·50	257·52
April ,, ...	67·75	63·25	65·34	262·50	255·50	260·06
May ,, ...	71·25	65·00	68·21	261·50	255·50	258·49
June ,, ...	71·50	67·50	70·04	256·75	244·00	249·39
July ,, ...	71·25	68·00	69·71	256·00	246·50	250·85
August ,, ...	72·75	71·25	72·23	261·00	255·50	258·25
September ,, ...	72·50	64·50	68·64	258·00	252·00	255·99
October ,, ...	69·75	66·00	67·21	257·50	253·00	255·42
November ,, ...	67·50	66·00	66·76	261·50	256·00	258·78
December ,, ...	69·75	66·25	67·88	270·50	257·50	262·93
January 1965	70·25	67·75	69·22	273·00	267·00	270·85
February ,, ...	72·00	69·50	71·02	281·00	272·50	276·93
March ,, ...	71·75	67·75	69·79	281·50	268·50	276·92

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.

Source : Bombay Bullion Association Ltd.

STATEMENT 17—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
1964-65	**579,21**	529,18	50,03
March 1964	**476,61**	434,01	42,61
April ,, ...	**489,12**	445,72	43,40
May ,, ...	**496,27**	452,17	44,10
June ,, ...	**509,16**	464,04	45,12
July ,, ...	**519,93**	474,00	45,93
August ,, ...	**527,84**	481,57	46,27
September ,, ...	**538,42**	491,26	47,16
October ,, ...	**548,66**	500,18	48,48
November ,, ...	**553,63**	504,91	48,72
December ,, ...	**561,29**	511,88	49,40
January 1965	**566,85**	516,94	49,91
February ,, ...	**574,18**	524,11	50,07
March ,, ...	**579,21**	529,18	50,03

STATEMENT 18—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**
1964-65	**83,72**	**11,97**	73,27	9,67	10,44	2,30	**1,59@**	**1,60@**
March 1964	**74,33**	**10,55**	65,18	9,59	9,15	96	**1,34**	**80**
April ,,	**75,74**	**11,65**	66,70	10,24	9,04	1,41	**1,44**	**1,04**
May ,,	**76,62**	**12,36**	66,96	10,75	9,67	1,61	**1,40**	**90**
June ,,	**77,80**	**12,95**	67,84	11,19	9,96	1,76	**1,55**	**2,62**
July ,,	**80,44**	**13,37**	69,97	11,18	10,47	2,19	**1,64**	**3,06**
August ,,	**81,77**	**15,76**	71,14	12,98	10,63	2,78	**1,62**	**1,98**
September ,,	**82,04**	**16,32**	71,57	12,10	10 47	4,22	**1,55**	**82**
October ,,	**82,91**	**12,71**	72,50	9,94	10,41	2,77	**1,55**	**2,12**
November ,,	**83,44**	**11,96**	73,05	9,70	10,40	2,26	**1,58**	**1,04**
December ,,	**82,54**	**10,30**	72,62	8,39	9,92	1,91	**1,45**	**1,18**
January 1965	**83,78**	**14,09**	73,63	11,88	10,15	2,21	**1,42@**	**96@**
February ,,	**84,83**	**12,96**	74,06	9,30	10,78	3,66	**1,43@**	**93@**
March ,,	**83,72**	**11,97**	73,27	9,67	10,44	2,30	**1,59@**	**1,60@**

@ Provisional.

STATEMENT 19—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*	— 97,69	*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 ..	+100,34	—15,83	**+ 84,51**	+ 43,27	— 29,44	*6·1*	—145,43	*26·5*	+376,24	*79·5*
Slack 1964 ..	+119,78	+90,89	**+210,67**	— 43,34	+ 11,88	*6·1*	+258,50	*34·5*	—138,77	*67·4*
Busy 1964-65 ..	+ 50,96	+ 58,92	**+109,88**	+124,50	+ 7,48	*6·1*	—154,25	*27·2*	+413,43	*80·2*
Outstanding as on April 30, 1965 ..	1,248,00	1,392,81	**2,640,81**	126,18	161,42		719,23		2,119,05	

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, for further details regarding these transfers, reference may be made to the foot-notes to statement — Schedule Banks — Business in India. 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 20—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
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	65,18	1,071,10	31,43	66,85	21,05	1,214,00	12,26	11,37	**2,285,10**	84,16	26,91
1964-65	76	75,74	1,239,28	20,40	72,24	25,40	1,343,95	16,06	14,15	**2,583,22**	153,02	57,85
1964-65 (Weekly) Friday figures 1964												
April 3, ...	78	71,14	1,082,50	30,93	63,75	26,20	1,216,06	13,02	11,91	**2,298,56**	74,94	27,76
.. 10, ...	78	68,19	1,073,19	31,62	72,50	27,06	1,231,22	12,97	11,43	**2,304,42**	68,92	27,78
.. 17, ...	78	64,78	1,075,93	31,68	69,91	28,07	1,232,29	12,86	11,05	**2,308,22**	66,16	28,11
.. 24, ...	78	64,14	1,077,26	40,95	72,61	27,62	1,243,00	12,55	10,84	**2,320,26**	45,02	25,47
May 1, ...	78	63,67	1,068,87	40,50	70,30	27,28	1,244,71	12,54	11,76	**2,313,57**	65,53	24,45
.. 8, ...	78	67,01	1,061,67	37,56	68,96	24,65	1,248,40	12,19	11,52	**2,310,07**	79,04	22,23
.. 15, ...	78	64,32	1,070,62	41,89	65,96	23,97	1,254,89	12,07	11,59	**2,325,51**	68,57	21,82
.. 22, ...	77	64,26	1,064,32	47,98	65,61	27,08	1,261,87	12,37	11,44	**2,326,18**	43,28	22,72
.. 29, ...	77	65,41	1,085,34	47,33	71,74	26,47	1,254,81	11,99	11,48	**2,340,15**	32,45	23,10
June 5, ...	77	63,76	1,076,42	45,33	64,65	25,30	1,265,18	11,00	12,01	**2,341,60**	36,28	19,96
.. 12, ...	77	64,07	1,079,00	49,05	63,83	25,38	1,265,64	10,80	11,77	**2,344,64**	18,16	21,65
.. 19, ...	77	69,54	1,084,46	43,90	65,60	30,45	1,277,59	11,14	11,59	**2,362,05**	4,03	20,29
.. 26, ...	78	73,42	1,095,94	40,58	63,13	36,24	1,288,76	17,11	11,55	**2,384,71**	1,14	21,19

July	3,	..	..	78	70,18	1,099,26	47,73	64,23	43,43	1,300,87	20,70	12,63	**2,400,13**	31	19,60
..	10,	..	..	78	67,48	1,100,13	40,16	67,25	45,32	1,309,68	19,63	12,28	**2,409,80**	48	21,30
..	17,	..	..	78	66,27	1,104,20	31,02	68,23	44,28	1,316,24	19,61	11,81	**2,420,45**	86	22,78
..	24,	..	..	78	65,98	1,112,25	32,95	70,95	43,20	1,329,27	15,68	11,75	**2,441,53**	45	22,91
..	31,	..	..	78	63,98	1,111,71	34,53	74,16	41,57	1,331,73	16,46	12,52	**2,443,44**	3,66	24,34
August	7,	..	..	77	66,76	1,105,18	34,13	81,24	38,53	1,337,76	15,54	12,68	**2,442,94**	3,41	24,40
..	14,	..	..	77	69,96	1,117,37	33,11	76,82	38,28	1,343,57	16,05	12,66	**2,460,94**	1,89	25,45
..	21,	..	..	76	66,13	1,135,22	33,26	74,73	37,67	1,350,35	16,18	15,28	**2,485.57**	1,84	30,73
..	28,	..	..	76	62,46	1,136,37	32,35	76,70	34,45	1,361,41	14,65	12,15	**2,497,78**	2,06	33,61
September	4,	..	..	76	59,40	1,116,12	29,12	71,08	37,72	1,352,54	15,12	13,03	**2,468.66**	5,23	32,97
..	11,	..	..	76	60,35	1,119,77	27,34	69,44	36,93	1,360,96	14,34	12,76	**2,480,73**	2,04	34,49
..	18,	..	..	76	58,36	1,128,69	28,14	73,69	38,14	1,377,88	19,53	12,70	**2,506,56**	93	32,14
..	25,	..	..	76	58,35	1,140,24	29,27	76,36	39,46	1,381,15	17,64	12,33	**2,521,39**	83	34,46
October	2,	..	..	76	55,64	1,161,53	28,92	76,08	36,88	1,363,17	20,59	13,06	**2,524,70**	60	38,64
..	9,	..	..	76	60,04	1,169,33	31,10	75,22	33,66	1,336,92	19,19	12,81	**2,506,25**	1,96	39,41
..	16,	..	..	76	59,40	1,179,49	31,54	80,30	31,93	1,313,30	15,43	12,78	**2,492,79**	3,99	40,12
..	23,	..	..	76	59,97	1,203,14	29,41	77,79	32,49	1,332,77	15,57	12,49	**2,535,91**	44	39,48
..	30,	..	..	76	62,14	1,197,04	27,19	78,91	33,68	1,333,89	16,95	12,64	**2,530,93**	1,68	43,92
November	6,	..	..	76	62,49	1,188,73	26,90	79,60	32,04	1,326,07	16,20	13,20	**2,514,80**	5,88	44,76
..	13,	..	..	76	67,20	1,194,84	25,91	79,30	32,66	1,329,09	16,01	13,13	**2,523,93**	79	42,31
..	20,	..	..	76	66,59	1,206.18	28,46	74,98	33,67	1,342,22	15,97	13,37	**2,548.40**	1,24	49,47
..	27,	..	..	76	66,05	1,199,25	30,29	73,14	36,45	1,333,62	15,95	13,20	**2,532.86**	83	58,74
December	4,	..	..	76	67,18	1,180,99	26,78	73,46	34,39	1,328,36	16,76	14,11	**2,509,35**	18,26	71,55
..	11,	..	..	76	68,39	1,173,68	30,63	72,21	33,21	1,334,97	13,43	13,46	**2,508,65**	23,30	71,92
..	18,	..	..	76	69,49	1,183,26	27,85	76,22	33,45	1,339,89	12,87	13,09	**2,523,15**	22,81	70,98
..	25,	..	..	76	70,63	1,178,86	30,32	72,34	33,77	1,346,28	14,01	13,29	**2,525,13**	35,35	70,97
1965															
January	1,	..	..	76	85,19	1,227,48	21,19	74,51	33,02	1,322,22	14,20	13,95	**2,549,70**	62,10	63,39
..	8,	..	..	76	70,52	1,194,34	26,60	70,54	30,72	1,332,51	14,18	13,70	**2,526.86**	90,16	66,92
..	15,	..	..	76	73,39	1,203,46	31,61	72,77	28,36	1,336,44	13,57	13,40	**2,539,90**	78,98	66,47
..	22,	..	..	76	72,58	1,209,29	39,99	71,38	29,64	1,341,27	15,19	13,22	**2,550,56**	60,12	64,08
..	29,	..	..	76	71,78	1,220,55	34,60	78,32	27,53	1,337,56	16,30	13,16	**2,558,12**	55,85	65,90
February	5,	..	..	76	72,30	1,205,78	33,22	75,32	27,28	1,335,02	17,09	13,96	**2,540,80**	77,45	62,60
..	12,	..	..	76	70,40	1,214,64	30,94	70,97	25,37	1,343,73	22,47	13,94	**2,558,37**	95,11	57,70
..	19,	..	..	76	74,80	1,234,18	33,27	73,56	25,86	1,348,54	23,80	13,82	**2,582,72**	71,82	58,82
..	26,	..	..	76	69,48	1,228,77	38,22	74,08	25,16	1,354,83	18,46	13,84	**2,583,60**	90,49	56,82
March	5,	..	..	76	71,28	1,210,68	29,08	69,61	22,36	1,349,12	15,62	14,62	**2,559,79**	1,32,48	58,79
..	12,	..	..	76	73,12	1,210,76	25,58	69,22	22,82	1,354,07	15,91	14,41	**2,564,82**	13,941	57,97
..	19,	..	..	76	75,59	1,218,21	21,68	73,69	23,60	1,346,64	16,98	14,16	**2,564,85**	1,55,83	58,01
..	26,	..	..	76	75,74	1,239,28	20,40	72,24	25,40	1,343,95	16,06	14,15	**2,583,22**	1,53,02	57,85

STATEMENT 20—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		**Total** (*k*)	*Percentage of (25) to (10)(f)*
	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*)		
	13	14	15	16	17	18	19	20	21	22	23	24	25	26
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**	*22·1*
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*	23,34	36,89	639,69	*28·0*	1,520,15	17,17	231,31	65,00	**1,816,46**	*79·5*
1964-65	66,72	95,75	**162,46**	*6·3*	24,40	36,76	718,17	*27·8*	1,698,11	24,27	262,65	74,07	**2,034,83**	*78·8*
1964-65 (Weekly) Friday figures 1964														
April 3, ...	61,72	85,91	**147,64**	*6·4*	24,72	33,35	631,76	*27·5*	1,538,31	19,69	238,41	67,33	**1,844,05**	*80·2*
.. 10, ...	59,32	83,76	**143,08**	*6·2*	23,19	37,67	623,15	*27·0*	1,543,10	17,11	229,25	68,45	**1,840,80**	*79·9*
.. 17, ...	60,57	82,38	**142,96**	*6·2*	20,93	40,03	624,65	*27·1*	1,546,23	16,61	230,86	66,63	**1,843,72**	*79·9*
.. 24, ...	62,59	79,46	**142,06**	*6·1*	19,87	48,13	614,98	*26·5*	1,546,13	13,15	229,97	68,29	**1,844,39**	*79·5*
May 1, ...	59,85	87,16	**147,01**	*6·4*	21,49	47,62	618,88	*26·8*	1,556,91	15,37	227,39	67,76	**1,852,06**	*80·1*
.. 8, ...	60,81	80,96	**141,76**	*6·1*	21,99	42,88	620,82	*26·9*	1,563,80	15,29	225,88	67,41	**1,857,10**	*80·4*
.. 15, ...	63,89	83,84	**147,73**	*6·4*	21,43	50,25	617,71	*26·6*	1,560,44	15,27	219,30	66,54	**1,846,28**	*79·4*
.. 22, ...	61,57	82,99	**144,56**	*6·2*	22,58	57,33	620,65	*26·7*	1,551,99	13,48	211,30	67,89	**1,831,18**	*78·7*
.. 29, ...	64,96	90,76	**155,73**	*6·7*	22,49	56,91	621,61	*26·6*	1,544,84	13,68	210,29	70,14	**1,825,28**	*78·0*
June 5, ...	64,13	87,39	**151,52**	*6·5*	22,42	52,22	620,56	*26·5*	1,552,31	13,72	203,10	68,45	**1,823,86**	*77·9*
.. 12, ...	64,89	84,91	**149,80**	*6·4*	21,18	58,35	619,91	*26·4*	1,543,62	12,81	197,70	67,61	**1,808,93**	*77·2*
.. 19, ...	63,60	86,78	**150,38**	*6·4*	22,35	61,21	633,07	*26·8*	1,539,57	10,54	179,73	63,64	**1,782,94**	*75·5*
.. 26, ...	67,94	95,45	**163,39**	*6·9*	24,77	68,15	656,37	*27·5*	1,537,46	10,96	172,68	63,65	**1,773,79**	*74·4*
July 3, ...	65,29	92,31	**157,60**	*6·6*	22,26	70,38	675,67	*28·2*	1,545,98	9,91	171,11	64,66	**1,781,74**	*74·2*
.. 10, ...	60,78	105,31	**166,09**	*6·9*	22,11	71,20	676,01	*28·1*	1,535,21	8,67	166,32	62,93	**1,764,47**	*73·2*
.. 17, ...	61,40	102,68	**164,08**	*6·8*	22,10	63,17	679,23	*28·1*	1,516,30	8,46	162,17	62,78	**1,741,24**	*71·9*
.. 24, ...	63,34	90,65	**154,00**	*6·3*	22,40	66,78	742,34	*30·4*	1,500,77	8,06	162,39	65,74	**1,728,89**	*70·8*
.. 31, ...	63,12	94,09	**157,21**	*6·4*	22,39	69,40	769,14	*31·5*	1,495,97	8,28	167,54	69,27	**1,732,77**	*70·9*

August	7, ...	65,60	90,19	**155,78**	*6·4*	23,59	67,15	766,34	*31·4*	1,499,92	8,37	171,61	68,80	**1,740,33**	*71·2*
..	14, ...	65,15	108,34	**173,49**	*7·1*	24,44	66,22	753,29	*30·6*	1,499,15	8,40	166,34	68,37	**1,733,86**	*70·5*
..	21, ...	64,24	112,85	**177,09**	*7·1*	23,33	72,81	776,37	*31·2*	1,485,57	9,27	165,65	67,50	**1,718,72**	*69·2*
..	28, ...	63,55	89,23	**152,78**	*6·1*	23,14	70,22	805,00	*32·2*	1,494,44	13,15	159,04	69,78	**1,723,25**	*69·0*
September	4, ...	62,70	95,37	**158,07**	*6·4*	20,86	60,00	791,21	*32·1*	1,502,18	12,23	163,81	70,41	**1,736,40**	*70·3*
..	11, ...	64,27	94,09	**158,35**	*6·4*	20,38	65,98	759,75	*30·6*	1,492,42	13,35	166,53	69,76	**1,728,71**	*69·7*
..	18, ...	62,36	96,99	**159,35**	*6·4*	21,50	67,45	796,72	*31·8*	1,475,97	12,71	167,54	67,70	**1,711,21**	*68·3*
..	25, ...	60,90	100,02	**160,92**	*6·4*	21,77	74,18	818,93	*32·5*	1,461,19	13,53	173,27	68,57	**1,703,03**	*67·5*
October	2, ...	58,24	98,77	**157,01**	*6·2*	21,16	69,62	826,09	*32·7*	1,466,12	15,54	181,38	71,08	**1,718,58**	*68·1*
..	9, ...	62,90	92,52	**155,43**	*6·2*	22,02	70,96	818,50	*32·7*	1,459,60	19,08	182,24	72,78	**1,714,62**	*68·4*
..	16, ...	68,12	125,15	**193,27**	*7·8*	21,51	73,54	835,29	*33·5*	1,455,96	17,82	183,82	73,88	**1,713,66**	*68·7*
..	23, ...	67,82	99,57	**167,39**	*6·6*	21,89	72,38	848,47	*33·5*	1,447,16	18,90	183,44	72,16	**1,702,76**	*67·2*
..	30, ...	66,99	86,95	**153,94**	*6·1*	20,56	70,00	873,48	*34·5*	1,449,52	22,54	180,91	75,19	**1,705,62**	*67·4*
November	6, ...	75,29	101,36	**176,65**	*7·0*	22,85	71,30	800,84	*31·9*	1,455,98	24,67	188,23	77,32	**1,721,53**	*68·5*
..	13, ...	69,15	95,36	**164,52**	*6·5*	21,23	75,38	823,37	*32·6*	1,456,56	19,73	184,59	76,07	**1,717,22**	*68·0*
..	20, ...	66,18	96,59	**162,78**	*6·4*	22,27	81,71	831,56	*32·6*	1,453,54	19,04	187,28	74,71	**1,715,53**	*67·3*
..	27, ...	65,46	95,43	**160,89**	*6·4*	23,62	78,73	838,88	*33·1*	1,449,85	21,19	191,14	74,73	**1,715,72**	*67·7*
December	4, ...	66,32	93,37	**159,69**	*6·4*	24,36	63,18	799,79	*31·9*	1,489,04	26,86	200,09	74,39	**1,763,51**	*70·3*
..	11, ...	64,99	95,26	**160,25**	*6·4*	25,45	65,19	766,12	*30·5*	1,515,55	24,00	202,06	73,43	**1,791,05**	*71·4*
..	18, ...	65,86	89,29	**155,14**	*6·2*	27,03	61,92	766,71	*30·4*	1,521,30	22,48	205,01	72,22	**1,798,53**	*71·3*
..	25, ...	66,96	93,57	**160,53**	*6·4*	25,54	65,76	764,75	*30·3*	1,522,83	21,98	214,20	74,08	**1,811,11**	*71·7*
1965															
January	1, ...	78,44	104,27	**182,70**	*7·2*	37,14	55,94	762,60	*30·0*	1,555,60	25,00	216,24	77,20	**1,849,05**	*72·5*
..	8, ...	66,81	99,78	**166,60**	*6·6*	27,09	61,43	754,38	*29·9*	1,558,50	21,36	234,87	73,71	**1,867,09**	*73·9*
..	15, ...	70,77	87,73	**158,51**	*6·2*	27,41	63,22	750,92	*29·6*	1,563,43	23,46	234,52	73,55	**1,871,51**	*73·7*
..	22, ...	68,29	90,66	**158,94**	*6·2*	26,98	69,49	747,27	*29·3*	1,565,69	20,47	231,91	73,94	**1,871,54**	*73·4*
..	29, ...	76,53	89,12	**165,64**	*6·5*	26,30	66,19	745,44	*29·1*	1,584,06	20,80	235,96	73,51	**1,893,53**	*74·0*
February	5, ...	75,46	96,56	**172,02**	*6·8*	26,33	60,61	734,53	*28·9*	1,602,38	22,94	234,32	74,69	**1,911,39**	*75·2*
..	12, ...	72,15	90,23	**162,38**	*6·4*	27,78	61,99	731,22	*28·6*	1,611,05	23,79	231,62	74,16	**1,916,83**	*74·9*
..	19, ...	69,26	95,31	**164,57**	*6·4*	26,73	63,12	731,38	*28·3*	1,626,33	23,25	227,61	76,78	**1,930,72**	*74·8*
..	26, ...	66,01	99,97	**165,98**	*6·4*	23,84	61,65	731,11	*28·3*	1,647,48	26,00	225,16	76,77	**1,949,41**	*75·5*
March	5, ...	67,36	95,64	**162,99**	*6·4*	25,24	43,78	722,80	*28·2*	1,673,34	26,67	237,33	77,84	**1,988,51**	*77·7*
..	12, ...	68,10	92,58	**160,68**	*6·3*	25,13	40,15	721,13	*28·1*	1,679,91	19,21	254,34	75,60	**2,009,85**	*78·4*
..	19, ...	70,18	91,88	**162,05**	*6·3*	26,27	37,99	718,25	*28·0*	1,691,43	24,39	261,25	75,23	**2,027,91**	*79·1*
..	26, ...	66,72	95,75	**162,46**	*6·3*	24,40	36,76	718,17	*27·8*	1,698,11	24,27	262,65	74,07	**2,034,83**	*78·8*

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, (iii) Rs. 6 crores each month from November 1963 to March 1964 and (iv) Rs. 8 crores each month from November 1964 to March 1965.

(*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.

STATEMENT 21—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
1964-65	**5,914**	**1,536,21**	330	74,02	77	10,30	181	33,92	1,923	542,53
March 1964	**6,234**	**1,709,54**	379	82,83	77	10,62	184	39,91	2,075	593,75
April „	**5,903**	**1,530,35**	334	74,03	65	9,30	183	35,08	1,942	537,60
May „	**5,369**	**1,315,28**	312	71,74	69	8,75	165	26,54	1,691	464,19
June „	**5,619**	**1,419,32**	321	88,75	65	9,05	165	30,59	1,834	490,55
July „	**6,162**	**1,497,12**	359	71,96	72	9,16	184	29,59	2,094	550,58
August „	**5,487**	**1,283,89**	261	53,51	71	8,55	172	32,54	1,757	432,97
September „	**5,948**	**1,467,86**	316	66,80	73	8,95	178	34,21	1,948	499,04
October „	**5,652**	**1,479,02**	316	69,59	73	9,96	179	34,53	1,844	548,50
November „	**5,664**	**1,508,82**	352	65,89	81	10,93	176	34,18	1,829	548,95
December „	**6,202**	**1,701,76**	325	77,00	84	13,24	185	34,63	1,999	592,00
January 1965	**6,027**	**1,610,24**	337	79,10	91	12,37	183	32,31	1,923	567,27
February „	**5,998**	**1,618,57**	335	79,70	85	11,25	185	34,81	1,972	579,92
March „	**6,939**	**2,004,05**	393	90,12	89	12,04	216	48,03	2,240	698,81

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
1964-65	112	23,51	52	5,97	4,98	83,55	36	5,74	23	3,89
March 1964	119	26,46	55	6,37	525	86,27	38	6,66	25	4,19
April „	116	25,02	59	6,21	504	84,77	37	5,46	24	4,10
May „	111	24,36	48	4,79	469	71,89	33	5,20	23	4,31
June „	109	23,40	48	4,89	484	75,33	36	5,85	22	4,07
July „	105	21,16	53	6,03	536	84,95	40	6,09	23	4,33
August „	98	19,25	43	4,72	477	78,72	38	5,90	21	3,46
September „	110	20,91	55	6,63	489	80,18	37	6,10	21	3,17
October „	107	20,94	49	4,99	489	80,39	39	5,94	22	3,44
November „	100	21,23	46	4,88	463	80,95	35	5,73	24	3,57
December „	124	27,32	49	5,97	513	90,18	23	3,87	24	3,68
January 1965	121	27,09	50	7,01	491	84,19	38	6,40	25	3,76
February „	117	25,10	52	6,60	480	79,83	38	5,81	23	3,86
March „	122	26,40	73	8,89	584	111,26	40	6,52	27	4,95

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
944	449,91	31	9,43	52	11,15	371	45,81	100	20,51	32	5,47	13	2,87
976	492,23	30	9,10	50	11,61	381	50,30	88	23,46	35	6,53	14	6,42
989	445,64	28	9,32	47	9,95	337	49,21	87	18,46	31	5,25	13	2,50
875	365,71	27	8,41	41	8,82	367	46,82	90	16,42	27	4,37	11	2,20
942	407,61	25	7,97	50	10,73	342	46,88	86	18,03	29	5,32	11	2,88
1,027	435,23	29	7,97	58	11,09	339	40,97	92	18,33	30	4,73	12	1,72
944	420,20	29	8,14	51	10,03	336	4,74	94	16,53	29	4,54	11	1,45
990	451,64	39	8,98	54	10,92	374	43,24	83	22,37	31	5,38	13	3,06
818	411,73	35	10,40	45	11,12	359	45,75	97	17,89	32	5,06	13	2,31
874	441,71	30	9,63	55	11,29	352	45,21	107	18,77	29	4,48	13	2,16
954	513,40	31	11,24	60	12,89	418	58,23	132	21,38	34	6,30	13	1,68
889	446,07	30	10,05	52	11,38	412	56,98	116	21,41	34	6,63	12	6,88
935	468,45	30	9,82	53	11,59	387	52,20	94	29,33	34	6,20	13	2,88
1,090	591,57	32	11,28	63	13,99	429	59,46	124	27,17	40	7,32	15	4,68

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
53	9,79	307	82,59	99	11,10	6	93	59	9,46	616	93,78
57	11,58	327	118,89	99	11,64	6	1,07	64	9,86	631	99,79
53	10,69	320	87,94	93	10,60	6	1,03	55	8,72	580	89,46
46	8,40	284	71,62	84	9,23	6	71	51	8,30	536	82,51
47	9,10	284	72,69	92	10,11	6	71	62	9,23	560	85,57
54	9,50	269	74,90	104	10,62	7	92	60	9,76	616	87,52
48	7,74	291	77,01	113	10,82	7	89	52	8,35	544	73,83
53	7,79	311	84,31	116	10,88	7	82	54	9,26	595	83,22
52	8,29	298	76,99	99	12,04	7	93	59	9,85	621	88,36
49	9,15	282	77,01	92	10,36	7	1,22	58	8,83	607	92,72
56	10,73	335	86,66	98	10,95	6	1,26	60	9,65	680	109,51
58	11,18	329	86,95	99	13,17	6	86	64	10,21	669	108,96
56	10,10	318	79,09	91	10,51	5	73	60	10,03	636	100,78
67	14,79	360	115,95	107	13,89	6	1,02	73	11,30	750	124,62

† Average of nine months.

STATEMENT 22—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
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**
1963-64 ..	183	**40,81**	**5,55**	3,12	2,43	**30,45**
December 1963 ..	197	**38,04**	**6,10**	3,50	2,60	**28,43**
January 1964 ..	193	**43,80**	**6,27**	3,61	2,66	**33,02**
February ,, ..	189	**42,20**	**5,88**	3,30	2,58	**31,62**
March ,, ..	183	**40,81**	**5,55**	3,12	2,43	**30,45**
April ,, ..	178	**39,96**	**5,62**	3,21	2,41	**30,53**
May ,, ..	168	**33,69**	**5,28**	2,93	2,35	**25,15**
June ,, ..	176	**39,24**	**5,61**	3,18	2,43	**30,28**
July ,, ..	158	**38,40**	**5,16**	2,82	2,34	**29,82**
August ,, ..	157	**38,67**	**5,30**	2,97	2,33	**30,02**
September ,, ..	157	**39,34**	**5,50**	3,12	2,38	**30,55**
October ,, ..	143	**31,80**	**4,90**	2,69	2,21	**24,40**
November ,, ..	140	**37,27**	**4,88**	2,65	2,23	**28,94**
December ,, ..	102	**32,15**	**4,10**	2,15	1,95	**22,87**
January 1965 ..	101	**25,89**	**3,92**	2,17	1,75	**19,64**
February ,, ..	104	**34,86**	**4,51**	2,47	2,04	**26,90**

(For foot-notes, 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 7	Inter-bank 8	Others 9	**Total** 10	Inter-bank 11	Others 12	13	14
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
9,68	19	9,49	**21,38**	42	20,96	1,95	2,25
7,24	10	7,14	**21,66**	37	21,29	69	2,35
10,55	20	10,35	**23,11**	44	22,67	97	2,90
10,35	20	10,15	**21,95**	48	21,47	1,43	2,59
9,68	19	9,49	**21,38**	42	20,96	1,95	2,25
9,86	20	9,66	**21,26**	39	20,87	79	2,43
6,71	10	6,61	**18,84**	30	18,54	89	1,97
10,09	21	9,88	**20,74**	34	20,40	62	2,18
9,95	20	9,75	**20,42**	35	20,07	79	2,08
10,03	19	9,84	**20,49**	31	20,18	87	1,98
10,41	20	10,21	**20,66**	32	20,34	50	2,27
6,57	9	6,48	**18,12**	20	17,92	43	1,78
10,15	42	9,73	**19,51**	30	19,21	76	1,97
6,38	10	6,28	**16,73**	14	16,59	3,33	1,61
5,36	7	5,29	**14,46**	11	14,35	55	1,60
9,30	19	9,11	**18,00**	21	17,79	1,15	1,90

STATEMENT 22—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
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
1963-64		..	**40,68**	**2,10**	2,08	2	2,11	1,59	**20,20**	19,18
December	1963	..	**37,91**	**1,97**	1,96	1	2,13	1,00	**17,15**	16,24
January	1964	..	**43,32**	**2,36**	2,35	1	2,39	3,23	**18,74**	17,70
February	,,	..	**42,06**	**2,37**	2,36	1	2,26	3,81	**18,49**	17,46
March	,,	..	**40,68**	**2,10**	2,08	2	2,11	1,59	**20,20**	19,18
April	,,	..	**39,82**	**2,14**	2,13	1	2,27	1,41	**19,97**	18,91
May	,,	..	**33,59**	**1,59**	1,59	--	1,67	66	**17,40**	16,41
June	,,	..	**39,10**	**2,19**	2,18	1	2,48	1,75	**19,31**	18,36
July	,,	..	**38,32**	**1,98**	1,98	—	2,00	2,35	**18,93**	18,10
August	,,	..	**38,54**	**2,14**	2,13	1	1,98	3,23	**17,80**	16,96
September	,,	..	**39,21**	**1,99**	1,98	1	2,45	3,09	**18,57**	17,65
October	,,	..	**31,67**	**1,63**	1,62	1	1,91	1,22	**15,65**	14,76
November	,,	..	**37,19**	**1,88**	1,87	1	2,87	1,90	**16,11**	15,29
December	,,	..	**28,96**	**1,59**	1,57	2	1,74	95	**13,98**	13,17
January	1965	..	**25,78**	**1,36**	1,29	7	1,31	76	**13,03**	12,15
February	,,	..	**34,76**	**1,94**	1,92	2	1,94	1,17	**16,34**	15,43

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
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*
1,02	3	**11,38**	3,17	4,61	3,60	3,27	*6.9*	*66.3*	*37.4*
91	1	**12,46**	2,59	4,82	5,05	3,19	*6.9*	*60.3*	*43.8*
1,04	1	**13,26**	3,30	5,02	4,94	3,33	*7.1*	*56.8*	*40.2*
1,03	1	**12,08**	3,23	4,71	4,14	3,04	*7.5*	*58.5*	*38.2*
1,02	3	**11,38**	3,17	4,61	3,60	3,27	*6.9*	*66.3*	*37.4*
1,06	2	**11,23**	3,05	4,54	3,64	2,78	*7.0*	*65.4*	*36.8*
99	2	**9,83**	2,07	4,17	3,59	2,42	*6.3*	*69.2*	*39.1*
95	2	**10,66**	2,87	4,36	3,43	2,69	*7.2*	*63.8*	*35.2*
83	2	**10,53**	2,74	4,36	3,43	2,51	*6.6*	*63.5*	*35.3*
84	1	**10,66**	2,73	4,40	3,53	2,72	*7.1*	*59.3*	*35.5*
92	2	**10,32**	2,73	4,33	3,26	2,77	*6.5*	*60.8*	*33.8*
89	1	**9,16**	1,87	4,05	3,24	2,09	*6.7*	*64.1*	*37.5*
82	—	**10,36**	2,56	4,43	3,37	4,07	*6.5*	*55.7*	*35.8*
81	1	**8,72**	1,70	3,83	3,19	1,97	*7.0*	*61.1*	*38.1*
88	—	**7,61**	1,47	3,24	2,90	1,71	*6.9*	*66.3*	*38.7*
91	—	**9,64**	2,47	4,10	3,07	3,73	*7.2*	*60.7*	*35.8*

(*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.

STATEMENT 23—STATE CO-OPERATIVE BANKS MAINTAINING ACCOUNTS WITH THE RESERVE BANK OF INDIA

(Amount in lakhs of Rupees)

As at the close of last Friday	Number of reporting banks	DEMAND AND TIME LIABILITIES											Borrowings from Reserve Bank	Borrowings 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
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
1964-65 ..	18	**58,37**	**40,88**	15,84	23,56	—	1,48	**56,42**	18,90	34,82	—	2,70	150,13	**25,69**	15,16	10,52
1964-65 (Weekly) Friday Figures 1964																
April 3, ..	18	**49,58**	**39,13**	15,34	21,77	—	2,01	**50,81**	19,89	27,81	—	3,11	131,35	**4,43**	3,91	52
„ 10, ..	18	**49,94**	**37,64**	13,83	21,67	—	2,14	**52,76**	20,84	28,27	—	3,65	125,50	**3,39**	2,98	42
„ 17, ..	18	**49,92**	**35,74**	12,82	21,33	—	1,58	**53,59**	21,50	28,58	—	3,51	121,73	**4,02**	3,66	37
„ 24, ..	18	**50,16**	**35,32**	12,62	21,18	—	1,52	**54,71**	21,96	28,98	—	3,77	121,45	**2,96**	2,69	27
May 1, ..	18	**49,75**	**34,74**	12,44	20,71	—	1,60	**53,61**	21,18	29,04	—	3,39	119,88	**4,90**	4,64	27
„ 8, ..	18	**50,23**	**33,49**	11,47	20,45	—	1,57	**54,47**	21,30	29,79	—	3,38	120,52	**5,21**	3,94	1 27
„ 15, ..	18	**50,74**	**33,55**	11,36	20,76	—	1,43	**53,72**	20,39	29,98	—	3,36	120,02	**5,63**	5,36	27
„ 22, ..	18	**51,28**	**33,54**	11,06	21,03	—	1,45	**53,89**	20,05	30,25	—	3,59	121,57	**5,35**	5,08	27
„ 29, ..	18	**50,78**	**35,61**	13,16	20,98	—	1,48	**53,36**	20,02	29,80	—	3,53	122,36	**6,08**	5,82	27
June 5, ..	18	**51,12**	**34,33**	12,11	20,71	—	1,51	**54,75**	20,85	30,41	—	3,49	123,71	**5,33**	5,07	26
„ 12, ..	18	**50,71**	**34,87**	12,38	21,00	—	1,49	**53,43**	20,22	29,71	—	3,50	126,29	**4,68**	4,42	26
„ 19, ..	18	**51,30**	**38,22**	14,73	21,35	61	1,54	**53,37**	19,94	29,95	—	3,48	127,83	**3,67**	3,41	26
„ 26, ..	18	**52,29**	**44,19**	19,81	22,07	77	1,54	**55,45**	21,87	30,22	—	3,37	141,95	**2,43**	2,17	26
July 3, ..	18	**53,36**	**46,39**	20,81	23,34	43	1,81	**58,72**	25,28	30,03	13	3,28	162,97	**1,28**	1,02	26
„ 10, ..	18	**53,36**	**43,69**	17,25	23,07	1,63	1,74	**60,92**	27,43	30,29	—	3,20	156,25	**1,07**	81	26
„ 17, ..	18	**52,94**	**40,61**	15,47	22,70	50	1,94	**59,41**	26,23	30,24	—	2,93	157,41	**1,05**	79	25
„ 24, ..	18	**52,80**	**41,57**	15,98	21,53	2,16	1,91	**60,15**	25,75	31,27	—	3,13	153,86	**88**	62	25
„ 31, ..	18	**52,55**	**38,56**	14,04	21,00	1,72	1,80	**61,58**	26,84	31,56	—	3,19	151,27	**53**	28	25

August	7.	18	**52,21**	**38,23**	14,30	21,08	1,13	1,72	**59,31**	25,00	31,13	—	3,18	157,26	**63**	37	25
,,	14.	18	**53,30**	**38,07**	13,29	21,66	1,43	1,68	**59,53**	24,72	31,63	—	3,17	156,51	**59**	18	40
,,	21.	18	**53,36**	**41,72**	14,68	22,09	3,26	1,69	**65,80**	31,04	31,27	—	3,48	149,71	**1,37**	96	40
,,	28.	18	**53.92**	**38,35**	13,83	21,54	1,16	1,82	**64.54**	22,59	32,39	—	9,56	154,03	**2,39**	1,90	49
September	4.	18	**53,26**	**35,91**	12,73	21,51	—	1,67	**58,63**	23,66	31,76	—	3,22	165,32	**2,61**	97	1,64
,,	11.	18	**53,15**	**35,84**	12,03	21,36	82	1,63	**62,64**	27,50	31,79	—	3,35	160,03	**1.48**	98	49
,,	18	18	**53.08**	**36.45**	12,24	21,09	1,72	1,41	**61.82**	26,36	31,99	—	3,47	161,45	**2,85**	2,36	49
,,	25.	18	**53.42**	**37.59**	12,85	21,34	1,97	1,43	**65.45**	29 77	32,08	—	3,60	156,66	**2.73**	2,34	39
October	2.	18	**52,54**	**36,29**	12,56	20,86	1,46	1,42	**59,16**	23,83	31,68	—	3,65	162,95	**3,18**	2,78	39
,,	9.	18	**52,72**	**35,10**	11,65	20,54	1,34	1,58	**59,58**	23,85	32,18	—	3,55	164,30	**4,52**	4,02	49
,,	16.	18	**53,42**	**35,70**	11,33	21,42	1,53	1,41	**61,78**	26,01	32,00	—	3,78	160,92	**4,56**	4,07	49
,,	23.	18	**54,07**	**36.12**	12,02	21,53	1,15	1,42	**63,04**	27,59	32,54	—	2,91	160,87	**5,65**	5,16	49
,,	30.	18	**51,98**	**33,98**	11,42	21,15	—	1,41	**56,33**	22,65	30,83	—	2,85	168,14	**8.75**	8,20	55
November	6.	18	**51,72**	**32,83**	10,73	20,61	8	1,41	**57,48**	23,56	31,12	—	2,80	168 96	**7,58**	7,03	55
,,	13.	18	**52,91**	**34,76**	10,77	20,79	1,70	1,51	**63,88**	29,07	32,12	—	2,68	164,92	**6.08**	5,58	50
,,	20.	18	**54,23**	**36,18**	11,40	21,51	1,92	1,35	**67,90**	32,35	32,72	—	2,83	161,68	**5,47**	5,02	45
,,	27.	18	**52,81**	**34.80**	11,76	21,19	39	1,46	**64.19**	28,35	31,62	—	4,23	165,79	**6.43**	6,02	42
December	4.	18	**53,34**	**33,58**	11,10	21,03	—	1,45	**59,46**	23,84	32,32	—	3,31	170,77	**8.98**	8,57	41
,,	11.	18	**53,96**	**33,84**	10,96	21,29	—	1,59	**58,51**	22,40	32,67	—	3,43	170,45	**8,42**	7,77	65
,,	18.	18	**54,14**	**34,21**	10,88	21,36	45	1,52	**57,39**	21,95	32,78	—	2,66	168,76	**9,45**	8,40	1,05
,,	25.	18	**54.13**	**34,81**	11,22	21,41	64	1,54	**57,78**	21,64	32,72	—	3,42	169,08	**9.86**	8,84	1,02
1965																	
January	1.	18	**53,96**	**34,45**	10,68	21,60	55	1,62	**55,47**	20,74	32,36	—	2 37	168,28	**13,19**	11,92	1,27
,,	8.	18	**53,70**	**35,14**	11,64	21,06	85	1,59	**55,40**	20,36	32,64	—	2,40	166,72	**10.75**	9,33	1,42
,,	15.	18	**54,90**	**33,82**	11,05	21,37	—	1,41	**55,54**	19,71	33,53	—	2,29	165,91	**12,29**	10,27	2,02
,,	22.	18	**56,10**	**34,87**	11,47	21,72	34	1,34	**58,31**	20,07	34,38	—	3,87	166,42	**11.24**	9,21	2,02
,,	29.	18	**56,05**	**33,90**	10,14	21,69	70	1,37	**57,00**	19,23	34,36	—	3,40	165,30	**10,91**	8 74	2,17
February	5.	18	**56,54**	**34,12**	10,92	21,77	7	1,36	**57,16**	18,92	34,78	—	3,47	163,52	**13,42**	11,25	2,17
,,	12.	18	**56.92**	**34.40**	10,96	21,96	10	1,39	**55,65**	18,04	34.96	—	2,65	164,07	**15,08**	12,81	2,27
,,	19.	18	**56.23**	**34,87**	11,77	21,79	—	1,31	**56,35**	18,13	34,44	—	3,77	190,65	**14,47**	12,20	2,27
,,	26.	18	**53.76**	**34,87**	11,19	22,03	17	1,50	**55,89**	20,39	31,73	—	3,77	161,46	**16,13**	13,86	2,27
March	5.	18	**55,97**	**35,09**	11,62	21,99	—	1,48	**55,02**	18,24	33,98	—	2,80	159,38	**21,13**	18,85	2,27
,,	12.	18	**56,14**	**36,06**	12,28	22,22	4	1,52	**54,85**	18,51	33,93	—	2,41	156,14	**24,53**	21,56	2,97
,,	19.	18	**55,54**	**38,24**	13,85	22,93	—	1,46	**54,37**	18,63	32,61	—	3,14	154,41	**25,89**	15,36	10,52
,,	26.	18	**58,37**	**40,88**	15,84	23,56	—	1,48	**56,42**	18,90	34,82	—	2,70	150,13	**25,69**	15,16	10,52

STATEMENT 23—STATE CO-OPERATIVE BANKS MAINTAINING ACCOUNTS WITH THE RESERVE BANK OF INDIA—(*Contd.*)

(Amount in lakhs of Rupees)

As at the close of last Friday	ASSETS												
	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				*17*	*21*	*23*
	Total	Cash in hand	Balances with Reserve Bank				Total (*e*)	Advances		Bills purchased and discounted	*As percentage of aggregate deposits (f)*		
								Loans, cash credits and over-drafts	Due from banks				
	17	18	19	20	21	22	23	24	25	26	27	28	29
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	**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	**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	**2,57**	70	1,87	3,12	28,64	20,14	**197,36**	197,32	5	4	*5·1*	*57·3*	*394·9*
1964-65	**3,46**	1,05	2,41	4,72	30,72	18,02	**242,17**	242,09	2	8	*5·9*	*52·6*	*414·9*
1964-65 (Weekly) Friday Figures 1964													
April 3	**3,25**	77	2,48	4,10	28,66	25,50	**197,02**	196,93	10	9	*6·6*	*57·8*	*397·3*
„ 10	**3,19**	70	2,49	3,53	28,66	24,75	**193,72**	193,63	10	9	*6·4*	*57·4*	*387·9*
„ 17	**2,95**	78	2,18	3,14	28,66	23,80	**192,54**	192,48	4	6	*5·0*	*57·4*	*385·7*
„ 24	**2,92**	75	2,17	2,76	26,99	24,91	**190,51**	190,45	8	5	*5·8*	*53·8*	*379·8*
May 1	**2,85**	70	2,16	4,04	28,66	23,79	**190,00**	189,96	6	4	*5·7*	*57·6*	*381·9*
„ 8	**2,71**	68	2,03	3,50	28,66	23,47	**188,89**	188,86	6	3	*5·4*	*57·1*	*376·0*
„ 15	**2,90**	75	2,15	3,13	28,66	21,73	**191,48**	191,45	3	3	*5·7*	*56·5*	*377·4*
„ 22	**2,73**	74	1,99	3,06	29,08	23,25	**194,06**	194,02	2	4	*5·3*	*56·7*	*378·4*
„ 29	**3,15**	71	2,44	2,91	28,39	24,07	**195,62**	195,59	3	3	*6·2*	*55·9*	*385·3*
June 5	**2,67**	73	1,95	3 17	28,39	23,35	**187,53**	187,49	8,62	4	*5·2*	*55·5*	*366·8*
„ 12	**2,96**	75	2,21	3,20	28,39	21,93	**198,25**	198,22	3	3	*5·8*	*56·0*	*391·0*
„ 19	**3,15**	77	2,39	4,02	28,43	17,85	**208,38**	208,34	3	4	*6·2*	*55·4*	*406·2*
„ 26	**5,11**	70	4,41	6,13	28,45	21,99	**218,91**	218,88	4	3	*9·8*	*54·4*	*418·7*
July 3	**7,75**	71	7,04	6,04	28,27	34,07	**217,80**	217,76	5	4	*14·5*	*53·0*	*408·2*
„ 10	**7,26**	73	6,53	4,36	28,27	34,90	**217,89**	217,86	5	3	*13·6*	*53·0*	*408·4*
„ 17	**6,56**	71	5,85	4,11	28,28	28,38	**215,26**	215,24	5	2	*12·4*	*53·4*	*406·6*
„ 24	**7,67**	72	6,95	4,24	28,26	25,54	**221,30**	221,27	5	4	*14·5*	*53·5*	*419·2*
„ 31	**3,18**	67	2,51	3,38	28,67	23,65	**224,89**	224,80	6	10	*6·1*	*54·5*	*427·9*

August	7	**2,76**	69	2,07	3,34	28,75	23,82	**225,29**	225,18	6	11	*5·3*	*55·1*	*131·5*
,,	14	**2,85**	73	2,12	3,48	28,74	21,91	**225,71**	225,68	6	3	*5·4*	*53·9*	*423·5*
,,	21	**4,46**	75	3,71	5,15	28,73	19,81	**232,22**	232,19	6	4	*8·4*	*53·8*	*435·2*
,,	28	**3,62**	72	2,89	4,01	29,44	19,59	**233,82**	233,68	6	14	*6·7*	*54·6*	*433·6*
September	4	**3,19**	78	2,41	3,29	29,43	23,11	**229,02**	228,94	7	8	*6·9*	*56·3*	*430·0*
,,	11	**3,33**	81	2,52	3,61	25,39	20,25	**233,20**	233,14	7	5	*6·3*	*47·8*	*438·8*
,,	18	**2,90**	86	2,03	3,12	29,32	18,60	**233,66**	233,59	7	7	*5·5*	*55·2*	*440·2*
,,	25	**3,03**	80	2,23	2,74	29,46	19,71	**238,91**	238,88	7	3	*5·7*	*55·2*	*447·2*
October	2	**3,02**	70	2,32	2,47	29,45	17,69	**234,30**	234,20	6	10	*5·7*	*56·1*	*445·7*
,,	9	**2,91**	82	2,09	3,55	29,64	17,10	**232,50**	232,44	6	6	*5·5*	*56·2*	*440·8*
,,	16	**3,17**	82	2,35	3,60	29,87	15,73	**238,21**	238,15	6	6	*5·9*	*55·9*	*445·7*
,,	23	**3,96**	86	3,10	3,13	29,58	15,93	**240,02**	239,95	6	7	*7·6*	*56·9*	*461·5*
,,	30	**3,62**	92	2,70	2,75	30,08	14,62	**237,50**	237,45	6	5	*7·0*	*57·9*	*456·7*
November	6	**3,20**	1,02	2,19	3,84	30,07	15,21	**237,09**	237,03	12	6	*6·2*	*58·1*	*458·4*
,,	13	**3,59**	89	2,71	4,14	30,06	14,87	**243,25**	243,21	12	3	*6·8*	*56·8*	*459·8*
,,	20	**3,16**	87	2,29	3,67	30,23	15,90	**248,42**	248,37	8	5	*5·8*	*55·7*	*458·1*
,,	27	**3,38**	91	2,47	3,48	30,33	15,36	**244,94**	244,74	6	20	*6·4*	*57·4*	*463·8*
December	4	**3,29**	93	2,36	3,58	30,59	16,98	**242,22**	242,17	12	5	*6·2*	*57·3*	*454·1*
,,	11	**3,27**	80	2,47	3,72	30,58	15,78	**240,77**	240,70	5	7	*6·1*	*56·7*	*446·2*
,,	18	**2,96**	93	2,03	4,11	28,92	15,27	**241,08**	241,04	5	4	*5·5*	*53·4*	*445·3*
,,	25	**3,55**	96	2,59	4,59	30,63	16,87	**241,11**	241,04	5	6	*6·6*	*56·6*	*445·5*
1965														
January	1	**3,66**	94	2,72	4,12	30,66	16,56	**241,47**	241,43	13	4	*6·8*	*56·8*	*447·5*
,,	8	**3,30**	89	2,41	3,59	30,66	16,06	**242,10**	242,06	8	4	*6·2*	*57·1*	*450·8*
,,	15	**3,26**	94	2,32	4,09	30,66	16,05	**242,00**	241,95	9	5	*5·9*	*55·9*	*440·8*
,,	22	**3,05**	94	2,12	3,64	30,66	19,74	**242,30**	242,24	5	5	*5·4*	*54·7*	*431·9*
,,	29	**3,34**	1,08	2,26	3,74	30,66	17,15	**242,36**	242,31	3	5	*6·0*	*54·7*	*432·1*
February	5	**3,32**	1,02	2,30	2,86	30,66	16,79	**243,07**	243,04	12	3	*5·9*	*54·2*	*429·9*
,,	12	**3,32**	93	2,39	9,50	30,71	15,69	**243,69**	243,65	13	4	*5·8*	*54·0*	*428·2*
,,	19	**3,04**	1,07	1,97	3,88	30,73	14,60	**244,14**	244,09	10	6	*5·4*	*54·7*	*434·2*
,,	26	**3,10**	97	2,14	4,72	30,75	14,57	**245,58**	245,53	8	5	*5·8*	*57·2*	*456·8*
March	5	**3,01**	93	2,09	4,33	31,72	17,50	**243,32**	243,27	10	5	*5·4*	*56·7*	*434·7*
,,	12	**3,10**	97	2,13	3,25	30,69	16,45	**242,08**	242,04	12	4	*5·5*	*54·7*	*431·2*
,,	19	**3,21**	1,01	2,21	3,86	30,72	17,63	**243,13**	243,09	11	4	*5·8*	*55·3*	*437·8*
,,	26	**3,46**	1,05	2,41	4,72	30,72	18,02	**242,17**	242,09	2	8	*5·9*	*52·6*	*411·9*

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.

(*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*) Ratios above the line relate to aggregate liabilities.

STATEMENT 24—MONEY RATES

(Per cent per annum)

			STATE BANK OF INDIA																	
						CALL LOAN		DEPOSITS UPTO 14 DAYS FROM BANKS[2]			FIXED DEPOSITS									
											15 days[3]			46 days [4]			91 days[5]		
		Bank Rate	Hundi rate	Advance rate*	Scheduled banks[1]	Co-operative banks	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	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	5¼-6½(*c*)	4½-5(*b*)	4-6(*b*)	4-4½(*b*)	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(*d*)	5	6-6½(*f*)	4½	3·00	2·62	@	2.14	@	@	3·25	@	@	3·07	3·37	@
1963-64	.. ..	4½	7¼(*e*)	5-6(*g*)	6¼-6¾(*h*)	4½-5(*g*)	3·00	3·00	3·00	3·00	@	@	3·25	@	@	3·50	3·50	@
1964-65	.. ..	4½-6	7¼-9¼(*i*)	6-7(*j*)	6¾-7½(*k*)	5-6¾(*l*)	3·00	3·00	@	@	@	@	@	@	@	3·50	3·50	@
							@	@	@	1.37	1.27	1.36	2 47	2 65	2.50	4.53	4.28	4.36
March	1964 ..	4½	7¼	6	6¼-6¾(*h*)	5	@	3·00	@	@	@	@	@	@	@	3·50	3·50	@
April	,, ..	4½	7¼	6	6¾	5	@	3·00	@	@	@	@	@	@	@	3·50	3·50	@
May	,, ..	4½	7¼	6	6¾	5	3·00	3·00	@	@	@	@	@	@	@	3·50	3·50	@
June	,, ..	4½	7¼	6	6¾	5	@	3·00	@	@	@	@	@	@	@	3·50	3·50	@
July	,, ..	4½	7¼	6	6¾	5	@	3·00	@	@	@	@	@	@	@	3·50	3·50	@
August	,,	4½	7¼	6	6¾	5	@	3·00	@	@	@	@	@	@	@	3·50	3·50	@
September	,, ..	4½-5	7¼	6	6¾	5	3·00	3·00	@	@	@	@	@	@	@	3.50	3·50	@
October	,, ..	5	7¾(*i*)	6¼(*j*)	6¾	5½(*l*)-5¾(*l*)	@	@	@	1·25	@	1·25	2·50	@	2·50	4·00	4·00	4·00
November	,, ..	5	7¾	6¼	6¾	5¼	@	@	@	1·25	1·25	1·25	2·50	2·44	2·50	4·00	4·00	4·00
December	,, ..	5	7¾	6¼	6¾	5¾	@	@	@	1·25	@	1·25	2·50	2·50	2·50	4·00	4·00	4·00
January	1965 ..	5	8¼(*i*)	6¼	6¾	5¾	@	@	@	1·25	1·25	1·25	2·50	2·50	2·50	4·00	4·00	4·00
February	,, ..	5-6	8¼-9¼(*i*)	6¼-7(*j*)	6¾-7½(*k*)	5¾-6¾(*l*)	@	@	@	1·47	1·25	1·33	2·31	@	3·00	4·41	4·07	4·12
March	,, ..	6	9¼	7	7½	6¾	@	@	@	1·50	1·50	1·50	3·00	3·00	@	5·00	5·00	5.00

STATEMENT 24—MONEY RATES—(*Contd.*)

	STATE BANK OF INDIA (*Contd*)									OTHER SELECTED MAJOR SCHEDULED BANKS								
	FIXED DEPOSITS (*Contd*)									CALL MONEY FROM BANKS			DEPOSITS UPTO 14 DAYS FROM BANKS[2]			FIXED DEPOSITS 15 days[3]		
	6 months			12 months			18 months[6]											
	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras
	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35
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				3·87	4·09	4·11	2·95	2·97	3·00	2·96	3·00	3·00
1964-65	4·37	4·03	4·27	4·88	4·65	4·72				4·01	4·48	4·46	2·95	2·96	3·00	3·00	3·00	3·25
							5·00	5·00	@				7·93	5·01	5·51	1·30	1·28	1·33
March 1964 ..	3·75	3·75	3·75	4·00	4·00	4·00				6·23	6·36	6·21	3·00	3·00	3·00	@	@	@
April ,, ..	3·75	3·75	3·75	4·00	4·00	4·00				6·06	5·91	5·97	3·00	3·00	3·00	3·00	@	@
May ,, ..	3·75	3·75	3·75	4·00	4·00	4·00				5·62	5·30	5·69	3·00	3·00	3·00	3·00	3·00	@
June ,, ..	3·75	3·75	3·75	4·00	4·00	4·00				3·35	3·60	4·39	3·00	3·00	3·00	3·00	@	@
July ,, ..	3·75	3·75	3·75	4·00	4·00	4·00				1·60	2·68	1·56	2·87	2·88	3·00	3·00	@	@
August ,, ..	3·75	3·75	3·75	4·00	4·00	4·00				2·37	3·29	2·41	2·95	2·95	3·00	3·00	@	@
September ,, ..	3·75	3·75	3·75	4·00	4·00	4·00				2·91	3·02	2·64	3·00	3·00	3·00	3·00	3·00	3·25
October ,, ..	4·24	4·27	4·50	4·99	5·00	4·89	@	@	@	1·80	3·08	1·22	1·25	3·00	4·13	1·25	1·25	1·25
November ,, ..	4·50	4·50	4·50	5·00	5·00	5·00	@	@	@	2·42	3·57	2·46	@	3·50	4·45	1·25	1·25	1·25
December ,, ..	4·50	4·50	4·50	5·00	5·00	5·00	5·00	@	@	4·89	4·37	4·67	1·25	@	5·86	1·25	1·25	1·25
January 1965 ..	4·50	4·50	4·50	5·00	5·00	5·00	@	5·00	@	4·80	4·96	4·80	@	6·50	4·50	1·25	1·25	1·25
February ,, ..	4·72	4·51	4·87	5·35	5·25	5·28	@	@	@	5·31	5·61	5·32	@	5·75	4·50	1·32	1·31	1·47
March ,, ..	5·50	5·50	5·50	6·00	6·00	6·00	@	@	@	7·51	7·32	7·11	8·04	9·00	7·16	1·50	1·50	1·50

STATEMENT 24—MONEY RATES—(*Contd.*)

OTHER SELECTED MAJOR SCHEDULED BANKS—(*Contd.*)

			Fixed Deposits—(*Contd.*)															Bazaar Bill Rate‡		
			46 days[4]			91 days[5]			6 months			12 months			18 months[6]					
			Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras
			36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53
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				10⅜	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
1964-65		..	3·25	3·25	@	3·50	3·50	3·75	4·29	4·41	4·33	4·87	4·66	4·85				12·00	13·00-	15·00-
			2·55	2·57	2·30	4·21	4·02	4·07							5·12	5·00	6·50		15·00-	17·40
March	1964	..	3·25	@	@	@	3·50	@	3·75	3·75	3·75	4·00	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	@	@	@	3·50	@	3·75	3·75	3·75	3·99	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	,,	..	3·25	@	@	3·50	@	@	3·75	3·75	3·75	4·00	3·96	4·00				12·00	13·00	15·00
August	,,	..	3·25	@	@	3·50	3·50	@	3·75	3·75	3·75	4·00	4·00	4·00				12·00	13·00	15·00
September	,,	..	3·25	3·25	@	3·50	3·50	3·75	3·75	3·75	3·75	4·00	3·99	4·25				12·00	13·00	15·00
October	,,	..	2·50	2·50	2·50	3·98	3·98	3·98	4·48	4·48	4·13	4·97	4·97	4·76	5·00	5·00	..	12·00	13·50	15·72
November	,,	..	2·50	2·50	2·50	4·00	4·00	4·00	4·50	4·50	4·48	5·00	5·00	5·00	5·00	5·25	5·00	12·00	13·50	15·72
December	,,	..	2·50	2·50	@	3·93	4·00	4·00	4·50	4·50	4·50	5·00	5·00	4·92	5·00	@	@	12·00	13·50	15·72
January	1965	..	2·50	2·50	2·50	4·00	4·00	4·00	4·50	4·50	4·50	5·00	5·00	5·00	@	5·00	..	12·00	14·00	15·72-16·20
February	,,	..	2·71	2·64	1·94	4·39	4·14	4·62	4·90	4·61	4·57	5·40	5·32	5·16	5·00	5·00	@	12·00	15·00	16·20-17·40
March	,,	..	3·00	3·00	3·00	5·00	5·00	5·00	5·50	5·50	5·50	6·00	6·00	6·02	6·00	..	6·71	12·00	15·00	17·40

Note : The Reserve Bank of India rate was raised from 3 per cent to 3½ per cent on November 15, 1951, to 4 per cent on May 16, 1957, to 4½ per cent on January 3, 1963, to 5 per cent on September 26, 1964 and to 6 per cent on February 17, 1965. The entire borrowings of scheduled banks were charged at the Bank rate till October 1, 1960, when a new system of quotas (based on each bank's statutory reserves), and differential lending (slab) rates was introduced. On September 26, 1964 this was replaced by another system under which the effective lending rate was linked to the net liquidity position of the borrowing bank, the rate rising progressively with the impairment of its net liquidity position. Advances under the Rupee Export Bills Scheme are, however, charged at the Bank rate subject to the condition that the borrowing bank will not charge commission, interest or discount on all rupee export bills with it at a rate exceeding 1½ per cent per annum above the Bank rate. For details please refer to p. 14 and also Statement 25 of the Report on Currency and Finance, 1963-64. State Co-operative banks' borrowings from the Reserve Bank for general banking purposes under Section 17(4)(*a*) are charged at the Bank rate ; their borrowings for financing *bona fide* commercial or trade transactions 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*) are also charged at the Bank rate ; their borrowings for financing seasonal agricultural operations and marketing of crops under Section 17(4)(*a*), 17(2)(*b*) or 17(4)(*c*) are charged at a rate 2 per cent below the Bank rate and those for financing cottage industries (Handloom) under Section 17(2)(*bb*) or 17(4)(*c*) at a rate 1½ per cent below the Bank rate. The rate on medium term borrowings for agricultural purposes under Section 17(4AA) read with Section 46A(2) (*b*) was 2 per cent below the Bank rate till November 1, 1960, when it was changed to 1½ per cent below the Bank rate.

1. 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. 2. Data prior to October 1964 relate to deposits at notice of seven days. 3. Data prior to October 1964 relate to fixed deposits of one month. 4. Data prior to October 1964 relate to fixed deposits of two months. 5. Data prior to October 1964 relate to fixed deposits of three months. 6. From October 1964 onwards.

(*a*) From March 7, 1956.(*b*) With effect from October 1, 1960. (*c*) 6 per cent with effect from May 15, 1960 and 6½ per cent with effect from October 1, 1960 (*d*) With effect from January 4, 1963. (*e*) From week ended April 5, 1963. (*f*) From week ended November 16, 1962. (*g*) From week ended April 12, 1963. (*h*) 6¼ per cent with effect from January 29, 1964 and 6¾ per cent with effect from March 12, 1964. (*i*) 7¾ per cent with effect from October 1, 1964, 8¼ per cent with effect from January 1, 1965 and 9¼ per cent with effect from February 18, 1965. (*j*) 6¼ per cent with effect from October 1, 1964 and 7 per cent with effect from February 18, 1965. (*k*) 7½ per cent with effect from February 18, 1965 (*l*) 5½ per cent with effect from October 1, 1964, 5¾ per cent with effect from October 31, 1964 and 6¾ per cent with effect from February 18, 1965.

@ No transaction.

* The Bank's prime lending rate which regulates all interest rates for the various categories and classes of advances granted by the Bank.

‡ 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 6 months for columns 9 to 14.

Source : State Bank of India and selected major scheduled banks.

STATEMENT 25—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%	
	1	2	3	4	5	6
1960-61(*a*)	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
1964-65(*b*)		14,81		5,15	4,18	5·17
March 1964		45,36		26,06	24,95	5·42
April ,,		35,13		13,54	15,08	5·29
May ,,		34,24		14,29	9,25	5·19
June ,,		12,55		1,82	53	4·75
July ,,		1,09		9	—	4·61
August ,,		2,24		7	—	4·54
September ,,		2,16		10	—	4·56

Average of Fridays	Outstandings Under Section 17(4) (*a*), 17(4)(*c*) and 17(3A) of the Reserve Bank of India Act, 1934							Weighted average rate of borrowings Per cent
	Total	At 5%	Over 5% but not exceeding 5½%	Over 5½% but not exceeding 6%	Over 6% but not exceeding 6½%	Over 6½% but not exceeding 7%	Over 7%	
	7	8	9	10	11	12	13	14
1964-65(*c*)	**31,85**	31,10	32	8	25	10	—	5·02
October 1964	**1,73**	1,68	—	—	1	4	1	5·05
November ,,	**2,19**	2,17	1	—	—	—	—	5·00
December ,,	**24,93**	23,29	5	—	1,14	45	—	5·09
January 1965	**69,44**	68,98	17	24	5	—	—	5·00
February ,,	**83,72**	83,46(*d*)	2,63(*d*)	38,46	1,70	45	7	5·51

Average of Fridays	Outstandings Under Section 17(4)(*a*), 17(4)(*c*) and 17(3A) of the Reserve Bank of India Act, 1934					Weighted average rate of borrowings Per cent
	Total	At 6%	At 6½%	At 7%	Over 7%	
	15	16	17	18	19	20
1964-65(*e*)	**123,84**	54,69	3,67	31,87	33,61	6·78
March 1965	**145,18**	43,65	3,83	47,35	50,35	7·07

Note : Data upto September 1964 are as under slab-rate system. Effective from September 26, 1964, the slab-rate system was replaced by a new system under which borrowings of scheduled banks are linked to the net liquidity ratio. The level of the net liquidity ratio was revised effective from February 17, 1965. For details please refer to p. 14 and also Statement 25 of the Report on Currency and Finance, 1963-64. (*a*) Average of 23 weeks, (*b*) Average of 26 weeks, (*c*) Average of 20 weeks, (*d*) Average of two weeks; consequently the total does not add up to the sum of the constituents. (*e*) Average of 6 weeks.

STATEMENT 26--MONEY SUPPLY

Last Friday	CURRENCY WITH THE PUBLIC						Variations in 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)**	
	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	90·26	3·04	60·96	**2,605·56**	+ 226·09
1964-65	2,563·69	179·99	97·44	2·41*	69·69*	**2,769·02***	+ 163·46*
March 1964 ..	2,410·83	168·47	90·26	3·04	60.96	**2,605.56**	+ 36·39
April ,, ..	2,493·10	171·77	91·20	2·41*	65·47	**2,688.06***	+ 82·50*
May ,, ..	2,483·35	176·30	92·07	1·72*	67·26	**2,682·73***	— 5·33*
June ,, ..	2,440·95	174·88	92·54	1·66*	70·81	**2,635·90***	— 46·83*
July ,, ..	2,376·24	170·19	92·91	1·47*	65·77	**2,572·10***	— 63.80*
August ,, ..	2,346·95	169·07	93·23	1·46*	66·40	**2,541·39***	— 30·71*
September ,, ..	2,320·09	167·60	93·51	1·39*	63·68	**2,516·13***	— 25·26*
October ,, ..	2,354·11	170·67	94·13	1·27*	69·53	**2,548·11***	+ 31·98*
November ,, ..	2,379·29	172·34	94·66	1·41*	68·24	**2,576·64***	+ 28·53*
December ,, ..	2,462·32	175·37	95·22	1·86*	69·49	**2,661·56***	+ 84·92*
January 1965 ..	2,500·27	177·53	95·79	2·37*	78·90	**2,692·32***	+ 30·76*
February ,, ..	2,518·07	179·51	96·70	2·02*	68·89	**2,723·37***	+ 31·05*
March ,, ..	2,563·69	179·99	97·44	2·41*	69·69*	**2,769·02***	+ 45·65*

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-deposits '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 upto 1962-63.

WITH THE PUBLIC

(Crores of Rupees)

DEPOSIT MONEY					
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	**Money supply with the public (6 + 10)**	**Variations in money supply with the public (7 + 11)**
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	**3,309·97**	+ **264·15**
1,114·66	31·90	**1,146·56**	+ 216·05	**3,752·12**	+ **442·15**
1,289·27*	21·70	**1,310·97***	+ 164·41*	**4,079·99***	+ **327·87***
1,114·66	31·90	**1,146·56**	+ 29·19	**3,752·12**	+ **65·58**
1,122·24	30·07	**1,152·31**	+ 5·75	**3,840·38***	+ **88·26***
1,127·56	27·47	**1,155·03**	+ 2·72	**3,837·76***	— **2·62***
1,149·25	31·17	**1,180·42**	+ 25·39	**3,816·31***	- **21·45***
1,158·30	36·34	**1,194·64**	+ 14·22	**3,766·74***	— **49·57***
1,183·40	40·82	**1,224·22**	+ 29·58	**3,765·61***	- **1·13***
1,186·07	17·33	**1,203·40**	— 20·82	**3,719·53***	— **46·08***
1,237·50	22·20	**1,259·69**	+ 56·29	**3,807·80***	+ **88·27***
1,243·38	24·08	**1,267·46**	+ 7·77	**3,844·10***	+ **36·30***
1,219·30	22·44	**1,241·75**	— 25·71	**3,903·31***	+ **59·21***
1,259·04	27·15	**1,286·19**	+ 44·44	**3,978·51***	+ **75·20***
1,272·60	28·16	**1,300·77**	+ 14·58*	**4,024·14***	+ **45·63***
1,289·27*	21·70	**1,310·97***	+ 10·20*	**4,079·99***	+ **55·85***

(*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 27—SEASONAL VARIATIONS

	1955-56		1960-61	
	Slack Season	*Busy Season*	Slack Season	*Busy Season*
	1	2	3	4
A. MONEY SUPPLY WITH THE PUBLIC	**+ 9·3**	**+250·1**	**— 79·6**	**+235·1**
1. Currency with the public*(a)	— 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*) Bank's 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 (a) (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 crores in June 1961) from Kuwait.

IN MONEY SUPPLY WITH THE PUBLIC

(Crores of Rupees)

1961-62		1962-63		1963-64		1964-65		Outstanding as on April 30, 1965
Slack Season	*Busy Season*	Slack Season	*Busy Season*	Slack Season	*Busy Season*	Slack Season	*Busy Season*	
5	6	7	8	9	10	11	12	13
+ 97·9	**+ 326·4**	**— 62·9**	**+ 361·5**	**+ 29·9**	**+ 410·0**	**—32·6**	**+ 394·5**	**4,202·3**
— 101·1	+ *257·8*	— 70·7	+ *258·9*	— 51·6	+ *297·0*	—140·0	+ *321·1*	2,869·2
— 1·6	+ *5·7*	— 5·2	+ *11·3*	— 2·6	+ *8·8*	— 7·9	+ *12·3*	34·5
+ 4·8	+ *63·0*	+ 13·0	+ *91·3*	+ 84·1	+ *104·2*	+ 115·3	+ *61·2*	1,298·7
— 63·8	**+ 287·4**	**+ 5·9**	**+ 194·6**	**+ 126·9**	**+ 93·3**	**+ 117·5**	**+ 155·3**	**3,517·4**
— 125·4	+ *313·2*	— 109·1	+ *291·5*	— 19·6	+ *241·0*	—142·5	+ *308·2*	2,760·8
—110·2	+ *296·0*	—116·2	+ *301·9*	— 28·1	+ *244·5*	—101·1	+ *266·6*	2,826·8
+ 15·2	— *17·2*	— 7·1	+ *10·4*	— 8·5	+ *3·5*	+ 41·4	— *41·7*	66·0
+ 61·6	— *25·8*	+ 115·0	— *96·9*	+ 146·5	—*147·6*	+ 259·9	—*152·9*	756·6
— 57·5	**+ 102·5**	**— 69·3**	**+ 246·5**	**—130·5**	**+ 360·8**	**—158·5**	**+ 285·8**	**945·3**
+ 0·7	+ *1·9*	+ 2·2	+ *2·1*	+ 5·9	+ *4·9*	+ 9·9	+ *4·1*	40·4
— 58·2	+ *100·6*	— 71·5	+ *244·4*	—136·4	+ *355·9*	—168·4	+ *281·6*	904·9
— 31·2	+ *199·9*	+ 2·7	+ *194·4*	— 64·6	+ *334·5*	— 78·9	+ *345·4*	2,376·7
+ 27·0	+ *99·3*	+ 74·2	— *50·0*	+ 71·8	— *21·5*	+ 89·6	+ *63·7*	1,471·9
— 21·6	**— 43·2**	**— 25·4**	**+ 0·6**	**+ 17·9**	**+ 7·5**	**+ 3·9**	**— 22·1**	**80·0**
— 37·7	— *33·2*	— 32·8	+ *20·4*	— 1·0	+ *24·6*	— 12·2	— *19·9*	80·4
+ 16·1	— *10·0*	+ 7·4	— *19·8*	+ 18·9	— *17·1*	+ 16·0	— *2·2*	—0·3
+ 0·8	**+ 18·0**	**— 0·2**	**+ 10·6**	**+ 3·0**	**+ 18·2**	**+ 3·1**	**+ 12·4**	**275·9**
+ 36·5	**— 36·6**	**+ 30·7**	**— 49·2**	**+ 16·9**	**— 43·3**	**+ 1·0**	**— 51·5**	**344·0**
+ 7·7	**— 1·7**	**— 4·6**	**— 41·6**	**— 4·3**	**— 26·5**	**+ 0·4**	**+ 14·7**	**272·3**

@ 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 and National Industrial Credit (Long-term Operations) Fund, (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 28—VARIATIONS IN

	Outstanding as on March 30, 1951	Variations during the First Plan	Outstanding as on March 30, 1956	Variations during the Second Plan
	1	2	3	4
A. MONEY SUPPLY WITH THE PUBLIC	**2,020·6†**	**+ 196·2**	**2,217·0**	**+ 703·7****
1. Currency with the public*(a)	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(a),(c)**	**+ 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(a),(c)	+ 100·1	356·4	+ 20·7**
(i) Financial assets of banks	587·1(a),(c)	+ 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 (a) (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(c) (Increase—)	**77·5(a),(c)**	**— 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 and National Industrial Credit (Long-term Operations) Fund, (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

MONEY SUPPLY WITH THE PUBLIC

(Crores of Rupees)

Outstanding as on March 31, 1961	Variations during					Outstanding as on March 27, 1964	Outstanding as on March 26, 1965
	1960-61	1961-62	1962-63	1963-64	1964-65		
5	6	7	8	9	10	11	12
2,868·6	**199·2**	**177·2**	**264·2**	**442·2**	**327·9**	**3,752·1**	**4,080·0**
2,098·1	167·2	103·1	178·3	226·1	163·5	2,605·6	2,769·0
13·5	3·5	3·8	5·3	9·4	10·2	31·9	21·7
757·1	35·5	70·3	80·6	206·7	174·6	1,114·7	1,289·3
2,488·5	**17·3**	**202·5**	**201·8**	**242·2**	**205·9**	**3,135·0**	**3,340·9**
1,897·4	136·6	159·3	207·4	194·8	126.6	2,458·9	2,585·5
2,002·9	135·9	141·0	207·5	207·7	142·1	2,559·0	2,701·1
105·5	— 0·7	— 18·3	0·1	12·9	15·5	100·1	115·6
591·1	—153·9	43·2	5·6	47·4	79·4	676·1	755·5
408·3	**252·9**	**36·7**	**171·7**	**202·0**	**103·4**	**819·1**	**922·4**
8·8	0·3	2·7	3·3	11·5	14·2	26·3	40·4
399·5	252·6	34·0	168·4	190·5	89·2	792·8	882·0
1,494·5	237·8	136·7	213·6	233·2	222·3	2,077·9	2,300·2
1,095·0	14·8	102·7	45·2	42·2	133.0	1,285·1	1,418·2
178·4	**— 62·6**	**— 57·0**	**— 42·6**	**39·0**	**— 18·9**	**113·0**	**94·2**
185·0	— 51·6	— 66·5	— 27·3	31·0	— 27·8	122·3	94·5
—6·6	— 11·0	9·5	— 15·3	8·0	8·9	— 9·2	— 0·3
206·3	**9·9**	**20·2**	**9·1**	**20·1**	**19·3**	**255·7**	**275·0**
250·2	**0·2**	**3·3**	**— 31·1**	**— 25·9**	**— 36·3**	**303·8**	**340·1**
162·7	**16·5**	**28·5**	**44·7**	**35·3**	**54·5**	**266·9**	**212·4**

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.)

* 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 up to 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 29—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
	As at the close of last Friday										
1	1950-51 ..	1,247,41	162,04	26,40		59,28		72,31	**320,03**	33,10	**1,600,55**
2	1955-56 ..	1,466,64	67,34	62,03		53,24		16,68	**199,30**	59,46	**1,725,41**
3	1960-61 ..	1,984,74	76,46	28,99		70,85		87,96	**264,25**	221,39	**2,470,39**
4	1961-62 ..	2,070,30	71,30	15,89		72,73		152,36	**312,27**	231,84	**2,614,42**
5	1962-63 ..	2,241,96	55,83	31,42	74,91	2,49	4	172,39	**337,09**	263,18	**2,842,23**
6	1963-64 ..	2,454,00	84,15	15,97	76,66	2,34	4	161,71	**340.88**	282,76	**3,077,64**
7	1964-65 ..	2,606,86	90,91	24,72	95,67	3,06	3	155,87	**370,27**	329,46	**3,306,59**
	1964-65 (Weekly) As at the close of **1964**										
8	April 3, ..	2,502,95	52,18	15,96	76,88	2,77	2	290,71	**438,52**	279,18	**3,220,66**
9	,, 10, ..	2,547,05	74,25	12,68	83,42	2,90	3	159,54	**332,83**	266,35	**3,146,23**
10	,, 17, ..	2,545,34	52,17	9,76	82,14	2,74	3	158,79	**305,63**	270,38	**3,121,35**
11	,, 24, ..	2,536,27	52,72	13,53	83,43	2,44	2	159,94	**312,07**	273,12	**3,121,46**
12	May 1, ..	2,533,43	49,34	14,22	91,21	2,20	5	159,44	**316,46**	283,38	**3,133,27**
13	,, 8, ..	2,576,90	53,75	21,90	80,94	2,23	4	159,15	**318,01**	275,82	**3,170,73**
14	,, 15, ..	2,570,45	51,69	15,33	85,44	2,23	4	159,44	**314,17**	284,76	**3,169,38**
15	,, 22, ..	2,542,76	54,95	18,62	85,33	2,11	63	157,84	**319,48**	283,48	**3,145,72**
16	,, 29. ..	2,526,52	53,57	17,00	88,47	2,80	36	158,38	**320,58**	287,48	**3,134,58**
17	June 5, ..	2,549,53	50,63	9,09	87,71	2,02	21	158,87	**308,53**	284,77	**3,142,83**
18	,, 12, ..	2,553,98	51,10	17,39	81,72	2,64	16	162,19	**315,20**	282,62	**3,151,80**
19	,, 19, ..	2,517,28	65,40	14,84	89,21	2,43	2	160,61	**332,51**	281,01	**3,130,79**
20	,, 26, ..	2,484,12	79,71	14,05	97,67	4,49	2	162,18	**358,11**	283,06	**3,125,29**
21	July 3, ..	2,501,54	60,55	12,80	92,07	7,07	4	189,35	**361,89**	250,20	**3,113,64**
22	,, 10, ..	2,507,98	53,42	19,79	106,77	6,65	4	189,75	**376,42**	247,13	**3,131,54**
23	,, 17, ..	2,478,87	53,74	18,45	104,17	5,91	1	190,27	**372,55**	243,07	**3,094,49**
24	,, 24, ..	2,443,76	76,88	17,93	95,96	7,21	4	190,38	**388,40**	242,17	**3,074,33**
25	,, 31, ..	2,419,41	114,63	19,18	100,55	2,76	1	195,42	**432,56**	244,13	**3,096,11**
26	August 7, ..	2,458,93	83,04	26,57	94,83	2,43	1	189,58	**396,47**	245,92	**3,101,33**
27	,, 14, ..	2,452,97	68,80	23,21	113,46	2 31	2	188,57	**396,36**	242,16	**3,091,49**
28	,, 21, ..	2,423,82	78,24	13,09	122,16	4,75	4	187,90	**406,18**	248,01	**3,078,01**
29	,, 28, ..	2,390,12	96,21	19,44	91,91	2,95	7	160,66	**371,24**	260,53	**3,021,89**
30	September 4, ..	2,407,49	134,65	15,61	95,16	2,60	7	143,87	**391,95**	261,41	**3,060,86**
31	,, 11, ..	2,421,17	87,32	26,87	98,90	2,72	4	138,86	**354,71**	255,17	**3,031,04**
32	,, 18, ..	2,389,81	60,68	13,68	106,50	2,33	3	138,28	**321,51**	258,07	**2,969,38**
33	,, 25, ..	2,363,26	61,33	15,08	100,71	2,60	4	137,23	**316,99**	265,19	**2,945,44**

[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*)	Central Government	State 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	21	
40,02	884,18	54,51	585,83	1,56			16,75		8,21	9,50	*1*
40,02	746,13	103,31	726,01	--			79,94		12,23	17,77	*2*
117,76	136,25	119,71	1,813,15	39,02			185,50		39,17	19,82	*3*
117,76	129,70	116,97	1,910,57	80,89			177,69		46,60	34,24	*4*
117,76	116,38	116,31	2,128.29	54,76		71,28	134,35	1,68	66,00	35.40	*5*
117,76	126,28	109,19	2,338,10	70,62		84,16	133,98	2,82	64,60	30,13	*6*
133,76	85,72	97,86	2,480,73	---	73,97	153,02	149,90	3,46	68,51	41,65	*7*
117,76	125,62	106,84	2,435,46	92,79		74,94	130,92	1,53	104,00	30,79	*8*
117,76	124,71	105,13	2,336,37	112,66		68,92	125,83	1,71	122,28	30,85	*9*
117,76	120,65	105,43	2,341,03	113,16		66,16	121,95	1,71	102,63	30,85	*10*
117,76	116,43	105,93	2,380,18	111,38		45,02	123,70	2,31	87,91	30,84	*11*
117,76	112,82	105,38	2,410,69	102,79		65,53	120,26	1,79	64,93	31,32	*12*
117,76	111,73	101,71	2,462,23	84,88		79,04	120,97	1,82	59,18	31,41	*13*
117,76	111,77	101,10	2,474,94	83,96		68,57	123,72	1,82	54,28	31,46	*14*
117,76	116,59	101,33	2,478,04	82,63		43,28	122,98	1,90	49,69	31,51	*15*
117,76	115,61	101,41	2,481,56	85,89		32,45	124,69	1,98	41,09	32,12	*16*
117,76	108,95	98,35	2,481,69	91,48		36,28	125,03	1,80	49,20	32,29	*17*
117,76	106,90	98,13	2,525,14	73,50		18,16	128,53	1,94	48,96	32,77	*18*
117,76	100,84	100,32	2,520,31	78,00		4,03	130,16	2,44	44,21	32,73	*19*
117,76	96,61	102,88	2,504,03	81,65		1,14	145,17	1,79	40,74	33,54	*20*
117,76	96,52	101,33	2,490,47	64,60		31	163,37	1,93	38,88	38,48	*21*
117,76	97,45	101,12	2,517,63	54,16		48	158,22	1,88	45,52	37,32	*22*
117,76	95,46	103,26	2,449,82	49,42		86	157,74	1,98	86,87	31,33	*23*
117,76	92,82	105,86	2,443,11	51,24		45	154,52	2,10	79,67	26,79	*24*
117,76	93,98	107,67	2,440,09	52,76		3,66	151,79	2,10	99,31	26,99	*25*
117,76	93,65	105,00	2,441,03	45,18		3,41	156,16	2,33	111,69	25,11	*26*
117,76	94,25	105,22	2,415,29	47,50		1,89	156,57	2,33	125,32	25,36	*27*
117,76	98,46	106,87	2,387,56	54,06		1,84	150,89	2,48	132,68	25,41	*28*
117,76	95,60	108,80	2,311,95	50,23		2,06	154,40	2,33	152,84	25,92	*29*
117,76	97,80	106,45	2,297,67	46,53		5,23	165,89	2,51	195,02	26,00	*30*
117,76	96,51	106,02	2,268,99	44,13		2,04	160,44	2,44	206,54	26,17	*31*
117,76	98,86	108,07	2,204,56	46,64		93	159,00	2,50	204,80	26,26	*32*
117,76	97,63	110,30	2,168,88	54,11		83	157,38	2,58	209,83	26,13	*33*

STATEMENT 29—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
1964 *(contd.)*												
34	October	2, ..	2,370,28	75,92	14,78	103,30	2,53	5	136,42	**333,00**	263,04	**2,966,33**
35	,,	9, ..	2,435,36	51,24	13,20	96,78	2,52	2	136,13	**299,89**	261,48	**2,996,73**
36	,,	16, ..	2,437,93	54,13	15,66	109,48	2,58	3	141,88	**323,77**	261,24	**3,022,94**
37	,,	23, ..	2,409,29	83,45	12,59	100,92	3,19	1	137,99	**338,17**	267,16	**3,014,62**
38	,,	30, ..	2,397,28	95,93	11,73	89,15	3,16	1	142,16	**342,14**	267,88	**3,007,30**
39	November	6, ..	2,467,59	50,13	18,56	96,91	2,33	3	145,49	**313,45**	268,83	**3,049,86**
40	,,	13, ..	2,460,73	51,72	7,11	95,89	3,17	1	145,45	**303,35**	282,50	**3,046,57**
41	,,	20, ..	2,432,94	50,84	6,49	101,60	2,94	4	144,50	**306,40**	288,60	**3,027,94**
42	,,	27, ..	2,422,46	60,14	6,34	93,95	2,81	2	144,82	**308,07**	287,41	**3,017,94**
43	December	4, ..	2,472,97	86,30	5,49	89,23	2,74	2	144,57	**328,35**	282,10	**3,083,42**
44	,,	11, ..	2,510,53	53,05	17,82	93,55	2,92	5	143,28	**310,68**	279,84	**3,101,06**
45	,,	18, ..	2,507,46	54,31	10,79	90,09	2,68	3	143,72	**301,62**	287,05	**3,096,12**
46	,,	25, ..	2,505,49	52,79	10,46	91,92	2,75	5	143,49	**301,46**	292,95	**3,099,90**
	1965											
47	January	1, ..	2,516,80	52,04	7,08	99,37	2,52	4	146,05	**307,10**	296,29	**3,120,20**
48	,,	8, ..	2,572,52	50,56	7,79	96,33	2,48	7	147,01	**304,23**	296,26	**3,173,01**
49	,,	15, ..	2,576,70	50,07	19,64	88,94	2,35	9	149,37	**310,46**	302,42	**3,189,58**
50	,,	22, ..	2,548,95	54,90	11,28	95,50	3,07	7	148,60	**313,43**	311,28	**3,173,66**
51	,,	29, ..	2,543,44	51,52	12,96	94,93	3,01	10	148,20	**310,73**	302,48	**3,156,64**
52	February	5, ..	2,580,96	50,32	10,77	91,24	2,77	6	148,28	**303,44**	311,86	**3,196,26**
53	,,	12, ..	2,597,91	52,41	17,65	92,85	2,82	7	149,04	**314,84**	312,19	**3,224,96**
54	,,	19, ..	2,573 78	58,60	5,68	99,35	2,61	4	148,38	**314,67**	308,43	**3,196,89**
55	,,	26, ..	2,561 24	58,65	9,04	100,07	2,71	3	150,00	**320,51**	317,00	**3,198,75**
56	March	5, ..	2,607,52	104,91	5,46	86,20	2,53	4	148,73	**347,87**	314,85	**3,270,24**
57	,,	12, ..	2,633,66	84,23	4,40	87,86	2,48	6	147,35	**326,38**	310,89	**3,270,93**
58	,,	19, ..	2,625,66	52,79	22,79	87,05	2,85	13	196,87	**362,48**	317,78	**3,305,92**
59	,,	26, ..	2,606,86	90,91	24,72	95,67	3,06	3	155,87	**370,27**	329,46	**3,306,59**

(*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, Rs. 73 crores from July 5, 1963 and Rs. 86 crores from July 3, 1964, (*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, Rs. 8 crores from July 5, 1963, and Rs. 9 crores from July 3, 1964, and (*v*) National Indus-

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*)	Central Government	State 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	21	
117,76	95,81	109,67	2,168,42	63,46		60	163,81	2,60	217,43	26,77	*34*
117,76	94,30	105,98	2,248,25	65,57		1,96	164,79	2,36	169,25	26,50	*35*
117,76	94,59	105,83	2,247,87	67,52		3,99	161,54	2,34	194,86	26,64	*36*
117,76	94,21	106,85	2,232,59	73,19		44	161,33	2,35	199,23	26,66	*37*
117,76	93,78	107,23	2,229,98	75,48		1,68	170,26	2,07	181,85	27,21	*38*
117,76	95,89	102,04	2,310,80	61,22		5,88	169,50	2,01	157,34	27,42	*39*
117,76	95,60	102,15	2,309,84	65,98		79	166,33	2,39	158,22	27,51	*40*
117,76	94,89	103,91	2,271,36	67,73		1,24	162,22	2,81	178,50	27,51	*41*
117,76	93,47	105,55	2,269,03	67,00		83	166,45	3,02	166,09	28,74	*42*
117,76	96,84	102,21	2,308,10		72,52	18,26	170,82	3,34	164,11	29,44	*43*
117,76	96,30	101,03	2,363,03		59,72	23,30	170,82	3,51	136,04	29,54	*44*
117,76	95,31	101,90	2,363,32		67,09	22,81	169,11	3,63	125,27	29,92	*45*
117,76	95,18	102,54	2,364,41		68,41	35,35	169,89	2,46	112,89	31,01	*46*
117,76	93,19	102,33	2,363,25		69,15	62,10	169,19	2,83	109,22	31,18	*47*
122,75	90,23	98,92	2,388,99		71,84	90,16	167,70	2,82	108,40	31,19	*48*
122,75	88,33	98,74	2,428,91		58,87	78,98	167,36	2,81	111,63	31,20	*49*
128,43	81,51	99,97	2,458,56		60,50	60,12	167,79	2,87	82,81	31,12	*50*
128,43	80,00	100,40	2,462,43		66,95	55,85	165,84	2,22	62,73	31,79	*51*
128,43	80,57	97,02	2,472,50		74,13	77,45	164,60	3,13	66,53	31,90	*52*
128,43	79,39	96,18	2,489,77		72,38	95,11	165,07	2,35	64,18	32,10	*53*
133,76	76,74	97,49	2,490,04		75,57	71,82	164,77	3,13	51,49	32,08	*54*
133,76	79,90	98,34	2,469,67		72,48	90,49	163,50	3,27	52,14	35,22	*55*
133,76	81,39	95,27	2,477,72		77,45	132,48	160,57	3,31	72,53	35,76	*56*
133,76	84,31	94,82	2,462,42		87,82	139,41	157,75	3,34	71,48	35,83	*57*
133,76	86,86	95,71	2,495,23		83,96	155,83	154,95	3,35	60,09	36,19	*58*
133,76	85,72	97,86	2,480,73		73,97	153,02	149,90	3,46	86,51	41,65	*59*

trial Credit (Long-term Operations) Fund of Rs. 10 crores from July 3, 1964. (*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 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.

STATEMENT 30—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	Totol 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)
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
1964-65	2,606,86	40,03	**2,646,89**	133,76	77,46	97,75	2,337,92
1964-65 (Weekly)							
As at the close of 1964							
April 3, ...	2,502,95	18,40	**2,521,35**	117,76	112,46	106,77	2,184,37
10, ...	2,547,05	17,30	**2,564,36**	117,76	112,46	105,05	2,229,09
17, ...	2,545,34	18,99	**2,564,32**	117,76	108,46	105,36	2,232,74
24, ...	2,536,27	18,27	**2,554,54**	117,76	108,46	105,85	2,222,47
May 1, ...	2,533,43	20,44	**2,553,87**	117,76	103,46	105,26	2,227,39
8, ...	2,576,90	18,31	**2,595,22**	117,76	103,46	101,63	2,272,37
15, ...	2,570,45	24,05	**2,594,50**	117,76	103,46	101,02	2,272,27
22, ...	2,542,76	21,97	**2,564,73**	117,76	103,46	101,24	2,242,27
29, ...	2,526,52	38,24	**2,564,76**	117,76	103,46	101,28	2,242,27
June 5, ...	2,549,53	27,21	**2,576,73**	117,76	98,46	98,25	2,262,27
12, ...	2,553,98	22,53	**2,576,52**	117,76	98,46	98,08	2,262,22
19, ...	2,517,28	26,39	**2,543,67**	117,76	93,46	100,25	2,232,20
26, ...	2,484,12	51,94	**2,536,06**	117,76	89,46	102,81	2,226,04
July 3, ...	2,501,54	17,95	**2,519,49**	117,76	89,46	101,26	2,211,02
10, ...	2,507,98	11,52	**2,519,50**	117,76	89,46	101,06	2,211,23
17, ...	2,478,87	17,97	**2,496,84**	117,76	89,46	103,18	2,186,44
24, ...	2,443,76	20,90	**2,464,66**	117,76	85,46	105,77	2,155,68
31, ...	2,419,41	37,03	**2,456,45**	117,76	85,46	107,53	2,145,70

August	7.	..	..	..	2,458,93	9,99	**2,468,92**	117,76	85,46	104,90	2,160,80
	14.	..	..	..	2,452,97	16,25	**2,469,22**	117,76	85,46	105,12	2,160,88
	21.	..	..	..	2,423,82	22,06	**2,445,88**	117,76	85,46	106,78	2,135,88
	28.	..	..	..	2,390,12	37,67	**2,427,80**	117,76	85,46	108,70	2,115,88
September	4.	..	..	..	2,407,49	18,00	**2,425,49**	117,76	85,46	106,34	2,115,93
	11.	..	..	..	2,421,17	28,90	**2,450,07**	117,76	85,46	105,92	2,140,93
	18.	..	..	..	2,389,81	17,30	**2,407,11**	117,76	85,46	107,96	2,095,93
	25.	..	..	..	2,363,26	36,28	**2,399,54**	117,76	85,46	110,18	2,086,13
October	2.	..	..	..	2,370,28	28,79	**2,399,07**	117,76	85,46	109,52	2,086,33
	9.	..	..	..	2,435,36	10,01	**2,445,36**	117,76	85,46	105,85	2,136,30
	16.	..	..	..	2,437,93	7,13	**2,445,06**	117,76	85,46	105,69	2,136,16
	23.	..	..	..	2,409,29	21,82	**2,431,11**	117,76	85,46	106,72	2,121,17
	30.	..	..	..	2,397,28	34,15	**2,431,42**	117,76	85,46	107,04	2,121,17
November	6.	..	..	..	2,467,59	18,68	**2,486,27**	117,76	85,46	101,91	2,181,14
	13.	..	..	..	2,460,73	25,62	**2,486,35**	117,76	85,46	102,00	2,181,13
	20.	..	..	..	2,432,94	20,20	**2,453,14**	117,76	85,46	103,79	2,146,13
	27.	..	..	..	2,422,46	32,30	**2,454,77**	117,76	85,46	105,41	2,146,13
December	4.	..	..	..	2,472,97	18,46	**2,491,42**	117,76	85,46	102,08	2,186,13
	11.	..	..	..	2,510,53	9,70	**2,520,23**	117,76	85,46	100,88	2,216,13
	18.	..	..	..	2,507,46	13,64	**2,521,09**	117,76	85,46	101,75	2,216,13
	25.	..	..	..	2,505,49	16,21	**2,521,70**	117,76	85,46	102,38	2,216,10
1965											
January	1.		..	..	2,516,80	34,58	**2,551,38**	117,76	85,46	102,10	2,246,06
	8.	..	..	..	2,572,52	15,87	**2,588,40**	122,75	80,47	98,78	2,286,40
	15.	..	..	..	2,576,70	11,50	**2,588,20**	122,75	80,47	98,59	2,286,39
	22.	..	..	..	2,548,95	20,45	**2,569,40**	128,43	74,79	99,80	2,266,39
	29.	..	..	..	2,543,44	26,36	**2,569,79**	128,43	74,79	100,19	2,266,39
February	5.	..	..	..	2,580,96	25,53	**2,606,49**	128,43	74,79	96,88	2,306,39
	12.	..	..	..	2,597,91	7,70	**2,605,62**	128,43	74,79	96,01	2,306,39
	19.	..	..	..	2,573,78	33,13	**2,606,92**	133,76	69,46	97,31	2,306,39
	26.	..	..	..	2,561,24	46,57	**2,607,81**	133,76	69,46	98,21	2,306,38
March	5.	..	..	..	2,607,52	27,27	**2,634,79**	133,76	69,46	95,19	2,336,38
	12.	..	..	..	2,633,66	10,60	**2,644,26**	133,76	69,46	94,73	2,346,32
	19.	..	..	..	2,625,66	19,44	**2,645,10**	133,76	77,46	95,60	2,338,28
	26.	..	..	..	2,606,86	40,03	**2,646,89**	133,76	77,46	97,75	2,337,92

(*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 31—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					Bills purchased and discounted	Investments	Other assets
	Central Government	State Governments	Scheduled banks	State co-operative banks	Other banks	Others	Total			Notes and Coins	Balances held abroad (b)	Central Govt.	State Govts. (c)	Scheduled banks	State co-operative banks	Others			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
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	203,73	30,13
1964-65 ..	90,91	24,72	95,67	3,06	3	155,87	**370,27**	329,46	**699,72**	40,14	8,25	—	73,97	153,02	149,90	3,46	86,51	142,82	41,65
1964-65 (Weekly)																			
As at the close of **1964**																			
April 3, ..	52,18	15,96	76,88	2,77	2	290,71	**438,52**	279,18	**717,70**	18,48	13,17	92,79		74,94	130,92	1,53	104,00	251,10	30,79
,, 10, ..	74,25	12,68	83,42	2,90	3	159,54	**332,83**	266,35	**599,17**	17,38	12,25	112,66		68,92	125,83	1,71	122,28	107,28	30,85
,, 17, ..	52,17	9,76	82,14	2,74	3	158,79	**305,63**	270,38	**576,01**	19,06	12,19	113,16		66,16	121,95	1,71	102,63	108,29	30,85
,, 24, ..	52,72	13,53	83,43	2,44	2	159,94	**312,07**	273,12	**585,19**	18,35	7,97	111,38		45,02	123,70	2,31	87,91	157,71	30,84
May 1, ..	49,34	14,22	91,21	2,20	5	159,44	**316,46**	283,38	**599,84**	20,56	9,36	102,79		65,53	120,26	1,79	64,93	183,30	31,32
,, 8, ..	53,75	21,90	80,94	2,23	4	159,15	**318,01**	275,82	**593,83**	18,40	8,27	84,88		79,04	120,97	1,82	59,18	189,86	31,41
,, 15, ..	51,69	15,33	85,44	2,23	4	159,44	**314,17**	284,76	**598,93**	24,14	8,31	83,96		68,57	123,72	1,82	54,28	202,67	31,46
,, 22, ..	54,95	18,62	85,33	2,11	63	157,84	**319,48**	283,48	**602,96**	22,06	13,13	82,63		43,28	122,98	1,90	49,69	235,77	31,51
,, 29, ..	53,57	17,00	88,47	2,80	36	158,38	**320,58**	287,48	**608,06**	38,38	12,16	85,89		32,45	124,69	1,98	41,09	239,29	32,12
June 5, ..	50,63	9,09	87,71	2,02	21	158,87	**308,53**	284,77	**593,30**	27,31	10,49	91,48		36,28	125,03	1,80	49,20	219,43	32,29
,, 12, ..	51,10	17,39	81,72	2,64	16	162,19	**315,20**	282,62	**597,82**	22,59	8,45	73,50		18,16	128,53	1,94	48,96	262,93	32,77
,, 19, ..	65,40	14,84	89,21	2,43	2	160,61	**332,51**	281,01	**613,52**	26,47	7,39	78,00		4,03	130,16	2,44	44,21	288,11	32,73
,, 26, ..	79,71	14,05	97,67	4,49	2	162,18	**358,11**	283,06	**641,17**	52,01	7,15	81,65		1,14	145,17	1,79	40,74	277,99	33,54
July 5, ..	60,55	12,80	92,07	7,07	4	189,35	**361,89**	250,20	**612,09**	18,02	7,06	64,60		31	163,37	1,93	38,88	279,45	38,48
,, 10, ..	53,42	19,79	106,77	6,65	4	189,75	**376,42**	247,13	**623,56**	11,59	7,99	54,16		48	158,22	1,88	45,52	306,40	37,32
,, 17, ..	53,74	18,45	104,17	5,91	1	190,27	**372,55**	243,07	**615,62**	18,05	6,00	49,42		86	157,74	1,98	86,87	263,37	31,33
,, 24, ..	76,88	17,93	95,96	7,21	4	190,38	**388,40**	242,17	**630,57**	20,99	7,37	51,24		45	154,52	2,10	79,67	287,43	26,79
,, 31, ..	114,63	19,18	100,55	2,76	1	195,42	**432,56**	244,13	**676,69**	37,18	8,53	52,76		3,66	151,79	2,10	99,31	294,39	26,99

August	7,	..	83,04	26,57	94,83	2,43	1	189,58	396,47	245,92	642,39	10,09	8,20	45,18		3,41	156,16	2,33	111,69	280,23	25,11
,,	14,	..	68,80	23,21	113,46	2,31	2	188,57	396,36	242,16	638,52	16,35	8,80	47,50		1,89	156,57	2,33	125,32	254,41	25,36
,,	21,	..	78,24	13,09	122,16	4,75	4	187,90	406,18	248,01	654,20	22,15	13,00	54,06		1,84	150,89	2,48	132,68	251,68	25,41
,,	28,	..	96,21	19,44	91,91	2,95	7	160,66	371,24	260,53	631,77	37,78	10,15	50,23		2,06	154,40	2,33	152,84	196,07	25,92
September	4,	..	134,65	15,61	95,16	2,60	7	143,87	391,95	261,41	653,37	18,11	12,34	46,53		5,23	165,89	2,51	195,02	181,74	26,00
,,	11,	..	87,32	26,87	98,90	2,72	4	138,86	354,71	255,17	609,88	29,00	11,06	44,13		2,04	160,44	2,44	206,54	128,06	26,17
,,	18,	..	60,68	13,68	106,50	2,33	3	138,28	321,51	258,07	579,57	17,41	13,41	46,64		93	159,00	2,50	204,80	108,62	26,26
,,	25,	..	61,33	15,08	100,71	2,60	4	137,23	316,99	265,19	582,18	36,39	12,17	54,11		83	157,38	2,58	209,83	82,74	26,13
October	2,	..	75,92	14,78	103,30	2,53	5	136,42	333,00	263,04	596,05	28,94	10,35	63,46		60	163,81	2,60	217,43	82,09	26,77
,,	9,	..	51,24	13,20	96,78	2,52	2	136,13	299,89	261,48	561,37	10,14	8,84	65,57		1,96	164,79	2,36	169,25	111,95	26,50
,,	16,	..	54,13	15,66	109,48	2,58	3	141,88	323,77	261,24	585,01	7,27	9,13	67,52		3,99	161,54	2,34	194,86	111,72	26,64
,,	23,	..	83,45	12,59	100,92	3,19	1	137,99	338,17	267,16	605,33	21,95	8,76	73,19		44	161,33	2,35	199,23	111,42	26,66
,,	30,	..	95,93	11,73	89,15	3,16	1	142,16	342,14	267,88	610,02	34,33	8,33	75,48		1,68	170,26	2,07	181,85	108,81	27,21
November	6,	..	50,13	18,56	96,91	2,33	3	145,49	313,45	268,83	582,27	18,81	10,43	61,22		5,88	169,50	2,01	157,34	129,66	27,42
,,	13,	..	51,72	7,11	95,89	3,17	1	145,45	303,35	282,50	585,84	25,77	10,14	65,98		79	166,33	2,39	158,22	128,70	27,51
,,	20,	..	50,84	6,49	101,60	2,94	4	144,50	306,40	288,60	595,00	20,32	9,43	67,73		1,24	162,22	2,81	178,50	125,23	27,51
,,	27,	..	60,14	6,34	93,95	2,81	2	144,82	308,07	287,41	595,48	32,44	8,01	67,00		83	166,45	3,02	166,09	122,89	28,74
December	4,	..	86,30	5,49	89,23	2,74	2	144,57	328,35	282,10	610,45	18,59	11,39	—	72,52	18,26	170,82	3,34	164,11	121,97	29,44
,,	11,	..	53,05	17,82	93,55	2,92	5	143,28	310,68	279,84	590,52	9,85	10,84	—	59,72	23,30	170,82	3,51	136,04	146,90	29,54
,,	18,	..	54,31	10,79	90,09	2,68	3	143,72	301,62	287,05	588,67	13,79	9,86	—	67,09	22,81	169,11	3,63	125,27	147,19	29,92
,,	25,	..	52,79	10,46	91,92	2,75	5	143,49	301,46	292,95	594,41	16,36	9,73	—	68,41	35,35	169,89	2,46	112,89	148,31	31,01
1965																				
January	1,	..	52,04	7,08	99,37	2,52	4	146,05	307,10	296,29	603,39	34,81	7,73	—	69,15	62,10	169,19	2,83	109,22	117,18	31,18
,,	8,	..	50,56	7,79	96,33	2,48	7	147,01	304,23	296,26	600,49	16,01	9,76	—	71,84	90,16	167,70	2,82	108,40	102,60	31,19
,,	15,	..	50,07	19,64	88,94	2,35	9	149,37	310,46	302,42	612,88	11,65	7,86	—	58,87	78,98	167,36	2,81	111,63	142,52	31,20
,,	22,	..	54,90	11,28	95,50	3,07	7	148,60	313,43	311,28	624,71	20,62	6,72	—	60,50	60,12	167,79	2,87	82,81	192,17	31,12
,,	29,	..	51,52	12,96	94,93	3,01	10	148,20	310,73	302,48	613,21	26,57	5,22	—	66,95	55,85	165,84	2,22	62,73	196,04	31,79
February	5,	..	50,32	10,77	91,24	2,77	6	148,28	303,44	311,86	615,30	25,67	5,78	—	74,13	77,45	164,60	3,13	66,53	166,11	31,90
,,	12,	..	52,41	17,65	92,85	2,82	7	149,04	314,84	312,19	627,04	7,87	4,60	—	72,38	95,11	165,07	2,35	64,18	183,38	32,10
,,	19,	..	58,60	5,68	99,35	2,61	4	148,38	314,67	308,43	623,10	33,31	7,28	—	75,57	71,82	164,77	3,13	51,49	183,65	32,08
,,	26,	..	58,65	9,04	100,07	2,71	3	150,00	320,51	317,00	637,51	46,70	10,44	—	72,48	90,49	163,50	3,27	52,14	163,29	35,22
March	5,	..	104,91	5,46	86,20	2,53	4	148,73	347,87	314,85	662,72	27,35	11,93	—	77,45	132,48	160,57	3,31	72,53	141,34	35,76
,,	12,	..	84,23	4,40	87,86	2,48	6	147,35	326,38	310,89	637,27	10,69	14,85	—	87,82	139,41	157,75	3,34	71,48	116,10	35,83
,,	19,	..	52,79	22,79	87,05	2,85	13	196,87	362,48	317,78	680,26	19,55	9,40	—	83,96	155,83	154,95	3,35	60,09	156,95	36,19
,,	26,	..	90,91	24,72	95,67	3,06	3	155,87	370,27	329,46	699,72	40,14	8,25	—	73,97	153,02	149,90	3,46	86,51	142,82	41,65

(*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, Rs. 73 crores from July 5,1963, and Rs. 86 crores from July 3, 1964, (*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, Rs. 8 crores from July 5, 1963 and Rs. 9 crores from July 3, 1964, and (*v*) National Industrial Credit (Long-term Operations) Fund of Rs. 10 crores from July 3, 1964. (*b*) Including cash and short-term securities, (*c*) Including temporary overdrafts to State Governments from August 23, 1957.

STATEMENT 32—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
1964-65	.. ..	52,97	100,05	**153,02**	149,90
Outstanding as at the close of					
April 3,	1964	42,77	32,18	**74,94**	130,92
10,	,, ...	29,10	39,82	**68,92**	125,83
17,	,, ...	25,82	40,34	**66,16**	121,95
24,	,, ...	20,39	24,63	**45,02**	123,70
May 1,	,, ...	22,58	42,94	**65,53**	120,26
8.	,, ...	20,99	58,06	**79,04**	120,97
15,	,, ...	13,85	54,73	**68,57**	123,72
22,	,, ...	7,39	35,89	**43,28**	122,98
29,	,, ...	5,88	26,57	**32,45**	124,69
June 5,	,, ...	7,78	28,50	**36,28**	125,03
12,	,, ...	5,27	12,88	**18,16**	128,53
19,	,, ...	1,67	2,36	**4,03**	130,16
26,	,, ...	56	58	**1,14**	145,17
July 3,	,, ...	—	31	**31**	163,37
10,	,, ...	—	48	**48**	158,22
17,	,, ...	35	51	**86**	157,74
24,	,, ...	—	45	**45**	154,52
31,	,, ...	2,05	1,61	**3,66**	151,79
August 7,	,, ...	1,15	2,26	**3,41**	156,16
14,	,, ...	50	1,39	**1,89**	156,57
21,	,, ...	20	1,64	**1,84**	150,89
28,	,, ...	20	1,86	**2,06**	154,40
September 4,	,, ...	2,09	3,14	**5,23**	165,89
11,	,, ...	50	1,54	**2,04**	160,44
18,	,, ...	20	73	**93**	159,00
25,	,, ...	20	63	**83**	157,38
October 2,	,, ...	—	60	**60**	163,81
9,	,, ...	50	1,46	**1,96**	164,79
16,	,, ...	1,70	2,29	**3,99**	161,54
23,	,, ...	—	44	**44**	161,33
30,	,, ...	—	1,68	**1,68**	170,26
November 6,	,, ...	15	5,73	**5,88**	169,50
13,	,, ...	—	79	**79**	166,33
20,	,, ...	—	1,24	**1,24**	162,22
27,	,, ...	—	83	**83**	166,45
December 4,	,, ...	4,26	14,00	**18,26**	170,82
11,	,, ...	1,41	21,89	**23,30**	170,82
18,	,, ...	2,28	20,53	**22,81**	169,11
25,	,, ...	1,67	33,68	**35,35**	169,89
January 1,	1965	9,11	52,99	**62,10**	169,19
8,	,, ...	7,36	82,80	**90,16**	167,70
15,	,, ...	6,84	72,14	**78,98**	167,36
22,	,, ...	2,81	57,31	**60,12**	167,79
29,	,, ...	8,19	47,66	**55,85**	165,84
February 5,	,, ...	13,06	64,40	**77,45**	164,60
12,	,, ...	12,22	82,89	**95,11**	165,07
19,	,, ...	8,66	63,16	**71,82**	164,77
26,	,, ...	9,62	80,87	**90,49**	163,50
March 5,	,, ...	31,05	101,43	**132,48**	160,57
12,	,, ...	36,16	103,25	**139,41**	157,75
19,	,, ...	50,41	105,42	**155,83**	154,95
26,	,, ...	52,97	100,05	**153,02**	149,90

(*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 33—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*) 17(4)(a) 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	Out-standings	Amount drawn	Out-standings	Amount drawn	Out-standings	Amount drawn	Out-standings	Amount drawn	Out-standings	Amount drawn	Out-standings
	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	27148·31	11790·76	304·84	258·66	291·00	79·00	487·69	486·68	1474·50	70·00	...	...
1964-65	24819·19	12805·55	474·55	326·44	580 00	73·00	506·09	493·78	1322·00	58·00	...	...

† 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 Mortnage 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	Out-standings	Amount drawn	Out-standings	Amount drawn	Out-standings	Amount drawn	Out-standings	Amount drawn	Out-standings	Amount drawn	Out-standings
	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(*a*)	284·88(*a*)	167·16	290·18
1963-64	...	...	448·24	863·62	...	9·87	330·81(*b*)	2831·63	74·48(*a*)	359·36(*a*)	334·46	616·26
1964-65	...	...	737·38	1105·02	...	4·89	418·25	2987·85	86·16	445·53(*a*)	481·20	1097·46

‡‡ Rate of interest of loans sanctioned with effect from November 1, 1960 raised to 1½ per cent below Bank rate.

(*a*) Include special development debentures.

(*b*) Of this Rs. 2,765 lakhs pertain to the amount sanctioned in 1962-63.

STATEMENT 34—RESERVE BANK OF INDIA AND INDUSTRIAL FINANCE

(Lakhs of Rupees)

As at the end of	A. Long-term Finance to						
	Industrial Finance Corporation		State Financial Corporations		Industrial Development Bank of India		
	Shares(*a*)	Bonds	Shares	Bonds	Shares	Bonds	Others(@)
	1	2	3	4	5	6	7
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			
1964-65 ..	—	220.00	243.00	20.85	1,000.00	—	124.93

Note : Consequent on the merger of the Refinance Corporation with the Industrial Development Bank of India as from September 1, 1964, the shares held by the Reserve Bank of India of the paid-up value of Rs. 100 lakhs have been paid up by the Industrial Development Bank of India.

@ Relates to the data on long term finance to I. D. B. for the purpose of purchase of or subscription to stocks, shares, bonds, debentures issued by I.F.C., S.F.C.'s or any other notified financial institution or for purposes of any other business of I.D.B.

(*a*) From 1st August, 1964 all the shares of the Industrial Finance Corporation of India held by the Reserve Bank have been transferred to Industrial Development Bank of India.

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 including M.I.I.C [Under Section 17(4A) of the Reserve Bank of India Act]	State Financial Corporations including M.I.I.C. [Under Section 17(4)(*a*) of the Reserve Bank of India Act]
	8	9	10
1960-61	51.00		13.00
1961-62	—		34.00
1962-63	—	5.00	71.33
1963-64	124 00	94.00	63·65
1964-65	—	191.00	55.10
March 1964 ..	124.00	94.00	63.65
April ,, ..	60.00	125.00	46.25
May ,, ..	10.00	125 00	63 20
June ,, ..	—	100 00	78.60
July ,, ..	—	109 00	100 69
August ,, ..	—	123 00	110 19
September ,, ..	8.00	150 00	99 89
October ,, ..	—	163 00	43.59
November ,, ..	84.00	162 00	56 19
December ,, ..	52.00	139.00	55.19
January 1965 ..	—	133.00	38.59
February ,, ..	—	175.50	51 09
March ,, ..	—	191.00	55.10

Note : Outstandings in respect of Medium-term finance to Industrial Development Bank of India under Section 17(4H)(*b*) of the Reserve Bank of India Act and Short-term finance to Industrial Finance Corporation under Section 17(4B)(*a*) and Industrial Development Bank of India under Section 17(4H)(*a*) of the Reserve Bank of India Act are nil.

STATEMENT 35—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*
1964-65	**5,305·4**	**3,994·5**	702·8	*645·2*	1,922·2	*2,365·4*	612·5	*479·8*	165·4	*118·0*	212·4	*308·9*	71·6	*21·5*	1,618·5	*55·8*
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*
April 1964 to September 1964	**2,598·4**	**1,936·1**	291·7	*320·7*	909·7	*1,197·5*	307·5	*207·5*	100·1	*41·1*	120·0	*142·8*	39·1	*10·2*	830·3	*16·5*
October 1964 to March 1965 ..	**2,706·9**	**2,058·4**	411·1	*324·5*	1,012·4	*1,167·9*	305·0	*272·3*	65·3	*77·0*	92·4	*166·1*	32·5	*11·3*	788·2	*39·3*

Note : Figures relate to the Indian Union. (*a*) Opened in July 1953. (*b*) Opened in September 1956.

STATEMENT 36—STATE FINANCIAL CORPORATIONS—LIABILITIES AND ASSETS

(Lakhs of Rupees)

	LIABILITIES						**ASSETS**						
	As on Last Friday of March							As on Last Friday of March					
	1956	1961	1962	1963	1964	1965		1956	1961	1962	1963	1964	1965
1. *Capital and Reserves* :							1. Cash in hand and balances with banks	3,60	4,56	7,43	4,12	2,97	3,39
Paid-up capital ..	10.28	15,23	15,82	15,32	15,32	15,54	2. Investments in Government securities	3,94	4,60	4,55	4,61	4,11	3,73
Reserve fund ..	1	11	13	13	17	17	3. Loans and advances	2,72	17,12	23,16	31,83	40,23	48,53
Provision for bad and doubtful debts and other reserves	—	9	13	26	49	77	4. Debentures ..	14	14	14	22	22	37
2. Bonds and debentures	—	7,17	13,54	18,29	20,64	25,61	5. Other assets ..	30	3,38	4,94	6,98	14,27	18,26
3. Borrowings from Reserve Bank of India	—	13	34	76	1,61	2,41							
4. Other liabilities ..	40	7,07	10,26	13,00	23,57	29,78							
**Total .. .. ..

STATEMENT 37—OPERATIONS OF STATE FINANCIAL CORPORATIONS

(Lakhs of Rupees)

Corporation	Capital as at the end of March 1965	Outstandings of bonds issued as at the end of March 1965	Loans sanctioned* during					Loans disbursed during					Loans outstanding as at the end of March					Total assets as at the end of March 1965
			1960-61	1961-62	1962-63	1963-64	1964-65	1960-61	1961-62	1962-63	1963-64	1964-65	1961	1962	1963	1964	1965	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1. Madras ..	1,54	2,36	1,12	1,79	3,25	1,08	3,60	71	1,30	2,62	1,50	1,44	3,89	4,83	6,95	7,80	8,34	23,09
2. Punjab ..	1,00	2,67	1,28	1,44	2,33	1,84	2,63	57	89	1,26	1,32	1,42	1,71	2,39	3,34	4,28	5,21	5,84
3. Maharashtra ..	1,00	4,78	1,76	1,79	2,06	3,22	4,09	83	1,35	1,65	2,09	2,29	1,99	3,02	4,09	5,78	7,44	8,40
4. Gujarat ..	1,00	1,05	38	72	49	75	1,03	19	35	37	52	72	19	54	1,04	1,40	1,88	2,85
5. Kerala ..	1,00	1,09	42	27	55	31	9	23	25	32	36	22	1,38	1,47	1,62	1,72	1,74	2,46
6. West Bengal ..	1,00	3,71	30	1,25	1,96	1,71	2,24	21	76	90	1,30	1,36	1,56	2,13	2,87	3,96	5,01	6,16
7. Assam ..	1,00	2,82	68	63	96	1,19	43	56	60	66	66	94	1,54	2,02	2.52	3,03	3,71	4,49
8. Uttar Pradesh ..	1,00	95	78	35	77	1,20	1,34	35	23	26	54	79	1,03	1,12	1,21	1,58	2,12	2,73
9. Bihar ..	1,00	2,17	51	62	76	35	39	36	44	52	42	20	1,49	1,81	2,12	2,42	2,39	3,44
10. Rajasthan ..	1,00	50	27	58	90	69	73	10	37	42	62	63	54	85	1,18	1,65	2,10	2,62
11. Madhya Pradesh	1,00	1,49	37	1,47	2,75	47	52	7	34	94	53	48	44	71	1,51	1,91	2,18	3,52
12. Andhra Pradesh	1,50	1,05	56	99	81	2,38	1,05	27	54	47	82	1,17	82	1,25	1,62	2,19	3,05	3,65
13. Orissa ..	1,00	50	58	39	35	63	59	20	26	32	42	47	18	43	71	1,06	1,48	1,85
14. Mysore ..	1,00	1,80	44	55	29	68	1,11	21	35	50	52	76	34	68	1,14	1,57	2,17	2,28
15. Jammu & Kashmir	50	—	4	6	16	6	11	2	4	2	9	9	2	6	8	16	24	61
Total ..	**15,54**	**26,94**	**9,49**	**12,90**	**18,39**	**16,56**	**19,95**	**4,88**	**8,07**	**11,23**	**11,71**	**12,98**	**17,12**	**23,31**	**32,00**	**40,51**	**49,06**	**73,99**

* Includes in respect of some corporations, loans subsequently declined by industrial concerns or cancelled or reduced by the Corporation.

Source : State Financial Corporations.

STATEMENT 38—LIABILITIES AND ASSETS OF THE INDUSTRIAL FINANCE CORPORATION OF INDIA

(Lakhs of Rupees)

	LIABILITIES						
	As on last Friday of March						
	1951	1956	1961	1962	1963	1964	1965
1. Capital issued and paid-up	5,00	5.00	5,00	6,84	7,00	7,00	8,35
2. Reserve Fund :—							
(i) Special reserve fund under Sec. 32-A(1) of the I.F.C. Act	—	14	36	41	47	50	58
(ii) Other reserves ..	1	6	70	1,34	1,75	2,39	3,45
3. Reserve for doubtful debts	—	20	15	14	14	14	14
4. Provision for taxation	—	10	50	59	59	85	1,12
5. Bonds and debentures	5,30	7,81	22,24	22,24	28,24	28,24	31,48
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	37,60
8. Guarantees and Underwriting Agreements per contra	—	—	4,77	10,40	12,46	16,87	19,33
9. Other liabilities ..	37	80	1,60	1,63	2,68	5,82	8,60
Total ..	**10,68**	**14,70**	**51,09**	**61,34**	**77,09**	**92,80**	**110,65**

	ASSETS						
	As on last Friday of March						
	1951	1956	1961	1962	1963	1964	1965
1. Cash in hand and with bankers ..	47	2	3,00	2,91	3,59	3	1,19
2. Investments in							
(i) Government securities ..	4,58	—	—	—	—	—	—
(ii) Shares/Stocks(*c*)	—	—	95	88	1,37	2,97	5,43
(iii) Bonds/Debentures(*d*)	—	—	—	—	1,72	3,44	2,54
(iv) Others(*e*) ..	—	—	—	—	—	—	21
3. Loans and advances ..	5,21	14,01	40,74	45,48	55,63	67,70	78,86
4. Guarantees and Underwriting Agreements per contra	—	—	4,77	10,40	12,46	16,87	19,33
5. Other assets ..	41	67	1,62	1,67	2,31	1,79	3,09
Total ..	**10,68**	**14,70**	**51.09**	**61,34**	**77,09**	**92,80**	**110,65**

(*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 Industrial Finance Corporation Act, 1948 (as amended). (*d*) Under Section 23(1)(*h*) and 23(1)(*i*) of the Industrial Finance Corporation Act, 1948 (as amended). (*e*) Subscription to initial capital of Unit Trust of India under Section 20 of the Industrial Finance Corporation Act, 1948 (as amended).

Source: Industrial Finance Corporation of India.

STATEMENT 39—INDUSTRIAL FINANCE CORPORATION OF INDIA

INDUSTRY-WISE DISTRIBUTION OF FINANCIAL ASSISTANCE SANCTIONED

(In lakhs of Rupees)

Name of Industry	Year Ended June											
	1951		1956		1961		1962		1963		1964	
	Amount	% to total	Amount	% to total	Amount	% to total	Amount	% to total	Amount	% to total	Amount	% to total
	1	2	3	4	5	6	7	8	9	10	11	12
Sugar	—	—	7,15·00@	47·3	4,80·00@	22·6	7,52·00@	30·7	6,05·00	15·1	1,30·00	3·4
Textiles	58·50	24·5	1,98.00	13·1	2,16·87	10·2	1,90·00	7·8	6,12·92	15·2	6,37·85	16·7
Artificial Fibres	—	—	—	—	—	—	70·00	2·9	31·00	0·8	18·98	0·5
Wood and Cork	—	—	—	—	80·92	3·8	—	—	—	—	8·00	0·2
Paper	3·00	1·3	1,10·00	7·3	3,50·00	16·5	15·00	0·6	1,76·66	4·4	1,22·44	3·2
Rubber	—	—	—	—	1,72·00	8·1	—		50·00	1·2	84·00	2·1
Basic Industrial Chemicals	25·00	10·5	3,60·00	20·2	24·05	1·1	6,38·00	26·1	4,39·32	10·9	5,78·75	15·1
Miscellaneous Chemicals			—	—	25·50	5·9	10·00	0·4	87·33	2·3	1,21·87	3·2
Vegetable and Animal Oil and Fats	—	—	—		4·50	0·2	22·50	0·9	—	—	—	—
Glass	20·00	8·4	4·00	0·3	97·00	4·6	—	—	8·00	0·2	1,45·05	3·8
Pottery	—	—	—	—	1,45·00	6·8	13·00	0·5	10·00	0·3	40·00	1·0
Cement	50·00	20·9	25·00	1·7	50·00	2·4	95·00	3·9	15·00	0·4	3,00·00	7·8
Iron and Steel	—	—	—	—	—	—	—	—	1,60·00	4·0	60·00	1·7
Non-ferrious Metals	—	—	—	—	1,30·00	6·1	—	—	6,76·52	16·8	3,83·45	10·0
Metal Products	—	—	55·00	3·6	60·00	2·8	96·00	3·9	2,65·46	6·6	7,15·35	18·7
Machinery	7·00	2·9	10·00	0·7	70·00	3·3	75·00	3·1	1,32·39	3·3	1,79·39	4·7
Electrical Machinery and Equipments	20·50	8·6	19·00	1·3	54·75	2·6	3,13·53	12·8	1,03·04	2·6	1,52·22	4·0
Motor Vehicles and Ancillaries	50·00	20·9	21·00	1·4	—	—	14·00	0·6	1,49·43	3·7	87·00	2·3
Bicycles	—	—	—	—	—	—	—	—	11·00	0·3	4·50	0·1
Electricity, Gas and Steam	—	—	—	—	—	—	1,09·28	4·5	—	—	—	—
Petroleum Products (Oil Refineries)	—	—	—	—	—	—	—	—	—	—	46·18	1·2
Miscellaneous Industries*	4·95	2·1	50·00	3·3	60·75	2·9	32·00	1·3	4,80·50	11·9	12·35	0·3
TOTAL	**2,38·95**	100·0	**15,13·0**	100·0	**21,21·34**	100·0	**24,45·31**	100·0	**40,13·57**	100·0	**38,27·38**	100·0

Note : Data for the years upto 1961-62 relate only to loans sanctioned while for the subsequent years they relate to total financial assistance comprising direct loans, guarantees for loans and deferred payments, direct subscription to shares and debentures and underwritings.

* Such as mining and quarrying, hotels, rail-road equipment, miscellaneous manufacturing industries, etc.

@ Relates to food manufacturing industries (except beverage industries).

Source : Annual Reports of Industrial Finance Corporation of India.

STATEMENT 40—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	181	186·21	171	183·68	49	50·71	53	53·86	20	25·02	26	50·16	23	3·92
Non-industrial	40	41·82	30	41·12	3	4·00	9	4·99	1	0·35	10	31·63	7	0·16
Of which :														
(*i*) Agriculture and allied activities	5	1·42	3	1·31	—	—	1	1·20	—	—	—	—	2	0·11
(*ii*) Financial	11	9·75	7	9·26	1	0·50	5	0·28	—	—	1	8·48	—	—
(*iii*) Trade and transport	21	30·29	18	30·19	2	3·50	3	3·50	—	—	9	23·15	4	0·04
(*iv*) Others	3	0·36	2	0·36	—	—	—	—	1	0·35	—	—	1	0·01
Total for 1964	**221**	**228·02**	**201**	**224·80**	**52**	**54·71**	**62**	**58·85**	**21**	**25·37**	**36**	**81·79**	**30**	**4·08**
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	33	170·62	33	152·06	5	14·85	25	129·42	—	—	3	7·79	—	—
Non-industrial	12	15·91	12	15·41	3	1·25	6	5·97	(*d*)	1·00	3	7·19	—	—
Of which :														
(*i*) Agriculture and allied activities	2	1·05	2	1·05	—	—	2	1·05	—	—	—	—	—	—
(*ii*) Financial	2	4·00	2	4·00	—	—	2	3·00	(*d*)	1·00	—	—	—	—
(*iii*) Trade and transport	8	10·86	8	10·36	3	1·25	2	1·92	—	—	3	7·19	—	—
(*iv*) Others	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total for 1964	**45**	**186·53**	**45**	**167·47**	**8**	**16·10**	**31**	**135·39**	(*d*)	**1·00**	**6**	**14·98**	—	—
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 41—CAPITAL RAISED BY NON-GOVERNMENT

Type of issue	1961 (Further revised)					1962 (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	24·24	6·34	0·84	4·28	**35·70**	25·61	1·54	0·57	3·25	**30·96**
Preference	1·65	0·08	0·01	0·02	**1·75**	0·90	—	—	0·01	**0·91**
Further (*b*)										
Ordinary	32·57	4·03	4·08	6·40	**47·07**	29·02	1·43	5·41	8·21	**44·07**
Preference	3·79	0·06	0·11	0·10	**4·06**	1·06	—	0·21	0·14	**1·41**
Debentures	11·84	0·60	—	—	**12·44**	29·73	0·17	—	—	**29·90**
	74·09	11·10	5·04	10·79	**101·02**	86·32	3·13	6·19	11·61	**107·25**
Bonus	5·80	1·66	—	—	**7·47**	11·40	2·47	—	—	**13·87**
Miscellaneous (loans, etc.)	9·87	5·71	—	—	**15·59**	18·48	5·20	—	—	**23·68**
Total	**89·77**	**18·48**	**5·04**	**10·79**	**124·07**	**116·21**	**10·80**	**6·19**	**11·61**	**144·80**
B. Government										
Initial (*a*)										
Ordinary	0·25	19·48	—	—	**19·73**	2·11	3·19	—	—	**5·29**
Preference	—	—	—	—	—	0·28	—	—	—	**0·28**
Further (*b*)										
Ordinary	—	57·05	—	—	**57·05**	1·04	122·81	0·01	0·07	**123·92**
Preference	—	—	—	—	—	—	0·01	—	—	**0·01**
Debentures	—	—	—	—	—	1·00	1·00	—	—	**2·00**
	0·25	76·53	—	—	**76·78**	4·42	126·99	0·01	0·07	**131·50**
Bonus	—	—	—	—	—	—	—	—	—	—
Miscellaneous (loans, etc.)	0·20	—	—	—	**0·20**	0·55	—	—	—	**0·55**
Total	**0·45**	**76·53**	—	—	**76·97**	**4·97**	**126·99**	**0·01**	**0·07**	**132·05**

Note : The data in columns 1 & 2, 6 & 7, 11 & 12 and 16 &17 relate to the capital raised in 1961, 1962, 1963 and 1964 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, 1965. 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)

1963 (Revised)					1964 (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									
26·30	1·82	0·62	2·44	**31·18**	37·40	0·24	1·23	3·00	**41·87**
1·34	—	—	0·03	**1·37**	2·10	—	—	0·06	**2.16**
21·44	0·47	3·39	9·86	**35·16**	22·51	0·09	3·61	9·06	**35.27**
1·69	—	0·17	0·39	**2·25**	1·89	—	0·18	0·18	**2.26**
22·47	0·30	—	—	**22·77**	10·97	0·10	—	—	**11.07**
73·24	2·59	4·17	12·73	**92·73**	74·87	0·43	5·02	12·30	**92.62**
11·13	0·57	—	—	**11·70**	1·80	0·11	—	—	**1.92**
16·15	—	—	—	**16·15**	9·16	—	—	—	**9.16**
100·52	**3·16**	**4·17**	**12·73**	**120·58**	**85·83**	**0·54**	**5·02**	**12·30**	**103.70**
Companies									
1·35	3·54	—	—	**4·89**	9·01	7·75	—	0·49	**17.24**
0·34	—	—	—	**0·34**	—	—	—	—	**—**
3·24	142·68	—	—	**145·92**	2·99	140·16	—	—	**143·15**
—	0·10	—	—	**0·10**	—	—	—	—	—
—	—	—	—	—	—	0·74	—	—	**0·74**
4·94	146·32	—	—	**151·25**	12·00	148·64	—	0·49	**161·13**
—	—	—	—	—	—	—	—	—	—
0·17	4·08	—	—	**4·25**	3·73	8·07	—	—	**11·80**
5·11	**150·39**	**—**	—	**155·50**	**15·73**	**156·71**	—	**0·49**	**172·93**

(*a*) Issues of new companies. (*b*) Issues of existing companies.

Source : Office of the Controller of Capital Issues.

STATEMENT 42—PRICES (IN BOMBAY) OF GOVERNMENT OF INDIA SECURITIES, 1964-65

(In Rupees)

Loans	As on Jan. 3, 1963	As on Sept. 26, 1964	As on Feb. 17, 1965	Average (*a*) for March 1964	Average (*a*) for June 1964	Average (*a*) for Sept. 1964	Average (*a*) for Dec. 1964	Average (*a*) for March 1965	1964-65 Highest	1964-65 Lowest	Difference of March 1965 over March 1964
1	2	3	4	5	6	7	8	9	10	11	12
Terminable											
Under 5 years											
3½% 1964(*b*)	99·45			99·87					100.00	99.90	
3 % 1964(*c*)	98·90			99·53	99·85				99·85	99·60	
3½% 1965 ..	99·50	100·00	100·00	99·65	100·01	100·00	99·98	99·97	100·25	99·65	+0·32
3½% 1966 ..	99·70	100·00	100·00	99·65	99·87	100·00	100·00	99·89	100·15	99·65	+0·24
3 % 1966-68..	96·40	98·35	98·35	97·87	98·13	98·35	98·34	97·93	98·55	97·85	+0·06
3½% 1967 ..	98·55	99·80	99·65	99·20	99·83	99·79	99·80	99·38	99·95	99·10	+0·18
3¾% 1967 ..	99·05	99·90	99·90	99·53	100·05	99·90	99·90	99·80	100·05	99·55	+0·27
3¾% 1968 ..	99·35	99·95	99·80	99·45	99·69	99·95	99·80	99·70	99·95	99·25	+0·25
3½% 1968 ..	98·00	99·00	99·00	98·10	98·40	99·00	99·00	98·83	99·00	98·10	+0·73
4 % 1969 ..		99·50	99·35	99·44	99·80	99·48	99·50	98·97	99·95	98·55	—0·47
3½% 1969 ..	97·55	97·95	97·25	96·95	97·94	97·97	97·87	96·95	98·15	96·75	—
Between 5 and 10 years											
4 % 1970(*d*)		99·00	99·00		99·00	99·00	99·00	98·65	99·10	98·50	
3 % 1970-75..	87·15	90·15	90·20	90·26	90·45	90·17	90·15	88·91	90 45	88·00	—1·35
4 % 1972 ..	99·30	98·75	98·80	99·20	98·85	98·77	98·75	98·49	99·20	97·50	—0·71
4¼% 1972 ..		100·10	100·05	100·40	100·10	100·10	100·19	99·75	100·40	99·75	—0·65
4 % 1973 ..	99·25	98·70	98·80	99·15	98·85	98·75	98·80	98·50	99·15	98·00	—0·65
4½% 1973 ..		99·95	100·05	99·95	99·94	99·99	100·03	99·74	100·05	99·50	—0·21
3¾% 1974 ..	98·30	96·60	96·60	96·75	96·75	96·69	96·60	94·30	96·75	90·00	—2·45
Between 10 and 15 years											
2¾% 1976 ..	83·50	83·25	83·25	83·50	82·85	83·25	83·25	83·25	83·25	81·50	—0·25
6½% 1977 .. (Gold Bonds(*e*)		118·10	117·00	118·29	118·10	118·08	117·34	116·87	118·30	116·00	—1·42
4 % 1979 ..	98·35	98·00	96·50	98·46	98·50	98·00	97·07	96·50	98·50	96·50	—1·96
Over 15 years											
4 % 1980 ..	98·25	98·05	96·50	98·30	98·05	98·05	97·10	94·29	98·30	89·25	—4·01
4 % 1981 ..	98·55	98·35	97·25	98·40	98·35	98·35	97·86	96·00	98·40	96·00	—2·40
4½% 1985 ..	100·00	100·15	100·10	100·10	100·10	100·15	100·15	100·00	100·25	100·00	—0·10
4½% 1986 ..		100·25	100·00	100·02	100·10	100·25	100·25	100·00	100·25	100·00	—0·02
4¾% 1989(*d*)		100·00	100·00		100·00	100·00	100·00	99·62	100·15	99·50	
Non-terminable											
3 % 1986 or later ..	63·00	63·50	62·00	63·15	63·76	63·51	62·02	58·41	63·90	58·20	—4·74
3 % Rupee paper ..	69·75	62·50	62·50	63·25	63·35	62·50	62·50	62·50	63·50	62·50	—0·75

Note : The maturity classification is as of March 31, 1965 and on the assumption of the earlier date of redemption. (*a*) Average of closing quotations for working days. (*b*) Redeemed on April 19, 1964. (*c*) Redeemed on June 15, 1964. (*d*) Quoted from April 15, 1964. (*e*) Effective from April 1, 1965 the rate of Interest is raised to 7 per cent per annum.

Source : Bombay Stock Exchange.

STATEMENT 43 AVERAGE YIELDS ON GOVERNMENT OF INDIA SECURITIES

(Per cent per annum)

Loan	As on			Average for				Annual Average		Difference of March 1965 over March 1964
	Jan. 3, 1963	Sept. 26, 1964	Feb. 17, 1965	March 1964	June 1964	Sept. 1964	Dec. 1964	March 1965	1964-65	1963-64	
Terminable											
Under 5 years											
3½% 1964 (*a*)	3·93			4·94						4·17	
3% 1964 (*b*) ..	3·78			4·89					5·89	4·00	
3½% 1965 ..	3·71	3·50	3·50	3·77	3·49	3·50	3·54	3·60	3·50	3·76	– 0·17
3½% 1966 ..	3·59	3·50	3·50	3·66	3·57	3·50	3·50	3·58	3·54	3·72	– 0·08
3½% 1966-68	4·04	3·85	4·06	3·89	3·87	3·84	3·99	4·40	3·93	3·94	+ 0·51
	(3·73)	(3·44)	(3·49)	(3·51)	(3·47)	(3·44)	(3·48)	(3·62)	(3·48)	(3·58)	(+ 0·11)
3½% 1967 ..	3·85	3·58	3·65	3·76	3·56	3·58	3·58	3·78	3·62	3·83	+ 0·02
3½% 1967 ..	3·98	3·79	3·79	3·89	3·73	3·79	3·79	3·84	3·78	3·95	– 0·05
3¾% 1968 ..	3·88	3·76	3·81	3·89	3·83	3·76	3·81	3·85	3·82	3·96	– 0·04
3½% 1968 ..	3·90	3·78	3·81	3·97	3·92	3·77	3·79	3·85	4·09	3·94	– 0·12
4% 1969 ..		4·12	4·17	4·13	4·05	4·12	4·12	4·27	4·03	4·10	+ 0·14
3½% 1969 ..	3·93	3·98	4·20	4·14	3·96	3·97	4·02	4·28	4·03	4·09	+ 0·14
Between 5 and 10 years											
4% 1970 (*c*) ..		4·19	4·20		4·18	4·21	4·22	4·30	4·21		
3% 1970-75 ..	5·02	4·91	5·01	4·74	4·76	4·89	4·97	5·32	4·91	4·93	+ 0·58
	(4·32)	(4·12)	(4·15)	(4·06)	(4·06)	(4·11)	(4·14)	(4·32)	(4·13)	(4·22)	(– 0·26)
4% 1972 ..	4·09	4·19	4·19	4·11	4·17	4·18	4·20	4·24	4·18	4·10	+ 0·13
4½% 1972 ..		4·24	4·24	4·19	4·24	4·24	4·22	4·29	4·26	4·20	+ 0·10
4% 1973 ..	4·09	4·18	4·18	4·11	4·15	4·18	4·18	4·22	4·17	4·12	+ 0·11
4¾% 1973 ..		4·26	4·24	4·26	4·26	4·25	4·25	4·29	4·25	4·26	+ 0·03
3½% 1974 ..	3·94	4·18	4·19	4·14	4·15	4·17	4·19	4·50	4·19	4·21	+ 0·36
Between 10 and 15 years											
2¾% 1976 ..	4·36	4·58	4·64	4·49	4·60	4·58	4·61	4·65	4·62	4·43	+ 0·16
6½% 1977 (Gold Bonds) ..		4·68	4·75	4·71	4·71	4·69	4·73	4·75	4·71	4·79	+ 0·04
4% 1979 ..	4·14	4·19	4·34	4·14	4·14	4·19	4·27	4·33	4·21	4·15	+ 0·19
Over 15 years											
4% 1980 ..	4·14	4·17	4·31	4·14	4·17	4·17	4·26	4·52	4·22	4·15	+ 0·38
4% 1981 ..	4·11	4·14	4·23	4·13	4·14	4·14	4·18	4·34	4·17	4·13	+ 0·21
4½% 1985 ..	4·50	4·49	4·49	4·49	4·49	4·49	4·49	4·50	4·49	4·49	+ 0·01
4½% 1986 ..		4·47	4·50	4·50	4·49	4·48	4·48	4·50	4·49	4·50	–
4¼% 1989 (*c*) ..		4·75	4·75		4·75	4·75	4·75	4·78	4·75		
Non-terminable											
3% 1986 or later (*d*) ..	4·76	4·72	4·84	4·75	4·71	4·72	4·84	5·13	4·80	4·66	+ 0·38
3% Rupee paper (*d*) ..	4·31	4·80	4·80	4·74	4·74	4·80	4·80	4·80	4·77	4·73	+ 0·06

Note :—The maturity classification is as of March 31, 1965 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 April 19, 1964. (*b*) Redeemed on June 15, 1964. (*c*) Quoted from April 15, 1964.
(*d*) Flat yield.

STATEMENT 44 : 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
5	1964-65	.. ..	97·9	97·0	97·3	98·7	97·3	95·3	99·4	98·3
	1964-65 Weekly									
	Week ended									
	1964									
6	April	4, ..	99·7	99·7	99·6	99·8	97·8	97·6	98·6	99·2
7	,,	11, ..	99·8	99·7	99·6	99·0	97·8	97·7	98·5	99·2
8	,,	18, ..	99·6	99·8	99·6	99·0	97·7	97·8	98·3	99·2
9	,,	25, ..	99·6	99·8	99·6	99·0	97·7	97·7	98·2	99·2
10	May	2, ..	99·6	99·8	99·7	99·0	97·6	97·7	98·2	99·2
11	,,	9, ..	99·6	99·9	99·7	99·0	97·6	97·6	98·2	99·2
12	,,	16, ..	99·7	100·0	99·8	99·0	97·6	97·6	98·2	99·2
13	,,	23, ..	99·8	100·1	99·8	99·2	97·6	97·6	98·2	99·2
14	,,	30, ..	99·8	100·1	99·8	99·2	97·6	97·7	98·2	99·2
15	June	6, ..	99·8	100·1	99·8	99·2	97·7	97·7	98·2	99·2
16	,,	13, ..	99·8	100·1	99·8	99·2	97·8	97·7	98·5	99·2
17	,,	20, ..	99·8	100·1	99·8	99·2	98·1	97·7	99·1	99·2
18	,,	27, ..	99·8	100·1	99·8	99·2	98·1	97·7	99·1	99·2
19	July	4, ..	99·9	100·1	99·9	99·3	98·1	97·8	99·1	99·2
20	,,	11, ..	99·9	100·1	99·9	99·3	98·2	97·8	99·2	99·2
21	,,	18, ..	99·9	100·1	100·0	99·3	98·2	97·8	99·2	99·2
22	,,	25, ..	99·9	100·2	100·0	99·3	98·2	97·8	99·2	99·2
23	August	1, ..	99·9	100·2	99·9	99·3	98·1	97·8	99·1	99·2
24	,,	8, ..	99·9	100·1	99·9	99·4	98·2	97·9	99·1	99·2
25	,,	15, ..	99·9	100·1	99·8	99·4	98·2	97·9	99·2	99·2
26	,,	22, ..	99·8	99·9	99·7	99·4	98·2	97·9	99·2	99·2
27	,,	29, ..	99·8	99·9	99·7	99·4	98·2	97·9	99·2	99·2
28	September	5, ..	99·8	100·0	99·8	99·4	98·3	98·2	99·2	99·2
29	,,	12, ..	99·9	100·1	99·8	99·4	98·3	98·2	99·2	99·2
30	,,	19, ..	99·8	100·0	99·8	99·4	98·3	98·2	99·2	99·2
31	,,	26, ..	99·8	100·0	99·7	99·3	98·3	98·2	99·2	99·2
32	October	3, ..	99·7	99·9	99·7	99·3	98·5	98·2	99·4	99·2
33	,,	10, ..	99·7	99·9	99·6	99·3	98·5	98·2	99·4	99·2
34	,,	17, ..	99·7	99·9	@	99·2	98·5	98·2	@	99·2
35	,,	24, ..	99·6	99·8	99·6	99·2	98·6	98·5	99·4	99·2
36	,,	31, ..	99·6	99·7	99·4	99·2	98·7	98·6	99·5	99·2
37	November	7, ..	99·5	99·6	99·3	99·2	98·7	98·6	99·5	99·2
38	,,	14, ..	99·5	99·6	99·3	99·3	98·8	98·6	99·7	99·2
39	,,	21, ..	99·5	99·6	99·3	99·3	98·8	98·6	99·7	98·6
40	,,	28, ..	99·5	99·6	99·4	99·3	98·9	98·9	99·7	98·9
41	December	5, ..	99·5	99·6	99·4	99·3	98·9	98·9	99·7	98·9
42	,,	12, ..	99·5	99·6	99·3	99·3	98·8	98·9	99·6	98·9
43	,,	19, ..	99·5	99·6	99·3	99·3	98·8	98·6	99·8	98·9
44	,,	26, ..	99·5	99·6	99·3	99·1	98·8	98·6	99·8	98·9
	1965									
45	January	2, ..	99·5	@	99·3	@	98·8	@	99·8	@
46	,,	9, ..	99·4	99·6	99·3	98·8	98·8	98·6	99·8	98·9
47	,,	16, ..	99·3	99·6	99·3	98·8	98·8	98·6	99·8	98·9
48	,,	23, ..	99·4	99·6	99·3	98·8	99·0	98·6	100·2	98·9
49	,,	30, ..	99·4	99·6	99·4	98·8	99·0	98·6	100·2	98·9
50	February	6, ..	99·3	99·5	99·3	98·8	99·0	98·6	100·2	98·9
51	,,	13, ..	99·3	99·5	99·3	98·8	98·7	98·0	100·2	98·9
52	,,	20, ..	99·3	99·5	99·3	98·8	98·5	97·5	100·1	98·7
53	,,	27, ..	99·0	99·0	98·8	98·8	98·4	97·5	100·0	98·3
54	March	6, ..	98·7	98·4	98·5	98·8	98·4	97·5	99·9	98·3
55	,,	13, ..	98·6	98·2	98·3	98·7	97·9	96·4	99·7	98·3
56	,,	20, ..	98·4	98·0	97·9	98·7	97·4	95·5	99·5	98·3
57	,,	27, ..	97·9	97·0	97·4	98·7	97·3	95·3	99·4	98·3

@ 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
80·9	81·7	81·6	78·6	157·8	166·7	143·8	169·2	5
81·5	82·3	82·0	79·4	167·1	173·7	155·4	176·8	6
81·5	82·5	82·0	79·3	166·7	173·8	154·5	176·7	7
81·5	82·7	81·8	79·1	165·8	173·4	152·4	176·3	8
81·4	82·7	81·7	79·1	163·7	169·5	151·9	175·6	9
81·2	82·1	81·7	79·5	165·1	173·1	152·1	174·5	10
81·2	82·1	81·6	79·6	164·3	171·7	151·8	173·9	11
81·2	82·2	81·6	79·6	163·6	171·1	151·3	172·8	12
81·3	82·5	81·6	79·6	162·6	170·4	150·0	171·7	13
81·3	82·6	81·5	79·6	161·5	169·1	148·8	170·9	14
81·1	82·2	81·5	79·1	161·4	169·4	148·7	170·2	15
81·1	82·1	81·6	79·3	160·8	168·2	148·7	169·8	16
81·2	82·2	81·5	79·3	161·4	169·4	149·0	169·7	17
81·3	82·3	81·5	80·1	164·0	173·6	150·3	170·5	18
81·1	82·3	81·5	79·0	165·1	175·7	150·6	170·5	19
81·1	82·2	81·4	79·1	165·3	176·3	150·6	170·6	20
80·9	81·7	81·4	79·3	164·5	175·2	150·0	170·5	21
81·0	81·7	81·3	79·7	163·9	173·7	150·1	170·8	22
81·2	82·1	81·5	79·6	164·0	174·0	150·0	170·7	23
81·6	82·6	81·9	79·8	164·6	175·4	150·1	170·5	24
81·8	82·9	82·2	80·0	165·0	176·1	150·4	170·4	25
82·1	83·2	82·5	79·9	166·9	179·1	151·3	171·1	26
82·2	83·5	82·5	80·0	168·4	181·3	152·1	172·3	27
82·3	83·6	82·7	80·0	168·6	181·4	152·8	173·1	28
82·4	83·6	82·9	79·8	167·7	180·2	152·3	173·1	29
82·5	83·9	83·0	79·7	167·5	179·7	152·3	173·3	30
82·8	84·4	83·0	79·7	166·6	177·5	152·4	173·7	31
82·4	83·6	83·1	79·2	165·8	175·9	152·1	173·1	32
82·5	83·8	83·0	79·1	165·0	174·4	151·7	173·2	33
82·4	84·0	...	78·2	164·5	173·4	...	173·3	34
82·4	84·0	82·9	78·3	164·9	174·0	151·9	174·0	35
82·3	84·0	82·8	78·2	165·2	174·5	151·7	174·9	36
82·2	83·7	82·8	78·2	165·0	174·4	151·2	175·1	37
82·1	83·6	82·5	78·3	163·8	172·8	150·3	175·4	38
82·1	83·5	82·5	78·7	162·5	171·5	148·9	174·9	39
82·0	83·2	82·5	78·8	162·8	172·1	149·1	174·7	40
82·0	83·0	82·6	79·5	162·0	171·2	148·5	173·9	41
82·0	82·9	82·6	79·4	161·8	171·1	148·4	173·8	42
82·0	82·9	82·8	79·2	163·0	173·7	148·3	173·9	43
82·1	83·0	82·9	79·0	163·5	174·8	148·1	174·5	44
82·0	...	82·7	...	163·5	...	148·1	...	45
82·0	83·2	82·7	78·5	162·6	173·4	147·4	174·6	46
82·0	83·1	82·8	78·7	163·0	174·2	147·2	174·5	47
82·0	83·1	82·7	78·7	163·7	174·8	148·1	174·0	48
82·0	83·1	82·6	78·7	163·9	175·1	148·6	172·7	49
81·9	83·1	82·6	78·8	164·2	175·5	148·9	172·4	50
81·9	83·0	82·5	79·1	163·3	173·8	148·2	172·6	51
81·8	82·8	82·4	79·2	163·0	173·8	147·7	172·6	52
81·8	82·7	82·4	79·5	162·5	172·9	147·7	172·0	53
81·6	82·6	82·2	79·4	161·6	171·3	147·0	171·9	54
81·3	82·1	81·9	79·5	159·2	167·7	145·6	170·8	55
81·2	82·0	81·8	79·1	158·9	168·0	144·8	170·2	56
80·9	81·7	81·6	78·6	157·8	166·7	143·8	169·2	57

STATEMENT 45—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
1964-65 ..	99·5	98·3	81·8	163·9	99·2	102·0	98·9	100	93	100	96
March 1964 ..	99·7	97·9	81·5	169·6	99·4	102·1	98·9	100	96	101	97
April „ ..	99·6	97·7	81·5	165·8	99·3	102·0	98·9	100	93	101	97
May „ ..	99·7	97·6	81·3	163·4	99·4	102·0	98·9	100	93	101	97
June „ ..	99·8	97·9	81·2	161·9	99·5	102·0	98·9	100	93	101	97
July „ ..	99·9	98·2	81·0	164·7	99·6	102·1	98·9	100	93	101	97
August „ ..	99·8	98·2	81·8	165·8	99·5	102·2	98·9	100	93	101	97
September „ ..	99·8	98·3	82·5	167·6	99·5	102·1	98·9	100	93	101	97
October „ ..	99·7	98·5	82·4	165·1	99·3	102·1	99·0	100	93	101	97
November „ ..	99·5	98·8	82·1	163·5	99·2	102·1	99·0	100	93	100	97
December „ ..	99·5	98·8	82·0	162·6	99·1	102·1	98·9	100	93	99	96
January 1965 ..	99·4	98·9	82·0	163·3	99·0	102·0	98·9	100	93	98	95
February „ ..	99·2	98·6	81·9	163·3	98·9	101·9	98·9	100	93	98	95
March „ ..	98·4	97·7	81·3	159·4	97·9	101·6	98·6	100	93	97	95
Percentage variation of March 1965 over March 1964 ..	*—1·3*	*—0·2*	*—0·2*	*—6·0*	*—1·5*	*—0·5*	*—0·3*	*—*	*—3·3*	*—4·0*	*—2·1*

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	170	107	167	128	167	97	886	153
1964-65	127	170	183	94	158	129	159	84	838	163
March 1964	135	174	185	102	168	131	167	92	890	161
April „	134	172	184	99	161	127	162	89	857	158
May „	131	165	183	97	160	124	160	86	828	158
June „	130	163	182	95	162	124	158	85	813	158
July „	129	164	184	95	164	126	160	84	856	166
August „	128	162	183	95	164	127	161	86	873	169
September „	126	166	185	97	163	131	162	87	867	171
October „	125	174	183	95	160	132	160	86	829	162
November „	124	178	181	92	160	132	159	84	807	162
December „	124	178	181	90	161	132	157	83	795	162
January 1965	124	175	181	91	156	133	157	82	829	165
February „	123	173	181	91	146	132	158	81	848	167
March „	123	173	183	89	137	127	154	78	846	158
Percentage variation of March 1965 over 1964	*—8·9*	*—0·6*	*—1·1*	*—12·7*	*—18·5*	*—3·1*	*—7·8*	*—15·2*	*—4·9*	*—1·9*

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	97	81	89	83	77	71	82
97	101	93	100	76	75	78	77	84	80	97	83	90	83	71	74	84
96	100	93	100	77	75	78	77	83	79	96	82	90	83	76	71	85
96	100	92	100	77	75	77	76	83	80	97	82	90	82	76	71	85
95	100	92	100	77	75	76	76	83	80	97	82	90	82	76	72	85
96	101	92	100	77	75	76	76	83	80	97	81	90	82	76	72	86
98	101	92	100	77	75	76	75	83	80	97	81	88	82	77	72	86
98	101	92	100	77	75	77	75	84	81	97	82	88	83	77	73	86
98	101	92	100	77	75	78	76	84	83	97	83	89	84	78	74	87
98	101	93	101	75	75	78	78	85	82	97	84	89	84	77	74	86
98	101	93	101	75	75	78	78	85	80	96	84	89	83	77	75	84
98	101	93	101	75	77	78	77	85	80	96	83	91	83	77	75	84
98	101	93	101	74	76	80	78	83	80	97	82	92	83	78	75	83
98	101	93	101	74	76	80	78	83	79	97	83	92	83	78	75	79
98	101	93	100	74	76	80	78	82	78	97	82	92	83	78	74	79
+2·1	*+1·0*	—	—	*—3·9*	*+1·3*	*2·6*	*+1·3*	*1·2*	*1·3*	*+1·0*	—	*2·2*	—	*+2·6*	*+4·2*	*—7·1*

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	1[illegible]4	90
333	156	225	177	144	197	86	112	91	276	208	137	84
307	158	223	183	140	191	94	112	95	301	213	156	79
331	160	231	187	147	198	88	109	100	302	212	147	85
323	154	227	181	145	194	88	108	96	295	206	147	83
319	152	222	178	145	193	88	109	95	285	205	152	80
311	150	218	178	144	195	89	109	94	285	205	159	79
316	157	222	186	143	195	90	110	98	296	209	154	78
315	166	223	186	140	193	93	110	98	295	213	151	78
313	166	229	191	141	190	97	112	101	293	216	154	78
303	162	230	188	139	190	98	112	98	290	216	155	80
294	160	227	185	139	190	97	112	96	295	217	157	79
295	158	222	182	139	188	96	114	95	318	217	160	78
301	157	221	182	138	190	97	113	92	319	219	163	78
303	158	221	181	138	190	98	116	89	319	220	163	78
288	155	217	177	134	183	96	113	87	321	219	162	77
13·0	*—3·1*	*— 6·1*	*—5·3*	*—8·8*	*—7·6*	*+9·1*	*+3·7*	*—13·0*	*+6·3*	*+3·3*	*+10·2*	*— 9·4*

STATEMENT 46—YIELDS ON INDUSTRIAL SECURITIES—ALL-INDIA

(Compiled by the Department of Statistics

ALL—

Variable Dividend

Average of months/ month			Debentures (Total)	Preference Shares (Total)	Total	Agriculture and Allied Activities				Mining and Quarrying		
						Total (a)	Tea plantations	Coffee plantations	Rubber plantations	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	1964-65	..	**5·54**	**6·42**	**5·58**	**6·31**	6·47	4·71	6·07	**4·85**	4·99	4·74
6	March 1964	..	**4·75**	**5·99**	**4·91**	**5·94**	6·15	4·60	5·53	**4·32**	4·52	4·17
7	April ,,	..	**4·88**	**6·07**	**5·08**	**6·00**	6·18	4·94	5·55	**4·44**	4·69	4·26
8	May ,,	..	**5·57**	**6·09**	**5·24**	**6·16**	6·46	3·91	5·59	**4·54**	4·79	4·37
9	June ,,	..	**5·53**	**6·20**	**5·42**	**6·18**	6·43	3·98	5·72	**4·75**	5·03	4·55
10	July ,,	..	**5·56**	**6·26**	**5·37**	**6·19**	6·44	3·93	5·79	**4·96**	5·10	4·86
11	August ,,	..	**5·54**	**6·39**	**5·54**	**6·26**	6·47	4·08	6·03	**4·86**	4·99	4·77
12	September ,,	..	**5·61**	**6·41**	**5·51**	**6·22**	6·44	4·03	6·05	**4·77**	4·84	4·72
13	October ,,	..	**5·57**	**6·47**	**5·58**	**6·11**	6·27	3·88	6·29	**4·78**	4·92	4·68
14	November ,,	..	**5·56**	**6·54**	**5·69**	**6·22**	6·40	4·07	6·28	**4·77**	4·98	4·62
15	December ,,	..	**5·60**	**6·58**	**5·78**	**6·46**	6·59	5·12	6·43	**4·96**	5·08	4·88
16	January 1965	..	**5·64**	**6·66**	**5·81**	**6·54**	6·64	5·28	6·39	**5·06**	5·15	5·00
17	February ,,	..	**5·69**	**6·68**	**5·86**	**6·63**	6·61	6·25	6·42	**5·09**	5·15	5·05
18	March ,,	..	**5·78**	**6·72**	**6·05**	**6·73**	6·65	7·01	6·33	**5·17**	5·17	5·17

ALL—

Variable Dividend

Average of months/ month			Processing and Manufacturing (*Contd.*)			Other Industries				
			Others			Total (a)	Electricity generation and supply	Trading	Shipping and other transport	Construction
			Total(a)	Cement	Paper					
			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	**5·36**	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	1964-65	..	**5·31**	5·79	4·23	**6·43**	6·20	7·45	6·46	5·17
6	March 1964	..	**4·84**	5·25	4·43	**5·74**	5·92	7·07	5·64	3·85
7	April ,,	..	**5·00**	5·30	4·58	**5·84**	5·91	7·28	5·79	4·56
8	May ,,	..	**4·95**	5·10	4·68	**6·00**	5·89	7·27	5·95	5·03
9	June ,,	..	**5·45**	5·84	4·86	**6·14**	5·81	7·31	5·97	5·63
10	July ,,	..	**5·51**	5·88	5·01	**6·69**	5·76	7·37	5·77	5·40
11	August ,,	..	**5·50**	5·81	5·12	**6·23**	5·94	7·40	5·96	5·33
12	September ,,	..	**5·13**	5·69	3·66	**6·35**	6·11	7·35	6·21	5·34
13	October ,,	..	**5·19**	5·75	3·73	**6·34**	6·08	7·34	6·24	5·40
14	November ,,	..	**5·31**	5·88	3·79	**6·47**	6·14	7·31	6·84	5·32
15	December ,,	..	**5·46**	6·06	3·78	**6·58**	6·21	7·50	6·94	4·99
16	January 1965	..	**5·43**	6·05	3·80	**6·88**	6·69	7·67	7·11	4·89
17	February ,,	..	**5·35**	5·97	3·83	**6·99**	6·87	7·68	7·25	4·85
18	March ,,	..	**5·48**	6·11	3·90	**7·21**	7·03	7·97	7·52	5·30

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

(The Reserve Bank of India) *(Per cent per annum)*

INDIA

Industrial Securities

Processing and Manufacturing												
Total	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·[illegible]	5·80	3·47	6·15	3·17	**4·18**	4·25	3·38	5·03	4·07	3·59	*1*
4·24	4·[illegible]6	5·62	3·72	5·14	2·92	**4·22**	4·69	3·77	4·46	3·46	3·64	*2*
4·48	4·[illegible]3	6·18	4·33	3·87	3·50	**4·65**	5·31	4·56	4·32	3·54	4·74	*3*
4·48	4·[illegible]7	5·14	4·16	4·44	3·33	**4·73**	5·24	4·10	4·91	3·80	4·86	*4*
5·19	5·06	4·72	5·12	6·35	3·58	**5·32**	5·81	4·23	5·71	4·37	5·41	*5*
4·45	4·25	4·50	4·18	5·87	3·24	**4·58**	5·04	3·38	4·92	3·68	4·80	*6*
4·66	4·53	4·65	4·50	6·15	3·55	**4·68**	5·11	3·50	5·11	3·78	4·96	*7*
4·83	4·83	4·75	4·93	6·23	3·53	**4·76**	5·08	3·51	5·19	4·00	5·10	*8*
5·04	5·01	4·78	5·14	6·37	3·59	**4·84**	5·11	3·71	5·23	4·20	5·11	*9*
4·96	4·92	4·60	5·07	6·40	3·45	**4·71**	4·89	3·73	5·01	4·22	4·99	*10*
5·15	4·94	4·56	5·00	6·47	3·50	**5·31**	5·93	3·64	5·37	4·33	4·81	*11*
5·11	5·00	4·36	5·70	6·58	3·54	**5·27**	5·88	3·54	5·83	4·29	4·66	*12*
5·24	5·18	4·35	5·19	6·50	3·61	**5·52**	6·25	3·84	5·97	4·36	5·08	*13*
5·36	5·22	4·44	5·27	6·57	3·72	**5·65**	6·30	5·07	6·07	4·43	5·76	*14*
5·44	5·26	4·67	5·33	6·15	3·81	**5·73**	6·32	5·01	6·15	4·64	5·97	*15*
5·40	5·22	4·68	5·29	6·08	3·57	**5·69**	6·22	5·00	6·17	4·65	5·99	*16*
5·41	5·26	5·06	5·24	6·19	3·54	**5·69**	6·18	5·18	6·13	4·64	6·11	*17*
5·63	5·50	5·78	5·42	6·44	3·53	**5·93**	6·45	5·28	6·26	4·85	6·52	*18*

INDIA *(Contd.)* REGIONAL

Industrial Securities—*(Contd.)*

Financial				Variable Dividend Industrial Securities				
Total	Banks	Insurance	Investment Trusts	Bombay	Calcutta	Madras	Delhi	
31	32	33	34	35	36	37	38	
6·31	5·93	7·56	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	6·41	7·27	6·48	4·84	4·82	5·62	5·55	*4*
7·29	7·00	8·57	6·99	5·58	5·50	6·16	6·54	*5*
6·78	6·59	7·83	6·11	4·82	4·85	5·64	5·84	*6*
6·94	6·75	7·82	6·61	4·98	5·03	5·87	6·02	*7*
7·05	6·83	8·00	6·79	5·11	5·21	5·98	6·02	*8*
7·14	6·80	8·58	6·91	5·32	5·35	6·14	6·06	*9*
7·18	6·79	8·75	7·14	5·19	5·39	6·10	5·85	*10*
7·44	7·07	9·04	7·10	5·51	5·51	6·08	5·86	*11*
7·36	6·97	9·06	7·01	5·46	5·49	6·11	5·88	*12*
7·32	6·96	8·92	6·90	5·64	5·49	6·13	6·05	*13*
7·29	6·94	8·81	6·90	5·79	5·55	6·15	7·19	*14*
7·25	6·93	8·62	6·97	5·88	5·63	6·25	7·38	*15*
7·29	7·05	8·40	6·95	5·90	5·68	6·25	7·33	*16*
7·60	7·43	8·40	7·30	5·96	5·73	6·33	7·36	*17*
7·64	7·48	8·44	7·28	6·18	5·90	6·49	7·48	*18*

STATEMENT 47—PRICES OF

End

Scrip	Dec. 1957	May 1962	June 1963	March 1964	June 1964
	1	2	3	4	5
Iron and Steel					
1. Indian Iron	18·70*	26·20*	22·38	24·72	25·14
2. Tata Ordinary	160·50*	148·25*	134·75	146·75	153·25
Cotton Textiles					
3. Bombay Dyeing	49·80@	69·60	57·00	60·50	58·00
4. Buckingham	155·00	265·00	261·00	285·00	267·00
5. Century	382·00	663·50*	508·50	616·50	559·50
6. Kohinoor	259·50	303·00	302·00	338·00	322·75
7. Madura	33·75	36·75	31·25	35·3[illegible]	33·25
Jute Textile					
8. Anglo-India	146·50	252·00	224·00	180·00	152·00
9. Birla	14·75	35·75*	28·00	32·62	32·06
10. Howrah	13·44	22·87	18·87	16·75£	15·50
Banks					
11. Central (F 50)	52·30	62·00	55·30	45·00*	48·00
12. India (F100)	132·25*	111·50*	109·00	102·00	102·50
Coal					
13. Bengal	228·00*	392·00*	270·00	250·00£	233·00
14. Central India	5·94	13·00	9·87	9[illegible]	8·69
Tea Plantations					
15. Hasimara	21·12	31·56	12·56*	12·56£	12·31
16. Periakaramalai	4·05*	3·41	3·05	3·44	3·43
Engineering					
17. Guest, Keen, Williams	29·12	41·75*	31·75	25·06*	24·12
18. Jessop & Co.	22·12*	24·12*	23·31	2[illegible]·12£	21·25
19. Premier Construction	154·00	167·00*	132·50	18[illegible]·00	188·50
20. Tata Locomotives	137·25	368·75*	251·00*	299·00	284·00
21. Texmaco	15·60*	26·00	23·62	28·00	27·95
Electricity					
22. Andhra Valley	1,117·50*	1,015·00	1,015·00	1,042·50	1,075·00
23. Tata Power	1,155·00*	1,103·75	1,058·75	1,106,25	1,145·00
Miscellaneous					
24. Belapur Sugar	252·00*	233·00	173·00	224·00	213·00
25. Deccan Sugar	7·85*	10·10	9·75	11·90	11·20
26. Cochin Malabar	4·25*	7·00	5·95	6·40	6·30
27. Consolidated Coffee	28·00*	18·35	17·60	20·85	22·25
28. Ouchterlony Valley	4·85	3·80	3·65	4·40	3·60
29. A. C. C.	151·00*	160·00	138·50	148·75	153·25
30. India Cement	4·70*	6·13*	5·49	5·65	5·65
31. Amar Dye Chem.	100·00	333·75*	157·50	138·75*	168·75
32. Colour Chem.		500·00*	336·25	341·25	365·00
33. F. A. C. T.	3·90	7·80	7·10	5·40	5·20
34. Tata Chem.	12·80*	16·68*	16·60	18·52	18·72
35. Ashok Leyland	4·45	8·75*	7·35	6·95*	6·50
36. Hindustan Motors	5·69	20·06	15·62	18·37	18·41
37. Premier Automobiles	87·50	133·00*	107·75	102·00	104·25
38. Ceat Tyres		180·00*	135·00	116·25	90·00
39. Dunlop Rubber	19·75*	44·44*	30·87	36·50	34·12
40. Orient Paper	24·25	44·20*	34·35	37·35	36·15
41. West Coast Paper	65·00	180·00*	127·50	155·50	160·00
42. National Rayon	211·25	545·00*	302·00	379·50	379·50*
43. Travancore Rayons	10·65	40·00	22·75	24·10	22·25
44. Aluminium Industries	13·00*	24·00*	16·80*	19·80	20·00
45. Bombay-Burmah (old)	520·00	683·00*	60·00*@	60·00	58·30
46. Hindustan Lever	19·76	50·50*	33·75	35·00	34·00
47. Imperial Tobacco	11·75	11·12	10·25	9·75£	9·37
48. Scindia Steam	17·08*	12·76	10·36	15·48	15·20
49. Voltas	112·75	298·50	228·00	263·00	254·00

* Exright/bonus. @ Split shares. £ Nominal.

REPRESENTATIVE INDUSTRIAL SHARES

(Rupees)

of			1964-65		Percentage variation of (8) over		
September 1964	December 1964	March 1965	Highest	Lowest	(1)	(4)	
6	7	8	9	10	11	12	
25·04	26·02	24·38	27·19	23·90	+ 56·4	— 1·4	1
148·75	147·50	143·00	163·50	140·00	35·0	2·6	2
60·00	57·80	57.60	61.70	55·70	+ 15·7	4 8	3
281·00	277·00	262·00	285·00	262·00	+ 69·0	8·1	4
622·50	579·00	541·00	648·00	526·00	+ 188·1	12·2	5
326·50	322·00	314·00	340·00	300·00	+ 21·0	— 7·1	6
34·85	35·25	31·25	37·85	31·25	7·4	— 11·5	7
190·00	186·00	181·00£	210·00	151·00	+ 48·3	+ 0·6	8
35·37	39·19	33·19	42·31	28·62	+ 224·7	+ 1·7	9
16·06	15·75	14·50£	16·44	14·00	+ 7·9	— 13·4	10
52·50	52·30	51·00	52·80	44·00	+ 15·6	+ 13·3	11
101·50	101·75	98·50	105·00	98·00	14·5	3·4	12
255·00	228·00	225·00£	262·00	225·00	+ 6·1	— 10·0	13
8·56	8·20	7·84£	8·94	7·84	+ 32·0	14·7	14
13·31	12·06	12·00£	13·81	11·81	+ 13·6	4·5	15
3·55	3·72	3.86	3.90	3.20	4.7	+ 12.2	16
23·44	22·75	21·62	25·31	21·00	+ 41·0	13·7	17
24·06	25·62	25·44	27·50	20·44	+ 69·5	+ 10·0	18
191·00	230·50	236·00	240·00	161·00	+ 129·9	+ 30·4	19
270·00*	272·00	253·00	321·50	246·00*	+ 175·4	6·4	20
26·05	25·55	24·20	28·40	23·95	+ 55·1	13·6	21
1,270·00	1,215·00	1,217·50	1,280·00	1,041·25	+ 8·9	+ 16·8	22
1,330·00	1,257·50	1,243·75	1,337·50	1,098·75	+ 7·7	+ 12·4	23
227·00	229·50	192·00	235·00	188·00	23·8	— 14·3	24
10·75*	10·65	10·00	12·50	9·90	+ 48·6	— 2·0	25
6·22	6·07	6·00	6·51	5·80	+ 41·2	6·2	26
23·76	25·65	24·90	26·50	20·85	+ 11·1	+ 19·4	27
3·42	3·37	2·80	4·40	2·80	42·3	36·4	28
162·25	153·00*	148·00	167·00	143·50*	+ 4·6	+ 6·1	29
5·39	5·15	4·93	5·72	4·92	+ 30·4	12·7	30
157·50	142·50	137·50	173·75	127·50	+ 100·2	— 0·9	31
322·50	307·50	267·50	365·00	261·25		21·6	32
5·20	5·22	4·95	5·52	4·95	+ 26·9	8·3	33
19·60	18·16	18·16	19·76	16·60	+ 54·0	1·9	34
7·00	7·40	6·23*	7·40	6·23*	+ 101·1	+ 3·3	35
16·84	16·94	16·34	19·12	15·94	+ 187·2	11·1	36
107·00	99·50	84·00	109·50	82·70	+ 17·2	17·6	37
92·50	91·00	77·00	117·50	76·00		33·8	38
31·81	30·87*	25·62*	38·00	25·00	+ 191·6	+ 5·2	39
31·80	33·00	34·30	37·85	30·90	+ 57·2	8·2	40
171·50	174·50	144·50	177·00	144·00	+ 147·5	— 7·1	41
362·00	370·50	399·50	406·50	326·00	+ 141·2	+ 12·8	42
20·05	17·75	16·95	24·10	16·87	+ 59·2	29·7	43
22·55	24·12	18·00*	24·12	17·88	+ 103·5	8·3	44
56·30	55.50	47·50	60·70	46·00	+ 14·2	20·8	45
30·50	28·10	25·50	35·50	25·00	+ 91·0	27·1	46
8·81	8·31	8·10£	9·93	7·87	31·1	16·9	47
16·08	15·68	12·80	16·60	12·44	25·1	17·3	48
269·50	271·50	250·00	276·50	234·00	+ 121·7	4·9	49

Sources: Stock Exchanges

STATEMENT 48—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 (Accounts)	1964-65 (Budget)	1964-65 (Revised)	1965-66 (Budget)
I. Revenue Account									
A. Revenue (*a*)	405·86	481·19	877·46	1,036·79	1,427·53	1,846·14	1,959·74	2,079·20	2,182·69(*b*)
B. Expenditure (*c*) ..	346·64	440·74	826·21	911·94	1,314·13	1,658·60	1,876·75	1,850·05	1,952·47
C. *Surplus*(+) *or deficit*(—)	*+59·22*	*+40·45*	*+51·25*	*+124·85*	*+113·40*	*+187·54*	*+82·99*	*+229·15*	*+230·22*
II. Capital Account									
A. Receipts (*d*)	104·45	280·95	1,127·00(*e*)	957·34(*e*)	1,204·25(*e*)	1,380·85(*e*)	1,861·95	1,790·84(*e*)	1,928·72
B. Disbursements ..	182·59	470·92	1,000·53	1,171·61	1,454·38	1,759·95	2,025·58	2,080·00	2,100·34
C. *Surplus*(+) *or deficit*(—)	*—78·14*	*—189·97*	*+126·47*	*—214·27*	*—250·13*	*—379·10*	*—163·63*	*—289·16*	*—171·62*
III. Miscellaneous (Net)(*f*) ..	*+15·26*	*—10·35*	*—60·87*	*—25·09*	*—19·41*	*+24·70*	*—16·04*	*—20·29*	*—54·86*
IV. Overall Surplus (+) or Deficit (—) (IC + IIC + III) ..	**—3·66**	**—159·87**	**+116·85**	**—114·51**	**—156·14**	**—166·86**	**—96·68**	**—80·30**	**+3·74**
Financed by :									
A. Treasury bills(*g*) [Increase (—)] ..	—16·10	—123·38	+141·31	—118·69	—174·57	—157·41	—96·00	—72·00	+2·96
B. Cash balances [Decrease (—)] ..	+12·44	—36·49	—24·46	+4·18	+18·43	— 9·45	—0·68	—8·30	+0·78
(*i*) Opening balance ..	149·50	32·23	69·67	45·22	49·40	67·75	50·21	58·30	50·00
(*ii*) Closing balance ..	161·94	—4·26	45·21	49·40	67·83	58·30	49·53	50·00	50·78

Note : Accounts are provisional. Budget estimates for 1965-66 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, Rs. 75 crores in 1963-64 and Rs. 50 crores in 1964-65 (Revised) funded in January 1961, February 1962, December 1962, January 1964 and January 1965 respectively. (*f*) Includes remittances, transfer of cash between England and India and Reserve Bank Deposits. (*g*) Mostly sold to the Reserve Bank.

STATEMENT 49—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 (Accounts)	1964-65 (Budget)	1964-65 (Revised)	1965-66 (Budget)
I. Revenue Account										
A. Revenue (*a*)	396.4	554.3	598.1	1,011.8	1,073.5	1,283.9	1,490.2	1,555.9	1,614.3	1,755.2 (1,759.3)
B. Expenditure (*a*)	392.6	604.1	628.4	987.4	1,121.3	1,260.9	1,412.5	1,548.0	1,641.1	1,840.6
C. *Surplus* (+) *or Deficit* (—) ..	*+3.8*	*—49.8*	*—30.3*	*+24.4*	*—47.8*	*+23.0*	*+77.7*	*+ 7.9*	*—26.8*	*—85.4 (—81.3)*
II. Capital Account										
A. Receipts (*b*)	135.0	382.0	338.3	580.0	699.9	778.2	864.8	946.0	1,087.5	1,133.6
B. Disbursements	188.7	335.9	364.4	632.9	668.5	749.1	914.3	995.8	1,098.0	1,124.1
C. *Surplus* (+) *or Deficit* (—) ..	*—53.7*	*+46.1*	*—26.1*	*—52.9*	*+31.4*	*+29.1*	*—49.5*	*—49.8*	*—10.5*	*+9.5*
III. Miscellaneous (*Net*) (*c*)	*+1.6*	*+ 4.1*	*—2.9*	*—19.9*	*—21.1*	*—24.6*	*—33.6*	*— 4.1*	*—2.4*	*—4.9*
IV. Overall Surplus (+) or Deficit (—)	**—48.3**	**+0.4**	**—59.3**	**—48.4**	**—37.5**	**+27.5**	**—5.4**	**—46.0**	**—39.7**	**—80.8 (—76.7)**
Financed by :										
V. Increase (+) or Decrease (—) in Cash Balances (*d*)	**—10.8**	**+10.0**	**—77.2**	+3.7(*e*)	**—0.9**	**+11.4**	**—18.3**	**—41.6**	**—3.7**	**—70.6**
(1) Opening balance	61.5	93.8	131.9	—4.6	—0.9	—1.8	+16.7	+8.5	—8.7	—12.4
(2) Closing balance	50.7	103.8	54.7	—0.9	—1.8	+9.6	—1.6	—33.1	—12.4	—83.0
VI. Purchase (+) or Sale (—) of Securities	**—37.6**	**—9.6**(*f*)	**+17.9**(*f*)	**—52.1**	**—36.6**	**+16.1**	**+12.9** ..	**— 4.4**	**—36.1**	**—10.1**

Note: 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 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 1965-66 (Budget) are before tax changes; the position after tax changes as proposed by the Governments of Gujarat, Madhya Pradesh and Rajasthan is 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 amount transferred to Gujarat. (*f*) As separate figures of Cash Balance Investment Accounts are not available, total Suspense Account has been included under this head.

STATEMENT 50—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 (Accounts)	1964-65 (Budget)	1964-65 (Revised)	1965-66 (Budget)
REVENUE									
I. Taxes on Income and Expenditure (1+2+3)	**125·70**	**113·23**	**191·97**	**228·84**	**312·39**	**414·02**	**438·00**	**486·98**	**544·22**
Taxes on income other than corporation tax	132·73	131·35	167·38	165·39	185·96	258.60	247·28	268·00	294·00
Less States' share	47·52	55·16	87·37	93·85	95·27	119·29	107·50	123·77	122·93
1. Net receipts	85·21	76·19	80·01	71·54	90·69	139·31	139·78	144·23	171·07
2. Corporation tax	40·49	37·04	111·05	156·46	221·50	274·59	296·67	342·00	371·60
3. Expenditure tax	—	—	0·91	0·84	0·20	0·12	1·55	0·75	1·55
II. Taxes on Property and Capital Transactions (1+2+3+4+5) ..	**3·81**	**2·55**	**13·49**	**14·21**	**16·15**	**17·02**	**19·05**	**19·23**	**21·98**
Estate duty	—	1·81	3·09	4·21	3·94	4·67	7·40	7·00	7·40
Less States' share	—	1·86	2·91	3·88	3·88	4·22	7·22	6·78	7·17
1. Net receipts	—	—0·05	0·18	0·33	0·06	0·45	0·18	0·22	0·23
2. Tax on wealth	—	—	8·15	8·26	9·54	10·20	10·20	11·05	13·50
3. Gift tax	—	—	0·89	1·01	0·97	1·12	3·10	3·10	3·10
4. Stamps and registration ..	1·81	1·72	3·68	4·05	5·00	4·94	5·41	4·68	4·94
5. Land revenue	2·00	0·88	0·59	0·56	0·58	0·31	0·16	0·18	0·21
III. Taxes on Commodities and Services (1+2+3+4)	**227·49**	**295·69**	**524·68**	**632.32**	**732·44**	**943·29**	**980·93**	**1,047.79**	**1,116·56**
Customs									
Imports	107·70	127·98	154·61	198·22	238·42	334·25	335·79	390·73	424·00
Exports	47·36	37·76	13·12	12·69	9·60	3·37	2·96	2·47	2·20
Other revenue	6·37	4·22	8·21	7·82	7·50	8·01	6·32	3·30	3·30
Less refunds	4·28	3·26	5·91	6·48	9·56	10·89	8·70	11·50	10·00
1. Net receipts	157·15	167·70	170·03	212·25	245·96	334·74	336·37	385·00	419·50
Union excise duties ..	67·54	145·25	416·35	489·31	598·83	729·58	769·93	773·05	814·17
(Of which additional excise duties)	(—)	(—)	(33·60)	(38·96)	(44·75)	(43·11)	(47·90)	(44·31)	(47·01)
Less States' share	—	16·57	75·10	80·65	124·91	135·99	141·37	127·34	135·83
2. Net receipts	67·54	128·68	341·25	408·66	473·92	593·59	628·56	645·71	678·34
Tax on railway passenger fares ..	—	—	15·89	—	—	—	—	—	—
Less States' share	—	—	13·79	—	—	—	—	—	—
3. Net receipts	—	—	2·10	—	—	—	—	—	—
4. Other taxes and duties ..	2·80	0·31	11·30	11·41	12·56	14·96	16·00	17·08	18·72
IV. Total Tax Revenue (I+II+III) ..	**357·00**	**411·47**	**730·14**	**875·37**	**1,060·98**	**1,374·33**	**1,437·98**	**1,554·00**	**1,682·76**(*a*)
V. Administrative Receipts ..	**12·53**	**17·08**	**59·32**	**53·92**	**63·44**	**48·13**	**47·67**	**50·54**	**43·75**
VI. Net Contribution of Public Undertakings (1+2+3+4) ..	**23·16**	**28·92**	**53·00**	**65·69**	**56·07**	**70·25**	**66·46**	**68·70**	**79·20**
1. Railways	6·50	5·80	4·77	20·66	20·37	24·82	24·53	24·51	27·16
2. Posts and Telegraphs ..	3·98	3·47	0·46	0·77	0·77	1·22	1·38	1·41	1·84
3. Currency and Mint ..	9·71	19·75	47·95	42·75	32·21	40·68	36·40	36·75	45·29
(Profits of the Reserve Bank of India)	(9·91)	(20·00)	(40·00)	(42·50)	(43·50)	(40·00)	(40·00)	(40·00)	(48·00)
4. Others(*b*)	2·97	—0·10	—0·18	1·51	2·72	3·53	4·15	6·03	4·91

VII. Other Revenue(*c*)	**13·17**	**23·72**	**35·00**	**41·81**	**247·04**	**353·43**	**407·63**	**405·96**	**376·98**
VIII. Total Revenue (IV+V+VI+VII)	**405·86**	**481·19**	**877·46**	**1,036·79**	**1,427·53**	**1,846·14**	**1,959·74**	**2,079·20**	**2,182·69**
			EXPENDITURE						
IX. Collection of Taxes, Duties and other Principal Revenue (*d*) ..	10·24	12·51	22·43	21·16	23·47	23·93	25·34	26·41	28·88
X. Civil Administration (*e*)	21·29	33·57	58·66	59·17	75·18	77·51	81·84	82·17	91·36
XI. Defence Services (net)	164·13	172·23	247·55	289·54	425·30	704·15	717·80	716·81	748·74
XII. Debt Services (*f*)	37·36	43·14	77·09	82·85	245·43	278·35	318·41	317·61	356·11
XIII. Pensions, Superannuation and Privy Purses (including allowances)	6·99	8·97	10·04	10·24	10·63	10·30	11·04	10·87	10·99
XIV. Extraordinary Charges (*g*) ..	0·07	—	3·68	13·63	64·22	82·34	147·31	127·83	65·72
XV. Miscellaneous(*h*)	44·28	48·82	117·82	57·10	81·31	71·21	78·80	73·83	93·91
XVI. Social and Developmental Services(*i*)	39·50	82·41	236·40	176·29	186·09	172·44	199·54	196·97	219·46
XVII. Contributions and Miscellaneous adjustments between Union and State Governments(*j*)	15·59	35·87	48·55	198·01	198·45	233·40	293·21	292·88	331·80
XVIII. Other Expenditure(*k*)	7·19	3·22	3·99	3·95	4·05	4·98	3·47	4·67	5·50
XIX. Total Expenditure	**346·64**	**440·74**	**826·21**	**911·94**	**1,314·13**	**1,658·60**	**1,876·75**	**1,850·05**	**1,952·47**
*Surplus (+) or Deficit (—) .. ..

STATEMENT 51—REVENUE FROM UNION EXCISE DUTIES

(Lakhs of Rupees)

Commodity	1950-51 (Accounts)	1955-56 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63(*b*) (Accounts)	1963-64(*a*)(*b*) (Accounts)	1964-65(*b*) (Revised)	1965-66(*b*)(*c*) (Budget)
1	2	3	4	5	6	7	8	9
Basic duties on								
Motor spirit	2,08	23,05	40,46	45,51	51,56	67,55	72,30	74,00
Kerosene	28	2,43	8,29	12,84	16,55	35,74	40,80	45,00
Sugar	6,46	18,58	44,19	47,23	60,18	52,11	50,72	53,65
Matches	8,07	10,08	18,08	18,48	21,91	20,84	22,50	23,50
Steel ingots	54	69	13,14	15,51	4,61	20	25	25
Tyres and tubes	4,04	5,53	13,54	14,50	17,04	23,82	25,20	24,99
Tobacco	31,99	36,46	53,73	56,45	64,43	80,66	86,04	88,58
Vegetable products	2,19	3,82	5,63	6,06	7,81	14,54	13,20	8,26
Coffee	1,17	93	1,35	1,92	1,83	2,07	2,40	2,40
Tea	3,36	3,17	7,47	10,57	10,21	15,76	15,28	17,00
Cotton fabrics	9,26	28,18	45,94	47,51	58,37	57,36	54,83	48,74
Artificial silk fabrics		2,18	2,05	2,91	1,12	1,80	1,64	1,81
Cement		2,22	18,45	18,32	21,38	26,62	25,80	26,29
Footwear		84	1,52	1,74	2,13	2,43	2,45	—
Soap		1,55	2,38	2,46	3,02	5,01	4,38	4,62
Woollen fabrics		53	90	1,35	1,93	2,10	1,55	1,90
Electric fans		27	1,17	1,20	1,52	1,50	1,50	1,62
Electric bulbs		25	68	88	1,29	1,69	1,65	1,82
Electric batteries		73	1,88	1,79	2,23	2,87	3,00	3,17
Paper		2,68	8,38	11,51	13,33	18,08	18,15	16,50
Paints and varnishes		1,01	1,40	2,12	2,62	4,09	4,50	4,32
Vegetable non-essential oils ..		29	11,69	10,47	10,54	1,42	1,00	1,00
Refined diesel oils and vapourizing oils		16	36,38	43,36	46,99	67,23	75,30	82,50
Industrial fuel oils		47	13,01	14,49	18,89	27,33	26,10	27,95
Rayon and synthetic fibres and yarn			2,82	5,58	9,71	15,16	18,50	15,94
Motor vehicles			8,03	10,30	11,22	14,86	16,25	17,15
Coal cess	1,62	2,38	5,40	9,98	12,26	14,15	14,00	14,50
Cess on copra			9	12	12	12	10	10

Cess on oils and oilseeds			51	30	28	32	20	21
Soda ash			2	30	41	49	50	55
Caustic soda			2	41	51	65	72	80
Synthetic organic dye stuff			9	2,15	2,03	1,93	2,30	2,50
Cosmetics			7	1,21	1,34	1,71	1,80	1,92
Patent and proprietary medicines ..			26	4,19	5,06	5,62	6,50	7,00
Plastics			8	1,11	1,57	2,48	4,80	5,10
Cotton yarn			13	4,98	8,38	12,67	23,65	25,00
Woollen yarn			2	1,02	1,91	3,52	3,33	4,00
Glass and glassware			11	2,01	2,72	3,12	2,92	3,04
Chinaware			3	84	1,11	1,33	1,30	1,40
Copper			7	1,75	1,83	2,11	1,75	5,65
Refrigerators and air-conditioning machinery			2	86	1,49	1,77	2,40	2,80
Wireless receiving sets			6	1,25	1,21	1,92	2,20	2,33
Jute manufactures					5,28	6,50	6,60	6,82
Iron and steel products					24,29	38,13	40,50	60,41
Electric wires and cables					2,57	3,59	4,75	5,25
Miscellaneous	44	76	16,15	16,11	22,69	29,05	29,39	31,33
Total gross revenue	**71,50**	**149,24**	**385,69**	**453,65**	**559,48**	**694,02**	**735,00**	**773,67**
Less : Refunds and drawbacks ..	3,96	3,99	2,94	3,30	5,40	7,55	6,26	6,51
Total net revenue	**67,54**	**145,25**	**382,75**	**450,35**	**554,08**	**686,47**	**728,74**	**767,16**
Additional duties on :								
Sugar			10,91	11,22	15,03	14,90	14,50	15,60
Textiles			17,01	19,46	20,34	20,78	21,33	22,53
Tobacco			5,68	8,28	9,38	7,67	8,72	9,12
Total additional duties			**33,60**	**38,96**	**44,75**	**43,35**	**44,55**	**47,25**
Less : Refunds, etc.						24	24	24
Net additional duties			**33.60**	**38,96**	**44,75**	**43,11**	**44,31**	**47,01**
Grand total—union excise duties ..	**67,54**	**145,25**	**416,35**	**489,31**	**598,83**	**729,58**	**773,05**	**814,17**
Less : States' share of excise duties		16,57	75,10	80,65	124,91	135,99	127,34	135,83
Net receipts	**67,54**	**128,68**	**341,25**	**408,66**	**473,92**	**593,59**	**645,71**	**678,34**

(*a*) Figures are Provisional. (*b*) Includes special duties of excise also. (*c*) Including the effect of budget proposals.

STATEMENT 52—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 (Accounts)	1964-65 (Budget)	1964-65 (Revised)	1965-66 (Budget)
RECEIPTS									
Loans									
Internal (*a*)	30·34	103·68	180·70(*i*)	202·55(*i*)	278·94(*i*)(*j*)	367·10(*i*)(*j*)	295·00	295·69(*i*)	270·00
External	7·75	2·67	264·71	314·33	339·57	384·57	696.97	653·92	668·86
Special Floating Loan	—	—	3·45	3·45	3·45	3·45	3·45	3·45	—
Inter-State Debt Settlement	—	0·78	—	—	1·76	0·05	—	—	—
Treasury Deposit Receipts(*b*)	—7·13								
Prize Bonds(*b*)(*c*)			15·63	3·47	4·23	4·10	5·00	2·00	—15·00
Gold Bonds					3·39	5·22	—	0·01	—
Small Savings(*b*)	33·52	66·51	103·77	87·75	74·09	126·99	125·00	135·00	135·00
Other Unfunded debt (*b*)	8·30	16·89	43·99	40·13	41·84	51·34	55·65	49·96	55·90
Compulsory Deposits(*b*)						30·12	—	—1·44	—3.07
Income-tax Annuity Deposits(*b*)						—	67·00	65·00	65·00
Investment of U. S. Government Counter-part Deposit Funds(*b*)			240·41	54·13	48·07	87.38	—84·84	11·00	191·00
Railway Funds(*b*)	17·55	6·92	—3·76	—14·44	15·27	32·80	31·97	9·94	37·88
Other Reserve Funds (Interest-bearing)(*b*)	0·16	1·02	6·57	12·26	11·75	14.59	11·20	8·64	11·17
Appropriation for Reduction or Avoidance of Debt	5·00	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	—0·37	—0·04	0·06	0·06
Repayments of Loans by States	8·08	25·22	95·48	133·91	144·75	179·34	238·92	231·31	273·69
Special Development Fund(*d*)	—	40·50	104·52	106·15	156·04	151·21	334·93	320·53	157.63
Contingency Fund(*b*)	15·00	—	—	—	—0·01	—2·30	—	2·31	—
Other Items (*e*) (*b*)	19·09	13·09	66·21	8·87	80·04	—59·74	76·74(*k*)	—1·54	75·60(*k*)
Total Receipts (excluding Treasury Bills) (*f*)	**104·45**	**280·95**	**1,127·00**	**957·34**	**1,204·25**	**1,380·85**	**1,861·95**	**1,790·84**	**1,928·72**

DISBURSEMENTS

Capital outlay									
Non-Developmental									
Defence	4·19	17·59	33·39	22·95	48·61	111·97	136·10	117·95	130·05
Payment of Commuted Value of Pensions	—6·57	—9·01	—4·04	—3·93	—3·45	—3·69	—5·95	—5·47	—5·31
State Trading Schemes	—2·26	—29·59	33·95	2·24	—22·19	13·38	31·04	14·70	46.76
Currency, Mint and Security Printing Press	3·26	8·76	6·48	6·92	8·85	11·56	9·13	—6·12	4·22
Others(*g*)	15·01	3·67	65·84	56·93	78·16	56·91	169·62	167·77	75·47
Total Non-Developmental	**13·63**	**—8·58**	**135·62**	**85·11**	**109·98**	**190·13**	**339·94**	**288·83**	**251·19**
Developmental									
Railways	25·41	67·52	89·48	144·90	214·89	260·52	253·00	251·92	240·00
Posts and Telegraphs	7·07	9·03	11·26	11·25	20·96	31·48	20·59	26·59	32·83
Civil Aviation	1·82	1·95	3·46	3·01	2·93	2·71	4·95	4·80	5·99
Irrigation and Multi-purpose River Schemes	2·56	2·98	1·31	2·06	3·16	8·81	10·58	11·16	21·32
Civil Works	9·11	24·55	38·92	41·63	48·48	81·25	79·79	84·57	87·71
Industrial Development	8·90	11·07	91·27	110·68	171·35	200·21	217·22	197·50	131·61
Other Heads(*h*)	2·53	18·84	34·18	37·68	40·42	38·80	44·42	47·05	71·98
Total Developmental	**57·40**	**135·94**	**269·88**	**351·21**	**502·19**	**623·78**	**630·54**	**623·59**	**591·44**
Total Capital Outlay	**71·03**	**127·36**	**405·50**	**436·33**	**612·17**	**813·91**	**970·48**	**912·42**	**842·61**
Discharge of Permanent Debt									
Internal	41·74	69·04	109·19	137·62	182·30	175·97	192·00	191·54	155·00
External	4·11	3·22	17·71	65·62	46·30	63·73	67·26	85·11	97·29
Discharge of Special Floating Debt	—	—	1·71	—	—	—	3·43	3·43	3·43
Inter-State Debt Settlement	—	0·68	—	1·79	—	0·90	—	—	—
Advances to States	61·46	241·24	338·63	452·42	511·09	583·60	611·09	688·93	703·46
Advances to States from Special Development Fund		5·47					10·62	18·99	8·61
Other Loans and Advances(*b*)	4·25	23·91	127·79	77·83	102·52	121·84	170·70	179·58	289·94
Total Disbursements	**182·59**	**470·92**	**1,000·53**	**1,171·61**	**1,454·38**	**1,759·95**	**2,025·58**	**2,080·00**	**2,100·34**
Surplus (+) *or Deficit*(—)	*—78·14*	*—189·97*	*—126·47*	*—214·27*	*—250·13*	*—379·10*	*—163·63*	*—289·16*	*—171·62*

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 1965-66 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. Since January 1, 1965 the Prize Bonds scheme has been discontinued. (*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*) Include 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 and 1961-62 and 1962-63 and Rs. 75 crores in 1963-64 and Rs. 50 crores in 1964-65 (Revised). (*j*) Includes receipts from 4 ¼ per cent National Defence Bonds, 1972 which were on tap from November 10, 1962 to April 29, 1963. (*k*) Include sale proceed of American and Lease-Lend-Surpluses.

STATEMENT 53—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										
1962-63 (Accounts)	7,35	20,58	40,87	**68,80**	**40,30**	**109,10**	39,69	64,87	**104,56**	*+ 4,54*
1963-54 (Accounts)	9,22	25,12	50,59	**84,93**	**46,79**	**131,72**	47,85	73,22	**121,07**	*+10,65*
1964-65 (Revised)	9,54	20,56	51,84	**81,94**	**55,67**	**137,61**	56,02	89,13	**145,15**	*— 7,54*
1965-66 (Budget)	9,48	20,94	55,53	**85,95**	**63,34**	**149,29**	54,85	101,14	**155,99**	*— 6,70*
Assam										
1962-63 (Accounts)	5,93	3,95	12,72	**22,60**	**20,08**	**42,68**	13,46	29,03	**42,49**	*+ 19*
1963-64 (Accounts)	7,18	4,01	14,90	**26,09**	**20,77**	**46,86**	18,97	32,68	**51,65**	*—4,79*
1964-65 (Revised)	7,53	6,26	15,89	**29,68**	**32,08**	**61,76**	24,35	35,97	**60,32**	*+1,44*
1965-66 (Budget)	7,57	6,85	19,40	**33,82**	**34,43**	**68,25**	25,47	42,40	**67,87**	*+ 38*
Bihar										
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 (Accounts)	10,32	17,75	41,87	**69,94**	**27,30**	**97,24**	34,99	49,57	**84,56**	*+12,68*
1964-65 (Revised)	11,47	16,82	45,17	**73,46**	**32,28**	**105,74**	41,26	56,74	**98,00**	*+7,74*
1965-66 (Budget)	12,05	17,33	47,54	**76,92**	**39,36**	**116,28**	45,96	64,61	**110,57**	*+5,71*
Gujarat										
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 (Accounts)	5,76	9,29	39,83	**54,88**	**29,04**	**83,92**@	43,64	41,39	**85,03**	*—1,11*
1964-65 (Revised)	5,91	9,38	41,78	**57,07**	**32,69**	**89,76**@	45,44	49,92	**95,36**	*—5,60*
1965-66 (Budget)	5,87	9,46	44,60	**59,93**	**39,78**	**99,71**@	49,54	59,12	**108,66**	*—8,95*
			(44,85)	**(60,18)**		**(99,96)**				*(—8,70)*
Jammu & Kashmir										
1962-63 (Accounts)	67	96	3,85	**5,48**	**14,90**	**20,38**	9,45	10,70	**20,15**	*+23*
1963-64 (Accounts)	90	90	4,49	**6,29**	**17,23**	**23,52**	11,32	11,57	**22,89**	*+63*
1964-65 (Revised)	76	1,13	4,50	**6,39**	**17,20**	**23,59**	15,20	12,80	**28,00**	*—4,41*
1965-66 (Budget)	84	1,18	4,83	**6,85**	**18,01**	**24,86**	14,28	16,35	**30,63**	*—5,77*
Kerala										
1962-63 (Accounts)	5,81	3,92	24,55	**34,28**	**24,98**	**59,26**	18,54	41,04	**59,58**	*—32*
1963-64 (Accounts)	6,56	3,97	29,66	**40,19**	**24,17**	**64,36**	19,63	43,39	**63,02**	*+1,34*
1964-65 (Revised)	6,54	5,32	32,76	**44,62**	**28,85**	**73,47**	21,20	51,68	**72,88**	*+59*
1965-66 (Budget)	6,52	7,00	34,66	**48,18**	**30,46**	**78,64**	23,72	57,11	**80,83**	*—2,19*
Madhya Pradesh										
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 (Accounts)	7,81	13,45	36,49	**57,75**	**42,85**	**100,60**	37,17	56,15	**93,32**	*+7,28*
1964-65 (Revised)	8,12	14,69	42,95	**65,76**	**43,09**	**108,85**	38,32	63,12	**101,44**	*+7,41*
1965-66 (Budget)	8,07	13,08	47,86	**69,01**	**46,07**	**115,08**	43,43	72,38	**115,81**	*—73*
		(13,10)	(50,00)	**(71,17)**		**(117,24)**				*(+1,43)*

Madras											
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 (Accounts)	11,07	14,63	55,90	**81,60**	**45,53**	**127,13**	45,59	81,77	**127,36**	*—23*
1964-65 (Revised)	11,35	13,39	62,29	**87,03**	**51,13**	**138,16**	52,35	90,57	**142,92**	*—4,76*
1965-66 (Budget)	11,28	14 24	68,25	**93,77**	**59,87**	**153,64**	61,37	99,24	**160,61**	*—6,97*
Maharashtra										
1962-63 (Accounts)	12,79	16,73	73,95	**103,47**	**42,46**	**145,93**	78,30	64,42	**142,72**	*3,21*
1963-64 (Accounts)	15,65	17,49	96,03	**129,17**	**54,44**	**183,61**	85,70	79,24	**164,94**	*+18,67*
1964-65 (Revised)	17,46	16,71	102,54	**136,71**	**59,06**	**195,77**	103,94	99,55	**203,49**	*—7,72*
1965-66 (Budget)	16,72	17,04	107,10	**140,86**	**69,71**	**210,57**	107,91	112,01	**219,92**	*—9,35*
Mysore										
1962-63 (Accounts)	5,65	8,36	29,55	**43,56**	**38,14**	**76,70**	28,98	49,80	**78,78**	*—2,08*
1963-64 (Accounts)	6,57	11,91	34,55	**53,03**	**35,50**	**88,53**	31,64	38,59	**85,23**	*—3,30*
1964-65 (Revised)	7,13	10,64	37,26	**55,03**	**38,49**	**93,52**	36,40	60,52	**96,92**	*—3,40*
1965-66 (Budget)	7,03	10,23	39,71	**56,97**	**47,20**	**104,17**	38,41	69,67	**108,08**	*—3,91*
Orissa										
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 (Accounts)	4,19	4,56	19,98	**28,73**	**37,44**	**66,17**	26,56	42,33	**68,89**	*— 2,72*
1964-65 (Revised)	4,29	4,85	21,11	**30,25**	**43,61**	**73,86**	31,41	47,04	**78,45**	*— 4,59*
1965-66 (Budget)	4,27	5,18	22,02	**31,47**	**46,35**	**77,82**	34,96	52,89	**87,85**	*—10,03*
Punjab										
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 (Accounts)	6,03	13,28	39,29	**58,60**	**46,90**	**105,50**	44,43	48,30	**92,73**	*+ 12,77*
1964-65 (Revised)	5,95	13,46	43,72	**63,13**	**49,15**	**112,28**	50,82	55,41	**106,23**	*— 6,05*
1965-66 (Budget)	5,90	13,33	45,39	**64,62**	**54,32**	**118,94**	51,28	65,34	**116,62**	*— 2,32*
Rajasthan										
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 (Accounts)	4,79	9,31	26,06	**40,16**	**25,71**	**65,87**	29,00	37,64	**66,64**	*— 77*
1964-65 (Revised)	4,94	10,86	28,01	**43,81**	**30,13**	**73,94**	30,55	42,37	**72,92**	*+ 1,02*
1965-66 (Budget)	4,91	11,38	30,15	**46,44**	**31,89**	**78,33**	35,33	49,46	**84,79**	*— 6,46*
		(11,70)	(31,56)	**(48,17)**		**(80,06)**				*(— 4,37)*
Uttar Pradesh										
1962-63 (Accounts)	14,01	31,17	55,75	**35,34**	**60,58**	**161,51**	77,56	82,61	**160,17**	*— 1,34*
1963-64 (Accounts)	17,48	32,16	63 23	**112,87**	**68,54**	**181,41**	82,97	87.10	**170,07**	*+ 11,34*
1964-65 (Revised)	18,01	28,02	64,44	**110,47**	**79,53**	**190,00**(a)	90.15	106,43	**196,58**	*— 6,57*
1965-66 (Budget)	17,97	30.19	71,40	**119,56**	**91,20**	**210,76**	98,37	127,30	**225,67**	*— 14,91*
West Bengal										
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 (Accounts)	14,89	13,30	66,64	**94,83**	**28,93**	**123,76**	55,06	60,00	**115,06**	*+8,70*
1964-65 (Revised)	15,60	14,31	68,47	**98,38**	**37,63**	**136,01**	62,36	80,04	**142,40**	*—6,39*
1965-66 (Budget)	15,06	14,48	71,87	**101,41**	**47,50**	**148,91**	74,33	92,41	**166,74**	*—17,83*
Total										
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 (Accounts)	128,42	191,13	619,51	**939,06**	**551,13**	**1,490,20**	614,52	797,94	**1,412,46**	*+77,74*
1964-65 (Revised)	134,60	186,40	662,73	**983,73**	**630,59**	**1,614,32**	699,78	941,29	**1,641,07**	*—26,75*
1965-66 (Budget)	133,54	191,91	710,31	**1,035,76**	**719,49**	**1,755,25**	759,21	1,081,43	**1,840,64**	*—85,39*
		(192,25)	(714,11)	**(1,039,90)**		**(1,759,39)**				*(—81,25)*

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 1965-66 are before tax changes ; the position after tax changes as proposed by Gujarat, Madhya Pradesh and Rajasthan 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 includes 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. and excludes transfers from Reserve Funds. (*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.

STATEMENT 54—REVENUE AND EXPENDITURE OF STATES

(On Revenue Accounts) (Lakhs of Rupees)

	1951-52 (Accounts)	1955-56 (Accounts)	1956-57 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63 Accounts)	1963-64 (Accounts)	(Budget)	1964-65 (Revised)	1965-66 (Budget)
					REVENUE					
TAX REVENUE										
Taxes on Income	**57,05**	**63,08**	**65,89**	**100,47**	**104,26**	**105,77**	**128,42**	**119,22**	**134,60**	**133,54**
Share of income tax	52,65	55,28	57,90	90,58	94,37	95,24	118,10	108,29	123,07	122,95
Agricultural income-tax	4,33	7,67	7,84	9,49	9,44	9,59	9,26	10,25	10,75	9,83
Profession tax	7	13	15	40	45	94	1,06	68	78	76
Taxes on Property and Capital Transactions	**75,40**	**111,04**	**119,04**	**144,41**	**148,75**	**179,12**	**191,13**	**185,80**	**186,40**	**191,91 (192,25)**
Estate duty		1,86	2,41	2,89	3,89	3,87	4,22	3,98	5,91	6,03
Land revenue	47,99	78,01	83,17	97,19	95,23	120,07	123,42	118,55	113,51	116,67
Stamps and registration	25,56	29,08	31,33	43,33	46,57	52,21	61,41	61,81	65, 20	67,29
Urban immovable property tax	1,85	2,10	2,13	1,00	3,06	2,97	2,08	1,46	1,78	1,92
Taxes on Commodities and Services	**148,60**	**182,01**	**210,80**	**379,90**	**409,58**	**509,06**	**619,51**	**646,04**	**662,73**	**710,31 (714,11)**
Union excise	70	16,57	17,94	75,11	80,65	124,92	136,04	141,71	132,87	144,32
State excise	49,41	45,09	46,38	53,11	58,58	62,81	72,89	71,19	79,37	81,98
General sales tax	54,40	80,06	96,60	142,44	163,14	187,52	245,41	253,50	270,53	287,29
Sales tax on motor spirit	4,53	1,54	1,03	16,30	18,30	21,35	22,90	27,30	26,98	28,27
Motor vehicles taxes	10,09	15,88	18,63	34,10	37,93	46,29	57,40	54,92	57,97	60,86
Tax on railway fares (*a*)				13,79						
Entertainment tax	6,39	7,34	8,59	13,11	15,10	18,21	22,56	22,19	23,34	24,60
Electricity duties	3,39	5,82	6,69	12,51	14,89	19,48	27,29	29,41	31,80	33,98
Other taxes and duties (*b*)	19,69	9,71	14,94	19,43	20,99	28,48	35,02	45,82	39,87	49,01
Total Tax Revenue	**281,05**	**356,14**	**395,73**	**624,78**	**662,58**	**793,95**	**939,06**	**951,06**	**983,73**	**1,035,76 (1,039,90)**
NON-TAX REVENUE										
Administrative Receipts (c)	**38,13**	**61,86**	**68,52**	**139,53**	**85,50**	**93,22**	**108,87**	**105,21**	**112,83**	**118,46**
Net Contributions of Public Enterprise (*d*)	**24,92**	**31,41**	**39 35**	**47,44**	**46,52**	**57,34**	**63,48**	**65,32**	**62,46**	**61,86**
Forests	12,61	15,92	20,71	32,55	34,31	37,96	40,16	36,65	36,50	36,21
Irrigation (*e*)	8,03	6,89	7,30	7,60	6,24	9,72	10,13	14,48	12,92	13,54
Electricity schemes	3,41	7 46	7,90	3,45	2,37	2,74	8,04	6,50	6,26	5,20
Road and water transport	77	1,45	1,82	5,74	5,56	5,66	5,22	7,74	7,03	5,85
Industries and others	10	—31	1,62	— 1,90	—1,95	1,26	— 6	— 5	—25	1,06
Other Revenue (*f*)	**26,94**	**51,87**	**50,88**	**78,43**	**83,99**	**129,97**	**150,05**	**154,78**	**159,99**	**184,72**
Grants-in-aid and other Contributions	**25,36**	**52,98**	**43,62**	**121,63**	**194,88**	**209,38**	**228,73**	**279,48**	**295,31**	**354,45**
Total Non-tax Revenue	**115,35**	**198,13**	**202,37**	**387,03**	**410,90**	**489,91**	**551,13**	**604,78**	**630,59**	**719,49**
Total Revenue	**396,40**	**554,27**	**598,10**	**1,011,81**	**1,073,49**	**1,283,86**	**1,490,20**	**1,555,84**	**1,614,32**	**1,755,25 (1,759,39)**

		EXPENDITURE								
Social and Developmental Services (*g*)										
Education	60,30	104,16	113,44	195,39	234,56	250,52	279,09	308,47	320,83	365,87
Medical and Public Health	29,22	47,18	47,46	80,84	93,95	106,77	117,36	127,79	131,74	151,74
Agriculture, Veterinary and co-operation	25,90	39,02	38,79	65,95	75,77	85,50	98,45	120,02	122,65	146,72
Irrigation (*h*)	17,62	23,47	22,78	31,36	35,52	39,93	45,57	48,30	50,94	56,41
Electricity Schemes (*h*)	4,61	8,37	10,42	5,35	3,06	2,42	4,19	5,13	5,02	3,98
Rural and Community Development Projects	82	26,89	26,95	52,31	57,59	62,08	65,03	80,05	78,07	90,50
Civil Works	40,93	68,28	55,08	67,40	84,45	88,86	88,87	95,76	107,39	127,84
Industries and Supplies	5,81	3,54	7,08	21,82	23,82	26,19	27,08	32,56	31,61	31,91
Other developmental expenditure (*i*)	11,00	17,00	19,57	49,21	51 51	57,79	72,30	87,01	93,04	106,46
Total Expenditure on Social and Developmental Services	**196,21**	**337,91**	**341,57**	**569,63**	**660,23**	**720,06**	**797,94**	**905,09**	**941,29**	**1,081,43**
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	64,17	70,68	73,53	79,42
Debt services (*k*)	8,49	18,82	26,95	84,38	99,66	152,54	198,39	209,90	222,14	256,35
Civil Administration (*l*)	106,65	122,40	131,47	167,00	185,36	202,25	209,99	215,56	233,02	247,02
Miscellaneous (*m*)	17,53	31,02	36,26	42,93	50,24	68,59	75,79	82,71	103,49	106,61
Famine	3,99	16,61	13,02	21,50	22,53	15,60	15,87	10,69	15,88	13,79
Other non-developmental expenditure (*n*)	32,82	31,32	29,95	35,74	41,07	43,19	50,31	53,32	51,72	56,02
Total Non-Developmental Expenditure	**196,42**	**266,19**	**286,84**	**417,74**	**461,04**	**540,82**	**614,52**	**642,86**	**699,78**	**759,21**
Total Expenditure	**392,63**	**604,09**	**628,41**	**987,37**	**1,121,27**	**1,260,88**	**1,412,46**	**1,547,95**	**1,641,07**	**1,840,64**
Surplus (+) or deficit (—)	*+ 3,77*	*—49,82*	*—30,31*	*+ 24,44*	*—47,78*	*+ 22,99*	*+ 77,74*	*+ 7,89*	*—26,75*	*—85,39* (*—81,25*)

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 1965-66 are before tax changes, the position after tax changes as proposed by the governments of Gujarat, Madhya Pradesh and Rajastan is shown in brackets.

(*a*) From 1961-62, receipts from tax on Railway passenger 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 represents 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 commercial 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 posts and pilotage; from 1962-63 expenditure on miscellaneous departments of an administrative nature has been shown under civil administration. (*j*) Excludes forests. (*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, sholarships, etc. (*n*) Includes pensions, stationery and printing and extra-ordinary charges ,dividends in respect of all investments in autonomous undertakings: but excludes transfers to funds.

STATEMENT 55—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 (Accounts)	1964-65 (Budget)	1964-65 (Revised)	1965-66 (Budget)
					RECEIPTS					
Permanent Debt	11,81	74,19	66,92	93,77	92,98	104,46	38,12	78,58	105,69	99,48
Floating debt(*a*)	3,75	—38	9,96	15,89	8,54	—25,58	17,84	—3,25	1,30	1,24
Loans from the Centre	73,96	261,89	205,00	345,67	451,35	525,71	623,06	640,58	726,40	752,67
Other loans (*b*)			2,00	11,75	16,13	19,33	23,78	26,41	33,88	30,24
Unfunded debt (*a*)	2,57	8,68	9,35	15,69	14,05	13,79	20,93	20,53	22,21	26,63
Loans and advances repaid to State Governments(*c*)	24,33	26,97	38,67	48,49	53,56	62,25	86,91	87,87	98,32	120,37
Deposits and advances and other items (*a*)(*d*)	18,57	10,64(*f*)	6,38(*f*)	48,78	63,31	78,25	54,14	95,30	99,72	102,95
A. Total Receipts	**134,99**	**381,99**	**338,27**	**580,04**	**699,92**	**778,22**	**864,78**	**946,02**	**1,087,52**	**1,133,58**
CAPITAL OUTLAY										
Development					**DISBURSEMENTS**					
Multi-purpose river valley schemes	27,59	55,71	51,03	46,46	56,36	54,57	55,40	55,94	58,57	58,88
Irrigation and Navigation	24,00	64,39	61,42	80,65	83,85	94,96	105,02	127,49	134,60	136,90
Schemes of Agricultural improvement and research	12	4,07	1,81	3,69	4,72	3,31	10,32	14,74	18,33	14,20
Electricity schemes	19,94	42,87	54,23	25,42	25,69	25,44	29,34	46,53	39,58	—3,56
Road transport	1,63	2,35	3,08	4,82	3,71	5,04	6,74	4,98	5,01	4,81
Buildings, roads and water works	21,04	29,79	55,93	114,78	116,20	121,64	117,23	141,93	134,23	144,42
Industrial development	5,81	7,07	10,80	15,49	23,02	22,73	22,89	36,87	35,08	46,23
Others	16	13	20	2,28	1,60	2,51	3,13	3,39	3,95	4,21
Total Development	**100,29**	**206,38**	**238,49**	**293,59**	**315,15**	**330,20**	**350,07**	**431,87**	**429,35**	**406,09**
Non-Development										
State trading	25,09	—12,40	3,19	10,17	—9,55	12,34	—12,82	—2,27	38,36	16,72
Compensation to landholders on the abolition of Zamindari	2,03	2,65	2,13	14,06	14,36	11,93	25,20	13,54	12,56	14,60
Other Financial transactions	16	2,16	65	19	29	6	15	5	14	11
Total Non-Development	**27,28**	**—7,60**	**5,97**	**24,42**	**5,10**	**24,33**	**12,53**	**11,32**	**51,06**	**31,43**
Total Capital Outlay	**127,57**	**198,78**	**244,47**	**318,01**	**320,25**	**354,53**	**362,60**	**443,19**	**480,41**	**437,52**
Discharge of permanent debt	1,01	14,77	6,90	17,78	16,94	21,27	43,78	32,10	31,88	11,52
Repayment of loans to the Centre	11,37	25,62	34,88	114,25	149,32	163,24	187,76	180,13	209,20	248,51
Repayment of other loans (*b*)				2,81	2,77	5,62	5,85	7,96	8,68	10,14
Loans and advances by State Governments	48,77	96,75	78,16	180,08	179,28	204,49	314,35	332,44	367,87	416,40
B. Total Disbursements	**188,72**	**335,92**	**364,40**	**632,93**	**668,56**	**749,15**	**914,34**	**995,82**	**1,098,04**	**1,124,09**
C. *Surplus (+) or Deficit (—) on Capital Account (A—B)*	*—53,73*	*+46,07*	*—26,13*	*—52,89*	*+31,36*	*+29,07*	*—49,56*	*—49,80*	*—10,51*	*+9,49*

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 1957-58 to show loans from National Agricultural Credit (Long term Operations) Fund of the Reserve Bank of India, loans from National Co-operative Development Corporation and Central Ware-housing Corporation, loans from Khadi and Village Industries Commission, Employees' State Insurance Corporation, etc. (*c*) Include Inter-state Debt settlement. (*d*) Excluding sale or purchase of securities but including Contingency Fund transactions (net). (*e*) Excludes appropriations to Contingency Fund and other funds which are adjusted under the item 'Deposits and advances and other items'. (*f*) Exclusive of suspense account.

STATEMENT 56—RAILWAY FINANCES

(Crores of Rupees)

	1950-51 (Accounts)	1955-56 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63 (Accounts)	1963-64 (Accounts)	1964-65 (Budget)	1964-65 (Revised)	1965-66 (Budget)
I. Capital-at-charge	**827·04**	**968·98**	**1,520·87**	**1,682·98**	**1,896·81**	**2,159·63**	**2,389·40**	**2,411·55**	**2,651·55**
II. Gross Traffic Receipts	**263·01**	**316·29**	**456·80**	**500·50**	**566·79**	**632·21**	**668·00**	**660·00**	**716·00**
(*a*) Passenger	97·84	107·71	131·59	150·88	169·19	185·15	184·00	200·00	221·50
(*b*) Other coaching	16·64	20·87	27·21	29·10	32·54	34·12	35·00	35·00	34·60
(*c*) Goods	143·01	180·28	286·14	306·90	349·52	395·30	432·00	407·50	441·90
(*d*) Other earnings*	5·52	7·43	11·86	13·62	15·54	17·64	17·00	17·50	18·00
III. Total Expenses (1+2+3+4+5)	**215·45**	**265·95**	**368·93**	**400·75**	**443·47**	**487·02**	**533·90**	**542·99**	**570·86**
1. Ordinary Working Expenses	**180·23**	**212·95**	**313·15**	**325·33**	**362·38**	**392·13**	**414·68**	**432·68**	**457·84**
(*a*) Administrative	23·36	31·52	37·51	37·60	40·90	43·98	47·46	49·65	52·52
(*b*) Repairs and maintenance	57·11	78·67	99·75	100·45	112·84	122·55	130·92	137·88	146·37
(*c*) Operating staff	35·41	49·73	63·44	64·38	72·26	76·65	82·13	89·05	96·02
(*d*) Operation (Fuel)	30·72	23·58	62·80	68·35	75·73	86·61	92·05	91·14	94·74
(*e*) Operation (Other than staff and fuel)	13·35	10·19	18·30	18·20	21·27	22·45	23·82	23·57	23·79
(*f*) Miscellaneous	19·39	14·97	23·84	26·50	28·10	27·25	24·26	25·55	25·50
(*g*) Labour welfare	3·19	5·03	9·68	10·24	11·90	13·57	15·46	17·26	19·93
(*h*) Suspense	—2·30	—0·74	—2·17	—0·39	—0·62	—0·93	—1·42	—1·42	—1·03
2. Depreciation	**30·00**	**45·00**	**45·00**	**65·00**	**67·00**	**80·00**	**83·00**	**83·00**	**85·00**
3. Payments to Worked Lines	**0·25**	**0·26**	**0·09**	**0·18**	**0·14**	**0·14**	**0·14**	**0·16**	**0·16**
4. Miscellaneous Expenses	**4·97**	**7·74**	**10·69**	**10·24**	**13·95**	**14·75**	**17·08**	**15·65**	**15·86**
(*a*) Open line works	3·93	5·97	11·50	9·60	10·95	11·44	13·00	11·50	11·00
(*b*) Others (net)	1·04	1·77	—0·81	0·64	3·00	3·31	4·08	4·15	4·86
5. Appropriation to Pension Fund	—	—	—	—	—	—	**19·00**	**11·50**	**12·00**
IV. Net Revenue (II—III)	**47·56**	**50·34**	**87·87**	**99·75**	**123·32**	**145·19**	**134·10**	**117·01**	**145·14**
V. Dividend to General Revenues	**32·51**	**36·12**	**55·86**	**62·85**	**68·76**	**83·45**	**90·73**	**92·02**	**103·40**
VI. Payment to General Revenues in lieu of Tax on Railway Passenger fares	—	—	—	**12·50**	**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**	**49·24**	**30·87**	**12·49**	**29·24**
VIII. Appropriation to									
(*a*) Development fund	10·00	7·08	32·01	24·40	42·06	49·24	30·87	12·49	29·24
(*b*) Revenue reserve fund	5·05	7·14	—	—	—	—	—	—	—

* Include suspense

STATEMENT 57—DEBT, LIABILITIES, CAPITAL OUTLAY AND LOANS

	As at the end of				
	1950-51	1955-56	1960-61	1964-65 (Revised)	1965-66 (Budget)
	1	2	3	4	5
Debt and Liabilities of the Government of India					
I. Public Debt					
A. Debt Raised in India					
(a) Permanent Debt :					
(1) Current Loans	1,438·46	1,508·63	2,555·72	3,233·97	3,350·29
(2) Prize Bonds	—	—	15·63	29·45	14·45
(3) Loans in Course of Repayments	6·49	12·22	22·73	35·20	33·88
Total	**1,444·95**	**1,520·85**	**2,594·08**	**3,298·62**	**3,398·62**
(b) Floating Debt :					
(1) Treasury Bills	358·02	595·25	1,106·29	1,403·95	1,393·95
(2) Special Floating Loan	212·60	212·60	274·18	284·55	281·12
(3) Treasury Deposit Receipts and other Floating Loans	6·73	0·06	—	—	—
Total	**577·35**	**807·91**	**1,380·47**	**1,688·50**	**1,675·07**
Total Debt Raised in India	**2,022·30**	**2,328·76**	**3,974·55**	**4,987·12**	**5,073·69**
B. Debt Raised Outside India					
(1) England					
— Loans	—	—	106·52	228·97	269·45
— Others	12·37	2·61	15·45	0·12	0·12
(2) U. S. A.					
— Loans	—	91·72	210·84	588·96	703·21
— U. S. Export Import Bank	—	—	25·41	108·66	109·51
— P. L. 480	—	—	77·88	451·28	531·00
(3) U. S. S. R.	—	—	57·48	217·64	288·67
(4) Canada	—	—	14·07	14·80	18·52
(5) Federal Republic of Germany	—	—	103·19	178·34	190·62
(6) Japan	—	—	9·93	43·66	68·15
(7) International Bank for Reconstruction and Development	19·66	19·30	140·19	175·13	171·67
(8) International Development Association	—	—	—	114·01	205·78
(9) Other Countries	—	—	—	54·99	80·11
(10) New Credits	—	—	—	15·67	126·99
Total Debt Raised Outside India	**32·03**	**113·63**	**760·96**	**2,192·23**	**2,763·80**
Total Public Debt (A+B)	**2,054·33**	**2,442·39**	**4,735·51**	**7,179·35**	**7,837·49**
II. Other Liabilities					
A. Unfunded Debt					
(*i*) Small Savings Schemes (including Annuity Certificates)	336·87	575·77	973·44	1,397·36	1,532·36
(*ii*) Other Unfunded Debt	111·15	182·98	551·37	1,028·92	1,337·74
Total	**448·02**	**758·75**	**1,524·81**	**2,426·28**	**2,870·10**
B. Reserve Funds and Deposits					
(*i*) Bearing Interest	260·85	188·96	142·19	248·30	296·78
(*ii*) Not-bearing Interest	102·20	120·97	141·73	269·68	275·47
Total B	**363·05**	**309·93**	**283·92**	**517·98**	**572·25**
Total Other Liabilities (A+B)	**811·07**	**1,068·68**	**1,808·73**	**2,944·26**	**3,442·35**
Total Debt & Liabilities (I+II)	**2,865·40**	**3,511·07**	**6,544·24**	**10,123·61**	**11,279·84**

ADVANCED BY THE GOVERNMENT OF INDIA

(Crores of Rupees)

	1950-51	1955-56	1960-61	1964-65 (Revised)	1965-66 (Budget)
	1	2	3	4	5
Amount due from Pakistan	300·00	300·00	300·00	300·00	300·00
Net Liabilities of the Central Government	**2,565·40**	**3,211·07**	**6,244·24**	**9,823·61**	**10,979·84**
I. Capital Outlay					
A. Outlay on Departmental Undertakings :					
(1) Railways	817·93	959·87	1,512·57	2,400·96	2,640·96
(2) Posts & Telegraphs	49·98	89·26	139·99	230·60	263·43
(3) Atomic Energy Development	—	0·56	15·34	40·18	72·93
(4) Mints	1·95	3·09	4·13	4·41	4·54
(5) Others*	24·87	11·52	10·60	23·79	29·62
Total A	**894·73**	**1,064·30**	**1,682·63**	**2,699·94**	**3,011·48**
B. Investments in Autonomous Corporations, Companies, etc.					
(*a*) Government Companies and Corporations :					
(1) Hindustan Steel	—	0·04	300·00	528·00	528·00
(2) Oil and Natural Gas Commission	—	—	17·10	113·54	121·57
(3) Heavy Engineering Corporation	—	—	6·65	84·00	84·60
(4) National Coal Development Corporation	—	—	26·98	52·33	61·08
(5) Damodar Valley Corporation	4·86	22·66	36·67	49·25	54·16
(6) Air Corporations	—	12·24	35·40	48·60	48·60
(7) Fertilizer Corporation of India	—	17·04	39·64	48·05	48·05
(8) Heavy Electricals	—	—	22·91	48·00	30·00
(9) Neyveli Lignite Corporation	—	—	48.29	79·43	79·43
(10) Others*	4·57	17·83	56·19	172·87	263·23
Total (*a*)	**9·43**	**69·81**	**589·83**	**1,224·07**	**1,318·72**
(*b*) Financial Institutions :					
(1) International Monetary Fund	201·00	201·00	296·28	281·75	281·75
(2) International Bank for Reconstruction and Development	36·93	36·93	36·93	36·93	36·93
(3) International Development Association	—	—	4·42	19·22	19·22
(4) Reserve Bank of India	11·12	11·12	11·12	11·12	11·12
(5) Life Insurance Corporation	—	—	5·00	5·00	5·00
(6) Industrial Finance Corporation	1·00	1·00	1·00	1·40	1·40
(7) Others*	—	0·09	5·20	7·78	7·78
Total (*b*)	**250·05**	**250·14**	**359·95**	**363·20**	**363·20**
(*c*) Other Companies, Corporations, etc.	**0·25**	**0·80**	**9·97**	**29·73**	**30·28**
Total (a + b + c)	**259·73**	**320·75**	**959·75**	**1,617·00**	**1,712·20**
C. Other Capital Outlay :					
(1) Defence Services	260·93	314·43	454·34	755·93	885·98
(2) Others*	72·62	166·73	493·49	862·26	1,049·90
Total C	**333·55**	**481·16**	**947·83**	**1,618·19**	**1,935·88**
Total Capital Outlay (A + B + C)	**1,488·01**	**1,866·21**	**3,590·21**	**5,935·13**	**6,659·56**
II. Loans Advanced by the Government of India					
(1) State Governments	195·58	819·39	1,909·63	3,428·43	3,839·53
(2) Union Territory Governments	—	13·36†	—	27·88	46·54
(3) Foreign Governments, etc.	0·01	0·11	29·17	27·53	26·72
(4) Government Servants	0·51	4·15	5·32	10·75	12·03
(5) Other Parties	24·58	105·88	590·36	1,068·67	1,358·14
Total Loans Advanced by the Government of India	**220·68**	**942·89**	**2,534·48**	**4,563·26**	**5,282·96**
Total Capital Outlay and Loans Advanced (I + II)	**1,708·69**	**2,809·10**	**6,124·69**	**10,498·39**	**11,942·52**
Excess (—) or Shortfall (+) of Debt and Liabilities over Capital Outlay and Loans Advanced	**—856·71**	**—401·97**	**— 119·55**	**+674·78**	**+962·68**

* Residual.

† Erstwhile Part C States.

STATEMENT 58—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 increse (+) 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	*58·3*	364·75(*d*)	*14·8*	334·27	*13·5*	330·12	*13·4*	**2,467·60**	+ *2·1*	19·66	**32·03**	**2,499·63**
1956 ..	1,508·67	*49·0*	595·31(*d*)	*19·3*	576·06	*18·7*	398·73	*13·0*	**3,078·77**	+ *8·1*	111·02	**113·63**	**3,192·40**
1961 ..	2,571·33(*e*)	46·9	1,106·30	*20·2*	974·55	*17·8*	834·14(*f*)	*15·2*	**5,486·32**	+ *6·8*	468·39	**760·96**	**6,247·28**
1962 ..	2,688·45(*e*)	*45·9*	1,174·98	*20·1*	1,061·36	*18·1*	931·38(*f*)	*15·9*	**5,856·18**	+ *6·7*	650·95	**1,110·55**	**6,966·73**
1963 ..	2,840·94(*e*)	*45·0*	1,299·55	*20·6*	1,136·27	*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*)	*45·0*	1,381·95	*20·0*	1,262·70	*18·3*	1,154·58(*f*)	*16·7*	**6,913·15**	+ *9·5*	1,145·89	**1,809·08**(*g*)	**8,722·23**
1965 ..	3,267·53(*e*)	*44·1*	1,443·52	*19·5*	1,375·33	*18·6*	1,322·37(*f*)	*17·8*	**7,408·75**	+ *7·2*	1,452·84	**2,192·23**(*g*)	**9,600·98**

Notes: Figures have been revised to the extent possible based on the data available in the Explanatory Memorandum on the Budget 1965-66 and the returns supplied by the Accountant General, Posts and Telegraphs, Simla.

(*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 Faimly 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) outstandings of Compulsory deposits and Income tax Annuity Certificates (*d*) Including Treasury deposit reccipts. (*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, Rs. 75 crores in January 1964 and Rs. 50 crores in January 1965. (*f*) Includes investment of Rs. 240 crores, Rs. 300 crores, Rs. 355 crores Rs. 408 crores and Rs. 441 crores of U.S. Government Counterpart Deposit Funds in 'Special Securities' for the years 1961, 1962, 1963, 1964 and 1965 respectively. (*g*) Includes outstanding of the 'Defence Certificates' which are being issued in foreign countries.

STATEMENT 59—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*)
1965	257·84	*7·9*	627·06	*19·2*	1,127·71	*34·5*	1,254·92(*c*)(*d*)	*38·4*	**3,267·53**(*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, Rs. 19·42 crores for 1964 and Rs. 15·56 crores for 1965. (*b*) Figures are actuals as available with the Reserve Bank of India and differ from those in Statement 57 which are revised estimates fot 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 as well as the 6½ per cent Gold Bonds 1977 but excludes 7 per cent Gold Bonds, 1980 for which data are not yet available.

STATEMENT 60—DEBT POSITION OF STATES

(Lakhs of Rupees)

	At the end of						
	1951-52	1955-56	1960-61	1961-62	1962-63 (*b*)	1963-64(*b*)	1964-65 (*b*)
I. Public debt							
(i) Permanent debt ..	133,71	264,48	493,12(*c*)	569,53(*c*)	653,22	648,24	722,58
(ii) Floating debt ..	15,66	8,20	41,75	50,27	24,68	42,53	39,86
(iii) Loans from Central Government ..	238,54	876,07	2,015,81	2,314,24	2,676,97(*d*)	3,112,26(*d*)	3,623,35(*d*)
(iv) Other debt (*a*) ..	—	—	51,57	63,60	77,34	95,27	120,35
II. Unfunded debt ..	57,37	83,19	134,93	150,01	162,71	183,38	205,42
III. Gross Total Debt ..	**445,28**	**1,231,94**	**2,737,17**	**3,147,65**	**3,594,92**	**4,081,68**	**4,711,56**

Note : The figures in this statement are based on actual returns furnished by the States except in certain cases, (Assam, Jammu & Kashmir and Gujarat) where they are based on 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 Ware-housing 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. (*d*) Excluding the share of outstanding prepartition loans amounting to Rs. 195 lakhs in respect of West Bengal.

STATEMENT 61—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	.. ..	236,88	191,78	45,10	313,20	49	3,38	1,82	2,63
4	1961-62	.. ..	250,50	214,95	35,55	348,75	25	3,63	3,24	5,87
5	1962-63	.. ..	244,85	238,20	6,65	355,40	20	3,83	5,36	11,23
6	1963-64	.. ..	264,27	225,08	39,19	394,59	7	3,90	8,21	19,44
7	1964-65*	.. ..	278,13	250,40	27,73	422,32	— 3	3,87	7,42	26,86
8	March	1964 ..	48,16	22,53	25,63	394,59	— 2	3,90	80	19,44
9	April	,, ..	22,75	21,78	97	395,56	2	3,92	52	19,95
10	May	,, ..	20,12	23,80	—3,68	391,88	— 1	3,91	58	20,53
11	June	,, ..	23,06	22,55	51	392,39	1	3,92	65	21,18
12	July	,, ..	25,13	20,10	5,03	397,42	— 1	3,91	64	21,82
13	August	,, ..	22,59	18,54	4,05	401,47	—	3,91	58	22,39
14	September	,, ..	21,99	19,08	2,91	404,38	— 1	3,90	60	22,98
15	October	,, ..	20,79	19,72	1,07	405,45	3	3,93	61	23,59
16	November	,, ..	19,78	18,83	95	406,40	— 1	3,92	59	24,19
17	December	,, ..	21,95	20,53	1,42	407,82	— 1	3,91	69	24,88
18	January	1965 ..	20,92	19,82	1,10	408,92	—	3,91	58	25,46
19	February	,, ..	23,00	21,43	1,57	410,49	— 1	3,90	64	26,10
20	March*	,, ..	36,05	24,22	11,83	422,32	— 3	3,87	76	26,86

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. **125.76** crores (including accrued interest) for 1964-65.

(*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 Cumul-

(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*)		
							10 year Treasury Deposit Savings Certificates					
Net receipts	Out-standings	Net receipts	Out-standings	National Savings Certificates (*f*)	10 year National Plan Certificates (*g*)	Post Office Cash and Defence Savings Certificate (*h*)	3½% (*i*)	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	87,25	873,21	*4*
53,59	53,59	8,56	8,56	50,17	16,91	—42,65	20,38	60,70	367,55	75,11	948,32	*5*
106,46	160,05	20,57	29,13	32,63	15,97	—42,75	14,47	60,08	344,59	126,53	1,074,85	*6*
98,64	258,69	20,19	49,32	15,41	12,13	—42,80	9,98	59,17	329,75	112,68	1,187,53	*7*
14,91	160,05	1,73	29,13	32,63	15,97	—42,75	14,47	60,08	344,59	36,51	1,074,85	*8*
7,59	167,64	2,52	31,65	30,86	15,87	—42,81	14,13	60,02	343,19	7,94	1,082,79	*9*
7,70	175,34	2,27	33,92	29,36	15,55	—42,78	13,80	59,97	342,08	3,55	1,086,34	*10*
7,74	183,08	2,21	36,13	27,95	15,34	—42,77	13,39	59,91	341,75	8,70	1,095,04	*11*
8,37	191,45	1,76	37,89	26,37	14,98	—42,78	12,92	59,82	340,40	11,94	1,106,98	*12*
8,44	199,89	1,95	39,84	25,01	14,60	—42,79	12,44	59,77	339,24	11,58	1,118,56	*13*
9,06	208,95	1,61	41,45	23,73	14,07	—42,78	11,97	59,69	337,11	9,67	1,128,23	*14*
7,78	216,73	1,61	43,06	22,46	13,66	—42,79	11,62	59,62	335,95	7,84	1,136,07	*15*
7,54	224,27	1,48	44,54	21,17	13,33	—42,79	11,31	59,55	334,90	7,51	1,143,58	*16*
7,69	231,96	1,13	45,67	19,76	12,96	—42,79	11,00	59,48	333,71	7,57	1,151,15	*17*
8,11	240,07	1,39	47,06	18,49	12,66	—42,79	10,60	59,39	332,74	8,15	1,159,30	*18*
7,57	247,64	1,28	48,34	17,26	12,28	—42,79	10,29	59,30	331,59	7,89	1,167,19	*19*
11,05	258,69	98	49,32	15,41	12,13	—42,80	9,98	59,17	329,75	20,34	1,187,53	*20*

ative 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 62—MARKET BORROWINGS (LOANS FLOTATION) OF THE GOVERNMENT OF INDIA AND STATE GOVERNMENTS, 1964-65

Description of loan	Amount of issue@ (Rs. crores)	Period of maturity (No. of years)	Issue price (Rs.)	Redemption yield at issue price (%)	Amount subscribed (Rs. crores)	Subscriptions accepted (Rs. crores)				Amount Repayable in cash in respect of maturing loans (Rs. crores)	Net borrowings (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)	**225·00**				**365·12**	**207·10**		**158·02**	**365·12**	**63·99**	**+143·11**
1964-65											
Central Government											
4 % Loan 1970		6	99·00	4·21	71·94	—	3½% N. P. Loan 1964	48.77	**48·77**	51·30	+100·41
							3% Loan 1964	23·18	**23·18**		
4¾% Loan 1989		25	100·00	4·75	69·85	—	3½% N. P. Loan 1964	66·59	**66·59**		
							3% Loan 1964	3·26	**3·26**		
4 % Loan 1970 (Re-issue)	150·00		99·00	4·20	106·30	106·30		—	**106·30**		
4¾% Loan 1989 (Re-issue)			100·00	4·75	45·42	45·42		—	**45·42**		
Total of Central Government	**150·00**				**293·51**	**151·72**		**141·79**	**293·51**	**51·30**	**+100·41**

State Governments												
4¾% Andhra Pradesh S. D. Loan 1976..	11·00	12	99·50	4·81	13·81	12·05		—	**12·05**	—	+	12·05
4¾% Assam Loan 1976	3·00	12	99·50	4·81	3·12	3·12		—	**3·12**	—	+	3·12
4¾% Bihar S. D. Loan 1976	4·00	12	99·50	4·81	4·79	**4·35**		—	**4·35**	—	—	4·35
4¾% Gujarat S. D. Loan 1976	7·00	12	100·00	4·75	8·95	**7·87**		—	**7·87**	—	—	7·87
4¾% Kerala S. D. Loan 1976	4·00	12	99·50	4·81	4·43	4·43		—	**4·43**	—	+	4·43
4¾% Madhya Pradesh S.D. Loan 1976..	5·00	12	99·50	4·81	5·24	5·03	3% M. P. Loan 1964	0·21	**5·24**	1·82	+	3·21
4¾% Madras Loan 1976	14·00	12	99·75	4·78	14·32	13·23	4% Madras Govt. Loan 1964	1·09	**14·32**	4·19	—	9·04
4¾% Maharashtra S. D. Loan 1976 ..	15·00	12	100·00	4·75	15·01	13·94	4% Bombay S. D. Loan 1964 4% Saurashtra (Local Bodies Development) Loan 1964	1·07	**15·01**	4·79	—	9·15
4¾% of Mysore S. D. Loan 1976 ..	7·00	12	99·50	4·81	7·01	7·01		—	**7·01**	—	+	7·01
4¾% Orissa Govt. Loan 1976	8·00	12	99·50	4·81	9·13	**8·78**		—	**8·78**	—	—	8·78
4¾% Rajasthan S. D. Loan 1976 ..	5·00	12	99·50	4·81	5·24	5·24		—	**5·24**	—	+	5·24
4¾% Uttar Pradesh S. D. Loan 1976 ..	10·00	12	99·75	4·78	11·90	10·25	4% U. P. Loan 1964	1·02	**11·27**	4·81	—	5·44
4¾% West Bengal Loan 1976	7·00	12	99·75	4·78	7·00	6·52	4% W. B. Loan 1964	0·48	**7·00**	1·52	—	5·00
Total of State Governments	**100·00**				**109·95**	**101·82**		**3·88**	**105·69**	**17·13**	—	**84·69**
Total of Central and State Governments..	**250·00**				**403·46**	**253·54**		**145·67**	**399·20**	**68·43**	—	**185·11**

Note :—The Statement excludes (i) 7% Gold Bonds, 1980 which was issued with effect from March 2, 1965 and was on top upto May 31, 1965 or earlier if the government desires to close the subscription earlier without notice. (ii) Further issues of the value of Rs. 50 crores created in January 1965 against cancellation of *ad hoc* Treasury bills held by the Reserve Bank of India in their Issue Department, (iii) the outstanding balance of Rs. 28·22 crores as on March 31, 1965 of 4¼% National Defence Bonds, 1972 issued from November 10, 1962 and (iv) issues and repayments of 3¼% U.P. Encumbered Estates 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, 2¾% Rajasthan Jagir Resumption compensation and Additional Rehabilitation Bonds, 3% Bombay Land Tenure Abolition Acts compensation bonds (Maharashtra, Gujarat and Mysore), 2¾% Mysore Inamdar Abolition and compensation Bonds and 2½% Bihar Zamindari Abolition compensation Bonds and only repayments of 3% Bombay Land Tenure Abolition Acts compensation Bonds (former State of Bombay), total issues and repayments of these during 1964-65 amounted, respectively, to Rs. 4·70 crores and Rs. 6·63 crores.

@ Inclusive of Conversions.

STATEMENT 63—CENTRAL AND STATE GOVERNMENT LOANS (OUTSTANDINGS AS ON MARCH 31, 1965)

(Thousands of Rupees)

		Amount outstanding
Central Government Loans		
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	2,02,93,61
4 %	Loan, 1970	1,78,23,89
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	1,59,07,69
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	1,03,09,83
4¾%	Loan, 1989	1,40,24,27
3 %	Bhopal Loan, 1966-76	1,21,73
4 %	Hyderabad Development Loan, 1967	2,12,46
4 %	Hyderabad Development Loan, 1968	2,18,20
2¾%	Hyderabad Loan, 1974	4,40,00
2¾%	Hyderabad Loan, 1975	6,85,71
3 %	Conversion Loan, 1986 or later	2,48,90,83
3 %	Non-terminable Loan, 1896-97	8,93,33
4¼%	National Defence Bonds, 1972	28,22,34
6½%	Gold Bonds, 1977@	8,61,45
	5 Year Interest-Free Prize Bonds	20,27,09
	Premium Prize Bonds, 1963	5,82,68
	Premium Prize Bonds, 1964	3,22,82
		32,67,52,94
Loans not bearing interest		
	Central Government Loans	8,45,67
	Hyderabad Loans	44,23
	TOTAL	**32,76,42,84**
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
4½%	Andhra State Development Loan, 1972	11,01,81
4½%	Andhra State Development Loan, 1974	10,99,82
4¾%	Andhra State Development Loan, 1976	12,04,23
	TOTAL	**67,54,35**

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.

@ Excludes the 7 per cent Gold Bonds, 1980 which was kept open between March 2 and May 31, 1965 as the actual collections made during the period March 2 to March 31, 1965 have not yet become available.

STATEMENT 63—CENTRAL AND STATE GOVERNMENT LOANS (*Contd.*) (OUTSTANDINGS AS ON MARCH 31, 1965)

(Thousands of Rupees)

		Amount outstading
State Government Loans—(*Contd.*)		
ASSAM		
4 %	Assam Loan, 1971	2,76,40
4½ %	Assam Loan, 1974	3,01,83
4¾ %	Assam Loan, 1976	3,11,91
	TOTAL	**8,90,14**
BIHAR		
2½ %	Bihar Z.A.C. Bonds	12,88,77
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
4¾ %	Bihar State Development Loan, 1976	4,35,34
		37,96,50
	Loans not bearing interest	48,08
	TOTAL	**38,44,58**
GUJARAT		
4 %	Gujarat State Development Loan, 1969	5,16,26
4¼ %	Gujarat State Development Loan, 1972	5,79,27
4½ %	Gujarat State Development Loan, 1974	6,35,09
4¾ %	Gujarat State Development Loan, 1976	7,88,17
3 %	Bombay Land Tenure Abolition Acts, Compensation Bonds	72,71
	TOTAL	**25,91,50**
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
4¾ %	Kerala State Development Loan, 1976	4,43,78
		26,81,02
	Loans not bearing interest	7,24
	TOTAL	**26,88,25**
MADHYA PRADESH		
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
4¾ %	Madhya Pradesh State Development Loan, 1976	5,16,14
		32,26,08
	Loans not bearing interest	4,98
	TOTAL	**32,31,06**

STATEMENT 63—CENTRAL AND STATE GOVERNMENT LOANS (*Contd.*) (OUTSTANDINGS AS ON MARCH 31, 1965)

(Thousands of Rupees)

		Amount outstanding
State Government Loans—(*Contd.*)		
MADRAS		
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
4¾ %	Madras Loan, 1976	14,27,66
		88,77,47
	Loans not bearing interest	1,21,80
	TOTAL	**89,99,27**
MAHARASHTRA		
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
4¾ %	Maharashtra State Development Loan, 1976	14,97,86
4 %	Saurashtra State Development Loan, 1967	3,45,39
4 %	Saurashtra State Development Loan, 1968	2,62,56
3 %	Porbandar Water Project Loan, 1970-75	35,00
3 %	Bombay Land Tenure Abolition Acts Compensation Bonds	1,17,63
	(Maharashtra)	35,88
		99,32,54
	Loans not bearing interest	57,20
	TOTAL	**99,89,74**
MYSORE		
4 %	Mysore State Development Loan, 1967	3,54,94
4 %	Mysore State Development Loan, 1968	4,11,11
4 %	Mysore State Development Loan, 1969	4,37,73
4¼ %	Mysore State Development Loan, 1969	3,34,36
4¼ %	Mysore State Development Loan, 1970	5,51,62
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
4¾ %	Mysore State Development Loan, 1976	7,00,90
3 %	Bombay Land Tenure Abolition Acts Compensation Bonds	7,97
2¾ %	Mysore I. A. C. Bonds	14,77
		47,70,13
	Loans not bearing interest	17,66
	TOTAL	**47,87,79**

STATEMENT 63—CENTRAL AND STATE GOVERNMENT LOANS (*Concld.*) (OUTSTANDINGS AS ON MARCH 31, 1965)

(Thousands of Rupees)

		Amount outstanding
State Government Loans—(*Concld.*)		
ORISSA		
4 %	Orissa Government Loan, 1968	3,09,34
4 %	Orissa Government Loan, 1969	4,40,78
4¼ %	Orissa Government Loan, 1970	3,28,60
4 %	Orissa Government Loan, 1971	3,82,58
4¼ %	Orissa State Development Loan, 1972	5,89,07
4½ %	Orissa Government Loan, 1974	7,71,62
4¾ %	Orissa Government Loan, 1976	8,75,52
	TOTAL	**36,97,51**
PUNJAB		
4 %	Punjab Government Loan, 1968	2,03,86
4 %	Punjab Government Loan, 1971	2,18,87
4¼ %	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
4¼ %	Rajasthan State Development Loan, 1970	2,79,88
4 %	Rajasthan State Development Loan, 1971	3,84,19
4¼ %	Rajasthan State Development Loan, 1972	4,49,20
4½ %	Rajasthan State Development Loan, 1974	4,94,74
4¾ %	Rajasthan State Development Loan, 1976	5,24,04
2½ %	Rajasthan Zamindari and Biswedari Abolition Compensation Bonds	38,76
2½ %	Rajasthan Jagir Resumption Compensation and Rehabilitation Bonds	15,12,93
2½ %	Rajasthan J. R. A. R. Bonds	52,21
	TOTAL	**45,59,38**
UTTAR PRADESH		
3 %	Uttar Pradesh Loan, 1961-66	1,54,30
4 %	Uttar Pradesh State Development Loan, 1967	8,79,39
4 %	Uttar Pradesh State Development Loan, 1968	8,05,00
4 %	Uttar Pradesh State Development Loan, 1969	7,55,71
4¼ %	Uttar Pradesh State Development Loan, 1970	7,53,49
4 %	Uttar Pradesh State Development Loan, 1971	8,43,69
4¼ %	Uttar Pradesh State Development Loan, 1972	6,33,92
4½ %	Uttar Pradesh State Development Loan, 1974	9,54,56
4¾ %	Uttar Pradesh State Development Loan, 1976	11,26,35
3¾ %	U. P. E. E. Act Bonds	75,83
2½ %	U. P. Z. A. Compensation Bonds	43,39,43
2½ %	U. P. Z. A. C. R. G. Bonds	37,42,25
		1,50,63,93
	Loans not bearing interest	51,16
	TOTAL	**1,51,15,09**
WEST BENGAL		
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
4¼ %	West Bengal Government Loan, 1970	5,10,50
4 %	West Bengal Government Loan, 1971	7,69,69
4¼ %	West Bengal State Development Loan, 1972	7,30,71
4½ %	West Bengal Loan, 1974	7,03,29
4¾ %	West Bengal Loan, 1976	7,00,09
		55,89,79
	Loans not bearing interest	4,41
	TOTAL	**55,94,19**
	TOTAL OF ALL STATES	
	Loans bearing interest	7,35,30,99
	Loans not bearing interest	3,12,53
	TOTAL	**7,38,43,52**

STATEMENT 64—GOVERNMENT OF INDIA TREASURY

(In lakhs of Rupees)

Week ended	Sales to Public							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)	Amount discharged	Amount outstanding			
	1	2	3	4	5	6	7	8	9	10
1964										
April 3, ..	2,00	2,00	2,00	1	**2,01**	24	33,30	*3·00*	174,63	1,466,32
10, ..	2,00	2,00	2,00	—	**2,00**	2,00	33,31	*3·00*	170,67	1,363,34
17, ..	2,00	2,00	2,00	32	**2,32**	2,48	33,15	*3·00*	208,68	1,342,74
24, ..	2,00	2,00	2,00	2,41	**4,41**	4,60	32,95	*3·00*	208,62	1,374,33
May 1, ..	2,00	2,00	2,00	78	**2,78**	2,00	33,73	*3·00*	92,55	1,389,26
8, ..	2,00	2,00	2,00	41	**2,41**	2,78	33,35	*3·00*	104,74	1,455,89
15, ..	2,00	2,00	2,00	56	**2,56**	3,00	32,91	*3·00*	109,33	1,468,03
22, ..	2,00	2,00	2,00	3,20	**5,20**	2,20	35,91	*3·00*	28,64	1,485,49
29, ..	2,00	2,00	2,00	5	**2,05**	2,60	35,36	*3·00*	20,48	1,479,19
June 5, ..	2,00	2,00	2,00	1,29	**3,29**	3,33	35,32	*3·00*	8,22	1,485,41
12, ..	2,00	2,00	2,00	2,20	**4,20**	2,21	37,31	*3·00*	100,90	1,548,24
19, ..	2,00	2,34	2,00	9,77	**11,77**	2,00	47,08	*3·00*	55,88	1,544,71
26, ..	2,00	4,27	2,00	7,50	**9,50**	2,10	54,48	*3·00*	229,77	1,564,57
July 3, ..	2,00	4,50	2,00	6,70	**8,70**	2,01	61,18	*2·99*	184,32	1,580,95
10, ..	2,00	4,50	2,00	11,65	**13,65**	2,00	72,83	*2·50*	212,58	1,634,51
17, ..	—	—	—	—	—	2,32	70,50	—	194,03	1,512,54
24, ..	2,00	7,58	2,00	18,41	**20,41**	4,41	86,51	*2·40*	168,97	1,531,89
31, ..	2,00	4,05	2,00	5,93	**7,93**	2,79	91,65	*2,40*	53,20	1,562,68
August 7, ..	2,00	4,25	2,00	3,52	**5,52**	2,40	94,77	*2·39*	138,42	1,599,48
14, ..	2,00	2,00	2,00	8,57	**10,57**	5,56	99,78	*2·40*	84,55	1,579,72
21, ..	2,00	4,00	2,00	11,90	**13,90**	2,20	111,48	*2·40*	37,26	1,580,04
28, ..	—	—	—	3,00	**3,00**	2,05	112,43	—	55,14	1,545,65
September 4, ..	2,00	4,00	2,00	1,29	**3,29**	3,29	112,44	*2·40*	18,41	1,550,84
11, ..	2,00	4,00	2,00	1,20	**3,20**	4,20	111,44	*2·40*	42,01	1,545,96
18, ..	2,00	3,04	2,00	6,98	**8,98**	11,73	108,68	*2·39*	66,36	1,508,68
25, ..	2,00	2,10	2,00	13,80	**15,80**	9,54	114,94	*2·40*	150,40	1,485,57

(*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, Rs. 75 crores in January 1964 and Rs. 50 crores in January 1965.

BILLS (WEEKLY), 1964-65

(In lakhs of Rupees)

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 inter-mediate Treasury bills	**Total Sales (3+4)**	Amount discharged	Amount out-standing	*Average rate of discount for auction sales (per cent per annum)*		
		1	2	3	4	5	6	7	8	9	10
1964 (*Contd.*)											
October	2, ..	2,00	4,00	2,00	6,90	**8,90**	8,70	115,14	*2·40*	146,95	1,483,40
	9, ..	2,00	2,00	2,00	2,39	**4,39**	13,65	105,88	*2·50*	231,16	1,492,72
	16, ..	—	—	—	1,40	**1,40**	—	107,28	—	213,50	1,513,59
	23, ..	2,00	4,00	2,00	26,63	**28,63**	20,41	115,50	*2.50*	177,29	1,530,13
	30, ..	2,00	4,70	2,00	9,05	**11,05**	7,93	118,62	*2·40*	46,89	1,526,94
November	6, ..	2,00	2,00	2,00	47	**2,47**	5,52	115,58	*2·50*	141,69	1,527,17
	13, ..	2,00	2,05	2,00	8,67	**10,67**	10,57	115,67	*2·50*	112,53	1,555,24
	20, ..	2,00	4,00	2,00	17,17	**19,17**	13,90	120,94	*2·40*	24,33	1,547,58
	27, ..	2,00	2,05	2,00	2,50	**4,50**	3,00	122,44	*2·36*	42,27	1,536,21
December	4, ..	2,00	2,00	2,00	1,32	**3,32**	3,29	122,46	*2·40*	2,58	1,520,40
	11, ..	2,00	2,00	2,00	1,50	**3,50**	3,20	122,76	*2·50*	55,98	1,534,67
	18, ..	2,00	2,00	2,00	2,55	**4,55**	8,98	118,34	*2·50*	56,54	1,520,43
	25, ..	2,00	2,15	2,00	17	**2,17**	15,80	104,71	*2·50*	148,16	1,504,56
1965											
January	1, ..	—	—	—	2,05	**2,05**	8,75	98,01	—	133,71	1,484,62
	8, ..	2,00	2,00	2,00	1,20	**3,20**	4,54	96,67	*2·50*	196,93	1,449,06
	15, ..	2,00	2,06	2,00	—	**2,00**	1,40	97,27	*2·50*	285,43	1,521,59
	22, ..	2,00	2,00	2,00	1,56	**3,56**	29,63	71,19	*2·50*	197,64	1,515,86
	29, ..	2,00	2,09	2,00	81	**2,81**	10,05	63,95	*2·50*	29,70	1,491,43
February	5, ..	2,00	2,00	2,00	82	**2,82**	2,47	64,30	*2·50*	134,27	1,484,36
	12, ..	2,00	2,05	2,00	1,11	**3,11**	10,67	56,74	*2·50*	128,06	1,492,33
	19, ..	2,00	2,00	2,00	22	**2,22**	19,17	39,79	*2·50*	31,72	1,482,77
	26, ..	2,00	2,20	2,00	1,97	**3,97**	4,50	39,26	*3·40*	34,79	1,474,76
March	5, ..	2,00	2,02	2,00	2,88	**4,88**	3,32	40,83	*3·50*	5,12	1,478,87
	12, ..	2,00	2,20	2,00	64	**2,64**	3,50	39,97	*3·50*	25,83	1,447,85
	19, ..	2,00	2,50	2,00	75	**2,75**	4,55	38,17	*3·50*	99,26	1,488,78
	26, ..	2,00	2,24	2,00	53	**2,53**	2,17	38,53	*3·50*	149,46	1,486,44

STATEMENT 65—GOVERNMENT OF INDIA TREASURY BILLS (ANNUAL AND MONTHLY)

(Lakhs of Rupees)

Period	Amount offered	Amount tendered	Amount sold	Sales of intermediate 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
1964-65	96,00	130,94	96,00	217,11	**313,11**	*2·72*	5,833,45	1,443,52
March 1964 ..	8,00	8,12	8,00	1,64	**9,64**	*2·49*	357,69	1,381,95
April ,, ..	8,00	8,00	8,00	3,51	**11,51**	*3·00*	825,72	1,389,26
May ,, ..	10,00	10,00	10,00	4,21	**14,21**	*3·00*	263,24	1,479,02
June ,, ..	8,00	10,61	8,00	24,41	**32,41**	*3·00*	427,01	1,571,11
July ,, ..	8,00	20,63	8,00	39,04	**47,04**	*2·57*	780,78	1,562,68
August ,, ..	6,00	10,25	6,00	26,99	**32,99**	*2·40*	315,36	1,545,59
September ,, ..	8,00	13,14	8,00	28,27	**36,27**	*2·40*	284,42	1,481,43
October ,, ..	8,00	14,70	8,00	41,37	**49,37**	*2·45*	808,54	1,526,94
November ,, ..	8,00	10,10	8,00	28,82	**36,82**	*2·44*	320,81	1,536,21
December ,, ..	8,00	8,15	8,00	7,57	**15,57**	*2·48*	396,97	1,484,62
January 1965 ..	8,00	8,15	8,00	3,56	**11,56**	*2·50*	709,74	1,491,47
February ,, ..	8,00	8,25	8,00	4,14	**12,14**	*2·73*	328,79	1,474,76
March ,, ..	8,00	8,96	8,00	5,23	**13,23**	*3·50*	372,06	1,443,52

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, Rs. 1,099·42 crores at the end of 1963-64 and Rs. 1,142·41 crores at the end of 1964-65. (*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, Rs. 75 crores in January 1964 and Rs. 50 crores in January 1965.

STATEMENT 66—INDIA'S BALANCE OF PAYMENTS

Current Account : Region-wise Summary

(Crores of Rupees)

	1950-51	1955-56	1960-61	1961-62	1962-63 (Revised)	1963-64 (Preliminary)	1963 (Preliminary)	1964 (Preliminary)
All Areas								
Imports, *c.i.f.*	650·3	773·1	1105·7	1006·0	1091·3	1230·7	1168·9	1387·9
Exports, *f.o.b.*	646·8	640·3	630·5	668·3	682·2	801·7	773·9	817·6
Trade Balance	—3·5	—132·8	—475·2	—337·7	—409·1	—429·0	—395·0	—570·3
Official Transfer Payments	+2·1	+51·9	+45·2(*c*)	+45·9	+76·7	+78·9	+78·4	+118·0(*d*)
Other invisibles (net)	+40·3	+87·6	+37·6(*d*)	—14·6(*d*)	—13·1(*d*)	+14·8(*d*)	+18·7(*d*)	+19·1
Current Account (net)	**+38·9**	**+6·7**	**—392·4**	**—306·4**	**—345·5**	**—335·3**	**—297·9**	**—433·2**
Sterling Area								
Imports, *c.i.f.*	330·2	361·6	349·7	283·8	270·6	261·8	267·2	267·0
Exports, *f.o.b.*	351·4	331·0	300·9	292·4	279·1	315·3	312·8	309·3
Trade Balance	+21·2	—30·6	—48·8	+8·6	+8·5	+53·5	+45·6	+42·3
Official Transfer Payments	—	+0·1	+1·6	+1·1	+0·3	+0·3	+0·4	+0·5
Other invisibles (net)	+51·8	+73·7	+22·5	+8·5	+5·9	+16·6	+20·7	—2·9
Current Account (net)	**+73·0**	**+43·2**	**—24·7**	**+18·2**	**+14·7**	**+70·4**	**+66·7**	**+39·9**
Dollar Area								
Imports, *c.i.f.*	138·9	143·3	395·0	271·7	383·7	480·6	447·2	548·4
Exports, *f.o.b.*	168·1	120·4	121·5	137·4	143·7	163·9	159·7	167·9
Trade Balance	+29·2	—22·9	—273·5	—134·3	240·0	—316·7	—287·5	—380·5
Official Transfer Payments	+2·1	+51·8	+43·5(*c*)	+44·3	+76·3	+78·6	+78·0	+126·4
Other invisibles (net)	—1·8	+5·9	+37·6	+11·9	+20·2	+36·9	+36·3	+55·3
Current Account (net)	**+29·5**	**+34·8**	**—192·4**	**—78·1**	**143·5**	**—201·2**	**—173·2**	**—198·8**
***O.E.C.D. Countries(a)**								
Imports, *c.i.f.*		154·5	188·0	197·6	173·9	171·9	173·6	197·2
Exports, *f.o.b.*		72·5	56·7	63·2	67·9	79·4	78·8	69·8
Trade Balance		—82·0	—131·3	—134·4	—106·0	—92·5	—94·8	—127·4
Official Transfer Payments		—	+0·1	+0·1	+0·1	—	—	—
Other invisibles (net)		—2·7	—10·2	—12·9	—16·8	—18·1	—17·9	—20·0
Current Account (net)		**—84·7**	**—141·4**	**—147·2**	**—122·7**	**110·6**	**—112·7**	**—147·4**
Rest of Non-Sterling Area(b)								
Imports, *c.i.f.*	181·2	113·7	173·0	252·9	263·1	316·4	280·9	375·3
Exports, *f.o.b.*	127·3	116·4	151·4	175·3	191·5	243·1	222·6	270·6
Trade Balance	—53·9	+2·7	—21·6	—77·6	—71·6	—73·3	—58·3	—104·7
Official Transfer Payments	—	—	—	+0·4	—	—	—	—
Other invisibles (net)	—9·7	+10·7	+8·8	+4·5	+2·3	+1·8	+1·8	+4·4
Current Account (net)	**—63·6**	**+13·4**	**12·8**	**—72·7**	**—69·3**	**—71·5**	**—56·5**	**—100·3**
International Institutions								
Imports, *c.i.f.*			—	—	—	—	—	—
Exports, *f.o.b.*			—	—	—	—	—	—
Trade Balance			—	—	—	—	—	—
Official Transfer Payments			—	—	—	—	—	8·9(*d*)
Other invisibles (net)			21·1(*d*)	26·6(*d*)	24·7(*d*)	22·4(*d*)	22·2(*d*)	17·7
Current Account (net)			**—21·1**	**—26·6**	**—24·7**	**—22·4**	**—22·2**	**—26·6**

Note: (1) Till December 1960, imports of mineral oil 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*) Includes their associated territories upto June 1955. (*b*) Including O.E.C.D. Countries in 1950-51. (*c*) Includes Rs. 8·4 crores earmarked by the U.S. authorities to finance exports 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.

* Being the countries hitherto shown as O.E.E.C. Countries.

STATEMENT 67—INDIA'S OVERALL BALANCE OF PAYMENTS, 1964 (PRELIMINARY)

A. CURRENT ACCOUNT

(Crores of Rupees)

Item	January-March 1964			April-June 1964			July-September 1964			October-December 1964			January-December 1964		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
1. Merchandise(*a*)															
(A) Private ..	205·2	166·2	+ *39·0*	202·6	158·1	+ *44·5*	202·3	153·5	+ *48·8*	205·8	144·2	+ *61·6*	815·9	622·0	+*193·9*
(B) Government ..	0·6	170·2	—*169·6*	0·5	200·4	—*199·9*	0·6	176·6	—*176·0*	—	218·7	—*218·7*	1·7	765·9	—*764·2*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Travel(*b*)	0·8	2·3	— *1·5*	0·6	3·3	— *2·7*	0·3	2·8	— *2·5*	0·6	2·0	— *1·4*	2·3	10·4	— *8·1*
4. Transportation(*c*) ..	14·7	6·2	+ *8·5*	13·7	7·6	+ *6·1*	14·9	7·5	+ *7·4*	14·1	9·8	+ *4·3*	57·4	31·1	+ *26·3*
5. Insurance(*c*)	2·0	1·5	+ *0·5*	1·8	1·0	+ *0·8*	1·9	1·3	+ *0·6*	1·8	1·3	+ *0·5*	7·5	5·1	+ *2·4*
6. Investment income(*d*)	3·3	25·0	— *21·7*	2·2	24·7	— *22·5*	3·3	29·5	— *26·2*	2·3	32·2	— *29·9*	11·1	111·4	—*100·3*
7. Government, not included elsewhere(*e*)	14·2	5·0	+ *9·2*	35·4	3·2	+ *32·2*	18·7	3·6	+ *15·1*	19·1	3·2	+ *15·9*	87·4	15·0	+ *72·4*
8. Miscellaneous(*f*) ..	9·6	12·5	— *2·9*	10·4	11·7	— *1·3*	9·6	13·2	— *3·6*	8·8	10·7	— *1·9*	38·4	48·1	— *9·7*
9. Transfer payments															
(*i*) Official(*g*) ..	23·3	—	+ *23·3*	48·7	0·3	+ *48·4*	52·1	0·3	+ *51·8*	2·9	8·4*	— *5·5*	127·0	9·0	+*118·0*
(*ii*) Private(*h*) ..	11·3	3·0	+ *8·3*	13·3	3·7	+ *9·6*	10·7	3·5	+ *7·2*	15·1	4·1	+ *11·0*	50·4	14·3	+ *36·1*
10. Total Current Transactions	**285·0**	**391·9**	—*106·9*	**329·2**	**414·0**	— *84·8*	**314·4**	**391·8**	— *77·4*	**270·5**	**434·6**	—*164·1*	**1199·1**	**1632·3**	—*433·2*
Errors and Omissions			+ *2·1*			— *29·3*			— *18·0*			— *32·2*			— *77·4*

(*a*) Exports f.o.b. ; imports c.i.f. (*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 the U. S. Embassy expenditures in India from the rupee proceeds of sales of U. S. surplus agricultural commodities under P. L. 480 agreements. The payment figure represents disbursements of the Government, for example, for the upkeep of its organisations abroad and for the quarter January-March 1964 contributions to international organisations. (*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 and P. L. 480 assistance programme and receipts of cash grants mainly from the Ford Foundation and, in addition, since April-June 1964 receipts and payments of pensions on government account and contributions to international organisations. (*h*) Comprises unilateral transfers like maintenance remittances, receipts of missionaries, remittances of savings, migrants' transfers, etc. and in addition since April-June 1964 receipts and payments of pensions, retirement benefits etc. on private account.

* 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 OVERALL BALANCE OF PAYMENTS, 1964 (PRELIMINARY)

B. CAPITAL ACCOUNT

Net Credit (+), Net Debit (—)

(Crores of Rupees)

Item	January-March 1964			April-June 1964			July-September 1964			October-December 1964			January-December 1964		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
I. Private(*a*)															
1. Long-term ..	4·0	10·4	— *6·4*	9·9	8·0	— *1·9*	10·3	6·4	+ *3·9*	14·6	8·0	+ *6·6*	38·8	32·8	+ *6·0*
2. Short-term ..	1·4	0·5	+ *0·9*	0·5	1·2	— *0·7*	0·9	2·2	— *1·3*	0·5	1·2	— *0·7*	3·3	5·1	— *1·8*
II. Banking(*b*)	20·0	8·8	— *11·2*	11·6	20·1	— *8·5*	4·0	11·9	— *7·9*	13·8	8·7	+ *5·1*	49·4	49·5	— *0·1*
III. Official (*c*)															
1. Loans(*d*)	125·8	11·9	+ *113·9*	186·9	11·9	+ *175·0*	132·0	—	+ *132·0*	104·0	—	— *104·0*	548·7	23·8	— *524·9*
2. Amortisation(*e*) ..	0·3	21·0	— *20·7*	3·7	7·2	— *3·5*	—	13·2	— *13·2*	0·8	14·5	— *13·7*	4·8	55·9	— *51·1*
3. Miscellaneous(*f*) ..	26·8	4·2	— *22·6*	10·2	87·6	— *77·4*	16·3	62·5	— *46·2*	89·6	8·0	— *81·6*	142·9	162·3	— *19·4*
4. Reserves(*g*) ..	1·4	18·1	— *16·7*	33·8	6·5	— *27·3*	29·8	1·7	— *28·1*	15·5	2·1	— *13·4*	80·5	28·4	+ *52·1*
IV. Total Capital and Monetary Gold ..	**179·7**	**74·9**	— *104·8*	**256·6**	**142·5**	+ *114·1*	**193·3**	**97·9**	— *95·4*	**238·8**	**42·5**	+ *196·3*	**868·4**	**357·8**	+ *510·6*

(*a*) Non-banking. Includes drawings and repayments on account of I. B. R. D. loans and other foreign Government loans to private sector in India since April 1964. (*b*) Excluding R. B. I. (*c*) Including R. B. I. (*d*) Credits represent utilisation of various foreign loans and credits obtained by the official sector *viz.* loans from I. B. R. D., I. D. A., U. K. E. C. G. D.,U. S. Eximbank, A. I. D., and loans under P. L. 480 and P. L. 665, U. S. S. R. Credits, West German Credits, Japanese Yen Credits, etc. The entries on the debit side relate to the repurchase of rupees from the I. M. F. (*e*) Debits relate to repayments of loans from the I. B. R. D., A. I. D., Canadian Wheat Loan, Rourkela Credit, Japanese credits, U. K. E. C. G. D credits, etc. Credits represent capital repayments by the U.K. of excess pensions fund under the Pensions Resettlement Arrangements of March 1955, repayment of partition debt by Burma and 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 changes in the foreign exchange assets of the R. B. I., and the Government and the gold holdings of the former.

STATEMENT 68—INDIA'S BALANCE OF PAYMENTS, 1964 (PRELIMINARY)

CURRENT ACCOUNT : REGION-WISE

STERLING AREA

(Crores of Rupees)

Item	January-March 1964			April-June 1964			July-September 1964			October-December 1964			January-December 1964		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
1. Merchandise*															
(i) Private	74·7	39·4	+ *35·3*	69·6	40·5	+ 29·1	79·3	42·1	+ 37·2	85·4	36·6	+ 48·8	309·0	158·6	+150·4
(ii) Government ..	0·1	26·3	— *26·2*	0·1	29·6	—*29·5*	0·1	28·0	— *27·9*	—	24·5	— *24·5*	0·3	108·4	—*108·1*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Travel	0·2	0·6	— *0·4*	0·1	0·8	— *0·7*	0·1	1·0	— *0·9*	0·1	0·8	— *0·7*	0·5	3·2	— *2·7*
4. Transportation ..	6·2	2·3	+ *3·9*	5·3	2·4	+ *2·9*	6·2	2·3	+ *3·9*	5·7	3·9	+ *1·8*	23·4	10·9	+ *12·5*
5. Insurance	1·2	1·1	+ *0·1*	0·9	0·7	+ *0·2*	1·2	1·0	+ *0·2*	1·0	1·0	—	4·3	3·8	+ *0·5*
6. Investment income ..	2·8	5·1	— *2·3*	1·7	9·7	— *8·0*	2·4	12·2	— *9·8*	2·0	11·0	— *9·0*	8·9	38·0	— *29·1*
7. Government, not included elsewhere ..	3·3	1·7	+ *1·6*	2·4	1·2	+ *1·2*	1·0	1·5	— *0·5*	1·2	1·6	— *0·4*	7·9	6·0	+ *1·9*
8. Miscellaneous ..	4·8	6·8	— *2·0*	6·3	5·3	+ *1·0*	5·6	5·7	— *0·1*	4·6	5·4	— *0·8*	21·3	23·2	— *1·9*
9. Transfer payments															
(*i*) Official	—	—	—	0·1	—	+ *0.1*	0·3	—	+ *0·3*	0·2	0·1	+ *0·1*	0·6	0·1	+ *0·5*
(*ii*) Private	7·0	2·2	+ *4·8*	5·9	2·6	+ *3·3*	6·6	2·5	+ *4·1*	6·3	2·6	+ *3·7*	25·8	9·9	+ *15·9*
10. **Total Current Transactions**	**100·3**	**85·5**	+ *14·8*	**92·4**	**92·8**	— *0·4*	**102·8**	**96·3**	+ *6·5*	**106·5**	**87·5**	+ *19·0*	**402·0**	**362·1**	+ *39·9*

* Exports f.o.b. ; imports c.i.f.

STATEMENT 68—INDIA'S BALANCE OF PAYMENTS, 1964 (PRELIMINARY) contd.

CURRENT ACCOUNT : REGION-WISE

DOLLAR AREA

(Crores of Rupees)

Item	January-March 1964			April-June 1964			July-September 1964			October-December 1964			January-December 1964		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
1. Merchandise*															
(i) Private	41·8	49·7	*7·9*	42·9	41·9	*1·0*	41·7	41·3	*0·4*	40·9	38·4	*2·5*	167·3	171·3	*4·0*
(ii) Government ..	0·1	81·2	*81·1*	0·1	111·7	*111·6*	0·4	75·7	*75·3*	—	108·5	*108·5*	0·6	377·1	*376·5*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Travel	0·5	0·7	*0·2*	0·5	0·6	*0·1*	0·2	1·1	*0·9*	0·3	0·6	*0·3*	1·5	3·0	*1·5*
4. Transportation ..	2·4	1·5	*0·9*	2·6	1·8	*0·8*	2·6	2·3	*0·3*	2·7	2·5	*0·2*	10·3	8·1	*2·2*
5. Insurance	0·2	0·2	—	0·2	0·1	*0·1*	0·1	0·1	—	0·2	0·2	—	0·7	0·6	*0·1*
6. Investment income ..	0·3	7·9	*7·6*	0·3	9·4	*9·1*	0·8	7·1	*6·3*	0·2	13·4	*13·2*	1·6	37·8	*36·2*
7. Government, not included elsewhere ..	9·6	1·2	*8·4*	31·6	0·9	*30·7*	16·4	0·8	*15·6*	16·2	0·5	*15·7*	73·8	3·4	*70·4*
8. Miscellaneous ..	2·3	1·7	*0·6*	1·8	2·0	*0·2*	2·1	2·4	*0·3*	2·4	2·2	*0·2*	8·6	8·3	*0·3*
9. Transfer payments															
(i) Official	23·3	—	*23·3*	48·6	—	*48·6*	51·8	—	*51·8*	2·7	—	*2·7*	126·4	—	*126·4*
(ii) Private	3·6	0·2	*3·4*	6·7	0·2	*6·5*	3·1	0·2	*2·9*	7·5	0·3	*7·2*	20·9	0·9	*20·0*
10. **Total Current Transactions**	**84·1**	**144·3**	*60·2*	**135·3**	**168·6**	*33·3*	**119·2**	**131·0**	*11·8*	**73·1**	**166·6**	*93·5*	**411·7**	**610·5**	*198·8*

* Exports f.o.b. ; imports c.i.f.

STATEMENT 68—INDIA'S BALANCE OF PAYMENTS, 1964 PRELIMINARY (contd.)

CURRENT ACCOUNT : REGION-WISE

O.E.C.D. COUNTRIES @

(Crores of Rupees)

Item	January-March 1964			April-June 1964			July-September 1964			October-December 1964			January-December 1964		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
1. Merchandise*															
(i) Private	20·0	26·3	*6·3*	18·4	27·5	*9·1*	16·5	26·9	*10·4*	14·9	24·0	*9·1*	69·8	104·7	*34·9*
(ii) Government ..	—	17·8	*17·8*	—	17·7	*17·7*	—	27·6	*27·6*	—	29·4	*29·4*	—	92·5	*92·5*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Travel	—	0·4	*0·4*	—	0·5	*0·5*	—	0·5	*0·5*	—	0·4	*0·4*	—	1·8	*1·8*
4. Transportation ..	1·3	1·3	—	1·1	2·2	*1·1*	1·3	1·9	*0·6*	1·0	2·2	*1·2*	4·7	7·6	*2·9*
5. Insurance	0·1	0·1	—	0·1	0·1	—	0·1	0·1	—	0·1	0·1	—	0·4	0·4	—
6. Investment income ..	0·1	4·1	*4·0*	0·1	1·5	*1·4*	—	4·8	*4·8*	—	2·1	*2·1*	0·2	12·5	*12·3*
7. Government, not included elsewhere ..	0·5	0·4	+ *0·1*	0·4	0·4	—	—	0·3	*0·3*	0·5	0·4	+ *0·1*	1·4	1·5	*0·1*
8. Miscellaneous ..	1·3	1·7	*0·4*	0·6	1·4	*0·8*	1·0	2·2	*1·2*	1·1	1·4	*0·3*	4·0	6·7	*2·7*
9. Transfer payments															
(i) Official	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(ii) Private	0·4	0·4	—	0·4	0·7	*0·3*	0·3	0·5	*0·2*	0·8	0·5	+ *0·3*	1·9	2·1	*0·2*
10. **Total Current Transactions**	**23·7**	**52·5**	*—28·8*	**21·1**	**52·0**	*— 30·9*	**19·2**	**64·8**	*— 45·6*	**18·4**	**60·5**	*— 42·1*	**82·4**	**229·8**	*—147·4*

* Exports f.o.b.; imports c.i.f.

@ Being the countries hitherto shown as O.E.E.C. countries

STATEMENT 68—INDIA'S BALANCE OF PAYMENTS, 1964 PRELIMINARY (contd.)

CURRENT ACCOUNT : REGION-WISE

REST OF NON-STERLING AREA

(Crores of Rupees)

Item	January-March 1964			April-June 1964			July-September 1964			October-December 1964			January-December 1964		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
1. Merchandise*															
(i) Private	68·7	50·8	— *17·9*	71·7	48·2	— *23·5*	64·8	43·2	+ *21·6*	64·6	45·2	— *19·4*	269·8	187·4	— *82·4*
(ii) Government ..	0·4	44·9	— *44·5*	0·3	41·4	— *41·1*	0·1	45·3	— *45·2*	—	56·3	— *56·3*	0·8	187·9	—*187·1*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Travel	0·1	0·6	— *0·5*	—	1·4	— *1·4*	—	0·2	— *0·2*	0·2	0·2	—	0·3	2·4	— *2·1*
4. Transportation ..	4·8	1·1	+ *3·7*	4·7	1·2	+ *3·5*	4·8	1·0	+ *3·8*	4·7	1·2	+ *3·5*	19·0	4·5	+ *14·5*
5. Insurance	0·5	0·1	+ *0·4*	0·6	0·1	+ *0·5*	0·5	0·1	+ *0·4*	0·5	—	+ *0·5*	2·1	0·3	+ *1·8*
6. Investment income	0·1	2·4	— *2·3*	0·1	0·9	— *0·8*	0·1	0·1	—	0·1	2·4	— *2·3*	0·4	5·8	— *5·4*
7. Government, not included elsewhere ..	0·8	0·4	+ *0·4*	0·8	0·7	+ *0·1*	0·7	1·0	— *0·3*	1·1	0·7	+ *0·4*	3·4	2·8	+ *0·6*
8. Miscellaneous ..	1·2	2·3	— *1·1*	1·7	3·0	— *1·3*	0·9	2·9	— *2·0*	0·7	1·7	— *1·0*	4·5	9·9	— *5·4*
9. Transfer payments															
(i) Official	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(ii) Private	0·3	0·2	+ *0·1*	0·3	0·2	+ *0·1*	0·7	0·3	+ *0·4*	0·5	0·7	— *0·2*	1·8	1·4	+ *0·4*
10. **Total Current Transactions**	**76·9**	**102·8**	— *25·9*	**80·2**	**97·1**	— *16·9*	**72·6**	**94·1**	— *21·5*	**72·4**	**108·4**	— *36·0*	**302·1**	**402·4**	—*100·3*

* Exports f.o.b.; imports c.i.f.

STATEMENT 68—INDIA'S BALANCE OF PAYMENTS, 1964 (PRELIMINARY)

CURRENT ACCOUNT : REGION-WISE

INTERNATIONAL INSTITUTIONS

(Crores of Rupees)

Item	January-March 1964			April-June 1964			July-September 1964			October-December 1964			January-December 1964		
	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	—	5·5	— *5·5*	—	3·2	— *3·2*	—	5·3	— *5·3*	—	3·3	— *3·3*	—	17·3	— *17·3*
7. Government, not included elsewhere ..	—	1·3	— *1·3*	0·2	—	+ *0·2*	0·6	—	— *0·6*	0·1	—	+ *0·1*	0·9	1·3	— *0·4*
8. Miscellaneous ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9. Transfer payments															
(i) Official	—	—	—	—	0·3	— *0·3*	—	0·3	— *0·3*	—	8·3*	— *8·3*	—	8·9	— *8·9*
(ii) Private ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10. **Total Current Transactions**	—	**6·8**	— *6·8*	**0·2**	**3·5**	— *3·3*	**0·6**	**5·6**	— *5·0*	**0·1**	**11·6**	— *11·5*	**0·9**	**27·5**	— *26·6*

* Includes Rs. 8·3 crores paid to the I.B.R.D. under the Indus Water Treaty, 1960.

STATEMENT 69—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
1960-61	303,61	−59,25
1961-62(*b*)	297,31	− 6,30
1962-63(*b*)	295,10	− 2,21
1963-64	305,81	+ 10,71
1964-65	249,68	−56,13
March 1964	305,81	+ 10,44
April ,,	306,94	+ 1,13
May ,,	316,52	+ 9,58
June ,,	278,54	−37,98
July ,,	245,89	−32,65
August ,,	245,32	− 57
September ,,	250,46	+ 5,14
October ,,	248,21	− 2,25
November ,,	238,93	− 9,28
December ,,	237,07	− 1,86
January 1965	228,55	− 8,52
February ,,	238,14	+ 9,59
March ,,	249,68	+ 11,54

(*a*) Include (*i*) 7·1 million ounces of gold till January 7, 1965 ; 7·4 million ounces till January 21, 1965; 7·7 million ounces till February 18, 1965 and 8·0 million ounces thereafter, valued at Rs. 21·24 per tola till October 5, 1956 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, 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 70—INDIA'S FOREIGN TRADE

(Lakhs of Rupees)

Year/Month	Merchandise			Treasure (Gold)		
	Imports (−)	Exports (+)	**Balance of trade**	Imports (−)	Exports (+)	**Balance of trade**
1950-51	650,22	600,64	**49,58**	21	4	**−17**
1955-56	774,25	608,90	**165,35**	10	1	**− 9**
1960-61	1,121,62	642,07	**479,55**	86	..	**−86**
1961-62	1,091,63	660,58	**431,05**	1,45	..	**−1,45**
1962-63	1,131,48	685,32	**446,16**	1,67	..	**−1,67**
1963-64	1,221,19 (5,39)	793,24 (27,27)	**427,95** (+ **21,88**)	90	..	**−90**
1964-65*	1,210,27	838,43	**371,84**	..	..	..
March 1964	116,96	71,96	**45,00**	8	..	**− 8**
April ,,	139,08	67,93	**71,15**	4	..	**− 4**
May ,,	98,20	63,37	**34,83**	5	..	**− 5**
June ,,	100,12	72,76	**27,36**	9	..	**− 9**
July ,,	95,28	66,93	**28,35**	5	..	**− 5**
August ,,	103,03	67,11	**35,92**	7	..	**− 7**
September ,,	93,62	75,67	**17,95**	4	..	**− 4**
October ,,	85,37	68,91	**16,46**	8	..	**− 8**
November ,,	93,82	77,06	**16,76**	7	..	**− 7**
December ,,	108,21	74,87	**33,34**	7	..	**− 7**
January 1965	86,75	63,61	**23,14**	8	..	**− 8**
February* ,,	100,98	63,53	**37,45**	..	..	..
March* ,,	105,81	76,68	**29,13**	..	..	..

Note:—Total sea, air and land trade but excludes trade with Sikkim and Bhutan. With effect from April 1963, trade of Goa, Daman and Diu, as well as Andaman and Nicobar Islands, land-borne trade with Nepal and exports by parcel post of pearls, precious stones, etc. are included. Annual figures for 1963-64 in respect of these changes are shown in brackets. Transit and transhipment trade and ships' stores are excluded and includes silver under merchandise. Imports are based on general system of recording and include parcel post and dutiable articles of passengers' baggage and letter post. Excludes certain consignments of food grains on Government account awaiting adjustment. Exports include re-exports and parcel post but exclude passengers' baggage and letter post. Imports are on *c.i.f.* basis and exports on *f.o.b.* basis inclusive of export duty.

* 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 71—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	1,222,85	793,24	—429,61	475,56	171,82	—303,75	449,97	129,89	—320,08	25,60	41,93	+16,33
1964-65	1,262,12	838,70	—423,42	467,42	186,05	—281,37	436,14	151,10	—285,03	31,28	34,95	+ 3,67
April-June 1963	310,15	180,16	—130,00	109,49	43,24	— 66,25	101,73	34,73	— 67,00	7,76	8,50	+ 75
July-September ,,	307,34	195,59	—111,75	120,47	42,76	— 77,70	113,91	30,48	— 83,44	6,55	12,28	+ 5,73
October-December ,,	277,50	219,07	— 58,43	114,12	40,35	— 73,77	107,95	29,35	— 78,60	6,17	11,01	+ 4,83
January-March 1964	327,86	198,43	—129,43	131,49	45,47	— 86,02	126,37	35,33	— 91,04	5,11	10,13	+ 5,02
April-June ,,	272,40	204,03	— 68,36	84,48	46,66	— 37,82	78,96	38,83	— 40,13	5,52	7,83	+ 2,31
July-September ,,	280,69	209,65	— 71,04	94,66	44,39	— 50,27	87,21	33,93	— 53,28	7,45	10,46	+ 3,01
October-December ,,	335,84	220,83	—115,01	154,75	47,84	—106,91	146,48	39,97	—106,50	8,27	7,86	— 41
January-March 1965	373,20	204,19	—169,01	133,53	47,17	— 86,36	123,49	38,37	— 85,12	10,03	8,79	— 1,24

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	346,06	251,15	— 94,90	171,46	163,67	— 7,79	141,01	62,19	— 78,82	30,73	11,86	—18,88	2,85	13,44	+10,59
1964-65	365,63	245,69	—119,94	162,12	170,27	+ 8,16	169,36	57,74	—111,63	30,77	10,06	—20,71	3,39	7,62	+ 4,23
April-June 1963	91,35	51,98	— 39,36	46,04	30,26	—15,78	36,00	14,31	—21,69	8,62	2,71	— 5,90	69	4,67	+ 3,98
July-September ,,	88,11	66,46	— 21,64	43,74	45,48	+ 1,73	37,04	14,88	—22,16	6,85	2,64	— 4,21	48	3,47	+ 2,99
October-December ,,	83,35	77,06	— 6,28	42,13	54,35	+12,22	33,11	16,44	—16,67	7,34	3,24	— 4,10	77	3,03	+ 2,26
January-March 1964	83,26	55,65	— 27,61	39,55	33,58	— 5,97	34,87	16,56	—18,31	7,94	3,27	— 4,67	90	2,27	+ 1,37
April-June ,,	90,35	54,63	— 35,72	44,14	34,83	— 9,31	38,40	15,77	—22,63	6,72	2,67	— 4,06	1,09	1,37	+ 28
July-September ,,	87,84	71,99	— 15,86	39,15	52,27	+13,12	40,58	14,80	—25,78	7,32	2,75	— 4,56	79	2,16	+ 1,36
October-December ,,	83,75	69,00	— 14,76	34,98	50,41	+15,42	41,29	13,90	—27,40	6,87	2,50	— 4,37	60	2,19	+ 1,59
January-March 1965	103,68	50,07	— 53,61	43,84	32,76	—11,08	49,09	13,27	—35,82	9,85	2,14	— 7,71	90	1,90	— 1,00

STATEMENT 71—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	129.26	108.91	—20.34	68.46	52.10	—16.36	60.79	56.81	—3.98	103.78	56.08	—47.70
1964-65	143.86	148.43	+4.58	77.99	82.42	+4.43	65.87	66.01	+.14	78.41	55.96	—22.45
April-June .. 1963	36.12	26.16	—9.96	21.00	11.47	—9.54	15.11	14.69	—.42	26.08	12.63	—13.45
July-September ..	26.06	28.98	+2.92	12.55	14.80	+2.25	13.52	14.18	+.67	31.57	10.16	—21.41
October-December ..	26.19	24.38	—1.81	13.33	12.97	—.36	12.85	11.41	—1.45	17.02	17.12	+.9
January-March 1964	40.89	29.39	—11.49	21.57	12.87	—8.70	19.31	16.53	—2.78	29.11	16.17	—12.94
April-June ..	28.74	36.24	+7.50	15.31	19.90	+4.58	13.43	16.34	+2.91	20.74	11.89	—8.85
July-September ..	36.07	36.13	+.7	17.74	20.82	+3.08	18.32	15.32	—3.01	20.56	11.82	—8.74
October-December ..	36.53	36.71	+.19	20.57	21.59	+1.02	15.96	15.12	—.84	12.20	16.45	+4.25
January-March 1965	42.53	39.34	—3.18	24.36	20.11	—4.25	18.16	19.24	+1.07	24.90	15.80	—9.10

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 ..	27.00	23.66	—3.34	121.95	155.47	+33.51	25.65	45.59	+19.94	96.30	109.87	+13.57	19.25	26.15	+6.90
1964-65 ..	39.39	24.38	—15.01	142.05	150.61	+8.56	34.22	46.87	+12.65	107.83	103.73	—4.09	25.37	27.58	+2.21
April-June 1963	6.07	5.74	—.33	36.36	33.78	—2.58	7.35	8.62	+1.27	29.01	25.16	—3.85	4.69	6.62	+1.93
July-September ..	5.76	6.19	+.50	28.77	34.31	+5.54	5.41	11.76	+6.35	23.36	22.55	—.81	6.66	6.71	+.5
October-December ..	6.83	6.11	—.71	26.33	47.22	+20.89	5.29	13.23	+7.94	21.04	33.99	+12.95	3.67	6.83	+3.16
January-March 1964	8.41	5.62	—2.79	30.49	40.15	+9.66	7.60	11.98	+4.38	22.89	28.17	+5.28	4.23	5.99	+1.76
April-June ..	9.62	6.46	—3.15	34.69	41.63	+6.94	7.09	10.99	+3.91	27.60	30.63	+3.04	3.78	6.52	+2.74
July-September ..	10.24	5.87	—4.37	26.95	32.42	+5.47	5.34	10.01	+4.67	21.61	22.41	+.80	4.36	7.03	+2.66
October-December ..	6.94	5.84	—1.09	36.80	37.67	+.87	8.05	14.65	+6.60	28.75	23.02	—5.73	4.87	7.32	+2.45
January-March 1965	12.59	6.20	—6.39	43.61	38.88	—4.73	13.74	11.21	—2.53	29.87	27.67	—2.20	12.36	6.72	—5.64

Note :—The scope and coverage of the Statement are the same as those for Statement 70. 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 70 which takes account of recent revisions for which complete details are not available. Revisions in the total figures are carried out by the D. G. C. I. & S. as and when details become available in respect of short shipments for exports and Government imports under the note pass system for imports. Details of exports from and imports into 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.

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 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 1964-March 1965	April-June 1963	July-Sept. 1963	October-December 1963	January-March 1964	April-June 1964	July-Sept. 1964	October-December 1964	January-March 1965
	1	2	3	4	5	6	7	8	9	10	11	12	13
I. Food	**214,06**	**147,07**	**179,41**	**214,40**	**248,48**	**45,48**	**47,28**	**54,86**	**66,78**	**27,53**	**32,53**	**93,73**	**94,68**
1. **Cereals and Cereal Preparations**	**181,38**	**116,90**	**144,26**	**179,60**	**207,95**	**37,23**	**40,20**	**45,64**	**56,53**	**17,15**	**25,01**	**84,51**	**81,28**
(i) Wheat	**153,20**	**93,87**	**113,09**	**134,84**	**175,53**	23,88	36,21	38,45	36,30	11,89	18,04	73,45	72,15
(ii) Rice	**22,44**	**18,73**	**27,01**	**37,50**	**26,12**	11,72	3,67	5,27	16,84	3,99	4,21	9,79	8,13
(iii) Others	**5,74**	**4,30**	**4,16**	**7,26**	**6,30**	1,63	32	1,92	3,39	1,27	2,76	1,27	1,00
2. Cashewnuts	**9,61**	**6,70**	**9,12**	**10,93**	**16,44**	1,82	1,43	3,54	4,14	3,89	2,82	2,83	6,90
3. Spices	**1,83**	**1,67**	**1,77**	**73**	**43**	31	11	15	16	14	14	8	7
4. Others	**21,24**	**21,80**	**24,26**	**23,14**	**23,66**	6,12	5,54	5,53	5,95	6,35	4,56	6,31	6,43
II. Beverages and Tobacco	**79**	**1,65**	**1,66**	**1,11**	**77**	**10**	**6**	**43**	**52**	**10**	**6**	**50**	**10**
1. Tobacco Unmanufactured	**23**	**1,14**	**1,37**	**83**	**39**	5	—	35	43	3	—	36	—
III. Crude Materials, Inedible except Fuels	**155,36**	**129,89**	**127,20**	**124,45**	**125,07**	**30,86**	**33,39**	**25,45**	**34,75**	**25,83**	**29,81**	**30,94**	**38,49**
1. Hides and skins (raw)	**2,47**	**2,24**	**2,76**	**3,36**	**3,14**	95	67	92	82	94	67	65	86
2. Copra	**11,63**	**9,42**	**9,97**	**8,79**	**6,44**	2,37	1,99	1,96	2,47	1,54	1,68	1,79	1,43
3. Crude rubber	**10,78**	**10,10**	**10,23**	**9,75**	**5,43**	2,79	2,79	2,26	1,91	2,07	1,58	89	89
4. Cotton raw other than linters	**81,74**	**62,66**	**56,92**	**48,98**	**58,08**	10,03	14,35	7,09	17,51	10,34	14.12	14.13	19,49
5. Jute raw including cuttings and waste	**7,64**	**6,27**	**3,35**	**2,06**	**7,37**	68	41	33	64	65	60	1,96	4,16
6. Wool raw and other animal hair	**10,41**	**12,18**	**12,15**	**15,72**	**9,64**	4,74	4,31	3,74	2,93	2,41	2,56	2,30	2,37
7. Others	**30,69**	**27,02**	**31,83**	**35,79**	**34,97**	9,30	8,87	9,15	8,48	7,88	8,60	9,22	9,29
IV. Mineral Fuels, Lubricants and Related Materials	**69,52**	**95,86**	**87,97**	**104,49**	**68,66**	**29,43**	**30,74**	**16,61**	**27,71**	**21,29**	**21,51**	**9,68**	**16,18**
1. Petroleum crude and partly refined	**17,36**	**42,36**	**30,15**	**46,17**	**27,23**	10,94	18,24	4,84	12,15	8,51	10,31	1.76	6,65
2. Kerosene	**22,80**	**27,91**	**32,33**	**25,38**	**15,89**	7,92	5,32	5,00	7,15	5,26	3,54	3,07	4,02
3. Other petroleum products	**29,27**	**25,38**	**25,18**	**32,84**	**25,44**	10,54	7,16	6,74	8,39	7,50	7,62	4,82	5,51
4. Others	**9**	**21**	**30**	**10**	**10**	3	2	3	2	2	4	3	—
V. Animal and Vegetable Oils and Fats	**4,60**	**8,62**	**5,63**	**4,87**	**5,62**	**1,05**	**1,88**	**1,00**	**94**	**1,24**	**1,80**	**90**	**1,68**

VI. Chemicals	**85,70**	**89,76**	**100,52**	**95,88**	**90,75**	**26,68**	**26,18**	**20,50**	**22,52**	**22,81**	**19,81**	**24,28**	**23,85**
1. Chemical elements and compounds	39,34	35,59	38,07	32,11	34,76	10,22	7,35	6,69	7,85	9,12	8,42	8,58	8,64
2. Dyeing, tanning and colouring materials	12,91	14,46	12,15	8,04	9,26	2,84	1,81	1,65	1,74	2,54	2,25	2,01	2,46
3. Medicinal and Pharmaceutical products	10,50	11,30	9,28	8,64	8,27	2,40	2,17	1,87	2,20	1,85	2,27	1,77	2,38
4. Fertilizers, manufactured ..	9,61	12,22	26,73	34,52	25,38	7,41	11,71	7,37	8,03	5,73	3,70	8,84	7,11
5. Others	13,34	16,19	14,29	12,57	13,08	3,81	3,14	2,92	2,70	3,57	3,17	3,08	3,26
VII. Manufactured Goods	**234,16**	**221,16**	**203,95**	**200,41**	**221,81**	**47,79**	**50,75**	**47,07**	**54,80**	**55,65**	**51,84**	**55,34**	**58,97**
1. Paper and Paper Boards and Manufactures Thereof	**12,10**	**15,95**	**13,64**	**12,55**	**13,10**	**3,26**	**2,67**	**3,02**	**3,60**	**2,76**	**2,59**	**3,45**	**4,30**
(i) Newsprint	5,95	9,71	7,63	6,93	7,40	1,88	1,63	1,55	1,87	1,51	1,47	2,10	2,32
2. Artsilk yarn and thread ..	13,65	12,82	12,88	10,45	12,72	2,29	2,77	2,72	2,67	3,35	3,54	3,11	2,72
3. Iron and steel ..	122,54	107,81	89,01	93,15	107,35	21,70	23,71	20,21	27,53	25,52	25,12	28,14	28,57
4. Non-ferrous metals ..	47,31	49,46	55,14	55,06	58,30	12,87	13,73	14,08	14,36	15,85	13,07	13,67	15,71
5. Metal Manufactures ..	22,94	17,95	20,94	15,82	16,24	4,58	4,51	3,44	3,29	3,90	4,07	4,18	4,09
6. Others	15,62	17,17	12,34	13,38	14,10	3,09	3,36	3,60	3,35	4,27	3,45	2,79	3,58
VIII. Machinery and Transport Equipment	**332,98**	**367,52**	**387,38**	**436,98**	**472,68**	**112,44**	**108,09**	**103,41**	**113,04**	**112,31**	**116,12**	**113,34**	**130,91**
1. Machinery other than electric	203,37	236,99	250,55	281,12	316,32	68,58	70,02	66,51	76,01	73,55	78,20	74,75	89,82
2. Electric machinery, apparatus and appliances.. ..	57,22	65,91	64,78	84,80	88,77	21,98	20,81	19,90	22,11	23,97	20,28	22,52	22,00
3. Transport Equipment ..	**72,39**	**64,62**	**72,05**	**71,06**	**67,59**	**21,87**	**17,26**	**17,00**	**14,93**	**14,79**	**17,64**	**16,08**	**19,08**
i. Railway vehicles ..	25,37	15,50	27,07	27,17	22,15	9,15	6,24	6,34	5,44	2,38	5,68	6,19	7,90
ii. Others	47,02	49,12	44,99	43,89	45,44	12,72	11,02	10,66	9,49	12,41	11,96	9,59	11,18
IX. Miscellaneous Manufactured Articles	**17,40**	**21,69**	**30,73**	**33,54**	**22,10**	**14,19**	**7,68**	**6,45**	**5,22**	**4,60**	**5,66**	**5,61**	**6,23**
GRAND TOTAL (*a*)	**1,121,62**	**1,090,06**	**1,131,48 (1,135,57)**	**1,222,85**	**1,262,12**	**310,15**	**307,34**	**277,50**	**327,86**	**272,40**	**280,69**	**335,84**	**373,20**

Note : The scope and coverage of the statement are the same as those for Statement 70. Total figures shown in this statement may not agree with those in Statement 70 which takes account of recent revisions for which complete details are not available. Revisions in the total figures are carried out by the D. G. C. I. & S. as and when details become available in respect of short shipments for exports and Government imports under the note pass system for imports. Details of imports into 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 for total trade only in brackets.

(*a*) Includes ' Miscellaneous transactions and Commodities ' and excludes value of articles under reference for the period 1964-65.

Source : *Monthly Statistics of the Foreign Trade of India* issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 73—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 1964 to March 1965	April 1963 to June 1963	July 1963 to Sept. 1963	Oct. 1963 to Dec. 1963	Jan. 1964 to March 1964	April 1964 to June 1964	July 1964 to Sept. 1964	Oct. 1964 to Dec. 1964	Jan. 1965 to March 1965
	1	2	3	4	5	6	7	8	9	10	11	12	13
I. Food	**198,05**	**214,02**	**233,95**	**249,87**	**260,66**	**48,21**	**66,83**	**78,80**	**56,03**	**53,47**	**72,74**	**77,27**	**57,18**
1. Cashew Kernel	**18,91**	**18,17**	**19,36**	**21,41**	**29,06**	4,92	6,26	5,30	4,94	6,81	7,52	7,23	7,51
2. Coffee	**7,22**	**9,02**	**7,61**	**8,31**	**13,35**	2,59	2,01	2,43	1,28	5,42	4,34	2,67	92
3. Tea (Black)	**122,61**	**121,40**	**128,22**	**122,21**	**125,80**	13,30	38,84	49,12	20,96	11,36	44,24	47,18	23,02
4. Spices (*b*)	**16,62**	**17,51**	**13,79**	**16,02**	**16,79**	2,88	3,31	4,66	5,16	3,67	2,74	4,57	5,81
5. Oilcakes	**14,30**	**17,32**	**31,79**	**35,37**	**38,51**	7,72	7,11	8,58	11,96	8,76	7,85	9,11	12,79
6. Sugar	**3,28**	**15,33**	**17,93**	**27,10**	**19,20**	12,76	5,36	3,21	5,76	13,45	2,40	79	2,56
7. Others	**15,11**	**15,27**	**15,26**	**19,45**	**17,94**	4,03	3,94	5,51	5,96	3,99	3,67	5,72	4,56
II. Beverages and Tobacco	**15,77**	**14,99**	**18,88**	**22,52**	**25,91**	**8,60**	**8,99**	**2,38**	**2,55**	**10,46**	**7,91**	**3,07**	**4,46**
1. Tobacco Unmanufactured	**14,61**	**14,05**	**18,00**	**21,09**	**24,25**	8,26	8,62	2,03	2,18	10,02	7,57	2,63	4,03
2. Others	**1,16**	**94**	**88**	**1,43**	**1,66**	34	37	34	37	44	34	45	43
III. Crude Materials, Inedible except fuels	**112,06**	**118,33**	**111,08**	**131,98**	**139,46**	**32,20**	**28,44**	**32,87**	**38,47**	**34,73**	**30,40**	**36,74**	**37,60**
1. Hides & skins (raw)	**9,46**	**8,22**	**10,71**	**9,60**	**9,07**	2,63	2,16	2,64	2,17	2,16	2,17	2,09	2,65
2. Wool & other animal hair ..	**7,72**	**9,20**	**6,64**	**7,61**	**8,96**	88	1,56	2,44	2,72	2,73	2,15	2,36	1,73
3. Cotton (raw and waste)	**11,56**	**20,35**	**17,04**	**16,84**	**14,23**	4,99	3,92	3,12	4,80	4,15	3,17	2,96	3,95
4. Mica	**10,15**	**9,66**	**10,36**	**9,20**	**9,86**	2,27	2,17	2,09	2,67	1,75	2,51	2,86	2,74
5. Iron ore (including concentrates) ..	**17,03**	**17,41**	**19,83**	**36,40**	**38,76**	8,47	7,35	9,89	10,68	9,14	7,49	9,76	12,37
6. Manganese ore (including concentrates)	**14,06**	**10,44**	**7,88**	**8,26**	**13,42**	1,68	2,05	2,42	2,11	3,09	3,81	4,62	1,91
7. Lac	**6,32**	**4,61**	**4,80**	**4,62**	**4,17**	1,05	1,13	1,14	1,30	1,20	1,09	94	96
8. Others	**35,76**	**38,49**	**33,82**	**39,46**	**40,97**	10,24	8,09	9,13	12,01	10,52	8,01	11,16	11,29

IV. Mineral Fuels, Lubricants and Related Materials	**7,41**	**5,90**	**6,48**	**9,76**	**12,73**	**2,71**	**2,09**	**2,64**	**2,33**	**3,51**	**2.54**	**3,48**	**3.19**
V. Animal and Vegetable Oils and Fats ..	**9,80**	**6,49**	**13,65**	**20,60**	**7,42**	**5,89**	**3,49**	**3,49**	**7,74**	**2,98**	**1,85**	**1.73**	**86**
1. Vegetable oils	**8,54**	**5,82**	**13,10**	**19,93**	**7,11**	5,70	3,33	3,33	7,58	2,81	1,79	1,69	82
2. Others	**1,26**	**67**	**56**	**68**	**32**	19	16	16	16	17	6	4	5
VI. Chemicals	**7,19**	**7,83**	**7,84**	**6,90**	**9,86**	**1,77**	**1,58**	**1,94**	**1,62**	**2,10**	**2,61**	**2,64**	**2,52**
VII. Manufactured Goods	**263,34**	**269,78**	**266,69**	**319,48**	**348,83**	**73,53**	**76,85**	**87,33**	**81,78**	**88,90**	**83.41**	**87.46**	**89,06**
1. Leather and Leather manufactures	**24,97**	**24,45**	**22,63**	**26,38**	**27,43**	6,71	5,76	7,11	6,80	7,34	6,71	6,60	6,77
2. Cotton textiles	**57,55**	**48,26**	**46,21**	**54,34**	**58,58**	12,02	12,50	14,63	15,19	16,42	12.90	13,89	15,38
3. Jute textiles—													
(a) Cloth	**74,37**	**79,57**	**100,73**	**105,61**	**109,70**	27,87	26,33	26,30	25,11	26,81	27,25	30,50	25,13
(b) Bags and sacks	**57,35**	**60,92**	**51,39**	**47,94**	**69,77**	12,85	12,70	11,84	10,55	16,99	15,88	16,37	20,53
4. Woollen carpets and rugs	**4,79**	**4,28**	**4,33**	**5,26**	**5,43**	1,33	1,33	1,33	1,27	1,41	1,41	1,29	1,31
5. Art silk manufactures	**3,94**	**7,42**	**8,33**	**10,43**	**6,54**	2,05	2,07	3,63	2,68	2,02	1,90	1,58	1,04
6. Cement	**64**	**90**	**28**	**67**	**30**	—	10	42	16	17	4	4	5
7 Iron and steel	**9,76**	**9,68**	**2,28**	**3,61**	**11,19**	24	51	73	2,13	2,70	2,46	2,66	3,36
8. Others	**29,97**	**33,30**	**30,51**	**65,24**	**59,92**	10,45	15,57	21,34	17,89	15,04	14,86	14,53	15,48
VIII. Machinery and Transport Equipment (*c*)	**7,19**	**4,74**	**6,47**	**7,06**	**9,30**	**1,55**	**1,42**	**1,67**	**2,42**	**2,01**	**2.30**	**2.26**	**2.73**
Total Exports (*d*)	**642,32**	**660,34**	**685,48 (701,78)**	**793,24**	**838,70**	**180,16**	**195,59**	**219,07**	**198,43**	**204,03**	**209,65**	**220,83**	**204,19**

Note. The scope and coverage of the Statement are the same as those for Statement (70). Total figures shown in this statement may not agree with those in Statement (70), which takes account of recent revisions for which complete details are not available. Revisions in the total figures are carried out by the D. G. C. I. & S. as and when details become available in respect of short shipments for exports and Government imports under the note pass system for imports. 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, Rs. 5.89 lakhs in 1963-64 and Rs. 6,72 lakhs in 1964-65. (*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, Rs. 2,29 lakhs during 1963-64 and Rs. 3,90 lakhs in 1964-65. (*d*) Include miscellaneous commodities but exclude value of articles under reference (1964-65).

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 TEA (BLACK) TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	1960-61	1961-62	1962-63	1963-64	1964-65
Africa					
U. A. R.	7,17	8,59	8,89	9,64	6,99
Sudan	2,66	3,15	2,20	1,81	1,57
America, North					
Canada	4,42	3,71	3,50	3,19	3,48
U. S. A.	5,27	6,34	6,33	5,76	5,32
America, South					
Chile	34	35	18	5	5
Asia					
Afghanistan	87	79	1,06	1,28	1,27
Bahrein	27	22	15	16	20
Iran	3,23	2,62	3,78	2,10	1,81
Iraq	1,14	1,30	1,26	1,44	65
Kuwait	46	54	45	47	26
Saudi Arabia	12	9	5	8	6
Trucial Oman	53	61	38	45	80
Europe					
Germany, West	1,31	1,14	1,32	1,26	1,68
Irish Republic	4,07	3,47	4,59	4,32	3,13
Netherlands	80	95	1,84	1,79	1,86
Turkey	1,53	2,19	1,22	43	—
U. K.	77,53	73,36	75,64	70,38	74,66
Oceania					
Australia	1,05	1,23	2,45	1,92	2,77
New Zealand	36	28	32	20	27
Communist Bloc					
Czechoslovakia	—	5	10	67	29
Poland	—	11	45	69	44
U. S. S. R.	7,95	8,70	10,62	10,72	15,42
Other Countries	1,53	1,61	1,44	3,41	2,82
Total	**1,22,61**	**1,21,40**	**1,28,22**	**1,22,22**	**1,25,80**

Source: *Monthly Statistics of the Foreign Trade of India* issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 75—EXPORTS OF LEATHER (*a*) AND LEATHER MANUFACTURES TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	1960-61	1961-62	1962-63	1963-64	1964-65
Africa—					
Uganda	1	2	2	1	—
America, North—					
U. S. A.	1,47	1,75	1,79	2,32	2,56
Asia—					
Afghanistan	9	4	8	4	3
Japan	1,09	1,32	1,35	1,64	1,62
Pakistan	5	7	1	3	3
Europe—					
France	1,28	1,57	1,40	1,52	1,87
Germany, West	3,47	3,92	1,96	1,99	2,84
Italy	57	82	1,17	1,93	1,96
U. K.	14,60	13,63	11,97	12,95	12,12
Other countries	2,34	2,32	3,00	3,95	4,40
Total (*b*)	**24,97**	**25,46**	**22,75**	**26,38**	**27,43**

(*a*) Comprises hides and skins, tanned or dressed.

(*b*) Total figures in this Statement may not tally with those for this item shown in Statement 73—'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 76—EXPORTS OF TOBACCO (UNMANUFACTURED) TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	1960-61	1961-62	1962-63	1963-64	1964-65
Asia—					
Aden	49	51	35	50	71
Malaya (including Singapore) ..	35	58	36	50	34
Japan	—	12	11	54	1,18
Europe—					
U. K.	10,87	9,85	9,62	9,75	10,02
Belgium	31	33	34	46	37
Netherlands	24	26	29	35	23
Communist Bloc—					
U. S. S. R.	68	1,10	3,32	4,86	8,62
Germany, East	—	1	1,18	72	58
Yugoslavia	—	2	99	1,34	47
Poland	—	27	34	1,03	5
Other Countries	1,67	99	1,09	1,04	1,69
Total (*a*)	**14,61**	**14,04**	**17,99**	**21,09**	**24,25**

(*a*) Total figures in this Statement may not tally with those for this item shown in statement 73—'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 77—EXPORTS OF JUTE GOODS (BAGS AND CLOTH) TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	1960-61	1961-62	1962-63	1963-64	1964-65
(Gunny Bags)					
Africa					
U. A. R.	4,32	1,97	2,05	1,48	7,49
Kenya	66	78	54	37	65
Mozambique	58	72	24	14	48
Nigeria	1,73	3,65	3,25	50	1,56
Sudan	1,40	3,47	2,50	2,44	2,18
Tanganyika	34	42	66	39	31
America, North					
U. S. A.	4,82	7,33	4,84	4,85	6,38
America, South					
Chile	1,05	1,40	1,05	1,06	1,07
Cuba	7,13	4,73	3,21	3,91	1,70
Peru	1,40	81	1,14	66	95
Asia					
Burma	77	1,22	99	20	3,96
Hongkong	60	13	3	3	4
Indonesia	1,24	3,37	3,23	1,69	11
Iraq	7	43	30	8	26
Philippines	64	22	17	26	29
Thailand	2,34	1,60	1,05	21	1,59
Europe					
Belgium	1,17	96	57	41	46
Germany, West	71	72	64	1,25	44
Netherlands	38	30	99	85	25
Turkey	38	12	1,14	60	22
U. K.	2,00	2,07	1,15	1,23	1,69
Oceania					
Australia	9,11	5,30	5,08	3,86	6,27
New Zealand	1,81	2,22	1,33	1,50	1,47
Communist Bloc					
U. S. S. R.	2,09	4,00	3,65	7,87	17,68
Other Countries	10,56	12,96	11,55	11,52	11,95
Total (*a*)	**57,30**	**60,90**	**51,35**	**47,37**	**69,44**
(Gunny Cloth)					
Africa					
U. A. R.	62	97	71	40	59
America, North					
Canada	7,42	7,65	8,94	9,53	8,62
U. S. A.	39,74	43,94	55,56	60,36	65,74
America, South					
Argentina	4,34	4,77	8,38	9,86	7,57
Cuba	15	43	31	10	--
Uruguay	34	44	75	59	1,08
Asia					
Philippines	2	4	4	1	1
Europe					
Denmark	12	24	90	57	29
Germany, West	1,74	1,59	86	58	28
Turkey	95	1,10	2,56	1,31	93
U. K.	6,22	4,86	5,80	5,29	5,42
Oceania					
Australia	3,18	3,11	3,68	3,82	4,08
New Zealand	84	69	72	84	91
Communist Bloc					
U. S. S. R.	1,58	1,66	1,89	3,88	4,63
Other countries	6,81	7,86	9,44	8,30	9,32
Total (*a*)	**74,07**	**79,35**	**1,00,54**	**1,05,45**	**1,09,47**

(*a*) Total figures in this statement may not tally with figures for the item 'Jute Textiles' shown in Statement 73 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 78—EXPORTS OF SUGAR (*a*) TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	1960-61	1961-62	1962-63	1963-64	1964-65
America, North					
Canada	—	54	4,76	3,03	34
U. S. A.	—	10,97	4,06	10,34	6,38
Asia					
Aden	36	1	30	—	—
Ceylon	67	8	53	21	17
Hong Kong	—	—	58	—	66
Japan	15	28	1,33	4,65	4,74
Malaya (including Singapore) ..	1,75	2,84	3,17	5,69	1,50
Pakistan	—	—	1,14	—	—
Syria	—	—	—	92	—
Vietnam, South	—	—	34	92	1,66
Europe					
Netherlands	—	—	31	36	—
U. K.	3	—	91	64	1,77
Other countries	38	62	60	34	1,98
Total (*b*)	**3,34**	**15,34**	**18,03**	**27,10**	**19,20**

(*a*) Comprises refined and unrefined 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 73 : '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 Foreign Trade of India issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 79—EXPORTS OF OILCAKES TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	1960-61	1961-62	1962-63	1963-64	1964-65
Asia					
Japan	—	14	41	2,67	1,22
Europe					
Belgium	16	12	25	24	16
Denmark	21	9	25	52	18
France	—	1	81	42	42
Germany, West	76	58	1,48	91	66
Netherlands	3	7	25	34	5
U. K.	10,77	12,27	15,84	13,37	13,06
Communist Bloc					
Bulgaria	—	12	1	45	62
Czechoslovakia	9	9	1,31	2,81	4,01
Germany, East	63	1,13	1,94	2,85	4,40
Hungary	1	1,46	3,74	3,95	4,01
Poland	1,32	84	3,59	3,88	5,97
Yugoslavia	29	28	1,36	1,74	2,12
Other countries	3	12	55	1,22	1,63
Total (*a*)	**14,30**	**17,32**	**31,79**	**35,37**	**38,51**

(*a*) Total figures in this statement may not tally with those for this item shown in statement 73 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 80—EXPORTS OF COTTON PIECEGOODS TO PRINCIPAL COUNTRIES

(Lakhs of Rupees)

Country	1960-61	1961-62	1962-63	1963-64	1964-65
Africa					
Kenya	2,40	2,44	2,07	1,58	1,46
Nigeria	1,64	1,05	72	73	1,02
Sudan	4,25	2,72	2,95	1,65	1,23
Tanganyika	1,37	1,67	1,19	1,21	1,30
America, North					
Canada	1,45	1,66	1,68	1,58	1,17
U. S. A.	1.73	1,35	6,04	3,46	8,10
Asia					
Aden	2,25	2,24	1,47	1,37	1,66
Afghanistan	2,16	1,15	1,73	1,39	1,56
Burma	1,47	72	91	81	10
Ceylon	3,04	3,11	1,67	3,88	2,12
Malaya (including Singapore)	3,85	3,35	2,64	3,41	2,67
Europe					
Belgium	15	21	14	27	9
Germany, West	49	28	30	42	36
Netherlands	55	21	7	2	6
U. K.	15,27	11,42	11,03	15,40	15,46
Oceania					
Australia	4,45	2,61	3,19	2,85	2,67
Other Countries	10,84	12,04	8,41	9,20	12,33
Total (*a*)	**57,36**	**48,23**	**46,21**	**49,23**	**53,35**

(*a*) Total figures in this Statement will not tally with the figures for the item 'Cotton Textiles' shown in Statement 73 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 81—CURRENT RATES OF EXPORT DUTIES

Item	Unit	Rate of Duty	Effective from
1. Cotton Waste (other than soft)	—	50 % *ad valorem*	March 16, 1952
2. Rice Products	Quintal	38 naye paise	July 12, 1957
3. Mercury	Flask of 34·02 Kgs.	Rs. 300	October 8, 1952
4. Cotton Raw@ (Other than Bengal Deshi)	Bale of 181·44 Kgs.	Rs. 125	October 1, 1960

@ Certain varieties like cotton linters, yellow pickings and zoda cotton, Assam/Comilla cotton, pickings and sweepings of cotton of no practical use are exempted from export duty.

Sources : 1. Fifty-fourth issue of Indian Customs Tariff.
2. Journal of Industry and Trade, October 1964.

STATEMEMT 82—INDEX NUMBERS OF EXPORTS

(1958 = 100)

Commodity head	UNIT VALUE					VOLUME				
	1960-61	1961-62	1962-63	1963-64	1964-65	1960-61	1961-62	1962-63	1963-64	1964-65
I. Food	**106**	**102**	**101**	**106**	**111**	**97**	**109**	**121**	**122**	**122**
1. Fish and fish preparations	101	91	121	123	125	79	74	58	80	94
2. Fruits and vegetables	108	109	101	107	130	114	111	126	131	134
3. Coffee	77	67	83	77	95	131	187	128	150	196
4. Tea and mate	104	100	99	90	99	87	90	96	91	94
5. Spices	149	125	111	120	140	126	159	141	149	136
6. Oilseed cake	108	113	121	123	134	178	206	353	386	386
II. Beverages and Tobacco	**114**	**112**	**97**	**109**	**100**	**85**	**82**	**119**	**122**	**159**
III. Crude Materials, Inedible except Fuels	**103**	**104**	**103**	**89**	**87**	**106**	**111**	**105**	**142**	**155**
7. Hides and skins, undressed	143	127	126	128	127	95	95	119	107	98
8. Wool and other animal hair	105	104	106	113	115	79	95	67	70	82
9. Raw Cotton, other than linters	109	111	99	98	102		85	81	81	68
10. Cotton, Waste		116	109	99	95	50	86	74	79	64
11. Crude minerals excluding coal, petroleum, etc.	100	99	98	98	104	108	105	108	96	101
12. Metalliferous ores and metal scrap	92	96	89	71	69	140	125	118	237	286
13. Animal and vegetable crude materials	103	104	115	113	120	116	113	95	104	107
IV. Mineral Fuels and Lubricants, etc.	**93**	**92**	**84**	**83**	**98**	**82**	**66**	**85**	**96**	**134**
14. Coal and coke	96	90	87	90	116	62	48	58	45	70
V. Animal and Vegetable Oils and Fats	**96**	**92**	**91**	**91**	**119**	**124**	**86**	**183**	**272**	**76**
VI. Chemicals	**172**	**204**	**175**	**157**	**130**	**94**	**87**	**102**	**94**	**171**
VII. Manufactured Goods Classified Chiefly by Material	**118**	**118**	**114**	**113**	**116**	**102**	**105**	**109**	**121**	**137**
15. Leather and manufactures thereof	121	113	110	114	112	112	123	112	126	133
16. Textile yarn and thread	114	132	132	125	128	82	88	96	111	93
17. Cotton fabrics of standard type	115	114	109	112	123	108	91	92	95	103
18. Fabrics of jute	130	136	139	138	131	97	99	123	130	142
19. Fabrics of synthetic fibre and spun glass	32	27	33	36	34	187	269	334	383	254
20. Bags and sacks for packing	131	143	120	112	119	104	101	101	101	139
21. Floor coverings	107	121	125	122	124	97	79	77	93	93
VIII. Machinery and Transport Equipment	**91**	**88**	**74**	**90**	**76**	**239**	**263**	**351**	**358**	**676**
IX. Miscellaneous Manufactured Articles	**109**	**104**	**101**	**124**	**126**	**126**	**115**	**130**	**168**	**172**
GENERAL	**110**	**109**	**106**	**105**	**107**	**100**	**105**	**112**	**126**	**135**
TERMS OF TRADE	**115**	**111**	**113**	**108**	**108**	**128**	**115**	**117**	**107**	**108**

Source : Department of Commercial Intelligence and Statistics.

STATEMENT 83—INDEX NUMBERS OF IMPORTS

(1958=100)

Commodity head	UNIT VALUE					VOLUME				
	1960-61	1961-62	1962-63	1963-64	1964-65	1960-61	1961-62	1962-63	1963-64	1964-65
I. Food	**95**	**90**	**88**	**88**	**100**	**104**	**79**	**97**	**104**	**139**
1. Dairy products, eggs and honey	80	58	62	47	57	106	225	201	251	261
2. Cereals and cereal preparations	91	91	87	88	99	107	71	90	99	141
3. Fruits and vegetables	127	114	117	128	135	92	73	89	83	110
II. Beverages and Tobacco	**98**	**104**	**114**	**127**	**118**	**41**	**77**	**74**	**43**	**33**
III. Crude Materials, etc.	**90**	**94**	**93**	**96**	**110**	**123**	**172**	**170**	**159**	**142**
4. Copra	110	99	103	97	99	101	91	93	87	62
5. Wool and other animal hair	93	91	92	93	117	101	121	119	153	74
6. Raw cotton other than linters	82	89	88	96	110	326	230	211	167	173
7. Crude fertilisers	91	92	96	91	95	154	173	187	219	248
IV. Mineral Fuels, etc.	**96**	**99**	**86**	**81**	**78**	**95**	**128**	**135**	**170**	**116**
8. Petroleum crude, etc.	89	80	83	77	77	63	146	100	166	98
9. Petroleum products	100	124	88	85	79	124	108	165	173	132
V. Animal and Vegetable Oils and Fat	**98**	**95**	**86**	**89**	**97**	**107**	**204**	**149**	**124**	**132**
VI. Chemicals	**91**	**82**	**63**	**55**	**57**	**145**	**166**	**244**	**246**	**244**
10. Chemical elements and compounds	95	86	80	74	77	144	144	166	152	159
11. Dyeing, tanning and colouring materials	103	100	109	86	77	143	165	127	107	137
12. Fertilisers manufactured	72	58	43	40	40	180	250	772	837	773
VII. Manufactured Goods, etc.	**101**	**100**	**98**	**98**	**98**	**122**	**114**	**109**	**107**	**121**
13. Paper, paperboard, etc.	95	92	95	88	88	150	206	170	163	180
14. Textile yarn and thread	93	83	72	65	62	111	115	130	118	148
15. Iron and steel	96	98	94	94	90	128	106	94	98	122
16. Copper	133	124	128	137	157	122	139	146	144	115
17. Aluminium	99	98	89	78	97	129	135	197	136	124
18. Zinc	126	108	101	115	158	119	112	146	140	117
19. Manufactures of metals	118	120	144	138	126	90	73	67	59	68
VIII. Machinery, etc.	**98**	**105**	**111**	**128**	**118**	**134**	**134**	**135**	**133**	**161**
20. Machinery other than electric	99	105	107	127	116	145	158	165	156	195
21. Electric machinery, etc.	93	152	141	191	207	123	85	90	89	87
22. Transport equipment	98	90	116	108	106	119	101	91	95	107
IX. Miscellaneous Manufactured Articles	**96**	**104**	**101**	**101**	**113**	**102**	**114**	**146**	**206**	**115**
GENERAL	**96**	**98**	**94**	**97**	**99**	**128**	**121**	**131**	**135**	**146**

Source : Department of Commercial Intelligence and Statistics.

STATEMENT 84—STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA*

	Year/Month	Purchases[1]		Sales[2]		Net Purchases(+)/Sales(−)	
		(£000's)	(Rs. lakhs)	(£000's)	(Rs. lakhs)	(£000's)	(Rs. lakhs)
1.	1950-51	218,049	290,73	88,822	118,53	+ **129,227**	+ **172,20**
2.	1955-56	107,245	143,01	68,404	91,29	+ **38,841**	+ **51,72**
3.	1960-61	31,310	41,73	62,112	82,88	— **30,802**	— **41,15**
4.	1961-62	38,509	51,33	78,874	105,27	— **40,365**	— **53,94**
5.	1962-63	57,545	77,79	73,746	98,41	— **16,201**	— **20,62**
6.	1963-64	71,363	95,13	22,034	29,41	+ **49,329**	+ **65,72**
7.	1964-65	41,180	54,91	68,627	91,57	— **27,447**	— **36,66**
8.	March 1964	8,567	11,42	1,722	2,30	+ **6,845**	+ **9,12**
9.	April „	485	65	5,545	7,40	— **5,060**	— **6,75**
10.	May „	1,000	1,33	3,255	4,34	— **2,255**	— **3,01**
11.	June „	260	35	12,640	16,86	— **12,380**	— **16,51**
12.	July „	755	1,01	10,043	13,41	— **9,288**	— **12,40**
13.	August „	790	1,05	3,410	4,55	— **2,620**	— **3,50**
14.	September „	4,425	5,90	3,055	4,08	+ **1,370**	+ **1,82**
15.	October „	3,555	4,74	7,688	10,26	— **4,133**	— **5,52**
16.	November „	4,620	6,16	1,799	2,40	+ **2,821**	+ **3,76**
17.	December „	7,900	10,54	4,117	5,49	+ **3,783**	+ **5,05**
18.	January 1965	4,705	6,27	10,465	13,96	— **5,760**	— **7,69**
19.	February „	5,610	7,48	2,990	3,99	+ **2,620**	+ **3,49**
20.	March „	7,075	9,43	3,620	4,83	+ **3,455**	+ **4,60**

1. Cover spot purchases and purchases against forward contracts.
2. Cover spot sales and deliveries against forward sale contracts.

* Excluding Government transactions.

STATEMENT 85—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 March 1965	Total available for utilisation after March 1961 (7+8)	Estimated utilisation during April 1961 to March 1965	Aid undisbursed as at the end of March 1965 (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**	**314·5**	**377·7**	**212·7**	**165·0**
(i) I.B.R.D.	**57·2**	**33·8**	**23·4**	**262·6**	**286·0**	**222·8**	**63·2**	**83·6**	**146·8**	**102·0**	**44·8**
(ii) I.D.A.	—	—	—	—	—	—	—	**230·9**	**230·9**	**110·7**	**120·2**
(2) From Foreign Countries											
(i) U.S.A.	**90·3**	**90·3**	—	**108·5**	**108·5**	**36·8**	**71·7**	**644·8**	**716·5**	**470·3**	**246·2**
(1) Wheat loan of 1951	90·3	90·3	—	—	—	—	—	—	—	—	—
(2) Eximbank Loans for import of machinery and capital goods ..	—	—	—	102·6*	102·6	30·9	71·7	87·7	159·4	106·1	53·3
(3) U.S. banks' loans to Air India ..	—	—	—	5·9	5·9	5·9	—	9·8	9·8	9·8	—
(4) A.I.D. loans	—	—	—	—	—	—	—	546·1	546·1	353·2	192·9
(5) Boeing Company's loans to Air India	—	—	—	—	—	—	—	1·2	1·2	1·2	—
(ii) Canada	—	—	—	**15·7**	**15·7**	**15·7**	—	**31·0**	**31·0**	**6·7**	**24·3**
(1) Wheat loans	—	—	—	15·7	15·7	15·7	—	—	—	—	—
(2) Candu Atomic Power Project ..	—	—	—	—	—	—	—	16·3	16·3	0·3	16·0
(3) Rana Pratap Sagar Hydro-electric Project	—	—	—	—	—	—	—	3·5	3·5	1·5	2·0
(4) Indian Aluminium Company Extension-I	—	—	—	—	—	—	—	0·4	0·4	0·4	—
(5) Diesel Locos for Indian Railways	—	—	—	—	—	—	—	3·4	3·4	3·4	—
(6) Binani Zinc Smelter	—	—	—	—	—	—	—	0·7	0·7	0·1	0·6
(7) Indian Aluminium Co. Extension-II	—	—	—	—	—	—	—	0·4	0·4	—	0.4
(8) Wind Tunnel Project	—	—	—	—	—	—	—	1·9	1·9	0·9	1·0
(9) Amco Furnace for Durgapur Steel Project	—	—	—	—	—	—	—	0·9	0·9	0·1	0·8
(10) Kotah Hydro-electric Project ..	—	—	—	—	—	—	—	3·5	3·5	—	3·5

(iii) U.K.	—	—	—	**122·6**	**122·6**	**121·8**	**0·8**	**206·6**	**207·4**	**127·3**	**80·1**
(1) Lazard Bros.' Credit (Durgapur)	—	—	—	15·3	15·3	15·3	—	—	—	—	—
(2) Credit of June 1958 (Durgapur)	—	—	—	20·0	20·0	20·0	—	—	—	—	—
(3) Credit of December 1958 ..	—	—	—	32·0	38·0	38·0	—	—	—	—	—
(4) Credit of June 1959 (Oil pipeline)	—	—	—	4·0	4·0	3·2	0·8	—	0·8	0·8	—
(5) General credit of November 1959	—	—	—	25·3	25·3	25·3	—	—	—	—	—
(6) General credit of August 1960 ..	—	—	—	13·3	13·3	13·3	—	—	—	—	—
(7) General credit of December 1960	—	—	—	6·7	6·7	6·7	—	—	—	—	—
(8) General credit of May 1961 ..	—	—	—	—	—	—	—	13·3	13·3	13·3	—
(9) Credit of May 1961 (Third Plan)	—	—	—	—	—	—	—	40·0	40·0	34·9	5·1
(10) General credit of November 1961	—	—	—	—	—	—	—	6·7	6·7	6·7	—
(11) General credit of May 1962 ..	—	—	—	—	—	—	—	13·3	13·3	6·7	6·6
(12) Credit of May 1962 (Durgapur Extension)	—	—	—	—	—	—	—	29·3	29·3	12·0	17·3
(13) General credit of September 1962	—	—	—	—	—	—	—	6·7	6·7	6·7	—
(14) Credit of September 1962 (Third Plan)	—	—	—	—	—	—	—	17·3	17·3	2·2	15·1
(15) Credit of April 1963 (Steel) ..	—	—	—	—	—	—	—	4·7	4·7	3·9	0·8
(16) General credit of August 1963 ..	—	—	—	—	—	—	—	13·3	13·3	13·3	—
(17) General credit of October 1963 (Kipping-I)	—	—	—	—	—	—	—	5·3	5·3	0·1	5·2
(18) General credit of March 1964 ..	—	—	—	—	—	—	—	6·7	6·7	6·7	—
(19) Credit of March 1964 (Bhopal)	—	—	—	—	—	—	—	3·3	3·3	0·4	2·9
(20) Credit of March 1964 (Third Plan)	—	—	—	—	—	—	—	6·7	6·7	0·4	6·3
(21) General credit of July 1964 ..	—	—	—	—	—	—	—	13·3	13·3	13·3	—
(22) Second credit of September 1964 (Third Plan)	—	—	—	—	—	—	—	2·0	2·0	—	2·0
(23) Third credit of September 1964 (Third Plan)	—	—	—	—	—	—	—	2·0	2·0	—	2·0
(24) Fourth credit of September 1964 (Third Plan)	—	—	—	—	—	—	—	1·3	1·3	—	1·3
(25) Fifth credit of September 1964 (Third Plan)	—	—	—	—	—	—	—	1·7	1·7	—	1·7
(26) Sixth credit of September 1964 (Third Plan)	—	—	—	—	—	—	—	4·3	4·3	—	4·3

STATEMENT 85—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 March 1965	Total available for utilisation after March 1961 (7+8)	Estimated utilisation during April 1961 to March 1965	Aid undisbursed as at the end of March 1965 (9—10)
	1	2	3	4	5	6	7	8	9	10	11
(27) Credit of September 1964 (Bhopal Loan-II)	—	—	—	—	—	—	—	2·7	2·7	—	2·7
(28) General credit of September 1964 (Kipping Loan-II)	—	—	—	—	—	—	—	5·3	5·3	—	5·3
(29) General credit of January 1965 ..	—	—	—	—	—	—	—	6·7	6·7	5·9	0·8
(30) Credit of January 1965 (Third Plan)	—	—	—	—	—	—	—	0·7	0·7	—	0·7
(iv) West Germany	—	—	—	**134·2**	**134·2**	**120·0**	**14·2**	**266·5**	**280·7**	**174·0**	**106·7**
(1) Credit of February 1958 (Rourkela)	—	—	—	75·5@	75·5	61·3	14·2@	—	14·2	13·3	0·9
(2) DM 168 million credit (January 1959)	—	—	—	19·1	19·1	19·1	—	—	—	—	—
(3) DM 125·1 million credit (May 1960)	—	—	—	14·2	14·2	14·2	—	—	—	—	—
(4) DM 125·1 million credit (November 1960)	—	—	—	14·2	14·2	14·2	—	—	—	—	—
(5) DM 98·4 million credit of January 1961 (Refinancing)	—	—	—	11·2	11·2	11·2	—	—	—	—	—
(6) DM 230 million credit of April 1961 (Refinancing)	—	—	—	—	—	—	—	27·4	27·4	27·4	—
(7) DM 100 million credit (April 1961)	—	—	—	—	—	—	—	11·9	11·9	11·9	—
(8) DM 170 million credit (September 1961)	—	—	—	—	—	—	—	20·2	20·2	20·2	—
(9) Credit of January 1962 (HSL Personnel)	—	—	—	—	—	—	—	0·5	0·5	0·5	—
(10) DM 85 million credit of May 1962 (Refinancing)	—	—	—	—	—	—	—	10·1	10·1	10·1	—
(11) DM 100 million credit (June 1962)	—	—	—	—	—	—	—	11·9	11·9	11·9	—
(12) DM 370 million credit of (December 1962)	—	—	—	—	—	—	—	44·1	44·1	35·3	8·8
(13) DM 61·4 million credit of April 1963 (Refinancing)	—	—	—	—	—	—	—	7·3	7·3	7·3	—
(14) DM 400 million credit of April 1963 (Rourkela Expansion) ..	—	—	—	—	—	—	—	47·6	47·6	19·9	27·7

(15) DM 336·6 million credit (November 1963)	—	—	—	—	—	—	—	40·2	40·2	5·5	34·7
(16) DM 380 million credit (September 1964)	—	—	—	—	—	—	—	45·3	45·3	10·7	34·6
(v) Japan	—	—	—	**35·4**	**35·4**	**16·0**	**19·4**	**109·6**	**129·0**	**66·1**	**62·9**
(1) 18 billion yen credit (February 1958)	—	—	—	23·0	23·0	16·0	7·0	—	7·0	7·0	—
(2) Loan for Orissa Iron Ore Project	—	—	—	3·8	3·8	—	3·8	—	3·8	2·0	1·8
(3) 34·2 billion yen credit as amended in May 1963	—	—	—	—	—	—	—	45·2	45·2	37·5	7·7
(4) *Ad hoc* credit of 1959	—	—	—	8·6	8·6	—	8·6	—	8·6	8·6	—
(5) Suppliers' credit for textile machinery (1962)	—	—	—	—	—	—	—	4·8	4·8	4·8	—
(6) 23·4 billion yen credit (October 1963)	—	—	—	—	—	—	—	31·0	31·0	5·3	25·7
(7) 21·6 billion yen credit (September 1964)	—	—	—	—	—	—	—	28·6	28·6	0·9	27·7
(vi) U.S.S.R.	**64·7**	—	**64·7**	**319·0**	**383·7**	**74·8**	**308·9**	**100·5**	**409·4**	**169·2**	**240·2**
(1) Credit for Bhilai Steel Plant	64·7	—	64·7	—	64·7	64·5	0·2	—	0·2	0·2	—
(2) Credit for industrial enterprises	—	—	—	59·5	59·5	8·1	51·4	—	51·4	33·9	17·5
(3) Credit for manufacture of drugs	—	—	—	9·5	9·5	—	9·5	—	9·5	9·1	0·4
(4) Credit for Barauni oil refinery	—	—	—	11·9	11·9	0·4	11·5	—	11·5	10·3	1·2
(5) Credit for Third Plan—I†	—	—	—	178·6	178·6	1·8	176·8	—	176·8	102·7	74·1
(6) Credit for Third Plan—II†	—	—	—	59·5	59·5	—	59·5	—	59·5	13·0	46·5
(7) Credit for Bokaro Steel Plant	—	—	—	—	—	—	—	100·5	100·5	—	100·5
(vii) Switzerland	—	—	—	**12·0**	**12·0**	—	**12·0**	**3·3**	**15·3**	**2·0**	**13·3**
(viii) France	—	—	—	—	—	—	—	**47·6**	**47·6**	**13·0**	**34·6**
(1) Credit for Third Plan—I	—	—	—	—	—	—	—	14·3	14·3		
(2) Credit for Third Plan—II	—	—	—	—	—	—	—	9·5	9·5		
(3) Credit for Third Plan—III	—	—	—	—	—	—	—	9·5	9·5	13·0	29·8
(4) Credit for Third Plan—IV	—	—	—	—	—	—	—	9·5	9·5		
(5) Credit to I.F.C.	—	—	—	—	—	—	—	4·8	4·8	—	4·8
(ix) Italy	—	—	—	—	—	—	—	**64·1**	**64·1**	9·0	**55·1**
(1) E.N.I. credit of $ 45 million (August 1961)	—	—	—	—	—	—	—	21·4	21·4	5·6	15·8
(2) Montecatini credit for Aluminium Plant	—	—	—	—	—	—	—	4·2	4·2	3·4	0·8
(3) Suppliers' credit of $ 45 million (1963-64)	—	—	—	—	—	—	—	21·4	21·4	—	21·4
(4) Suppliers' credit of $ 36 million (1964-65)	—	—	—	—	—	—	—	17·1	17·1	—	17·1

STATEMENT 85—EXTERNAL ASSISTANCE : AUTHORISED AND UTILISED (*concld.*)

(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 March 1965	Total available for utilisation after March 1961 (7+8)	Estimated utilisation during April 1961 to March 1965	Aid undisbursed as at the end of March 1965 (9—10)
	1	2	3	4	5	6	7	8	9	10	11
(x) Poland	—	—	—	**14·3**	**14·3**	—	**14·3**	**26·0**	**40·3**	**9·8**	**30·5**
(1) Credit of May 1960	—	—	—	14·3	14·3	—	14·3	—	14·3	9·8	4·5
(2) Credit of November 1962	—	—	—	—	—	—	—	15·5	15·5	—	15·5
(3) Credit of January 1965	—	—		—	—		—	10·5	10·5	—	10·5
(xi) Yugoslavia †	—	—	—	**19·1**	**19·1**	—	**19·1**	—	**19·1**	**4·3**	**14·8**
(xii) Czechoslovakia†	—	—	—	**23·1**	**23·1**	—	**23·1**	**40·0**	**63·1**	**6·0**	**57·1**
(1) First credit for Third Plan of November 1959	—	—	—	23·1	23·1	—	23·1	—	23·1	6·0	17·1
(2) Second credit for Third Plan of May 1964	—	—	—	—	—	—	—	40·0	40·0	—	40·0
(xiii) Austria	—	—	—	—	—	—	—	**6·1**	**6·1**	**2·5**	**3·6**
(1) Credit for capital goods—I	—	—	—	—	—	—	—	2·4	2·4	1·9	0·5
(2) Credit for capital goods—II	—	—	—	—	—	—	—	1·8	1·8	0·6	1·2
(3) Credit for capital goods—III	—	—	—	—	—	—	—	1·9	1·9	—	1·9
(xiv) Belgium	—	—	—	—	—	—	—	**9·6**	**9·6**	**1·2**	**8·4**
(1) Suppliers' credit—I	—	—	—	—	—	—	—	4·8	4·8	1·2	3·6
(2) Suppliers' credit—II	—	—	—	—	—	—	—	4·8	4·8	—	4·8
(xv) Netherlands	—	—	—	—	—	—	—	**15·8**	**15·8**	**2·8**	**13·0**
(1) General purpose loan	—	—	—	—	—	—	—	10·3	10·3	2·8	7·5
(2) Financial (Export) credit	—	—	—	—	—	—	—	5·5	5·5	—	5·5
(xvi) Sweden	—	—	—	—	—	—	—	**2·2**	**2·2**	—	**2·2**
(xvii) Denmark											
Second Danish credit	—	—	—	—	—	—	—	**1·4**	**1·4**	—	**1·4**
Total A	**212·2**	**124·1**	**88·1**	**1066·5**	**1154·6**	**607·9**	**546·7**	**1889·6**	**2436·3**	**1276·9**	**1159·4**
B. Repayable in rupees											
(i) Denmark											
First Danish credit	—	—	—	—	—	—	—	**1·0**	**1·0**	**0·4**	**0·6**

(ii) U.S.A.	**14·6**	**2·3**	**12·3**	**232·9**	**245·2**	**116·8**	**128·4**	**46·2**	**174·6**	**143·5**	**31·1**
(1) Loans from D.L.F.	—	—	—	196·5	196·5	76·9	119·6	46·2	165·8	135·8	30·0
(2) Asian Economic Development Fund credit for Orissa Iron Ore Project	—	—	—	8·8	8·8	—	8·8	—	8·8	7·7	1·1
(3) Loans under T. C. A. (excluding P.L. 665)	14·6	2·3	12·3	27·6	39·9	39·9	—	—	—	—	—
Total B	**14·6**	**2·3**	**12·3**	**232·9**	**245·2**	**116·8**	**128·4**	**47·2**	**175·6**	**143·9**	**31·7**
Total—I (A — B)††	**226·8**	**126·4**	**100·4**	**1299·4**	**1399·8**	**724·7**	**675·1**	**1936·8**	**2611·9**	**1420·8**	**1191·1**
II. Grants											
(i) U.S.A.@@	**91·8**	**44·3**	**47·5**	**54·6**	**102·1**	**85·6**	**16·5**	**14·5**	**31·0**	**24·2**	**6·8**
(1) T.C.A. (Excluding P.L. 665)	86·2	42·0	44·2	44·1	88·3	76·2	12·1	12·7	24·8	20·9	3·9
(2) Ford Foundation	5·6	2·3	3·3	10·5	13·8	9·4	4·4	1·8	6·2	3·3§	2·9
(ii) Colombo Plan Countries	**45·5**	**25·2**	**20·3**	**62·1**	**82·4**	**71·0**	**11·4**	**48·0**	**59·4**	**38·5**	**20·9**
(1) Canada	32·3	19·7	12·6	57·8	70·4	60·3	10·1	44·7	54·8	35·8	19·0
(2) Australia	11·1	5·2	5·9	2·2	8·1	7·4	0·7	1·9	2·6	1·8	0·8
(3) New Zealand	1·7	0·3	1·4	1·7	3·1	2·9	0·2	0·7	0·9	0·4	0·5
(4) United Kingdom	0·4	—	0·4	0·4	0·8	0·4	0·4	0·7	1·1	0·5	0·6
(iii) West Germany	—	—	—	**2·1**	**2·1**	**0·6**	**1·5**	—	**1·5**	**1·2**	**0·3**
(iv) Norway	**0·7**	**0·7**	—	**1·9**	**1·9**	**1·9**	—	**2·0**	**2·0**	**1·4**	**0·6**
(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**	**64·5**	**93·9**	**65·3**	**28·6**
III. Other Assistance											
(1) P.L. 480 imports	—	—	—	1113·0	1113·0	515·5	597·5	273·4	870·9	613·7	257·2
(2) P.L. 665 imports	16·9	5·1	11·8	15·0	26·8	26·8	—	—	—	—	—
(3) 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**	**273·4**	**871·2**	**614·0**	**257·2**
Grand Total (I—II—III)	**381·7**	**201·7**	**180·0**	**2552·1**	**2732·1**	**1429·8**	**1302·3**	**2274·7**	**3577·0**	**2100·1**	**1476·9**

Notes: (1) The data presented here are not comparable with those incorporated in the balance of payments because of the 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.

* Of this, Rs. 23·8 crores are 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 per cent to take into account the revaluation of DM 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 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.

§Upto December 31, 1964.

STATEMENT 86—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 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 March 1965	Total available for use after March 1961 (8+9)	Estimated utilisation during April 1961 to March 1965	Aid undisbursed as at the end of March 1965 (10-11)
	1	2	3	4	5	6	7	8	9	10	11	12
I. Railway Development												
(1) **I.B.R.D.**												
(*a*) Railways–I	Public	15·6	15·6	—	—	—	—	—	—	—	—	—
(*b*) Railways–II	,,	—	—	—	42·8	42·8	42·8	—	—	—	—	—
(*c*) Railways–III	,,	—	—	—	40·5	40·5	40·5	—	—	—	—	—
(*d*) Railways–IV	,,	—	—	—	23·8	23·8	23·8	—	—	—	—	—
(*e*) Railways–V	,,	—	—	—	33·3	33·3	6·9	26·4	—	26·4	26·4	—
(*f*) Railways–VI	,,	—	—	—	—	—	—	—	23·8	23·8	23·8	—
(2) **I.D.A.**												
(*a*) Railways–VII	Public	—	—	—	—	—	—	—	32·1	32·1	32·1	—
(*b*) Railways–VIII	,,	—	—	—	—	—	—	—	29·5	29·5	9·3	20·2
(3) **D.L.F./A.I.D.**												
(*a*) Railways–I	Public	—	—	—	14·3	14·3	12·5	1·8	—	1·8	1·8	—
(*b*) Railways–II	,,	—	—	—	16·7	16·7	16·7	—	—	—	—	—
(*c*) Railways–III	,,	—	—	—	23·8	23·8	—	23·8	—	23·8	22·3	1·5
(*d*) Railways–IV	,,	—	—	—	—	—	—	—	20·5	20·5	20·2	0·3
(*e*) Railways–V	,,	—	—	—	—	—	—	—	7·6	7·6	4·9	2·7
(*f*) Railways–VI	,,	—	—	—	—	—	—	—	3·4	3·4	—	3·4
(4) **U.S.Eximbank**												
(*a*) Diesel Loco Works—I	Public	—	—	—	—	—	—	—	9·1	9·1	6·9	2·2
(*b*) Diesel Loco Works—II	,,	—	—	—	—	—	—	—	8·1	8·1	—	8·1
(5) Canadian credit for Diesel Locos for Indian Railways	,,	—	—	—	—	—	—	—	3·4	3·4	3·4	—
Total—I		**15·6**	**15·6**	**—**	**195·2**	**195·2**	**143·2**	**152·0**	**137·5**	**189·5**	**151·1**	**38·4**
II. Power Projects												
(1) **I.B.R.D.**												
(*a*) D.V.C. — I	Public	8·0	8·0	—	—	—	—	—	—	—	—	—
(*b*) D.V.C. — II	,,	5·0	2·0	3·0	—	3·0	3·0	—	—	—	—	—
(*c*) D.V.C. — III	,,	—	—	—	10·5	10·5	8·7	1·8	—	1·8	1·5	0·3
(*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	0·3	—
(f) Koyna	Public	—	—	—	8·9	8·9	4·4	4·5	—	4·5	4·2	0·3
(2) **I.D.A.**												
(*a*) Durgapur Power Extension	Public	—	—	—	—	—	—	—	8·8	8·8	1·7	7·1
(*b*) Koyna Power Project	,,	—	—	—	—	—	—	—	8·3	8·3	2·3	6·0
(*c*) Kothagudem Power Project	,,	—	—	—	—	—	—	—	9·5	9·5	1·7	7·8
(3) **D.L.F./A.I.D.**												
(*a*) Power Development	Public	—	—	—	4·8	4·8	4·8	—	—	—	—	—
(*b*) Chandrapura—I	,,	—	—	—	14·3	14·3	—	14·3	—	14·3	11·6	2·7
(*c*) Sharavathi—I	,,	—	—	—	4·0	4·0	—	4·0	—	4·0	2·8	1·4
(*d*) Barauni	,,	—	—	—	1·8	1·8	—	1·8	—	1·8	1·4	0·4
(*e*) Durgapur	,,	—	—	—	9·5	9·5	—	9·5	—	9·5	7·3	2·2
(*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	0·8	—
(*h*) Barapani	,,	—	—	—	1·2	1·2	—	1·2	—	1·2	0·7	0·5
(*i*) Talcher	,,	—	—	—	—	—	—	—	15·7	15·7	6·4	9·3
(*j*) Birsinghpur	,,	—	—	—	—	—	—	—	4·0	4·0	2·2	1·8
(*k*) Sharavathi—II	,,	—	—	—	—	—	—	—	8·8	8·8	2·7	6·1
(*l*) Cambay Power	,,	—	—	—	—	—	—	—	16·0	16·0	14·9	1·1
(*m*) Bandel Power	,,	—	—	—	—	—	—	—	18·1	18·1	15·0	3·1
(*n*) Pambakakki	,,	—	—	—	—	—	—	—	9·6	9·6	6·1	3·5
(*o*) Trombay Power	Private	—	—	—	—	—	—	—	8·5	8·5	7·3	1·2
(*p*) Delhi Power	Public	—	—	—	—	—	—	—	7·6	7·6	1·0	6·6
(*q*) Satpura Power	,,	—	—	—	—	—	—	—	12·0	12·0	2·0	10·0
(*r*) Ramagundam	,,	—	—	—	—	—	—	—	4·0	4·0	—	4·0
(*s*) Chandrapura—II	,,	—	—	—	—	—	—	—	7·6	7·6	0·6	7·0
(*t*) Tarapur Nuclear Power	,,	—	—	—	—	—	—	—	38·1	38·1	5·1	33·0
(*u*) Sharavathi—III	,,	—	—	—	—	—	—	—	1·5	1·5	—	1·5
(4) **Canada**												
(*a*) Ranapratap Sagar Hydro Electric Project	Public	—	—	—	—	—	—	—	3·5	3·5	0·8	2·7
(*b*) Candu Atomic Power Project	,,	—	—	—	—	—	—	—	16·3	16·3	0·2	16·1
(*c*) Kotah Hydro-Electric Project	,,	—	—	—	—	—	—	—	3·5	3·5	—	3·5
Total—II		**19·6**	**12·1**	**7·5**	**62·3**	**69·8**	**29·3**	**40·5**	**201·4**	**241·9**	**102·7**	**139·2**
III. Steel and Steel Projects												
(1) **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	,,	—	—	—	9·5	9·5	8·3	1·2	—	1·2	1·2	—
(*c*) I.I.S.Co.—III	,,	—	—	—	—	—	—	—	9·3	9·3	1·2	8·1

STATEMENT 86—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 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 March 1965	Total available for use after March 1961 (8+9)	Estimated utilisation during April 1961 to March 1965	Aid undisbursed as at the end of March 1965 (10-11)
	1	2	3	4	5	6	7	8	9	10	11	12
(*d*) T.I.S.Co.—I	Private	—	—	—	35·7	35·7	35·7	—	—	—	—	—
(*e*) T.I.S.Co.—II	,,	—	—	—	15·5	15·5	15·5	—	—	—	—	—
(2) U.S.S.R.												
(*a*) Bhilai	Public	64·7	—	64·7	—	64·7	64·5	0·2	—	0·2	0·2	—
(*b*) Bokaro	,,	—	—	—	—	—	—	—	100·5	100·5	—	100·5
(3) West Germany												
(*a*) Rourkela credit	Public	—	—	—	75·5@@	75·5	61·3	14·2@@	—	14·2	13·3	0·9
(*b*) Credit for Rourkela expansion of April 1963	,,	—	—	—	—	—	—	—	47·6	47·6	19·9	27·7
(*c*) Rourkela services (DM 56 million)	,,	—	—	—	—	—	—	—	6·7	6·7	3·4	3·3
(*d*) Credit to Mysore Alloy Steel (DM 60 million)	,,	—	—	—	—	—	—	—	7·1	7·1	0·4	6·7
(*e*) Rourkela expansion (DM 14 million)	,,	—	—	—	—	—	—	—	1·7	1·7	—	1·7
(4) D.L.F./A.I.D.												
(*a*) Steel loan–I	Public	—	—	—	8·5	8·5	7·4	1·1	—	1·1	1·1	—
(*b*) Steel loan–II	Pub/Prvt.	—	—	—	10·4	10·4	9·2	1·2	—	1·2	1·2	—
(*c*) Steel loan–III	,,	—	—	—	9·3	9·3	5·9	3·6	—	3·6	3·6	—
(*d*) Steel loan–IV	,,	—	—	—	11·9	11·9	—	11·9	—	11·9	11·9	—
(5) U.K.												
(*a*) Lazard Bros'. credit (Durgapur)	Public	—	—	—	15·3	15·3	15·3	—	—	—	—	—
(*b*) Credit of June 1958 (Durgapur)	,,	—	—	—	20·0	20·0	20·0	—	—	—	—	—
(*c*) Credit of May 1962 (Durgapur Extension)	,,	—	—	—	—	—	—	—	29·3	29·3	12·0	17·3
(*d*) Credit of April 1963 (Steel)	Pub/Prvt.	—	—	—	—	—	—	—	4·7	4·7	3·9	0·8

(6) **Canada**												
(*a*) Amco Furnace for Durgapur Steel Project	Public	—	—	—	—	—	—	—	0·9	0·9	0·1	0·8
Total—III		**78·6**	**2·7**	**75·9**	**211·6**	**287·5**	**254·1**	**33·4**	**207·8**	**241·2**	**73·4**	**167·8**
IV. Orissa Iron Ore Project												
(*a*) U.S.A.	Public	—	—	—	8·8	8·8	—	8·8	—	8·8	7·7	1·1
(*b*) Japan	,,	—	—	—	3·8	3·8	—	3·8	—	3·8	2·0	1·8
Total-IV		—	—	—	**12·6**	**12·6**	—	**12·6**	—	**12·6**	**9·7**	**2·9**
V. Ports Development												
(i) **I.B.R.D.**												
(*a*) Calcutta Port-I and II	Public	—	—	—	13·8	13·8	4·8	9·0	10·0	19·0	11·1	7·9
(*b*) Madras Port	,,	—	—	—	6·7	6·7	2·0	4·7	—	4·7	2·5	2·2
(ii) I.D.A. Credit for Bombay Port	,,	—	—	—	—	—	—	—	8·6	8·6	1·3	7·3
Total-V		—	—	—	**20·5**	**20·5**	**6·8**	**13·7**	**18·6**	**32·3**	**14·9**	**17·4**
VI. Transport and Communications												
(*a*) I.B.R.D. loan to Air India	Public	—	—	—	2·7	2·7	2·7	—	—	—	—	—
(*b*) U.S. Banks' loans to Air India	,,	—	—	—	5·9	5·9	5·9	—	9·8	9·8	9·8	—
(*c*) D.L.F. loan for Road Transport	Private	—	—	—	6·2	6·2	0·4	5·8	—	5·8	5·8	—
(*d*) U.S. Eximbank loans to Air India	Public	—	—	—	—	—	—	—	6·8	6·8	6·8	
(*e*) Boeing Co.s' loans to Air India	,,	—	—	—	—	—	—	—	1·2	1·2	1·2	—
(*f*) **I.D.A.**												
(1) Credit for Construction of National Highways	,,	—	—	—	—	—	—	—	28·6	28·6	20·5	8·1
(2) Expansion of P.T.T. Services–I	,,	—	—	—	—	—	—	—	20·0	20·0	10·0	10·0
(3) Expansion of P.T.T. Services–II	,,	—	—	—	—	—	—	—	15·7	15·7	3·1	12·6
(*g*) Canadian loan for Wind Tunnel Project	,,	—	—	—	—	—	—	—	1·9	1·9	0·9	1·0
Total–VI		—	—	—	**14·8**	**14·8**	**9·0**	**5·8**	**84·0**	**89·8**	**58·1**	**31·7**

STATEMENT 86—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 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 March 1965	Total available for use after March 1961 (8+9)	Estimated utilisation during April 1961 to March 1965	Aid undisbursed as at the end of March 1965 (10-11)
	1	2	3	4	5	6	7	8	9	10	11	12
VII. Industrial Development												
(1) **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*) - do - –II	,,	—	—	—	4·8	4·8	0·4	4·4	—	4·4	4·2	0·2
(*c*) - do - –III	,,	—	—	—	9·5	9·5	—	9·5	—	9·5	8·0	1·5
(*d*) - do - –IV	,,	—	—	—	—	—	—	—	9·5	9·5	4·9	4·6
(*e*) - do - –V	,,	—	—	—	—	—	—	—	14·3	14·3	3·2	11·1
(*f*) Development of Coal Industry	,,	—	—	—	—	—	—	—	16·7	16·7	8·1	8·6
(2) **I.D.A.**												
Industrial Imports Credit	Private	—	—	—	—	—	—	—	42·9	42·9	13·2	29·7
(3) U. K.												
(*a*) Credit of December 1958	Pub/Prvt.	—	—	—	38·0	38·0	38·0	—	—	—	—	—
(*b*) Credit of June 1959 (Oil-pipe line)	Public	—	—	—	4·0	4·0	3·2	0·8	—	0·8	0·8	—
(*c*) General credit of November 1959	Pub/Prvt.	—	—	—	25·3	25·3	25·3	—	—	—	—	—
(*d*) General credit of August 1960	,,	—	—	—	13·3	13·3	13·3	—	—	—	—	—
(*e*) General credit of December 1960	,,	—	—	—	6·7	6·7	6·7	—	—	—	—	—
(*f*) General credit of May 1961	,,	—	—	—	—	—	—	—	13·3	13·3	13·3	—
(*g*) Credit of May 1961 (Third Plan)	,,	—	—	—	—	—	—	—	40·0	40·0	34·9	5·1
(*h*) General credit of November 1961	,,	—	—	—	—	—	—	—	6·7	6·7	6·7	—
(*i*) General credit of May 1962	,,	—	—	—	—	—	—	—	13·3	13·3	6·7	6·6
(*j*) General credit of September 1962		—	—	—	—	—	—	—	6·7	6·7	6·7	—

(k) Credit of September 1962 (Third Plan)	Pub./Prvt.	—	—	—	—	—	—	—	17·3	17·3	2·2	15·1
(l) General credit of August 1963	..	—	—	—	—	—	—	—	13·3	13·3	13·3	—
(m) General credit of October 1963 (Kipping Loan-I)	Private	—	—	—	—	—	—	—	5·3	5·3	0·1	5·2
(n) General credit of March 1964	Pub./Prvt.	—	—	—	—	—	—	—	6·7	6·7	6·7	—
(o) Credit of March 1964 (Bhopal)	Public	—	—	—	—	—	—	—	3·3	3·3	0·4	2·9
(p) Credit of March 1964 (Third Plan)	Pub. Prvt.	—	—	—	—	—	—	—	6·7	6·7	0·4	6·3
(q) General credit of July 1964	..	—	—	—	—	—	—	—	13·3	13·3	13·3	—
(r) Second credit of September 1964 (Third Plan)	..	—	—	—	—	—	—	—	2·0	2·0	—	2·0
(s) Third credit of September 1964 (Third Plan)	..	—	—	—	—	—	—	—	2·0	2·0	—	2·0
(t) Fourth credit of September 1964 (Third Plan)	..	—	—	—	—	—	—	—	1·3	1·3	—	1·3
(u) Fifth credit of September 1964 (Third Plan)	..	—	—	—	—	—	—	—	1·7	1·7	—	1·7
(v) Sixth credit of September 1964 (Third Plan)	..	—	—	—	—	—	—	—	4·3	4·3	—	4·3
(w) Credit of September 1964 (Bhopal-II)	Public	—	—	—	—	—	—	—	2·7	2·7	—	2·7
(x) General credit of September 1964 (Kipping II)	Private	—	—	—	—	—	—	—	5·3	5·3	—	5·3
(y) General credit of January 1965	Pub./Prvt.	—	—	—	—	—	—	—	6·7	6·7	5·9	0·8
(z) Credit of January 1965 (Third Plan)	Public	—	—	—	—	—	—	—	0·7	0·7	—	0·7
(4) West Germany												
(a) DM 168 million credit of January 1959	Pub./Prvt.	—	—	—	19·1	19·1	19·1	—	—	—	—	—
(b) DM 125·1 million credit of May 1960	..	—	—	—	14·2	14·2	14·2	—	—	—	—	—
(c) DM 125.1 million credit of November 1960	..	—	—	—	14·2	14·2	14·2	—	—	—	—	—
(d) DM 100 million credit of April 1961	..	—	—	—	—	—	—	—	11·9	11·9	11·9	—

STATEMENT 86—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 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 March 1965	Total available for use after March 1961 (8+9)	Estimated utilisation during April 1961 to March 1965	Aid undisbursed as at the end of March 1965 (10-11)
	1	2	3	4	5	6	7	8	9	10	11	12
(e) DM 170 million credit (September 1961)	Pub./Prvt.	—	—	—	—	—	—	—	20·2	20·2	20·2	—
(f) DM 4 million credit (January 1962)	Public	—	—	—	—	—	—	—	0·5	0·5	0·5	—
(g) DM 100 million credit (June 62)	Pub./Pvrt.	—	—	—	—	—	—	—	11·9	11·9	11·9	—
(h) DM 370 million credit (December 1962)[1]	,,	—	—	—	—	—	—	—	37·4	37·4	31·9	5·5
(i) DM 336·6 million credit(Nov. 1963)[2]	,,	—	—	—	—	—	—	—	31·4	31·4	5·1	26·3
(j) DM 380 million credit(Sept.1964)[3]	,,	—	—	—	—	—	—	—	34·6	34·6	—	34·6
(5) U.S.S.R.												
(a) Industrial Enterprises	Public	—	—	—	59·5	59·5	8·1	51·4	—	51·4	33·9	17·5
(b) Barauni Oil Refinery	,,	—	—	—	11·9	11·9	0·4	11·5	—	11·5	10·3	1·2
(c) Drugs credit	,,	—	—	—	9·5	9·5	—	9·5	—	9·5	9·1	0·4
(d) Credit for Third Plan —I*	,,	—	—	—	178·6	178·6	1·8	176·8	—	176·8	102·7	74·1
(e) - do - —II*	,,	—	—	—	59·5	59·5	—	59·5	—	59·5	13·0	46·5
(6) U. S. A.												
(i) D.L.F./A.I.D.												
(a) Automobile, Jute and Cement Industry	Pub./Prvt.	—	—	—	16·6	16·6	15·1	1·5	—	1·5	1·5	—
(b) Machinery and Capital Equipment —I	Private	—	—	—	7·1	7·1	5·1	2·0	—	2·0	2·0	—
(c) - do - —II	,,	—	—	—	11·9	11·9	—	11·9	—	11·9	11·9	—
(d) Trombay Fertiliser Project	,,	—	—	—	14·3	14·3	—	14·3	—	14·3	12·9	1·4
(e) I.F.C. —I	,,	—	—	—	4·8	4·8	—	4·8	—	4·8	4·4	0·4

(*f*) I.C.I.C.I	Private	—	—	—	2·4	2·4	—	2·4	—	2·4	0·6	1·8
(*g*) Non-ferrous Metals	Pub/Prvt.	—	—	—	—	—	—	—	9·5	9·5	9·5	—
(*h*) N.S.I.C.	Private	—	—	—	—	—	—	—	4·8	4·8	4·2	0·6
(*i*) Patherdih Coal Washery	Public	—	—	—	—	—	—	—	2·0	2·0	1·7	0·3
(*j*) Premier Automobiles — I	Private	—	—	—	—	—	—	—	3·4	3·4	3·3	0·1
(*k*) - do - II	,,	—	—	—	—	—	—	—	1·4	1·4	1·3	0·1
(*l*) Non-project Imports — I	Pub./Prvt.	—	—	—	—	—	—	—	95·2	95·2	94·6	0·6
(*m*) I.F.C. — II	Private	—	—	—	—	—	—	—	9·5	9·5	1·0	8·5
(*n*) Hindustan Motors	,,	—	—	—	—	—	—	—	7·5	7·5	5·5	2·0
(*o*) Napco Bevel Gear	,,	—	—	—	—	—	—	—	1·1	1·1	1·1	—
(*p*) D.C.M. Tyre Cord	,,	—	—	—	—	—	—	—	4·7	4·7	3·5	1·2
(*q*) Telco — I	,,	—	—	—	—	—	—	—	6·5	6·5	6·1	0·4
(*r*) Non-project Imports — II	Pub./Prvt.	—	—	—	—	—	—	—	114·3	114·3	106·2	8·1
(*s*) Central Ropeway 'F' Project	Public	—	—	—	—	—	—	—	3·7	3·7	0·7	3·0
(*t*) Dugda Coal Washery	,,	—	—	—	—	—	—	—	2·4	2·4	1·2	1·2
(*u*) National Engineering Industries	Private	—	—	—	—	—	—	—	2·1	2·1	—	2·1
(*v*) Non-Project Imports —III	Pub./Prvt.	—	—	—	—	—	—	—	107·1	107·1	51·4	55·7
(*w*) Commodity Assistance Programme	,,	—	—	—	—	—	—	—	23·8	23·8	—	23·8
(*x*) Telco —II	Private	—	—	—	—	—	—	—	5·6	5·6	—	5·6
(*y*) Trombay Methanol fertiliser	,,	—	—	—	—	—	—	—	3·7	3·7	1·6	2·1
(*z*) Consultancy Services	Pub./Prvt.	—	—	—	—	—	—	—	1·0	1·0	—	1·0
(ii) Eximbank Loans		—	—	—	102·6†	102·6	30·9	71·7	63·7	135·4	92·2	43·1
(iii) T.C.A. loans (excluding PL 665)	,, Public	14·6	2·3	12·3	27·6	39·9	39·9	—	—	—	—	—
(7) **Japan**												
(*a*) Credit of 18 billion yen (Feb. 58)	Pub./Prvt.	—	—	—	23·0	23·0	16·0	7·0	—	7·0	7·0	—
(*b*) Ad-hoc credit (1959)	Private	—	—	—	8·6	8·6	—	8·6	—	8·6	8·6	—
(*c*) Credit of 34·2 billion yen as amended in May 1963	Pub./Prvt.	—	—	—	—	—	—	—	45·2	45·2	37·5	7·7
(*d*) Suppliers' credit for Textile Machinery (1962)	Private	—	—	—	—	—	—	—	4·8	4·8	4·8	—

STATEMENT 86—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 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 March 1965	Total available for use after March 1961 (8+9)	Estimated utilisation during April 1961 to March 1965	Aid undisbursed as at the end of March 1965 (10-11)
	1	2	3	4	5	6	7	8	9	10	11	12
(e) Credit of 23·4 billion yen (Oct. 63)	Pub./Prvt.	—	—	—	—	—	—	—	31·0	31·0	5·3	25·7
(f) Credit of 21·6 billion yen (Sept. 1964)	,,	—	—	—	—	—	—	—	28·6	28·6	0·9	27·7
(8) **France**												
(a) Credit of $ 30 million (Third Plan I)	Pub/Prvt.	—	—	—	—	—	—	—	14·3	14·3		
(b) Credit of $ 20 million (Third Plan II)	,,	—	—	—	—	—	—	—	9·5	9·5	13·0	29·8
(c) Credit of $ 20 million (Third Plan III)	,,	—	—	—	—	—	—	—	9·5	9·5		
(d) Credit of $ 20 million (Third Plan IV)	,,	—	—	—	—	—	—	—	9·5	9·5		
(e) Credit to I.F.C. of $ 10 million	Private	—	—	—	—	—	—	—	4·8	4·8	—	4·8
(9) **Italy**												
(a) E.N.I. credit of $ 45 million	Pub./Prvt.	—	—	—	—	—	—	—	21·4	21·4	5·6	15·8
(b) Montecatini credit for Aluminium Plant	,,	—	—	—	—	—	—	—	4·2	4·2	3·4	0·8
(c) Suppliers' credit of $ 45 million	,,	—	—	—	—	—	—	—	21·4	21·4	—	21·4
(d) Suppliers' credit of $ 36 million	,,	—	—	—	—	—	—	—	17·1	17·1	—	17·1
(10) **Czechoslovakia**												
(a) First credit of November 1959*	Public	—	—	—	23·1	23·1	—	23·1	—	23·1	6·0	17·1
(b) Second credit of May 1964	Pub./Prvt.	—	—	—	—	—	—	—	40·0	40·0	—	40·0
(11) **Yugoslavia***	,,	—	—	—	19·1	19·1	—	19·1	—	19·1	3·4	14·8
(12) **Poland**												
(a) First credit for Third Plan	,,	—	—	—	14·3	14·3	—	14·3	—	14·3	9·8	4·5
(b) Second credit for Third Plan	Public	—	—	—	—	—	—	—	15·5	15·5	—	15·5
(c) Third credit for Third Plan	,,	—	—	—	—	—	—	—	10·5	10·5	—	10·5

(13) **Switzerland**	Pub./Prvt.	—	—	—	12·0	12·0	—	12·0	3·3	15·3	2·0	13·3
(14) **Canada**												
(*a*) Indian Aluminium Co. ext.–I	Private	—	—	—	—	—	—	—	0·4	0·4	0·4	—
(*b*) - do - –II	,,	—	—	—	—	—	—	—	0·4	0·4	—	0·4
(*c*) Binani Zinc Smelter	,,	—	—	—	—	—	—	—	0·7	0·7	0·1	0·6
(15) **Austria**												
(*a*) Credit for capital goods–I	Pub./Prvt.	—	—	—	—	—	—	—	2·4	2·4	1·9	0·5
(*b*) Credit for capital goods–II	,,	—	—	—	—	—	—	—	1·8	1·8	0·6	1·2
(*c*) Credit for capital goods–III	,,	—	—	—	—	—	—	—	1·9	1·9	—	1·9
(16) **Belgium**												
(*a*) Suppliers' Credit–I	Pub./Prvt.	—	—	—	—	—	—	—	4·8	4·8	1·2	3·6
(*b*) Suppliers' Credit–II	,,	—	—	—	—	—	—	—	4·8	4·8	—	4·8
(17) **Netherlands**												
(*a*) General Purpose Loan	Pub./Prvt.	—	—	—	—	—	—	—	10·3	10·3	2·8	7·5
(*b*) Financial (Export) Credit	,,	—	—	—	—	—	—	—	5·5	5·5	—	5·5
(18) **Denmark**												
(*a*) First credit	Pub./Prvt.	—	—	—	—	—	—	—	1·0	1·0	0·4	0·6
(*b*) Second credit	,,	—	—	—	—	—	—	—	1·4	1·4	—	1·4
(19) **Sweden**	Pub./Prvt.	—	—	—	—	—	—	—	2·2	2·2	—	2·2
Total–VII		**19·3**	**2·3**	**17·0**	**755·5**	**772·5**	**255·4**	**517·1**	**1205·1**	**1722·2**	**938·6**	**783·6**
VIII. Agricultural Development												
(i) I.B.R.D. Loan for Agriculture	Public	3·4	3·4	—	—	—	—	—	—	—	—	—
(ii) I.D.A.												
(*a*) U.P. Tube-wells	Public	—	—	—	—	—	—	—	2·9	2·9	2·9	—
(*b*) Salandi Irrigation	,,	—	—	—	—	—	—	—	3·8	3·8	0·7	3·1
(*c*) Shetrunji Irrigation	,,	—	—	—	—	—	—	—	2·1	2·1	1·2	0·9
(*d*) Punjab Drainage	,,	—	—	—	—	—	—	—	4·8	4·8	4·3	0·5
(*e*) Sone Irrigation	,,	—	—	—	—	—	—	—	7·1	7·1	3·0	4·1
(*f*) Purna Irrigation	,,	—	—	—	—	—	—	—	6·2	6·2	3·6	2·6
Total–VIII		**3·4**	**3·4**	—	—	—	—	—	**26·9**	**26·9**	**15·7**	**11·2**
IX. Wheat Loans												
(i) U.S.A.	Public	90·3	90·3	—	—	—	—	—	—	—	—	—
(ii) Canada	,,	—	—	—	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**	**1881·3**	**2556·4**	**1364·2**	**1192·2**

Notes :—(1) Loans and credits are classified purpose-wise and sector-wise on a rough basis.

(2) West German credits of DM 98·4 million (Rs. 11·2 crores) of January 1961, DM 230 million (Rs. 27·4 crores) of April 1961, DM 85 million (Rs. 10·1 crores) of May 1962, DM 61·4 million (Rs. 7·3 crores) of April 1963 and DM 90 million (Rs. 10·7 crores) of January 1965 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 per cent to take into account the revaluation of DM in March 1961. To the same extent the loan authorisation figure has also been raised.

† Of this, Rs. 23·8 crores are earmarked for the use of the projects included in the Third Plan.

* Earmarked for the use of the projects included in the Third Plan.

(1) Excluding DM 56 million credit shown under steel and steel projects. (2) Excluding DM 14 million and DM 60 million credits shown under steel and steel projects. (3) Excluding DM 90 million of refinancing credit.

STATEMENT 87—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**
1964 ..	76	137·41	74·25	**211·66**	55·01	19·78	1·44	**76·23**	**287·89**
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**
1964									
March ..	77	120·98	108·02	**229·00**	44·21	21·25	1·73	**67·19**	**296·19**
June ..	77	106·66	63·67	**170·33**	44·50	18·68	2·56	**65·74**	**236·07**
September ..	76	110·66	60·64	**171·30**	49·02	19·46	2·37	**70·85**	**242·15**
December ..	76	137·41	74·25	**211·66**	55·01	19·78	1·44	**76·23**	**287·89**

Note : The data for the period upto and including 1963 were based on quarterly returns received from banks on Form XI, while for the subsequent period they are based on Form XIII returns (monthly).

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**
1965 ..	49,10	*1·9*	271,18	*10·2*	1,256,57	*47·4*	1,000,61	*37·8*	39,79	*1·5*	23,22	*0·9*	8,07	*0·3*	**2,648,54**

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 Paise/ Naye Paise	Twenty-five Paise/ Naye Paise	Ten Paise/ Naye Paise	Five Paise/ Naye Paise	Three Paise	Two Paise/ Naye Paise	One Paisa/ Naya Paisa	Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
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**
1964-65 ..	+7,37	+75	—8,29	—34,06	—3,45	—1,14	—	—	+1,74,99	+1,74,38	+1,70,35	+1,07,65	+21,93	+55,12	+49,20	**+7,14,80**

(*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	1964-65
I. Quaternary Silver Coin							
8 Annas	— 1,51	— 61	— 10	— 4	— 3	— 2	2
4 Annas	— 1,34	— 48	— 23	— 2	— 2	— 1	— 1
Total	**— 2,85**	**— 1,09**	**— 33**	**— 6**	**— 5**	**— 3**	**— 3**
II. Nickel Coin							
A. Pure Nickel							
8 Annas	+ 50	+ 96	+ 18	— 6	— 45	+ 60	+ 9
4 Annas	+ 41	+ 1,09	+ 2	+ 8	— 24	+ 30	+ 2
50 Paise/Naye Paise ..		+	71	+ 2,03	+ 2,36	+ 2,20	+ 1,75
25 Paise/Naye Paise ..		+	2,85	+ 2,47	+ 1,83	+ 1,88	+ 1,74
Total	**+ 91**	**+ 2,05**	**+ 3,76**	**+ 4,52**	**+ 3,50**	**+ 3,18**	**+ 3,61**
B. Nickel-Alloy(*a*)							
4 Annas	— 4	— 2	— 2	—	—	—	—
2 Annas	— 60	+ 12	— 3,41	— 54	— 19	— 12	— 8
1 Anna	— 66	+ 24	— 1,00	— 43	— 57	— 1,13	— 34
½ Anna	— 4	+ 7	— 47	— 10	— 6	— 5	— 3
10 Paise/Naye Paise ..		+	1,89	+ 1,85	+ 1,52	+ 1,66	+ 1,70
5 Paise/Naye Paise ..		+	1,18	+ 1,06	+ 94	+ 1,09	+ 1,08
2 Paise/Naye Paise		+	69	+ 52	+ 52	+ 72	+ 55
Total	**— 1,34**	**+ 41**	**— 1,15**	**+ 2,36**	**+ 2,16**	**+ 2,17**	**+ 2,87**
Total Nickel Coin (A+B)	**+ 43**	**+ 2,46**	**+ 2,62**	**+ 6,88**	**+ 5,66**	**+ 5,35**	**+ 6,48**
III. Copper (*b*)							
Single Pice	+ 8	+ 10	— 2	— 1	— 2	— 4	— 1
Half Pice	—	—	—	—	—	—	—
Pie	—	—	—	—	—	—	—
1 Paisa/Naya Paisa ..		+	62	+ 57	+ 57	+ 61	+ 49
Total	**+ 8**	**+ 10**	**+ 60**	**+ 56**	**+ 55**	**+ 57**	**+ 48**
IV. Aluminium 3 Paise	—	—	—	—	—	—	+ 22
V. Total Small Coin (*c*)	**— 3,20**	**+ 1,47**	**+ 2,88**	**+ 7,38**	**+ 6,16**	**+ 5,90**	**+ 7,15**

(*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—LOST, DESTROYED AND MUTILATED NOTES, 1964-65

	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	—	—	—	5,000
Half notes	—	—	—	—
Mutilated Notes :—				
Registered (Denominations above Rs. 100) ..	77	104	1,08,000	1,04,400
Unregistered (Denominations of Re. 1 to Rs. 100)	1,30,281	7,47,040	79,06,599	70,11,957
Government of India new one rupee notes ..		9,48,852	9,47,913	8,68,644

(*a*) Includes amount paid during 1964-65 in respect of claims admitted in previous years.

STATEMENT 92—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**
1964-65 ..	80	458	365	729	161	**1,793**	**26,211**

(*a*) Relates to notes received during the year.

STATEMENT 93—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**
1964-65	3,54	41	4,60	**8,55**

(*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. Pure Nickel Jawaharlal Nehru Commemorative decimal rupee coins were minted in 1964-65 of the value of Rs. 100·14 lakhs in Bombay Mint and Rs. 100·22 lakhs in Alipore Mint.

STATEMENT 94—MINTAGE OF INDIA COINS BY DENOMINATIONS, 1964-65

(Figures in thousands)

Denomination	Bombay		Hyderabad		Alipore		**Total**	
	Number	Value (Rs.)	Number	Value (Rs.)	Number	Value (Rs.)	**Number**	**Value (Rs.)**
Pure Nickel 50 Paise/Naye Paise ..	2,27,61(*a*)	1,13,81(*a*)	—	—	2,19,02(*a*)	1,09,51(*a*)	**4,46,63**(*a*)	**2,23,32**(*a*)
„ „ 25 „ „ ..	3,40,65	85,16	—	—	6,84,97	1,71,24	**10,25,62**	**2,56,41**
Cupro-Nickel 10 „ „ ..	4,88,07	48,81	1,41,65	14,17	5,96,88	59,69	**12,26,60**	**1,22,66**
„ „ 5 „ „ ..	7,85,59	39,28	63,67	3,18	5,74,03	28,70	**14,23,29**	**71,16**
Aluminium 3 „ „ ..	15,36,10	46,08	—	—	8,33,85	25,02	**23,69,95**	**71,10**
Cupro-Nickel 2 „ „ ..	4,90,82	9,82	—	—	23,40,15	46,80	**28,30,97**	**56,62**
Nickel Brass/Bronze 1 Paisa/Naya Paisa ..	10,86,27	10,86	23,31,10	23,31	19,43,52	19,44	**53,60,89**	**53,61**
Total ..	**49,55,11**	**3,53,82**	**25,36,42**	**40,66**	**71,92,42**	**4,60,40**	**1,46,83,95**	**8,54,87**

(*a*) Including Pure Nickel Jawaharlal Nehru Commemorative 50 paise coins.

STATEMENT 95—WITHDRAWAL OF SILVER, CUPRO-NICKEL AND COPPER COINS, 1964-65

(In Rupees)

	Amount withdrawn
I. Uncurrent Coin	
Silver Rupees	
Standard Silver Rupee Coins	1,217·00
Silver Whole Rupees	134·00
Silver Rupee Coins (Queen Victoria, 1840)	3·00
Other uncurrent rupee coin (Shroff marked, soldered etc.)	151·00
Small Silver Coins	
Silver ½ Rupees	33·00
Silver ¼ Rupees	54·50
Silver ⅛ Rupees	4·50
Nickel and Nickel-Alloy Coins	
Cupro-Nickel -/2/- pieces (*a*) (*b*)	13,84,662·53
Cupro-Nickel -/1/- pieces (*a*) (*c*)	81,41,697·13
Cupro-Nickel -/½/- pieces (*a*) (*b*)	4,98,358·42
Copper and Bronze Coins	
Double Pice (*c*)	1·56
Single Pice (*c*)	2,88,007·51
Pie Pieces (*d*)	322·10
Total of Uncurrent Coin	**1,03,14,646·25**
II. Current Coin	
Quaternary Silver Coins	
Quaternary Whole Rupees	7,95,719·00
Quaternary Half Rupees	2,03,995·50
Quaternary Quarter Rupees	1,78,895·00
Nickel and Nickel-Alloy Coins	
Nickel Rupees	53,95,393·00
Nickel ½ Rupees	9,45,730·50
Nickel ¾ Rupees	8,53,092·00
Pure Nickel 50 Paise/Naye Paise	42,245·50
Pure Nickel 25 Paise/Naye Paise	87,385·75
Cupro-Nickel 10 Paise/Naye Paise	22,135·70
Cupro-Nickel 5 Paise/Naye Paise	16,354·85
Cupro-Nickel 2 Paise/Naye Paise	14,112·60
Copper and Bronze Coins	
1 Paisa/Naya Paisa	1,752·50
Total of Current Coin	**85,56,811·90**

(*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 96—NUMBER OF COUNTERFEIT COINS CUT AT TREASURIES AND RAILWAY STATIONS

	1950-51	1955-56	1960-61	1961-62	1962-63	1963-64	1964-65
Silver Coins							
Rupee	9,200	5,056	2,060	1,480	558	687	455
Half Rupee	8,252	4,214	2,403	1,542	671	385	194
Quarter Rupee	13,642	4,871	2,515	992	667	373	482
One-eighth Rupee	4	—	—	—	—	—	—
Total ..	**31,098**	**14,141**	**6,978**	**4,014**	**1,896**	**1,445**	**1,131**
Nickel and Copper Coins							
Rupee	4,429	3,637	2,060	2,981	2,778	1,612	559
Half Rupee	12,886	5,438	10,626	14,103	12,396	7,301	5,804
Quarter Rupee	23,073	8,010	11,071	4,302	4,261	3,503	4,150
Two Anna	1,70,327	1,24,845	1,83,667	47,835	37,098	26,268	19,142
One Anna	23,820	8,430	40,787	9,696	9,635	22,274	8,868
Half Anna	1,771	1,158	12,824	1,173	1,098	805	202
Single Pice	—	—	10	20	675	—	—
Fifty Naye Paise			15	1,102	1,979	2,629	3,485
Twenty-five Naye Paise			580	761	1,983	1,765	2,195
Ten Naye Paise			160	97	676	241	153
Five Naye Paise			14	9	101	6	48
Two Naye Paise			—	2	32	15	1
One Naya Paisa			17	10	146	—	—
Total ..	**2,36,306**	**1,51,518**	**2,61,831**	**82,091**	**72,858**	**66,419**	**44,607**

STATEMENT 97—DESCRIPTION OF COINS IN ACTIVE CIRCULATION AT THE END OF MARCH 1965

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″ Across 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 Jawaharlal Nehru Commemorative Decimal Rupee coin.	10·00 ,,	,,	,,	Milled with a serrated or upright milling the serrations numbering two hundred	,,
Pure Nickel Fifty Paise Naye paise ..	5·00 ,,	,,	24 Millimetres	Milled	,,
Pure Nickel Jawaharlal Nehru Commemorative 50 paise	5·00 ,,	,,	,,	Milled with serrations numbering hundred and fifty	,,
Pure Nickel twenty-five paise Naye paise	2·50 ,,	,,	19 Millimetres	Milled	,,
Cupro Nickel Ten Paise Naye Paise ..	5·00 ,,	75 per cent copper and 25 per cent Nickel	23 Millimetres (Outer)	Plain	Scalloped coin
,, ,, Five Paise Naye Paise ..	4·00 ,,	,,	22 ,,	,,	Square coin with round corners
,, ,, Two Paise Naye Paise ..	3·00 ,,	,,	18 ,,	,,	Scalloped coin
Aluminium Three Paise ..	1·25 ,,	Aluminium with 3·5 to 4 per cent Magnesium		,,	Hexagonal Shape with rounded corners
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 Paisa Naya Paisa ..	1·50 ,,	78 to 83 per cent copper, 17 to 20 per cent Zinc and 9/10th to 1-4/10th per cent Nickel	16 ,,	,,	,,

(a) These coins are being currently issued ; the issue of the remaining coins has been discontinued.

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