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 1966-67





Price { **Inland Rs. 9.00 Postage extra)**
Foreign $ 1.90 or 13s. 9d. (Post free)

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.

RESERVE BANK OF INDIA
C.R.D.C
PUNE

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 Regulation Act, 1949.

330/RBI
49H

CONTENTS

Page

PART I

CHAPTER I: ECONOMIC DEVELOPMENTS DURING 1966-67

PRICE AND OUTPUT TRENDS 2-9
Prices 2-6
Food Articles 3
Industrial Raw Materials 3-5
Liquor and Tobacco and Fuel, Power, Light and Lubricants 5
Manufactures 5-6
Consumer Prices 6
Out Put 6-9
Agricultural Production 6-7
Industrial Output 7-9
PRICE POLICY 9-12
MONETARY AND BANKING DEVELOPMENTS 12-18
Seasonal Monetary and Banking Trends 13-15
Busy Season 1966-67 15-16
Overall Banking Trends in 1966-67 16-17
Credit Policy 17-18
SECURITIES MARKETS 19-20
Gold and Silver 20-21
BUDGETARY TRENDS 21-23
BALANCE OF PAYMENTS 24-33
Foreign Exchange Reserves 24-25
Overall Trends 25-26
Imports 26
Exports 26-27
Invisibles 27
Capital Transactions 27
Regional Trends 27-28
Foreign Investment Policy 28
Indian Investments Abroad 28-30
External Assistance 30-33

PART II

CHAPTER II: OUTPUT AND PRICE TRENDS

AGRICULTURAL 34-47
Rice 36-37
Wheat 37-38
Other Cereals 38-39
Pulses 39
Cotton 39-41
Jute 41-43
Tea 43
Coffee 43-44
Oilseeds 44-46
Sugar 46-47
Tobacco 47
INDUSTRIAL 48-62

	Page
BASIC INDUSTRIES	48-53
Coal	48-49
Iron Ore	49-50
Manganese Ore	50
Mica	50-51
Cement	51-52
Pig Iron & Ferro Alloys	52-53
Finished Steel	53
CAPITAL GOODS INDUSTRIES	54-56
Engineering and Metallurgical Industries	54-56
INTERMEDIATE GOODS INDUSTRIES	56-59
Jute Textiles	56-57
Rubber Manufactures	57-58
Chemicals & Chemical products	58-59
CONSUMER GOODS INDUSTRIES	59-62
Cotton Textiles	59-61
Woollen Textiles	61-62
Paper and Paper Boards	62
TRENDS IN NATIONAL INCOME	63

CHAPTER III : MONEY MARKET AND BANKING

Money Rates	64
Credit Controls	64-66
Banking Legislation	66
Non-Banking Companies; Regulation of Deposits and Hire Purchase Business	67
Deposit Insurance Corporation	67-68
Export Credit and Guarantee Corporation	68
Co-operative Credit—Institutional Developments	69-71
Trends in Co-operative Credit	71-80

CHAPTER IV : CAPITAL MARKET

GENERAL	81
Gilt-edged Market	81-82
Industrial Securities Market	82-84
Capital Issues	84-86
Special Financial Institutions Providing Industrial Finance	86-93
Financing of Small Industries	93-95
Company Legislation	95-96
Report of the Managing Agency Enquiry Committee	96-97

CHAPTER V: BUDGETS AND PUBLIC DEBT

UNION GOVERNMENT BUDGET	98-106
Budgetary outlays	99-101
Resources	101-106
STATE GOVERNMENT BUDGETS	106-112
Outlays	108-109
Resources	109-112
PUBLIC DEBT	112-119
Union Government	112-117
State Governments	117-119
RAILWAY FINANCES	119-122

Page

CHAPTER VI : TRADE AND TARIFF DEVELOPMENTS

Developments in Exchange Control	123-124
Developments in Trade Policy	124-128
Tariff Commission	128
Trade Agreements and Trade and Payment Arrangements	129-131

CHAPTER VII : CURRENCY AND COINAGE

Circulation of Notes and Coins	132-133
Miscellaneous	133

APPENDICES

APPENDIX I:	Fourth Five-Year Plan—A Draft Outline—A Summary	134-140
APPENDIX II:	Union Government Budget Proposals, 1967-68	141-149
APPENDIX III:	State Governments' Budget Proposals, 1967-68	150-154
APPENDIX IV:	Important Export Control/Promotion Announcements, 1966-67	155-159
APPENDIX V:	Important Announcements in Regard to Import Control Policy, 1966-67	160-164
APPENDIX VI:	Tariff Commission's Recommendations, 1966-67	165-166
APPENDIX VII:	Trade Agreements entered into by India during 1966-67	167-170

GRAPHS

		Facing Page
1.	Selected Economic Indicators	32
2.	Index Numbers of Agricultural Productivity in India	33
3.	Per Capita National Income	33
4.	National Income by Industrial Origin	33
5.	Agricultural Production	46
6.	Industrial Production	46
7.	Wholesale Prices	47
8.	Money Supply with the Public	47
9.	Liabilities and Assets of Scheduled Commercial Banks	98
10.	Liabilities and Assets of the Reserve Bank of India	98
11.	Finances of the Government of India	99
12.	Budgetary Position of State Governments	112
13.	Debt Position (Preliminary) of the Government of India	113

PART III

STATEMENTS .. .. S 1—S158

INDEX

PART I

CHAPTER I : ECONOMIC DEVELOPMENTS DURING 1966-67 — A REVIEW

The stresses and strains which developed in the economy over the last three years of the Third Plan got accentuated during 1966-67, the initial year of the Fourth Plan. This was largely due to the severe drought for the second year in succession over large parts of the country, and the consequent failure of crops in the western and north-eastern parts of the country (i.e., parts of Bihar, Uttar Pradesh, Madhya Pradesh, Rajasthan and Gujarat). Agricultural production during 1966-67, though slightly above that in 1965-66, is estimated to show a shortfall of about 14 per cent from the level reached in 1964-65. Foodgrains output is expected to be around 76 million tonnes as compared with 72 million tonnes in 1965-66. Commercial crops are reported to show only a marginal improvement over the 1965-66 levels. The drought not only seriously affected food supplies but also sharply reduced the availability of raw materials for agriculture-based industries. This, together with the inadequacy of imported raw materials, slowed down the growth of industrial production during the year. In the latter part of the year, recessionary tendencies in some industries emerged. These were related principally to the fall in the demand for capital goods as a result of the slackening of investment, notably in the public sector.

At the same time, monetary demand, which had already expanded at a high rate in 1965-66, increased further during 1966-67, although at a slower rate than in the preceding year. The gap between aggregate supply and demand widened. The budgetary deficits of the Centre and the States were a major contributory factor in the inflationary situation. The deficit of the Centre (R.E.) for 1966-67 was Rs. 313 crores, while that of all the States combined is estimated at around Rs. 76 crores. Government's net indebtedness to the banking system amounted to Rs. 320 crores in 1966-67 as compared with Rs. 486 crores in 1965-66.

Reflecting the difficult supply position in relation to monetary demand, the price situation deteriorated sharply. Wholesale prices recorded a rise of 16.5 per cent over the year. The all-India consumer price index also recorded a comparable rise. In order to bridge the gap between supply and demand and thus contain the inflationary pressures, Government took a number of corrective measures. Supplies, particularly of foodgrains, were augmented through larger imports, intensified procurement and larger releases from Government stocks ; to ensure equitable distribution of available supplies at reasonable prices, the area of controlled distribution was enlarged. Agricultural plans were reoriented with particular emphasis on greater application of the needed inputs. Suitable support prices for major agricultural products were announced. In regard to industrial products, the policy of removal of prices and distribution controls was carried further, while price increases were granted to certain industries, in view of the increases in costs of production. The accent of monetary policy was on continued restraint.

On the external side, the year was characterised by acute payments difficulties. The drought affected exports adversely and necessitated larger imports of foodgrains, fertilisers and raw jute. Larger payments had to be made also on debt service charges. As has been mentioned in previous Reports, the objective of policy for some years past has been to promote exports with a view to raising foreign exchange earnings to more satisfactory levels. While exports responded for a while to these stimuli, it was evident that a more far-reaching reform of the trade and exchange system together with a suitable adjustment in the exchange rate was essential

as a basis for the larger developmental effort envisaged in the Fourth Plan. The downward adjustment of the exchange rate of the rupee by 36.5 per cent on June 6, 1966 and the various supporting measures in the trade and exchange fields announced thereafter have to be viewed in this light.

Over the year 1966-67, foreign exchange reserves declined by $ 118 million, if net drawings from the International Monetary Fund (of $ 130 million) are left out of account. This was in contrast to an improvement in the reserves of $ 40 million* in 1965-66. The whole of the decline in reserves during the year took place in the first 10 months; there has been some improvement in the remaining two months. Exports declined sharply in the process of readjustment to the new trade and exchange system and they rose moderately only in the last quarter of the year. For the year as a whole, exports are expected to be smaller as compared with the previous year. Imports, too, would be lower in 1966-67 than in the previous year, mainly because of the highly restrictive import policy pursued earlier. The cutback in imports would be visible practically under all categories other than food and fertilisers, and more importantly under machinery, vehicles, metals and mineral oils. The liberalisation of imports announced soon after devaluation had only a limited effect on imports in the remaining months of the year.

In view of the strong inflationary pressures in the economy mentioned earlier, special measures were taken to dampen the impact of devaluation on prices. For instance, the issue prices of imported foodgrains were maintained at pre-devaluation levels by means of subsidies ; excise duties on petroleum products were adjusted downward to maintain their prices at pre-devaluation levels.

Government policy in recent months has been focussed more and more on the control of inflation as a condition precedent to orderly economic development. The interim Union Budget for 1967-68, introduced towards the end of the fiscal year, brought out clearly the determination of the authorities to eschew deficit financing. This has been reflected in the final budget presented in May 1967 in some pruning down of expenditure and mobilisation of additional resources to ensure an overall balance.

PRICE AND OUTPUT TRENDS

Prices

The price situation in 1966-67 deteriorated for the fourth year in succession. Except for a temporary seasonal decline from mid-August to early September, which was followed by a pause for a brief period upto early October, prices recorded a more or less continuous uptrend throughout the year under review. The Economic Adviser's weekly general index of wholesale prices (base : 1952-53 =100) rose sharply from 174.0 at the end of March 1966 to 202.7 by the end of March 1967 *i.e.*, by 16.5 per cent, as against an increase of 15.2 per cent in 1965-66, and of about 9 per cent each in 1964-65 and 1963-64.

Almost three-fourths of the rise in the general index in 1966-67 was contributed by food articles, which went up by 24.1 per cent and another one-eighth by the industrial raw materials group, which rose by 12.4 per cent. In 1965-66, the rise in food articles was 14.1 per cent and that in industrial raw materials 28.6 per cent and these two groups together had accounted for three-fourths of the rise in the price level.

For the second year in succession, the seasonal decline in prices which generally occurs between September and March was less evident in 1966-67. In fact, prices, particularly of foodgrains, registered sharp increases during the second half of the year, reflecting the very difficult supply situation. The weekly general index of wholesale prices moved up uninterruptedly from 170.4 on March 5, 1966 to the peak of 193.3 by August 13 ; thereafter, it receded to 187.4 by September 3 and after moving between 187.4 and 188.7 upto October 1, resumed an uptrend which became particularly marked from December ; the index rose from 187.5 on October 1 to a new contra-seasonal peak of 204.5 by March 4,

* This takes into account the additional gold subscription of $ 37.5 million paid to the I.M.F. But for this payment, reserves would have shown a rise of $ 77 million.

Table 1. Index Numbers of Wholesale Prices

(*Base :* 1952-53 = 100)

	Weight	End of March			% Variation of		% Variation of Annual Averages	
		1965	1966	1967	(2) over (1)	(3) over (2)	1965-66 over 1964-65	1966-67 over 1965-66
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
I. All Commodities ..	**1,000**	**151.0**	**174.0**	**202.7**	**+15.2**	**+16.5**	**+ 8.1**	**+15.8**
II. Food Articles ..	504	153.6	175.3	217.6	+14.1	+24.1	+ 5.6	+18.4
(a) Cereals	193	140.3	156.2	193.5	+11.3	+23.9	+ 6.2	+17.8
(b) Pulses	42	152.2	155.4	234.4	+ 2.1	+50.8	— 2.1	+21.5
III. Liquor and Tobacco..	21	138.4	127.5	128.0	— 7.9	+ 0.4	+ 4.1	— 4.6
IV. Fuel, Power, Light and Lubricants ..	30	148.2	160.3	172.9	+ 8.2	+ 7.9	+ 5.6	+11.0
V. Industrial Raw Materials	155	163.3	210.0	236.1	+28.6	+12.4	+16.2	+20.9
VI. Manufactures ..	290	141.2	157.3	167.5	+11.4	+ 6.5	+ 8.7	+ 9.2
(a) Intermediate Products	41	156.2	184.5	221.7	+18.1	+20.2	+13.1	+18.7
(b) Finished Products	249	138.7	152.9	158.6	+10.2	+ 3.7	+ 7.9	+ 7.4

1967 and closed on March 25, 1967 at 202.7. The index touched the seasonal peak of 222.2 on July 22 and stood at 219.5 on August 5, 1967.

Food Articles

Prices of food articles rose sharply by 24.1 per cent in 1966-67 on top of increases of 14.1 per cent during 1965-66, 8.9 per cent in 1964-65 and 14.2 per cent in 1963-64. Thus, in the four years ended 1966-67, the index for food articles rose by as much as 76 per cent. Among cereals, the rise during the year was very sharp in wheat (39.7 per cent) and *bajra* (38.1 per cent). Rice rose by 15.2 per cent and *jowar* by 10.6 per cent. The rise in the prices of wheat and rice is attributable to the sharp decline in their output in 1965-66, and apprehensions of a sharp shortfall in 1966-67 also, and the consequent shrinkage in market arrivals. The price index for rice advanced from 157.6 on March 26, 1966 to 172.8 by August 13 and after receding slightly to 169.7 by October 29, again moved up to 185.1 by February 25, 1967 and closed on March 25 at 181.6. The index for wheat, after fluctuating between 134 and 140 during the period April 2 to June 4, 1966, moved up to 149.4 by August 13. After declining to 146.5 in early September the index rose steeply thereafter from 147.9 on October 1, 1966 to 196.1 by March 4, 1967, and closed at 190.1 on March 25. Other food articles which showed marked increases during 1966-67 were *gur* (87.2 per cent), pulses (50.8 per cent), milk and ghee (21.9 per cent) and edible oils (17.9 per cent). The spurt in *gur* prices was the result of the diversion of a part of the demand for sugar to *gur* owing to a shortfall in the production of sugar this year. Despite substantial imports of soyabean oil, the prices of edible oils rose on account of increasing demand.

Industrial Raw Materials

During 1966-67, the prices of industrial raw materials registered a relatively smaller increase of 12.4 per cent than in 1965-66 (28.6 per cent). Except raw jute which declined by 9.3 per cent (in sharp contrast to an increase of 61.8 per cent in 1965-66), all other important items in this group registered increases in 1966-67, which were most marked in raw cotton (16.5 per cent) and oilseeds

Table 2. Index Numbers of Wholesale Prices of Food Articles

(*Base :* 1952-53 = 100)

	Weight	End of March			% Variation of		% Variation of Annual Averages	
		1965	1966	1967	(2) over (1)	(3) over (2)	1965-66 over 1964-65	1966-67 over 1965-66
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
Food Articles	**504**	**153.6**	**175.3**	**217.6**	**+14.1**	**+24.1**	**+ 5.6**	**+18.4**
1. Cereals	193	140.3	156.2	193.5	+11.3	+23.9	+ 6.2	+17.8
(a) Rice	113	128.3	157.6	181.6	+22.8	+15.2	+ 5.2	+22.1
(b) Wheat	53	143.7	136.1	190.1	— 5.3	+39.7	+ 6.3	+14.7
(c) Jowar	10	192.3	194.7	215.3	+ 1.2	+10.6	+ 4.3	+ 0.9
(d) Bajra	5	181.0	183.0	252.8	+ 1.1	+38.1	+ 9.3	+12.8
2. Pulses	42	152.2	155.4	234.4	+ 2.1	+50.8	— 2.1	+21.5
3. Milk and Ghee ..	84	150.2	163.4	199.2	+ 8.8	+21.9	+12.4	+12.7
4. Edible Oils	47	185.4	266.1	313.6	+43.5	+17.9	+16.9	+29.8
5. Sugar	18	151.1	161.0	174.0	+ 6.6	+ 8.1	+ 1.5	+ 6.6
6. Gur	30	156.8	147.6	276.3	— 5.9	+87.2	—23.1	+30.5

Table 3. Index Numbers of Wholesale Prices of Industrial Raw Materials and Manufactures

(*Base :* 1952-53 = 100)

	Weight	End of March			% Variation of		% Variation of Annual Averages	
		1965	1966	1967	(2) over (1)	(3) over (2)	1965-66 over 1964-65	1966-67 over 1965-66
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
Industrial Raw Materials ..	**155**	**163.3**	**210.0**	**236.1**	**+28.6**	**+12.4**	**+16.2**	**+20.9**
1. Fibres	61	147.0	189.5	192.5	+28.9	+ 1.6	+15.8	+16.1
(a) Cotton Raw ..	32	130.6	128.4	149.6	— 1.7	+16.5	+ 2.6	+ 7.8
(b) Jute Raw ..	23	171.9	278.1	252.2	+61.8	— 9.3	+33.3	+21.5
2. Oilseeds	60	194.2	263.8	315.0	+35.8	+19.4	+20.1	+24.9
(a) Groundnuts ..	27	183.9	253.8	298.4	+38.0	+17.6	+20.4	+28.8
Manufactures	**290**	**141.2**	**157.3**	**167.5**	**+11.4**	**+ 6.5**	**+ 8.7**	**+ 9.2**
1. Intermediate Products	41	156.2	184.5	221.7	+18.1	+20.2	+13.1	+18.7
2. Finished Products ..	249	138.7	152.9	158.6	+10.2	+ 3.7	+ 7.9	+ 7.4
(a) Cotton Manufactures	91	139.0	146.8	153.9	+ 5.6	+ 4.8	+ 3.1	+ 6.6
(b) Jute Manufactures	37	126.7	165.1	146.1	+30.3	—11.5	+27.8	+ 3.8
(c) Oil Cakes	10	204.5	238.3	290.8	+16.5	+22.0	+18.1	+16.4

(19.4 per cent). The fall in raw jute prices could be attributed to voluntary cut in raw jute consumption by mills between March and September 1966, the estimated increase of 19.6 per cent in jute production in the 1966-67 season, and weak overseas demand for jute manufactures. The rise in raw cotton prices resulted from (*i*) tight supply position in the face of sizeable mill demand and (*ii*) sharp rise in prices of foreign cotton following devaluation. Among oilseeds, castor seed advanced by 39.3 per cent, linseed by 36.1 per cent and groundnut by 17.6 per cent ; the rise in groundnuts reflected increased demand from crushers and vanaspati manufacturers.

Liquor and Tobacco and Fuel, Power, Light and Lubricants

The index of the group 'liquor and tobacco' went up fractionally by 0.4 per cent in 1966-67, in contrast to a fall of 7.9 per cent last year. This was the result of an increase of 17.9 per cent in the index for liquor which was almost entirely offset by a decline of 1.2 per cent in the index for tobacco (which has a weightage of 94 per cent in this group). The group 'fuel, power, light and lubricants' also recorded a sharp rise of 7.9 per cent as against 8.2 per cent last year. The rise was due to increases in the prices of castor oil (30.1 per cent), coal (4.4 per cent) and mineral oils (1.2 per cent).

Manufactures

The index of manufactures rose by 6.5 per cent in 1966-67 as compared with 11.4 per cent in 1965-66. This rise was, however, unevenly distributed between intermediate products (20.2 per cent) and finished products (3.7 per cent). Among *intermediate products*, large increases were registered by tin (79.6 per cent), leather (43.6 per cent), linseed oil (34.5 per cent), brass (30.9 per cent), cotton yarn (21.8 per cent) and coir yarn (20.8 per cent). The rise in tin and brass was mainly due to the higher price in rupees to be paid for their imports following devaluation, while that in leather was mainly the result of appreciably large export demand. In the case of cotton yarn, the rise was mainly due to higher prices of raw cotton.

Among *finished products*, with the notable exception of jute manufactures, which fell by 11.5 per cent owing to a decline in raw jute prices as well as in overseas demand, all other important items registered increases. The increases were particularly marked in oil cakes (22.0 per cent), machinery and transport equipment (10.8 per cent), woollen manufactures (9.5 per cent) and chemicals (9.3 per cent). Cotton manufactures also showed a rise of 4.8 per cent, resulting partly from upward revision of prices of controlled varieties of cloth.

The devaluation of the rupee on June 6, 1966, occurred at a time when the lean season rise in prices had already set in and it is therefore difficult to assess the actual impact of devaluation on the general price level as such. However, between June 4, 1966 (pre-devaluation level) and August 13, 1966 (when the seasonal peak was touched), the general price level showed a smaller increase of 4.8 per cent, as against 6.1 per cent during the corresponding period last year. It was in the latter period of 1966-67 *i.e.*, between August 13, 1966 and March 25, 1967, that the rise in the general price level was larger at 4.9 per cent, as against 4.0 per cent last year. The rise in prices actually took place between December 1966 and March 1967. During the period June 4 to December 3, 1966, the general price level showed a net rise of only 4.1 per cent, as against 7.5 per cent last year.

Among main groups, food articles and manufactures showed smaller increases of 5.1 per cent and 3.3 per cent, respectively, between June 4 and December 3, 1966 as against 8.2 per cent and 6.7 per cent in the corresponding period last year. Industrial raw materials actually declined by 0.4 per cent, as against a sharp rise of 12.5 per cent during June 5 and December 4, 1965.

Over the ten-month period June 4, 1966 to March 25, 1967, the general price level registered a rise of 9.9 per cent as against 10.3 per cent in the corresponding period last year. The rise was brought about mainly by food articles which rose by 14.1 per cent, as compared with a rise of 9.0 per cent in the corresponding period last year. The rise in food articles was mainly the result of shortage of supplies. The increases in the other two main groups, *viz.*, industrial raw materials and manufactures which covered most of the

items of our import and export trade were much smaller—5.7 per cent in industrial raw materials and 5.5 per cent in manufactures—as against 19.6 per cent and 8.2 per cent, respectively, last year.

Commodity-wise, however, the indices of certain items of imports showed substantial increases, for example, raw cotton, Egyptian Gizza (48.4 per cent), copper (13.9 per cent), tin (90.7 per cent), dyeing materials (12.5 per cent), machinery (12.4 per cent) and vehicles (9.2 per cent). Among main items of exports, over the post-devaluation period, jute manufactures, tea, unmanufactured tobacco and hides raw registered net declines, mainly due to weak overseas demand. Appreciable increases were registered by leather (37.0 per cent), skins raw (12.0 per cent), oil cakes (13.8 per cent) and spices and condiments (7.5 per cent).

Consumer Prices

Reflecting the trend in wholesale prices, particularly of foodgrains, the All-India Consumer Price Index for Working Class (*base:* 1949=100) rose sharply from 174 in March 1966 to 200 by March 1967 or by 14.9 per cent as compared with a rise of 9.4 per cent during 1965-66. Regional data available show that the increases were very sharp in Ludhiana (42 per cent), and Ajmer, Jabalpur, Gauhati, Cuttack and Ahmedabad (19 to 26 per cent). The increases were around 14-16 per cent in Delhi, Kanpur and Sholapur, 9-10 per cent in Bombay, Madras, Hyderabad and Nagpur and around 6-7 per cent in Calcutta and Bangalore. These increases in consumer price indices led to marked pressures for upward revision of money wages in several sectors of the economy.

OUTPUT

The continued pressure on prices during 1966-67 emanated from supply as well as demand factors. The supply position in regard to both consumer goods and industrial raw materials was tight, as a result of a serious setback to agricultural output, slowing down of industrial production and restricted imports ; at the same time, there was an expansion in aggregate monetary demand as reflected in an increase in money supply.

Agricultural production suffered a sharp setback during 1965-66 ; the index number of agricultural production (*base* : 1949-50=100) which had risen from 142.4 in 1963-64 to 158.4 in 1964-65 fell to 131.7 in 1965-66 or by as much as 16.9 per cent. The 1965-66 level of output was lower even than that at the end of the Second Plan. The fall in 1965-66 was shared by all crops ; output of rice was lower by 21 per cent and of wheat by 19 per cent ; while among non-foodgrains, substantial declines were registered by cotton, jute, and groundnuts. During 1966-67, agricultural production is expected to show only a marginal improvement over the low level reached in 1965-66. Foodgrains output is estimated at about 76 million tonnes as against 72.3 million tonnes in 1965-66 and 89 million tonnes in 1964-65. Among major non-foodgrain crops, production of jute and groundnuts is estimated to show substantial increases; output of cotton is also expected to be better. Only sugar-cane (*gur*) is likely to show decline.

Among *foodgrains*, rice output was substantially lower at 30.6 million tonnes in 1965-66, as against 39 million tonnes in 1964-65 ; in 1966-67 also, rice output is expected to show only a marginal improvement over the 1965-66 level owing to severe drought conditions and the failure of monsoon during September to November 1966. The output of *wheat* also dropped from a peak of 12.3 million tonnes in 1964-65 to 10.7 million tonnes in 1965-66 ; for 1966-67, the outlook does not appear to be much better than in the previous year. Production of *other cereals* (other than rice and wheat) was considerably lower at 21.0 million tonnes in 1965-66 than in 1964-65 (25.3 million tonnes). *Pulses* output also recorded a decline from 12.4 million tonnes in 1964-65 to 10.0 million tonnes in 1965-66 ; no estimates are available for 1966-67 output in respect of 'other cereals' and pulses. Among *non-foodgrains*, production of *cotton* during 1965-66 at 47.08 lakh bales (of 180 kgs. each) was lower by 17 per cent as compared with the level in 1964-65 (56.6 lakh bales) and was as much as 32.7 per cent below the Third Plan target of 70 lakh bales.

According to tentative estimates, production of cotton during 1966-67 is likely to be around 50 lakh bales as against 47 lakh bales during 1965-66. The fall in raw jute and mesta output in 1965-66 was even sharper ; output of *jute* dropped from 60.2 lakh bales in 1964-65 to 44.7 lakh bales in 1965-66 or by 26 per cent and that of *mesta* from 15.8 lakh bales to 12.9 lakh bales or by 18.4 per cent. During 1966-67, according to the final estimate, output of raw jute is estimated at 53.48 lakh bales—an increase of 19.6 per cent over the partially revised estimate of 44.71 lakh bales for the previous year. Official estimate (final) places the production of mesta in 1966-67 lower at 12.1 lakh bales, as against the partially revised estimate of 12.9 lakh bales for 1965-66. Production of major *oilseeds* also fell sharply from 8.46 million tonnes in 1964-65 to 6.10 million tonnes in 1965-66 or by 28 per cent, mainly because of the lower output of groundnuts. Official estimates of production of oilseeds for 1966-67 except groundnuts are not yet available. According to the final estimates, production of groundnuts in 1966-67 is placed at 4.48 million tonnes. Production of *sugarcane* (in terms of gur) at 11.8 million tonnes in 1965-66 was lower by 1.7 per cent, despite an increase in the area under sugarcane by over 7 per cent. According to current estimates, the production of sugarcane (in terms of gur) for 1966-67 is placed at 10.5 million tonnes. *Sugar* production during 1965-66 (November-October) aggregated 35.08 lakh tonnes—an increase of 8 per cent over the preceding year. For 1966-67 season, however, in view of the shortfall in the sugarcane production and also the diversion of cane from the production of sugar to that of gur and khandsari, output is likely to be only 22 to 23 lakh tonnes.

Industrial Output : The average general index of industrial production (*base* : 1956=100) at 191.6 for 1966 showed only a small increase of 2.5 per cent over the year compared with a rise of 5.6 per cent in 1965, 6.8 per cent in 1964, more than 8 per cent per annum during 1961 to 1963, and 11 per cent in 1960. Though the extent of increase in output during the year 1966 as a whole was much smaller than in the previous year, the quarterly rate of increase (over the corresponding quarter in the previous year) moved up from 1.1 per cent during January—March 1966 to 4.6 per cent during the last quarter of the year. During the first four months January-April 1967, industrial output again suffered a setback; the increase in output was only 0.6 per cent over the level in the corresponding period in 1966. Table 4 gives the monthly general index of industrial production during the six years 1961 to 1966. Shortage of raw materials, both imported and indigenous, was largely responsible for the smaller rate of increase in a number of industries, while output in certain industries was affected by power cuts, and in certain others, by a slackening of demand for their products.

Table 4. Index Numbers of Industrial Production

(*Base :* 1956=100)

Month	Seasonally Adjusted Index						Percentage Variation of				
	1961 (1)	1962 (2)	1963 (3)	1964 (4)	1965 (5)	1966 (6)	(2) over (1)	(3) over (2)	(4) over (3)	(5) over (4)	(6) over (5)
January ..	.. 138.3	152.3	164.2	174.4	187.7	183.9	+10.1	+ 7.8	+6.2	+ 7.6	—2.1
February ..	.. 137.4	149.1	163.9	172.2	185.7	194.5	+ 8.5	+ 9.9	+5.1	+ 7.8	+4.7
March ..	.. 142.2	157.7	162.0	174.4	192.9	194.4	+10.9	+ 2.7	+7.7	+10.6	+0.8
April ..	.. 139.1	152.2	159.6	166.7	184.2	192.1	+ 9.4	+ 4.9	+4.4	+10.5	+4.3
May ..	.. 138.8	151.4	164.0	162.9	185.1	189.5	+ 9.1	+ 8.3	—0.7	+13.6	+2.4
June ..	.. 139.6	151.0	161.3	170.5	191.2	193.7	+ 8.2	+ 6.8	+5.7	+12.1	+1.3
July ..	.. 134.9	148.9	166.6	175.1	189.0	187.9	+10.4	+11.9	+5.1	+ 7.9	—0.6
August ..	.. 140.0	154.6	165.6	170.4	184.3	189.9	+10.4	+ 7.1	+2.9	+ 8.2	+3.0
September ..	140.4	150.2	162.9	178.7	183.4	190.2	+ 7.0	+ 8.5	+9.7	+ 2.6	+3.7
October ..	.. 139.9	148.8	170.3	178.2	179.8	189.5	+ 6.4	+14.4	+4.6	+ 0.9	+5.4
November ..	141.4	162.8	173.7	182.2	190.9	195.0	+15.1	+ 6.7	+4.9	+ 4.8	+2.1
December ..	140.6	159.6	175.4	184.3	188.8	199.9	+13.5	+ 9.9	+5.1	+ 2.4	+5.9
General Index (Unadjusted) Annual Average	**141.0**	**152.6**	**165.8**	**177.0**	**186.9**	**191.6**	**+8.2**	**+8.7**	**+6.8**	**+ 5.6**	**+2.5**

Groupwise, the increases registered by all the four groups were smaller in 1966 than in 1965. The rise in basic industries was 5.6 per cent as against 6.7 per cent last year, and in capital goods industries 2.0 per cent as against 11.9 per cent. In the intermediate goods industries, the rise was 1.9 per cent, as against 4.3 per cent and in consumer goods industries 0.4 per cent, as against 4.3 per cent in 1965. It is significant that as between the industry groups, the increase in consumer goods was the smallest during the year ; this was mainly because of a decline of 3 per cent in cotton weaving which almost wiped out the increases registered by other industries.

Among *basic industries*, aluminium manufacturing recorded a large increase of 16 per cent (compared with 7 per cent in 1965), mainly due to the commissioning of additional capacity. Electricity generation was higher by 9 per cent. The index for iron and steel industries registered a larger increase of 7 per cent compared with 3 per cent last year ; among the iron and steel items, the index for pig iron was higher by only 1 per cent in 1966 compared with 5 per cent in 1965, while the index for finished steel declined by 1 per cent in 1966 in contrast to an increase of 4 per cent in 1965. Output of pig iron and finished steel was adversely affected by a slackening of demand from the heavy engineering industry. The decline in demand for steel led to a lower offtake of coal by steel plants and thus affected the coal mining industry. Output of coal increased by only 2 per cent in 1966 as compared with 9 per cent in 1965. Cement and basic industrial chemicals also showed smaller increases of 5 per cent each in 1966 as against 9 per cent and 10 per cent, respectively, last year. Cement output was affected by power cuts in some States, mechanical break-downs and labour troubles during the second quarter of the year. As against these increases, output of brass manufacture and copper smelting and rolling mill products declined by 50 per cent and 11 per cent, respectively, on top of declines of 12 per cent and 7 per cent last year.

In the group *capital goods*, industries which recorded further increases in output included electric motors (17 per cent), internal combustion engines (12 per cent), power transformers (11 per cent) and industrial machinery (7 per cent) ; the rate of increase in all these industries was, however, lower compared with 1965. Production of electric cables and wires increased by 9 per cent in 1966, as against a decline of 7 per cent last year. On the other hand, the output of railway wagons fell sharply and that of automobiles marginally in 1966 ; both these industries had registered increases in 1965. The steep fall of 33 per cent in the output of railway wagons was caused by cut-back in orders for wagons by the Railways because of a downward revision of prospects for freight traffic. As against the extra 12 million tonnes of traffic expected during 1966-67, only about 3 million tonnes materialised. The small decline of 2 per cent in the output of automobiles occurred in the first half of 1966 when production was restricted due to inadequate availability of imported raw materials.

In *intermediate goods industries*, significant increases in output were recorded by petroleum products (24 per cent) and fertilisers (12 per cent). The substantial increase in petroleum products was due to the commissioning of one more public sector refinery at Cochin during the year and the progress made in attainment of rated capacity output by other refineries. As against these increases, there were declines in certain important industries in this group. These included jute manufactures (16 per cent), paints, varnishes and lacquers (11 per cent) and cotton spinning (2 per cent). The fall in jute goods output, which occurred mainly between March and September 1966, was the result of voluntary cuts in output by mills and block closure of mills for a week in May 1966 to tide over the shortage of raw jute. In paints, shortage of raw materials accounted for the decline in output, while in cotton spinning output was affected by power cuts in the first half of 1966, strike in the Bombay mills for a week in March 1966 and an acute shortage of cotton in the last quarter of 1966.

Consumer goods industries which recorded substantial increases were radio receivers (22 per cent), glass and glass products (21 per cent), paper and paper products (10 per cent) and cigarettes and bicycles (8 per cent each). Other industries, which showed a rise in out-

put, though of a smaller order, included sugar (4 per cent), tea and soap (3 per cent each); in the previous year, tea had recorded a decline of 2 per cent. Sugar output in 1965-66 (November-October) attained a new high level at 35.1 lakh tonnes. However, due to severe drought and diversion of available cane supplies to gur and khandsari manufacture, production in 1966-67 is likely to be about 22 lakh tonnes only. Production of cotton textiles (weaving) suffered a decline of about 3 per cent in 1966. This was the net result of a fall of 6.4 per cent in output of cloth by the mill sector partly offset by an increase of 1.4 per cent in the output in the decentralised sector. The fall in the output of the mill sector in 1966 was due mainly to power cuts in force in the first half of 1966, strike in Bombay mills for a week in March 1966 and acute shortage of cotton in the last quarter of 1966. Output of woollen textiles which decreased last year by 14 per cent recorded a further decline of 7 per cent during 1966 due to shortage of imported raw materials. The fall occurred mainly in the first half of 1966, there being a distinct improvement in the last four months of 1966 ; an important development was the release by Government of additional foreign exchange for the import of raw materials. In silk and synthetic fibre textiles, output declined by 1 per cent during 1966 as against an increase of 3 per cent in 1965. The fall in output in 1966 was attributed to shortage of imported yarn. Output of electric fans and sewing machines was also lower by 11 per cent and 3 per cent, respectively, in 1966, as against sizeable increases recorded in 1965. The fall in sewing machines was due partly to consumer resistance and partly to the low level of exports.

During the first four months of 1967, for which data are available, industrial output was adversely affected, particularly in industries depending on raw materials of agricultural origin, for instance, cotton textiles, sugar and tea and in some capital goods industries, particularly engineering industries including railway wagons and textile machinery owing to a fall in demand for their products. This in turn resulted in lower output of iron and steel basic industry—the main supplier of raw materials to capital goods industries.

PRICE POLICY

The continuous and substantial rise in prices during 1966-67, on top of an aggregate increase of about 35 per cent in the preceding three years, evoked a series of measures by the Government. The substantial rise in prices basically reflected the persistent imbalance in the economy arising from shortage of supplies on the one hand and increase in monetary demand on the other, but it was also due to some extent to higher costs of imported raw materials, consequent on the devaluation of the rupee. In the result, besides the measures taken as part of the overall control of inflationary pressures, certain special measures were taken during the year mainly to dampen the immediate impact of devaluation on prices, particularly of essential commodities.

The special measures taken in the wake of devaluation were : (*i*) promulgation in July 1966 of the Essential Commodities Ordinance empowering the Centre and the States to require any person to sell any grade or variety of foodgrains, edible oilseeds and edible oils either at the controlled price or at a price prevailing or likely to prevail during the post-harvest period ; (*ii*) removal of the regulations for the purchase, sale, distribution and consumption of scarce materials, *viz.*, copper, lead, zinc and tin through the repeal on June 7, 1966 of the Scarce Industrial Materials Control Order 1965 issued in September 1965, (*iii*) maintenance of issue prices of imported foodgrains at pre-devaluation levels by means of subsidy (the subsidy was reduced in November-December 1966), (*iv*) downward adjustment of excise duties on petroleum products to maintain prices of items like kerosene, diesel oils, furnace oil and motor spirit at pre-devaluation levels, and (*v*) reduction in import duties on a number of items, particularly industrial raw materials and machinery.

The measures taken during the year to meet the price situation were both short-

term and long-term, and included larger imports of food, intensification of internal procurement, strengthening of the distribution system through extension of rationing and of fair price shops, raising of minimum support as well as procurement prices to provide remunerative prices to producers and a reorientation of agricultural plans to bring about a quick and substantial increase in agricultural production. Measures which were taken to increase industrial output included liberal licences for imports of raw materials, spares, etc., relaxation of controls on industry and permitted increases in prices. These steps were further strengthened by monetary and fiscal measures.

An important factor contributing to the continued pressure on prices during the year was the large deficits in the Central and State budgets in 1966-67. The overall budgetary deficit of the Central Government for 1966-67 which was originally estimated at Rs. 32 crores increased to Rs. 313 crores according to the revised estimates. The deficit was the result of several unexpected factors. In recent years, the endeavour of the Government has been to keep down such deficits. The Central budget for 1967-68, to which reference is made later, has laid the highest stress on this point adjusting both taxation and expenditure so as to fully secure an overall balance.

As a major part of the rise in prices during the year was on account of food articles, mainly cereals, particular attention was given to the question of holding foodgrains prices, with a view to providing relief to vulnerable sections of the society, particularly to those in the famine-stricken areas.

To augment supplies of foodgrains, imports were stepped up from 7.46 million tonnes in 1965 to 10.36 million tonnes in 1966. During the first three months of 1967 also, imports were slightly higher at 2.12 million tonnes than in the corresponding period of 1966 (2.08 million tonnes). According to the arrangements made so far, foodgrains imports are estimated at 10 to 11 million tonnes for 1967 as a whole. Despite a substantial decline in rice output, procurement of rice by the Central and State Governments during the 1965-66 season (November-October) was slightly better at 3.1 million tonnes than in the 1964-65 season (2.9 million tonnes). Purchases of coarse grains on account of Central and State Governments were also higher at 1.0 million tonnes during 1965-66 than in 1964-65 (0.45 million tonnes). However, during the 1966-67 season so far, the procurement has been poor. For the period November 1966 to June 1967, procurement of rice totalled 2.2 million tonnes, and that of coarse grains 0.7 million tonnes as compared with 2.8 million tonnes and 1.0 million tonnes, respectively, in the corresponding period of 1965-66 season. Purchases of wheat on Central and State Governments' account during the 1966-67 season (April-March) were also substantially lower (0.23 million tonnes compared with 0.43 million tonnes during the 1965-66 season). Methods of procurement were also modified in some States during the year. In Kerala, Bihar, Mysore and West Bengal* procurement of rice was in the shape of a levy on producers on an acreage basis, while Andhra Pradesh, Gujarat, Madhya Pradesh, Punjab, Haryana and Uttar Pradesh adopted a system of levy on millers and dealers. Monopoly procurement of paddy was continued in the States of Assam, Maharashtra and Orissa. To facilitate larger procurement as also to provide an incentive to producers, procurement prices were raised during the year.

Larger imports and intensive procurement facilitated improved distribution of foodgrains in 1966. The offtake of rice, wheat and coarse grains from the Central Reserve Depots including supplies to State Governments was substantially higher at 11.40 million tonnes in 1966 as compared with 8.30 million tonnes in 1965. In the first three months of 1967, the offtake of foodgrains from the Central Reserve Depots including supplies to State Governments was slightly lower at 2.53 million tonnes than in the first three months of 1966 (2.63 million tonnes). The stocks of foodgrains with the Central and State Governments at the end of March

* The Government of West Bengal withdrew the procurement levy on producers on April 6, 1967.

1967 were substantially lower at 2.42 million tonnes, as compared with 3.07 million tonnes in March 1966. With a view to streamlining the distributive machinery, the number of fair price shops operating in the country was further increased from 1.09 lakhs at the end of 1965 to 1.39 lakhs at the end of 1966. During 1966, over 14 million tonnes of cereals were distributed through ration/fair price shops as against 10 million tonnes during 1965. The total population covered under the statutory and informal rationing at present is about 30 million and 211 million, respectively. The maximum statutory prices for paddy/rice were fixed during 1966-67 in the States of Andhra Pradesh, Assam, Madhya Pradesh, Madras, Punjab and the Union territories of Delhi and Pondicherry.

In pursuance of the policy of ensuring remunerative prices to producers, the Union Government, on the recommendation of the Agricultural Prices Commission, revised upwards in January 1967, the guaranteed minimum support prices for wheat and gram for the 1966-67 crop (marketed from April 1967 to March 1968); those for paddy, jowar, maize and bajra for the 1966-67 season have been kept at the last year's level. For the 1967-68 kharif season, however, minimum support prices announced in May 1967 are higher by Rs. 4 to Rs. 7 per quintal in respect of paddy (standard variety) and by Rs. 2 to Rs. 6 per quintal in respect of coarse cereals.

Certain special measures were taken by the Government during the year 1966-67 to increase agricultural output. There was a reorientation of agricultural plans with particular emphasis on increasing productivity in agriculture. This was backed up by larger financial provision for agriculture in the State and Central budgets for 1966-67. During the kharif season, the area brought under high-yielding varieties of paddy, maize, jowar and bajra amounted to 1.82 million acres. For the rabi-summer season, the coverage under high-yielding varieties has been stepped up to 4.4 million acres. In 1967-68, the high-yielding varieties programme is proposed to be extended to about 15 million acres. Arrangements were made to meet the full requirements of the High-Yielding Varieties Programme in respect of foundation seeds, fertilisers, pesticides, plant protection and equipment. It has also been decided to undertake a multiple cropping programme in the irrigated areas. The target for 1967-68 is to cover 7.5 million acres under this programme. During 1966-67 the use of fertiliser inputs is estimated to have increased by 60 per cent while over 3 million acres benefited from efficient exploitation of water resources. The target of availability of fertilisers during 1967-68 is fixed at 1.35 million tonnes while minor irrigation facilities are proposed to be extended to 3 to 3.5 million acres during 1967-68.

Measures were also taken to ensure larger supplies, through imports, of certain agricultural raw materials in short supply like oilseeds and oils and raw cotton. During the year, the S.T.C. entered into a contract with the U.S.S.R. for import of sunflowerseed oil, while arrangements were made to import substantial quantities of soyabean oil under P. L. 480. Government also made larger foreign exchange allocation for import of copra, palm oil and tallow. As regards raw cotton, imports of over 9 lakh bales were envisaged in 1966-67 as against less than 6 lakh bales in 1965-66. To check the rise in cotton prices on account of a critical supply situation, a ban was imposed in October-November 1966 on the movement of indigenous cotton, excepting exportable varieties, out of important cotton-growing areas in the country. The mills were also ordered (*i*) not to keep more than two months' stocks of cotton in their possession at any time and (*ii*) to observe, effective from December 12, 1966, an extra holiday every week. It was also decided to requisition cotton for supplying to mills which were unable to get it at ceiling prices. Restrictions were also imposed on bank advances against cotton during April 1967. It is reported that over one lakh bales of cotton had been requisitioned by July 1967. During the year minimum prices of sugarcane and jute and the ceiling and floor prices of cotton were revised upwards. To offset a part of the increased cost of imports of raw jute consequent on devaluation, a subsidy of Rs. 200 per tonne on Thai mesta of "A" and "B" grades and of Rs. 400 per

tonne on Pakistani jute was granted (upto June 30, 1967 for Pakistani jute and upto March 31, 1968 for Thai mesta).*

To facilitate the revival of industrial activity and expansion of industrial output, a number of measures were taken during the year. Modifications were made in the industrial licensing regulations, the import control system and controls on distribution and prices of industrial products.

In order to encourage the setting up of further industrial units—particularly in industries which are of importance to agriculture and for exports—42 industries were exempted from the licensing provisions of the Industries (Development and Regulation) Act. These included power driven pumps, sprayers, mixed fertilisers, non-vehicular engines, bicycles, sewing machines, cement, pulp, paper and newsprint.

Licensing requirements were also dispensed with since early 1967 in respect of spinning mills having a spindleage upto 25,000 ; setting up of new textile processing units or expansion of existing ones has also been exempted from licensing requirements.

The liberalisations granted to the engineering industry in mid-1965 in respect of diversification of production were extended to other industries in October 1966. All industrial units can now, without taking out a licence, diversify production, manufacture new articles and step up output upto 25 per cent beyond licensed capacity, provided no additional plant or machinery is installed and no additional foreign exchange is needed.

It was decided to grant to 59 priority industries import licences as and when required for components, raw materials and spare parts, to facilitate higher output of essential items.

The fertiliser policy under which liberal terms are offered to foreign private investors was extended by nine months, *i.e.*, upto end of 1967.

The Government's policy in respect of removal of controls over prices/distribution was carried further during the year. Control over price and distribution of hardcoke produced by beehive and country ovens was removed, effective April 1, 1966. It was decided to continue for another year, decontrol in respect of price and distribution of cement which came into effect on January 1, 1966. Since the beginning of 1967, price and distribution controls on certain categories of steel were removed in stages, leading to the complete withdrawal of control on all categories of steel with effect from May 1, 1967. In order to compensate industries for increase in the costs of production, as also to neutralise the impact of devaluation, price increases were granted to many industries *viz.*, cotton textiles, coal, sugar, vanaspati and iron and steel, automobiles, trucks etc.

MONETARY AND BANKING DEVELOPMENTS

The trends in output and availability described earlier have to be viewed along with the trends in money supply which represents monetary demand. Money supply with the public expanded at a smaller rate during 1966-67 than in the previous year. The increase was of the order of Rs. 424 crores (9.4 per cent) compared with the expansion of Rs. 449 crores (11.0 per cent) during 1965-66. Monetary resources (comprising currency and aggregate deposits), however, showed a slightly higher rise of Rs. 686 crores in 1966-67 as against Rs. 657 crores in the preceding year.

The constituents of money supply and the main factors responsible for its variations during the year are indicated in the following table :

* The subsidy granted immediately after devaluation was higher at Rs. 500 per tonne on Pakistani jute and Rs. 250 per tonne on Thai mesta.

Table 5. Variations in Money Supply

(Crores of Rupees)

Item	1964-65 (1)	1965-66 (2)	1966-67 (3)
1. Currency with Public ..	+ 163	+ 265	+ 161
2. Deposit Money ..	+ 165	+ 184	+ 264
3. Money Supply ..	+ 328	+ 449	+ 424
Factors affecting Money Supply			
A. Net Bank Credit to Government Sector* ..	+ 268	+ 488	+313(*a*)
B. Net Bank Credit to Private Sector*	+ 56	+ 79	+ 206
C. Net Foreign Exchange Assets	— 19	— 24	— 9(*b*)
D. Government's Net Currency Liabilities ..	+ 19	+ 12	+ 21
E. Net Non-Monetary Liabilities of the Banking System (Increase—)† ..	+ 4	— 106	— 107

* Adjusted for P.L. 480 and P.L. 665 deposits with banks in India other than the Reserve Bank of India.

(*a*) Excluding the effect of revaluation of certain assets of the Reserve Bank following the devaluation of the rupee.

(*b*) Ignoring the effect of revaluation of foreign assets of the Reserve Bank following devaluation.

† Comprising mainly capital and reserves and the difference between other liabilities (mainly bills payable, accrued profits, etc) and other assets (such as premises, furniture, debit balances under branch adjustments and items in course of collection).

Net bank credit to Government which was the most important factor in money supply expansion in 1965-66 showed a smaller rise in 1966-67. The net bank credit to Government expanded by Rs. 313 crores* as compared with a rise of Rs. 488 crores during the previous year. The smaller expansion during the year was mainly due to a fall of Rs. 141 crores in the Reserve Bank's loans and advances to State Governments as against a rise of Rs. 137 crores in the previous year. Net credit extended by banks to the private sector, on the other hand, showed a sharp increase of Rs. 206 crores during the year, in contrast to the slow pace of growth in the preceding two years (Rs. 56 crores in 1964-65 and Rs. 79 crores in 1965-66). The rise during the year in gross bank credit to the private sector represented by the banks' advances and holdings of private securities, was substantially higher at Rs. 468 crores than in the previous year (Rs. 287 crores). There was, on the other hand, a larger accretion to time deposits, which increased during the year by Rs. 261 crores as compared with a rise of Rs. 208 crores@ in the preceding year. The increase in Government's net currency liabilities (*i.e.*, rupee coins and small coins in circulation) to the public accounted for an expansion in money supply of Rs. 21 crores. The combined expansionary impact of the above factors was partially offset by the variation in net foreign exchange assets and the net non-monetary liabilities of the banking system†, which resulted in a contraction of Rs. 9 crores** and Rs. 107 crores, respectively, compared with Rs. 24 crores and Rs. 106 crores, respectively, during 1965-66.

Seasonal Monetary and Banking Trends

During the 1966 slack season, money supply with the public witnessed a steep decline of Rs. 126 crores which was almost thrice as large as the contraction of Rs. 43 crores during the previous slack season. The larger contraction in money supply during the slack season of 1966 was mainly due to a decline of Rs. 205 crores in net bank credit to the private sector as compared with Rs. 155 crores during the previous slack season. The expansion in money supply in the busy season of 1966-67 was slightly smaller at Rs. 459 crores, as against Rs. 482 crores during the previous busy season. During this busy season, net bank credit to private sector was substantially higher at Rs. 362 crores than in the last busy season (Rs. 171 crores) whereas the extension of credit by banks to the Government (Rs. 141 crores) was only about one-third of that during the 1965-66 busy season (Rs. 410 crores).

The policy of credit restraint adopted by the Bank in the context of the slower tempo

* Excluding the effect of revaluation of certain assets of the Reserve Bank following the devaluation of the rupee.
@ Excluding P.L. 480 and P.L. 665 deposits.
† Comprises mainly capital and reserves and the difference between other liabilities (mainly bills payable, accrued profits, etc.) and other assets (such as premises, furniture, debit balances under branch adjustments and items in course of collection).
** Ignoring the effect of revaluation of foreign assets of the Reserve Bank following devaluation.

of economic activity, resulted in a relatively smaller credit expansion in the 1965-66 busy season (Rs. 310 crores) than in the previous busy season (Rs. 407 crores). This policy was continued in the subsequent slack season also mainly with a view to mopping up the liquid resources accruing to the banking system, especially after the devaluation of the rupee in June 1966. In May 1966 and again in June 1966, the Governor of the Reserve Bank explained to the scheduled commercial banks the need for credit curbs and for investing their surplus funds in Government securities, thereby conserving their resources for meeting the credit requirements in the following busy season.

The actual contraction of credit in the slack season of 1966, covering broadly the first half of the financial year 1966-67 was, however, only Rs. 86 crores which was slightly smaller than the 1965 slack season contraction of Rs. 93 crores ; as a proportion of the expansion in the preceding busy season, the contraction of credit in the slack season of 1966 was of the order of 28 per cent compared with 23 per cent in the 1965 slack season. The contraction in the volume of credit was due to a sharp decline in seasonal advances, particularly advances against paddy and rice, following continued distribution from stocks through officially approved dealers. Advances against seasonal commodities showed a larger contraction (Rs. 204 crores) than in 1965 (Rs. 150 crores) though their expansion in the preceding busy season was smaller than that in the 1964-65 busy season. The sharpest decline in seasonal advances was recorded in paddy and rice (Rs. 31 crores) which was nearly six times that in the 1965 slack season (Rs. 5 crores). Non-seasonal advances rose by Rs. 90 crores as compared with Rs. 96 crores in the 1965 slack season, the expansion in iron and steel and engineering goods being Rs. 54 crores as against Rs. 45 crores in 1965 which implied a certain piling up of stocks due to some slackening of the demand for these products. Thus according to the fortnightly survey of bank advances which covers nearly all advances of scheduled commercial banks, total secured advances declined by Rs. 114 crores, compared with Rs. 54 crores in the 1965 slack season. Unsecured advances, on the other hand, increased by Rs. 27 crores as against a decline of Rs. 31 crores in 1965 slack season and a rise of Rs. 42 crores in the 1965-66 busy season.

Aggregate deposits rose by Rs. 265 crores—the increase being much larger than in the 1965 slack season (Rs. 178 crores). As a result, the credit-deposit ratio declined, as in the last season, by over 8 percentage points from 76.9 per cent at the end of April 1966 to 68.1 per cent at the end of October 1966. In the 1965 slack season, the ratio had declined from 80.1 per cent to 71.7 per cent at the end of the season. Of Rs. 351 crores accruing to banks through increase in deposits and return flow of credit, Rs. 30 crores were utilised for repayments of borrowings from the Reserve Bank. Banks repaid almost the whole of their borrowings from the Reserve Bank by the end of June 1966 ; on October 28, 1966 the amount outstanding was only Rs. 2 crores. In the 1965 slack season, however, the borrowings stood at Rs. 63.7 crores at the end of June 1965 and at Rs. 3 crores on October 29, 1965.

Table 6. Scheduled Commercial Bank Data—Slack Season

(Crores of Rupees)

Item	1964	1965	1966
	(1)	(2)	(3)
1. Aggregate Deposits ..	+210.7	+177.9	+264.9
(*a*) Demand	+119.8	+ 80.0	+ 84.8
(*b*) Time	+ 90.9	+ 97.9	+180.1
2. Borrowings from R.B.I.	— 43.3	—122.8	— 29.8
3. Borrowings from S.B.I. and/or notified banks ..	+ 18.4	— 2.4	+ 0.4
4. Bank Credit	—138.8	— 93.4	— 85.7
5. Investments in Government securities ..	+258.5	+138.6	+298.2
6. Cash reserves ..	+ 11.9	+ 21.6	+ 10.3

In response to the Reserve Bank's suggestion to banks to invest in Treasury bills and other Government securities the accretion to their resources during the slack season by way of deposit increase and return flow of credit, the banks invested Rs. 298 crores in Govern-

ment securities compared with only Rs. 139 crores during the slack season of 1965. The investment ratio, therefore, moved up by 6.9 percentage points from 27.4 per cent to 34.3 per cent over the season as compared with the rise of 3.2 percentage points over the slack season of 1965 (from 27.3 per cent to 30.5 per cent).

The liquidity position of the banks showed a marked improvement during the 1966 slack season ; as a result, the money market remained generally easy during the greater part of the season. Thus, except for a temporary spurt to 4.3 per cent on May 13 and 20, the call rate in Bombay remained around 4 per cent throughout the season ; during the 1965 slack season the rate in Bombay market ranged between 3.4 per cent and 9.4 per cent and closed for the season at 5.2 per cent. In Calcutta, the call rate was rather erratic ; it fluctuated between a low of 2.8 per cent reached on August 26, and a high of 6.6 per cent reached on September 9. During the greater part of the season, however, the rate moved between 3 per cent and 6 per cent and closed for the season lower at 3.8 per cent compared with 5.8 per cent for the 1965 season.

Busy Season 1966-67

In contrast to the busy season of 1965-66, the rate of credit expansion in the 1966-67 busy season was faster. The increase in credit amounted to Rs. 425 crores which was Rs. 116 crores higher than that in the 1965-66 busy season, the rate of expansion rising to 19 per cent from 15 per cent in the previous busy season.

Table 7. Scheduled Commercial Bank Data—Busy Season

(Crores of Rupees)

Item	1964-65 (1)	1965-66 (2)	1966-67 (3)
1. Aggregate Deposits ..	+106.4	+213.9	+167.5
(*a*) Demand	+ 43.5	+120.6	+110.0
(*b*) Time	+ 62.9	+ 93.3	+ 57.5
2. Borrowings from R.B.I.	+124.5	+ 28.5	+ 40.8
3. Borrowings from S.B.I. and/or notified banks ..	+ 8.6	+ 4.6	+ 5.5
4. Bank credit	+407.4	+309.5	+425.3
5. Investments in Government securities ..	—153.8	— 27.3	—198.1
6. Cash reserves ..	+ 7.6	+ 5.4	+ 11.5

According to the security-wise classification of bank advances, the larger expansion in credit in the 1966-67 busy season (Rs. 426 crores compared with Rs. 312 crores in the 1965-66 busy season) was due to larger rise in advances against non-seasonal securities (Rs. 263 crores as compared with a rise of Rs. 53 crores in the 1965-66 busy season). The expansion in seasonal advances turned out to be appreciably smaller (Rs. 171 crores or 40 per cent only as compared with Rs. 217 crores or 70 per cent in the previous busy season). The smaller rise in credit against seasonal commodities was mostly on account of foodgrains and sugar. Thus advances against foodgrains registered a much smaller expansion of Rs. 3.4 crores as against an expansion of Rs. 35.6 crores in the 1965-66 busy season, almost wholly on account of paddy and rice, advances against which showed a normal rise of Rs. 14 lakhs as compared with the sharp rise of Rs. 35.2 crores in the last busy season. Advances to State Governments against foodgrains recorded a decline of Rs. 0.9 crore as against an expansion of Rs. 31.1 crores. The smaller rise in advances against foodgrains may partly be attributed to lower domestic output of foodgrains in 1966-67. Reflecting a substantial fall in sugar production the expansion in advances against sugar was substantially smaller (Rs. 25 crores) than in the last season (Rs. 79 crores). Advances against oilseeds, vegetable oils, gur, cotton and *kapas* and raw jute showed larger expansion than in the previous busy season. The expansion was markedly higher in the case of raw cotton reflecting to some extent, a sharp rise in prices and larger imports. The expansion in advances against oilseeds and vegetable oils was larger at Rs. 39 crores and Rs. 11 crores, respectively, reflecting partly a sharp rise in prices of these commodities.

Among the non-seasonal securities, advances against 'manufactures and minerals' recorded an increase of Rs. 131 crores in contrast to a decline of Rs. 11 crores in the last busy season.

In this group the expansion in advances against iron and steel and engineering products was markedly higher (Rs. 45 crores) than in the last season (Rs. 12 crores). Advances against cotton textiles also showed a rise of Rs. 6 crores as against a fall of Rs. 17 crores in the busy season of 1965-66. Advances against chemicals group also contributed to the rise by an expansion of Rs. 21.9 crores as compared with the rise of only Rs. 5.3 crores last year. Similarly, advances against manganese, mica, other minerals and mineral oils also rose by Rs. 2.4 crores as against a decline of Rs. 4.3 crores in the last busy season. Among other non-seasonal securities advances against assets of industrial concerns increased by nearly three times to Rs. 23.1 crores and those against shares of joint stock companies recorded a rise of Rs. 7 crores (as compared with Rs. 3 crores in the last season). Unsecured advances, after rising from Rs. 345 crores in October 1966 to Rs. 375 crores in January 1967 declined to Rs. 337 crores in April 1967 showing a net decline of Rs. 8 crores as against the rise of Rs. 41 crores during the previous busy season.

While the credit expansion was higher, the growth in deposits during the 1966-67 busy season at Rs. 168 crores was much smaller than in the previous busy season (Rs. 235 crores*). In the result, the credit-deposit ratio rose from 68.1 per cent at the end of October 1966 to 77.1 per cent at the end of April 1967. The high level of credit was financed mainly through substantial liquidation of investments and by recourse to borrowings from the Reserve Bank. The banks liquidated their holdings of Government securities to the extent of Rs. 198 crores as compared with only Rs. 27 crores in the corresponding period last year, and increased their borrowings from the Reserve Bank by Rs. 41 crores during the 1966-67 busy season compared with Rs. 28 crores during the previous busy season. The investment-deposit ratio thus declined by 7.4 percentage points to 26.9 per cent in the 1966-67 busy season ; during the previous busy season, the ratio declined by 3.1 percentage points to 27.4 per cent. The cash ratio remained at the same level as in the previous season (i.e. 6.2 per cent) though during the 1966-67 season cash reserves increased by Rs. 12 crores compared with Rs. 5 crores in the previous busy season.

The rising demand for funds was reflected in the progressive hardening of call money rates during the 1966-67 busy season. The tone of the money market, particularly towards the last two months, was highly influenced by the Bank's lending policy during the season. In Bombay, the call rate,@ which was generally steady around 4 per cent for well over 7 months between April 22 and December 2, 1966, fluctuated between 5.4 per cent and 6.0 per cent for the greater part of December 1966 and February 1967. On March 3, the rate spurted to 8.1 per cent and after rising rapidly touched an all time high of 12.0 per cent on March 31. Thereafter, the rate declined and closed for the season at 6.0 per cent as against 4.0 per cent, a year ago. In Calcutta, the rate was rather erratic. During the greater part of the season, the rate moved between a low of 3.4 per cent reached on November 25, 1966 and a high of 7.2 per cent reached on February 24, 1967, though it touched the peak of 13.2 per cent on March 24, reflecting in part the pressure of quarterly tax payments; later it declined and closed for the season at 5.6 per cent as against 4.8 per cent a year ago.

Overall Banking Trends in 1966-67

During the financial year 1966-67, bank credit was higher by Rs. 405 crores, or by 17.7 per cent ; in 1965-66 it was higher by Rs. 255 crores or 12.5 per cent. Aggregate deposits increased by Rs. 476 crores, or 16.1 per cent, as compared with Rs. 367 crores, or 14.2 per cent in 1965-66. The growth in demand deposits (Rs. 222 crores) was higher in 1966-67 than in 1965-66 (Rs. 188 crores), and that of time deposits in 1966-67 was substantially higher (Rs. 253 crores) than in 1965-66 (Rs. 179 crores). The larger deposit growth in 1966-67 may be attributed partly to long-term factors such as the ex-

* After adjusting P.L. 480 transfers of Rs. 21 crores during 1965-66.

@ The call rates are the weighted weekly averages, weights being proportional to the amounts accepted during the week by the selected banks.

pansion of the branch network of commercial banks, the outlay on development plans, the growth of banking habit, and higher rates offered on term deposits, and partly to short-term factors such as the amount of funds received by banks under the National Defence Remittance Scheme and the action taken by the Reserve Bank to ban the practice by non-banking companies of taking short-term deposits from the public. Banks increased their holdings of Government securities by Rs. 82 crores in 1966-67 compared with Rs. 93 crores in 1965-66. Borrowings from the Reserve Bank increased by Rs. 66 crores in 1966-67 in contrast to a sharp decline of Rs. 80 crores in 1965-66. This reflected the larger demand for bank finance in 1966-67 busy season which led to greater recourse by banks to the Reserve Bank than in 1965-66 busy season.

Table 8. Scheduled Commercial Bank Data—Financial Year

(Crores of Rupees)

Item	1964-65 (1)	1965-66 (2)	1966-67 (3)
1. Aggregate Deposits ..	+298.2	+366.6	+475.5
(*a*) Demand	+168.3	+187.5	+222.3
(*b*) Time	+129.9	+179.1	+252.7
2. Borrowings from R.B.I.	+ 68.8	— 79.5	+ 66.2
3. Borrowings from S.B.I. and/or notified banks ..	+ 31.0	— 5.5	+ 9.7
4. Bank credit	+217.2	+254.5	+404.8
5. Investments in Government securities ..	+ 78.5	+ 92.5	+ 82.1
6. Cash reserves ..	+ 14.9	+ 8.3	+ 44.8

Credit Policy

In the context of the severe shortfall in output in 1965-66 and the likelihood of further pressure on prices in the lean months, the Reserve Bank sought the co-operation of banks in keeping the credit situation under control. On May 26, 1966, the Governor of the Reserve Bank addressed a letter to all scheduled commercial banks requesting them to invest in Treasury bills, the accretion to their resources by way of deposit increase and the return flow of credit during the current slack season. As the slack season is generally the lean season for agricultural supplies and the period when upward pressure on prices is felt, the Governor called on banks to watch closely the credit situation during the slack season and to ensure that the credit extended during the preceding busy season flowed back into the banking system.

Following the devaluation of the rupee on June 6, 1966, the credit prospects in the year ahead were reviewed by the Reserve Bank and the banks were advised to (a) strive for a return flow of advances against seasonal commodities, and (b) invest in Government securities, including Treasury bills, the increase in their deposits and return credit-flow, after allowing for the legitimate expansion under non-seasonal advances and credit for priority sectors.

The Bill Market Scheme, under which assistance from the Bank is availed of by banks to ease the pressure on their liquidity positions during the busy season, was suspended at the end of June ; but the facilities under the Scheme were kept open in respect of refinance for banks' advances to State Governments and their agencies, and the Food Corporation of India for financing food procurement, distribution and storage. The Export Bills Credit Scheme and the Rupee Export Bills Scheme continued to operate as usual.

In the context of the increased volume of credit demand that was likely to be felt in the busy season of 1966-67 owing to the (then) expected recovery of agricultural production, a larger quantum of imports and the expected increase in industrial production, credit policy for the busy season of 1966-67 provided for larger access by commercial banks to the Reserve Bank at the Bank rate. In terms of the new policy, every scheduled commercial bank would, in addition to the funds it could obtain if its net liquidity ratio was at or above 30 per cent, be able to secure a tranche of refinance at the Bank rate equal to 10 per cent of its net liquidity ratio at the end of the slack season. Further, all banks

were allowed refinance at the Bank rate upto 10 per cent of their actual net liquidity ratio position at the end of the slack season. The increase in advances to State Governments and their agencies over the level of end-October 1966 in respect of food procurement and allied activities, continued to be eligible for refinance at the Bank rate as also the credit in respect of rupee export bills. A penal rate of 10 per cent was prescribed for borrowings from the Reserve Bank exceeding the amounts that could be borrowed at the Bank rate ; if, however, such excess borrowings were either continuous or of a large order, the Bank retained the discretion to charge a special penalty rate on the *excess* of borrowings from the Reserve Bank over that the banks were entitled to at the Bank rate. The need for overall credit restraint being imperative in the context of continuing inflationary pressures in the economy, credit expansion in the 1966-67 busy season, it was stressed, was meant to meet only the genuine needs of production. In conformity with this approach, a directive was issued to Indian scheduled commercial banks having aggregate demand and time liabilities of Rs. 50 crores or above as on September 30, 1966, and all foreign banks indicating that 80 per cent of their seasonal credit expansion should be directed towards industry and/or against export/import bills. The definition of industry was also enlarged to include not only manufacturing industry but also plantation, mining, transport and generation and distribution of power. Further, banks were advised to pay particular attention to the credit needs of small industries. The banks were also urged to assist agricultural operations directly through extension of short-term credit and indirectly by investing in the debentures of land mortgage banks.

Some adjustments in deposit rates payable by banks were also called for in order to impart some flexibility. The minima prescribed for interest rates payable on bank deposits for 3 months and 6 months were rescinded while the minimum rates for 1 year deposits and for savings deposits were maintained at 6 per cent and 4 per cent, respectively.

The sharp expansion in credit in the first half of the busy season, despite the estimated decline of agricultural production and some delay in the pick up of import financing needs, indicated the possibility of growing monetary imbalance. The Reserve Bank, therefore, reminded the larger Indian banks and all foreign banks in the first week of March 1967 of their obligation to utilise at least 80 per cent of the seasonal credit expansion for industry and/or against import/export bills. However, the continued expansion of credit at a pace higher than was warranted, necessitated a further communication to banks emphasising the need to control the direction as well as the volume of bank credit and drawing their attention in particular to the sizeable expansion in clean advances that had taken place and the large recourse to the Reserve Bank. The banks were further advised in March 1967 that penal rates on the excess borrowing would be based on the net liquidity ratio and would be such that for a shortfall of every one point or a fraction thereof in a bank's net liquidity ratio below 30 per cent as on the Friday of the week concerned, the rate would be raised by 1 per cent per annum, over 10 per cent. This was meant to limit the overall magnitude of banks' refinance from the Reserve Bank and indirectly the quantum of their credit expansion. The banks were also advised to (*a*) exercise control over clean advances as well as on advances against all domestic commodities in short supply, (*b*) review their credit portfolios in the light of the requirements of the directive of October 28, 1966 regarding credit distribution and take appropriate steps by not sanctioning fresh limits to sectors other than industry and/or against import/export bills and, if necessary, cancelling unutilised limits to these sectors and (*c*) effect the necessary reduction by imposing a percentage cut in sanctioned limits for trade account, the decision regarding the precise percentage reduction being left to the discretion of the banks themselves.*

* The Reserve Bank informed the banks through a directive dated April 28, 1967 that the Bank's earlier directive (dated October 28, 1966) in respect of the distribution of credit expansion of the larger Indian banks and foreign banks would cease to operate with effect from that date. The Bank, however, stressed the need for the banks to conduct their operations in accordance with the spirit of the earlier directive in the slack season months.

SECURITIES MARKETS

The prices of *Government Securities* which had been sagging over the past two years showed some recovery during 1966-67. While the general recovery was attributed to the comparatively easier conditions in the money market during the greater part of 1966-67, the rise in prices which was more marked in short and medium dated securities, came about because of investment interest shown by commercial banks. The Reserve Bank's All-India index of Government and Semi-Government Securities (*base* : 1961-62 = 100) rose from 93.6 at the end of March 1966 to 94.6 at the end of March 1967, thus showing a rise of 1.1 per cent over the year.

The Central Government issued on July 18, 1966 two cash-cum-conversion loans, namely the 4½ per cent Loan 1971 (Reissue) and the 5½ per cent Loan 1991 for an aggregate amount of Rs. 260 crores at issue prices of Rs. 99.25 and Rs. 99.00, respectively, yielding 4.67 per cent and 5.57 per cent. On September 12, 1966 fourteen State Governments issued the new 5½ per cent Loan 1978 for an aggregate amount of Rs. 93.50 crores at yields ranging from 5.62 to 5.73 per cent. Both the Central and State Government Loans were fully subscribed.

Reflecting the investment by scheduled banks, the Reserve Bank's open market operations resulted in larger net sales of Rs. 44.4 crores during 1966-67, as compared with Rs. 18.8 crores during 1965-66 (exclusive of purchases from the State Bank of India on account of P.L. 480 and P.L. 665 funds).

The *equities market* ruled generally firm during the greater part of 1966-67, except for two bearish phases. The principal bullish factors contributing to this trend were the grant of fiscal reliefs and incentives in the Union Budget for 1966-67, selective liberalisation of imports of certain essential items, relaxation of the control on capital issues, delicensing of some industries and liberalisation in the licensing of industries and the spate of bonus issues following removal of tax on bonus shares in the 1966-67 Budget. The recovery in prices which was particularly marked during April 1966 and during January to mid-February 1967, was interrupted at times by certain bearish factors, the more important among these being the uncertainties on the economic front, particularly as regards food and foreign exchange.

The post-budget recovery in equities gathered momentum during April 1966, following the announcement, on March 30, of the import policy for 1966-67 under which imports of 30 essential items were liberalised. The index scaled up from 75.9 at end-March 1966 to 81.4 in the week ended April 30, 1966. This trend was, however, reversed during May and, except for a temporary recovery in June following devaluation of the Indian rupee which gave rise to hopes of a freer flow of foreign aid, the downtrend continued till the middle of September 1966. The index of share prices declined from 81.4 in the week ended April 30 to 79.7 in the week ended June 4 ; after recovering to 81.1 in the week ended June 18, 1966 the index fell again to 77.1 by the week ended September 17, 1966. The easiness during these weeks developed mainly because of the difficult food and foreign aid position, the third nuclear explosion by China, apprehension in the equities market that several companies which had issued bonus shares might not be able to maintain dividend on increased capital and the decision by the Union Government to abolish the Managing Agency system and to institute a Monopolies and Restrictive Trade Practices Commission.

From mid-September 1966 to almost end-February 1967, share prices registered a recovery raising the index from 77.1 in the week ended September 17, 1966 to 84.4 in the week ended February 18, 1967. This recovery was attributable mainly to the relaxation of the control on capital issues announced in October 1966. Other factors which aided the sentiment were suspension of 'Interim Margins' by the Bombay Stock Exchange authorities for three months, October to December (since extended upto June 1967), the issue by the Union Government of an ordinance amending the law relating to blank transfers with a view to removing certain hardships, liberal credit policy an-

nounced by the Reserve Bank on October 28, 1966 for the 1966-67 busy season, good corporate news and the statement by the Union Minister for Industry that the policy of liberalised imports would continue for another three years.

The equity market became sluggish from end-February mainly due to the apprehensions created by the reverses suffered by the ruling party in the general elections and the difficult food supply position. The Prime Minister's statement on March 15, 1967 that the new Government will follow 'a left of the Centre' policy, the heavy deficit of Rs. 350 crores for 1966-67 (revised) revealed by the Government of India's Interim Budget and the stringency in the money market also contributed to the sluggish trend. The index fell from 84.4 in the week ended February 18, 1967 to 81.1 in the week ended March 25, 1967. Over the year 1966-67, the index of share prices registered an increase of 6.9 per cent as against a decline of 7.0 per cent in 1965-66 and of 5.9 per cent in 1964-65.

During 1966-67 *new issue activity* continued at a low ebb with the magnitude of fresh capital issues through prospectus and rights showing a further substantial decline. The recovery in stock markets noticed during the year was not strong enough and the flow of private savings into new capital issues continued to be restricted. As a result of the poor public response, a majority of capital issues remained undersubscribed and the specialised financial institutions had to take up a large portion of the issues underwritten by them. In order to encourage private industrial investment and to revive the capital market, the industrial licensing policy of the Government and the Capital Issues Control were relaxed. Actual capital raised by non-Government companies was substantially lower at Rs. 71.9 crores as compared with Rs. 100.4 crores in the preceding year. A feature of the capital issue market was the unprecedented rise in bonus issues and capital raised through the issue of bonus shares consequent on the abolition of the 12½ per cent bonus issues tax announced in the Budget for 1966-67.

GOLD AND SILVER

An important event in the bullion market was the amendments to the Gold Control Rules announced by Government on September 2 and given effect to, except in regard to certain provisions, from November 1, 1966. The amendments, *inter alia*, removed the restrictions on the manufacture of ornaments of over 14 carat purity, imposed a ban on possession of primary gold beyond a specified date by persons other than licensed dealers, goldsmiths and refiners, called for declaration of holdings of ornaments and articles of gold above specified limits (2000 grams per adult individual and 800 grams per minor with an overall limit of 4000 grams per family) and brought the gold refineries under State control. On March 15, 1967 some rules of the Gold Control Scheme which did not come into effect on November 1, 1966 were given effect to. These related to (1) the fixation of the time limit, at 6 months from March 1, 1967, after which primary gold held by persons other than dealers or refiners is liable to be confiscated and (2) the prescription that refineries should manufacture only standard bars in weights of 10, 50 or 100 grams and a fineness of .995. The Union Government also decided to appoint at least one Central Excise Officer in every gold refinery in order to keep a continuous check on the working of refineries.

Due both to the general inflationary trends in the economy and some pick-up in demand for ornaments following the removal of purity restriction, gold prices ruled at high levels during the greater part of the year. On the other hand, the demand for silver was lower, as its offtake for unauthorised exports was reported to have fallen after the large scale seizures of silver while being smuggled out, and as the demand for manufacture of silverware for exports slowed down following the clarification by the Government that the facility of drawback of duty on exports would be available only on exports of silverware manufactured from imported silver. As against this, the supply position improved on account of the reported larger arrivals especially from the drought-affected areas of Bihar and U.P. In consequence, silver prices ruled easy during the greater

part of the year. Thus, except for a temporary spurt following the devaluation of the rupee, silver prices fell during April to June, from Rs. 366 per kg. on March 30, 1966 to Rs. 342 on June 30. Subsequently, prices edged up from this level to Rs. 370 on September 30, 1966. By the end of the year, however, they moved down to Rs. 358. Over the year, silver lost Rs. 8 in contrast to the substantial rise of Rs. 85.50 during 1965-66 and Rs. 20.50 during 1964-65.

BUDGETARY TRENDS*

In the later years of the Third Plan the objective of the Governments' budgetary policy had been to restrict the rate of increase in outlays so as to minimise the expansionary impact of public expenditure in the context of general inflationary conditions. The Central and State budgets for 1966-67 had, in fact, provided for smaller outlays than in 1965-66. But owing to unavoidable increases in expenditure, the revised estimates of Central outlays in 1966-67 at Rs. 5,379 crores were about a thousand crores larger than the budget estimates. At the same time, the setback on the agricultural front and its repercussions on the economy affected the growth of public revenues. The levy of export duties consequent on devaluation of the rupee had, however, brought in sizeable amounts of revenue. Even so, the overall deficit of the Centre for 1966-67 has turned out to be as much as Rs. 313 crores as against the original estimate of only Rs. 32 crores. The States' budgetary position was subject to similar strains and some of them had resorted to rather heavy unauthorised overdrafts from the Reserve Bank. These were ultimately reflected in the deficit of the Central Government, as during 1966-67, States' unauthorised overdrafts of Rs. 108 crores were cleared by the Government of India. Despite such substantial special assistance by the Centre, the States' overall position now shows a deficit of Rs. 76 crores as against the original estimate of Rs. 51 crores. This is largely due to a steep rise in outlays on famine relief measures required to be provided on a large scale following drought conditions. For the year 1967-68, following the policy of fiscal restraint, the interim budget of the Central Government, presented to the *Lok Sabha* on March 20, 1967, strictly restricted the expenditure to the resources in sight. The final budget for 1967-68 presented on May 25, 1967, is also governed by the policy of fiscal restraint with a view to arresting inflationary trends as early as possible. The final outlays are therefore limited to resources that could be mobilised in a non-inflationary manner. In the field of direct taxation only a few small concessions have been envisaged, while the additional revenues needed are to be obtained from higher excise duties. These latter relate to relatively less essential items of consumption and have in addition the objective of facilitating exports by discouraging internal consumption. In order to correct the adverse trends in exports of tea, manganese ore and iron ore, export duties on these commodities are reduced. In regard to the States, sizeably larger provision is made for developmental outlays and loan repayments in 1967-68. But receipts, at the existing levels of taxation, are not likely to show any commensurate increase. With the result, the overall position would show a record deficit of Rs. 130 crores. Tax proposals, with heavy reliance on sales tax, made by some States would cover only a small part (Rs. 28 crores) of the deficit.

The revised estimates for 1966-67 place the aggregate expenditure of the Centre at Rs. 5,379 crores. The large increase of a thousand crores over the original budget estimates was the result of a number of special circumstances. The rupee cost of imports of foodgrains and fertilizers under the State Trading Scheme has gone up by Rs. 244 crores. The purchase and sale operations in foodgrains accounted for a net expenditure of Rs. 158 crores and of fertilizers for Rs. 67 crores as against a net receipt of Rs. 10 crores expected at the budget stage ; the element of subsidy borne by the Government on imported foodgrains and fertilizers was of the order of Rs. 130 crores and Rs. 49 crores, respectively. Another major item of disbursements was loans to States which rose

* The data on State budgets used here are provisional.

to Rs. 921 crores from the budget estimate of Rs. 666 crores—a rise of Rs. 255 crores ; of this Rs. 141 crores were for additional plan and scarcity relief assistance and the balance mainly for clearing the overdrafts of some States with the Reserve Bank. An increase of Rs. 207 crores was on account of additional rupee subscriptions to I.M.F., I.B.R.D., I.D.A. and A.D.B. because of the lowering of the par value of the rupee. Increases in interest payments and in discharge of external debt in terms of rupees following devaluation accounted for larger disbursements of Rs. 96 crores. Defence expenditure had also gone up. As against this the agricultural setback and its repercussions on the economy affected the growth of revenues. On capital account, receipts from external loans and investments under P. L. 480 funds were somewhat better than the earlier expectations. The overall position of the Centre in 1966-67, therefore, showed a large deficit of Rs. 350 crores against the original estimate of Rs. 32 crores. According to further revisions for 1966-67, now available in the final budget for 1967-68 however, the deficit came down to Rs. 313 crores. The improvement of Rs. 37 crores was mainly brought about by savings under various heads of expenditure (particularly the savings in foodgrain transactions and under capital expenditure on railways) and better tax receipts.

In their budgets for 1966-67, the States had provided for smaller total outlays than in 1965-66 (R.E.) However, owing to the severe impact of the drought conditions in several States, the aggregate outlays of the States have risen by Rs. 227 crores to Rs. 3,431 crores over the budgeted estimates. Of this, a rise of Rs. 92 crores was on revenue account and Rs. 135 crores on capital account. On revenue account, while development outlay was slightly smaller than the budget estimates, expenditure on debt services and civil administration registered increases, the item accounting for most of the increase being expenditure on famine relief measures. Famine relief measures had to be provided on such a large scale that the actual expenditure as now estimated stands at Rs. 82 crores as against the budget provision of Rs. 19 crores. The increase in disbursements on capital account was due mainly to larger loan assistance provided by State Governments to agriculturists, etc., and repayment of additional short-term loans received from the Centre during the year. On receipts side, revenues were almost stagnant owing mainly to sharp fall in land revenue collections. As regards capital receipts, loans from the Centre at Rs. 891 crores were Rs. 256 crores larger than the budget. But this increase was offset to a considerable extent by increase in repayments of floating debt which represents short-term loans from banking system. Following the stagnation in receipts during the year, a number of States had to resort to heavy unauthorised overdrafts from the Reserve Bank of India. The Centre had to grant special loans to States to enable them to clear these overdrafts and this accounted for a substantial part (Rs. 108 crores) of the increase in loans from the Centre, referred to earlier. Even so, in the revised estimates for 1966-67, the States' overall position shows a deficit of Rs. 76 crores as against the original estimate of Rs. 51 crores. The available data indicate that of the deficit of Rs. 76 crores, as much as Rs. 60 crores was met by drawing down cash balances—the aggregate cash balance position of the States changing from the opening credit balance of Rs. 12 crores to the closing *debit* balance of Rs. 48 crores. The rest of the deficit i.e. Rs. 16 crores was met by sale of securities from States' cash balance investment accounts. It was in this context that the Reserve Bank initiated steps, in consultation with the Centre to prevent the recurrence of such overdrafts by States for any significant period.

The final budget for 1967-68, presented to the Lok Sabha on May 25, 1967, reiterates the need for fiscal discipline, to reverse the psychology of inflation arising from continued and large budgetary deficits and to promote industrial recovery with price stability.

The final aggregate expenditure of the Centre during 1967-68 at about Rs. 4,993 crores is lower by about Rs. 386 crores than the revised estimate for 1966-67. While revenue expenditure is estimated to be larger owing to normal increases in defence outlays, social and developmental services, debt services and grants-in-aid to the States, the non-developmental outlay on capital account has been substantially reduced. Loans and advances to States and other parties have also been scaled down considerably. Loans for programmes of agricultural development and

rural electrification have, at the same time, been sizeably increased.

At the existing levels of taxation, the overall budgetary position of the Centre for 1967-68 showed a deficit of about Rs. 68 crores. This deficit has been covered by tax proposals and increase in post and telegraph rates which during the rest of the year are expected to yield Rs. 69 crores for the Centre. Some of these proposals are directed to providing selective, though minor, concessions in personal and corporate taxation in order to promote savings and provide incentives for further investment in the desired directions. These concessions are expected to result in a loss of revenue of Rs. 5 crores which is expected to be made good by better collections under other heads. In the field of indirect taxes, export duties on tea, jute manufactures, manganese ore and fine iron ores have been reduced. The resultant loss of revenue after adjusting for countervailing duties of customs is about Rs. 12 crores. As against this, sizeable additional revenue (Rs. 79 crores) is anticipated from increases in the rates of excise duty on a number of items.* The objectives behind the increase in excise duty have been to reduce internal consumption in order to augment exports, to mop up high profits being made by industry and trade and to permit some price rise which is not socially undesirable.

The overall budgetary position of the Centre in 1967-68 is expected to show a surplus of Rs. 314 crores on revenue account after taking into account the effect of these proposals. This is much larger than the revised estimate (Rs. 174 crores) of 1966-67. The expected deficit on capital account in 1967-68 at Rs. 318 crores is much smaller than in 1966-67 (Rs. 541 crores). Thus, with a surplus of Rs. 5 crores on miscellaneous account, the 1967-68 budget of the Centre is expected to be in balance. However, owing to the concessions announced subsequently, there might be a small deficit of Rs. 11.5 crores.

In contrast to the restrained budgetary policy at the Centre for 1967-68, the available data indicate that the States have provided for sizeably increased outlays during 1967-68. Thus, the aggregate outlays of the States (revenue and capital accounts combined) at Rs. 3,788 crores show an increase of Rs. 357 crores over the revised estimates of 1966-67—a rise of Rs. 226 crores on revenue account and of Rs. 131 crores on capital account. Bulk of the rise on revenue account is absorbed by development outlays (Rs. 184 crores). The reason for substantially larger provision for development outlays appears to be that a major portion of these outlays is in respect of schemes which have reached fairly advanced stages and that their progress would be slowed down considerably if sufficient funds are not provided. Cost of collection of taxes is also expected to go up by Rs. 9 crores, debt services by Rs. 32 crores and civil administration by Rs. 22 crores. On capital account, besides development outlays, repayment of loans to the Centre and of market loans maturing in the year are responsible for increased disbursements.

As against the increase in outlays of Rs. 357 crores, receipts in 1967-68, at the existing levels of taxation, are expected to be larger by Rs. 287 crores. Bulk of this rise (Rs. 231 crores) will be on revenue account which is spread more or less equally between tax heads and non-tax heads. Among tax heads, general sales tax is expected to account for more than half of the rise. Among non-tax heads, grants from the Centre and administrative receipts will be the more important sources. On capital account, larger receipts are expected from market loans and recoveries of loan assistance granted by the States. In sum, the much larger provision for expenditure than the expected rise in receipts, would show a record overall gap of Rs. 130 crores. Only 11 States have provided for additional taxation measures to the extent of Rs. 28 crores. A few other States have taxation and other measures under consideration designed to augment receipts. Almost all the States have, however, emphasised the need for effecting economies in order to reduce the budgetary deficit.

* The yield from these tax measures will, however, be smaller by about Rs. 15 crores in a full year and by Rs. 11.5 crores in the current year as a result of the concessions subsequently announced.

BALANCE OF PAYMENTS

Foreign Exchange Reserves :

The poor outturn of agriculture for the second year in succession, referred to earlier, together with increased debt service payments on the one hand and smaller inflow of foreign aid on the other, worsened an already difficult external payments situation. Over the year 1966-67, the foreign exchange reserves went up by $12 million to $638 million, but this is after taking into account a net drawing of $130 million from the International Monetary Fund. In fact, as early as April 1966, in view of the low level of reserves, $187.5 million were drawn from the I.M.F. to tide over the payments difficulties which were caused by the widespread drought in the country in 1965-66. Excluding transactions with the I.M.F., the reserves were drawn down during the year by $118 million; on a similar reckoning, during 1965-66, the reserves had risen by $ 40 million.* This rise was to a considerable extent due to the additional inflow under the National Defence Remittance Scheme and was assisted by other contributory factors, such as, a cut in import payments, larger export realisations and higher magnitude of aid reimbursements. The pressure on the reserves noticed early in the year continued till about end-January 1967 and over the ten-month period, excluding transactions with the I.M.F., the reserves slumped by $171 million; but, in the last two months of the year the reserves tended to look up, following larger export receipts and aid reimbursements. In short, the sharp deterioration in the external payments position for the year as a whole seems to be, according to the available indicators, the combined result of the growing burden of debt servicing, the substantial drop in exports and the setback in invisible earnings, following the cessation of the additional inflow under the National Defence Remittance Scheme, which was terminated at the end of May 1966. The sizeable reduction expected in the aggregate import bill is mostly indicative of the reduced flow of external assistance.

A major event on the external payments front was the devaluation of the rupee by 36.5 per cent on June 6, 1966, the new par value being 0.118489 gramme of fine gold per rupee. It was evident that Indian exports, which had risen significantly in the early years of the Third Plan, were again encountering difficulties and imports could not be reduced without serious detriment to the economy. Indeed, the need was for larger imports in order to facilitate full utilisation of installed capacity in industry. These factors, together with the growing burden of debt servicing, called for a major reform of the trade and exchange system. Measures taken until then (*a*) to step up exports through incentives by way of import entitlements, tax credits and straight subsidies in some cases, (*b*) to curtail imports through quantitative restrictions and enhancement of duties and (*c*) to stimulate invisible earnings through devices like the National Defence Remittance Scheme could not provide an enduring solution to the problem of disequilibrium in the balance of payments. It became imperative, therefore, to adopt more radical measures to correct the external payments situation. The change in the par value of the rupee, designed to bring about a better alignment of domestic and external prices, and the far-reaching changes in the trade policy should be viewed in this context.

The change in the par value of the rupee was accompanied by far-reaching adjustments in trade policy. On the one hand, the import entitlements and tax credits for exports were abolished. On the other, export duties were imposed on a number of items with a view to siphoning off to the public fisc the windfall gains arising in the new situation. These measures were soon followed by the announcement of a more liberal policy for imports designed to stimulate productive activity in the country. The regulatory import duty of 10 per cent *ad valorem*, introduced in February 1965, was abolished and duties on all items of imports other than consumer goods, were reduced† in order to moderate the rise in the import cost of essential raw materials, machinery, etc. A liberal import scheme was introduced for 59 priority industries, many of which

* This takes into account the additional gold subscription of $37.5 million paid to the I.M.F. But for this payment the reserves would have shown a rise of $77 million.

† Import duties had been raised in August 1965. (Currency and Finance Report, 1965-66)

Table 9—Balance of Payments (Preliminary)

	In Rupees Crores		In Millions of U.S. Dollars	
	January-December 1966[4]	January-December 1965	January-December 1966	January-December 1965
A. Current Account				
Imports c.i.f.				
(*a*) Private	605.4	610.0	948	1281
(*b*) Government[1]	1046.0	786.3	1651	1651
Total Imports (*a*+*b*)	1651.4	1396.3	2599	2932
Exports f.o.b.[2]	967.3	782.7	1531	1644
Trade Balance	**—684.1**	**—613.6**	**—1068**	**— 1288**
Non-monetary Gold Movement (net)	—	+ 16.0	—	+ 34
Official Transfer Payments (net)	+ 58.3	+ 35.3	+ 127	+ 74
Other Invisibles (net)[3]	+ 44.6	— 37.6	+ 98	— 79
Current Account (net)	**—581.2**	**—599.9**	**— 843**	**— 1259**
B. Errors and Omissions	**+ 33.0**	**+ 46.5**	**+ 51**	**+ 96**
C. Capital Account				
Private Capital (net)	**+ 6.7**	**— 5.5**	**+ 10**	**— 12**
(*a*) Long-term	+ 5.6	— 4.2	+ 9	— 9
(*b*) Short-term	+ 1.1	— 1.3	+ 1	— 3
Banking Capital (net)	**— 40.7**	**+ 4.3**	**— 70**	**+ 9**
Official Capital (net)	**+535.5**	**+603.0**	**+ 862**	**+ 1267**
(*a*) Loans	+468.9	+559.8	+ 748	+ 1176
(*b*) I. M. F. drawings	+ 34.0	+ 59.5	+ 100	+ 125
(*c*) Amortisation	—114.1	— 82.5	— 175	— 173
(*d*) Miscellaneous	+146.7	+ 66.2	+ 189	+ 139
Capital Account (net)	**+501.5**	**+601.8**	**+ 802**	**+ 1264**
D. Movement in Reserves (A+B+C) (Increase +, Decrease—)	— 46.7	+ 48.4	+ 10	+ 101

1. Beginning with April-June 1965, the data on Government imports exclude freight on P.L. 480 imports initially borne by India but subsequently refunded by the U.S. authorities.
2. Beginning with October-December 1965, the basis for the recording of exports was changed from shipments approved during a month to shipments in respect of which documents were negotiated during a month. Consequently, compared with the earlier practice, there is a considerable lag in the recording of exports.
3. Beginning with April-June 1965 the data on receipts exclude refund of freight on P.L. 480 imports initially borne by India but subsequently refunded.
4. The rupee equivalent of all foreign currency transactions upto end-May 1966 has been arrived at by applying the pre-devaluation exchange rates and of those during the subsequent period by using the current exchange rates. This is also the procedure adopted in respect of the data presented in Statements 65 and 66.

have significant export potential. Certain raw materials imports used by export industries were placed under open general licence and registered exporters were allowed to replenish inventories of imported materials used in export production.

Overall Trends

As the detailed balance of payments data for the financial year as a whole are not yet available, the following paragraphs pertain to trends during the calendar year 1966. The foreign exchange reserves went up by $ 10 million during the year, while they had increased by $ 101 million in 1965. However, if borrowings from and repayments to the I.M.F. as well as the transfer of gold worth $34 million to the monetary stock in March 1965 are excluded, the reserves show a fall of $ 90 million in 1966 and of $ 58 million in 1965. The larger draft on the reserves in 1966 was due to the additional gold subscription of $ 38 million, paid to the I.M.F. in February 1966, following the enhancement of the membership quota. But for this payment, the reserves would have declined in 1966 by only $52 million, that is, by $ 6 million less than in 1965. The continued draft on the reserves, witnessed during the year, reflected largely the impact of the steep fall in exports and the marked net outflow of banking capital, although it was moderated to a considerable extent by the sizeable reduction in the aggregate import bill and the favourable outturn on account of invisible transactions.

Benefiting mainly from the reduction of $220 million in the adverse trade balance, consequent on a much sharper fall in imports than in exports, and the favourable swing in invisible transactions (including official transfer payments) from a deficit of $ 5 million to a large surplus of $ 225 million, the deficit on current account was narrowed down over the year by $ 416 million to $ 843 million (Table 9). A part of this improvement was, however, offset by the reduced net inflow by way of unidentified transactions (covered by 'errors and omissions'), which amounted to $ 51 million as against $ 96 million in the preceding year. Taking into account the 'errors and omissions', the overall deficit on current account in 1966 amounted to $ 792 million, which was lower than in 1965 by $ 371 million. Capital transactions in 1966 resulted in a net inflow of $ 802 million, the bulk of which comprised external assistance and assistance provided by the I.M.F, and exceeded the overall deficit on current account by $ 10 million. In 1965, the net inflow from capital transactions was substantially larger at $ 1,264 million and exceeded the overall deficit on current account by $ 101 million.

Imports

The aggregate import bill in 1966 at $ 2,599 million was lower than in the previous year by $ 333 million, the entire fall being due to imports on private account,* particularly those financed out of the country's own resources. The slower pace of utilisation of external assistance during the year, to which a reference is made later, was also reflected in a setback in the flow of aid financed imports. The sizeable reduction in the aggregate import bill, which in the present context relates to imports on private account, was mainly a reflection of the highly restrictive import policy pursued earlier. Although imports were liberalised in the latter half of 1966, shortly after devaluation of the rupee, in order to provide larger allocations for priority industries, this liberalisation, given the usual lag between the issue of import licences and the actual payments, did not have any noticeable impact on the import bill for 1966. Imports on private account amounted to $ 948 million as against $ 1,281 million in the preceding year. Practically all items registered a fall, the more significant among them being imports of raw cotton ($ 33 million), mineral oils ($ 34 million), vegetable oils ($ 23 million), iron and steel ($ 46 million), machinery ($ 61 million) vehicles ($ 37 million), electrical goods ($ 14 million), other metals ($32 million) and other chemicals ($ 22 million). Imports on Government account at $ 1,651 million were at the same level as in the preceding year. However, on food imports, which had to be stepped up for augmenting domestic supplies affected by the drought, there was an additional outlay of $ 96 million, most of which was in respect of commercial purchases. But, this was offset by a reduction in the outlay on non-food imports. Although there was an increase in payments for imports of fertilisers ($ 74 million) and communication stores ($ 14 million), this was more than neutralised by the fall in payments for other items; notably, capital equipment ($ 99 million), miscellaneous stores ($ 45 million), iron and steel ($ 19 million), non-ferrous metals ($ 13 million) and railway stores ($ 7 million).

Exports

Over the year, exports declined by $ 113 million to $ 1,531 million. A major part of this decline ($ 76 million) occurred during the seven months after devaluation. Apart from certain basic factors, such as, unfavourable agricultural conditions, scarcity of raw materials, high costs, etc., which have been inhibiting exports recently, the setback noticed during the year was also attributable to the dislocation in trade, immediately following the devaluation of the rupee. To some extent the situation was aggravated by the slump in international prices of certain commodities, such as, tea and sugar. Almost all the major items suffered a setback, the declines being pronounced in the case of jute manufactures ($ 81 million), cotton manufactures ($ 26 million), tea ($ 28 million), oilcakes ($ 10 million), tobacco ($ 14 million) and raw cotton ($ 10 million). There was, however, a measurable improvement in the export performance of a few com-

* If the freight on P.L. 480 imports refunded by the U.S. authorities is excluded from the data on Government imports for the quarter January-March 1965, as has been done for the subsequent periods (Vide page 22 of the Report for 1965-66) imports on Government account in 1966, would show a rise of $16 million and the reduction in the aggregate import bill would amount to $317 million.

modities, namely, cashew kernels ($ 4 million), fish and fish preparations ($ 5 million), raw wool ($ 11 million), manganese ore ($ 7 million), iron ore ($ 18 million) and leather manufactures ($ 26 million).

Invisibles

Net receipts from official transfer payments increased from $ 74 million to $ 127 million, due wholly to larger disbursements of grants out of the U.S. PL 480 counterpart funds. The other invisible transactions resulted in a net surplus of $ 98 million as against a net deficit of $ 79 million* in the preceding year, the favourable outturn being largely the result of an improvement in gross receipts which increased by $ 156 million to $ 629 million. Nearly $ 95 million of the additional receipts were on account of the U. S. Embassy disbursements financed out of PL 480 counterpart funds and grants under the U. S. PL 480 Titles II and III and the balance comprised mainly receipts by way of unilateral transfers from abroad under the National Defence Remittance Scheme, which was in operation till the end of May 1966. Gross payments, on the other hand, declined by $ 21 million to $ 531 million, reflecting the reduced outgo by way of travel, private unilateral transfers and miscellaneous service transactions, particularly technicians' service charges. More than 80 per cent of this decline in gross payments occurred during the latter half of the year. Investment income payments, on the other hand, increased further by $ 6 million to $ 280 million, due wholly to larger interest payments on external debt; remittances of profits and dividends taken together, however, showed a fall.

Capital Transactions

The net inflow of capital, amounting to $802 million, was a little under two-thirds of that in 1965 ($ 1,264 million), and the factors accounting for a smaller inflow over the year were reduced drawings on external loans on the one hand and a sizeable net outflow of banking capital on the other. Sector-wise, private capital movements, which benefited largely from drawings on loans (including Cooley Fund account loans) and the reduced pace of net disinvestment by oil companies, resulted in a net inflow of $ 10 million, in contrast to a net outflow of $ 12 million in 1965. Banking capital movements resulted in a net outflow of $ 70 million, made up of an increase of $ 59 million in authorised dealers' foreign currency assets abroad and a reduction of $ 11 million in rupee liabilities arising mainly out of Cooley Fund account balances. In 1965, there was a net inflow of $ 9 million, entirely in the form of an increase in Cooley Fund account rupee liabilities; if these are excluded, there would be a net outflow of $ 9 million in that year, representing mostly a reduction in other rupee liabilities of the authorised dealers. The net inflow of capital into the official sector declined significantly from $ 1,267 million to $ 862 million, due to reduced receipts by way of drawings on external assistance loans. Following the temporary pause in the authorisation of aid in September 1965, the pace of utilisation of external assistance slowed down in 1966 and the drawings on loans (including those out of PL 480 counterpart funds) amounted to $ 748 million as against $ 1,176 million in 1965. Receipts on account of miscellaneous capital transactions increased over the year by $ 50 million, largely as a result of the increase in rupee liabilities arising out of transactions under the U.S. PL 480 Title I programme. Amortisation payments at $ 175 million were only marginally higher than in the preceding year, but the outflow on account of payments financed in foreign currencies was larger and the magnitude of refinancing credits available being quite small, practically the entire outflow had to be financed out of the country's own resources. In the preceding year, nearly one-fourth of the amortisation payments made in foreign currencies was met out of refinancing credits.

Regional Trends

The regional pattern of the payments position during the year indicates that the entire deficit on current account was due to transactions with the non-sterling area, including international institutions, and that the dollar area and the OECD countries together accounted for more than 70 per cent of the deficit.

* If the freight on PL 480 imports refunded by the US authorities is excluded from the data for the quarter January-March 1965 as has been done for the subsequent periods (vide page 23 of the Report for 1965-66) the deficit in 1965 would increase to $ 95 million.

Current transactions with the sterling area yielded a surplus which, albeit small, was encouraging in contrast with a deficit in the preceding year (Table 10). Consistent with the overall trends, compared with the preceding year, there was an improvement in the current account position with all the regions, except international institutions, with which there was a marginal increase in the deficit.

The current account position with the sterling area changed over from a deficit of $ 31 million in 1965 to a surplus of $ 60 million in 1966 and the improvement reflected mainly the favourable turn in invisible transactions, which benefited from substantial unilateral transfers from abroad under the National Defence Remittance Scheme. In addition, there was also a reduction in the adverse trade balance due to a steep decline in imports. Exports to this region were also lower and accounted for more than half of the decline in the overall exports. The current account deficit with the dollar area narrowed down over the year by $ 223 million to $ 336 million, following the improvement in invisibles (including official transfer payments) which benefited from increased receipts of grants under the PL 480 Titles II and III programme and larger disbursements out of U.S.P L 480 counterpart funds by way of grants and U.S. Embassy expenditure. Both imports from and exports to this region declined, but with imports showing a greater fall than exports, there was a marked reduction in the adverse trade balance. The narrowing down of the deficit with the O.E.C.D. countries was entirely due to the reduction in the adverse trade balance. While imports from these countries declined by $ 53 million to $ 374 million, exports increased by $ 8 million to $ 142 million. With the 'rest of non-sterling area', the position on current account improved and was noticeable both under merchandise and invisible transactions. The adverse trade balance was narrowed down by $ 43 million, largely as a result of the decline in imports from this region. In addition, there was also a reduction in the net outgo on account of invisible transactions. The current account deficit with international institutions at $ 68 million was higher than in the preceding year by $ 7 million.

Foreign Investment Policy

During the year under review, Government's policy continued to be directed towards encouraging the flow of foreign investments into the country. To this end, in line with its new fertiliser policy of December 1965*, a three-man delegation visited the U.S.A. and Canada in June 1966, with a view to exploring with prospective foreign investors the possibility of setting up fertiliser plants in India. Further, even though the concessions under the new policy were to lapse by the end of March 1967, Government decided that proposals under negotiation and those which might be submitted would be dealt with under the policy of December 1965, provided they resulted in the issue of industrial licences by December 31, 1967.

In order to attract investments in Indian industry from non-resident Indians, Government decided that investments by such persons would be allowed without any limit in public limited industrial concerns in India. In private limited industrial concerns with a minimum issued and paid-up capital of Rs. 10 lakhs, their share would be allowed upto 49 per cent; in some special cases, it might be increased to 51 per cent or even more, provided resident Indian participation would go up to 49 per cent within a period of, say, five years. They would not be allowed to invest in proprietorship/partnership concerns. The capital invested by them and dividends thereon would not be allowed to be repatriated.

Available data on consents granted by the Controller of Capital Issues reveal that non-resident participation increased from Rs. 83.9 crores in 1965 to Rs. 92.2 crores in 1966. The number of collaboration agreements approved by Government during 1966 was, however, smaller (202) than in 1965 (242).

Indian Investments Abroad

The growth of joint industrial ventures abroad with Indian collaboration continued

* To encourage foreign investment in the fertiliser industry, Government decided that fertiliser plants licensed upto March 31, 1967 would be free from price and distribution control for a period of 7 years from the commencement of commercial production but Government would have the option of buying up to 30 per cent of the output at a negotiated price.

Table 10—Regional Balance of Payments on Current Account (Preliminary)

	In Rupees Crores		In Millions of U. S. Dollars	
	January-December 1966	January-December 1965	January-December 1966	January-December 1965
Sterling Area				
Imports—c.i.f.	316.0	276.4	498	580
Exports—f.o.b.	310.2	265.8	489	558
Trade balance	— 5.8	— 10.6	— 9	— 22
Non-monetary gold movement (net)	—	—	—	—
Official transfer payments (net)	— 0.1	+ 0.3	—	+ 1
Other invisibles (net)	+ 33.3	— 4.3	+ 69	— 10
Current account (net)	**+ 27.4**	**— 14.6**	**+ 60**	**— 31**
Dollar Area				
Imports—c.i.f.	604.4	526.9	964	1106
Exports—f.o.b.	216.1	180.7	340	379
Trade balance	—388.3	—346.2	— 624	— 727
Non-monetary gold movement (net)	—	+ 16.0	—	+ 34
Official transfer payments (net)	+ 74.0	+ 45.2	+ 149	+ 95
Other invisibles (net)	+ 82.1	+ 18.6	+ 139	+ 39
Current account (net)	**—232.2**	**—266.4**	**— 336**	**— 559**
O.E.C.D. Countries				
Imports—c.i.f.	243.0	203.3	374	427
Exports—f.o.b.	90.4	63.7	142	134
Trade balance	—152.6	—139.6	— 232	— 293
Non-monetary gold movement (net)	—	—	—	—
Official transfer payments (net)	—	—	—	—
Other invisibles (net)	— 36.6	— 25.6	— 55	— 54
Current account (net)	**—189.2**	**—165.2**	**— 287**	**— 347**
Rest of Non-Sterling Area				
Imports—c.i.f.	488.3	389.6	765	818
Exports—f.o.b.	350.6	272.6	562	572
Trade balance	—137.7	—117.0	— 203	— 246
Non-monetary gold movement (net)	—	—	—	—
Official transfer payments (net)	—	—	—	—
Other invisibles (net)	— 5.3	— 7.6	— 9	— 16
Current account (net)	**—143.0**	**—124.6**	**— 212**	**— 262**
International Institutions				
Imports—c.i.f.	—	—	—	—
Exports—f.o.b.	—	—	—	—
Trade balance	—	—	—	—
Non-monetary gold movement (net)	—	—	—	—
Official transfer payments (net)	— 15.6	— 10.2	— 22	— 21
Other invisibles (net)	— 28.7	— 18.8	— 46	— 40
Current account (net)	**— 44.3**	**— 29.0**	**— 68**	**— 61**

Note :—Please refer to footnotes to Table 9.

during the year and approvals for starting of ventures in countries like Kenya, the Philippines, Tanzania and several others were granted during the year. The total number of approvals granted for joint Indian ventures abroad till the end of March 1967 was 47. The largest number of approvals were given for investment in Kenya (8), followed by Nigeria (6), Ethiopia and Iran (5 each), Ceylon (4), Saudi Arabia (3), Malaysia, Northern Ireland and Tanzania (2 each) and Canada, Colombia, Hongkong, Ireland, Libya, the Philippines, Singapore, Uganda, the U.K. and Zambia (1 each).

External Assistance

A feature of the external transactions during the year was a substantial increase in fresh aid authorisations which advanced from $ 1,362 million in 1965-66 to $2,082 million in 1966-67. The mark-up in aid authorisations, which was particularly noticed after the devaluation of the rupee, was brought about in the main by the announcement of non-project assistance of $900 million by the members of the Aid-India Consortium, to support the programme of import liberalisation adopted in June 1966, and in part by larger credits granted by the East European countries for the Fourth Plan. At the same time, the amount of external assistance utilised which had shown a steady uptrend over the past several years, slumped from $ 1,621 million in 1965-66 to $ 1,474 million in 1966-67. The temporary pause in fresh authorisations following the outbreak of hostilities with Pakistan in September 1965, appears to have slackened the pace of utilisation of aid during the year. Furthermore, the usual time lag between the pledging of aid, the signing of agreements and the utilisation of credits is another factor which explains the decline in utilisations in the face of rapid increase in the authorisations of credits. The undisbursed balance of foreign aid available for use after March 1967 amounted to $ 3,254 million (Table 11).

A breakdown of the assistance authorised during 1966-67 shows that loans accounted for 71 per cent of the total, P.L. 480 aid for 25 per cent and grants for 4 per cent. Of the total loan assistance, 68 per cent ($ 1,008 million) was authorised by the members of the Aid-India Consortium and the balance by the U.S.S.R. ($ 345 million), Yugoslavia ($ 80 million), Hungary ($ 33 million), Sweden ($ 5 million) and Denmark ($ 4 million). Assistance pledged by the Consortium members for 1966-67 but not authorised by the end of March 1967 amounted to $ 141 million.

An analysis of the composition of the loan assistanee authorised during 1966-67 shows

Table 11—External Assistance

($ million)

	Loans	Grants*	P.L. 480 Aid (gross)@	Total
	(1)	(2)	(3)	(4)
1. Amount undisbursed as at the end of March 1966	2,306	114	226	2,646
2. Fresh authorisations during 1966-67	1,475	83	524	2,082
3. Amount available for utilisation after March 1966 (1+2) ..	**3,781**	**197**	**750**	**4,728**
4. Estimated utilisation during 1966-67	897	97	480	1,474
5. Amount undisbursed as at the end of March 1967 (3—4) ..	**2,884**	**100**	**270**	**3,254**

* Exclude grants under P.L. 480 Titles II and III.

@ Data on P.L. 480 assistance are shown on a gross basis; disbursements of loans and grants out of P.L. 480 funds are, therefore, excluded from columns (1) and (2).

that, as in the previous year, about one-half of the total assistance was in the form of non-project aid. In fact, more than two-thirds of the loan assistance authorised by the members of the Aid-India Consortium was on an untied basis. On the other hand, the loan assistance provided by the East European countries, which accounted for a little less than one-third of the total, was mostly tied to specific projects. Another noteworthy feature was the liberalisation in the terms of assistance provided by Canada and Denmark†. Certain loans granted by Canada during the year were free of interest with the repayment period spread over 50 years. Denmark authorised during the year an interest-free food loan repayable over a period of 20 years. An analysis of loan assistance according to the terms on which it was secured shows that during the year, the share of relatively soft loans repayable in foreign currencies (50 per cent) was about the same as in 1965-66, while that of East European credits, which are also soft, showed a sharp increase from a little under one per cent to 31 per cent. At the same time, the share of other types of loans declined sharply from 46 per cent in 1965-66 to 19 per cent during the year under review (Table 12).

TABLE 12—COMPOSITION OF LOAN ASSISTANCE AUTHORISED

($ million)

	1966-67	1965-66
1. Relatively soft loans (*a*)	738(50.0)	457 (52.8)
2. East European type credits(*b*)	458 (31.0)	7 (0.8)
3. Conventional loans(*c*)	128 (8.7)	239 (27.7)
4. Suppliers' credits(*d*) ..	51 (3.5)	109 (12.6)
5. Unclassified(*e*)	100 (6.8)	53 (6.1)
TOTAL	1,475 (100.0)	865 (100.0)

Note :—Figures in brackets represent percentages to the total.

(*a*) Cover loans which carry interest rate upto 2.5 per cent and a maturity of more than 20 years and include among others (*i*) IDA credits and AID loans both of which are on specially soft terms, (*ii*) British credits which originally carried an interest rate of 5.5 to 6.0 per cent, a grace period of 7 years and a maturity of 25 years; since October 1965, British credits were made wholly interest-free and (iii) interest-free loans from Canada with a maturity of 50 years and from Denmark with a maturity of about 20 years.

(*b*) Typically these credits carry an interest rate of 2.5 per cent and a maturity of 12 years. Suppliers' credits authorised by these countries are also included under this item.

(*c*) Represent loans carrying interest rate of more than 5 per cent and maturity of 10-20 years. In addition, certain IBRD loans with a maturity of 26 years are also grouped under this head.

(*d*) Cover credits with a maturity of more than 1 and less than 10 years. Coverage is not complete for Suppliers' credits outside of Consortium aid.

(*e*) Includes certain West German, Dutch and Swiss credits which carry interest rates of less than 5 per cent and with the maturity of not more than 25 years. Also includes a Dutch credit with a maturity of 27 years and a U. S. loan repayable in rupees, but with a maturity of 30 years.

A reference may be made here to the enactment by the U.S. Congress, in November 1966 of the 'Food for Peace Act', extending for two years and amending the Public Law 480 which governs the sale of agricultural commodities on concessional terms. The new law prescribes a progressive switch-over from sales against local currencies to sales against dollars, with a view to terminating sales against local currencies by the end of 1971. Provision has also been made for sale of commodities against dollars on credit, if necessary, on the same terms as are applicable to AID loans.

Cumulatively, external assistance authorised by friendly countries and international institutions upto March 31, 1967 amounted to $ 14.4 billion, of which two-thirds ($ 9.6 billion) were in the form of loans, 27 per cent ($ 3.9 billion) in the form of P.L. 480 and P.L. 665 assistance and Third Country Currency Assistance from the U.S.A. and the balance of 6 per cent ($ 0.9 billion) by way of grants (Table 13). Foreign assistance utilised upto the end of March 1967 is placed around $ 10.9 billion, comprising $ 6.7 billion of loans, $ 3.4 billion of P.L. 480 and similar assistance and $ 0.8 billion of grants.

†Similar interest-free loans have also been extended by the U.K. and the I.D.A. to which a reference has been made in the previous Reports.

Table 13. Aggregate External Assistance

($ million)

	Loans (1)	Grants (2)	P.L. 480/665 Aid and Third Country Currency Assistance (3)	**Total** (4)
Authorisations				
1. Upto the end of First Plan ..	477	290	36	**803**
2. During Second Plan	2,691	254	2,374	**5,319**
3. During Third Plan	4,937	269	946	**6,152**
4. During 1966-67	1,475	83	524	**2,082**
Total ..	**9,580**	**896**	**3,880**	**14,356**
Utilisations				
1. Upto the end of First Plan	265	147	11	**423**
2. During Second Plan	1,522	337	1,144	**3,003**
3. During Third Plan	4,008	215	1,791	**6,014**
4. During 1966-67	897	97	480	**1,474**
Total ..	**6,692**	**796**	**3,426**	**10,914**

Table 14. Aggregate External Assistance in the Post-War Period

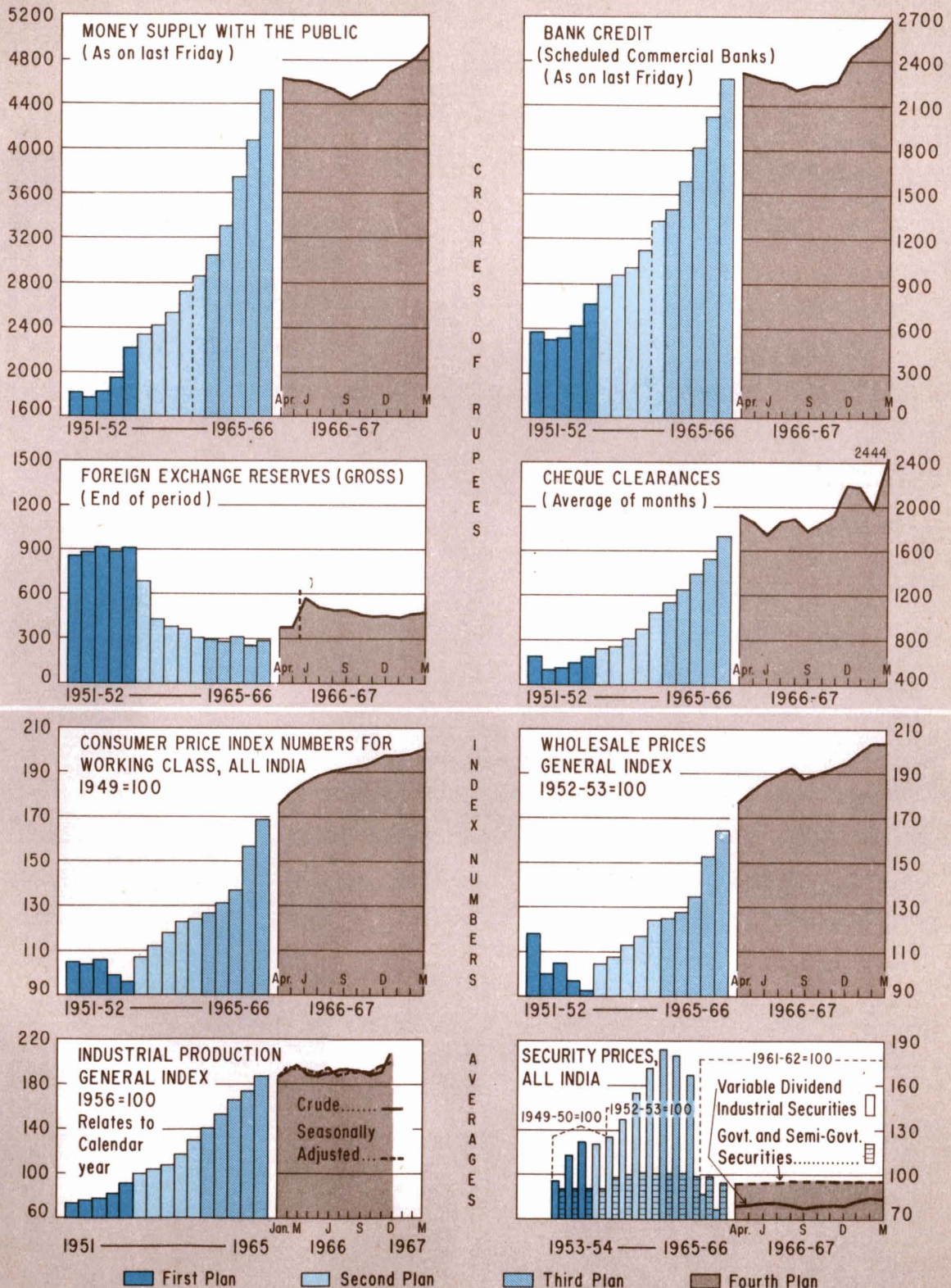
($ million)

	Authorised upto March 1967				Utilised upto March 1967			
	Loans (1)	Grants (2)	P.L. 480/665 Aid and Third Country Currency Assistance (3)	**Total (1+2+3)** (4)	Loans (5)	Grants (6)	P. L. 480/665 Aid and Third Country Currency Assistance (7)	**Total (5+6+7)** (8)
I.B.R.D./I.D.A.	1,890	—	—	**1,890 (13.2)**	1,433	—	—	**1,433 (13.1)**
U. S. A.	3,039	359	3,880	**7,278 (50.7)**	2,502	344	3,426	**6,272 (57.5)**
U. S. S. R.	1,362	10	—	**1,372 (9.6)**	641	10	—	**651 (6.0)**
West Germany	989	5	—	**994 (6.9)**	798	5	-	**803 (7.3)**
United Kingdom	865	4	—	**869 (6.1)**	735	3	—	**738 (6.8)**
Japan	391	—	—	**391 (2.7)**	259	—	—	**259 (2.4)**
Others	1,044	518	—	**1,562 (10.8)**	324	434	—	**758 (6.9)**
Total :	**9,580**	**896**	**3,880**	**14,356 (100.0)**	**6,692**	**796**	**3,426**	**10,914 (100.0)**

Note : Figures in brackets represent percentages to the total.

GRAPH I

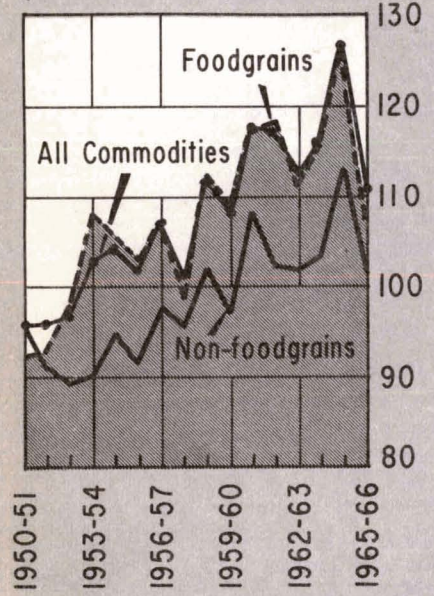
SELECTED ECONOMIC INDICATORS



GRAPH 2

INDEX NUMBERS OF AGRICULTURAL PRODUCTIVITY IN INDIA

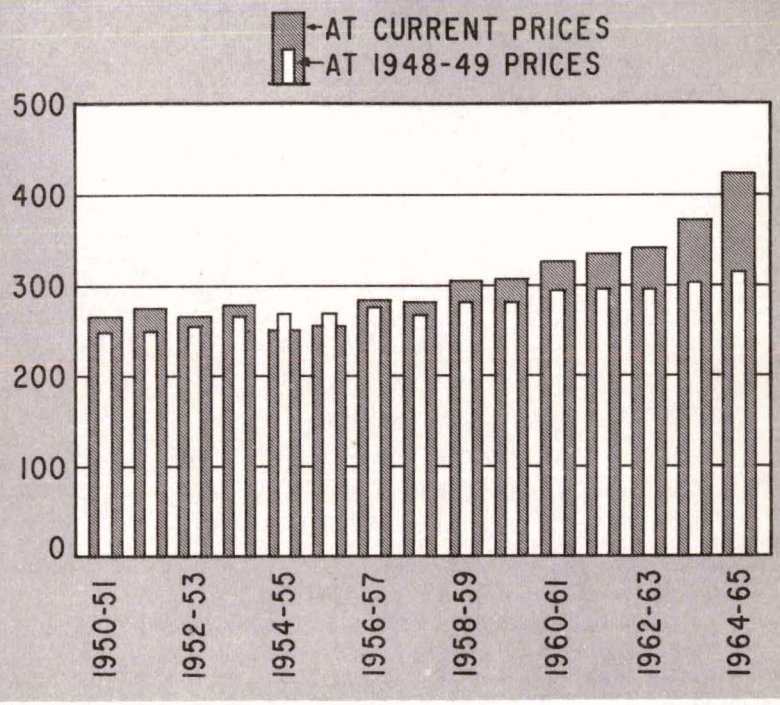
(1949-50=100)



GRAPH 3

PER CAPITA NATIONAL INCOME

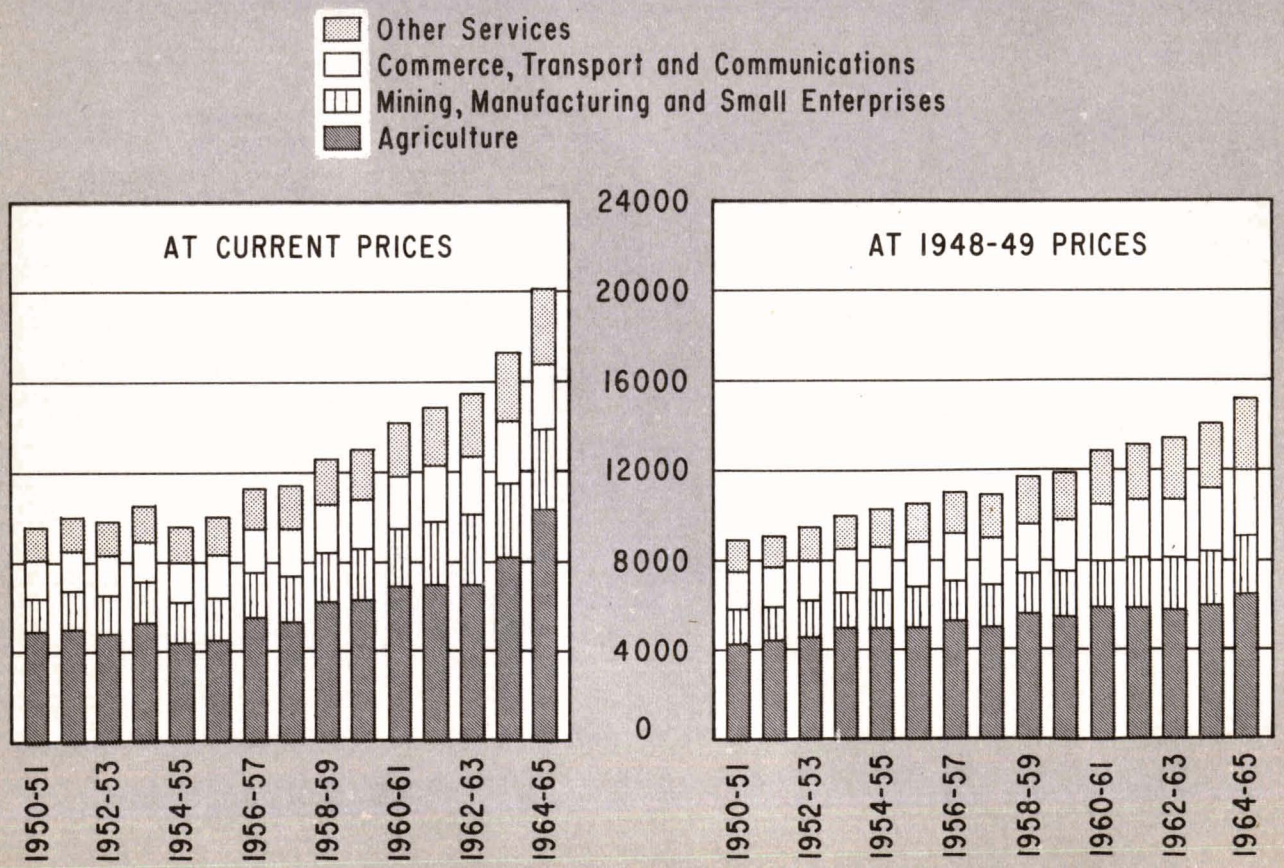
(RUPEES)



GRAPH 4

NATIONAL INCOME BY INDUSTRIAL ORIGIN

(CRORES OF RUPEES)



The U.S.A. accounted for a little over one-half (51 per cent) of the total authorisations and a little under three-fifths (58 per cent) of the utilisations. The I.B.R.D. and I.D.A. accounted for 13 per cent each of aid authorised and utilised. Other countries that have made sizeable authorisations are the U.S.S.R., West Germany and the United Kingdom in order of importance (Table 14).

About one-half of the U.S. aid to India authorised upto the end of March 1967 was in the form of assistance under Title I of the P.L. 480 programme. P.L. 480 assistance to India authorised during 1966-67 amounted to $ 524 million, an overwhelming portion of which was for the purchase of wheat ($ 284 million), grain sorghum ($ 101 million) and cotton ($ 93 million) and the balance for the purchase of corn, vegetable oil, tobacco and inedible tallow. With this, the total assistance authorised under this programme upto March 31, 1967 amounted to $ 3,807 million. The rupee counterpart funds accruing from the import of agricultural commodities under the programme have been allocated in the following manner :

	Amount ($ million)	Percentages to the total
1. Loans to the Government of India	2,213	58.1
2. Grants to the Government of India	818	21.5
3. Loans to private enterprises under the Cooley Amendment	255	6.7
4. For the use of the U. S. Government	521	13.7
Total	**3,807**	**100.0**

The Aid-India Consortium, which met in Paris in April 1967, to consider India's foreign exchange requirements during 1967-68, agreed on an aid target of $ 1,300 million, comprising $ 900 million by way of non-project assistance and about $ 380 million as food assistance. While hitherto India secured food aid mostly from the U.S.A. and Canada, this is the first time that the other members of the Consortium have, at the insistence of the U.S.A., agreed to provide food aid to match the U.S. contribution. A part of the non-project aid indicated at the Consortium meeting is expected to be in the form of refinancing of the current year's debt repayment liabilities. The U.K. and West Germany have already authorised an amount of $ 32 million and $ 7 million respectively towards refinancing the current year's debt repayment liabilities. It is expected that other countries and institutions would follow suit.

PART II

CHAPTER II—OUTPUT AND PRICE TRENDS

AGRICULTURAL

Agricultural production during 1965-66 recorded a sharp decline, the index number (*base :* 1949-50 = 100) falling by 16.9 per cent from 158.4 in 1964-65 to 131.7—a level lower than that reached at the end of the Second Plan (142.2). The decline in production was shared by all major crops. Among foodgrains, rice and wheat declined by about 22 per cent and 13 per cent, respectively. Among important non-foodgrain crops, cotton, jute and groundnut were substantially lower.

During 1966-67, although overall agricultural production would be higher by about 3 per cent, it would still be smaller by approximately 14 per cent than the production in the bumper year of 1964-65. Foodgrains production in 1966-67 is now estimated at 76 million tonnes as against 72.3 million tonnes in 1965-66.

Production of non-foodgrain crops during 1966-67 is expected to show some improvement. According to current estimates, the output of raw cotton, raw jute, and groundnut would show increases of 6.2 per cent, 19.6 per cent and 6.0 per cent, respectively, in 1966-67 over the previous year. However, the latest estimate places the sugarcane production (in terms of gur) at 11.0 per cent lower and that of mesta at 5.6 per cent lower as compared with the previous year.

Total production of foodgrains during 1965-66 at 72.3 million tonnes showed a substantial shortfall of 18.8 per cent over the previous year. To augment the supplies, imports were stepped up to 10.36 million tonnes during 1966 as compared with 7.46 million tonnes in 1965. Imports in 1967 are likely to be of the order of 10 to 11 million tonnes. Upto March, 1967 imports of foodgrains amounted to 2.12 million tonnes.

A total quantity of 4 million tonnes of cereals was procured out of the 1965-66 crop as against 3.8 million tonnes in the previous year. By the end of April 1967, more than 2.7 million tonnes of cereals have been procured out of the current year's (1966-67) crop.

During the 1966-67 season, procurement was generally on the same lines as in 1965-66. The Government of U.P. have recently introduced a system of levy on producers in respect of *rabi* crop. The West Bengal Government discontinued the system of monopoly procurement followed in 1965-66 ; wholesale trade was again allowed, maximum price control was lifted, and levy on millers reduced to 50 per cent. In March, 1967 the West Bengal Government decided to follow the system of procurement by voluntary offers at increased prices. This is being supplemented by a levy on the bigger producers and the imposition of a hundred per cent levy on rice mills.

The stocks of foodgrains with the Central and State Governments at the end of March 1967 were lower at 2.42 million tonnes as compared with 3.07 million tonnes in March 1966. Increase in imports and procurement enabled the Government to further extend the system of public distribution. Statutory rationing, which was introduced in Greater Calcutta, Madras, Coimbatore and Delhi in 1965, was extended in 1966 to ten more cities and industrial areas, *viz.* Hyderabad, Secunderabad, Visakhapatnam, Kanpur, Greater Bombay, Poona, Sholapur, Nagpur, Asansol, Durgapur complex and Siliguri. The distribution of foodgrains through fair price shops was also streamlined by the introduction of family identity card system. The number of ration/fair price shops increased from 1.10

lakhs at the end of 1965 to 1.41 lakhs by March 1967, covering 30 million people under statutory rationing and 211 million under informal rationing. Over 14 million tonnes of cereals were distributied in 1966 as against 10 million tonnes in 1965. However, as a result of the sharp decline in the output and a reduction in market arrivals, the overall supply position remained critical, leading to a further rise in prices of foodgrains.

The prices* of cereals and pulses moved up by 18 per cent and 22 per cent, respectively, during 1966-67, as against a rise of 6 per cent in the prices of cereals and a nominal decline of 2 per cent in the prices of pulses in 1965-66.

There has been a substantial expansion in the activities of the Food Corporation of India both in respect of the areas of its operations and the commodities handled since its inception on January 1, 1965. The Corporation has by now established its Regional Offices in almost all the principal States. During 1966, it purchased either on behalf of Central Government or on behalf of various State Governments, about 12.52 lakh tonnes of foodgrains comprising 10.33 lakh tonnes of rice, 0.75 lakh tonnes of indigenous wheat, 0.37 lakh tonnes of other cereals and 1.08 lakh tonnes of pulses. It also purchased 9,600 tonnes of groundnut oil in the same year. During the first quarter of 1967, its purchases amounted to about 6.57 lakh tonnes of foodgrains comprising 5.71 lakh tonnes of rice, 0.74 lakh tonnes of other cereals and 0.12 lakh tonnes of pulses.

In the *kharif* season of 1966-67, the Corporation was made responsible for the purchase of rice in Chattisgarh area of Madhya Pradesh on the Central Government account and for the purchase of jowar on the State Government account. In West Bengal and Assam, the Corporation was asked to undertake purchase, storage and distribution of paddy and rice procured within the State. In addition, it is handling the distribution of foodgrains allotted to the West Bengal Government from the Central stocks. The supply of imported wheat to roller flour mills and distribution of wheat products produced by these mills in the States of Andhra Pradesh, Madras, Mysore, Kerala, Rajasthan, Orissa and the Union Territory of Delhi has been entrusted entirely to the Corporation. During 1966, wheat products valued at about Rs. 33 crores were marketed by the Corporation. It has also made a beginning in promoting agricultural production by undertaking a Pilot Scheme for the supply of inputs for popularisation of high yielding varieties of paddy in the selected areas of Andhra Pradesh and Madras.

In March 1966 the Government of India appointed the Foodgrains Policy Committee under the Chairmanship of Shri B. Venkatappiah to examine the various aspects of food policy, namely, procurement, distribution, movement of foodgrains and prices. The Committee, which submitted its report on September 15, 1966, made the following recommendations.

As in the opinion of the Committee marginal food shortages are likely to continue for some years to come, it recommended that an integrated food policy should be drawn up on the basis of a national food budget with a view to achieving self-reliance, ensuring an equitable sharing of foodgrains, minimising disparities in prices as between surplus and deficit States and keeping prices stable at reasonable levels. The means of implementing the policy as suggested by the Committee are four-fold, namely: (*i*) procurement to ensure necessary supplies, (*ii*) control over inter-State movements to facilitate procurement and keep prices at a reasonable level, (*iii*) a system of public distribution to ensure equitable sharing and (*iv*) building up of a buffer stock to provide against difficult years.

The Committee suggested that procurement should be undertaken both by the surplus and deficit States. A uniform system of procurement for the whole country is not feasible. However, all States should introduce a minimum graded levy on producers in respect of the major foodgrains. This

* The yearly percentage increase or decrease in indices of wholesale prices is worked out on the basis of the financial year average for the respective years.

basic levy should be supplemented by other methods of procurement *e.g.*, levy on the millers and the traders or pre-emptive purchases etc., so that, in the case of the surplus States, the targets of procurement as determined in the National Food Budget are fulfilled and in the case of deficit States, their requirements from the Central supplies are not increased beyond those allocated under the National Food Budget.

With regard to prices, the Committee recommended a policy of guaranteed minimum support prices to be announced well in advance of the sowing season. The procurement prices should be higher than the support prices. The Committee did not favour fixing of the maximum prices which are difficult to enforce and which keep the stocks away from the open market. The subsidy on imported foodgrains, according to the Committee, should also be removed.

Table 1. Foodgrains

Year	Total foodgrains production (Million tonnes)	RICE			WHEAT		
		Production (Million tonnes)	Procurement (Thousand tonnes)	Imports (Thousand tonnes)	Production (Million tonnes)	Procurement (Thousand tonnes)	Imports (Thousand tonnes)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1950-51	54.9[1]	23.5[1]	2750	358.7	6.4[1]	1133	1329.0
1955-56	66.9	27.6	15	269.3	8.8	—	442.0
1960-61	82.0	34.6	880	698.8	11.0	395	4386.1
1961-62	82.7	35.7	519	384.4	12.1	20	3092.2
1962-63	78.4[2]	31.9[2]	479	389.6	10.8[2]	—	3250.4
1963-64	80.2[2]	36.9[2]	744	483.4	9.9[2]	5	4072.7
1964-65	89.0[2]	39.0[2]	1299	644.5	12.3[2]	90	5621.4
1965-66	72.3[3]	30.6[3]	2951 (3137)	783.2	10.7[3]	379 (463)	6583.3
1966-67[4]	76.0	..	1986	786.6	..	198	7832.9

Note : Import and Procurement figures are for calendar year; figures in brackets relate to the respective crop seasons.
1 — Data relate to 1949-50.
2 — Partially revised estimates.
3 — Final estimate.
4 — Provisional.

Rice

From the record level of 39 million tonnes in 1964-65, the output of rice declined by 21.6 per cent to 30.6 million tonnes in 1965-66. The decline in production was shared by almost all the States and was attributed partly to a shrinkage in the area and partly to the drought conditions during the period of growth of the crop. Official estimates of production during 1966-67 are not yet available ; however, as a result of severe drought conditions and the failure of the monsoon during September to November 1966, the output of rice may not show any substantial increase over the previous year. Due to the low level of output in two successive years, prices of rice continued to move up. The all-India index number of wholesale prices of rice (*base :* 1952-53=100), which stood at 156 in March 1966, rose steadily to 174 in December 1966 and further to 182 in March 1967. On the basis of annual averages, rice prices during 1966-67 showed a sharp rise of 22.7 per cent compared with the rise of 5.1 per cent in 1965-66.

A number of steps were taken to contain the rise in rice prices. The maximum statutory prices for paddy/rice continued to be fixed during 1966-67 in the States of Andhra

Pradesh, Assam, Madhya Pradesh, Madras, the Punjab and the Union Territories of Delhi and Pondicherry.

Issue of rice by the Central and State Governments through the system of public distribution was stepped up from 35.9 lakh tonnes in 1965 to 41.3 lakh tonnes in 1966. The issue prices of coarse rice from Central stocks were, however, raised in November 1965 and in June 1966 following the abolition of subsidy in two stages by Rs. 3 per quintal. Issue prices of superior and coarse varieties of rice were also revised upward with effect from December 12 and 15, 1966 respectively. In order to reinforce the supplies, procurement operations were intensified during 1965-66 by extending them to surplus pockets in deficit areas as well as to surplus producers all over the country. Purchases of rice (and paddy) on behalf of Central Government during 1965-66 season were undertaken in Andhra Pradesh, Madras, the Punjab, Orissa and Madhya Pradesh. In Madhya Pradesh, however, the entire quantity procured was handed over to the State Government for consumption within the State. The total quantity of rice procured on Central Government account during 1965-66 aggregated 6.6 lakh tonnes as against 15.6 lakh tonnes during 1964-65 season. All the State Governments, excepting Rajasthan, also effected purchases of rice and paddy on their own account. The total quantity procured on State Governments' account was 25 lakh tonnes, as against 13 lakh tonnes during 1964-65. Thus, procurement by both the Central and State Governments during 1965-66 aggregated 31.37 lakh tonnes as against 29.00 lakh tonnes in 1964-65. Larger purchases by State Governments during 1965-66 inspite of a heavy shortfall in production were facilitated by the increase in procurement prices and the continuance of inter-State restriction on the movement of rice. During 1966-67, procurement was considerably lower ; by the end of April 1967, the quantity procured was only 19.86 lakh tonnes. The zonal arrangements in respect of rice were continued during the 1966-67 season also.

Imports of rice during 1966 totalled 7.87 lakh tonnes as against 7.83 lakh tonnes in 1965. Of the rice imported in 1966, 3.64 lakh tonnes were from Burma, 1.72 lakh tonnes from Thailand, 0.60 lakh tonnes from the United States and 0.51 lakh tonnes from the U.A.R.

The minimum prices of standard varieties of coarse paddy, fixed for 1965-66, were continued for the 1966-67 season as well. However, for the 1967-68 season, the prices have been revised upwards from Rs. 35-40 per quintal to Rs. 42-44, on the basis of the recommendations of the Agricultural Prices Commission.

Wheat

The output of wheat, which had reached a peak of 12.3 million tonnes in 1964-65, declined by 12.8 per cent to 10.7 million tonnes in 1965-66. The decline in production has been shared mainly by the Punjab, Madhya Pradesh, Rajasthan and Maharashtra and is attributed partly to shrinkage in area and partly to drought conditions during the period of growth of the crop. No official estimate of output of wheat for 1966-67 is available. The over-all prospects, however, do not appear to be much better than last year.

As in the case of rice, wheat prices also showed a continuous uptrend. The all-India index number of wholesale prices of wheat (*base* : 1952-53=100) rose continuously from 136 in March 1966 to 191 in March 1967. The annual average index of wheat prices during 1966-67 showed a rise of 15 per cent on top of an increase of 6.3 per cent witnessed in 1965-66. Only the Government of Madhya Pradesh continued the policy of fixing maximum statutory prices for wheat during 1966-67. The zonal arrangements in operation during 1965-66 were, by and large, continued in 1966-67 also ; the bigger wheat zone comprising the States of the Punjab, Uttar Pradesh, Haryana and the Union Territories of Himachal Pradesh, Chandigarh and Delhi have been split into single State zones. Movement of wheat from the Punjab and Haryana to Chandigarh has, however, been kept free.

As regards procurement of wheat, while 1965-66 witnessed a record performance, the progress during 1966-67, was inadequate. As against 4.63 lakh tonnes of wheat pur-

chased on behalf of Central and State Governments during 1965-66, the quantity purchased in 1966-67 was only 1.98 lakh tonnes. Purchases on State Governments' account were made only in Madhya Pradesh and the Punjab, and on behalf of the Central Government only in the Punjab.

The price support scheme for wheat was continued during 1966-67 also. The minimum support prices for the 1965-66 crop (marketed from April 1966 to March 1967) were the same as in the preceding season but, for the 1966-67 crop (marketed from April 1967 to March 1968), they were raised on the recommendation of the Agricultural Prices Commission by Rs. 4 per quintal to Rs. 49.50, Rs. 53.50 and Rs. 57.50 per quintal for red, white and superior varieties of wheat respectively for the States of the Punjab, Haryana, Himachal Pradesh, Uttar Pradesh, Madhya Pradesh, Rajasthan and Bihar. Prices fixed for other States during 1966-67 were higher by Rs. 7.25 per quintal at Rs. 52.75, Rs. 56.75, and Rs. 60.75 per quintal respectively.

In order to augment the supplies, imports of wheat were stepped up from 65.83 lakh tonnes in 1965 to 78.33 lakh tonnes in 1966 ; of these, 64.76 lakh tonnes were from the U.S. under P.L. 480 agreement. The quantity of wheat distributed through the public distribution system moved up from 59.4 lakh tonnes in 1965 to 81.4 lakh tonnes in 1966. The issue price of imported wheat was raised from Rs. 50.00 to Rs. 55.00 per quintal with effect from November 15, 1966 in accordance with the decision taken by the Government to reduce gradually the element of subsidy on imported wheat.

Other cereals

Production of other cereals (other than rice and wheat) at 21.0 million tonnes during 1965-66 was lower by 17 per cent as compared with that in 1964-65. Production of all coarse grains recorded substantial declines except maize which showed only a nominal decline. Official estimates of production for 1966-67 are not available.

Table 2. Other Cereals

Year	Production (Million tonnes)	Imports (Thousand tonnes)
1950-51	16.8+	370.9
1955-56	19.5	—
1960-61	23.7	52.4
1961-62	23.1	19.1
1962-63	24.3*	—
1963-64	23.4*	—
1964-65	25.3*	96.0
1965-66	21.0@	1738.7

+ 1949-50
* Partially revised estimate
@ Final estimate

Prices of coarse grains with the exception of jowar also moved up during the year 1966-67. While the all-India index number of wholesale prices (annual average) remained the same in the case of jowar, that of bajra and maize recorded rises of 12.6 per cent and 19.5 per cent respectively over the year.

Procurement of coarse grains formed an important part of the measures taken by the Government to augment the overall supply of foodgrains. Purchases of coarse grains by the Central and State Governments in the States of Andhra Pradesh, Madhya Pradesh, Mysore, Maharashtra, the Punjab, Rajasthan and Uttar Pradesh during 1965-66 aggregated 10.00 lakh tonnes as against 4.48 lakh tonnes in 1964-65. During 1966-67, by the end of April 1967 procurement totalled 5.92 lakh tonnes. Issue of coarse grains through the public distribution system was stepped up from 5.5 lakh tonnes in 1965 to 18.1 lakh tonnes in 1966. The issue price of imported milo was raised by Rs. 7 per quintal with effect from November 15, 1966.

The system of fixing minimum support prices for coarse grains was continued for the 1966-67 season as well and the minimum prices for jowar, bajra and maize were maintained at the 1965-66 level. For the 1967-68 season, the minimum prices for jowar, bajra and maize have been raised by Rs. 2 to Rs. 6 per quintal from Rs. 38, Rs. 40 and Rs. 36

per quintal respectively in 1966-67 so as to bring the prices of each of the three coarse grains to a uniform level of Rs. 42 per quintal. As regards the movement of coarse grains, the existing restrictions continued.

Pulses

Production of pulses recorded a decline of 19.5 per cent from 12.4 million tonnes in 1964-65 to 10.0 million tonnes in 1965-66. Official estimates of production for 1966-67 are not available.

Table 3. Pulses

Year	Production (Million tonnes)
1949-50	8.2
1955-56	11.0
1960-61	12.7
1961-62	11.8
1962-63	11.4*
1963-64	10.0*
1964-65	12.4*
1965-66	10.0@

* Partially revised estimate
@ Final estimate

Prices of pulses, which had shown a nominal decline of 2.1 per cent in 1965-66, firmed up in 1966-67. The all-India index number of wholesale prices (*base :* 1952-53 = 100) for pulses moved up steadily from 151.4 in March 1966 to 235.6 in March 1967. On the basis of the annual average (April-March), the index showed an increase of 21.8 per cent in 1966-67 over 1965-66. As regards inter-State trade in pulses, movement of pulses other than gram is generally free throughout the country. The bigger gram zone comprising the States of the Punjab, Uttar Pradesh and Haryana and the Union Territories of Himachal Pradesh, Chandigarh and Delhi have been formed each into a single State zone except that Delhi Union territory is added to Haryana and Chandigarh to Punjab and Haryana for gram.

Cotton

Production of cotton during 1965-66 at 47.08 lakh bales (of 180 kgs. each) registered a sharp decline of about 17 per cent over the output of 1964-65. According to the latest available estimate, the output of cotton during 1966-67 is not likely to exceed 50 lakh bales. The low level of production in both 1965-66 and 1966-67 was due partly to a shrinkage in the area under crop and partly to unseasonal rains and adverse weather conditions in some of the cotton-growing tracts, particularly in Gujarat and southern region, resulting in lower yields per acre.

The shortfall in the output of cotton emphasises the need for further efforts to increase its production. As the scope for extension of the area under cotton to any sizeable extent is extremely limited, stress is laid on the 'package' and intensive cultivation methods to raise the yield per acre. Hitherto, the package programme for cotton was implemented by the State Governments with the financial assistance provided within the State Plans by the Government of India. However, the implementation of these programmes suffered due to the inadequacy of budget provisions. To overcome this difficulty, the Government of India sanctioned a Centrally sponsored package scheme for all the major cotton growing States in 1966-67 for a total area of 9.04 lakh acres. The entire expenditure on account of staff and contingencies and 50 per cent subsidy on plant protection chemicals is being met by the Government of India over and above the annual Plan allocation for each State. The scheme was sanctioned and almost fully implemented by the State Governments of Madhya Pradesh, Rajasthan, Gujarat and Andhra Pradesh over an area of 2.10 lakh acres during 1966-67.

Apart from the substantial decline in the output during 1965-66, the overall supply position of cotton was considerably affected by a low level of imports, which during 1965-66 aggregated only 5.33 lakh bales as compared with 9.28 lakh bales in 1964-65. During the 1966-67 season, imports are expected to be around 9.3 lakh bales ; actual imports during the current cotton season upto April 29, 1967, however, totalled only 2.31 lakh bales as against 3.20 lakh bales upto April 30, 1966 during the 1965-66 season.

Exports of cotton during 1965-66 were lower at 1.69 lakh bales as compared with

2.43 lakh bales in 1964-65 due to the slackness in foreign demand and severe competition from Pakistan. During 1966-67, exports are expected to increase in view of the increased output of Bengal Deshi, which is the major exportable variety. Judging from the performance so far, exports in 1966-67 may be around 3 lakh bales. Upto March 25, 1967, Bengal Deshi registered for exports totalled 2.04 lakh bales as against 1.33 lakh bales in the corresponding period in 1965-66.

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	5293	1100	297	5574	2236
1961-62	4512	804	328	5958	1851
1962-63	5374	860	334	5940	2564
1963-64	5494	648	273	6352	2020
1964-65	5664	928	243	6641	2171
1965-66	4708	533	169	6091	..
1966-67+	5000	930	300	6000	..

@ Consumption by mills and extra factory consumption.
+ Estimated

(*Source:* Regional Office (Cotton Development), Government of India, Ministry of Food, Agriculture, Community Development and Co-operation).

Cotton consumption by mills during 1965-66 at 58.21 lakh bales was lower by 5.5 lakh bales than in 1964-65. Consumption of Indian cotton formed about 89 per cent of the total consumption. During the 1966-67 season, faced with an acute shortage of supply of cotton, the Government directed the mills to allow an extra holiday during each week and not to run more number of shifts than they have been running in July-September 1966, effective from December 12, 1966. Consumption of cotton during the first 7 months of the 1966-67 season amounted to 33.20 lakh bales, showing a marginal increase over the level in the corresponding period of the previous season ; the overall consumption for the entire 1966-67 season is expected to be around 60 lakh bales.

The cotton policy for the 1966-67 season announced on July 4, 1966 had three major features. Firstly, the floor prices of the different varieties were revised upwards so as to make them about 15 per cent lower than the respective ceiling prices. As a result, the floor price of the basic variety showed a net increase of about 7 per cent. Secondly, the basic ceiling prices of Sanjay (CJ 73) and Cambodia 'A' were raised by Rs. 5 and Rs. 10 per quintal, respectively. Thirdly, the basic floor prices of Sea Island Andrews and Gujarat 67 (ISC 67) were raised by Rs. 25 and Rs. 15 per quintal, respectively. All other provisions of the 1965-66 policy including compulsory survey of cotton sold above the basic ceiling prices, continued for the 1966-67 season as well. In view of the general demand for a rise in the ceiling prices and of the need for providing incentives to growers, the Government raised the ceiling prices of all varieties by 5 per cent on December 5, 1966.

The uptrend in raw cotton prices witnessed towards the close of 1965-66 season continued unabated during the major part of the 1966-67 season. The factors contributing to the firmness in prices, *inter alia*, were the very low level of output and reduced imports and

the increase in the price of imported cotton following devaluation of the rupee. The all-India index number for raw cotton (*base*: 1952-53=100), moved up from 128.1 in March 1966 to 140.3 in August 1966 and, after a temporary decline to 139.0 in October, firmed up again and was ruling at 149.9 in March 1967. The annual average index (April-March) for 1966-67 at 139.2 was higher by 7.7 per cent over the corresponding average of the previous year.

A number of measures were taken to restrain the rise in cotton prices. The Textile Commissioner imposed a ban on the movement of cotton from Bombay city on October 18, 1966. Subsequently the ban was extended to the other cotton growing areas of Andhra Pradesh, Gujarat, Madhya Pradesh, Madras, Maharashtra, Mysore, Punjab and Rajasthan. The ban, however, did not apply to foreign cotton, Bengal Deshi or any other exportable variety of cotton. Further, with effect from November 17, 1966 mills were prohibited from keeping stocks for more than two months' requirements. Requisitioning of cotton was also resorted to with a view to helping the needy mills. In order to conserve the limited supplies the Government also announced an extra holiday every week for mills from December 12, 1966 instead of a block closure of mills as suggested by the Indian Cotton Mills Federation. As a result of these measures, spot prices* in the Bombay Cotton Market, which were commanding substantial premia over the ceiling levels in unofficial deals, were reported to have eased somewhat and were ruling near the revised ceiling levels till the end of December 1966. Subsequently, though the premia in unofficial deals moved both ways, at the end of March 1967, popular varieties were reported to be commanding substantial premia over the ceiling levels.

Jute

Production of raw jute during 1965-66, at 44.71 lakh bales, recorded a sharp decline of about 26 per cent over that in 1964-65. Output of mesta at 12.85 lakh bales, was also lower by about 19 per cent. The decline in the output of raw jute and mesta for the second year in succession was due chiefly to adverse weather conditions. During 1966-67, according to the final estimate, while the output of jute at 53.48 lakh bales showed a rise of 19.6 per cent due to favourable weather conditions at the time of sowing, that of mesta at 12.14 lakh bales declined by 5.6 per cent. The decrease in production of mesta was attributed partly to shrinkage in the area and partly to the inadequate rains during the growing period of the crop.

Imports of jute during 1966-67 are expected to show an increase over 1965-66 level. It is estimated that imports will aggregate 17 lakh bales during 1966-67 as against about 15 lakh bales during 1965-66. During the first four months, July to October 1966, imports amounted to 3.38 lakh bales. With effect from July 14, 1966, the Government of India granted permission to mills under the Imports (Control) Order, 1955 to import raw jute under Open General Licence from any country in the world except South Africa, South West Africa and Rhodesia subject to the condition that raw jute should be shipped to India on or before March 31, 1967. Further, as a result of the rise in the rupee value of imports after devaluation, the Government announced import subsidy of the order of Rs. 500 per tonne on Pakistani long jute and Rs. 250 per tonne on Pakistani jute cuttings and Thailand mesta in July 1966. The system was in operation till end-March 1967. Thereafter, the cash subsidy was reduced by Rs. 100 per tonne for Pakistani long jute and Rs. 50 per tonne for Pakistani jute cuttings and Thailand mesta of grades A and B, respectively.

Exports of raw jute during 1965-66 amounted to 1.19 lakh bales. During 1966-67 exports are likely to be around the last year's level ; from July to December 1966 exports amounted to only 0.79 lakh bales. Exports of raw jute and mesta to Nepal were, however, regulated with effect from February 14, 1967 in accordance with the provisions of the Exports (Control) Order 1962. Mill consumption of raw jute in India during 1965-66 came down to 76.61 lakh bales from the previous year's level of 81.45 lakh bales. During 1966-67, the consumption is expected to decline

* There was no futures trading in the Bombay Cotton Market since August 26, 1966.

Table 5. Jute

(In thousand bales of 180 kgs. each)

Year (July-June)	Production			Imports	Consumption(*a*)	Exports	Stocks(*b*)
	Jute	Mesta	Total				
	1	2	3	4	5	6	7
1950-51	3309*c*	..	3309	2598	5851	1	1021
1955-56	4232	1162	5394	1482	6916	—	1471
1960-61	4134	1129	5263	416	6451	—	870
1961-62	6358	1878	8236	468	6703	2	2722
1962-63	5449	1697	7146	293	7610	116	3132
1963-64	6185	1874	8059	116	8044	114	2879
1964-65	6021	1583	7604	588	8346	197	2016
1965-66	4471	1285	5756	1507	7862	119	1170(*f*)
1966-67	5348	1214	6562	338(*d*)	..	79(*e*)	..

a Includes village consumption.
b Trade estimates; includes stocks with the Jute Buffer Stock Association and other stockists.
c Including mesta.
d Upto October 1966.
e Upto December 1966.
f Estimated
Note : Data on production upto 1961-62 are revised esimates, 1962-63 to 1965-66 partially revised estimates and for 1966-67 final estimates.
Source : Columns 1 to 3—Official estimates.
Columns 4 to 7—Regional Office (Jute Development) Ministry of Food, Agriculture, Community Development and Co-operation, (Department of Agriculture) Government of India.

further to around 74 lakh bales. The reduction in mill consumption was mainly due to the curtailment in the consumption of raw jute by the member-mills of the Indian Jute Mills Association during the period March-September 1966.

With regard to prices of raw jute, the uptrend witnessed towards the close of the 1965-66 season continued during the first few months of the 1966-67 season following devaluation of the rupee. Assam Bottoms at Calcutta touched a new peak of Rs. 195.58 per quintal during the first week of August 1966. Although favourable reports about the 1966-67 crop and the grant of cash subsidy on raw jute imports caused prices to decline sharply at the end of August, prices again moved up and ruled generally firm thereafter due chiefly to the reduced pace of arrivals of fibre in the markets. The all-India index number of wholesale prices of raw jute (*base:* 1952-53 = 100) rose from 275 in March 1966 to 285 in June and further to 301 in July. The index, after declining to 240 in September, moved up again to 256 in March 1967. The annual average index for 1966-67 (April-March) at 266 was higher by about 21.5 per cent than the corresponding average of 1965-66.

With a view to providing adequate incentive to the growers to increase production of raw jute, the Government of India, on the recommendation of the Agricultural Prices Commission, raised the minimum support price of raw jute (basis Assam Bottoms) at Calcutta from Rs. 80.38 per quintal fixed since 1961-62 to Rs. 93.77 per quintal for the 1966-67 season. This price has been further raised to Rs. 107.17 per quintal for the 1967-68 season.

Among the measures taken during the year to restrain the rise in raw jute prices mention may be made of the following : (1) The system of fixing maximum purchase quota introduced in September 1964 under the Jute (Licensing

and Control) Order, 1961 and the suspension of trading in hedge contract in raw jute since September 1964, were continued during 1966-67. (2) The member-mills of the Indian Jute Mills Association voluntarily reduced consumption of raw jute by 10 per cent during March-June 1966 ; mills were also closed for one week during May 1966 to conserve the limited supplies. (3) From July to September 1966, the cut in the consumption of raw jute was raised to 15 per cent and (4) Margins were imposed with effect from January 16, 1967 by the East India Jute and Hessian Exchange Ltd. on all purchases of raw jute in transferable specific delivery and non-transferable specific delivery contracts for January-March 1967 deliveries.

Tea

The production of tea during 1966 reached a record level of 374.8 million kgs. registering an increase of 3 per cent over the previous year. Despite this increase, export of tea during 1966 at 179.2 million kgs. was lower by 10 per cent as compared with the previous year.

Table 6. Tea

(Million kgs.)

Year	Production	Exports
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	346.4	223.5
1964	372.5	210.5
1965	364.9	199.4
1966	374.8+	179.2+

+ Provisional
Source : Tea Board.

The decline in the export of tea was attributed partly to the unsettled market conditions in the wake of devaluation of the rupee and the simultaneous imposition of export duty on tea at Rs. 2 per kg. with effect from June 6, 1966 and partly to the strike of the Transport Association of West Bengal and go slow tactics of the Port Commissioner's labour. The strike of the tea garden labour in West Bengal also contributed to the shortfall in the export of tea.

The wholesale price index of tea, which showed an increase of 3.6 per cent during 1965-66 (annual average) over the previous year, further moved up by 1.5 per cent during 1966-67 (annual average).

The Tea Plantation Finance Scheme which has been in operation since 1962, provides for granting of loans by the Tea Board to tea estates for replanting, replacement and/or extension of old tea areas. Under the scheme, 265 applications for loans totalling Rs. 13 crores were received till the end of February 1967 and of these, 135 applications for loans aggregating Rs. 5.74 crores were sanctioned.

Coffee

The output of coffee during 1965-66 at 63.9 thousand tonnes showed an increase of 4.8 per cent over the preceding year. During 1966-67, according to the latest estimate, the crop is expected to reach a record level of about 71 thousand tonnes.

A total quantity of 35.5 thousand tonnes of coffee was released from the Coffee Pool for internal consumption during 1966 as against 36.9 thousand tonnes during 1965.

Table 7. Coffee

(Thousand tonnes)

Year (July-June)	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 ..	69.3	33.6	33.0
1964-65 ..	61.0	35.2	23.0
1965-66 ..	63.9+	36.9	28.8
1966-67 ..	71.0+	35.5	31.0+

* Data relate to calendar year.
+ Estimated.
Source : Coffee Board.

Exports of coffee during 1965-66, at 28.8 thousand tonnes, showed an increase of 25.4 per cent over the previous year. For 1966-67 the overall quantity allocated for exports is 31 thousand tonnes. The quota initially allocated for exports under the International Coffee Agreement for 1966-67 is 23.8 thousand tonnes. This includes 1.5 thousand tonnes of additional quota which could be utilised only if India agrees to certain conditions under the agreement. If these conditions are not fulfilled, the net quota available under the agreement will be only 22.3 thousand tonnes.

For the development of coffee estates the Coffee Board sanctioned, under the Second Five-Year Coffee Development Plan, long-term loans to the extent of Rs. 32.44 lakhs during the period 1961-62 to 1965-66. Since October 1966, the development plan is continued on an year-to-year basis, and during 1966-67, a sum of Rs. 9.1 lakhs has been sanctioned till the end of March 1967.

Oilseeds

Production of major oilseeds during 1965-66 at 6.31 million tonnes* recorded a decline of 25.5 per cent as compared with the output of 8.46 million tonnes in 1964-65. Output of groundnut at 4.23 million tonnes, the lowest since the commencement of the Second Plan, was due to late and insufficient rains during the growing period in all the major producing States. Output of sesamum and rapeseed and mustard was lower by 17.5 per cent and 13.5 per cent, respectively, over the 1964-65 levels. The production of linseed and castorseed also registered substantial declines of 34.6 per cent and 34.3 per cent, respectively. The decline in production was due mainly to a decline in the area under these oilseeds of 14.3 per cent and 19.0 per cent, respectively and to a fall in yields due to the inadequate rains during the sowing period.

Official estimates of production for 1966-67 are available only for groundnut. According to the all-India final estimate, the production of groundnut at 4.48 million tonnes during 1966-67 season shows a rise of 6 per cent over the partially revised estimate for 1965-66, despite a decline of 2.4 per cent in the area under the crop. The outlook for the rabi oilseeds of linseed and castorseed is, however, not encouraging. The trade estimate of linseed output has been revised downwards by about a lakh tonnes to 2.5 lakh tonnes.

Table 8. Oilseeds

Year (November-October)	Production (In million tonnes)	Imports (April-March) (tonnes)	Exports (April-March) (tonnes)
1950-51 ..	5.16	..	..
1955-56 ..	5.73	..	..
1960-61 ..	6.98	16	49,317
1961-62 ..	7.28	36	40,130
1962-63 ..	7.11	538	42,396
1963-64 ..	7.04	3,682	41,097
1964-65 ..	8.46	6,210	13,801
1965-66 ..	6.31	6,998	435

Note: Production relates to groundnut, sesamum, rapeseed and mustard, linseed and castorseed. Imports and exports relate to all oilseeds.

Source: Regional Office, Oilseeds Development, Government of India.

During 1965-66, the Integrated Oilseeds Development Scheme covered all the major oilseeds growing States except Assam. The area actually brought under the scheme was about 80 lakh hectares. It is estimated that under the scheme an additional production of 8.69 lakh tonnes of groundnut and other oilseeds was achieved during 1965-66 through extensive measures and 7.22 lakh tonnes through intensive measures. The Package Programme for increasing groundnut production was in operation in ten States covering an area of 2.63 lakh hectares. The additional output achieved was 1.60 lakh tonnes. The Package Programme for rapeseed and mustard in operation in the Punjab, Rajasthan and Uttar Pradesh covered an area of 41 thousand hectares and that for castorseed in Gujarat, Madras and the Punjab covered an area of 8,094 hectares.

* Based on partially revised estimate for groundnut and final estimates for sesamum, rapeseed and mustard, castorseed and linseed.

During 1966-67, besides continuing the Integrated Oilseeds Development Schemes and Package Programmes in the various States, a centrally sponsored scheme for the maximisation of groundnut production under Export Promotion Programme was launched by the Government of India in Madras, Mysore, Andhra Pradesh, Maharashtra, Uttar Pradesh and Gujarat. The scheme envisages linking of production programmes with marketing and industrial aspects, particularly on the processing side. Other significant features of the scheme are special allocation of nitrogenous fertilizers, extension of credit to farmers, and adoption of plant protection measures on a campaign basis.

The all-India index number of wholesale prices of oilseeds (*base:* 1952-53=100) moved up steadily from 258 in March 1966 to a high of 318 in August. Prices tended to ease thereafter and the index declined to 283 in November 1966. This decline was due partly to the expectation of better crop during 1966-67 and partly to the imminent removal of the ban on movement of groundnut oil imposed by the Gujarat Government. Reports of increased imports of soyabean oil also aided the downtrend. Since December 1966, prices again moved up and the index stood at 318 in March 1967. The price index during 1966-67 (average of April-March) was higher by nearly 25 per cent than the corresponding average of 1965-66. Groundnut prices also recorded a rise of 28.4 per cent during 1966-67 (average of April-March) as compared with the level in 1965-66. The uptrend in prices was due chiefly to the shortfall in the output of groundnut and other oilseeds.

Among the measures taken to increase the internal availability and keep the prices under check, mention may be made of the imports of substitute oils, continuance of the ban on the export of edible oils and oilseeds, restrictions on credit and the lifting of the ban by the Gujarat Government on the movement of groundnut oil outside the State. During the year 1965-66, a substantial quantity of about 49 thousand tonnes of soyabean oil and about 5 thousand tonnes of cottonseed oil were imported mainly from the United States of America under P.L. 480. A small quantity of 10,000 tonnes of sunflower-seed oil was imported from the U.S.S.R. and an additional quantity of 6,000 tonnes was also received in the form of gift. The Government also allocated foreign exchange worth Rs. 6 crores in September 1966 for the import of other substitutes like palm oil, copra and mutton tallow. Imports of oilseeds totalled nearly 7,000 tonnes during 1965-66 as compared with 6,210 tonnes in the previous year. Rapeseed and mustard claimed the largest share of nearly 88 per cent of total imports. Exports of groundnut and groundnut oil continued to remain banned. Exports of other edible oils and non-essential oilseeds were also kept to the minimum in view of the shortfall in supply and the steep rise in the internal prices. A negligible quantity of 435 tonnes of oilseeds was exported during the year 1965-66 as compared to 13,801 tonnes in 1964-65. The Government of Gujarat lifted the ban on the movement of groundnut oil outside the State with effect from November 1, 1966. The selective credit controls imposed by the Reserve Bank during 1964-65 on bank advances against the security of vegetable oils and oilseeds and vanaspati were continued during the 1965-66 season as well. The Forward Markets Commission took the following steps to regulate futures trading in Bombay. (1) Trading in hedge contracts in groundnut continued to remain suspended during 1966-67 season. (2) The non-transferable specific delivery contracts continued to be under strict control and vigilance by the Commission. (3) The linseed and castorseed contracts which were originally free from margin restrictions were later subject to these measures in view of the continuously rising trend in prices. Thus, on the linseed April 1967 contract, margins were imposed on December 17 and 29, 1966 and January 7, 1967 at the rates of Rs. 20, Rs. 82 and Rs. 168 per quintal at prices above the levels of Rs. 160, Rs. 164 and Rs. 168 per quintal, respectively. The castorseed April 1967 contract was also subject to margin payments on December 17, 1966 and January 2 and 7, 1967 at the rates of Rs. 15, Rs. 90 and Rs. 148 per quintal above the price levels of Rs. 135, Rs. 144 and Rs. 148 per quintal, respectively. The June 1967 contract for castorseed, trading in which commenced on March 31, 1967, was also

subject to the payment of margin at the rate of Rs. 15 per quintal when prices exceed Rs. 135 per quintal. Despite these measures, prices continued to rise and during March 1967, the April contracts were ruling above the third margin levels.

Sugar

Despite an increase in the area under sugarcane by more than 7 per cent during 1965-66 as compared with the previous year, production of sugarcane (in terms of gur) at 11.8 million tonnes was lower by 1.7 per cent. The decline in the output was due chiefly to unfavourable seasonal conditions during the later stages of crop growth in almost all the producing States. According to current estimates, the production of sugarcane (in terms of gur) for 1966-67 is placed at 10.5 million tonnes.

Table 9. Sugar

(In lakh tonnes)

Year (November-October)	Production of sugarcane in terms of gur (million tonnes) (1)	Production (2)	Imports (3)	Exports (4)	Consumption (5)	Stocks at the end of the year (6)
1950-51	5.7	11.34	0.57	—	10.98	1.80
1955-56	6.1	18.90	0.69	—	19.72	5.40
1960-61	11.1	30.29	—	2.47	21.27	12.60
1961-62	10.6	27.14	—	3.61	25.87	10.26
1962-63	9.5	21.52	—	5.14	24.88@	1.76*
1963-64	10.6	25.69	—	2.50	23.36@	1.59*
1964-65	12.0	32.58	—	2.62	24.70@	6.85*
1965-66	11.8	35.08	—	4.41	28.01@	9.51*
1966-67	10.5†	19.78‡	—	0.05‡	12.60‡	16.64‡

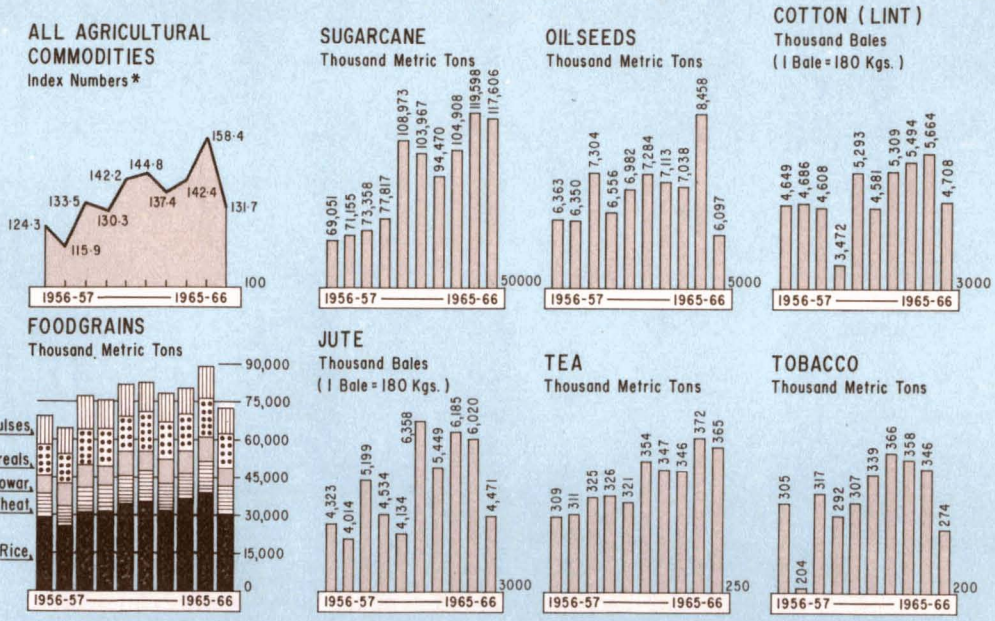
* Including stocks with the export agency.
@ Including despatches to Nepal and Sikkim.
Source : Directorate of Sugar and Vanaspati, Government of India.
† Current estimate
‡ As on March 31, 1967.

Production of sugar during 1965-66 (November-October) aggregated 35.08 lakh tonnes, registering an increase of 7.7 per cent over the previous year. The share of the co-operative sector in the overall output was more than 26 per cent. Production during 1966-67 upto the end of March 1967 amounted to 19.78 lakh tonnes. This was lower by about 28 per cent as compared with the output during the corresponding period of the last season. For the 1966-67 season as a whole, the output of sugar is not likely to exceed 22 lakh tonnes in view of the shortfall in the production of sugarcane and the diversion of cane from production of sugar to that of gur and khandsari. Exports of sugar during 1965-66 (November-October) increased substantially to 4.41 lakh tonnes from 2.62 lakh tonnes in 1964-65.

Control on prices, distribution and movement of sugar was continued. In view of

GRAPH 5

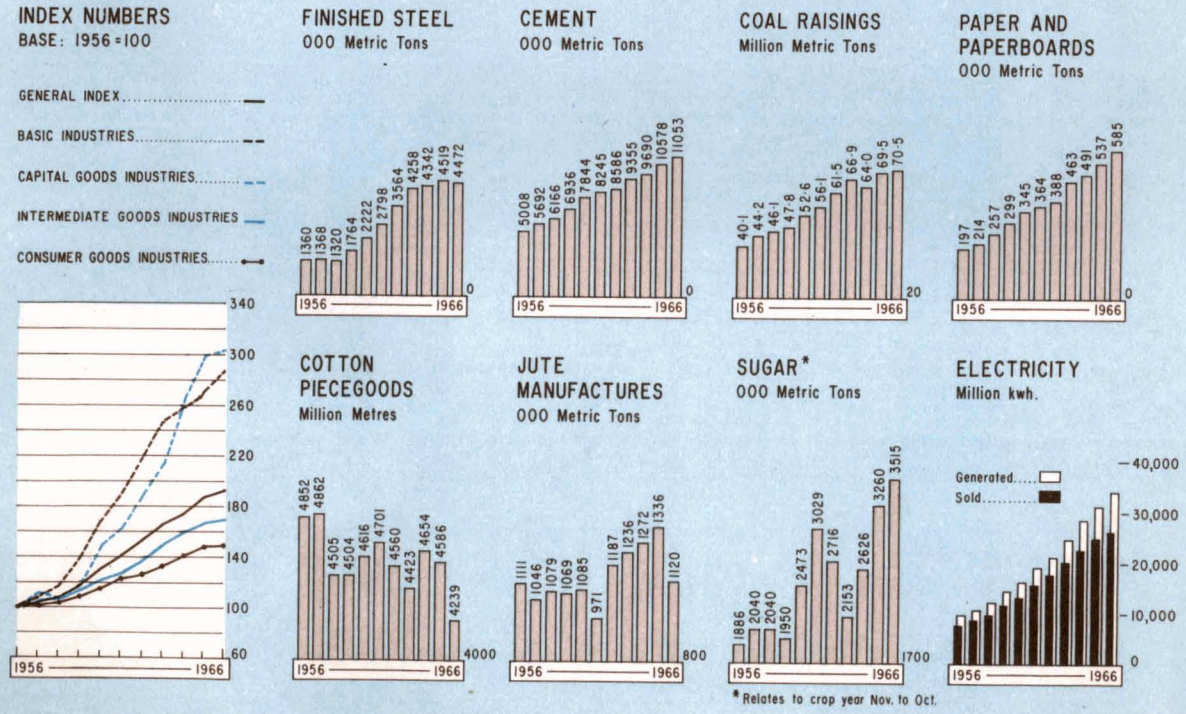
AGRICULTURAL PRODUCTION



*Base :- Agricultural year 1949-50 = 100. The indices for 1962-63, 1963-64 and 1964-65 are generally based on partially revised estimates while those for 1965-66 are generally based on final estimates. The indices for these years are, therefore, subject to revision.

GRAPH 6

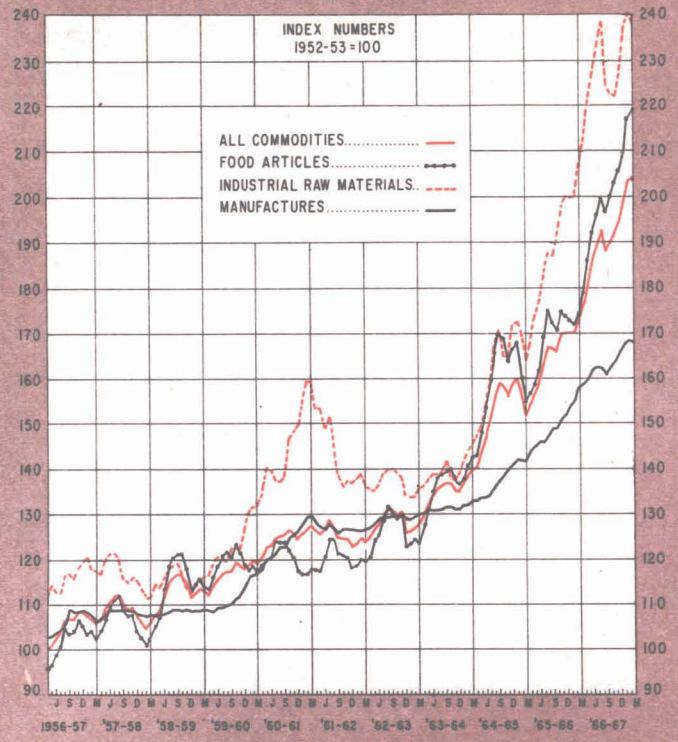
INDUSTRIAL PRODUCTION



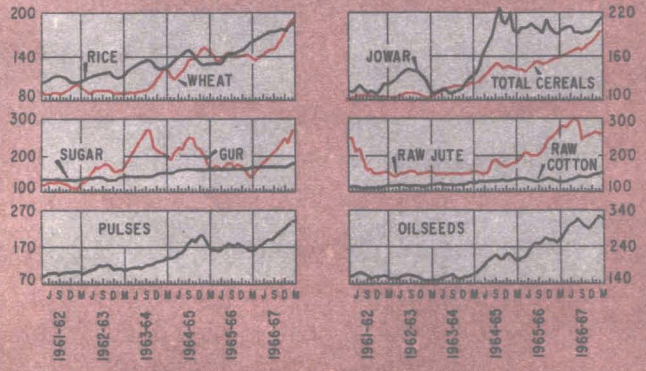
*Relates to crop year Nov. to Oct.

GRAPH 7

WHOLESALE PRICES



INDEX NUMBERS - IMPORTANT COMMODITIES - 1952-53=100

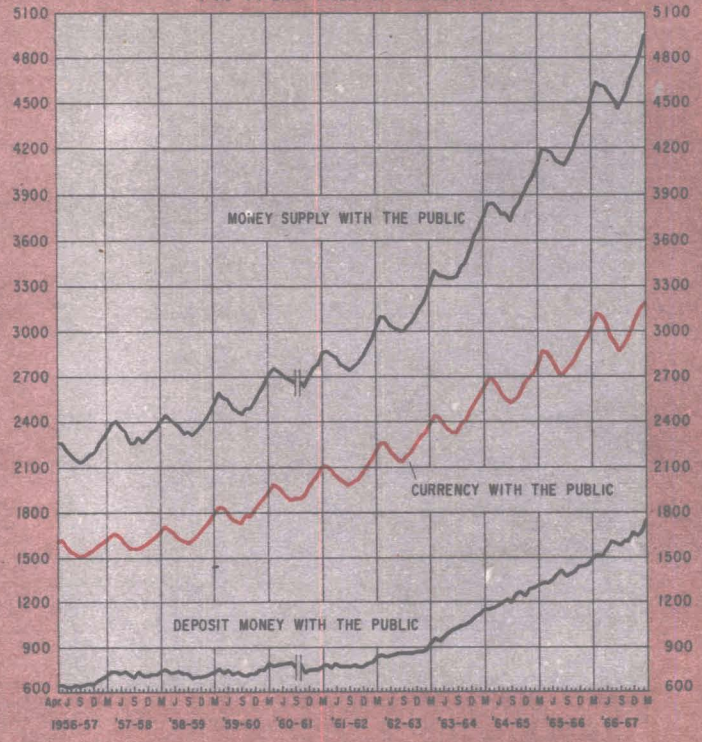


GRAPH 8

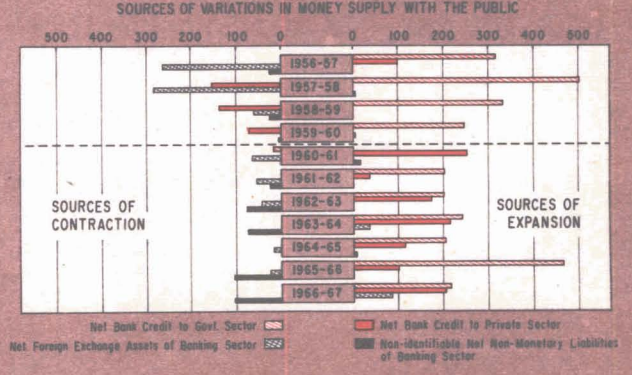
MONEY SUPPLY WITH THE PUBLIC

(AS ON LAST FRIDAY OF THE MONTH)

Crores of Rupees



SOURCES OF VARIATIONS IN MONEY SUPPLY WITH THE PUBLIC



the increased production during 1965-66 the quotas released for internal consumption were increased by stages from 2.06 lakh tonnes per month in the beginning of the season to 2.53 lakh tonnes towards the end of the season. Internal consumption thus reached a record level of 28 lakh tonnes during 1965-66.

The ex-factory prices of sugar fixed by the Government were revised in October 1966 and again in February 1967. The index number of sugar prices (*base:* 1952-53 = 100) remained steady at 161 from April 1966 to January 1967. It moved up to 174 in February and remained at that level in March. The average index number for 1966-67 (April-March) at 163.2 was higher by 6.5 per cent as compared with the corresponding average of the previous year.

With a view to compensating factories for lower recovery obtained during the summer months of May and June, 1966 the Government announced on June 29, 1966 partial exemption to the extent of 25 per cent of basic excise duty on sugar produced during May-June 1966 by factories in excess of the average quantity of sugar produced during the corresponding period in the base years 1960-61 to 1964-65.

The minimum price for sugarcane for the 1966-67 season announced in March 1966 was the same as that fixed for 1965-66 viz. Rs. 5.36 per quintal linked to a recovery of 10.4 per cent or below with a provision for a premium of 4 paise per quintal for every 0.1 per cent increase in recovery over 10.4 per cent. Later in December 1966, the Government, after reviewing the position regarding output of sugarcane and diversion of cane to manufacture of gur and khandsari, decided to increase the price to Rs. 5.68 per quintal linked to a recovery of 9.4 per cent or less with a premium for higher recovery as before.

Tobacco

Output of tobacco during 1965-66 at 2.74 lakh tonnes was lower by 21 per cent than in 1964-65 (3.46 lakh tonnes). This decrease was due partly to the reduction of 12 per cent in the acreage under tobacco, and partly to unfavourable seasonal conditions resulting in lower yields. The wholesale price index of raw tobacco, which showed an increase of 6.5 per cent during 1965-66 (annual average) over the previous year, declined by 8.6 per cent during 1966-67 (annual average).

Exports of unmanufactured and manufactured tobacco during 1965-66 were lower at 59.3 million kgs. as against 81.0 million kgs. in 1964-65.

Table 10. Agricultural Production

Commodity	Unit	ACTUAL PRODUCTION			Third Plan Target	Fourth Plan Target
		1964-65	1965-66	1966-67		
Foodgrains	Million tonnes	89.00	72.26	76.00*	92.00@	120.00
Cotton	Lakh bales	56.64	47.08	50.00*	69.10	79.00@
Jute	Lakh bales	60.21	44.71	53.48	62.50	90.00
Tea**	Million Kgs.	372.50	364.90	374.80	408.23	454.00†
Coffee	Thousand tonnes	61.02	63.92	71.00*	81.28	85.00
Oilseeds	Million tonnes	8.46	6.31	..	9.96	11.41@
Sugarcane (gur)	Million tonnes	12.03	11.83	10.50*	10.16	13.50

* Current estimate.
@ Revised.
† Tentative.
** Production figures relate to the calendar years 1964, 1965 and 1966.
Source : Indian Agriculture in Brief, VII Edition, and the Coffee Board.

INDUSTRIAL

Trends in industrial production during 1966 based on index numbers of output for all important industries have been reviewed in Chapter I. This chapter covers in some detail the trends in output/stocks/exports etc. in 1966 in respect of fourteen important industries.

I. BASIC INDUSTRIES

(i) Coal

The output of coal registered a marginal increase during 1966, from 69.5 million tonnes in 1965 to 70.5 million tonnes—an increase of 1.4 per cent as compared with 8.6 per cent in 1965. Of the total output in 1966, the private sector accounted for 54.5 million tonnes or 77.3 per cent and the public sector for 16.0 million tonnes or 22.7 per cent. The public sector's share was 22.6 per cent in 1965 and 20.6 per cent in 1964.

Table 11. Coal

(Million Tonnes)

Year	Production	Year-end Stocks (at pit-heads)
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
1965	69.5	4.6
1966	70.5	5.4

The much smaller rate of increase in coal production in 1966 can be attributed to (*i*) lower demand from many coal-consuming industries, (*ii*) dieselisation and electrification of railway traction in coalfields and other congested areas, (*iii*) the use of substitute and alternative sources of energy like furnace oil in several regions, and (*iv*) economy measures in regard to fuel adopted by several industrial coal consumers under the guidance of the Fuel Efficiency unit of the National Productivity Council. The lower level of demand for coal was reflected in the gradual accumulation of stocks at the pit-heads which rose from 4.6 million tonnes in December 1965 to 5.4 million tonnes by the end of December 1966.

The controlled prices of coal were revised upwards four times during the year, (*i*) by 36 paise per tonne in April 1966 to compensate the industry for increased additional dearness allowance payable to workers (*ii*) by 30 paise per tonne in June 1966 in respect of Singareni collieries consequent on the increase in the rate of royalty payable on pre-1949 leases (*iii*) by 36 paise per tonne in October 1966 to compensate for the payment of enhanced dearness allowance payable to workers and (*iva*) by 37 paise per tonne in December 1966 for a period of one year only to compensate the incidence of bonus payment relating to the accounting year 1964, and (*ivb*) 20 paise per tonne in December 1966 for grades I and above of non-coking coal and Grades H and above of coking coal produced in the States of West Bengal and Bihar, consequent on the recommendations of the study group on coal prices appointed in March 1966 to make a rapid assessment as to whether increases in coal production costs had been fully neutralised or whether any further increase in coal price was called for.

Consequent on the four price revisions effected during the year, the Economic Adviser's index number of wholesale prices for coal (*base :* 1952-53 = 100) rose during the year from 180.8 on March 26, 1966 to 188.8 on March 25, 1967 or by 4.4 per cent.

Coal exports during 1966 were substantially lower at only 0.36 million tonnes (provisional) as against 1.79 million tonnes in 1965. In 1966, there were no coal exports to Pakistan, which had accounted for the bulk of Indian coal exports in the past.

A development at the end of the year was the removal, effective April 1, 1966,

of the statutory control over prices of hard coke produced by bee-hive and country ovens.

(ii) Iron Ore

Production of iron ore registered a further sharp increase during 1966. Output (including that of the Union Territory of Goa), which had risen from 21.4 million tonnes in 1964 to 23.7 million tonnes in 1965 or by 10.7 per cent, rose sharply to 26.5 million tonnes in 1966 or by 11.8 per cent.

During 1966, exports of iron ore which is a major item of India's export trade, registered a sharp increase both in volume and value, the volume rose from 11.1 million tonnes in 1965 to 13.6 million tonnes or by 22.5 per cent while the value in terms of rupees rose from Rs. 39.1 crores to Rs. 59.0 crores or by 50.9 per cent due partly to the devaluation of the rupee in June 1966. Expressed in U.S. dollars, exports in 1966 were higher at $ 96.8 million, as against $ 82.3 million in 1965. The Minerals and Metals Trading Corporation of India is the sole exporter of iron ore except in Goa, where it exports Goan ore side by side with the private shippers. The share of the Corporation in total exports increased from 6.04 million tonnes in 1965 to 7.83 million tonnes in 1966. To promote iron ore exports, the export duty on iron ore fines was reduced from Rs. 5 to Rs. 4 per tonne in the Budget for 1967-68.

Table 12. Iron Ore

(Million Tonnes)

Year	Production*	Exports		Year-end Stocks
		Quantity	Value (Rs. crores)	
1956 ..	4.98	1.8	9.31	1.5
1962 ..	13.37	8.8	33.48	2.5
1963 ..	14.78	9.3	35.39	2.1
1964 ..	14.90 (21.4)	10.0	35.35	1.4
1965 ..	16.80 (23.7)	11.1	39.14	1.9
1966 ..	19.78 (26.5)	13.6	59.01	3.2

* Excluding Goa, Daman and Diu. Figures within brackets relate to output inclusive of the Union Territory of Goa.

With a view to attaining the export target, various steps are being taken to develop mines, inland transport and ports. Mechanised mines at Kiriburu and Bailadila have been developed by the National Mineral Development Corporation ; exports from Kiriburu to Japan almost reached the two million tonnes mark envisaged in the contract with that country, while exports from Bailadila are expected to commence shortly. The Orissa Mining Corporation is developing a mechanised mine at Daitari. As regards inland transport, a railway line has been constructed to carry Bailadila ore to Vizagapatnam port ; in respect of port development, a new ore loading port has been opened at Paradip. A substantial increase in world demand for iron ore in the next three or four years is envisaged. However, as several African and Latin American countries and Australia have recently emerged as the new source of supply of iron ore, the attainment of the export target by India would depend mainly on her capacity to mechanise and improve, within a very short period, the different stages of export operations based on modern technology. As Japan is the biggest buyer of Indian ore, a development of concern to Indian ore exporters early in 1967 was the conclusion of an agreement, between eight Japanese steel firms and three foreign firms—one American and two Australian—for import by these Japanese firms of 100 million tonnes of iron ore over a sixteen-year period, the deliveries beginning with 1969.

The draft Fourth Plan estimates the demand for iron ore in 1970-71 at 54 million tonnes—29 million tonnes in respect of domestic iron and steel programmes and 25 million tonnes for export. It is proposed to meet the additional production required for export by (*i*) the completion of the Third Plan project at Bailadila and Daitari, (*ii*) the development of a second mine at Bailadila initially for a production of 2 million tonnes, but capable of expansion to 4 million tonnes and a mine based on Bellary-Hospet ores, and (*iii*) the setting up of a pelletisation plant at Bailadila with a capacity of 2 million tonnes. The additional requirement in respect of the steel programme is proposed to be met by expansion of Kiriburu and the existing captive mines of the steel plants and development of the Megahataburu project.

The National Resources Committee of the Planning Commission has recommended that iron ore export should be treated as an integrated operation from mining to loading at ports since transport and handling costs form a high proportion of the total cost. To make Indian iron ore competitive in world markets, the Committee has suggested better port facilities and concessional transport charges and railway freight.

(iii) Manganese Ore

The uptrend in the output of manganese ore noticed since 1962 continued during 1966, but the rate of increase was considerably smaller at 1.9 per cent than in 1965 (17.2 per cent). Production in 1966 aggregated 16.78 lakh tonnes as against 16.47 lakh tonnes in 1965 and 14.05 lakh tonnes in 1964.

Exports of manganese ore increased from 1.13 million tonnes valued at Rs. 9.30 crores ($ 19.4 million) in 1965 to 1.25 million tonnes valued at Rs. 12.71 crores ($ 21.1 million) in 1966. Internal demand for manganese ore was also high. Stocks carried by mine-owners have been almost exhausted ; thus any increase in exports in future would have to come only through increased production. The export demand is mainly for high grade ore (46 per cent manganese content and above). Indian prices of manganese ore have become quite competitive since devaluation. An export duty of Rs. 20/- per tonne on ore with 10 per cent or more manganese content and Rs. 10/- per tonne on ore with less than 10 per cent manganese content was imposed following devaluation. The budget for 1967-68 has provided for a reduction in the duty (*i*) from Rs. 20 to Rs. 12.50 per tonne in respect of manganese ore having 10 per cent or more but less than 48 per cent manganese content and (*ii*) from Rs. 10 to Rs. 7 per tonne in respect of manganese ore with less than 10 per cent manganese content. The reduction is intended to offset the effect of the increased supplementary charge, from 3 per cent to 6 per cent on freight rates in respect of manganese ore for export, in the 1967-68 Railway Budget.

Table 13. Manganese Ore

(Million Tonnes)

Year	Production	Exports	
		Quantity	Value (Rs. crores)
1961	1.24	1.00	11.00
1962	1.22	0.91	8.97
1963	1.30	0.93	8.08
1964	1.40	1.57	13.65
1965	1.65	1.13	9.30
1966	1.68	1.25	12.71

A number of steps have been taken by the Minerals and Metals Trading Corporation to encourage production in the interest of export promotion. Broadly, these measures include provision of finance, either directly or through the State Bank of India, required by the mine-owners for the purchase of mining machinery, equipment and trucks etc. and also for working capital. A committee called 'Consultative Committee for Manganese Ore' has been set up to study and suggest measures for increased production, procurement and transportation and also to indicate the lines for future development of the manganese ore industry. It has been decided to fix, in consultation with this Committee, norm prices of various grades of ore with a view to stabilising prices and giving incentives to producers/ suppliers. As a long-term measure, the State Governments concerned have also been approached for leasing out additional mining areas and for building approach roads in these areas.

(iv) Mica

Mica output, which had registered a small increase in 1965 after a sharp decline in the preceding two years, again suffered a set-back in 1966. Total output, which had improved from 22.8 thousand tonnes in 1964 to 23.8 thousand tonnes in 1965, slid back to 22.1 thousand tonnes in 1966—a decline of 7.1 per cent over the year. The annual extrac-

tion of mica in the country accounts for about 80 per cent of the world output. India is the world's principal supplier of mica accounting for about three-fourths of world's total exports. Till recently India had been exporting only crude or semi-processed mica, in the form of blocks, splittings, films and scrap, but, of late, certain types of fabricated and finished mica products are also exported ; the share of these in total exports has risen from 1 per cent in 1961-62 to 8 per cent in 1965-66. Two disquieting features relating to overseas demand for mica are that (*i*) it shows wide fluctuations from year to year and (*ii*) it is mostly for some selected class of good quality mica, the production of which comprises only 5 to 7 per cent of the total mine-run of mica. Also, in some of its conventional uses, mica is being replaced by a number of substitutes like paper, plastic, ceramics and other synthetic materials.

Table 14. Mica

Year	Production (Crude) (Tonnes)	Exports	
		Quantity (Lakh Kgs)	Value (Rs. Lakhs)
	(1)	(2)	(3)
1956-57 ..	28,488	208	8,77
1961-62 ..	28,344	285	10,66
1962-63 ..	28,356	343	10,54
1963-64 ..	25,104	299	9,43
1964-65 ..	22,806	319	10,36
1965	23,800	374	10,99
1966	22,052	273	12,78

Note :—Production relates to calendar years for all the years given in the Table ; exports relate to calendar years for the last two years, viz. 1965 and 1966.

Following the devaluation of the rupee on June 6, 1966, an export duty of 50 paise per kg. was imposed on mica exports ; this was changed to 40 per cent *ad valorem*, effective June 15, 1966. After devaluation, mica exports suffered a setback initially owing to hesitancy on the part of operators in view of the export duty, but later started picking up. For the calendar year 1966 as a whole, exports, in terms of both quantum as well as value in foreign currency, were lower at 27.3 million kgs. valued at $ 20.4 million, as against 37.4 million kgs. valued at $ 23.1 million in 1965. In terms of rupees, however, the value of exports in 1966 was higher at Rs. 12.78 crores, as against Rs. 10.99 crores in 1965. With a view to improving the quality of mica shipments and providing foreign buyers a reasonable guarantee that exports would conform to specified and accepted samples, the Export Inspection Council of India—a Government of India undertaking—is conducting, since April 1, 1966, pre-shipment inspection of mica on the basis of samples declared as having been approved by the foreign buyer.

The Economic Adviser's index number of wholesale prices for mica (*base:* 1952-53=100), which is based on varieties for which floor prices are fixed by the Government, remained unchanged at 149.2 throughout the year. The items for which minimum export prices have been fixed cover about 90 per cent in value of the total exports of unmanufactured mica from India.

(v) Cement

Though the rising trend in cement output noticed since 1951 continued during 1966, the rate of increase was only about half of that in 1965. The annual output, which rose from 9.69 million tonnes in 1964 to 10.58 million tonnes in 1965, went up further to 11.05 million tonnes in 1966—an increase of 4.5 per cent over the year, as compared with a rise of 9.2 per cent in 1965. The installed capacity of the industry increased from 11.69 million tonnes at the end of 1965 to 12.50 million tonnes at the end of 1966 ; utilisation of installed capacity was also higher at 91.9 per cent in 1966, as against 90.5 per cent in 1965. The lower rate of increase in output during 1966 was largely because of a sharp decline in production in the second quarter of 1966 mainly due to substantial power cuts in certain States and labour troubles.

Table 15. Cement

(Thousand Tonnes)

Year	Installed Capacity (1)	Production (2)	Year-end Stocks (3)
1951 ..	3,613	3,252	..
1956 ..	5,795	5,008	110
1961 ..	9,474	8,245	169
1962 ..	9,728	8,586	148
1963 ..	10,285	9,355	122
1964 ..	10,768	9,690	146
1965 ..	11,694	10,578	162
1966 ..	12,497	11,053	204

The decontrol of cement in regard to price and distribution, which became effective in January 1966 for a period of one year in the first instance, was further extended by another year, to the end of 1967.

The Cement Allocation and Co-ordination Organisation (CACO), set up by cement manufacturers following Government's decision to decontrol cement, continued to be in charge of distribution of cement. In order to ensure equitable distribution of available supplies, and sale at notified prices, a number of measures were taken during the year, which included (*i*) special arrangements to meet the demands of small consumers, (*ii*) establishment of district advisory committees for ensuring equitable distribution and attending to complaints from the public and (*iii*) maintenance of a strict watch on the activities of stockists.

In 1966, the first year of its working, the CACO had instituted the system of differential retention prices on the basis of the Tariff Commission's price fixation (*viz.* Rs. 90.50, Rs. 93.50 and Rs. 96 per tonne), but from January 1, 1967 a uniform retention price of Rs. 96 per tonne was adopted.

A development during the year was the removal, effective May 31, 1966, of controls on the distribution of asbestos cement sheets.

The Economic Adviser's index number of wholesale prices for cement (*base* : 1952-53=100) rose from 191.1 on March 26, 1966 to 192.4 on March 25, 1967, showing an increase of 0.7 per cent.

(vi) Pig Iron and Ferro Alloys

Production of pig iron and ferro alloys which had risen from 6.74 million tonnes in 1964 to 7.12 million tonnes in 1965 or by 5.6 per cent increased by only 1.1 per cent to 7.20 million tonnes in 1966. This smaller increase in production as compared with that in 1965 is attributable to a decline in demand for iron and steel materials and the consequent accumulation of stocks.

Table. 16. Pig Iron and Ferro Alloys

(Thousand Tonnes)

Year	Production	Stocks with producers at the end of the year
1951	1829 (..)	61
1956	1990 (448)	39
1961	5101 (1083)	68
1962	5917 (1117)	54
1963	6742 (1386)	71
1964	6742 (1318)	61
1965	7118 (..)	87
1966	7199 (..)	226

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

With the greater availability of pig iron, its exports were permitted during the year. Japan is the principal buyer of pig iron and has placed orders with the Hindustan Steel Limited for 4 lakh tonnes of pig iron to be supplied during 1966-67 and 1967-68.

The draft outline of the Fourth Five-Year Plan places the capacity target for pig iron at 3.0 million tonnes. It is proposed to attain the target for foundry grade pig iron production in the Fourth Plan by larger pig iron production from the integrated steel plants and from pig iron units licensed in the private sector and by some of the State Government undertakings.

With a view to meeting the demand for ferro alloys by the Alloy Plant Steel Industry, measures have been taken to establish sufficient capacity for various ferro alloys. Already the country is self-sufficient in the requirements of ferro-manganese and ferro-

silicon, while some other ferro alloys are also being produced in small quantities. Production of ferro-chrome is proposed to be undertaken at three units and indigenous supplies are expected to flow from them from 1968 onwards.

(vii) **Finished Steel**

The uptrend in the output of finished steel noticed since 1958 was halted in 1966. Production, which had increased from 4.34 million tonnes in 1964 to 4.53 million tonnes in 1965, declined to 4.34 million tonnes in 1966, a fall of 4.2 per cent in contrast to a rise of 4.4 per cent in 1965. During the three years 1961 to 1963, the increase in output had been significantly higher, *viz.* 25.9 per cent in 1961, 27.3 per cent in 1962 and 19.5 per cent in 1963. In the public sector, production at Rourkela and Durgapur plants recorded a decline, while production at Bhilai plant increased. The decline at Rourkela was due to a reduction in Hirakud power supply for some months during the year and the shutting down of one of the blast furnaces for some time for relining purposes, which restricted hot metal supply. A serious deficiency in the coke oven department and adverse market conditions affected production in Durgapur. The larger output at the Bhilai plant was due to the commissioning of the units forming part of the 2.5 million tonnes expansion programme.

The total availability of finished steel during 1966-67 was estimated at 4.9 million tonnes comprising indigenous production of 4.4 million tonnes and imports of 0.5 million tonnes.

Table 17. Finished Steel

(Thousand Tonnes)

Year	Production	Year-end Stocks
1951	1034	130
1956	1270	115
1961	2798	208
1962	3564	187
1963	4258	161
1964	4342	166
1965	4529	148
1966	4344	200

The draft outline of the Fourth Five-Year Plan sets capacity targets of (*i*) 14.8 million tonnes of steel ingots, (*ii*) 3.0 million tonnes of pig-iron and (*iii*) 0.5 million tonnes of alloy and tool steel. The ingot capacity is proposed to be achieved by expansion of the existing five integrated steel works and by increased capacity from electric furnace units.

The demand for alloy steels by 1970-71 is estimated at 500,000 tonnes. In addition, the demand for electrical sheet steels and low alloy high strength steel has been placed at 150,000 tonnes and 100,000 tonnes, respectively. To meet the demand for 500,000 tonnes of alloy steels, it is proposed to utilise the built-in capacity in the Durgapur Steel Plant and treble its capacity to 180,000 tonnes of finished alloy steel. This, together with the Bhadravati plant on completion of its change-over to alloy and tool steel with a capacity of 77,000 tonnes, will add up to a capacity of 257,000 tonnes in the public sector. At present, tool alloy and special steel schemes in the private sector, which are in varying stages of development, total 444,000 tonnes.

The Government increased, effective February 16, 1967, prices of controlled varieties of iron and steel by Rs. 8 per tonne.

In the last year's report, a reference was made to the removal of price and distribution controls in respect of some of the categories of iron and steel in pursuance of the general policy of decontrol adopted by Government in 1964. In the first quarter of 1967, controls on four more categories of steel *viz.* (*a*) black corrugated sheets (including defectives and rejected materials of such sheets), (*b*) off-grade, defectives and rejected plates, (*c*) defectives, rejected and cut-down black-sheets and (*d*) defectives or rejected and cut-down cold rolled sheets were removed and this was followed up by the removal of the statutory control over the prices and distribution of *all categories of steel* with effect from May 1, 1967.

II. CAPITAL GOODS INDUSTRIES

(i) Engineering and Metallurgical Industries

The overall performance of the engineering industry during 1966 was discouraging. The varied problems faced by one or other sections of this industry included cutback in Government orders and slack in demand from consumers for certain items, leading to underutilisation of capacity and rising costs, stagnant exports and labour troubles. The progress of the metallurgical industries was also unsatisfactory.

In the *light mechanical industries*, the output of stoves dropped by 67 per cent and that of duplicators by 40 per cent. Output of sewing machines, which had gone up by over 65 per cent in 1965, also declined by 2.6 per cent in 1966. Production of zip fasteners, however, increased by 13.9 per cent, in contrast to a fall of 4.5 per cent in 1965, while ball and roller bearings, crown corks, conveyor beltings and bicycles also registered increases, though smaller than in 1965.

Table 18. Light Mechanical Engineering Industries

Items	Units	1964 (1)	1965 (2)	1966 (3)
Ball and Roller Bearings	Million Nos.	5.9	8.3	9.2
Typewriters	'000 Nos.	44.0	41 1	41.5
Conveyor Beltings	Tonnes	2,121	2,491	2,652
Zip Fasteners	'000 Metres	3,366	3,216	3,662
Crown Corks	Million Nos.	890.4	1,011.6	1,142.4
Bicycles	'000 Nos.	1,380	1,548	1,670
Sewing Machines	„	255	422	411
Duplicators	Nos.	5,376	5,400	3,240
Stoves (Pressure Type)	'000 Nos.	177.2	151.8	52.0

In the *heavy mechanical engineering industries*, railway wagons recorded a substantial decline of 33.5 per cent owing to a decline in orders from the railways. Automobile output, which had increased by 28.4 per cent in 1964 and 8.1 per cent in 1965, also showed a fall of 2.4 per cent in 1966. Output of commercial vehicles and jeeps and land rovers in this group declined by 6-7 per cent each in contrast to increases in 1965 ; output of passenger cars, on the other hand, registered a larger increase of 11.3 per cent in 1966 than in 1965 (6.9 per cent).

Table 19. Heavy Mechanical Engineering Industries

('000 numbers)

Items	1964 (1)	1965 (2)	1966 (3)
Automobiles :			
(*i*) Passenger Cars	23.2	24.8	27.6
(*ii*) Commercial Vehicles	33.5	37.3	34.9
(*iii*) Jeeps and Land Rovers	10.4	10.5	9.8
Power Driven Pumps	174.0	225.6	294.0
Diesel Engines	78	97	114
Railway Wagons	23.6	25.1	16.7
Road Rollers*	1,092	1,128	1,092

* Production figures in numbers.

Among other industries in this group, power driven pumps and diesel engines registered further increases in 1966, of 30.3 per cent and 17.5 per cent, respectively, while the output of road rollers declined by 3.2 per cent in 1966 in contrast to an equivalent rise in 1965.

In the *electrical engineering industries*, the output of radio receivers and domestic refrigerators increased by 22-23 per cent each. Last year also, radio receivers had registered a more or less equivalent rise, but the increase in domestic refrigerators was much smaller (3 per cent). The increases in power transformers and electric motors, on the other hand, were smaller in 1966 than in 1965—11.0 per cent in power transformers and 16.6 per cent in electric motors, as against about 30 per cent in each in 1965. Dry cells also registered an increase of 9.3 per cent. As against these increases, the output of electric fans, storage batteries and fluorescent lamps dropped by 10.7 per cent, 3.4 per cent and 2.4 per cent, respectively ; the fall in electric fans was mainly due to slackening of demand.

Table 20. Electrical Engineering Industries

Items	Units	1964 (1)	1965 (2)	1966 (3)
Electrical Lamps :				
(*i*) G. L. S. and Others	Million Nos.	66.7	67.1	75.2
(*ii*) Fluorescent Lamps	„	3.4	4.2	4.1
(*iii*) Miniature Lamps	„	32.1	28.6	29.5
Radio Receivers	'000 Nos.	473	583	713
Storage Batteries	„	767	745	720
Dry Cells	Lakh Nos.	2,866	3,007	3,286
Domestic Refrigerators	'000 Nos.	30	31	38
Power Transformers	Thousand k. v.a	3,312	4,319	4,794
Electric Motors	'000 H.P.	1,314.0	1,701.6	1,984.8
Electric Fans	'000 Nos.	1,142	1,448	1,293

In the *metallurgical industries*, most of the items, except the aluminium industry, failed to show any significant improvement over the 1965 levels. Copper sheets and circles and brass sheets and circles in fact registered sizeable declines of about 60 per cent each on top of a fall of 24 per cent in the former and 35 per cent in the latter in 1965. The installed capacity in the aluminium industry increased from 53.3 thousand tonnes in 1965 to 73.3 thousand tonnes in 1966. The output rose by 6.6 per cent in the case of virgin aluminium metal, by 32.6 per cent in the case of aluminium sheets and circles and by 9.1 per cent in the case of aluminium wire rods for A.C.S.R. Production of virgin copper metal remained steady at the preceding year's level, while that of virgin lead metal increased by 4.2 per cent and zinc sheets and strips by 2.3 per cent.

Table 21. Metallurgical Industries

(Thousand Tonnes)

Items	1964 (1)	1965 (2)	1966 (3)
Virgin Metals :			
Aluminium	55.1	59.5	63.4
Copper	9.5	9.4	9.4
Lead	3.6	2.4	2.5
Semi-Manufactures :			
Aluminium Sheets and Circles	22.6	23.6	31.3
Aluminium Wire Rods for A.C.S.R.	20.7	24.1	26.3
Copper Sheets and Circles	2.1	1.6	0.6
Brass Sheets and Circles	20.5	13.3	5.4
Zinc Sheets and Strips	4.6	4.4	4.5

Exports of engineering goods totalled Rs. 21.49 crores ($ 34.0 million) in 1966, as compared with Rs. 16.66 crores ($ 35.0 million) in 1965. While the export performance of diesel engines and parts, bicycles and parts, electric fans, aluminium utensils, builders' hardware, jute, oil and tea machinery was not satisfactory, some items including tubes and pipes, electric wires and cables, telephone equipment, railway wagons, pumps, machine tools and steel furniture fared well after devaluation, particularly in the last quarter of 1966. Exports were adversely affected by various factors, such as (*i*) uncertainty created by the withdrawal, following devaluation, of the export promotion scheme and also of the facility enjoyed by the exporters in regard to supply of steel at concessional rates, (*ii*) delay in the announcement and implementation of the revised scale of assistance to the exporters, in the form of import replenishment and cash assistance, (*iii*) increased cost of imported raw materials and (*iv*) slackness in Government purchases in respect of certain items like railway wagons, steel castings and structural fabrication.

III. INTERMEDIATE GOODS INDUSTRIES

(i) Jute Textiles

The output of jute goods, which had shown a rise since 1961, registered a sizeable decline in 1966. Total production, which had gone up steadily from 9.97 lakh tonnes in 1961 to 13.36 lakh tonnes in 1965-or by 34 per cent in four years, dropped to 11.20 lakh tonnes in 1966 or by 16.2 per cent.

Variety-wise, production of both hessian and sacking was lower in 1966 compared with 1965. Hessian output declined from 5.3 lakh tonnes in 1965 to 4.3 lakh tonnes in 1966—or by 18.9 per cent, and sacking output from 5.9 lakh tonnes to 5.0 lakh tonnes or by 15.3 per cent.

The fall in output in 1966 was mainly due to acute shortage of supplies of raw jute ; estimated supplies in 1965-66 were lower at 9.1 million bales as against 10.8 million bales in 1964-65, owing to a sharp fall in output of raw jute and mesta in 1965-66 as stated earlier. After providing for reasonable carry-over stocks, total supplies fell short of the mills' requirements of 8.4 million bales on the basis of 1965 consumption. With a view to conserving available fibre supplies, mills resorted to (*i*) a cut in jute consumption between March and September 1966 and (*ii*) a block closure of mills for a week in May 1966.

Table 22. Jute Textiles†

(Thousand Tonnes)

Year	Production (1)	Exports (2)	Year-end Stocks (3)	Consumption* (4)
1951 ..	889	789	86	123
1956 ..	1,111	877	97	197
1961 ..	997	760	56	278
1962 ..	1,231	874	83	303
1963 ..	1,324	890	112	333
1964 ..	1,271	1,000	105	378
1965 ..	1,336	928	122	378
1966 ..	1,120	745	123	405

† Production figures relate to the production by Mills in the membership of the Indian Jute Mills Association (I.J.M.A.) and also to one non-member mill. Stocks and consumption figures relate to I.J.M.A. mills.

* Figures represent despatches for internal consumption.

Exports of jute goods suffered a sharp set-back in 1966. Total exports, which had declined from 10.0 lakh tonnes in 1964 to 9.3 lakh tonnes in 1965, dropped further to 7.5 lakh tonnes in 1966—a fall of 25 per cent compared with 1964. The fall occurred in both the traditional varieties of jute goods ; exports of hessian dropped from 4.5 lakh tonnes in 1965 to 3.7 lakh tonnes in 1966 (or by 17.2 per cent) and those of sacking from 2.8 lakh tonnes to 1.7 lakh tonnes (or by 40 per cent). Exports of carpet backing, a sophisticated variety, on the other hand, showed some improvement from 1 lakh tonnes in 1965 to 1.30 lakh tonnes in 1966. Severe competition from other jute manufacturing countries, notably Pakistan, and other synthetic packaging material producers who have

a distinct price advantage over India, was responsible for the sharp fall in India's exports in 1966. Following devaluation, the tax credit scheme in respect of jute exports was withdrawn. At the same time, an export duty of Rs. 900 per tonne on hessian and Rs. 600 per tonne on sacking was imposed. In the budget for 1967-68, the export duty on hessian has been reduced to Rs. 750 per tonne, and on sacking to Rs. 450 per tonne. On the other hand, the basic excise duty on hessian has been raised from Rs. 250 to Rs. 375 per tonne and on other jute manufactures from Rs. 125 to Rs. 175 per tonne. The existing special excise duty of 10 per cent of basic duty continues. Among the regions/countries which reduced their offtake of Indian jute goods during 1966 were Africa, Cuba, Australia and Burma.

Domestic offtake of jute goods registered a substantial increase in 1966 to 405 thousand tonnes from 378 thousand tonnes in 1965, most of the increase being in sacking. Offtake of hessian increased only marginally (by 0.3 thousand tonnes) while that of "other varieties" registered a small decline (of 1.8 thousand tonnes).

Prices of jute manufactures, which had recorded substantial increases in the preceding two years—28.4 per cent in 1964-65 and 30.3 per cent in 1965-66—declined by 11.5 per cent during the year under review. A good part of the decline took place after June 1966 when crop prospects for 1966-67 became known and the demand from overseas was also at a low level. The Economic Adviser's index number of wholesale prices for jute manufactures (*base :* 1952-53=100) dropped from 165 in the week ended March 26, 1966 to 155 by mid-May and, after rising to 171—the highest level of the year—in mid-June, fell sharply to 137 by mid-September. The index recovered to 153 by mid-January 1967 but declined again thereafter to close for the year at 146.

(ii) Rubber Manufactures

The rising trend in the output of rubber products, noticed since 1961, was halted in 1966. The annual index of output of rubber manufactures (*base :* 1956=100), which had risen from 198 in 1964 to 218 in 1965, remained steady in 1966. In fact, production declined in the first half of 1966 compared with the corresponding period of 1965 ; in the latter half of the year, however, there was a substantial recovery, with the result that for the year as a whole the index averaged 218—the same as in 1965. The decline in the first half of the year was due to inadequate supplies of imported raw materials ; sharp rise in the prices of indigenous raw materials also affected production adversely.

Table 23. Rubber Products

(In Thousands)

	Tyres (Automobile)		Tubes (Automobile)		Tyres (Cycle)		Tubes (Cycle)		Footwear* (Rubber)	
	Production	Year-end stocks	Production	Year-end stocks	Production	Year-end stocks	Production	Year-end stocks	Production	Year-end stocks
	1	2	3	4	5	6	7	8	9	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	2,209	93	16,156	302	15,194	216	470	64
1965	2,354	65	2,365	76	18,122	244	17,923	226	530	66
1966	2,351	75	2,208	96	19,639	392	20,449	831	522	60

* Figures in lakh pairs.

Among the main items of production, while cycle tyres and tubes registered marked increases of 8.4 per cent and 14.1 per cent, respectively, automobile tubes declined by 6.6 per cent; automobile tyres and rubber footwear were marginally lower.

Exports of rubber manufactures including crude rubber increased from Rs. 2.29 crores in 1965 to Rs. 2.74 crores in 1966. In terms of foreign currency, however, exports were lower at $ 4.4 million in 1966, as against $ 4.8 million in 1965.

As regards prices, the Economic Adviser's index number of wholesale prices for natural rubber (*base:* 1952-53=100) showed a marked rise from 162.4 on March 26, 1966 to a peak of 241.8 by end-April 1966 and moved between 217.1 and 237.3 upto mid-September but fell sharply thereafter to 150.0 by mid-November, a contributory factor being the announcement by Government of the grant of import quotas for raw rubber. The index closed for the year at 141.2 recording a *decline* of 13.1 per cent over the year, in contrast to the *rise* of 44.2 per cent in the previous year. The index for rubber tyres and tubes stood at 131.0 throughout 1966-67, as against 121.8 in the last week of March 1966, while that for rubber shoes rose from 125.2 at the end of March 1966 to 145.3 by mid-October and remained at that level for the rest of the year.

(iii) Chemicals and Chemical Products

Output of chemicals and chemical products registered a relatively smaller rise of 4.2 per cent in 1966 as compared with 5.9 per cent in 1965 and increases ranging between 8.0 per cent and 15.4 per cent during the years 1961 to 1964. Production of some items including caustic soda, nitrogenous fertilisers, phosphatic fertilisers, soda ash and soap increased while that of sulphuric acid and paints and varnishes declined.

Table 24. 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	Year-end Stocks	Production	Year-end Stocks	Production	Year-end Stocks	Production	Year-end Stocks	Production	Year-end Stocks	Production	Year-end Stocks	Production	Year-end Stocks
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(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	75	12	223	12	152	6
1963 ..	568	23	152	3	74	6	89	3	97	12	268	8	165	5
1964 ..	680	24	184	4	72	8	86	3	118	7	282	13	158	4
1965 ..	678	30	215	7	71	8	83	1	115	7	322	9	164	4
1966 ..	675	28	231	15	68	7	86	5	118	10	350	15	170	3

Exports of chemicals and allied products during 1966 totalled Rs. 10.21 crores ($ 16.5 million) as compared with Rs. 7.47 crores ($ 15.7 million) in 1965. Paints and varnishes, alkalies and their derivatives and ethyl alcohol and glycerine registered increases while drugs and medicines, and other organic chemicals showed declines. During the year, a wide range of chemical and allied products, numbering fifty-one, were brought within the purview of compulsory quality control and pre-shipment inspection. These include minerals and ores, organic and inorganic chemicals, rubber products, insecticides and pesticides, organic pigments, safety glass etc.

Over the year, the Economic Adviser's index number of wholesale prices for chemicals (*base :* 1952-53=100) registered a rise of 9.3 per cent from 134.9 to 147.4 on top of a rise of 8.4 per cent over the year 1965-66. Significant increases in prices were recorded by sulphuric acid (45.0 per cent), drugs and medicines (18.4 per cent), dyeing materials (12.5 per cent), sodium hydrosulphite (12.0 per cent) and alum (10.0 per cent). The index for soap rose by 7.6 per cent and that for hydrochloric acid by 7.5 per cent.

Fertilisers occupy an important place in the chemicals and chemical products group. Production of nitrogenous fertilisers ('N' content) and phosphatic fertilisers (P_2O_5 content), which had declined in 1965, increased in 1966, the former from 83,000 tonnes to 86,000 tonnes and the latter from 115,000 tonnes to 118,000 tonnes. Over the five-year period 1962 to 1966, output of nitrogenous fertilisers ('N' content) improved by only 8.9 per cent from 79,000 tonnes in 1961 to 86,000 tonnes in 1966 while that of phosphatic fertilisers (P_2O_5 content) increased by as much as 90 per cent from 62,000 tonnes to 118,000 tonnes. Over the five-year period 1962 to 1966, the percentage of year-end stocks to output declined from 10.1 to 5.4 in case of nitrogenous fertilisers ('N' content) and 12.5 to 8.3 in case of phosphatic fertilisers. The index number of wholesale prices (*base :* 1952-53= 100) for fertilisers remained unchanged at 98.8 during 1966-67.

With a view to maintaining the prices of imported fertilisers, the Government decided in August 1966 to subsidise the sale of fertilisers to the full extent of the increase in their prices as a result of devaluation.

IV. CONSUMER GOODS INDUSTRIES

(i) Cotton Textiles

Output of cotton textiles, which had declined in 1965 after sharp increases in the preceding two years, fell further during 1966. Total production of cloth dropped from 7,634 million metres in 1965 to 7,336 million metres in 1966 or by 3.9 per cent, and that of yarn from 939 million kgs. in 1965 to 901 million kgs. in 1966 or by 4 per cent. Unlike in 1965, when the decline in cloth output had taken place in both the mill and the decentralised sectors, in 1966 the fall in output was confined to the mill-sector only. The output of the mill sector fell from 4,586 million metres in 1965 to 4,239 million metres in 1966 or by as much as 7.6 per cent. Output in the decentralised sector, on the other hand, increased marginally from 3,048 million metres in 1965 to 3,097 million metres in 1966.

As compared with the preceding year, the output in 1966 was lower in all the months except August to October in case of yarn and October in case of cloth (mill-sector). The fall in the first half of the year in the output of both yarn and cloth was the result of power cuts in force and strike in Bombay mills for a week in March while that in the last two months was due to acute shortage of cotton. There was also compulsory closure of mills for one extra day every week effective December 12, 1966 owing to inadequate supply of raw cotton. In April 1967, mills were asked to observe one extra holiday every *fortnight* instead of every week. This extra holiday resulted in a further fall in output in 1967. According to provisional figures, the output of cloth in the mill-sector in the first four months of 1967 amounted to 1,258 million metres compared with 1,343 million metres in the first four months of 1966 or a decline of 6.3 per cent from the level in January-April 1966 which itself was 13.6 per cent lower than the output in January-April 1965. Category-wise, the fall in production in the mills sector during 1966 occurred in all the categories, the decline being more in the coarse and medium than in the fine and superfine categories.

The data regarding offtake of cloth are available only in respect of the mill-sector, and these indicate that total offtake in 1966 was lower than that in the preceding year. In 1966, while deliveries of mill-cloth for civil consumption increased marginally, those for exports recorded a further substantial decline as compared with 1965. Deliveries of cloth (mill sector) for civil consumption, which fell from 3,961 million metres in 1964 to 3,861 million metres in 1965, improved to 3,897 million metres in 1966. On the other hand, export deliveries, which had dropped from 580 million metres in 1964 to 540 million metres in 1965, fell further to 458 million metres

Table 25. Cotton Textiles

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

	Year	Production (1)	Exports (2)	Domestic Consumption* (3)	Year-end Stocks (Unsold) (4)
Cloth—Mill Sector	1951	3727	..	3096	..
	1956	4852	680	3818	372
	1961	4701	522	4106	291
	1962	4560	465	3852	432
	1963	4423	493	4117	186
	1964	4654	517	3961	224
	1965	4586	507	3861	293
	1966	4239	423	3897	199
Cloth—Decentralised Sector	1951	1013	..	..	..
	1956	1668	55+	..	..
	1961	2376	26+	..	..
	1962	2412	27+	..	..
	1963	2880	33+	..	..
	1964	3072	34+	..	..
	1965	3048	40+	..	..
	1966	3097	37+	..	..
Cloth—Total	1951	4740	753	3992@	..
	1956	6520	735	5847@	..
	1961	7077	548	6527@	..
	1962	6972	492	6482@	..
	1963	7303	526	6780@	..
	1964	7726	551	7179@	..
	1965	7634	547	7097@	..
	1966	7336	460	6874@	..
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	13	338	12
	1965	939	13	337	16
	1966	901	17	342	8

* Represents deliveries for civil consumption. Figures for yarn relate to sale of yarn by mills to handlooms and powerlooms. + Relate to handlooms only.

@ 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.

in 1966. Despite the fall in offtake, outstanding cloth stocks with mills were at appreciably low levels almost throughout 1966 as compared with the preceding year, owing to a cut in production. The percentage of average month-end stocks for 1966 to total production for 1966 was much lower at 4.7 per cent, as against 6.4 per cent in 1965.

Exports of cotton fabrics in 1966 are estimated lower at Rs. 55.1 crores as compared with Rs. 56.6 crores during 1965 ; the quantity exported as well as its value in terms of foreign exchange were also lower than in 1965. Exports of mill-made cotton fabrics declined from 507 million metres in 1965 to 423 million metres in 1966 or by 16.6 per cent. The decline in exports occurred in the post-devaluation period (June-December 1966) ; exports in the pre-devaluation period (January-May 1966) were higher than in the corresponding period of 1965. Since devaluation, the unit cost of cloth registered an increase due to higher prices of cotton, both imported and indigenous, higher cost of imported machinery, mill stores, etc. Increase in wages was also a factor in the rise in costs. Exports of cotton yarn in 1966, however, rose both in terms of quantity and value, from 13.1 million kgs. valued at Rs. 6.4 crores to 16.5 million kgs. valued at Rs. 9.2 crores. In terms of foreign exchange, the value of exports of cotton fabrics and yarn in 1966 was appreciably lower at $ 105.5 million, as against $ 132.4 million in 1965. Destination-wise, exports

of cloth fell in 1966 compared with 1965, in respect of United Kingdom, Belgium, West Germany, Netherlands, Persian Gulf Ports, Ceylon, Afghanistan, Ethiopia, Australia and New Zealand, while they increased in respect of France, Italy, East European countries, U.S.S.R., U.S.A. and Canada.

Prices of cotton manufactures showed a smaller net increase over the year as compared with 1965-66. The Economic Adviser's index number of wholesale prices for cotton manufactures (*base:* 1952-53=100) which is based on both mill cloth and handloom cloth rose from 146.8 on March 26, 1966 to 153.9 by March 25, 1967 or by 4.8 per cent, as against 5.6 per cent in 1965-66. The index for mill cloth increased by 7.4 per cent over the year as against 2.7 per cent last year, while that for handloom cloth declined by 0.8 per cent, as against a rise of 15.2 per cent in 1965-66. The rise in mill cloth prices was in respect of both controlled and uncontrolled varieties. Price increases were allowed in respect of controlled varieties in April 1966, October 1966 and more recently in April 1967. In April 1966, controlled prices for coarse and medium varieties were increased by 2 per cent and the prices of fine and superfine varieties by 7 to 11 per cent. In October 1966, an increase of 5-6 per cent was allowed but subsequently, with a view to providing relief to the consumers of coarse and medium categories of cloth, the Government abolished the basic excise at the grey stage of all controlled varieties and consequently, the increase in retail prices worked out to 3 to 5 per cent. In April 1967, Government announced a uniform increase of 4.5 per cent in the price of controlled varieties of cloth.

An important development during the year was Government's decision in January 1967 to do away with the provision for taking out an industrial licence under the Industries (Development and Regulation) Act, 1951, for setting up a spinning mill with a capacity of 25,000 spindles or less. Expansion of existing spinning mills upto 25,000 spindles and setting up of new textile processing units or expansion of existing processing units have also been exempted from the licensing procedures.

(ii) **Woollen Textiles**

Output of woollen textiles recorded a sizeable decline in 1966 for the third year in succession. The index of production of woollen textiles (*base:* 1956 = 100), which had declined from 165.6 in 1963 to 110.1 in 1965, fell further to 102.0 in 1966—a decline of 7.4 per cent in 1966 on top of a fall of 14.1 per cent in 1965 and of 22.6 per cent in 1964. Production of woollen/worsted yarn fell from 18.1 million kgs. in 1965 to 16.6 million kgs. in 1966 or by 8.3 per cent and that of fabrics (wearable) from 9.9 million metres to 9.4 million metres or by 5.0 per cent. A good part of the decline in production occurred mainly in the first half of the year ; there was a distinct improvement during the four months July-October 1966 but in November-December output declined again. The fall in production was mainly due to shortage of raw materials. During the first nine months of 1966, imports of raw wool, wool tops and shoddy wool totalled Rs. 4.34 crores, as against Rs. 6 crores during January-September 1965. Production of woollen textiles is expected to pick up in 1967, with liberalisation of imports of raw wool during 1966-67 (October-September). The allocation of foreign exchange to the woollen industry which declined over the last few years was increased to Rs. 12 crores during 1966-67 (October-September).

On the export front, the performance was not satisfactory. Total exports of raw wool and woollen goods, including carpets, during the nine months April-December 1966, amounted to Rs. 12.71 crores ($ 16.84 million) as against Rs. 9.69 crores ($ 20.4 million) in the corresponding period of 1965-66. Effective June 6, 1966, the Export Promotion Scheme for Woollen Goods was abolished. However, with a view to assisting exporters in getting essential imported raw materials required for exports, necessary provision has been made in the import policy in respect of registered exporters of woollen textiles, hosiery and carpets. Manufacturers-exporters are now eligible to receive import licences for raw wool upto a specified percentage of the f.o.b. value of exports.

Prices of woollen manufactures registered a sharp rise in the last four years. The Eco-

Table 26. 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	
1965	18.1	
1966	16.6	
Woollen/Worsted Fabrics†		
1951	11.1	
1956	14.9	0.03
1961	12.0	0.2
1962	14.8	0.4
1963	18.1	1.1
1964	11.7	0.7
1965	9.9	1.1
1966	9.4	0.7@

* Figures relate to financial year, i.e., 1956 figures relate to 1956-57 and so on.

† Production figures exclude (1) production of hosiery goods from 1958 onwards and (2) production of independent powerloom factories from 1961 onwards. From November 1962 production figures also exclude production of non-wearable woollen/worsted fabrics.

@ Figure relates to the first 9 months of 1966-67 (April to December).

nomic Adviser's index number of wholesale prices for woollen manufactures (*base :* 1952-53=100) rose from 192.3 in the last week of March 1966 to 210.6 by the last week of March 1967—a rise of 9.5 per cent which was on top of a total rise of 35.0 per cent during the three years, end-March 1963 to end-March 1966.

(iii) Paper and Paper Boards

Output of paper and paper boards, which had risen from 4.91 lakh tonnes in 1964 to 5.37 lakh tonnes in 1965, or by 9.4 per cent, recorded a further rise of 8.9 per cent to 5.85 lakh tonnes during 1966. The increase in output resulted from a larger utilisation, as compared with 1965, of the installed capacity which remained unchanged at the 1965 level of 6.44 lakh tonnes. However, production in 1966 at 5.85 lakh tonnes was substantially lower than the Third Plan target of 7.11 lakh tonnes, the slow pace of growth being due to shortage of raw materials, spare parts and stores and paucity of rupee finance. The Fourth Plan targets for capacity and output have been set at 11 lakh tonnes and 9 lakh tonnes, respectively.

Table 27. Paper and Paper Boards

(Thousand Tonnes)

Year	Installed Capacity (1)	Production (2)	Year-end Stocks (3)
1951 ..	—	134	—
1956 ..	215	197	12
1961 ..	410	364	17
1962 ..	434	388	16
1963 ..	502	463	26
1964 ..	556	491	24
1965 ..	644	537	31
1966 ..	644	585	43

Exports of paper and paper boards increased from Rs. 1.08 crores in 1965 to Rs. 1.62 crores in 1966. In terms of foreign currency, the value of exports was $ 2.5 million in both the years. The principal items of export are cigarette tissue and printing and writing paper which together account for over nine-tenths of the total export of paper and paper board. Exports are likely to show a further increase in view of the import replenishment and cash subsidy schemes announced by the Government following devaluation. The index number of wholesale prices for 'paper and newsprint' (*base :* 1952-53 = 100), which is under statutory price control continued unchanged at 106.8.

TRENDS IN NATIONAL INCOME

According to Quick estimates for 1965-66—the last year of the Third Plan—National Income (or net national output at factor cost) at constant (1948-49) prices is placed at Rs. 14,490 crores—a decline of 3.7 per cent over the level of Rs. 15,050 crores attained in 1964-65. In the first four years of the Third Plan (1961-62 to 1964-65), national income had registered increases of 2.6 per cent, 1.9 per cent, 5.0 per cent and 7.7 per cent, respectively. Per capita national income at constant prices also declined from Rs. 317.0 in 1964-65 to Rs. 298.3 in 1965-66—a decline of 5.9 per cent, in contrast to an increase of 5.3 per cent in 1964-65.

Table 28. Trends in National Income

Year	National Income at 1948-49 prices (Rs. 100 crores)	Per Capita Income (in Rs.) at 1948-49 prices (based on 1941, 1951 and 1961 population census figures)
1950-51 ..	88.5	247.5
1955-56 ..	104.8	267.8
1960-61 ..	127.3	293.2
1961-62 ..	130.6	294.3
1962-63 ..	133.1	293.4
1963-64 ..	139.7	301.1
1964-65* ..	150·5	317.0
1965-66† ..	144.9	298.3

* Preliminary. † Quick.

The short-fall in national income during 1965-66 is mainly due to unprecedented drought conditions resulting in a sharp setback to agricultural production. Income from agriculture fell by 15.7 per cent in 1965-66 as against an increase of 8.9 per cent in 1964-65. The contributions of individual sectors to overall percentage change in real national income during 1965-66 are given in the table below:

Table 29. Sector-wise Contribution to National Income

Sector	Percentage contribution to total national income in 1964-65	Percentage change in 1965-66 over 1964-65	Contribution to the overall percentage change in 1965-66 over 1964-65
Agriculture (proper) ..	36.9	—15.7	— 5.8
Mining and Factory Establishments ..	10.4	5.7	0.6
Communications ..	0.6	10.7	0.1
Railways	2.6	9.8	0.2
Organised Banking and Insurance ..	1.1	5.8	0.1
Other Commerce and Transport ..	15.5	— 2.0	— 0.3
Others	32.9	4.2	1.4
All Sectors	100.0	— 3.7	— 3.7

CHAPTER III : MONEY MARKET AND BANKING

Money Rates

In 1966-67, unlike in the previous year, the money market ruled generally easy during the slack season. In fact, this easy trend continued during the early months of the busy season also, after which, however, an unprecedented stringency set in, which was in contrast to the generally comfortable conditions noticed in the 1965-66 busy season. In Bombay, the call money rate remained generally steady around 4 per cent for well over 7 months upto early December 1966 and spurted to 6.0 per cent during the week ended December 16. The rate moved between 5.5 and 6 per cent till about end-February 1967 when it spurted to 8.1 per cent during the week ended March 3 and soared progressively to 12 per cent during the week ended March 31. Thereafter, it started declining, to close for the season at 6 per cent as against 4 per cent a year before. In Calcutta, the call rate was rather erratic. It moved between 2.8 per cent and 6.6 per cent during the greater part of the slack season and between 3.4 per cent and 7.2 per cent during the greater part of the busy season. The rate soared to a high of 13.2 per cent during the week ended March 24, but started declining thereafter to close for the season at 5.6 per cent as against 4.8 per cent a year before.

The discount rate on Treasury bills sold on tap remained unchanged at 3.50 per cent in 1966-67—the same as that fixed in July 1965 when the tap system was introduced in place of the weekly auction and intermediates. The hundi-rate of the State Bank of India, which had been raised from $9\frac{1}{4}$ per cent to $9\frac{3}{4}$ per cent on February 3, 1966, also remained at that level throughout the year.

Credit Controls

The general credit policy of the Reserve Bank has been reviewed in Chapter I. The following paragraphs deal with the selective credit control measures which continued to be operative in a flexible manner.

Appropriate modifications were made in the Bank's selective credit controls, depending upon the changing needs of the situation. In view of the decision of the Government of Maharashtra to procure and distribute paddy and rice, jowar and *nagli* (*ragi*) on a monopoly basis, the Bank issued on April 20, 1966, two directives prohibiting with immediate effect scheduled commercial banks from maintaining or granting advances against these commodities in the State of Maharashtra except in the case of those to Government's authorised dealers, advances to whom were allowed within a reduced ceiling and the stipulated margin. Official agencies like co-operative societies acting as agents of the Government were completely exempted from this directive. On the same date, by another directive the Bank exempted advances against stocks of sunflower oil imported as a gift from Government of the U.S.S.R. from the purview of the Bank's control on advances against vegetable oils (including Vanaspati).

In January 1966, the Bank removed the ceiling restrictions on advances against stocks of indigenous cottonseed oil with a view to encouraging its production and export of oilcakes.

On June 14, 1966, the Bank amended its directives governing advances against paddy and rice, wheat and 'other foodgrains'; under the amending directives, the concessional margin of 25 per cent granted in November 1965 in respect of advances against wheat and 'other foodgrains' to licensed dealers and millers, which was effective upto the end of April 1966, was extended upto the end of December 1966 ; also the additional limits of Rs. 2 lakhs for each office or branch of scheduled commercial banks operating in the six border districts in the State of the Punjab in respect of advances against paddy and rice, wheat and 'other foodgrains' were extended upto end of December 1966. However, in the light of evidence of considerable hoardings of foodgrains, especially wheat in the Punjab (noticed particularly after the widening of the Punjab wheat zone

to include the U.P. and certain non-rationed areas of the Union Territory of Delhi) and the rise in prices of wheat and 'other foodgrains' in the Punjab, the margin concession in respect of advances against foodgrains was withdrawn on August 16, 1966; as a result, the minimum margin to be maintained in respect of such advances was restored to 50 per cent instead of 25 per cent hitherto.

On January 25, 1967, the Bank exempted, from the provisions of the existing directives regarding foodgrains, advances granted by scheduled commercial banks against stocks of hybrid seeds, on condition that the borrowers were duly authorised by the National Seeds Corporation Ltd., Delhi or by the concerned State Government to deal in such seeds.

With a view to tightening the control on advances against paddy and rice to parties other than State Governments, the Food Corporation of India and its procurement agents and the co-operative marketing and processing societies, the Bank issued on April 13, 1967, a directive to scheduled commercial banks for the purpose. The tightening took the form of a lower ceiling of permitted limits for advances against paddy and rice by scheduled commercial banks in view of the fact that a larger proportion of the transactions relating to marketable surplus of the grain is now being handled by the State Governments and procurement agencies such as the Food Corporation of India, and the proportion to be handled by private traders has been correspondingly reduced. Accordingly, each scheduled commercial bank is required to maintain in each two-month period beginning from March/April 1967 an average aggregate level of credit which shall not exceed 55 per cent in Andhra Pradesh, 50 per cent in Maharashtra and 65 per cent in all other States taken together, of the level of such credit actually maintained during the corresponding period of 1964-65 (March-February). Earlier, the ceilings prescribed were 75 per cent in the case of Andhra Pradesh, 50 per cent for Maharashtra and 100 per cent in all other States taken together. The minimum margin prescribed for advances against paddy and rice was, however, continued at 50 per cent as also the preferential margin of 40 per cent in respect of advances against warehouse receipts of the Central and State Warehousing Corporations. As in the past, advances granted to the Food Corporation of India against the pledge/hypothecation of paddy and rice were completely exempted from the purview of the directive, and the concessional margin of 25 per cent prescribed for advances against paddy and rice to the agents of the Food Corporation of India was continued. Further, advances to State Government against the pledge/hypothecation of paddy and rice for procurement, distribution and other allied operations, were exempted. While the exemption from ceiling restrictions granted earlier in respect of warehouse receipts of official warehouses opened on or after January 1, 1961 was continued, this concession was also extended to cover such warehouses opened before January 1, 1961 but which since January 1, 1961 added to their original capacity by more than 100 per cent provided such addition to their capacity was effected through their own construction and not by acquisition of existing capacity. Further, by the directive under reference, the definition of new offices was changed to cover offices/branches opened on or after January 1, 1965. A uniform additional limit of Rs. 50,000 per office was prescribed for such new offices, irrespective of the fact whether the new office/branch is opened at a 'banked' or 'unbanked' centre. Provision was also made in the revised directive for the continuation of the additional limits enjoyed by banks' offices in the States of Punjab, Haryana and Orissa. The concessions allowed in respect of advances to authorised dealers in the State of Kerala were also continued.

In view of the continuing shortage of raw cotton and the sharp rise in cotton prices, the Bank issued on April 12, 1967 a directive according to which banks' advances to mills and trade against indigenous cotton and kapas are to be made only against stocks covered by permits for purchase/movement issued by the Textile Commissioner, Government of India. The directive also prescribed a ceiling on advances against indigenous cotton and kapas in terms of which during each two-month period commencing from April/May 1967, they were not to exceed 85 per cent of the average aggregate level of such advances during the corresponding period of

last year. Under the directive, advances against imported cotton were completely exempted from the provisions of the directive. Similarly, advances in respect of pre-shipment credit for cotton exports were also exempted provided such advances were made against firm export orders and are subsequently extinguished by negotiation by relevant export bills.

In terms of an amendment made on April 13, to this directive, banks were allowed a period of 15 days to regularise any such advances to mills or the trade which might be outstanding at the close of business on the 12th April 1967 and in respect of which the stocks were not covered by purchase/movement permits issued by the Textile Commissioner.

In view of the sharp increase in bank credit and especially in clean credit in the 1966-67 busy season upto end-February 1967 which took place without a commensurate addition to the physical supplies, the Reserve Bank drew the attention of banks to the need for restraining credit. On March 8, and again on March 31, 1967, the Bank through circular letters urged banks to exercise strict control over unsecured advances, as also on advances against all domestic commodities in short supply, and to keep them to the minimum level required to meet genuine needs of trade and industry.

On the eve of the slack season, the Bank on April 28, 1967, once again advised banks to reduce as much as possible their advances against domestic commodities in short supply as well as their clean advances. In this context the banks were asked to reduce advances even where selective credit controls operated, to levels below those permissible under the existing selective credit control measures.

Banking Legislation

The last Report covered in some detail the extension under the Banking Laws (Application to Co-operative Societies) Act, of the provisions of the Reserve Bank of India Act and the Banking Companies Act (except in respect of incorporation, management and winding up) to State co-operative banks, central co-operative banks and the more important primary non-agricultural credit societies (including, in particular, urban co-operative banks). As a consequence, it also became necessary to amend the Reserve Bank of India Scheduled Banks Regulations, 1951 so as to provide for the continuance of certain facilities already available to State co-operative banks even after their inclusion in the Second Schedule to the Reserve Bank of India Act 1934 with its attendant previleges and obligations.* At the same time, opportunity was taken to further liberalise the remittance facilities available to scheduled banks generally. Accordingly, with the previous sanction of the Central Government, the Central Board of Directors of the Bank amended on March 4, 1966, Regulations 6(i) and 8(1) and (2) of the Reserve Bank of India Scheduled Banks' Regulations. The amendment to Regulation (6)(i) prescribed a separate form of weekly return for submission by the State co-operative banks included in the Second Schedule to the Reserve Bank of India Act, 1934 while the amendment to Regulation 8 made certain changes in the remittance facilities already available to the State co-operative banks (in terms of the Remittance Facilities Scheme).

* On July 2, 1966, 12 State co-operative banks were included in the Second Schedule. These were :
(1) The Andhra Pradesh State Co-operative Bank Ltd., Hyderabad.
(2) The Bihar State Co-operative Bank Ltd., Patna.
(3) The Gujarat State Co-operative Bank Ltd., Ahmedabad.
(4) The Kerala State Co-operative Bank Ltd., Trivandrum.
(5) The Madhya Pradesh State Co-operative Bank Ltd., Jabalpur.
(6) The Madras State Co-operative Bank Ltd., Madras.
(7) The Maharashtra State Co-operative Bank Ltd., Bombay (Incorporating the Vidarbha Co-operative Bank Ltd.).
(8) The Mysore State Co-operative Apex Bank Ltd., Bangalore.
(9) The Orissa State Co-operative Bank Ltd., Cuttack.
(10) The Rajasthan State Co-operative Bank Ltd., Jaipur.
(11) The Uttar Pradesh State Co-operative Bank Ltd., Lucknow.
(12) The West Bengal Provincial Co-operative Bank Ltd., Calcutta.

Non-Banking Companies : Regulation of Deposits and Hire-Purchase Business

It was mentioned in the last Report that a new Department, *viz.*, the Department of Non-Banking Companies, has been established by the Bank in Calcutta in March 1966, for administering the provisions of the Reserve Bank of India Act, 1934 (Chapter IIIB) relating to non-banking institutions receiving deposits and financial institutions. The Department compiled the data on the deposits with non-banking companies, based on the returns received from them as on March 31 for the years 1962 to 1965. The data revealed that during the period from March 1962 to March 1965, there was an increase in the total number of deposit accounts in the non-banking corporate sector by about 1 lakh and that the total volume of deposits had increased by about Rs. 75 crores to Rs. 209 crores. It appeared that the less well-managed and smaller-sized private limited companies continued to rely on deposits to a much larger extent than was justified by their capital base. This indicated, *prima facie*, overtrading by the smaller private companies by acceptance of unduly large commitments having regard to their own financial position, liquid resources or ability to repay the deposits within relatively short-term periods by realising their assets. In the context of this and the reported failure of certain companies in and around Delhi, the earlier directives, issued on January 7, 1966, were replaced in October 1966 by two new ones. The new directives, *viz.*, (1) the Non-Banking Financial Companies (Reserve Bank) Directions, 1966 and (2) The Non-Banking Non-Financial Companies (Reserve Bank) Directions, 1966, provide for (*a*) the extension of the scope of the directives so as to include non-banking financial companies other than hire-purchase finance companies and (*b*) the limitation of the deposits in the case of all non-banking companies generally or alternatively the prescription of a minimum liquidity requirement in the case of hire-purchase and housing finance companies which were to be permitted to accept deposits without any limit.

The Non-Banking Financial Companies (Reserve Bank) Directions, 1966 are applicable to the companies specified, whether or not they accept deposits from the public, while the Non-Banking Non-Financial Companies (Reserve Bank) Directions, 1966 are applicable only to those non-financial companies which accept deposits from the public.

The two directives taken together provide broadly for (*i*) controlling the terms and conditions on which, and the extent to which, deposits can be accepted, (*ii*) restriction of the deposits in the case of non-banking non-financial companies and non-banking financial companies other than housing finance and hire-purchase finance companies, to twenty-five per cent of the paid-up capital and free reserves, (*iii*) liquidity requirements to the extent of ten per cent of the deposits in the case of housing finance and hire-purchase finance companies, (*iv*) ensuring that hire-purchase debts are collected within a reasonable period, and (*v*) returns and information to be furnished by all financial companies regarding their operations in sufficient detail, and by all non-financial companies, regarding their deposits and their hire-purchase transactions, if any.

In the case of companies whose deposits as on December 31, 1966 were limited to a ceiling and were in excess of twenty-five per cent of their paid-up capital and free reserves, the new directives provide for a period of two years till the end of December 1968, within which the excess deposits should be adjusted. The new directives came into force as from January 1, 1967.

The Department of Non-Banking Companies in consultation with the Company Law Board, has undertaken a programme of inspection of non-banking financial companies with a view to consolidating and improving their position, and is also in touch with the Company Law Board regarding the inspection of non-banking non-financial companies.

Deposit Insurance Corporation

The number of insured banks declined to 97 at the end of March 1967 from 108 at the end of March 1966 mainly as a result of voluntary amalgamations under section 44A of the Banking Regulation Act, 1949 and transfers of deposit liabilities and equivalent

assets to other insured banks. One new bank was registered as an insured bank during the year. Since its inception in 1962 to the end of March 1967, the Corporation has met claims aggregating Rs. 57.14 lakhs in respect of 11 banks. During the same period, repayments received by the Corporation in respect of claims met totalled Rs. 30.75 lakhs relating to 11 banks.

As on the last Friday of September 1966, the latest date for which data are available, the total number of deposit accounts with insured banks was 135.64 lakhs of which 103.64 lakhs (76.4 per cent of the total number) having balance not exceeding Rs. 1,500 each were fully insured.

Export Credit and Guarantee Corporation

The Export Credit and Guarantee Corporation (ECGC) made all-round progress during 1966-67. The value of risks covered during the year amounted to Rs. 87.96 crores as compared with Rs. 57.15 crores during the preceding year. The business of the Corporation falls under two broad categories *viz.*, export credit insurance and export credit guarantees. Under the scheme of export credit insurance, it insures Indian exporters against commercial and political risks involved in exporting goods on credit terms, to the extent of 80 to 85 per cent of the exporters loss. Under the export guarantee scheme, the Corporation offers assistance through the medium of its financial guarantees which are issued to banks to cover their advances to exporters both at the pre-shipment and post-shipment stages. These guarantees protect banks against any loss arising from the failure of the exporters to repay the advances made to them, and thereby also encourage banks to advance funds to exporters to enable the latter to fulfil their export commitments. As on March 31, 1967, the number of exporters holding ECGC policies stood at 1473 with shipments valued at Rs. 40.69 crores ; the corresponding figures a year before were 1319 and Rs. 23.72 crores. The number of guarantees in force at the end of March 1967 rose to 346 by end-March 1967 from 262 at the end of March 1966. Bank finance availed of by the exporters with the help of guarantees issued by the Corporation increased from Rs. 33.43 crores in 1965-66 to Rs. 47.27 crores in 1966-67.

With the help of packing credit guarantee, exporters obtained bank finance to the extent of Rs. 46.54 crores during the year under review as compared with Rs. 31.60 crores in the preceding year. Of the two types of post-shipment export credit guarantees *viz.*, the post-shipment export credit guarantee and the export finance guarantee, while the former decreased from 26 to 17 during the period under review, the latter rose from 2 to 3. As a result, the total number of these two guarantees declined from 28 last year to 20 during the year under review and the advances secured under these guarantees amounted to only Rs. 0.73 crore during the year under review as compared to Rs. 1.83 crores in the previous year.

Under its Scheme of 'Revolving Foreign Exchange Credit for Exporters' for assisting exporters in securing essential raw materials from abroad, the Corporation approved 5 applications out of which only one applicant imported to the value of Rs. 12.5 lakhs and exported to the extent of Rs. 3.9 lakhs.

Being a service organisation operating on "No profit, no loss" basis, the Corporation endeavours to keep down the premium rates at as low a level as possible. Accordingly, it reviewed and rationalised the entire premium structure in September 1966 and, in the process, achieved, on average, ten per cent reduction in premium rates. The rationalisation, however, resulted in an increase in the rates in a few instances, but on the whole it proved to be beneficial to policy holders, particularly, to those exporting new manufactures.

Reference was made in the last year's Report to the introduction of the Export Production Finance Guarantee, which helps exporters of textiles, yarn and readymade garments to obtain advances upto 50 per cent over and above the f.o.b. value. It is proposed to extend this scheme shortly to certain other commodities as well. No policy was, however, issued under this guarantee upto the end of the year.

Co-operative Credit—Institutional Developments

A major development in the co-operative credit sphere during the year was the appointment of the All-India Rural Credit Review Committee in July 1966 by the Governor of the Reserve Bank in pursuance of a recommendation made by the Bank's Standing Advisory Committee on Rural and Co-operative Credit. The Committee is to review the supply of rural credit in the context of the Fourth Five-Year Plan, in general, and of the credit requirements of the programme of intensive agricultural production contemplated in different parts of the country, in particular. On the basis of its review, the Committee is required to make recommendations, particularly in respect of the progress in the supply of rural credit, fertilisers, improved seeds etc., the working of the crop loan system, the progress and significance of rural branches of commercial banks and the scheme of rural pilot centres and one-man offices of the State Bank of India and the progress made in the setting up of Agricultural Credit Corporations as also of other measures recommended by the Reserve Bank's Informal Group on Institutional Arrangements for Agricultural Credit.

During the year, the annual conference of the Registrars of Co-operative Societies and that of the State Ministers for Co-operation were held in June and October 1966, respectively. The two conferences discussed, *inter alia*, the credit facilities for the High Yielding Varieties Programme, the crop loan system, the programme of revitalisation of primary credit societies, the scheme of outright grants to special bad debt reserves of co-operative banks and societies, and the strengthening of consumer co-operatives. The State Ministers' Conference recommended that (*i*) under the High Yielding Varieties Programme, co-operatives should endeavour to bring non-member participants within its fold, (*ii*) the State Governments might provide *taccavi* loans directly to farmers only where co-operatives either did not exist or were not functioning properly and (*iii*) the interest rates on *taccavi* should be raised to the level of the rates on co-operative loans if they are lower than this level. The Conference desired that the crop loan system should be introduced throughout the country by 1967-68. As regards revitalisation of societies, it was felt that the number of primary agricultural credit societies should be reduced from about 2 lakhs as at present to 1.2 lakhs or less and that financial and legal sanctions, where necessary, should be provided to speed up the progress of reorganisation and amalgamation of societies. The need to mobilise rural savings through thrift deposits to strengthen the resources of the co-operative credit structure was also stressed. It was agreed that the State Governments should endeavour to provide necessary share capital to viable and potentially viable societies. A suggestion that the scheme of outright grants to the special bad debts reserves of co-operative banks should be continued in the Fourth Plan and should be related to the loans given for agricultural production purposes only to the weaker sections *i.e.* cultivators, whether owners or tenants, whose individual maximum credit limit did not exceed Rs. 200, was also endorsed. In regard to consumer co-operatives, besides suggesting several measures for their development in the country, the involvement of at least five service co-operatives in each community development block, in the next two years, in the disbursement of consumer articles, and the provision of Government contribution to share capital on a liberal basis as also a special management subsidy were recommended.

The Reserve Bank's Standing Advisory Committee on Rural and Co-operative Credit held four meetings during the year. One of the important subjects discussed related to the provision of medium-term loans for purchase of shares in co-operative processing societies and for purchase of milch cattle. The Committee recommended that the facility of utilising medium-term loans advanced by the Reserve Bank for agricultural purposes towards financing purchase of shares in co-operative sugar factories may be extended for financing purchase of shares in three other types of processing societies *viz.* cotton ginning and pressing units, groundnut oil mills, and rice mills. It also recommended that while the Reserve Bank could not give substantial medium-term finance from the Long-term Operations Fund for the purchase of milch cattle, in

individual cases in which favourable conditions existed, such finance could be given to a limited extent and that, as a transitional arrangement, such finance might be channellised through milk supply societies also in an area in which a co-operatively organised dairy development project was in effective operation, provided the primary co-operative agricultural credit societies working in that area were unable or not inclined to take up the function. Another important problem discussed by the Committee related to the organisation of industrial co-operative banks. In this connection the Committee observed that the organisation of new industrial co-operative banks would be justified only if the existing central co-operative banks were weak or were otherwise unable or unwilling to meet the credit needs of industrial co-operative societies in their area and there was a sufficient number of industrial co-operatives of varied character in the area. The Committee suggested that even the existing industrial co-operative banks should operate in contiguous and compact areas, that their individual membership as well as financing of individuals by them should be gradually reduced, and that they should not undertake any non-banking business. It further recommended that both the existing and new banks should be in a position to raise adequate resources in the form of share capital, deposits etc. and function as viable units and those banks which could not become central co-operative banks should convert themselves into primary or urban co-operative banks.

With a view to accelerating the pace of implementation of the crop loan system, the Reserve Bank published in June 1966 a Manual on short-term and medium-term loans for agricultural purposes. At the instance of the Government of India, State-level Conferences on crop loan system were also held in most of the States (except Madras, Assam and Jammu and Kashmir) to facilitate proper understanding of the system in all its aspects by those concerned with its implementation. It is observed that although in most of the States the system has been adopted on the lines indicated in the manual, not all the features of it are adhered to in the actual working thereof and the progress in linking of credit with marketing was also insignificant.

In the last Report, it was mentioned that the question of extending the deposit insurance scheme to co-operative banks by amending the provisions of the Deposit Insurance Corporation Act, 1961 was being examined in consultation with the State Governments. As a majority of State Governments have now agreed, in principle, to avail of the benefits of the deposit insurance scheme for the co-operative banks in their States by amending their co-operative laws so as to vest in the Reserve Bank statutory powers in the matter of amalgamation, supersession etc., of the co-operative banks, the Government of India are considering the question of introducing a suitable legislative measure in the Parliament for the purpose.*

The Banking Regulation Act, 1949 as applicable to co-operative societies came into force on March 1, 1966. As mentioned in the last Report, the Act extends to State co-operative banks, Central co-operative banks and the more important primary non-agricultural credit societies including, in particular, the urban co-operative banks with paid-up capital and reserves of Rs. 1 lakh and above and the bye-laws of which do not permit the admission of any other co-operative society as a member. As at the end of the year (i.e. on 31 March 1967) there were 29 State co-operative banks, 381 Central co-operative banks and 1,240 primary co-operative banks coming under the purview of the Banking Regulation Act. All these banks are required to apply to the Reserve Bank for a licence within a period of three months from the commencement of the Act ; they will be permitted to carry on banking business if licences are granted to them or until they are informed by the Reserve Bank that a licence cannot be granted to them. A new co-operative bank will, however, be required to obtain a licence before the commencement of banking business. So far, one State co-operative bank, 3 Central co-operative banks and 3 newly registered primary co-operative banks have been granted licences under the Act. Further, in terms of Section 6 (ii) of the Banking Laws (Application to Co-operative Societies) Act,

* A bill for this purpose has since been introduced in the Lok Sabha on July 18, 1967 by the Finance Minister.

1965, which amended clause (a) of sub-section 6 of Section 42 of the Reserve Bank of India Act, 1934, a State co-operative bank is eligible to be included in the second schedule to the Reserve Bank of India Act, 1934. Accordingly, during the year under review, 12 State co-operative banks have been included in the second schedule to the Reserve Bank of India Act.

The Banking Regulation (Co-operative Societies) Rules, 1966 came into force with effect from December 3, 1966. The rules which are applicable to co-operative banks brought under the purview of the Banking Regulation Act, are more or less on the lines of the Banking Companies Rules, 1949, with such modifications as are necessary to suit the requirements of co-operative banks. The rules prescribe the forms in which co-operative banks are required to submit various returns under the Act including applications for licence to commence/carry on banking business and opening branches/offices. The rules also prescribe the manner in which the accounts and balance sheets of co-operative banks are required to be published.

Trends in Co-operative Credit

During the year ended June 1966, the number of primary agricultural credit societies declined further to 1.97* lakhs from 2.01 lakhs as at end June 1965 mainly due to continued efforts at revitalisation by liquidation of dormant societies and amalgamation of weak societies. Membership of these societies, however, increased from 254 lakhs as at end June 1965 to 270* lakhs as at end June 1966. The short and medium-term credit dispensed by the primary agricultural credit societies amounted to Rs. 345* crores during 1965-66 as compared with Rs. 316 crores during the previous year.

The outstanding amount of advances and bills purchased and discounted by the State co-operative banks, scheduled as well as non-scheduled, as on 31 March 1967† was Rs. 323.26 crores, showing a rise of Rs. 55.43 crores over the level as on 25 March 1966. Aggregate deposits (exclusive of inter-bank deposits and borrowings from the Reserve Bank and other banks) increased by only Rs. 15.54 crores to Rs. 77.85 crores. To meet the net outgo of funds, the State co-operative banks resorted to borrowings mainly from the Reserve Bank.

The financial accommodation provided by the Reserve Bank of India is presented in Table 1. The gross amount drawn by State co-operative banks from the Reserve Bank rose by Rs. 44.36 crores to Rs. 346.68 crores during 1966-67. The outstanding borrowings from Reserve Bank as on March 31, 1967 at Rs. 170.68 crores showed a rise of Rs. 8.35 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 the year ended March 1967, for seasonal agricultural operations and marketing of crops at the concessional rate (*i.e.* 2 per cent below the Bank rate) aggregated Rs. 305.06 crores, recording a rise of 22.3 per cent over the preceding year. The outstanding borrowings at the end of March 1967 were also higher at Rs. 149.15 crores as against Rs. 144.72 crores at the end of March 1966. The increased drawals from Reserve Bank were due partly to certain relaxations of the conditions in regard to the eligibility to accommodation of central banks in drought affected areas and partly to the implementation of the High Yielding Varieties Programme during the year under review (referred to earlier). As regards the relaxations, it was decided to exempt 'C' class co-operative banks, which had adopted the crop loan system or were working in special project areas or were serving areas affected by drought conditions and which had approached the Reserve Bank for loans from the Agricultural Credit Stabilisation Fund, from maintaining non-overdue cover for borrowings from the Reserve Bank, if they applied for such exemption. It was also decided to grant similar facility to 'A' and 'B' class banks in the drought affected areas if they applied for it. Another facility granted during the year was the option given to the 'A' and 'B' class central banks in the Package areas to obtain credit limits on their own signature

* Provisional.
† Data relate to State co-operative banks maintaining accounts with the Reserve Bank.

Table I—Reserve Bank Credit to Co-operatives 1966-67

(Lakhs of Rupees)

Purpose	Amount outstanding at the end of March 1966	Amount advanced during April 1966 to March 1967	Amount outstanding at the end of March 1967
A. Loans to State Co-operative Banks—			
Short-term :			
I. Seasonal agricultural operations and marketing of crops (at 2% below Bank rate)	1,44,72	3,05,06	1,49,15
II. Production and marketing of handloom products (at 1½% below Bank rate)	5,57	5,04†	5,02†
III. Purchase and sale of yarn (at Bank rate)	39	58	24
IV. General banking purposes (at Bank rate)	—	23,81	59
Medium-term :			
I. Agricultural purposes (at 1½% below Bank rate)	11,65	7,46	12,21
II. Financing agriculturists for purchase of shares in co-operative sugar factories (at Bank rate)	--	5	5
III. Conversion of short-term loans into medium-term loans in scarcity affected areas (at 1½% below Bank rate)	—	4,68	3,42
B. Loans to State Governments for contribution to share capital of co-operative credit institutions @	29,41	2,27	22,21
C. Investment in Debentures			
I. Rural Debentures	5,29	1,63**	6,92
II. Ordinary Debentures	15,45	4,37**	19,76
III. Special Debentures	19	1	20

† Includes Rs. 17 lakhs advanced to one State co-operative bank under Section 17 (4) (a).
@ Rate of interest charged to State Governments in respect of these loans is nil per cent for the first two years 2% during next 3 years, 2½% for the next 4 years and 3% for the next 3 years.
** Purchased during the year.

under Section 17(2)(b) or (4)(c) of the Reserve Bank of India Act, instead of against Government guarantee.

A new programme called the High Yielding Varieties Programme was launched in 1965-66 for increasing production of foodgrains through the use of hybrid varieties of seeds, which are responsive to high doses of fertilisers. It is planned to cover an area of about 32.5 million acres under this programme by the end of the Fourth Plan period *i.e.* 1970-71, the target for 1966-67 being 5.94 million acres divided into 2.65 million acres under *Kharif* and 3.29 million acres under *Rabi*. The actual coverage during *Kharif* 1966 was, however, 1.82 million acres. For meeting the production credit requirements of members of co-operative credit societies joining the High Yielding Varieties Programme, the Reserve Bank sanctioned special credit limits, in addition to normal limits, to the concerned co-operative banks. The Bank also agreed to relax, during 1966-67, the conditions relating to maintenance of non-overdue cover and maximum eligibility in relation to owned funds in respect of borrowings for financing the programme. Credit limits aggregating Rs. 17.74 crores and Rs. 13.50 crores, under Section 17(4)(c) of the Reserve Bank of India Act at the concessional rate of 2 per cent below the Bank rate, were sanctioned for financing the production of *Kharif* crops 1966 and *Rabi* crops of 1966-67, respectively under this programme. The amounts drawn by State co-operative

banks were Rs. 3.94 crores and Rs. 2.21 crores, respectively, under *Kharif* and *Rabi* limits. As at the end of March 1967 the outstandings of State co-operative banks under this account were Rs. 2.18 crores under *Rabi* 1966-67, there being no dues under *Kharif* 1966.

The Intensive Agricultural District Programme which was in operation in 15 districts was extended during the year to three more districts, one in Gujarat and two in Jammu and Kashmir, bringing the total number of districts to 18 covering 288 blocks (out of 314 blocks in these 18 districts) by the end of 1965-66. Of the total gross cropped area of 81.06@ lakh hectares in these districts, the area covered under the programme was 30.28@ lakh hectares in 1965-66 as against 26.33@ lakh hectares in 1964-65. The number of farm plans prepared increased from 11.63 lakhs in 1964-65 to 12.81 lakhs in 1965-66. An important decision taken in regard to it was that while farm plans would continue to be the basis for production credit in the programme areas wherever such plans were prepared in time, credit may be provided to the participating cultivators even in the absence of such farm plans, on the basis of the crop-wise scales of finance. Another important development in the I.A.D.P. districts was a sharp increase in the use of fertilisers by cultivators. The consumption of nitrogenous fertilisers, (in terms of ammonium sulphate and phosphatic fertilisers) rose from 1.38 lakh tonnes at the inception of the programme to 4.60 lakh tonnes during 1965-66. The volume of short-term agricultural loans advanced by societies in these districts amounted to Rs. 20.14 crores in 1964-65 as against Rs. 19.58 crores in 1963-64. The co-operative marketing societies in these districts handled agricultural produce of the order of Rs. 13.56 crores in 1964-65 as compared to Rs. 8.10 crores in 1963-64.

The Working Group appointed by the Government of India in 1964 to study the working of co-operatives in I.A.D.P. districts, (a reference to which was made in the Currency and Finance Report, 1964-65), submitted its report in March 1966. The Group observed that steps were being taken to liberalise credit policies in the I.A.D.P. districts to facilitate smooth flow of credit for intensive production programmes. It recommended, *inter alia*, early completion of the reorganisation of the primary credit structure, implementation of the programme of intensive development of marketing and its linking with credit and the strengthening of the dairy and fishermen's societies to help the weaker sections to improve their economic position. The State Governments have been requested by the Government of India to take suitable action to implement the recommendations of the Working Group.

Financial accommodation from the Reserve Bank for financing production and marketing activities of handloom weavers' co-operative societies was, *inter alia*, related to about Rs. 300 to Rs. 500 per active loom hitherto. There had been a request for raising the ceiling to at least Rs. 750 per loom, which was examined by a joint team of officers of the All-India Handloom Board and the Reserve Bank of India. However, with a view to introducing production-oriented system of lending to the weavers' societies by the banks, it was decided, in consultation with the Standing Finance Committee of the All-India Handloom Board, that from April 1966, a society might be considered as eligible for a normal credit limit of one-fifth of the actual production of handloom cloth produced on its own account during the previous year plus a reasonable increase in production expected during the year provided the sales were at least 80 per cent of the production. The gross drawals of the State co-operative banks for financing handloom weavers' co-operatives under Section 17(2) (bb) or (4) (c) as well as a special credit limit sanctioned under Section 17 (4)(a) of the Reserve Bank of India Act at 1½ per cent below the Bank rate was Rs. 5.04 crores during 1966-67 as against Rs. 5.55 crores during the previous year under Section 17(2)(bb) or (4)(c) only of the Reserve Bank of India Act. The amount outstanding at the end of March 1967 was Rs. 5.02 crores. Accommodation provided to State co-operative banks on behalf of apex weavers' societies under Section 17(2)(a) or (4)(c) of the Reserve Bank of India Act at Bank rate for pur-

@ Revised.

chase and sale of yarn during the year aggregated Rs. 0.58 crore as against Rs. 3.11 crores during the preceding year ; the amount outstanding at the end of the year was Rs. 0.24 crore.

Till 31 July 1966, the Credit Guarantee Scheme for the guarantee of advances by specified banks and financial institutions to small-scale industries was available only to State co-operative banks in the co-operative sector while other types of co-operative banks had to take benefit of the scheme under participation arrangement with the State co-operative banks or other specified institutions. Since 1 August 1966, the scheme has been extended to cover all central co-operative banks and four industrial co-operative banks in the country.

The drawals by State co-operative banks at Bank rate for general banking purposes under Section 17(4)(a) amounted to Rs. 23.81 crores as against Rs. 37.23 crores during the previous year. The amount outstanding against this account at the end of March 1967 was Rs. 0.59 crore.

In the sphere of *co-operative marketing*, an All India Conference of the Chairmen and Chief Executive Officers of the Apex Co-operative Marketing Societies and the Registrars of Co-operative Societies convened by the National Agricultural Co-operative Marketing Federation was held in April 1966 at New Delhi. The Conference, *inter alia.* recommended that (*i*) minimum prices should be offered to the primary producer at the primary market level, (*ii*) a special fund might be created by the Central and State Governments through budgetary allocations to meet losses incurred by co-operatives on account of price support operations and (*iii*) a pool of marketing personnel should be constituted under the apex marketing society for loaning their services to the member societies. The Conference also recommended that the scope of short-term credit available from the Reserve Bank of India should be widened so as to cover procurement and distribution of agricultural inputs by village co-operatives.

The net-work of co-operative marketing structure was further expanded and strengthened during the year. By the end of the Third Plan, over 3,200 primary marketing societies covering all the important secondary markets in the country were organized. Societies at the higher level, both State and national, were also organized.

The value of agricultural produce marketed by the co-operatives rose from Rs. 300 crores in 1964-65 to Rs. 360 crores in 1965-66, thus achieving the Plan target set for the year. As against the target of Rs. 200 crores, the value of foodgrains marketed by the co-operatives during 1965-66 was only Rs. 137 crores. The State Governments and the Food Corporation of India continued to associate marketing co-operatives in their foodgrains procurement operations, particularly in Assam, Maharashtra and Mysore where co-operatives were given monopoly during the year. The co-operative marketing societies have also made a beginning in the sphere of export trade and exported goods to the extent of Rs. 96 lakhs during 1965-66. In addition, coffee curing co-operatives exported coffee worth Rs. 90 lakhs and the sugar factories delivered raw sugar worth Rs. 9.19 crores for export through authorised agencies.

During 1966-67, the scheme of price fluctuation fund, to which a reference was made in the last two Reports, continued to be implemented with certain modifications. Thus, it was decided to raise the State Government contribution to the price fluctuation fund from 2 per cent of the value of agricultural commodities purchased by co-operatives on outright basis to 5 per cent if the fluctuations in the prices of these commodities were relatively high and if the commodities were exported. It was also decided that there will not be any ceiling in respect of Government contribution to the price fluctuation fund with the individual marketing/processing co-operatives. This fund was to be created by a society by allocating a minimum of 10 per cent of its net profits to it. Besides the price fluctuation fund, it was proposed to create a special price fluctuation fund out of Government contribution in every primary marketing/processing co-operative operating under the scheme. This special price fluctuation fund is to form part of the owned funds of the primary society but is not to be utilised in its business. Both

funds are to bear on an equal basis the losses arising out of transactions of outright purchases made either for internal trade or for export trade. In this connection, the role of co-operatives at different levels in making outright purchases has been redefined in such a way that the apex marketing societies and other high level marketing organisations will make outright purchases on a bigger scale than hitherto and consequently be the risk-bearers while the primaries will act as their agents but may make outright purchases only under special circumstances. Hence, the ratio of sharing losses has been kept at 50 : 50 in the primaries while in respect of marketing/processing co-operatives at the regional, State and National levels, no such ratios of sharing losses would be applicable. Efforts continued to be made to forge an organic link between co-operative credit and marketing.

The co-operative marketing institutions continued to be entrusted with the work of distribution of fertilizers. The Government of India decided in May 1966 that the short-term loan facility for distribution of chemical fertilizers will be allowed by it to the States to the extent of only 50 per cent of the value of consignments despatched by the Central Fertilizer Pool and that the State Governments will have to repay the loans at the end of six months from the date of drawal instead of eighteen months allowed in the past. In view of the reduction of the period and volume of short-term credit made available, the State Governments have to find their own resources for meeting the other 50 per cent of the consignment value, if the usual consignment facilities are to be extended to co-operatives. As the State Governments may not be able to extend credit to co-operatives as in the past and as the co-operatives are unlikely to undertake such heavy responsibility without adequate financial assistance from the financing banks, the Reserve Bank indicated its willingness to sanction credit limits to State co-operative banks at Bank rate against Government guarantee under Section 17(4) (*a*) of the Reserve Bank of India Act for purposes of stocking and distributing fertilizers. During the co-operative year 1965-66, co-operatives handled chemical fertilizers valued at Rs. 80.11 crores representing about 73 per cent of the total value of fertilizers sold in the country as against Rs. 72.84 crores in 1964-65. Apart from fertilizers, distribution of cement is also being entrusted to the marketing co-operatives provided that these agencies are capable of mustering adequate financial resources and selling enterprise for this business and of carrying on the cement distribution work even when there is a boom in supplies.

In the sphere of *medium-term credit*, an important development during the year was the sanction of loans for the first time from the National Agricultural Credit (Stabilisation) Fund established in 1956 by the Reserve Bank. In view of the widespread scarcity conditions and the likely consequent demand on it, the Bank contributed Rs. 6 crores to this Fund on June 30, 1966, as against Rs. 1 crore contributed to it annually since its constitution. The amount to the credit of the Fund now stands at Rs. 16 crores. Stabilisation loans to the extent of Rs. 4.82 crores were sanctioned by the Bank to five State cooperative banks for conversion of short-term loans into medium-term loans in the areas affected by drought conditions. Drawals amounted to Rs. 4.68 crores, and the outstandings as on March 31, 1967 to Rs. 3.42 crores.

The gross medium-term loans drawn by the State co-operative banks from the Reserve Bank in 1966-67 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 amounted to Rs. 7.46 crores as against Rs. 7.06 crores in the previous year ; the outstandings at the end of March 1967 were Rs. 12.21 crores as compared with Rs. 11.65 crores a year ago. Under the same provision of the Act, which permits the Reserve Bank to advance loans to State co-operative banks for other purposes connected with agricultural activities as well, one State co-operative bank drew a sum of Rs. 0.05 crore at Bank rate, for the purpose of financing the purchase of shares in co-operative sugar factories during the year.

In the field of *long-term credit*, the total floatation of ordinary debentures was estimated at Rs. 35.75 crores during 1966-67.

The three public sector institutions agreed to contribute to the extent of Rs. 18.70 crores to these debentures as under: the Life Insurance Corporation Rs. 10 crores, the State Bank of India Rs. 4 crores and the Reserve Bank Rs. 4.70 crores. These institutions also decided to provide larger support to debenture issues of less developed central land mortgage banks. For this purpose, these banks, depending upon the stage of their development, were grouped into three categories and it was agreed to contribute 60 per cent of the debenture programme of the least developed among them. The highly developed would get support to the extent of 50 per cent and the medium group 55 per cent. Further, with a view to spreading out the issue of debentures over the year, it was decided to issue debentures in two periods viz. April-May 1966 and September 1966-March 1967. The banks were advised to float debentures more than once during each period to minimise the need for interim accommodation. The amount for which banks could float debentures during each period together with the assured support that they can expect from the public sector institutions was also indicated to them. The Reserve Bank's contribution would be to the extent of the short-fall in public subscriptions or the share agreed to, whichever is less, but any savings in a particular series would be made available for contribution to the next series within the period, provided the total did not exceed the share fixed for the year. Further, no restriction was placed on the amount that the banks could raise by floating ordinary debentures if they were confident of making the floatation a success without additional support from the public sector institutions. With a view to providing some additional resources to sustain a large programme of debenture issue of the land mortgage banks, the Government of India announced in December 1966, its willingness to contribute to the extent of Rs. 8.65 crores to the debentures of nine banks, provided (*i*) the concerned State Governments contributed to the debentures the amount fixed in this regard by the Government of India (*ii*) the programme of disbursement of loans and floatation of debentures was completed during 1966-67 (*iii*) the borrowers utilised the amount of loans given out of the Central assistance only for wells and pumps and (*iv*) the physical programme *i.e.* construction of wells, installation of pumpsets etc., out of the loan amount was completed within 1966-67. During the year, 17 central land mortgage banks floated ordinary debentures, for a total sum of Rs. 58.02 crores as against Rs. 40.86 crores issued by 14 banks in the previous year. Subscriptions to these issues amounted to Rs. 57.30 crores. Of the total subscriptions, the amount taken by co-operatives was Rs. 13.34 crores or 23.3 per cent. Next in order of importance came the State Governments which contributed Rs. 12.40 crores or 21.6 per cent, the Life Insurance Corporation Rs. 10.87 crores or 19.0 per cent, the Government India Rs. 7.95 crores or 13.9 per cent, the Reserve Bank Rs. 4.37 crores or 7.6 per cent and the State Bank of India Rs. 3.60 crores or 6.3 per cent. Rural debentures for a sum of Rs. 4.18 crores were floated during 1966-67 by eight central land mortgage banks (Andhra Pradesh, Gujarat, Maharashtra, Madras, Madhya Pradesh, Mysore, Punjab and Uttar Pradesh) as compared with Rs. 3.18 crores floated by five banks during 1965-66. As in the previous year, the Gujarat central co-operative land mortgage bank accounted for Rs. 2 crores. Subscriptions to the issue of all the eight States amounted to Rs. 3.07 crores of which Rs. 1.63 crores or 53 per cent came from the Reserve Bank and the balance from individuals. Special development debentures for Rs. 2.50 crores were issued by six central land mortgage banks during the year under review. The Reserve Bank subscribed to the issues to the extent of Rs. 92 thousand and the Agricultural Refinance Corporation Rs. 2.08 crores, the balance being taken up by the concerned State Governments.

As against the previous year's contribution of Rs. 14 crores, the Bank made an enhanced contribution of Rs. 15 crores to the National Agricultural Credit (Long-term Operations) Fund on 30 June 1966, raising the total amount standing to the credit of the Fund to Rs. 115 crores. During 1966-67, loans aggregating Rs. 2.47 crores were sanctioned to 14 State Governments for contribution to the share capital of co-operative credit institutions as compared with Rs. 2.52 crores sanctioned to 12 State Governments during 1965-66.

Of this, Rs. 61.97 lakhs were sanctioned for 5 State Co-operative Land Development/ Central Land Mortgage Banks, Rs. 117.03 lakhs for 46 central co-operative banks, and Rs. 68.41 lakhs for 1,780 primary agricultural credit societies. The State Governments have been advised that retirement of the share capital held by them should not be effected according to any rigid time schedule from out of profits funded in a separate redemption fund for the purpose, but should be carried out on the basis of additional share capital collected from members of the concerned institutions with due consideration to these institutions' need for owned funds.

During the year under review, the Agricultural Refinance Corporation sanctioned refinance in respect of 13 schemes of development involving a total financial outlay of Rs. 11.93 crores out of which the Corporation's commitments amounted to Rs. 9.58 crores. Since its inception, the Corporation has approved 47 schemes involving a financial outlay of Rs. 43.85 crores and sanctioned refinance for them to the tune of Rs. 36.00 crores.

The disbursement made by the Corporation during the year amounted to Rs. 2.30 crores as on March 31, 1967, and the total disbursement since its inception stood at Rs. 6.54 crores.

A few changes in the policy and procedures of the Corporation were made during the year. It was earlier decided that minor irrigation schemes for the construction of wells and installation of pumpsets would be considered by it for refinance facilities only if they involved a large financial outlay and were to be implemented through co-operative irrigation societies in compact areas. It has now agreed to consider minor irrigation schemes implemented through individual efforts also, provided the schemes are prepared on a project basis with assured inputs, technical aid and administrative and supervisory facilities from the concerned State Governments. The guidelines on which such schemes should be formulated have been prepared and circulated among the State Governments and the Central land mortgage banks. These schemes are, however, not to replace the normal finance provided for this purpose by the land mortgage banks.

As regards its financial assistance through the scheduled banks for schemes for the development of plantation crops, the Corporation had hitherto agreed to provide financial assistance for the setting up of a processing unit only if it formed an integral part of a composite scheme for the development of a plantation crop and if financial assistance was also sought for in respect of the main development *viz.* new planting/ replanting or extension of plantation. The Corporation has since decided that refinance facilities might also be provided for setting up a processing unit alone for a plantation crop provided that it is satisfied about the need therefor and the activity is linked up to a programme of development with assured finance from some other agency for the main development envisaged by an estate.

In the *co-operative processing sector*, further progress was recorded by the co-operative sugar factories during 1966-67. Out of a total number of 230 sugar factories in the country licensed/registered upto March 1967, 76 were in the co-operative sector. The co-operative sugar factories account for a capacity of 13.93 lakh tonnes, representing about 32 per cent of the total capacity of sugar production in the country. Of the 76 registered co-operative sugar factories, 55 were in production during the 1966-67 season as against 51 in 1965-66 and 50 in 1964-65. The production of these factories during 1965-66 amounted to 9.43 lakh tonnes representing 26.9 per cent of national production as against 24.7 per cent for the previous year. The total share capital of these factories increased to Rs. 30.26 crores as on June 30, 1966, of which the contribution from State Governments was Rs. 10.99 crores. The total loans sanctioned by the Industrial Finance Corporation since its inception upto March 1967, to co-operative sugar factories amounted to Rs. 40.98 crores of which Rs. 25.00 crores were outstanding. The total limits sanctioned to co-operative sugar factories by the State Bank of India during the year amounted to Rs. 10.44 crores and the outstandings at the end of March, 1967 amounted to Rs. 4.25 crores.

As in the previous year, the National Co-operative Development Corporation rendered financial assistance to different types of co-operatives through State Governments and also undertook promotional activities in regard to co-operative marketing, processing, storage etc. The financial assistance provided by the Corporation during the year amounted to Rs. 17.40 crores, Rs. 15.87 crores as loan and Rs. 1.52 crores as subsidy. The total financial assistance granted by the Corporation since its inception* till end of the year under review amounted to about Rs. 81 crores. Of the loan assistance granted during the year, as much as Rs. 6.78 crores were advanced to State Governments for strengthening the agricultural credit stabilization funds of State co-operative banks in eight States *viz.* Andhra Pradesh, Gujarat, Maharashtra, Madras, Madhya Pradesh, Mysore, Orissa and Rajasthan. Loans to State Governments for contribution to the share capital of marketing societies amounted to Rs. 1.26 crores, for establishment of co-operative processing units Rs. 3.04 crores, for construction of godowns by co-operatives Rs. 1.75 crores, for establishment of co-operative cold storages Rs. 1.36 crores and for establishment of co-operative rice mills Rs. 1.37 crores. (Table 2).

Upto the end of March 1966, the number of processing units other than sugar factories, that were provided financial assistance by the Corporation and its predecessor came to 1,259. During 1966-67, assistance was provided to 46 more units. In view of the need for development of co-operative marketing in foodgrains, the programme of co-operative processing of paddy, which constitutes the major share of foodgrains, was taken up by the Corporation. By end of 1966-67, the Corporation assisted 330 co-operative rice mills under Plan schemes. In addition, 463 co-operative rice mills of the conventional type were also provided assistance from out of the owned funds of the Corporation. Besides these conventional rice mills, five out of the six modern rice mills set up in selected I.A.D.P. districts in the co-operative sector were also assisted by the Corporation. Of the other co-operative processing units assisted by the Corporation till end 1966-67, co-operative oil mills numbered 209, groundnut decorticators 51, processing of fruits and vegetables 36, cotton ginning and pressing units 237, dal mills 33 and jute baling plants 47. The schemes sponsored by the Corporation during the year under review included the development of agricultural processing units in the co-operative sector for earning foreign exchange and also to benefit the growers. Under this scheme, assistance was provided to 3 fruit and vegetable processing units, one coffee curing plant and one solvent extraction plant. Assistance was also provided under this scheme for the establishment of three co-operative rice bran oil mills which had good export potential. In order to facilitate the development of co-operative processing of oilseeds, cotton etc., the State Governments were advised to broadly identify the areas which offer potential for their primary processing to enable location of a cluster of such units in compact areas so that secondary and tertiary processing could be developed in an integrated manner.

Besides, the Corporation sponsored and provided financial assistance, during the year, for the setting up of 5 seed producers co-operative processing-cum-sale societies for production and processing of seeds. Similarly, 11 co-operative marketing societies were assisted to set up workshops for the production of simple agricultural implements. The Corporation also assisted 4 marketing co-operatives for establishment of formulation units of pesticides and insecticides. In addition, it formulated a scheme for assisting the establishment of 5 co-operative units during the Fourth Plan for preparing granular type of fertilizer mixtures in place of the manual process of mixing in powder form to maintain quality as also to prevent adulteration.

The number of wholesale and retail consumer stores organized under the Centrally sponsored scheme increased from 230 and 7,332 at end December 1965 to 246 and 7,650 respectively as at end of the Third Plan covering all towns and cities with population

* The Corporation was set up on March 14, 1963. However, the operations of the Corporation can be traced back to 1956 as it is the successor to the National Co-operative Development and Warehousing Board, also established by the Central Government, in 1956.

Table 2—State Aid to Co-operatives, (National Co-operative Development Corporation)

(Lakhs of Rupees)

Purpose	Amount outstanding at the end of March 1966	Amount advanced during the year 1966-67*	Amount outstanding at the end of March 1967
I. Share capital contribution to co-operatives		1,26	
II. Construction of godowns		1,75	
III. Establishment of cold storages		1,36	
IV. Cash credit accommodation to wholesale consumers' co-operatives		—	
V. Purchase of transport vehicles by consumers' co-operatives		—	
VI. Purchase of transport vehicles by marketing/processing societies		13	
VII. Share capital contribution to co-operative modern rice mills		—	
VIII. Construction of godowns and silos of co-operative modern rice mills		—	
IX. Co-operative rice mills (conventional)	33,89	1,37	47,32
X. Loans for strengthening of agricultural credit stabilisation funds of State co-operative banks		6,78	
XI. Loans for establishment of formulation units of insecticides/pesticides by marketing societies		7	
XII. Loans for organisation of seed producers—processing-cum-sale societies		7	
XIII. Loans for establishment of units for fabrication of agricultural implements by marketing societies		4	
XIV. Loans for establishment of processing units		3,04	
XV. Investment in debentures of central land mortgage banks	92	—	92

* Provisional.

exceeding 50,000. The total share capital and working capital of the wholesale stores amounted to Rs. 5.19 crores and Rs. 18.74 crores respectively in December 1966 as against Rs. 3.52 crores and Rs. 16.29 crores respectively, in December 1965. Reference was made in the last year's Report to a scheme under which Government was to guarantee upto 25 per cent of the advances made to wholesale co-operative stores by financing agencies. The scheme, as notified by Government of India on 27 May 1966, provided a limited guarantee for a temporary period to co-operative banks, the State Bank of India and its subsidiaries in respect of loans granted by them to these co-operatives. The guarantee is available in respect of loans or advances against pledge or hypothecation of goods till end of December 1971. The amount guaranteed will be limited to the lowest of the following : (*i*) one-fourth of all loans and advances actually outstanding against the society when the guarantee is invoked, or (*ii*) in the case of banks other than co-operative banks, the actual increase in loans from the date of the scheme, or (*iii*) in the case of co-operative banks, the difference between the amount outstanding on the date of notice and 75 per cent of the market value of goods pledged and 60 per cent of the market value of goods hypothecated on the date of the scheme, or (*iv*) Rs. 75 lakhs in the case of apex societies, Rs. 25 lakhs in the case of societies in Bombay, Calcutta, Madras, Delhi, Hyderabad, Bangalore and Ahmedabad, and Rs. 15 lakhs for societies in other areas.

The scheme for distribution of consumer articles in rural areas through marketing societies and village co-operatives recorded further progress. Consumer articles worth Rs. 194 crores were distributed in these areas during 1965-66 as against Rs. 102 crores in the previous year.

Storage facilities provided by the Central Warehousing Corporation increased further during the year. As at end March 1967, there were 80 warehouses of this Corporation with a total storage capacity of 3.07 lakh tonnes. Besides, there were 20 special warehouses with a storage capacity of 4.25 lakh tonnes. The State Warehousing Corporations, which had 574 warehouses with a storage capacity of 8.11 lakh tonnes as at end March 1966, recorded a decline in terms both of number of centres and storage capacity during the year. As at end March 1967, the State Warehousing Corporations had warehouses at 569 centres with a total storage capacity of 8.01 lakh tonnes.

CHAPTER IV : CAPITAL MARKET

General

In the capital market, while the prices of gilt-edged and equities showed gains over the year, new issue activity continued at a low ebb. There was, however, an unprecedented rise in bonus issues consequent on the fiscal reliefs announced in the 1966-67 Budget. The demand on the resources of the financial institutions for assistance by the corporate industrial sector was on a considerably reduced scale as compared with the preceding year.

The Gilt-edged Market

The gilt-edged market, which had ruled generally easy during the Third Five-Year Plan period, more particularly in the last two years of the Plan, evinced a recovery during the year under review. The recovery, which was particularly marked in the short and medium-dated securities, stemmed mainly from the comparatively easier conditions in the money market during the greater part of 1966-67, and the investment interest shown by commercial banks as reflected by the Reserve Bank's open market operations which resulted in larger net sales of Rs. 44.4 crores, as compared with Rs. 18.8 crores during 1965-66 (excluding purchases from the State Bank of India on account of P.L. 480 and P.L. 665 funds).

The Union Government floated on July 18, 1966, two new cash-cum-conversion loans namely, the 4½ per cent Loan 1971 (Reissue) and the 5½ per cent Loan 1991 for an aggregate amount of Rs. 260 crores, with yields of 4.67 per cent and 5.57 per cent, respectively, which were higher than those on existing issues of comparable maturity viz., 4.59 per cent and 5.49 per cent, respectively. These two loans were fully subscribed, the total subscriptions (including subscriptions of Rs. 148.49 crores in the form of conversion) amounting to Rs. 275.23 crores. The new 5½ per cent loans 1978 issued on September 12, by fourteen State Governments for an aggregate amount of Rs. 93.50 crores, at yields ranging from 5.62 to 5.73 per cent, were also fully subscribed, the total subscriptions amounting to Rs. 98.22 crores.

The Reserve Bank's All-India Index for Government and Semi-Government securities (*base :* 1961-62 = 100) rose steadily from 93.6 at end-March 1966 to 94.6 in the week ended September 10, 1966 and continued at or around this level till end-March 1967. The end-March 1967 level of 94.6 was higher by 1.1 per cent than the level a year ago ; as against this, there was a decline of 3.6 per cent during 1965-66 and of 1.8 per cent during 1964-65. Among the short-dated Central Government securities, the 3 per cent Loan 1970-75 showed the largest gain of Rs. 3.10 at Rs. 88.10 on March 31, 1967; the others showed rises varying between 5 p. in the case of 3¾ per cent Loan 1968 to Re. 1.00 in the case of 3½ per cent Loan 1967. Among the medium-dateds, the maximum gain of Rs. 4.75 was noticed in the 4 per cent Loan 1981 which rose to Rs. 90.00. The rise in other issues ranged from 20 p. in the case of 4 per cent Loan 1973 (which moved up to Rs. 95.45) to Rs. 4.05 in the case of 4 per cent Loan 1979 which rose to Rs. 90.20. The long-dated loans, however, showed a mixed trend. While the 3 per cent conversion Loan 1986 remained unchanged at Rs. 53.75, the other non-terminable loan, *viz.* 3 per cent Government Rupee Paper declined over the year by 50 p. to Rs. 52.50. The 4½ per cent Loan 1986 fell by Rs. 5.50 to Rs. 92.50 and the 4½ per cent Loan 1985 and 4¾ per cent Loan 1989 showed declines of Rs. 3.00 and 50 p., respectively, to Rs. 92.00 and to Rs. 95.50. However, the 5½ per cent Loan 1990 moved up by 15 p. to Rs. 100.25. Both the new Central Government Loans floated during the year *viz.* the 4½ per cent Loan 1971 and the 5½ per cent Loan 1991 also gained 20 p. over their issue prices at Rs. 99.45 and Rs. 99.20, respectively.

Reflecting the easier conditions in the money market, there was a general decline in yields on Central Government loans. Among the short-dated loans, the fall in yields ranged from 0.10 point (to 4.45

per cent) in the case of the 4 per cent Loan 1969 to 0.34 point (to 4.74 per cent) in the case of the 3 per cent Loan 1970-75. In the medium dated section, the fall varied from 0.08 point (to 4.85 per cent) in the case of 4 per cent Loan 1972 and 0.45 point (to 4.85 per cent) in the case of $3\frac{3}{4}$ per cent Loan 1974. Among the long-dateds, however, there was a rise in yields ranging between 0.05 point (to 5.10 per cent) in the case of $4\frac{3}{4}$ per cent Loan 1989 and 0.48 point (to 5.14 per cent) in the case of $4\frac{1}{2}$ per cent Loan 1986. The yield on the 3 per cent Conversion Loan of 1946 rose slightly by 0.05 point (to 5.58 per cent).

In the State list, a majority of the loans registered increases in prices. The gains in the short-dateds varied between 10 p. in the case of the 4 per cent Mysore Loan 1969 (which rose to Rs. 96.60) and Rs. 5.00 in the case of the $4\frac{1}{4}$ per cent Loan 1972 of Madras (which moved up to Rs. 93.00). Among the few short-dated loans that showed declines over the year, the fall ranged from 25 p. in the case of the 4 per cent Loan 1969 of Rajasthan (which fell to Rs. 96.25) to Rs. 7.50 in the case of the $4\frac{1}{4}$ per cent Punjab Loan 1972 (which declined to Rs. 90.00). In the medium-dated section, the rise in prices ranged between 50 p. in the case of the $5\frac{1}{2}$ per cent Loan 1977 of Maharashtra (which rose to Rs. 98.00) and Rs. 10.10 in the case of $4\frac{3}{4}$ per cent Loan 1976 of Bihar (which moved upto Rs. 95.60). However, the new $5\frac{1}{2}$ per cent loans 1978 were quoted at a discount over their issue prices, the discount ranging upto Rs. 6.60 in the case of the Madras issue.

As regards yields on State loans, among the short-dated issues, the rise in yields ranged from 0.04 point (to 5.55 per cent) in the case of the 4 per cent Loan 1968 of Madras to 1.76 points (to 6.47 per cent) in the case of the $4\frac{1}{4}$ per cent Loan 1972 of Punjab, while the fall ranged from 0.02 point (to 5.63 per cent) in the case of the 4 per cent Loan 1968 of Kerala to 0.79 point (to 5.77 per cent) in the case of the $4\frac{1}{4}$ per cent Loan 1972 of Madras. Among the medium-dateds, the decline in yields was in the range of 0.04 point (to 5.77 per cent) in the case of the $5\frac{1}{2}$ per cent Loan 1977 of Maharashtra and 1.34 points (to 5.37 per cent) in the case of $4\frac{3}{4}$ per cent Bihar issue of 1976. However, the yields on the new $5\frac{1}{2}$ per cent 1978 loans moved up to levels higher than at the time of their issue, the rise being as high as 0.84 point (to 6.52 per cent) in the case of the Madras issue.

Industrial Securities Market

In the industrial securities market, after the more or less continuous bearish phase noticed since mid-May 1962, equities ruled generally firm during the greater part of 1966-67, and recorded sizeable gains on balance over a wide front. The recovery in prices was particularly marked during April 1966 and from January to mid-February 1967. The fixed-interest bearing industrial securities, however, eased further during the year.

The recovery in equities induced by the fiscal reliefs and incentives announced in the 1966-67 Budget (details given in last year's Report) gathered momentum during April 1966, following the liberalisation of imports of 30 essential items under the import policy for 1966-67, announced on March 30, 1967. A spate of bonus issues and encouraging corporate news further strengthened the market sentiment. The Reserve Bank's All-India Index of Variable Dividend Industrial Securities (*base :* 1961-62 = 100) went up from 75.9 in the week ended March 26, 1966 to 81.4 in the week ended April 30, 1966.

The post-budget uptrend seemed to have been arrested in May and equities evinced, by and large, an easy tendency till mid-September except for a temporary spell of recovery in June following the devaluation of the Indian rupee. The index of share prices declined from 81.4 in the week ended April 30, 1966 to 79.7 in the week ended June 4; it recovered to 81.1 in the week ended June 18, 1966 but fell again to 77.1 in the week ended September 17, 1966. The underlying bearish sentiment was attributed to a number of factors which included (i) the difficult food and foreign aid position, (ii) the third nuclear explosion by China, (iii) the statement on July 14 of the U.S. Agriculture Secretary that India would have to pay in dollars for the import of foodgrains from U.S.A., (iv) market's fears that several companies which had issued bonus shares may not be able to maintain dividend on increased

capital and (v) the decision of the Union Government to abolish the Managing Agency system in certain industries and to institute a Monopolies and Restrictive Trade Practices Commission. In the context of these bearish factors, neither the Government's decision, announced on May 9, to exempt 11 industries from the licensing provisions of the Industries (Development and Regulation) Act, nor the cash incentive scheme announced on August 16, by the Government for exports of selected items nor the spate of bonus issues during this period seemed to have had any perceptible effect on the market sentiment.

The easy trend in evidence since May, however, came to a halt by mid-September, and a recovery ensued upto end-February 1967, taking the index of share prices from 77.1 in the week ended September 17, 1966 to 84.4 in the week ended February 18, 1967. The revival was attributed to the market's favourable reaction mainly to the relaxation of the control on capital issues and partly to the suspension, by the Bombay Stock Exchange authorities, of 'Interim Margins' for three months from October-December (since extended upto June 1967) and the promulgation, by the Union Government, of an Ordinance (since replaced by an Act) amending the law relating to blank transfers with a view to removing certain hardships. Other favourable factors were (i) the grant of an increase of 6 per cent in the prices of controlled varieties of cloth, (ii) relaxations in credit policy, announced by the Reserve Bank of India on October 28, 1966 for the 1966-67 busy season, (iii) the announcement, by the U.S.A., of emergency food aid to India of 2 million tons of foodgrains without stipulation for payment in dollars, (iv) encouraging corporate news and (v) the statement by the Union Minister for Industry that the policy of liberalised imports of industrial raw materials, components and spares would continue for three years.

From end-February, however, an easy tendency set in, sentiment having been principally dominated by the uncertainty arising from (i) the reverses suffered by the ruling party in the General Elections and (ii) the difficulties on the food and foreign aid fronts. The heavy deficit of Rs. 350 crores for 1966-67 (revised) revealed by the Government of India's Interim Budget presented on March 20, 1967, the unsettled political situation in some of the States and the stringency in the money market were some of the other major factors that contributed to the easy tendency. The index of share prices, which had touched 84.4 in the week ended February 18, 1967, receded to close at 81.1 in the week ended March 25, 1967. Despite this decline, however, over the year 1966-67, the index showed a rise of 6.9 per cent as against declines of 7.0 per cent and 5.9 per cent, respectively, in 1965-66 and 1964-65. Region-wise, the largest rise was recorded by the Delhi market (11.3 per cent), followed by Bombay (9.6 per cent), Calcutta (7.3 per cent), Ahmedabad (6.3 per cent) and Madras (3.3 per cent).

In line with the general trend, most of the subgroups showed gains. The largest gain was recorded by non-ferrous metals (basic) which rose by 35.5 per cent. In the plantations group, rubber plantations and coffee plantations showed increases of 30.4 and 24.8 per cent, respectively. Cement, and iron and steel groups improved, respectively, by 20.1 and 13.8 per cent. In the cement group, apart from the satisfactory results produced by the leading companies, sentiment was also favourably influenced by the decontrol of cement and the price increases allowed to the manufacturers. Similarly the iron and steel group was favourably influenced by the increase of Rs. 8 per tonne in the prices of iron and steel granted with effect from February 16, 1967. A few major sub-groups, however, showed declines over the year, notable among them being jute textiles which dropped by 9.6 per cent, reflecting mainly the fall in production of jute goods due to shortage of raw jute. The coal group fell by 8.3 per cent on continued slackness in demand. Sugar and cotton textiles declined by 1.8 per cent each. In sugar, the sentiment was affected by increased costs and the anticipated decline in production of sugar. The decline in cotton textiles was attributed to rising costs of production and accumulation of stocks with mills.

As regards fixed-interest-yeilding industrial securities, the easiness noticed in these during the last two years continued during 1966-67. The all-India Index of Preference shares (*base:*

1961-62 = 100) declined from 90.9 at the close of March 1966 to 88.6 at the close of March 1967—a fall of 2.5 per cent as compared with a fall of 9.5 per cent in 1965-66 and of 0.7 per cent in 1964-65. The Index for Debentures also moved down from 93.1 at the end of 1965-66 to 91.8 at the end of 1966-67, showing a net decline of 1.4 per cent as compared with a decline of 2.0 per cent during 1965-66 and 0.6 per cent during 1964-65.

During the year, the average yield (gross) on variable dividend industrial securities declined from 8.22 per cent to 7.64 per cent while that on preference shares rose from 9.24 per cent to 9.62 per cent and that on debentures* from 7.69 per cent to 7.98 per cent.

In the sphere of regulatory measures, an important development during the year was the decision taken by the Bombay Stock Exchange authorities to suspend for nine months—October 1966-June 1967—the system of 'Interim Margins.' It may be noted that under the system of 'Interim Margins,' margins come into operation whenever (i) the market price touches a level of 10 per cent above or below the making-up price fixed for the previous clearing, (ii) the market price touches a level of 15 per cent above or below the making-up price fixed for the clearing preceding the previous clearing and (iii) the market price touches a level of 5 per cent above or below the last interim making-up price when such interim making-up price has been fixed.

Another important development was the promulgation by the Government of India, on September 22, 1966, of an Ordinance, (since replaced by an Act) amending certain provisions of the Companies Act, 1956, relating to restrictions on the currency of blank transfers of shares, with a view to removing certain difficulties experienced in implementing these provisions. (For details please see pages 95-96.)

Capital Issues

New issue activity continued at a low ebb during 1966-67. Fresh capital issues through prospectus and rights showed a further substantial decline during the year. There was, however, an unprecedented rise in bonus issues consequent on the abolition of the 12½ per cent bonus issue tax on companies and of the notional capital gains tax on bonus shares in the hands of the shareholders announced in the 1966-67 Budget.

Capital issues through prospectus were lower during 1966 as compared with the previous year on account of substantial declines in fixed-income yielding securities *viz.*, preference shares and debentures. In contrast to last year, equity capital issued showed a significant increase with its proportionate share in the total also showing a rise. The net amount offered to the public in 1966, as compared with 1965, was larger in the case of equity issues though it was lower if the preference and debenture issues are also taken into account. The share of promoters as well as foreign collaborators in the total capital issued was also larger during the year. The rate of dividend offered on preference share issues generally ranged between 9.3 per cent and 9.5 per cent, a majority of the issues carrying 9.5 per cent rate and some even 10 per cent. Most of the debenture issues also carried a higher interest coupon of 7¾ per cent as against 7 per cent for the majority of the issues in 1965. As in 1965, a majority of the issues in 1966 were also underwritten in view of the prevailing uncertainty of public response.

The public response to the issues continued to be unsatisfactory with a majority of the issues remaining under-subscribed. In the result, a large proportion of the underwritten amount had to be taken up by the underwriters themselves. There was, however, discriminating support by the investing public in respect of certain selected issues and one prospectus issue, though made at a high premium, was heavily over-subscribed.

Total consents (including bonus and miscellaneous issues) for the issue of capital by non-Government companies† amounted to Rs. 277.5 crores during 1966 as compared with Rs. 166.5 crores in 1965. This increase

* Redemption Yield.

† Total consents given to Government companies during 1966 amounted to Rs. 181.7 crores as against Rs. 109.3 crores in 1965 ; their share in total consents remained constant at 39.6 per cent.

was entirely on account of bonus issues which alone increased from Rs. 4.9 crores in 1965 to Rs. 147.0 crores in 1966. Consents for the issue of capital through shares and debentures, however, showed a continued decline for the fourth consecutive year and aggregated only Rs. 66.0 crores in 1966 as against Rs. 86.3 crores in 1965. Of the total consents for the issue of shares and debentures, Rs. 24.8 crores were for 'initial' issues by new companies and Rs. 41.2 crores for 'further' issues by existing companies. Consents for 'miscellaneous' issues also showed a decline from Rs. 75.3 crores in 1965 to Rs. 64.5 crores in 1966.

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 was substantially lower during the year with all the three types of securities accounting for the decline. Capital raised through equities declined from Rs. 68.1 crores in 1965 to Rs. 49.3 crores in 1966 and through preference shares and debentures from Rs. 10.8 crores and Rs. 21.6 crores, respectively, to Rs. 7.3 crores and Rs. 15.3 crores. Capital raised through the issue of bonus shares, however, showed a phenomenal rise from Rs. 6.1 crores in 1965 to Rs. 83.3 crores in 1966, while that through miscellaneous 'loans' rose from Rs. 16.6 crores to Rs. 18.4 crores. The table below shows the total capital consents and capital raised by non-Government companies during the three years 1964 to 1966.

Table 1. Capital Consents and Capital Raised by Non-Government Companies

(Rs. crores)

Year	Capital Consents				Capital Raised			
	Total consents	Shares (other than bonus) & debentures	Bonus shares	Miscellaneous loans etc.	Total	Shares (other than bonus) & debentures	Bonus shares	Miscellaneous loan etc.
	1	2	3	4	5	6	7	8
1964 ..	224.8	138.9	4.1	81.8	106.5	94.8	2.4	9.3
1965 ..	166.5	86.3	4.9	75.3	123.1	100.4	6.1	16.6
1966 ..	277.5	66.0	147.0	64.5	173.6	71.9	83.3	18.4

In an effort to encourage private industrial investment and to revive the capital market, the Government, during the year, embarked on a progressive liberalisation of controls. Important relaxations were announced in industrial licensing policy whereby between May and November 1966, a large number of industries were completely exempted from the licensing provisions of the Industries (Development and Regulation) Act, 1951, relating to establishment of new units, manufacture of new articles and substantial expansion of new units. A wide range of industries were also permitted to diversify production and manufacture new articles provided no additional plant or machinery was installed and no additional foreign exchange and allocations of scarce materials were required. These units could also step up output upto 25 per cent beyond the licensing capacity without prior approval of the licensing authority. Tax reliefs were also provided to industries which had imported plant and equipment on deferred payment or against foreign loans prior to the devaluation of the rupee (June 6, 1966), by allowing them to write up the capital costs of the imported plant and machinery for the purpose of depreciation.

Besides the above liberalisation in industrial licensing policy, substantial relaxations were also announced in respect of Capital Issues Control. Effective from November 4, 1966, private limited companies, Government companies not making any public issue of capital and banking and insurance companies

have been exempted from the operation of the Control altogether. These companies no longer require the prior sanction of the Controller of Capital Issues for making an issue of capital. Even non-financial non-Government public limited companies, so long as they conform to certain prescribed norms, particularly pertaining to debt-equity ratio, public participation and issue of capital at a premium, need merely inform the authorities of their intention to raise capital for which a 'no objection' certificate will be issued. Control on bonus issues has, however, been retained.

Special Financial Institutions Providing Industrial Finance

The stagnation in the Indian economy noticed during the year was reflected in the operations of the special term-lending institutions, as the demand for financial assistance by the private industrial sector was on a considerably reduced scale as compared with the preceding year. Aggregate financial assistance sanctioned by the Industrial Development Bank of India (IDBI), the Industrial Finance Corporation of India (IFC), the Industrial Credit and Investment Corporation of India (ICICI), the State Financial Corporations (SFCs) and the State Industrial Development Corporations (SIDCs) was considerably lower at Rs. 126.7 crores as compared with Rs. 169.3 crores in the previous year (Table 2). Both loans and underwriting assistance sanctioned declined substantially. Total disbursements, however, rose from Rs. 107.1 crores in 1965-66 to Rs. 123.7 crores in 1966-67. The devaluation of the rupee in June 1966 resulted in higher capital and operating costs both in respect of projects which had been sanctioned assistance as well as projects pending consideration consequent on the increased cost of imports of capital goods, raw materials, spares and components. The financial institutions as well as the industrial units concerned were, therefore, faced with the task of making necessary adjustments in the proposed capital expenditures and in the pattern of financing. The IDBI, as the apex institution co-ordinating the activities of other term-financing institutions, took steps during the year to increase the facilities for financial assistance by liberalising its scheme relating to the rediscounting of bills. The Unit Trust of India (UTI) as well as the Life Insurance Corporation of India (LIC) made available larger funds to the private corporate sector through their investment and underwriting operations. The small-scale industries continued to receive special attention from the various institutions specially catering to their needs for encouraging their growth and development. The Credit Guarantee Scheme for small-scale industries was considerably liberalised during the year, while the definition of small-scale industries was itself revised to cover all industrial units with capital investment upto Rs. 7½ lakhs in order to enable a larger number of units to benefit from the Scheme.

Industrial Development Bank of India: The operations of the Industrial Development Bank of India comprise (1) direct assistance to industrial concerns in the form of loans, subscribing to or underwriting of issues of shares and debentures and issue of guarantees for loans and deferred payments arrangements either on its own or in participation with other institutions and (2) assistance to specified financial institutions by subscribing to their shares and bonds and refinancing of loans granted by them to industrial concerns. The Bank also rediscounts bills/promissory notes arising out of sales of indigenous machinery on deferred payment basis. Table 3 summarises the operations of the IDBI during the years 1965-66 and 1966-67.

Total effective financial assistance (excluding guarantees) sanctioned by the IDBI was slightly lower at Rs. 71.6 crores in 1966-67 as against Rs. 73.4 crores in 1965-66. There was an increase of Rs. 10.5 crores in assistance in the form of refinance, subscriptions to shares and bonds of financial institutions and rediscounting of bills, while direct assistance by way of loans to industrial units and also underwriting of shares and debentures showed a marked decline of Rs. 12.3 crores, reflecting the impact of the slowing down in industrial activity during the year. The bulk of direct financial assistance was sanctioned to new projects and covered a wide range of industries both traditional and non-traditional, such as cotton textiles, paper and pulp, cement, petro-chemicals, alloy and special steels, fer-

Table 2. Assistance Sanctioned and Disbursed by Financial Institutions to the Industrial Sector during 1966-67 and 1965-66

(Rs. crores)

	Loans				Underwriting & Direct Subscriptions To Shares & Debentures				Total assistance			
	1966-67		1965-66@@		1966-67		1965-66		1966-67		1965-66@@	
	Sanctioned	Disbursed	Sanctioned	Disbursed	Sanctioned	Disbursed	Sanctioned	Disbursed	Sanctioned	Disbursed	Sanctioned	Disbursed
I,D.B.I.	55.4*	43.4*	56.3*	32.5*	2.8	6.4	10.5	2.8	58.2	49.8	66.8	35.3
I.F.C. ..	24.2@ (9.7)	27.8** (8.6)	40.1@ (6.5)	23.0** (4.9)	2.6	3.4	5.8	4.1	26.8@ (9.7)	31.2** (8.6)	45.9@ (6.5)	27.1** (4.9)
I.C.I.C.I.	12.0@ (6.3)	18.1 (12.9)	23.9 (17.8)	22.3 (18.0)	6.2	4.4	5.7	3.0	18.1@ (6.3)	22.6 (12.9)	29.6 (17.8)	25.3 (18.0)
S.F.Cs.	20.2	17.6**	23.4	16.1**	1.5	0.6	1.9	1.9	21.7	18.2**	25.3	18.0
S.I.D.Cs.†	1.3	1.3	0.3	0.3	0.6	0.6	1.4	1.1	1.9	1.9	1.7	1.4
Total ..	**113.1 (16.0)**	**108.2 (21.5)**	**144.0 (24.3)**	**94.2 (22.9)**	**13.7**	**15.4**	**25.3**	**12.9**	**126.7 (16.0)**	**123.7 (21.5)**	**169.3 (24.3)**	**107.1 (22.9)**
U.T.I.†	—	—	—	—	5.2	3.0	2.2	1.8	5.2	3.0	2.2	1.8
L.I.C.			15.3	1.8			9.6	7.9			24.9	9.7
Grand Total	**113.1 (16.0)**	**108.2 (21.5)**	**159.3 (24.3)**	**96.0 (22.9)**	**18.9**	**18.4**	**37.1**	**22.6**	**131.9 (16.0)**	**126.7 (21.5)**	**196.4 (24.3)**	**118.6 (22.9)**

*Comprising refinance to banks, direct loans and rediscounts. To avoid double counting, refinance extended to SFCs has been excluded throughout as this is already covered under their loans. No refinance was availed of by IFC and ICICI during the period. Refinance to commercial banks and co-operative banks has, however, been included.

@@ Foreign currency loans converted at post-devaluation value. @ Excludes guarantee assistance.

** Including disbursements on account of guarantees.

† Data for 1966-67 are provisional.

Figures in brackets relate to foreign currency loans.

Table 3. Summary of Operations of the I.D.B.I.

(Amount in crores of rupees)

	April 1966—March 1967				April 1965—March 1966			
	Assistance Sanctioned		Assistance Disbursed	Assistance outstanding as on March 31, 1967	Assistance Sanctioned		Assistance Disbursed	Assistance outstanding as on March 31, 1966
	No. of applications	Amount	Amount	Amount	No. of applications	Amount	Amount	Amount
1. Refinance	175	24.04	18.48	70.91††	163	22.84	25.01	62.59††
2. Direct loans to Industrial Units	27	31.91	25.09	35.33	17	36.41	10.24	10.24
3. Underwriting of shares, debentures and convertible notes	12	2.76	6.45	9.43	28	10.51	2.80	2.98
4. Subscription to shares and bonds of financial Institutions	10	7.09	7.09†	10.18*	8	1.84	1.84	3.09*
5. Rediscounting of Bills** ..	8‡	5.81	5.81	6.91	5‡	1.79	1.79	1.78
Total of 1 to 5 ..	232	71.61	62.92	132.76	221	73.39	41.68	80.68
6. Guarantee for loans and deferred payments@	2	10.34	—	—	3	11.26	—	—
Total	**234**	**81.95**	**62.92**	**132.76**	**224**	**84.65**	**41.68**	**80.68**

†† Including outstanding refinance assistance sanctioned by the Refinance Corporation for Industry up to the end of August 1964.

† Includes Rs. 5 crores subscription to special debentures of ICICI.

* Excluding purchase of shares of the IFC of Rs. 4.17 crores in terms of Section 4A of the IFC Act, as amended, but inclusive of Rs. 5 crores of special debentures of the ICICI for 1966-67.

** Assistance disbursed has been taken as assistance sanctioned.

@ At post-devaluation value. ‡ Refers to number of banks.

tilisers, etc. The number of industrial concerns assisted declined during the year to 33 from 38 in 1965-66. Total disbursements rose appreciably by Rs. 21.2 crores mainly under direct loan commitments. The amount disbursed by way of refinance assistance, however, declined during the year. Direct assistance outstanding as on March 31, 1967 amounted to Rs. 44.8 crores as against Rs. 13.2 crores a year before. Aggregate effective sanctions and disbursements of direct assistance (excluding guarantees) since the inception of the IDBI in July 1964 amounted to Rs. 84.9 crores and Rs. 44.8 crores, respectively.

The lending rate of the IDBI continued to be 8 per cent with a penalty charge of ½ per cent for default. In addition, a commitment charge of 1 per cent was also levied on the undrawn amount of the loan from the date of coming into force of the loan documents. This rate could be reduced to ½ per cent for periods exceeding twelve months in cases where the drawal period extends to more than eighteen months.

Under the IDBI's scheme of participation in loans and guarantees along with other financial institutions as a measure of risk-sharing and as supplement to its refinance operations, the Bank sanctioned Rs. 5.7 crores by way of loans to five industrial concerns, the extent of participation ranging between 56 and 80 per cent of the total assistance ; the amount disbursed was Rs. 2.6 crores.

The Scheme for rediscounting of bills arising out of sales of indigenous machinery on deferred payments basis introduced in April 1965 covering cotton textiles, silk and art silk, jute, cement, sugar, agricultural implements and paper machinery manufacturing industries was extended from November 15, 1966, to cover *all* machine-making industries.

In order that assistance through bills rediscounted should go to medium-sized industries only, arrangements involving rediscounting of bills for more than Rs. 25 lakhs relating to any single purchaser over a year require prior clearance from the IDBI. At the same time, in order to extend the benefit of the Scheme to a larger segment of small purchasers, the minimum amount of a transaction covering a set of bills representing deferred payments sales was reduced from Rs. 1 lakh to Rs. 50,000 generally, and to Rs. 15,000 in the case of agricultural implements. The procedures in respect of rediscounting were also simplified. During 1966-67, eight eligible financial institutions rediscounted bills for Rs. 5.8 crores as compared with five institutions for Rs. 1.8 crores during 1965-66. Since the inception of the Scheme in April 1965, bills for Rs. 7.6 crores were rediscounted, of which a sum of Rs. 6.9 crores was outstanding at the end of March 1967.

During the year, 175 applications for refinance of industrial loans and export credits for Rs. 24.0 crores were sanctioned as against 163 applications for Rs. 22.8 crores in 1965-66. Industry-wise, the units assisted covered both traditional and non-traditional industries. The traditional industries, mainly textiles and sugar, accounted for roughly 37 per cent of the refinance sanctioned during 1966-67, but disbursement of refinance amounted to Rs. 18.5 crores as against Rs. 25.0 crores during 1965-66. The outstanding refinance assistance, at the end of March 1967, amounted to Rs. 70.9 crores. As regards refinancing of export credits, 4 applications for Rs. 47 lakhs were sanctioned during the year under review while disbursements amounted to Rs. 41 lakhs. Assistance outstanding at the end of March 1967 stood at Rs. 43 lakhs. The concessional rate for refinancing of export credits continued to be 4½ per cent provided the banks charge to the borrower not more than 6 per cent ; the rate charged is 5 per cent in other cases.

Under the Scheme for the guarantee of loans to private sector coal industry which is administered by the IDBI on behalf of the Central Government, 5 applications for advances aggregating Rs. 22 lakhs were received from two credit institutions during 1966-67 and five guarantees for Rs. 24 lakhs were issued. Between April 1963 (when the Scheme was first introduced) and March 1967, 61 guarantee applications for advances aggregating Rs. 5.7 crores were received from 11 credit institutions, of which 52 guarantees for Rs. 4 crores were issued.

The Bank continued to provide assistance to financial institutions through subscriptions to their share and bond issues. During the year, it subscribed a sum of Rs. 1.7 crores to the bonds of nine State Financial Corporations and Rs. 40 lakhs to the share capital of the Madras Industrial Investment Corporation Ltd. (MIIC) and the Maharashtra State Financial Corporation. In addition, the Bank took up the special debentures for Rs. 5 crores issued by the Industrial Credit and Investment Corporation of India (ICICI).

Industrial Finance Corporation of India : The total financial assistance sanctioned* (net) by the Industrial Finance Corporation during 1966-67 (April-March) was substantially lower at Rs. 30.1 crores as compared with Rs. 48.4 crores in 1965-66. The financial assistance during the year comprised rupee loans of Rs. 14.5 crores, foreign currency loans of Rs. 9.7 crores, underwriting of share capital and debenture issues to the extent of Rs. 2.6 crores and deferred payment guarantees of Rs. 3.3 crores. Total financial assistance outstanding as at the end of March 1967 was Rs. 153.7 crores.

As regards loan assistance, the Corporation sanctioned 66 loans in rupee and foreign currency for an aggregate amount of Rs. 24.2 crores as against 100 loans for Rs. 40.1 crores in the previous year. Disbursements however, were, higher at Rs. 27.8 crores (comprising Rs. 19.2 crores in rupee loans and Rs. 8.6 crores in foreign currency loans) as against Rs. 23.0 crores in 1965-66 (Rs. 18.1 crores in rupee loans and Rs. 4.9 crores@ in foreign currency loans). The loan assistance approved related to the setting up of new units, expansion, diversification into new lines of production and renovation of existing units and also for meeting increased capital cost of existing schemes.

The rate of interest charged by the Corporation on rupee loans and foreign currency loans continued to be $8\frac{1}{2}$ per cent and 9 per cent, respectively, subject to the usual rebate of $\frac{1}{2}$ per cent for punctual repayment of instalments of principal and interest.

Assistance in the form of underwriting and direct subscription to shares and debentures sanctioned by the Corporation during 1966-67 was lower (Rs. 2.6 crores) than in the previous year (Rs. 5.8 crores). Disbursements amounted to Rs. 3.4 crores in 1966-67 as against Rs. 4.1 crores in 1965-66. During the year under review, the Corporation approved underwriting support for 14 equity issues for Rs. 1.4 crores, 6 preference share issues for Rs. 0.2 crore and 4 debenture issues for Rs. 0.9 crore. The actual underwriting operations completed during the year aggregated Rs. 2.9 crores in respect of 28 issues, made up of Rs. 1.5 crores of equity shares, Rs. 0.5 crore of preference shares and Rs. 1.1 crores of debentures. Of these, the amount that devolved on the Corporation amounted to Rs. 2.8 crores (comprising Rs. 1.2 crores of equity, Rs. 0.5 crore of preference shares and Rs. 1.1 crores of debentures), representing 96.6 per cent of the amount underwritten. Since its inception, out of a total of Rs. 18.6 crores underwritten by the Corporation in respect of 119 issues and placed in the market, as much as Rs. 15.5 crores or 83.3 per cent devolved on the Corporation.

The Corporation continued to provide special financial assistance to industrial co-operatives. The total net assistance sanctioned to these co-operatives (58) as on March 31, 1967 aggregated Rs. 43.2 crores, of which as much as Rs. 41.0 crores was in favour of 53 sugar co-operatives. The total loan outstanding as on March 31, 1967 in respect of the co-operatives aggregated Rs. 26.7 crores.

To replenish its resources, the Corporation issued twelve-year bonds for Rs. 6.0 crores in September 1966. The bonds carried interest at $5\frac{1}{2}$ per cent and were issued at 98 per cent. The issue was fully subscribed. As on March 31, 1967, the total outstanding bonds of the Corporation amounted to Rs. 39.6 crores and the outstanding borrowings from the Central Government were Rs. 67.7 crores. The Agency for International Development (AID) of the U.S.A. had already given three loans

* Including guarantee assistance.
@ Rs. 3.1 crores at pre-devaluation value.

aggregating $ 40 million. The Kreditanstalt fur Wiederaufbau (Reconstruction Loan Corporation) of West Germany has, so far, sanctioned four loans for DM 75 million and an agreement for a further loan of DM 10 million was signed in February 1967.

Industrial Credit and Investment Corporation of India Ltd: Total financial assistance sanctioned (net) by the Industrial Credit and Investment Corporation of India declined from Rs. 29.6 crores in 1965-66 to Rs. 19.1 crores in 1966-67. A major part of the fall in sanctions was in foreign currency loans which declined from Rs. 17.8 crores@ in 1965-66 to Rs. 6.3 crores in 1966-67. Of the total assistance sanctioned, rupee assistance in the form of loans and guarantees, underwriting and direct subscription to shares and debentures amounted to Rs. 12.8 crores, while assistance in foreign currency loans accounted for the balance of Rs. 6.3 crores. The amount disbursed including disbursement in foreign currencies amounted to Rs. 22.6 crores in 1966-67 as compared with Rs. 25.3 crores in 1965-66.

The Corporation completed 32 underwriting operations during 1966 involving Rs. 4.3 crores against which it was called upon to take up securities worth Rs. 3.6 crores in fulfilment of its underwriting obligations. Of Rs. 30.6 crores sanctioned by way of underwriting assistance upto the end of 1966, the Corporation completed 123 operations for Rs. 27.2 crores against which it was called upon to take up securities worth Rs. 15.3 crores. Assistance sanctioned and disbursed by way of underwriting and direct subscription to shares and debentures in 1966-67 was higher at Rs. 6.2 crores and Rs. 4.4 crores respectively as compared with Rs. 5.7 crores and Rs. 3.0 crores in 1965-66.

The resources of the Corporation were augmented during the year by strengthening its share capital (by Rs. 78 lakhs) and by resorting to further borrowings (Rs. 5 crores) from the IDBI. Additional credits in foreign currencies were also obtained for an equivalent of Rs. 3.8 crores. As at the end of December 1966, its outstanding borrowings from the Government of India aggregated Rs. 32.5 crores and from the IDBI Rs. 3 crores. The Corporation received resources in foreign currencies to the extent of Rs. 119 crores comprising six lines of credit for $139.1 million (Rs. 104.4 crores) from the World Bank, five lines of credit aggregating DM 60 million (Rs. 11.3 crores) from the Kreditanstalt fur Wiederaufbau and $4.5 million (Rs .3.4 crores) from the U.S. AID.

The Corporation's income from interest, dividend, underwriting commission and other sources amounted to Rs. 6.4 crores as compared with Rs. 4.1 crores in 1965. The increase was due partly to an increase in the rupee equivalent of interest on foreign currency loans consequent on devaluation. Profits before tax were higher at Rs. 2.4 crores as against Rs. 1.6 crores in 1965. After providing for Rs. 1.1 crores towards taxation, an amount of Rs. 1.3 crores was carried over to the appropriation account. The Corporation paid a higher dividend of 9 per cent on the increased share capital as against 8 per cent in the preceding year.

State Financial Corporations :* Consequent upon the reorganisation of the Punjab State, the Government of India approved a scheme under Section 69(4) of the Punjab Reorganisation Act for the reorganisation of the Punjab Financial Corporation and the establishment of three separate financial Corporations, one each for the State of Haryana, the Union territory of Himachal Pradesh and the Union Territories of Delhi and Chandigarh. In terms of the provision of the scheme, the reorganisation of the Punjab Financial Corporation and the establishment of the three new Corporations took effect from April 1, 1967. A proposal is under consideration to extend the jurisdiction of the West Bengal State Financial Corporation to serve the needs of industries in the Union territories of Andaman and Nicobar Islands.

Total loans sanctioned by the State Financial Corporations were lower at Rs. 20.2 crores in 1966-67 as compared with Rs. 23.4 crores in 1965-66. While a majority of the Corporations either reduced their loan assist-

@ At post-devaluation value of exchange ; at pre-devaluation rates Rs. 11·3 crores.
* Including the Madras Industrial Investment Corporation Ltd.

ance or increased the same marginally, the Maharashtra State Financial Corporation alone increased its loan assistance substantially. Disbursements, however, were higher at Rs. 17.6 crores in 1966-67 as against Rs. 16.1 crores in 1965-66. The aggregate loans and advances outstanding as at the end of March 1967 amounted to Rs. 71.4 crores or Rs. 11.5 crores higher than a year before.

Apart from granting assistance in the form of long-term mortgage loans to small and medium-sized industrial concerns, the SFCs have entered new fields of operation such as underwriting of shares issued by industrial concerns, guaranteeing of deferred payments for the supply of indigenous capital goods, etc. Nine Corporations (including the MIIC) have already started underwriting of shares of industrial concerns. The investments of SFCs in shares taken up by them in fulfilment of their underwriting obligations (including direct subscriptions by the MIIC), as on March 31, 1967 amounted to Rs. 8.6 crores. The bulk of such investments (Rs. 7.1 crores) was held by the MIIC. As on March 31, 1967, the Andhra Pradesh and Mysore SFCs also had investments in debentures of industrial concerns amounting to Rs. 31 lakhs. Underwriting assistance and direct subscription to shares and debentures sanctioned in 1966-67 and 1965-66 amounted to Rs. 1.5 crores and Rs. 1.9 crores, respectively, while disbursements amounted to Rs. 60 lakhs and Rs. 1.9 crores in the respective years.

The MIIC and the Andhra Pradesh and Mysore SFCs have taken up the business of guaranteeing deferred payments due from industrial concerns in respect of their purchase of capital goods within India. As on March 31, 1967, the outstandings of such guarantees issued by the Andhra Pradesh and Mysore Corporations aggregated Rs. 42 lakhs and Rs. 6 lakhs, respectively. The outstanding amount of guarantees given by the MIIC to machinery suppliers and counter-guarantees to banks amounted to Rs. 4.3 crores and Rs. 3.7 crores, respectively, as on March 31, 1967.

During 1966-67, three Corporations raised their paid-up capital. As on March 31, 1967, the total paid-up capital of all the 15 Corporations (including the MIIC) stood at Rs. 17.8 crores and their total reserves at Rs. 2.2 crores.

The rates of interest charged by most of the SFCs remained unchanged and ranged between $8\frac{1}{2}$ per cent and $9\frac{1}{2}$ per cent. Three SFCs, *viz.* Andhra Pradesh, Rajasthan and Jammu and Kashmir raised their rates by $\frac{1}{2}$ per cent during the year to 9-$9\frac{1}{2}$ per cent.

Nine SFCs (*viz.*, Andhra Pradesh, Gujarat, Kerala, Madhya Pradesh, MIIC, Maharashtra, Mysore, Orissa and Uttar Pradesh) replenished their resources during the year through the issue of bonds for a total sum of Rs. 8.5 crores. The total amount of bonds issued by fourteen Corporations and outstanding as on March 31, 1967 amounted to Rs. 41.9 crores. The amount of deposits with seven of these Corporations aggregated Rs. 13.8 crores, of which the MIIC accounted for Rs. 11.8 crores.

In terms of Section 7(2)(b) of SFC's Act, under which SFCs can borrow from the Reserve Bank against Government securities for periods upto eighteen months, the Reserve Bank sanctioned borrowing limits to six SFCs for Rs. 3.5 crores during 1966-67. The Bank also sanctioned limits totalling Rs. 2.1 crores to nine SFCs for borrowing for period upto 90 days against Government securities. As on March 31, 1967, total outstandings in respect of these borrowings amounted to Rs. 1.8 crores. Some of the SFCs replenished their resources by resorting to the refinance facilities from the IDBI. The total refinance availed of by twelve SFCs (including MIIC) and outstanding as on March 31, 1967 amounted to Rs. 13.9 crores.

Nine out of the fifteen Corporations are acting as agents of their respective State Governments, (viz., Andhra Pradesh, Assam, Gujarat, Kerala, Maharashtra, Orissa, Punjab, Rajasthan and Uttar Pradesh) for routing concessional finance to small-scale industries under the State Aid to Industries Act or Rules. As on March 31, 1967, the loans disbursed by the Corporations under these arrangements amounted to Rs. 4.5 crores.

State Industrial Development Corporations : In order to accelerate the pace of industrial

development in their respective States, some of the States have, since 1960, taken steps to establish State-owned Industrial Development Corporations. Of the eleven States now having such Corporations, Andhra Pradesh and Bihar were the first to set up the Corporations (in 1960) followed by Uttar Pradesh and Kerala (in 1961), Maharashtra, Gujarat and Orissa (in 1962), Mysore (in 1964), Madras and Madhya Pradesh (in 1965) and Punjab (in 1966). These Corporations have been set up under the Companies Act of 1956, with the exception of the Maharashtra and Gujarat State Corporations which have been incorporated under special statutes of the State Legislatures. The general administration of the Corporations is vested in the Board of Directors nominated by the State Governments concerned. In the case of the Maharashtra and Gujarat State Corporations, however, some of the directors are nominated by statutory bodies like the State Electricity Boards and the State Housing Boards as well. Proposals for establishing State Industrial Development Corporations in Rajasthan, West Bengal and Jammu and Kashmir are under consideration.

The main functions of the Corporations are the promotion, improvement and development of industries in the States and, for efficiently carrying out these functions, the Corporations have been empowered to plan, formulate and execute any industrial undertaking, project or enterprise which is likely to accelerate industrial development. The Corporations are authorised to grant financial assistance to industrial concerns in the form of direct investment, loans, extension of guarantee for loans and deferred payment, underwriting and subscriptions, to the issue of shares, bonds and debentures. In addition to these general functions, the Corporations in Maharashtra and Gujarat have been empowered to undertake special activities like establishing and managing industrial estates, development of industrial areas, generation, transmission and sale of electricity, etc.

The entire share capital of the SIDCs has been subscribed by the State Governments with the exception of the Maharashtra and Gujarat Corporations. In the case of the latter, the State Governments provide grants and subscriptions and loans and advances whenever the need arises. The funds of the Corporations could be augmented by the issue of bonds and debentures in the open market and by obtaining grants, subscriptions, loans and advances, deposits etc. from Central and State Governments, banks and other financial institutions or individuals.

Of the eleven Corporations so far established, five Corporations (*viz.*, Andhra Pradesh, Bihar, U.P., Kerala and Orissa) have extended financial assistance in the form of loans to industrial units, underwriting and direct subscription to shares and debentures as well as guarantee assistance. In the field of underwriting and direct subscription to shares and debentures, the Andhra Pradesh State Industrial Corporation has taken the lead. Direct loan assistance sanctioned as well as disbursed by the Corporations in 1966-67 amounted to Rs. 1.3 crores as against Rs. 30 lakhs in 1965-66. Assistance in the form of underwriting and direct subscription to shares and debentures sanctioned as well as disbursed amounted to Rs. 60 lakhs each in 1966-67 as against Rs. 1.4 crores and Rs. 1.1 crores respectively in 1965-66.

National Industrial Development Corporation Ltd.: Since February 1963, the Corporation does not entertain new applications for loans for the purpose of modernisation and expansion of cotton and jute textile mills and machine tool industries. However, the amount disbursed to industrial concerns in these industries upto March 31, 1967 against the loans sanctioned earlier aggregated Rs. 17.8 crores.

During the year 1966-67, the Technological Consultancy Bureau of the Corporation rendered consultancy services worth about Rs. 29 lakhs. The Bureau undertook a number of important engineering assignments and a number of pre-investment studies and project reports for a variety of industries were prepared.

Unit Trust of India: The sale of units by the Unit Trust of India, which had slowed down during the year ended June 30, 1966 registered an improvement in the third year of its operations which commenced on July 1,

1966. During the year ended June 30, 1967, units sold amounted to Rs. 9.2 crores, (under 41,543 applications) as compared with Rs. 2.2 crores (under 10,024 applications) during the preceding year. Under the Trust's 'Reinvestment Plan' which provides the existing unit holders with the facility of automatic reinvestment of the income distribution due on the units held by them in further units, 4,063 unit holders availed of this facility for an aggregate value of Rs. 9 lakhs. Repurchases during the year amounted to Rs. 2.0 crores. The net amount of units outstanding as at the end of June 1967 was Rs. 27.0 crores, the aggregate number of applications being over 1,69,000.

The total investments of the Trust as on March 31, 1967 aggregated Rs. 29.8 crores, of which ordinary shares of corporate enterprises accounted for Rs. 13.4 crores (44.8 per cent), preference shares for Rs. 3.6 crores (12.1 per cent), debentures for Rs. 12.1 crores (40.7 per cent) and bonds of financial corporations and electricity boards for Rs. 72 lakhs (2.4 per cent).

Besides, the Trust continued to provide underwriting facilities for new issues and offered firm commitments to invest upto the amounts underwritten, apart from subscribing directly to new issues and 'rights' issues. Such assistance sanctioned and disbursed in 1966-67 (April-March) amounted to Rs. 5.2 crores and Rs. 3.0 crores, respectively, as against Rs. 2.2 crores and Rs. 1.8 crores in 1965-66.

Action was initiated by the Trust during the year to formulate a Savings-cum-Insurance Plan. At the request of the Trust, the Reserve Bank of India appointed, in June 1966, a Working Group on Savings-cum-Insurance Plans, comprising representatives of the Reserve Bank of India, the Unit Trust of India, the Life Insurance Corporation of India and the Posts and Telegraphs Boards and the Government of India, for the formulation of a suitable plan. The Working Group has since completed the work and submitted its Report to the Reserve Bank of India.

The gross income of the Trust during the year ended June 30, 1967 amounted to Rs. 2.5 crores as against Rs. 1.8 crores in the preceding year. After allocation to the initial capital, the gross income allocated to the unit capital worked out to Rs. 2.1 crores. After deducting Rs. 11 lakhs from the gross income allocated to the unit capital towards the Trust's expenses, the balance was available for distribution to the shareholders. The Trustees have decided to distribute 70 paise per unit, the balance being carried forward.

Tea Garden Finance : The Tea Board continued to assist the development of the tea industry through its various schemes of financial and other assistance for new plantations, installation of irrigation facilities, modernisation of tea factories, rehabilitation of tea growers, etc. The amount of financial assistance sanctioned and disbursed upto February 1967 by the Board under its various schemes of assistance is given below :

(Amounts in crores of rupees)

Schemes of assistance	Assistance sanctioned		Assistance disbursed	
	No. of applications	Amount	No. of applications	Amount
(i) Tea Plantation Finance Scheme ..	135	5.7	108	2.3*
(ii) Tea Machinery Hire Purchase Scheme ..	289	4.0	—	2.7
(iii) Irrigation Equipment Hire Purchase Scheme	57	0.7	—	0.4

* Represents disbursement of instalments against loan agreements/mortgage deeds.

In addition, the Board paid Rs. 49 lakhs as loans and subsidies upto the end of February 1967 under the Madras Government's Scheme for the setting up of co-operative tea factories in the Nilgiris.

Financing of Small Industries

The small-scale industrial sector continued to receive special attention from the State Bank of India and its subsidiaries and the other specialised agencies set up to meet their financial requirements. Under the Government of India's Credit Guarantee Scheme for small-scale industries, which is being administered by the Reserve Bank of India as the Guarantee Organisation, 17,803

applications for guarantee for an aggregate amount of Rs. 73.0 crores were received during 1966-67 as against 13,255 applications for Rs. 55.8 crores in 1965-66. Actual guarantees issued also rose during the year from 12,427 to 14,544 in terms of number and from Rs. 47.9 crores to Rs. 53.1 crores in terms of the amount issued. The bulk of the applications continued to be received from the State Bank of India, while other specified credit institutions were also progressively availing themselves of the guarantee facility in respect of their advances to small-scale industries.

During the year, 10 claims were paid on invocation of guarantees, the amount involved being Rs. 0.6 lakh which was substantially lower than that paid in the preceding year (Rs. 3.4 lakhs). Guarantees outstanding at the end of March 1967 amounted to Rs. 63.1 crores as against Rs. 49.7 crores at the end of March 1966.

Following a review of the working of the Scheme, several liberalisations have been introduced with effect from August 1, 1966, with the approval of the Union Government. The more important of these are: (*i*) the list of credit institutions eligible for seeking guarantee facility under the Scheme was expanded to include all Central Co-operative Banks and specified non-scheduled banks. The number of eligible credit institutions has, as a result, increased from 97 to 452, (*ii*) the extent of guarantee cover was enhanced and the maximum amount of loss recoverable from the Guarantee Organisation against a guarantee in respect of any one advance was raised from Rs. 1 lakh to Rs. 2 lakhs, (*iii*) the maximum period for which guarantee could be issued for term advances was increased from 7 years to 10 years, (*iv*) the credit institutions were allowed the option to seek guarantee for term advances for one or more years or the full period of the advance (subject to a maximum period of 10 years) with the facility of paying fees annually on the basis of the amount outstanding at the commencement of each successive year of the period of guarantee instead of on the amount originally guaranteed.

Hitherto, only those industrial units whose investments of a capital nature (*i.e.* investment in land, building and plant and machinery including the capitalised value of rented premises, if any, but excluding the amount spent on housing and amenities for workers) did not exceed Rs. 5 lakhs were treated as small-scale industries eligible for the facilities under the Scheme. To provide a wider coverage to the Scheme, the definition of 'small-scale industries' was revised so as to include all industrial undertakings having investment in plant and machinery only of a value not exceeding Rs. 7½ lakhs. The revised definition came into force with effect from March 1, 1967.

Role of the State Bank and its Subsidiaries in Financing Small-Scale Industries : The State Bank of India and its subsidiaries continued to assist small industrial units under their various schemes of assistance, the total number of units assisted and the total amount of assistance sanctioned during the year being 3,189 and Rs. 22.8 crores as against 4,004 and Rs. 22.9 crores in 1965-66. Of the total assistance of Rs. 22.8 crores, loans for working capital amounted to Rs. 20.3 crores in respect of 2,747 units, the figures for medium term loans being Rs. 1.2 crores and for instalment eredit Rs. 1.3 crores. The amount of assistance outstanding as at end-March 1967 on account of working capital requirements was Rs. 44.8 crores, the corresponding figures for medium-term loans and instalment credit being Rs. 1.9 crores and Rs. 2.4 crores, respectively.

In addition to the above schemes, the State Bank also extended financial assistance to industrial co-operatives, the limits as on March 31, 1967 to 90 co-operatives amounting to Rs. 1.1 crores, of which Rs. 80 lakhs were outstanding.

With a view to enabling small-scale industrial units to execute orders received from Government and quasi-Government bodies, the State Bank and the National Small Industries Corporation (NSIC) have been operating a Credit Guarantee Scheme since January 1959. Under this Scheme, the NSIC guarantees the margin of 30 per cent, and the State Bank grants advances upto 100 per cent of the value of raw materials

Table 4.

(Amounts in rupees crores)

Schemes of Assistance	1966-67		1965-66	
	State Bank	Subsidiaries	State Bank	Subsidiaries
1. Working Capital Limits				
(including demand and usance bills limits)				
No. of units assisted	1,827	920	2,954	513
Amount sanctioned	15.4	4.9	16.6	3.5
Amount outstanding as at the end of the year ..	36.4	8.4	27.9	6.4
2. Medium-term Credit				
No. of units assisted	110	2	127	2
Amount sanctioned	1.1	0.09	1.2	0.02
Amount outstanding as at the end of the year ..	1.8	0.09	1.3	0.06
3. Instalment Credit				
No. of units assisted	292	38	370	38
Amount sanctioned	1.1	0.23	1.5	0.12
Amount outstanding as at the end of the year ..	2.1	0.27	1.7	0.14

pledged by the small units. The number of units assisted and the amount of credit sanctioned stood at 54 and Rs. 26 lakhs upto the end of March 1965. From March 1, 1965, the scope of this scheme was extended to cover the financial needs of small units at all stages of production *i.e.* from the stage of procurement of raw materials to the realisation of the relative supply bills. Under this enlarged scheme, which is known as Scheme No. 2 and which came into operation on March 1, 1965, the NSIC, the State Bank and the Guarantee Organisation (administering the Government of India's Credit Guarantee Scheme for small-scale industries) share the losses in the proportion of 30 per cent, 20 per cent and 50 per cent, respectively, subject to certain specified upper limits. The limits sanctioned by the State Bank under Scheme No. 2 amounted to Rs. 11 lakhs in respect of 22 units as on March 31, 1967. The schemes of the NSIC do not apply to the subsidiaries of the Bank.

National Small Industries Corporation: The NSIC continued to render assistance to small-scale industries by supplying machines on hire-purchase basis and securing orders for their products from Government Departments and Railways. During 1965-66, it supplied on hire-purchase basis imported machines valued at Rs. 2.6 crores which was Rs. 1 crore lower than the value of machines supplied in the preceding year due partly to shortage of foreign exchange and partly to the restricted shipment facilities resulting from the Indo-Pakistan conflict. There was, however, an increase in the quantum of orders secured by the Corporation for the small-scale units for their products. The orders secured during 1965-66 from D. G. S. & D. were for Rs. 22.8 crores as compared with Rs. 17.3 crores in the preceding year. Besides, the Railways, Post & Telegraphs Department and the Civil Armament Directorate placed orders valued at Rs. 2 crores with small industrial concerns during the year.

Company Legislation

Reference was made in the last year's report to the Companies (Amendment) Act, 1965 which made certain changes in the

Companies Act of 1956 and the provisions of which, with the exception of Sections 13 and 46, were brought into force with effect from October 15, 1965. Section 13 of the Amendment Act, which amends Section 108 of the Companies Act, 1956 by restricting the period of currency of blank transfers of shares was brought into force on April 1, 1966, after the completion of the necessary procedural formalities in regard to the finalisation of the form of instrument of transfer of shares etc. Soon thereafter, apprehensions arose as to whether the new provisions would in effect completely prohibit the system of blank transfer of shares or merely place restrictions on the period of currency of the same. In order to remove this doubt, it was considered necessary to clarify that the intention was only to place a restriction on the currency of, and not to prohibit, blank transfer of shares. Such an amendment was considered necessary to ensure the smooth working of the stock exchanges as well as the capital market as doubts had arisen regarding the interpretation of the 1965 Amendment relating to blank transfers. Also, some of the recommendations of the Vivian Bose Commission of Enquiry in respect of exemptions from the restrictions on the period of currency of blank transfers were not implemented at the time when Section 108 of the Companies Act was amended by the Amendment Act of 1965. Since the stock exchanges and the capital market were directly affected, legislative action became imperative and, as Parliament was not in session, the Companies (Amendment) Ordinance 1966, was promulgated by the President on September 21, 1966. The ordinance sought to clarify the doubts referred to earlier and to enlarge the scope of exemptions, etc. A Bill, called the Companies (Second Amendment) Bill, 1966, to replace the Ordinance was introduced in the *Lok Sabha* on November 7, 1966 and was passed by both Houses of Parliament. The Bill received the President's assent on December 5, 1966 and became an Act known as Companies (Second Amendment) Act, 1966.

Section 46 of the Amendment Act of 1965 imposed certain restrictions on inter-company loans by amending Section 370 of the Companies Act and bringing it in line with the restrictions on inter-company investments under Section 372. It was, however, noticed that while loans given by financial institutions, insurance companies etc. were exempted from the restriction placed by this amendment, similar treatment was not accorded in respect of guarantees given and securities provided by such institutions and companies. As this would have acted as a serious hindrance to their normal functioning, it was decided to afford similar exemption to guarantees given and securities provided by such institutions and companies. With this end in view, the Companies (Second Amendment) Bill, 1965 seeking to amend Section 370 of the Companies Act was introduced in the *Lok Sabha* on November 22, 1965. The Bill was passed by both Houses of Parliament and received the President's assent on December 3, 1966. Section 46 of the Companies (Amendment) Act of 1965, and the Companies (Amendment) Act, 1966 were brought into force from April 1, 1967.

Report of the Managing Agency Enquiry Committee

An important development relating to the corporate sector was the submission, by the Managing Agency Enquiry Committee, of its report to the Government of India on March 17, 1966. It may be recalled that the Committee was appointed on June 4, 1965 under the Chairmanship of Dr. I. G. Patel to enquire into and report on the desirability of applying the provisions of sub-section (2) of Section 324 of the Companies Act, 1956 to companies engaged in established industries or any other industry or business as may be deemed necessary by the Committee. Section 324 of the Companies Act confers powers on the Government to abolish managing agencies in respect of any class of industry or business. Since the term 'established industry' was a relative term, the Committee, on the basis of the period of establishment and the degree of growth, selected five industries for its enquiry *viz.* cement, cotton textiles, paper, sugar and jute textiles. After going into the *pros* and *cons* of the managing agencies in these five industries, the Committee came to the general conclusion that discouragement of the managing agency system was a desirable measure of long-term reform. However, in view of the

difficult economic conditions prevailing in the country, particularly the sluggishness in the capital market, the Committee recommended that this policy of discouragement should be pursued with caution. By and large, the Committee favoured the discontinuance of the managing agency system in companies in the sugar, cotton textiles and cement industries after giving these companies a reasonable transitional period for the change-over from the managing agency system. The Committee did not recommend the termination of the managing agency in the jute textiles and paper and pulp industries. This was, however, without prejudice to the consideration that, where circumstances in a particular unit justify, the managing agency should be discontinued and that, as a matter of long-term policy, the Government should encourage existing units to switch over to alternative forms of management. The Government of India, after having considered the Committee's findings and recommendations and all other relevant factors, have taken a decision to abolish the managing agency form of management in companies in all of the five industries *viz.* sugar, cotton textiles, cement, jute textiles and paper and pulp. A policy statement embodying this decision of the Government was made by the Law Minister in the Lok Sabha on September 3, 1966.

CHAPTER V : BUDGETS AND PUBLIC DEBT

UNION GOVERNMENT BUDGET

The budgetary operations of the Union Government during 1966-67—the first year of the Fourth Plan—resulted in an overall deficit (revised) of as much as Rs. 350* crores as compared with the originally budgeted deficit of Rs. 32 crores and a deficit of Rs. 173 crores in 1965-66. The deficit would have been larger but for certain economy measures which resulted in a saving of Rs. 91 crores. The deficit of Rs. 32 crores originally envisaged in the budget was expected to result from (i) a surplus of Rs. 304 crores in revenue account, (ii) a deficit of Rs. 334 crores in capital account and (iii) a deficit of Rs. 2 crores under miscellaneous account. These estimates, however, did not materialise due to unavoidable increases in expenditure at a time when the generally sluggish conditions in the economy led to lower revenue collections. According to revised estimates, the surplus on revenue account is smaller at Rs. 174 crores than the original estimate of Rs. 304 crores due mainly to an increase of Rs. 112 crores in civil and defence expenditure. At the same time the deficit on capital account is larger at Rs. 541 crores than originally budgeted (Rs. 334 crores) and this is due largely to the additional assistance to some State Governments to clear their unauthorised overdrafts (Rs. 108 crores) with the Reserve Bank and the subsidies borne by the Centre for sale of foodgrains and fertilizers (Rs. 179 crores). These larger disbursements are, to some extent, offset by additional receipts under Special Development Fund (Rs. 95 crores) on account of increase in the drawals of PL 480 loans and larger receipts of foreign food and other aids. However, according to the latest revisions for 1966-67 in the final budget, the deficit is placed lower at Rs. 313 crores. The improvement of Rs. 37 crores was mainly brought about by savings under various heads of expenditure (particularly the savings in foodgrain transactions and under capital expenditure on railways) and better tax receipts.

A notable feature of the budget for 1967-68 is that it seeks to limit the outlays of the Central Government strictly to the resources which can be mobilised in a non-inflationary manner. The estimated budgetary operations and the tax proposals have, therefore, been drawn up essentially to balance the budget. With a view to preventing the States from running unauthorised overdrafts with the Reserve Bank which had the effect of widening the gap between resources and outlays of the Centre, it has been decided that in case unauthorised overdrafts persisted beyond the stipulated period, the Bank would issue a notice to the concerned State Government calling upon it to take steps to eliminate such overdrafts within a period of three weeks, failing which, it would be open to the Bank to take the necessary measures. In order to enable the States to avoid, to some extent, recourse to overdrafts in the year 1967-68, additional assistance to the States has also been provided in the budget.

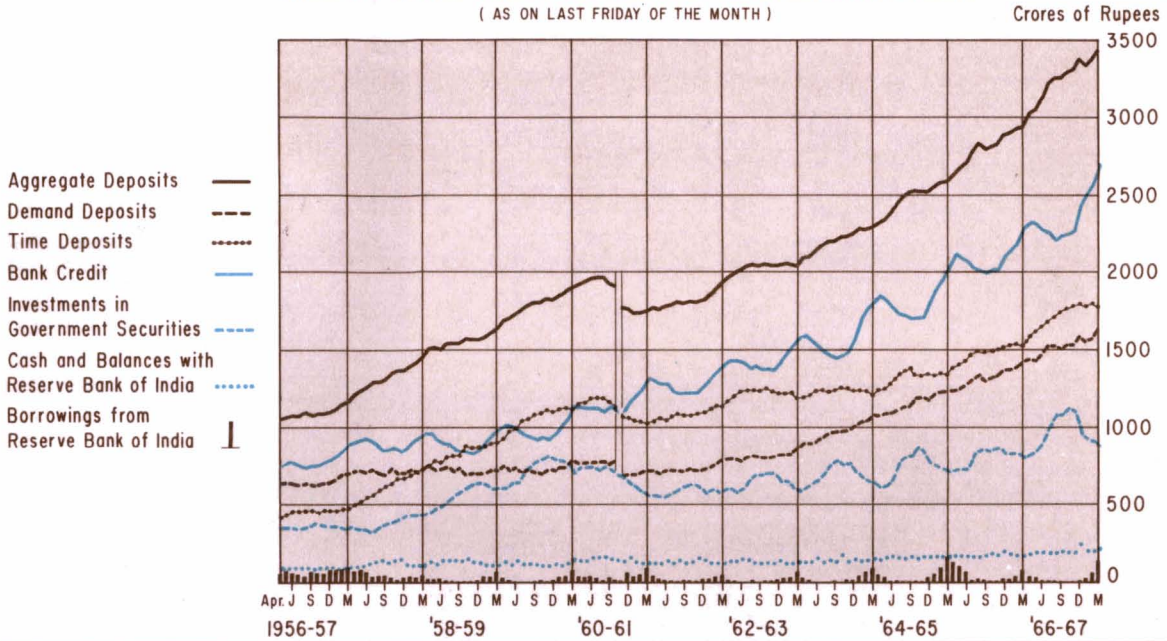
The budget for 1967-68 is, as noted earlier, essentially a balanced one. The expenditure of the Central Government during 1967-68 is marked up by Rs. 143 crores on revenue account ; on capital account, however, the expenditure is pruned down by about Rs. 529 crores. In the aggregate, expenditure is expected to be lower by Rs. 386 crores (without adjusting for purely book-keeping items). As against this, revenue receipts, including the effect of new taxes, are expected to show a rise of Rs. 282 crores, while capital receipts would show a short-fall of Rs. 307 crores, mainly under Special Development Fund. While the revenue account for 1967-68 would show a surplus of Rs. 314 crores, the capital account is expected to result in a deficit of Rs. 318 crores. After taking into account a surplus of Rs. 5 crores on miscellaneous transactions, there will be a nominal overall surplus of less than Rs. 1 crore.

* According to the *interim* budget presented on March 20, 1967.

GRAPH 9

LIABILITIES AND ASSETS OF SCHEDULED COMMERCIAL BANKS

(AS ON LAST FRIDAY OF THE MONTH)

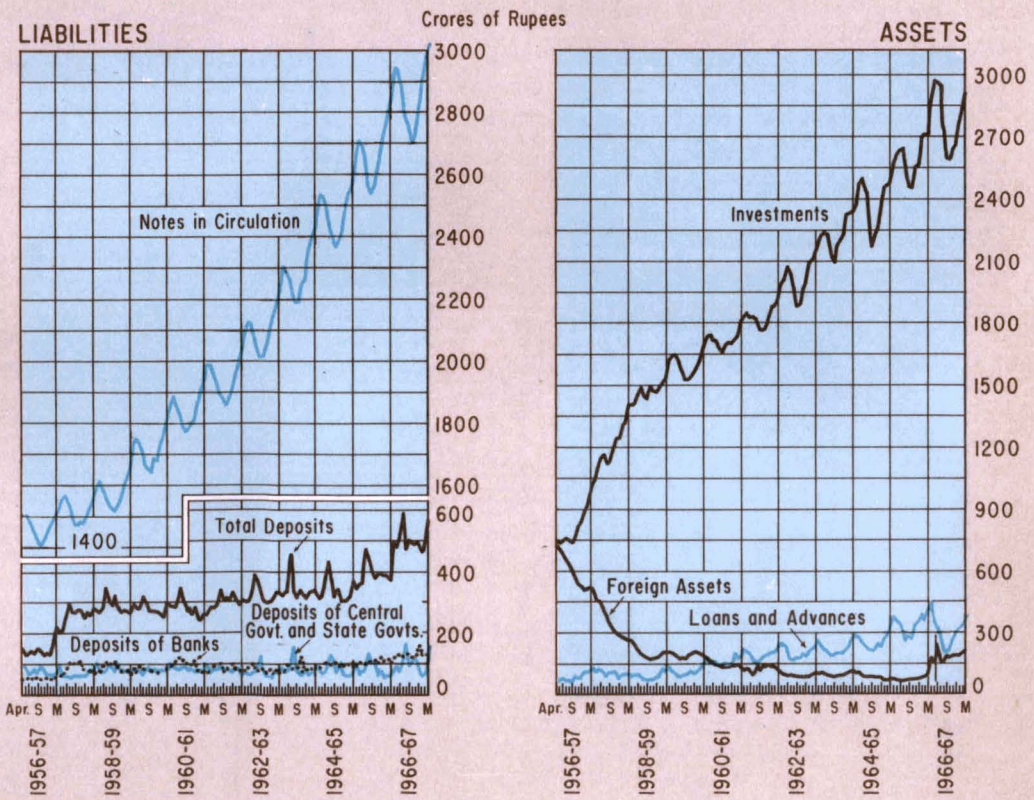


GRAPH 10

LIABILITIES AND ASSETS OF THE RESERVE BANK OF INDIA

ISSUE AND BANKING DEPARTMENTS COMBINED

(AS ON LAST FRIDAY OF THE MONTH)

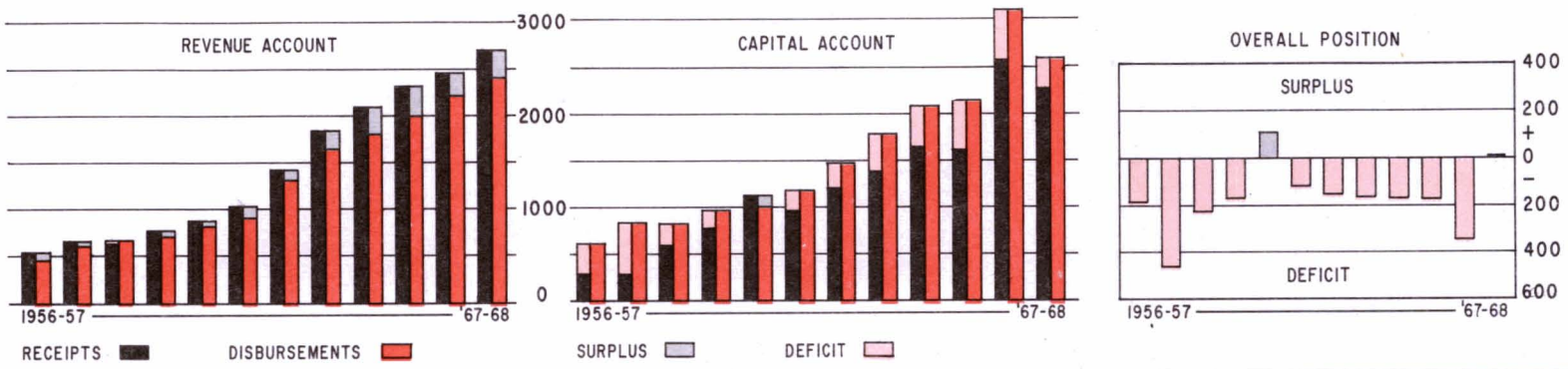


GRAPH II

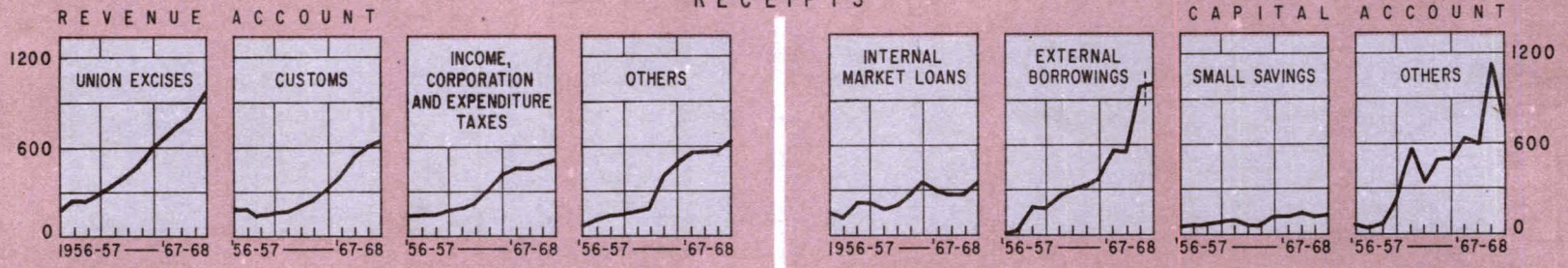
FINANCES OF THE GOVERNMENT OF INDIA

1956-57 —— 1967-68

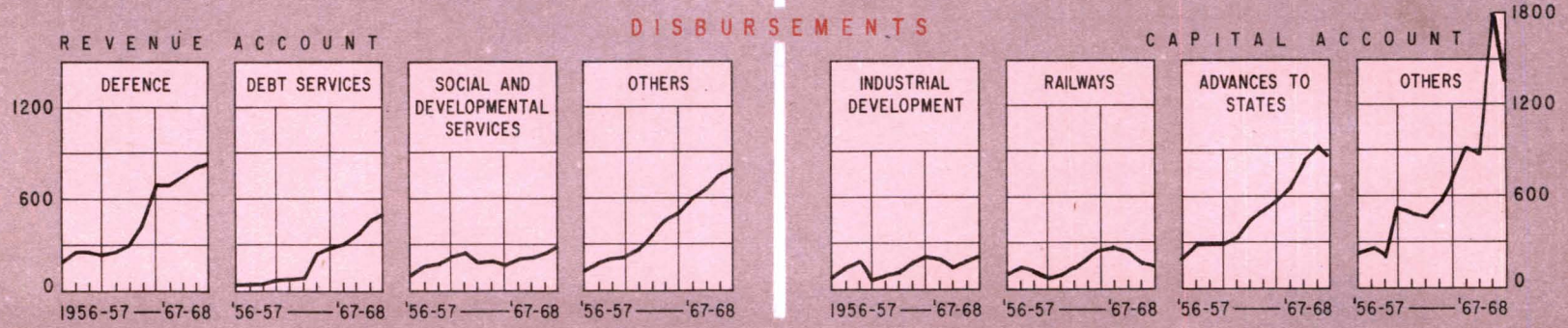
(CRORES OF RUPEES)



RECEIPTS



DISBURSEMENTS



Budgetary Outlays

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

A larger provision for defence expenditure (Rs. 798 crores) was made in the revenue account of 1966-67 (B.E.) as compared with the actuals (Rs. 762 crores) in 1965-66. In the revised estimates, defence expenditure has been placed higher at Rs. 827 crores, the increase being due mainly to enhanced dearness allowances and higher rupee cost of imported stores following the devaluation of the Rupee. In the budget for 1967-68 an amount of Rs. 842 crores has been provided—an increase of Rs. 15 crores as against an increase of Rs. 65 crores in 1966-67. Defence outlay on capital account did not show much variation, although as between budget and revised estimates for 1966-67, there was a fall of Rs. 6 crores to Rs. 115 crores. Total defence expenditure on revenue and capital accounts combined, rose from Rs. 942 crores in 1966-67 (R.E.) to Rs. 963 crores in 1967-68 (B.E.).

Expenditure on civil heads, which stood at Rs. 1,239 crores in 1965-66, showed a steep rise to Rs. 1,455 crores in 1966-67 (R.E.) and is estimated to go up to Rs. 1,583 crores in 1967-68 (B.E.), accounting for 65 per cent of the total revenue expenditure. The revised estimate of civil expenditure for 1966-67 was higher by Rs. 83 crores, than the budget estimate of Rs. 1,372 crores ; of this increase, more than half (Rs. 48 crores) was accounted for by increased debt service charges on account of foreign debt following the devaluation, and larger issue of Treasury bills than anticipated.

The anticipated increase of Rs. 128 crores in civil expenditure during 1967-68 is the result of increased expenditure on account of grants to States and Union Territory Governments (Rs. 51 crores), debt services (Rs. 47 crores) and social and developmental services (Rs. 48 crores), partly offset by a decline under other heads (Rs. 13 crores). The grants to States and Union Territories for 1967-68 have been enhanced in order to finance Centrally-aided Plan schemes and agricultural programmes. The increase of Rs. 47 crores in expenditure under 'debt services' in 1967-68 is on account of larger borrowings, both internal and external, anticipated in the budget. The rise in expenditure of Rs. 48 crores under social and developmental services is due to increased provisions for education, scientific research, public health, etc.

Total disbursements on capital account of the Centre increased by about 46 per cent from Rs. 2,125 crores in 1965-66 to Rs. 3,097 crores in 1966-67 (R.E.). Direct capital outlays increased from Rs. 696 crores in 1965-66 to Rs. 1,077 crores in 1966-67. The revised estimate of Rs. 1,077 crores was higher by Rs. 450 crores than the budget estimate for 1966-67. Of the increase of Rs. 450 crores, development outlays accounted for Rs. 12 crores mainly due to larger payments under Indus Water Treaty and grants for forest development. But the non-development expenditure has shown a more significant rise of Rs. 438 crores in the revised estimates for 1966-67. Of this, an increase of about Rs. 207 crores was on account of additional rupee subscriptions to IMF, IBRD, IDA and ADB because of the devaluation of the rupee. The purchase and sale of foodgrains and fertilizers accounted for a net expenditure of Rs. 158 crores and Rs. 67 crores, respectively, as against a net receipt of Rs. 10 crores expected in the budget. Among other capital disbursements, repayment of external loans at Rs. 168 crores showed a rise of Rs. 48 crores, due to higher rupee equivalent of the repayments in foreign currency consequent on devaluation.

Central assistance to States in the form of loans and advances for meeting the expenditure on plan schemes and natural calamities and for tiding over ways and means difficulties has gone up from Rs. 659 crores in the budget estimates to Rs. 916 crores in the revised estimates for 1966-67. Of the increase of Rs. 257 crores, Rs. 141 crores was for additional plan and scarcity relief assistance to States. The main items of increase in respect of plan assistance are minor irrigation (Rs. 10 crores), rural electrification (Rs. 17 crores), major irrigation (Rs. 35 crores), purchase of debentures of land mortgage banks (Rs. 9 crores) and establishment of consumer co-

Table 1. Disbursements (By Main Heads)

(Crores of Rupees)

	1965-66	1966-67		1967-68
	(Accts.)	(B.E.)	(R.E.)	(B.E.)
	1	2	3	4
Total Revenue Expenditure	**2,001**	**2,170**	**2,282**	**2,425**
I. Defence (Net)	762	798	827	842
II. Civil	1,239	1,372	1,455	1,583
Of which :				
Civil Administration	95	110	123	124
Debt Services	371	415	463	510
Social and Developmental Services	215	231	236	284
Emergency Risks Insurance	16	7	9	3
Grants to States	324	396	402	453
All others	218	213	222	209
Total Capital Disbursements	**2,125**	**2,207**	**3,097**	**2,568**
I. Capital Outlays*	696	627	1,077	784
Developmental	585	527	539	553
Non-Developmental	111	100	538	231
Of which Defence	123	121	115	121
Transfer of Development Assistance from U.S.A.	80	325	350	150
II. Loans and Advances to States@	829	666	921	840
III. Other Loans and Advances	274	263	383	332
IV. All Others	326	651	716	612

* Excluding the notional adjustment on account of transfer of P.L. 480 loans to Special Development Fund.
@ Figures based on Final budget documents have been used for analysis.

operatives (Rs. 5 crores). The additional scarcity relief assistance to States amounted to Rs. 40 crores. Out of the balance, a rise of Rs. 108 crores was on account of sanctioning of *ad hoc* loans of Rs. 53 crores to States which were running overdrafts with the Reserve Bank and the provision of another Rs. 55 crores in the revised estimates for clearing further such overdrafts. Loans and advances to parties other than States and Union Territories, mostly Government companies (granted to meet the shortfall in their internal resources, working capital requirements and increased cost of imports following devaluation), have risen by Rs. 120 crores over the budget anticipations. Part of the increase is due to larger loans (Rs. 14 crores) to the Industrial Finance Corporation, and technical credit (Rs. 20 crores) to U.A.R. and East European countries.

The capital disbursements during 1967-68 at Rs. 2,568 crores will be lower by about Rs. 529 crores compared with Rs. 3,097 crores in the revised estimates for 1966-67. Direct capital outlays at Rs. 784 crores will be lower by about Rs. 293 crores, the whole of which is under non-development expenditure. The developmental capital outlay at Rs. 553 crores is higher by Rs. 14 crores mainly due to larger provision for multi-purpose river schemes and industrial projects particularly for Bokaro Steel Plant. Under non-developmental heads, smaller provision

(Rs. 159 crores) is made for net expenditure on purchase and sale of foodgrains and fertilizers as against Rs. 225 crores in 1966-67 (R.E.). Similarly provision made under currency and mint is only Rs. 20 crores for 1967-68 as against the revised figure of Rs. 220 crores. This is because of the absence of any provision for additional subscriptions to IMF, IBRD, etc. which was necessitated last year by devaluation.

Loans and advances to States have been pruned down by Rs. 88 crores to Rs. 828 crores in 1967-68. The decrease in 1967-68 is mainly the net result of (1) reduced provision (Rs. 137 crores) for natural calamities and miscellaneous development purposes following lesser Central assistance provisionally allocated for the Plan and (2) an increase in the allocation (Rs. 48 crores) chiefly for agricultural programmes and rural electrification. Provision for "other loans and advances" (mainly to Government companies, corporations and financial institutions) is also lower (Rs. 332 crores) as compared with Rs. 383 crores in 1966-67 (R.E.). However, a larger provision of Rs. 450 crores has been made for discharge of internal and external loans as against Rs. 353 crores in 1966-67 (R.E.).

Resources transferred from the Centre to the States by way of share in tax collections and duties and grants (met from revenue as well as capital accounts) and loans have been rising in recent years. In the original budget for 1966-67, such assistance was placed at Rs. 1,419 crores which has been increased to Rs. 1,708 crores in the revised estimates. For 1967-68 the budgeted figure for such assistance to States has, however, been placed lower at Rs. 1,645 crores—a decline of Rs. 63 crores over the revised estimates for 1966-67. While the loan assistance will be smaller by Rs. 88 crores, grants will be larger by Rs. 28 crores.

Resources

Revised Estimates for 1966-67: The revised estimates for 1966-67 showed a fall in revenue receipts of Rs. 17 crores to Rs. 2,457 crores from Rs. 2,474 crores anticipated in the original estimates for that year (Table 2). Of this decline, Rs. 7 crores were under tax revenue and Rs. 10 crores under non-tax revenue.

The decline of Rs. 7 crores in tax revenue to Rs. 1,929 crores in 1966-67 (R.E.) resulted from the general sluggish conditions in the economy. The collections under income and corporation taxes are now expected to amount to Rs. 280 crores and Rs. 345 crores, respectively, against the budget estimates of Rs. 293 crores and Rs. 372 crores. After adjusting for the States' share of revenue from income-tax, the amount retained by the Centre at Rs. 143 crores would be lower by Rs. 19 crores than anticipated in the budget (Rs. 162 crores).

In contrast, the collections under customs at Rs. 596 crores (revised) show an impressive rise of Rs. 36 crores. This increase was more than accounted for by export duties, the collections under which amounted to Rs. 120 crores (against the budget estimates of a mere Rs. 2 crores) on account of fresh export duties levied (on jute manufactures, tea, de-oiled groundnut meal, mica, hides, skins and leather, manganese ore, iron ore, etc.) following the devaluation of the Rupee in June 1966 in order to mop up the adventitious gains accruing to exporters through higher rupee realisations on sales abroad. But this higher yield from export duties was largely offset by decline in net import duty collections from the budget estimate of Rs. 555 crores to Rs. 473 crores in the revised estimates. The increase in the rupee cost of imports following devaluation led to an automatic rise in *ad valorem* import duties. The rates of duties on most of the imports were, therefore, appropriately scaled down with effect from June 6, 1966 ; the duty on crude petroleum and the regulatory duty of 10 per cent *ad valorem* on all imports were completely withdrawn. Added to these, the fall in the volume of dutiable imports during 1966-67 also contributed to the decline in these collections.

The gross collections under Union excise duties at Rs. 1,030 crores in the revised estimates show an increase of Rs. 20 crores over the budget estimates as a result of the various changes made in the rates of duty as also due

Table 2. Resources (By Main Groups)

(Crores of Rupees)

	1965-66	1966-67		1967-68
	(Accts.)	(B.E.)	(R.E.)	(B.E.)
	1	2	3	4
Total Revenue Receipts	**2,320**	**2,474**	**2,457**	**2,739**
Tax Revenue	1,785	1,935	1,929	2,161
Of which :				
1. Income-tax	148	162	143	158
2. Corporation Tax	305	372	345	350
3. Customs	539	560	596	643
4. Union Excise	752	798	799	963
Non-Tax Revenue	536	539	528	578
Of which :				
1. Debt Services	308	361	372	409
2. Net Contribution of Public Undertakings	79	91	88	98
3. Administrative Receipts	41	45	45	48
4. P. L. 480 Grants	61	24	5	6
Total Capital Receipts	**1,608**	**1,873**	**2,557**	**2,250**
1. Market Borrowings				
Internal (Gross)	279	280	275	350
External (Gross)	562	785	992	1,015
2. Investment of U.S. Government Counterpart Funds (Net)	133	—119	— 27	135
3. Small Savings (Net)	151	135	125	130
4. Prize Bonds	— 18	— 2	— 1	— 3
5. All Others*	501	794	1,193	623

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

to growth in production and clearance of commodities. But owing to the increase in States' share, the amount retained by the Centre at Rs. 799 crores shows a nominal rise of only Rs. 1 crore over the budget estimates.

Non-tax revenue in 1966-67 (R.E.) dropped by Rs. 11 crores to Rs. 528 crores, a decline in net contributions of public undertakings (Rs. 3 crores) and in P.L. 480 grants (Rs. 19 crores) being offset by an increase, largely arrears, in interest receipts (Rs. 11 crores).

In contrast to the decline in revenue receipts (Rs. 17 crores), capital receipts for 1966-67 (R.E.) show a large rise (Rs. 684 crores) to Rs. 2,557 crores from Rs. 1,873 crores anticipated in the budget estimates. The major heads accounting for this increase were external loans (Rs. 207 crores), special floating loans (Rs. 347 crores), the U.S. Government counterpart funds (Rs. 92 crores) and Special Development Fund (Rs. 95 crores). External loans which were placed at Rs. 785 crores in the budget are now expected to go

up to Rs. 992 crores, the increase of Rs. 207 crores being mainly on account of the changes in the par value of the Rupee. As regards P.L. 480 counterpart funds which are invested in special non-negotiable securities of the Government of India, a net disinvestment of Rs. 119 crores was expected under this item in the 1966-67 budget. However, in the revised estimates the disinvestment is placed lower at Rs. 26.74 crores, due mainly to larger accretion of P.L. 480 deposits consequent on the devaluation of the Rupee. The item 'special floating loans' includes special securities, issued in payment of India's subscription to the IMF, IBRD and IDA. Consequent on the devaluation of the rupee, the subscriptions to these organisations, made in the form of rupee securities, had to be written up at the post-devaluation exchange rate. Accordingly, the revised estimates assume a credit for Rs. 207 crores representing the value of further securities issued to IMF (Rs. 173.87 crores), IDA (Rs. 9.94 crores), IBRD (Rs. 19.79 crores) and ADB (Rs. 3.49 crores). In addition, securities worth Rs. 142.50 crores were issued to IMF on account of payment in respect of rupee holdings arising out of outstanding drawals and for service and other charges. These increases are, however, balanced on the expenditure side by a contra debit towards additional subscriptions to these foreign institutions. The addition of Rs. 95 crores to Special Development Fund is due partly to accretion to the new fund constituted this year for funding the food and other aid for scarcity relief and rural development, and partly to larger drawal of P.L. 480 loans. As against the above increases, collections under income-tax annuity deposits are now expected to decline by Rs. 13 crores, small savings by Rs. 10 crores, and the railway funds and the posts and telegraphs funds by Rs. 27 crores and Rs. 16 crores, respectively.

Budget Estimates for 1967-68 : The total revenue resources for 1967-68 at Rs. 2,739 crores show an improvement of Rs. 282 crores over 1966-67 (R.E.). Tax revenue, including the yield from additional taxation of Rs. 67.71 crores, is expected to improve by Rs. 232 crores and non-tax revenue by Rs. 50 crores.

Among the tax heads, customs revenue at Rs. 643 crores is expected to show a rise of Rs. 47 crores over the revised estimates for 1966-67, reflecting the net effect of revisions in export duties as also the larger dutiable exports and imports anticipated. Union excise duties are also placed higher by Rs. 164 crores at Rs. 963 crores. Of this increase, as much as Rs. 116 crores is expected to result from changes in duties on cigarettes, rayon and synthetic fibre and yarn, cotton yarn, motor spirit, aluminium, etc. Credit is also taken for larger collections on account of higher production and clearance of petroleum products, iron and steel products, etc. Receipts from corporation and income taxes together are expected to go up by only Rs. 20 crores to Rs. 508 crores consequent on inadequate growth of industrial production, particularly in agro-based industries. Under non-tax heads, interest receipts will be higher by Rs. 37 crores due to the growing volume of loans granted by the Central Government. The profits of the Reserve Bank accruing to Government would also be higher (by Rs. 10 crores) resulting in a larger net contribution by public undertakings of Rs. 98 crores as against Rs. 88 crores in 1966-67 (R.E.).

Total capital receipts in 1967-68, at Rs. 2,250 crores would be smaller than the revised estimates for 1966-67 by Rs. 307 crores. The decline is mainly due to the lower net accretion to the Special Development Fund (Rs. 176 crores in 1967-68 as against Rs. 432 crores in 1966-67) and the much smaller credit taken under special floating loans. The declines under these heads are partially offset by expected increases in repayments by State Governments (Rs. 68 crores), investment of U.S. Government counterpart funds (Rs. 135 crores), internal borrowings (Rs. 75 crores), external loans (Rs. 23 crores) and small savings (Rs. 5 crores).

The financial effects of the various changes proposed in the tax structure during 1967-68 (for details see Appendix II) are summarised in Table 3.

Changes proposed in direct taxes are intended either to give marginal reliefs in deserving cases or to contribute to larger revenues by stimulating economic activity as

Table 3. Tax Proposals

(Crores of Rupees)

Tax Proposals	Estimated Additional Revenue (+) or Loss (—)
I. **Direct**	
Income and Corporation taxes ..	— 5.00*
II. **Indirect**	
Union Excise	+78.63
Customs	—10.92
Total of II	+67.71
III. Grand Total	+67.71†

* The concessions in income and corporation taxes are expected to result in a revenue loss of Rs. 5 crores. However, no debit is taken for this, as better tax collection is expected to make up for this loss.

† The concessions in direct and indirect taxes announced by the Finance Minister on July 24, 1967 are expected to result in a revenue loss of Rs. 11.5 crores in the current year.

also savings. In the field of personal taxation a number of selective, though minor, concessions have been made. The more important of these are : (1) grant of allowance for maintenance of dependent parents or grand parents; (2) increase in the exemption limit for levy of surcharge on unearned income from Rs. 15,000 to Rs. 30,000; (3) exemption of dividend income upto Rs. 500 received from Indian companies by those whose total income from this source does not exceed Rs. 500 a year from levy of tax; (4) increase in the limit of amount of approved savings which qualify for tax relief, from the present 25 per cent of total income to 30 per cent; the monetary limit in this regard is raised from Rs. 12,500 to Rs. 15,000 for individuals and from Rs. 25,000 to Rs. 30,000 for Hindu undivided families ; (5) exemption from taxable income of 50 per cent of the income received from foreign sources by visiting professors, scientists, etc. for the first three years and (6) reduction in the age from 70 years to 60 for the purpose of exemption from making Income-tax Annuity Deposits and the removal of the penal tax in case of shortfalls in deposits upto Rs. 100 or upto 10 per cent of the deposits required to be made, whichever is higher. Besides, the budget provides for partial deductions in the computation of income in respect of educational allowances to foreigners resident in India for the full time education of their dependent children abroad.

The more important of the selective concessions made in corporate taxation are as follows : (1) The income limit in respect of small and medium-scale but widely-held domestic companies for concessional rate of tax has been doubled from the present Rs. 25,000 to Rs. 50,000. (2) As a tourist promotion measure, the priority industry treatment is extended to approved hotels run by Indian companies. Some other relaxations like higher initial depreciation allowance on hotel buildings constructed after March 1967 are also made in favour of this industry. (3) In order to extend the benefits of the 'tax holiday' concession adequately to undertakings in respect of which profitability is usually low in initial years, the unabsorbed benefits of 'tax holiday' relating to the assessment year 1967-68 are allowed to be carried forward for eight years from the commencement of the business. (4) Certain features of the tax laws which inhibit the desirable amalgamation of uneconomic company units, by attracting certain liabilities on such amalgamation, are proposed to be removed. (5) In order to supplement the State Governments' efforts at resettlement of displaced persons from East Pakistan and repatriates from Burma, Ceylon and certain East African countries, the Central Government will permit the industrial units employing such persons to deduct, subject to certain conditions, 50 per cent of their profits in computing their taxable income. (6) With a view to promoting scientific research in the country, development rebate at the priority rate of 35 per cent (as against the existing general rate of 20 per cent) will be allowed on machinery and plant installed after March 31, 1967 for scientific research ; further, the whole of the capital expenditure incurred after March 31, 1967 on assets used for scientific research will be allowed as a deduction in the year in which it is incurred. Certain tax concessions have also been proposed to industries damaged or destroyed by enemy action or natural calamities as well as to those affected by devaluation of the Rupee.

The combined effect of these changes in direct taxation is expected to be a loss in

revenue of about Rs. 5 crores in a full year. But this loss is expected to be made up by better tax collection assisted by the proposed extension, over a wider area, of deduction of taxes at source. At present, tax is withheld at source in the case of Indian residents in respect of their income from salaries, interest on securities or dividends. With a view to speeding up and improving the collection of tax, this practice will now be extended to interest incomes exceeding Rs. 400 from deposits and loans, payable to persons other than banks, insurance companies and financial corporations (like Industrial Finance Corporation of India and the State Financial Corporations and the Unit Trust of India) and such other institutions as the Government may notify. The rate of deduction will be 20 per cent in the case of payments to corporate bodies and 10 per cent to individuals, Hindu undivided families and other non-corporate institutions. However, certain exemptions will be made in the case of individual assessees who do not have taxable income during the year by which they will be entitled to receive the income without deduction of tax at source.

The Finance Bill provides for certain changes in tax laws relating to direct taxation as part of the measures for rationalisation and simplification of the tax structure, recommended by the Bhoothalingam Committee in its *Interim* Report. One of these recommendations is that changes in the tax laws and rates of taxation should be applied prospectively to current incomes. According to the Report, the practice of applying the rates of tax to incomes earned in the past year, which has been followed over a long period, is not sound in principle. Besides tax rates, the annual Finance Acts often provide incentives or disincentives in various directions. These can be meaningful only if they are applied prospectively. In addition to this, it stands to reason that a tax payer should know beforehand his tax liability for any given income year. Agreeing with this view, the Government propose to make changes in tax laws and tax rates so as to apply them prospectively to current incomes which will fall due for assessment next year. A second recommendation which the Government propose to implement even in the current budget relates to simplification of tax calculations. Accordingly, the present practice of applying the average rate of tax on total income for calculations of rebates and reliefs is being replaced by provisions for allowing a straight deduction of the whole or specified proportion of income qualifying for rebate or relief in computing the taxable income.

In the sphere of indirect taxation, while export duties on certain items have been reduced with a view to arresting the adverse trends in export earnings, excise duties on a number of items have been raised to mobilise additional resources ensuring at the same time that these adjustments will be consistent with the requirements of the prevailing economic situation. Thus, excise duties have been increased on those items (*a*) where it is found necessary to exercise some restraint on domestic consumption in order to augment availabilities for export, (b) where high profits are made by industry and trade at present or (*c*) where some increase in prices cannot be considered socially undesirable. At the same time, it is sought to ensure that the prices of essential consumer goods are not affected and that the demand for the products of those industries already saddled with considerable excess capacity is not further depressed. The items on which excise duties are increased include tea, coffee, jute manufactures, footwear, cigarettes, motor spirit, petroleum products (not otherwise specified), artificial or synthetic resin and plastic materials, rayon and synthetic fibres, aluminium, cotton twist, yarn and thread which goes into production of fine and superfine fabrics in the powerloom sector ; new items brought into this category are rubber piping, tubing and belting. To offset the effect of increased excise duty on tea exports, the export duty on tea is reduced by 24 paise per kilogram.

As regards customs, export duties on jute manufactures have been reduced sizeably with a view to providing incentive to jute goods exports and also to enable some of our jute products to face competition from substitutes. In order to offset the effect of increases in railway freight on manganese and iron ores, export duties on them have also been reduced. Taking into account the adjustments made in import duties after devaluation in June 1966

and the substantial increase in the rupee cost of all imports including the import of machinery, raw materials and spares, no increases in import duties have been proposed. But where excise duties have been raised or modified, the countervailing duties on imported goods equivalent to such increases will be chargeable in addition to the existing duties. The increase in countervailing duties will yield an additional revenue of Rs. 7.33 crores.

The item-wise increases in the rate of excise duties and their revenue effect are given in the Appendix. The total effect of all these changes will be an additional revenue of Rs. 115.52 crores in a full year, of which Rs. 22.98 crores will go to the States. The customs duty changes will result in a loss of Rs. 19.01 crores ; but the increase in countervailing duties will reduce the loss on customs to Rs. 11.68 crores in a full year. Taking excise duties and customs duties together, the total additional revenue in a full year will be of the order of Rs. 103.84 crores, of which Rs. 22.98 crores will accrue to the States. During the remaining months of 1967-68, however, the additional revenue which would accrue to the Centre is estimated at Rs. 67.71 crores.*

Posts and Telegraphs : Besides the changes in direct and indirect taxes, changes in certain rates of posts and telegraphs are also proposed. The posts and telegraphs branches of the P & T Department have been working at a loss. To meet a part of the loss, the rates of postage on parcels, registered newspapers, book packets etc. as also the registration fee, fees for express delivery, insurance and air mail fees on packets are proposed to be raised. In regard to telegrams, the minimum charge on ordinary greetings telegram and the rate for express greetings telegram will be raised. In the case of non-Press inland telegrams, the minimum charge will be for 8 words instead of for 10 at present. The tariffs for various telephone services have been rationalised and certain minor revisions have been made in them. These changes together are expected to yield additional revenue of Rs. 4.44 crores in a full year or Rs. 3 crores in the current year. However, as the dates from which these changes will be operative are to be notified later, credit for only Rs. 1 crore has been taken in the budget. The net additional revenue that will accrue to the Centre in the current year following all the changes in taxes and postal and telegraph rates put together will be about Rs. 69 crores.

Subsequently, however, the Finance Minister announced on July 24, 1967, certain concessions in direct and indirect tax proposals originally made by him. These concessions are expected to result in a revenue loss of about Rs. 15 crores in a full year and Rs. 11.5 crores in the current year. Concessions in direct tax relate to a 'tax holiday' for new industries, concessions to companies in regard to their additional rupee liability resulting from devaluation and exclusion of brokerage. commission or fees derived from professional work from the provision regarding deduction of tax at source. Under indirect taxes, concessions in excise duty increases have been announced on footwear, aluminium utensils, synthetic fibre and yarn. Concession in export duty is also granted to iron and manganese ore. A reduction in the proposed rise in postal rates in respect of registered newspapers has also been announced.

STATE GOVERNMENT BUDGETS

The severe setback on the agricultural front and its repercussions on the other sectors of the economy had a more direct adverse impact on the budgetary operations of the States during 1966-67. This was reflected in the fact that during the course of the year, a number of State Governments had to resort to rather heavy unauthorised overdrafts from the Reserve Bank because of their difficult ways and means position. Despite substantial additional loan assistance from the Central Government to meet the

* Rs. 56.2 crores taking into account the concessions announced on July 24, 1967.

expenditure on additional plan outlays and relief measures as also for clearing the unauthorised overdrafts, the States' overall deficit has widened to Rs. 76 crores (revised estimates) from the budget anticipation of Rs. 51 crores. As between the budget and the revised estimates for 1966-67 the revenue receipts have remained stagnant owing to the adverse effect of drought conditions on land revenue collections in many States. On the other hand, expenditure on revenue account has shot up by Rs. 92 crores mainly on account of increases under famine relief measures, debt service charges and administrative services. This spurt in revenue expenditure accompanied by near-stagnation in revenue collections has turned the anticipated surplus of Rs. 18 crores into a deficit of Rs. 57 crores. On capital account, the receipts, according to the revised estimates, show an increase of Rs. 182 crores which is more than accounted for by increased Central assistance. However, the recovery of loans advanced by the State Governments to agriculturists, etc. was much below expectation. Total capital disbursements at Rs. 1,230 crores were Rs. 135 crores higher than the budget estimates. While capital outlays were somewhat smaller than the budget level, the States had to grant sizeably larger loan assistance to cultivators and make larger repayments of loans to the Centre. The increased assistance from the Centre, however, helped them to reduce the orginal deficit of Rs. 74 crores on capital account to Rs. 26 crores. Thus the deficit of Rs. 57 crores on revenue account plus the deficit of Rs. 26 crores on capital account adjusted for a surplus of Rs. 7 crores on miscellaneous account resulted in an overall deficit of Rs. 76 crores in 1966-67 (R.E.) for all the States taken together.

In view of the difficult budgetary position of the States, the Central Government advised them to avoid budgetary deficits in future while the Reserve Bank has requested them not to resort to persistent overdrafts. Yet the States have provided for sizeable increases in outlays for plan schemes in 1967-68 in order to maintain the tempo of development and in spite of their tight resources position. The combined overall position of the States, therefore, is likely to result in a record overall deficit of Rs. 159 crores for 1967-68 (Rs. 130 crores if final budget of Bihar is taken into account) on the basis of existing taxation. On revenue account, both receipts and expenditure are expected to show increases of more or less the same order with the result the deficit at Rs. 51 crores is only Rs. 6 crores smaller than in 1966-67 (R.E.). On capital account, however, the rise in disbursements is much larger than the increase in receipts and consequently the deficit is estimated to rise to Rs. 102 crores from Rs. 26 crores in 1966-67 (R.E.). With miscellaneous account showing a deficit of Rs. 6 crores, the total deficit works out to Rs. 159 crores. As against this large estimated deficit, the measures of additional taxation proposed by 11 of the States are expected to net in Rs. 28.36 crores. Three other States have certain tax measures under consideration while the budget of Maharashtra has not taken into account the receipts from the usual market borrowings. To that extent the deficit is likely to be reduced further. In some State budgets, the additional liability on account of the likely increases in dearness allowance and pay scales of Government employees has not been provided for. If these expenditures materialise it would further widen the deficit. However, some States propose to take economy measures. Even if these materialise, the States may end the year with a sizeable overall deficit.

State-wise, the budgets of Madhya Pradesh and Orissa show surpluses while the budget of Uttar Pradesh is nearly balanced. It may be mentioned that though their budgets show surpluses, Madhya Pradesh and Orissa have proposed additional tax measures which will improve their cash balance position to some extent. Among the remaining States, the deficit of Rs. 15.76 crores in Andhra Pradesh budget is proposed to be covered by fresh tax proposals to be made later in the year. The deficit of Rs. 36.41 crores in West Bengal is sought to be covered by additional taxation, postponement of repayment of debt to the Centre and additional assistance from the Centre. Assam, Gujarat, Haryana, Jammu and Kashmir, Kerala, Maharashtra, Madras, Mysore and Rajasthan have proposed additional taxation, the details of which are given in the Appendix III. However, these measures are not sufficient to cover their budgetary gaps. Therefore, they have

Table 4. Disbursements (By Main Groups)

(Crores of Rupees)

	1965-66	1966-67		1967-68
	(Accts.)	(B.E.)	(R.E.)	(B.E.)
	1	2	3	4
I. Total Revenue Expenditure	**1,892**	**2,109**	**2,201**	**2,427**
(a) Development	**1,103**	**1,211**	**1,203**	**1,387**
(i) Education	373	421	422	496
(ii) Agriculture, etc.	156	177	176	205
(iii) Medical and Public Health	149	176	170	205
(iv) Community Development	86	81	77	79
(v) Civil Works	135	132	135	149
(vi) Irrigation	66	69	71	76
(vii) Others (Residual)	137	152	150	177
(b) Non-Development	**789**	**898**	**998**	**1,039**
(i) Collection of Taxes, etc.	81	93	94	103
(ii) Debt Services	269	344	367	399
(iii) Civil Administration	273	271	282	304
(iv) Others (Residual)	163	177	240	221
II. Total Capital Expenditure	**1,324**	**1,095**	**1,230**	**1,361**
1. Capital Outlay	**491**	**431**	**416**	**477**
(a) Development	**404**	**403**	**421**	**446**
(i) Multi-purpose River Valley Schemes	69	53	60	78
(ii) Irrigation and Navigation	150	112	130	113
(iii) Electricity Schemes	—11	33	33	32
(iv) Buildings and Roads, etc.	126	132	119	131
(v) Industrial Development	48	51	61	65
(vi) Others (Residual)	21	22	19	26
(b) Non-Development	**87**	**28**	**—4**	**32**
2. Loans and Advances	**520**	**381**	**461**	**404**
3. Other Expenditure	**313**	**282**	**353**	**478**
III. Grand Total (Revenue and Capital Accounts)	**3,217**	**3,204**	**3,431**	**3,788**

proposed additional measures like economy in expenditure, diversion of part of additional dearness allowance payments to staff to provident fund, efficiency in tax collection, plugging leakages in revenue collections, etc. The uncovered deficit of Punjab (reorganised) is proposed to be bridged later by economy measures.

Outlays

The aggregate outlays of the States (revenue and capital accounts combined), which were placed at Rs. 3,204 crores in the budgets for 1966-67, have risen by Rs. 227 crores to Rs. 3,431 crores, according to the revised estimates (Table 4). Of this rise, Rs. 92

crores was on revenue account and Rs. 135 crores on capital account. On revenue account, while the developmental expenditure has been somewhat smaller than the budget level, the non-developmental heads accounted for the increase. Among these, debt services accounted for a rise of Rs. 23 crores mainly due to larger interest payments to the Reserve Bank on ways and means advances and on loans taken from the Central Government. Expenditure on civil administration has also gone up by Rs. 11 crores. But the item accounting for most of the increase in expenditure was famine relief. The budgeted expenditure on famine relief was only Rs. 19.5 crores ; but owing to drought conditions in many States, famine relief measures are now estimated at Rs. 81.5 crores. The States accounting for the major portion of this rise are Madhya Pradesh (Rs. 16.0 crores), Bihar (Rs. 10.0 crores), West Bengal (Rs. 7.6 crores), Rajasthan (Rs. 7.2 crores), Orissa (Rs. 5.5 crores), Uttar Pradesh (Rs. 4.7 crores) and Gujarat (Rs. 4.0 crores).

On capital account, while direct capital outlays are maintained at the budgeted level, loans and advances and other expenditures shot up. Loans and advances granted by the State Governments now stand at Rs. 461 crores against the budgeted figure of Rs. 381 crores. These loans are advanced by the States (1) to agriculturists under the Land Improvement Loans Act and the Agriculturists Loans Act, (2) to industrial concerns under the State Aid to Industries Acts, (3) for various housing schemes, (4) under the Community Development Programme and (5) to local bodies. The increase of Rs. 80 crores between the budget and revised estimates for 1966-67 was mainly due to increased loan assistance (1) to agriculturists for increasing agricultural production and as part of drought relief measures, (2) to Government servants for meeting the demand for housing and (3) to co-operatives. The States accounting for the increase were Andhra Pradesh (Rs. 14 crores), Bihar (Rs. 19 crores), Gujarat (Rs. 9 crores), Uttar Pradesh (Rs. 11 crores), Orissa (Rs. 7 crores), Mysore and Madhya Pradesh (Rs. 6 crores each) and Rajasthan (Rs. 5 crores). The provision for repayment to the Centre of additional short-term loans has gone up by Rs. 62 crores. Such repayments were made by Andhra Pradesh, Maharashtra, Mysore, West Bengal, Orissa, Rajasthan, Madhya Pradesh and Uttar Pradesh.

For the year 1967-68, the aggregate outlays of the States have been stepped up by Rs. 357 crores to Rs. 3,788 crores over the revised estimates of 1966-67. Of this rise, Rs. 226 crores is on revenue account and Rs. 131 crores on capital account. Of the rise of Rs. 226 crores on revenue account, developmental expenditure accounts for Rs. 184 crores, the main increases being under education (Rs. 74 crores), medical and public health (Rs. 35 crores), agriculture (Rs. 29 crores), irrigation (Rs. 5 crores) and civil works (Rs. 14 crores). Under non-developmental heads, the cost of collection of taxes is estimated to go up by Rs. 9 crores to Rs. 103 crores, while the expenditure on debt services will rise by Rs. 32 crores, reflecting the growing volume of debt of State Governments. The expenditure on civil administration is likely to amount to Rs. 304 crores—a rise of Rs. 22 crores over the revised estimates for 1966-67, mainly on account of increased dearness allowance to Government employees.

Of the rise of Rs. 131 crores on capital account, developmental outlays will absorb Rs. 25 crores. Among the developmental heads, multi-purpose river schemes account for a rise of Rs. 18 crores reflecting the importance attached to these schemes which will have impact on agricultural productivity. The provision for buildings and roads and industrial development has also been stepped up by Rs. 16 crores to Rs. 196 crores. Under debt heads, while loans and advances by State Governments at Rs. 404 crores are expected to be smaller by Rs. 57 crores than in 1966-67 (R.E.), the provision for repayment of loans to the Centre has gone up by Rs. 77 crores. Discharge of permanent debt budgeted at Rs. 62 crores is also higher by Rs. 50 crores over 1966-67 (R.E.) owing to larger amount of loans due for repayment in 1967-68.

Resources

Revised Estimates for 1966-67 and Budget Estimates for 1967-68 :

As between the budget and revised estimates for 1966-67, the total resources (revenue and

capital accounts combined) have shown an increase of Rs. 201 crores to Rs. 3,348 crores (Table 5). It may be observed that while tax revenue has remained near-stagnant, almost the entire increase was on account of capital receipts. The States' share from the Centre's tax revenue has shown a rise of Rs. 16 crores to Rs. 367 crores, mainly under excise duties. However, collections under States' own tax resources have declined by Rs. 7 crores to Rs. 925 crores. There was a sharp decline in land revenue collections by Rs. 33 crores to Rs. 88 crores owing to drought conditions in many States. However, collections under general sales tax rose by Rs. 18 crores to Rs. 393 crores over the budget estimates and small increases were recorded under State excise duties, tax on motor spirit, entertainment tax, etc. Under non-tax heads, the administrative receipts have increased by Rs. 12 crores to Rs. 147 crores and the net contribution of public enterprises at Rs. 77 crores was higher by Rs. 4 crores over the budget estimates.

Table 5. Resources (By Main Groups)

(Crores of Rupees)

	1965-66	1966-67		1967-68
	(Accts.) (1)	(B.E.) (2)	(R.E.) (3)	(B.E.) (4)
A. Revenue Account				
Total Revenue Receipts	**1,850**	**2,126**	**2,145**	**2,376 (2,404)**
1. Tax Revenue	**1,118**	**1,283**	**1,292**	**1,411 (1,439)**
(a) Share from the Centre	276	351	367	383
(b) States' Own resources	842	932	925	1,028 (1,056)
2. Non-tax Revenue	**732**	**843**	**853**	**965**
(a) Grants from the Centre	330	405	401	448
(b) Administrative Receipts	145	135	147	162
(c) Net Contribution of Public Enterprises	60	73	77	80
(d) Others (Residual)	197	230	228	275
B. Capital Account				
Total Capital Receipts	**1,309**	**1,021**	**1,203**	**1,259**
(a) Permanent Debt	107	93	105	109
(b) Loans from the Centre	816	635	891	752
(c) Others (Residual)	386	293	207	398
Grand Total (Revenue and Capital Accounts)	**3,159**	**3,147**	**3,348**	**3,635 (3,663)**

Note : Figures in bracket indicate position after tax changes

On capital account the receipts under market borrowings at Rs. 105 crores were larger by Rs. 12 crores than the budget anticipations. Loans from the Centre at Rs. 891 crores in the revised estimates were higher by Rs. 256 crores than the budget expectations and more than accounted for the total rise in receipts on capital side. This increase, as already noticed earlier, was necessitated by additional Central assistance during 1966-67 for plan schemes, drought relief measures and also for clearing unauthorised overdrafts from the Reserve Bank. Recoveries on account of loans and advances granted by the States were lower at Rs. 113 crores as against the budget estimate of Rs. 127 crores. The provision for repayments (net) on account of floating debt (which represents short-term

credit from banks and ways and means advances and overdrafts from Reserve Bank) has gone up by Rs. 106 crores.

The aggregate receipts of States during 1967-68 (revenue and capital accounts combined), at the existing levels of taxation, are expected to reach Rs. 3,635 crores—a rise of Rs. 287 crores over the revised estimates for 1966-67. Bulk of this rise (Rs. 231 crores) is expected on revenue account. Of this, Rs. 119 crores will be under tax heads and Rs. 112 crores under non-tax heads. The States' share from Central taxes is expected to go up by Rs. 16 crores to Rs. 383 crores. States' own tax resources are expected to show a rise of Rs. 103 crores over 1966-67 (R.E.) to Rs. 1,028 crores. Of the rise of Rs. 103 crores, as much as Rs. 57 crores is expected to accrue under general sales tax, followed by land revenue (Rs. 10 crores), State excise duties (Rs. 9 crores), motor vehicles tax (Rs. 6 crores), stamps and registration, electricity duties (Rs. 4 crores each) and tax on motor spirit (Rs. 3 crores). It may be noted that general sales tax is the largest single head in the States' tax resources accounting for about 45 per cent of States' own tax revenue (Rs. 450 crores) in 1967-68. Under non-tax revenue, grants from the Centre would go up by Rs. 47 crores to Rs. 448 crores, while administrative receipts will show a rise of Rs. 15 crores. Net contribution of public enterprises at Rs. 80 crores in 1967-68 will show a rise of Rs. 3 crores.

Total capital receipts estimated at Rs.1,259 crores in 1967-68 would show a rise of Rs. 56 crores over 1966-67 (R.E.). A credit of Rs. 109 crores, Rs. 4 crores more than in 1966-67, has been taken for market borrowing. Excluding Maharashtra, which has not taken credit under this head, market borrowing in 1967-68 will be larger by Rs. 19 crores. Loans from the Central Government at Rs. 752 crores are lower by Rs. 139 crores. This decline is more than counterbalanced by larger receipts under recovery of loans granted by the States (Rs. 39 crores), a net accrual under deposits and advances (Rs. 27 crores) and net receipt of Rs. 12 crores under floating debt as against net payment of Rs. 125 crores in 1966-67.

Tax Proposals, 1967-68 : As mentioned earlier, the overall budgetary position of the States is expected to show a record deficit of Rs. 159 crores. In order to bridge this gap, 11 States have proposed measures for additional taxation which are expected to bring in Rs. 28.36 crores. Though the budgets of Madhya Pradesh and Orissa show a surplus, they have proposed measures of additional taxation of the order of Rs. 5.60 crores and Rs. 1.28 crores, respectively, which will improve their cash balances position to that extent. Also, Andhra Pradesh, Mysore and West Bengal have under consideration certain tax measures which would be announced during the course of the year. On present indications, the additional taxation proposed by the States appears to be meagre in relation to the overall deficit, and the States are, therefore, likely to end the year 1967-68 with a large deficit.

The financial effects of the tax proposals of the 11 States, both State-wise and according to tax heads, are presented in the table below. The details of the tax proposals are given in Appendix III.

Table 6. Estimated Yield from Budget Proposals

(Rs. lakhs)

By States	
1. Assam	1,68.00
2. Gujarat	60.00
3. Haryana	3,10.00
4. Jammu and Kashmir	40.00
5. Kerala	1,55.00
6. Maharashtra	2,40.00
7. Madras	5,25.00
8. Madhya Pradesh	5,60.00
9. Mysore	4,00.00
10. Orissa	1,28.00
11. Rajasthan	2,50.00
Total	**28,36.00**
By Major Heads	
1. General Sales Tax	12,63.00*
2. Irrigation and Water Rates	2,54.00
3. Rural Immovable Property Tax	2,50.00
4. Stamps and Registration Fees	1,49.00
5. Motor Vehicles Tax	1,45.00
6. Land Revenue	1,25.00
7. Passenger Tax	1,01.00
8. Electricity Duties	40.00
9. Others@	5,09.00
Total	**28,36.00**

* In Mysore, agricultural income-tax is included under this head.

@ Include additional taxation of Rs. 40 lakhs proposed by Jammu and Kashmir for which details have not been available.

It may be noted that the States have relied heavily on increasing the rates of general sales tax which has in recent years, been the main source of States' tax revenue. Of the total receipts of Rs. 28.36 crores, about Rs. 13 crores or 45 per cent is expected from enhancement of sales tax rates. The rest of the additional taxation is spread over other tax heads like irrigation and water rates, rural immovable property tax, stamps and registration fees, motor vehicles tax, land revenue, etc. Another feature of these proposals is that the bulk of the additional revenue (more than 75 per cent) is sought to be raised by enhancing the rates of existing taxes, while resort to new taxes is very limited.

PUBLIC DEBT

Union Government

The outstanding public debt (*i.e.* internal rupee loans, Treasury bills and external loans) of the Government of India rose by Rs. 2,832 crores or 35 per cent from Rs. 8,006 crores in 1965-66 to Rs. 10,838 crores in 1966-67—the first year of the Fourth Plan—as compared with a rise of Rs. 827 crores (12 per cent) in 1965-66. Of the rise of Rs. 2,832 crores, nearly Rs. 800 crores was on account of internal loans as against Rs. 428 crores in 1965-66. Treasury bills alone rose by over Rs. 300 crores in 1966-67. By far the major portion (Rs. 2,033 crores) of the increase in 1966-67 was, however, in respect of external debt, a sizeable portion of the rise resulting from the writing up of the foreign loans (excluding P.L. 480 loans) by 57.5 per cent on June 6, 1966 following the change in par value of the Rupee. The external loan liabilities as at end-March 1967, at Rs. 4,624 crores, far exceeded the rupee loans (Rs. 3,563 crores) as on the same date. At the end of 1966-67, public debt constituted 75 per cent of the total debt liabilities (including public debt, small savings and other obligations like provident funds, etc.). A year ago this proportion was lower at 71 per cent.

Of the increase of Rs. 885 crores in public debt budgeted for in 1967-68, as much as Rs. 789 crores are expected to arise from external debt and Rs. 94 crores from rupee loans. Treasury bills are not expected to show any increase in 1967-68 (Table 7).

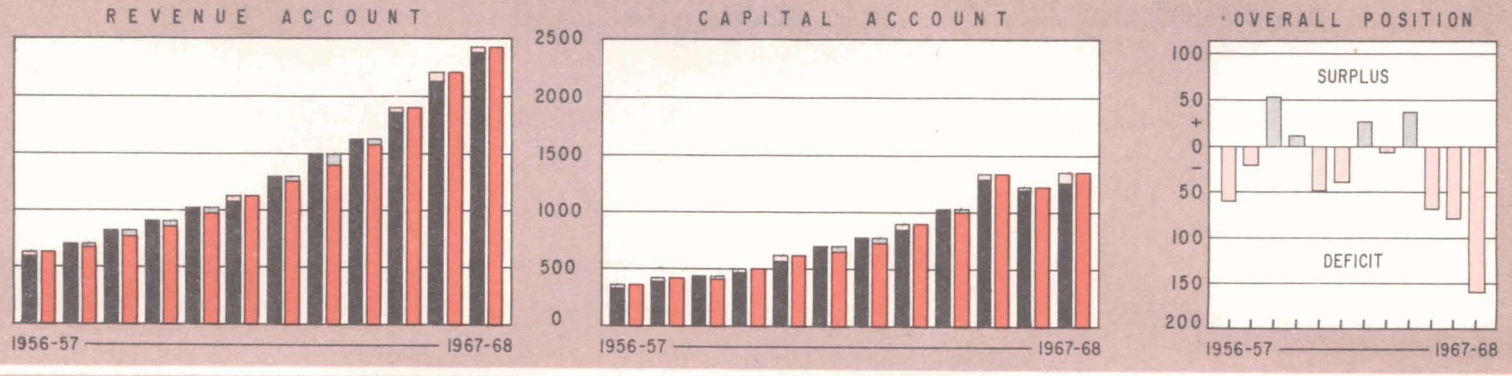
At the end of 1966-67 the total of the net liabilities is expected to exceed the total of capital outlay and loans and advances of the Central Government by Rs. 30.18 crores. This is due to the writing up of the foreign debt consequent on the devaluation of the Rupee while the assets created out of those foreign loans have not been revalued. At the end of 1967-68 the assets are expected to exceed the liabilities by Rs. 185.58 crores.

The more important constituents of the total debt liabilities of the Central Government are discussed below.

External Loans : Because of the devaluation of the Rupee on June 6, 1966 all the outstanding foreign loans (other than P.L. 480 loans) were written up by 57.5 per cent as on that date. The revised estimates for 1966-67, place the receipts of external loans during the year at Rs. 642 crores (against the original estimate of Rs. 460 crores) raising the outstanding external loan liabilities (at post-devaluation rate of the Rupee) to Rs. 4,624 crores as at the end of March 1967, as against Rs. 2,591 crores on March 31, 1966. The outstanding external debt at the end of 1966-67 was, for the first time, larger than the internal market loans by about a third. But external obligations continued to be well below the level of total internal debt. U.S.A. accounted for the bulk of the outstandings as on March 31, 1967 (Rs. 2,447 crores), followed by U.K. (Rs. 482 crores), I.D.A. (Rs. 416 crores), U.S.S.R. (Rs. 365 crores), West Germany (Rs. 346 crores), I.B.R.D. (Rs. 274 crores), Japan (Rs. 122 crores) and other foreign sources (Rs. 172 crores).

For the year 1967-68, the final budget has taken credit for Rs. 865 crores of external loans. Of this, U.S.A. loans alone (excluding Exim Bank and P.L. 480 loans) account for Rs. 160 crores, followed by I.D.A. (Rs. 121 crores), U.S.S.R. (Rs. 61 crores), U.K. (Rs. 55 crores), Japan (Rs. 30 crores), Czechoslovakia (Rs. 23 crores), I.B.R.D. (Rs. 19 crores),

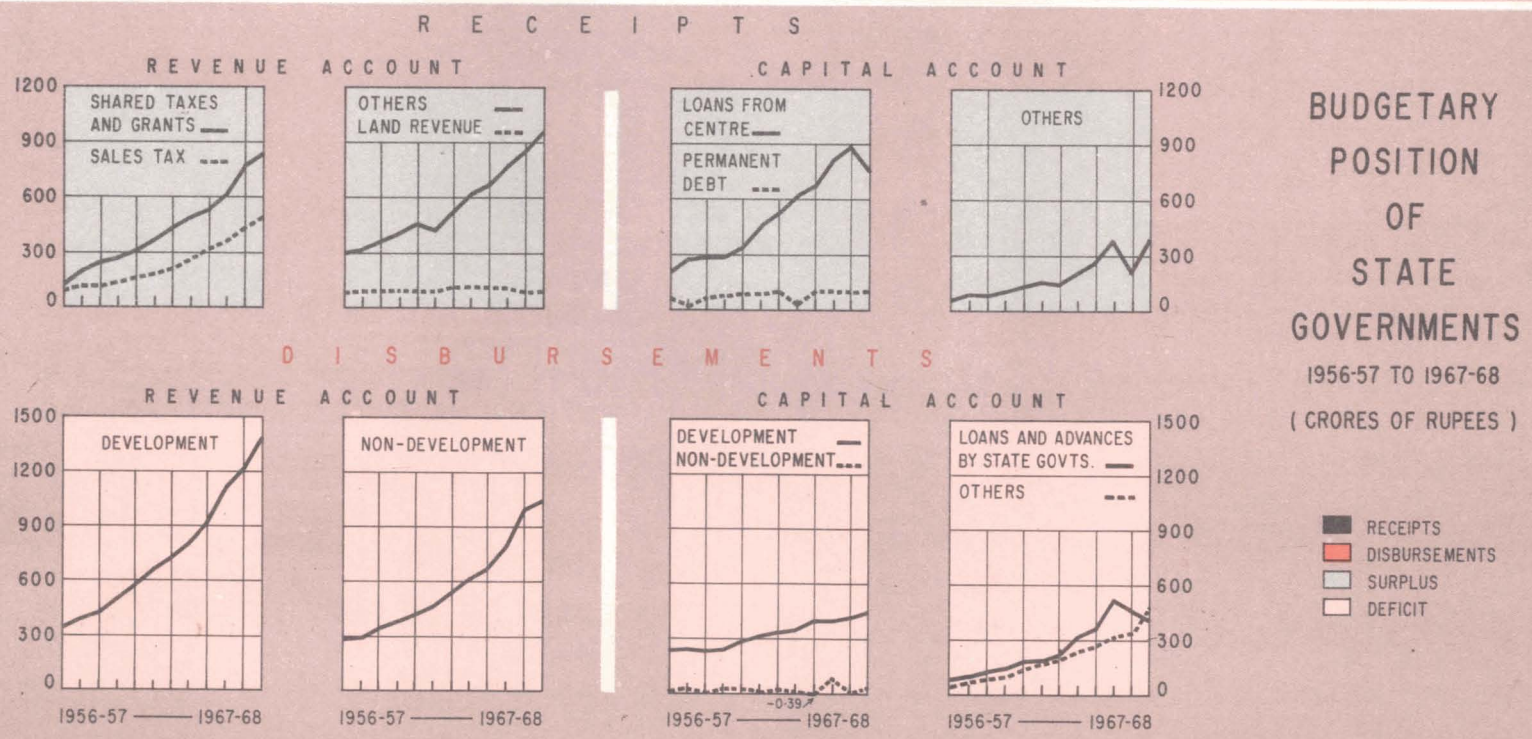
GRAPH 12



BUDGETARY POSITION OF STATE GOVERNMENTS

1956-57 TO 1967-68

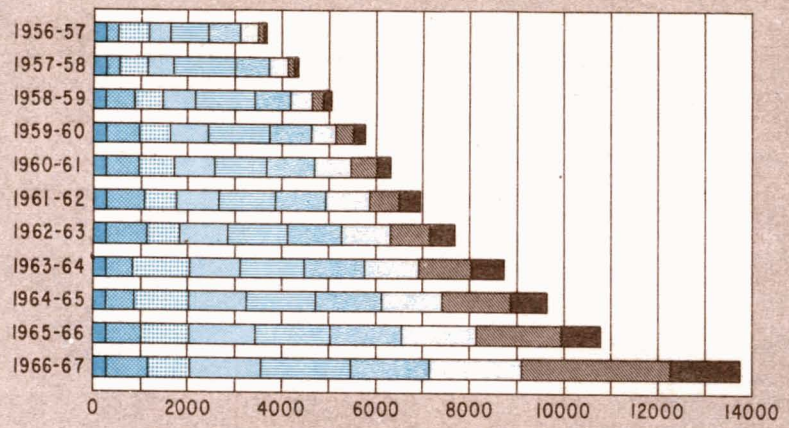
(CRORES OF RUPEES)



GRAPH 13

DEBT POSITION (PRELIMINARY) OF THE GOVERNMENT OF INDIA

(CRORES OF RUPEES)

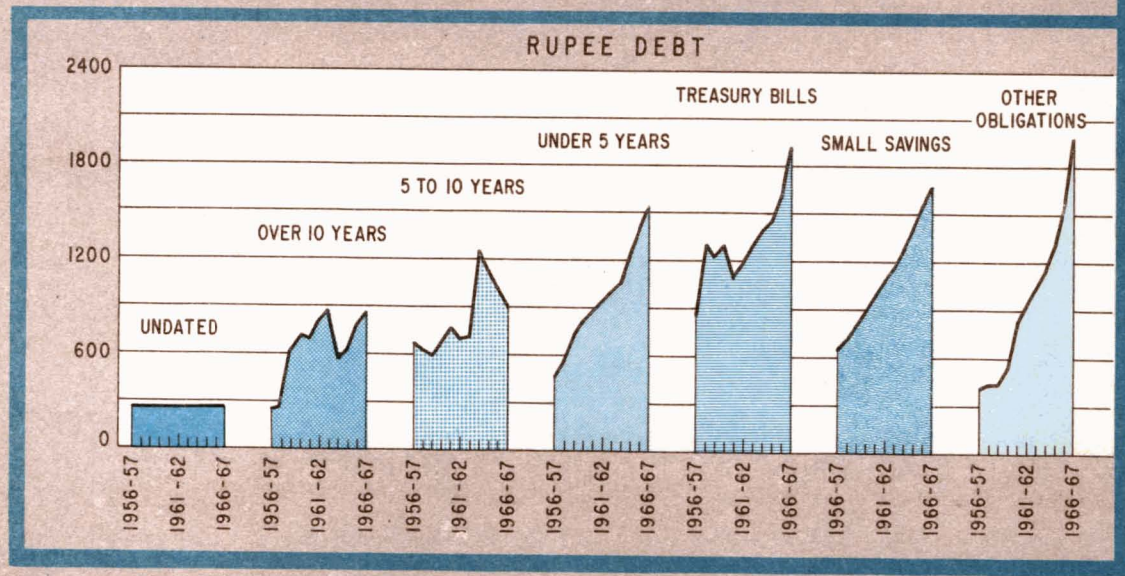


RUPEE DEBT

- Undated
- Over 10 Years
- 5 to 10 Years
- Under 5 Years (Including Prize Bonds and Premium Prize Bonds)
- Treasury Bills
- Small Savings
- Other Obligations

EXTERNAL DEBT

- Dollar Loans
- Other External Debt



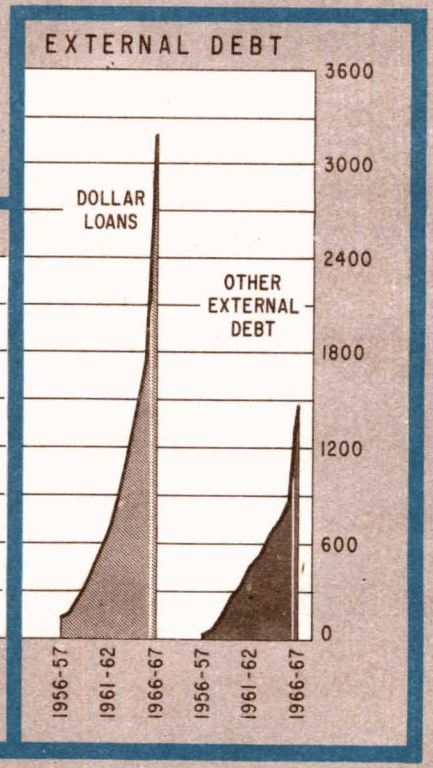


Table 7. Government of India's Debt Position

(Crores of Rupees)

	As at the end of March					
	1951	1956	1961	1966	1967 (Revised)	1968 (B.E.)@
Public Debt						
(1) Internal						
(a) Rupee Loans	1,438	1,509	2,571	3,429	3,563	3,657
(b) Treasury Bills	358	595	1,106	1,612	1,920	1,920
(c) Others*	226	225	298	374	731	733
Total (a+b+c)	**2,022**	**2,329**	**3,975**	**5,415**	**6,214**	**6,310**
(2) External	**32**	**114**	**761**	**2,591**	**4,624**	**5,413**
Total Public Debt (1+2) ..	**2,054**	**2,443**	**4,736**	**8,006**	**10,838**	**11,723**
Small Savings	337	576	973	1,542	1,667	1,797
Other Obligations** ..	474	492	835	1,781	1,850	2,088
Total Debt+	**2,865**	**3,511**	**6,544**	**11,329**	**14,355**	**15,608**

Note : (1) Figures given here are based on the budget documents. Actuals in respect of certain items such as market borrowings, Treasury bills and small savings are given later.
(2) The outstanding external debt (other than P.L. 480 loans) have been worked out after writing up the balances as on June 6, 1966 by 57.5 per cent consequent on the change in the par value of the Rupee.
* Include special floating loan representing India's subscription to I.M.F., I.B.R.D. and I.D.A., loans in course of repayment, etc.
** 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.
@ Based on the *Interim* budget. The final budget, *inter alia*, takes credit for additional Rs. 30 crores on external loan account.

Canada (Rs. 18 crores) and West Germany (Rs. 17 crores). Out of the remaining Rs. 361 crores, new credits aggregate Rs. 289 crores.

Rupee Debt : Rupee loans of the Government of India increased by about Rs. 132 crores in 1966-67 as compared with a rise of Rs. 157 crores in the preceding year and at Rs. 3,557 crores at end-March 1967, they accounted for 39 per cent of the total internal debt (Rs. 9,135 crores) (Table 8). Of the remaining internal debt, small savings accounted for Rs. 1,676 crores (18 per cent), Treasury bills for Rs. 1,920 crores (21 per cent) and other obligations for the balance of Rs. 1,982 crores (22 per cent).

Table 8. Rupee Debt

(Crores of Rupees)

	End—March					
	1951	1956	1961	1965	1966	1967*
Rupee Loans	1,438	1,509	2,571	3,268	3,425	3,557
Treasury Bills	365@	595	1,106	1,444	1,612	1,920
Small Savings	336	580	982	1,399	1,549	1,676
Other Obligations	330	399	834	1,322	1,580	1,982
Total ..	**2,470**	**3,083**	**5,494**	**7,432**	**8,166**	**9,135**

Note : Figures in this table are actuals and differ from those given in table 7 which is based on budget documents.
@ Include Treasury Deposit Receipts.
* Provisional Figures.

Market Borrowings : The Union budget for 1966-67 had assumed a credit of Rs. 284 crores on account of domestic borrowings comprising market loans (Rs. 280 crores) and Gold Bonds (Rs. 4 crores). The revised estimates now place it at Rs. 329 crores, on the basis of the loans actually floated during the year and the conversion of *ad hoc* Treasury bills of the value of Rs. 50 crores into dated securities.

The Government of India announced on July 6, 1966, the issue of two cash-cum-conversion loans of 5 and 25 years' maturity for an aggregate amount of Rs. 260 crores. The two new loans were: (*i*) the 4½ per cent Loan 1971 (Re-issue) issued at Rs. 99.25 per cent maturing on July 1, 1971 and (*ii*) the 5½ per cent Loan 1991 issued at Rs. 99 per cent and maturing on July 18, 1991. The lists for the two new loans were opened on July 18 and closed on July 19, the loans being fully subscribed. Subscriptions received in cash amounted to Rs. 126 crores while conversions of the 3½ per cent Bonds 1966, 3 per cent Funding Loan 1966-68 and 3 per cent Bhopal Loan 1966-76 fetched Rs. 149 crores. Loan-wise, the 4½ per cent 1971 issue attracted Rs. 167 crores and the 5½ per cent Loan 1991, Rs. 108 crores. In addition, *ad hoc* Treasury bills of the value of Rs. 50 crores held by the Reserve Bank of India in the Issue Department were converted on February 3, 1967 into a further tranche of 3¾ per cent Loan, 1974.

As a result of the new loan floatations (Rs. 275 crores), the issue of Gold Bonds (Rs. 4 crores) and the funding of *ad hoc* Treasury bills (Rs. 50 crores) offset by redemption (Rs. 149 crores) and cash repayment (Rs. 47 crores) of maturing loans, the outstanding rupee loans of the Union Government rose during 1966-67 by about Rs. 132 crores. As regards maturity pattern of the Government of India rupee debt, the proportion of short-dateds (*i.e.* maturing within five years) which has been rising continually from the beginning of the First Five-Year Plan increased further from 40.5 per cent as at end-March 1966 to 42.9 per cent at end-March 1967, while medium-dateds (*i.e.* maturing between 5-10 years) declined from 29.7 per cent to 25.8 per cent during the same period. The proportion of undated securities also dropped by less than a half percentage point to 7.2 per cent but the share of securities maturing after 10 years rose from 22.3 per cent to 24.1 per cent. These changes during the year are due, mainly, to shifting of loans from one maturity group to another. However, over the period, the investor-preference has tended to swing in favour of short-dateds mostly at the cost of undateds and long-dateds. That there has been a definite swing in favour of short-dateds is evident from the fact that the proportion of short-dateds to total rupee loans has increased, during the last 16 years of the planning era, from 22.2 per cent in 1951 to 42.9 per cent at end-March 1967.

The loan operations of the Centre during 1967-68 consisted of three loans viz., a 5-year 4½ per cent Loan, 1972 for Rs, 100 crores, a 15-year 5 per cent Loan, 1982 for Rs. 100 crores and 25-year 5½ per cent Loan, 1992 for Rs. 150 crores. All the loans were issued, at par, and are redeemable, at par, on July 15 of the year in which they fall due for repayment. Facilities for conversion were offered in respect of the two maturing loans viz., 3½ per cent National Plan Bonds—Third Series (3½ per cent 1967) and 3¾ per cent National Plan Bonds—Fourth Series (3¾ per cent 1967). The total outstandings of the two maturing loans aggregated Rs. 254.40 crores. Subscriptions to the loans opened on July 15, 1967 and closed on July 18, 1967. The actual subscriptions aggregated Rs. 350.48 crores—Rs. 131.0 crores in cash and the remaining (Rs. 219.48 crores) by way of conversion. Adjusting for conversion (Rs. 219.48 crores) and cash repayments (Rs. 34.92 crores) of loans maturing in 1967-68, the net market borrowings of the Central Government during 1967-68 would amount to Rs. 96 crores as compared with Rs. 80 crores in 1966-67.

Treasury Bills : During 1966-67, Treasury bills showed a substantial increase (Rs. 308 crores), as compared with that in 1965-66 (Rs. 168 crores) raising the outstandings of these bills as at end-March 1967 to Rs. 1,920 crores.

Of the increase of Rs. 307.73 crores in the total holdings of Treasury bills, over the

year, the Reserve Bank accounted for as much as Rs. 290.58 crores or nearly 94 per cent of the total increase ; however, the Bank's share in total holdings did not show any significant variation. As at the end of March 1967, of the total outstandings of Treasury bills, the holdings of the Reserve Bank amounted to Rs. 1,824.11 crores (95 per cent) while those of the State Governments and other approved bodies aggregated Rs. 95.44 crores (5 per cent). The 1967-68 budget does not provide for any increase in Treasury bills.

Small Savings : Small savings have been assigned an important role in savings mobilisation for development purposes. The tentative estimates on resources for the Fourth Five-Year Plan envisage contribution of Rs. 1,000 crores from this source or on an average of Rs. 200 crores per annum.

During 1966-67, aggregate net collections of small savings (including accrued interest estimated at Rs. 24.2 crores on Post Office Savings Bank Deposits) totalled Rs. 126.8 crores only, as compared with Rs. 151 crores in 1965-66 and Rs. 128 crores in 1964-65—the last two years of the Third Plan (Table 9).

Post Office Savings Bank Deposits increased by Rs. 53.0 crores as compared with an increase of Rs. 88.7 crores in the preceding year. As pointed out in last year's Report, a part of the increase in 1965-66 collections was on account of the transfer of deposits made by the intending buyers of motor vehicles from commercial banks to Post Office Savings Banks. The available data for 1966-67 indicate that fresh accruals to these accounts (for booking motor vehicles) have not been of much significance in the overall collections. The 1967-68 budget assumes a credit of Rs. 41 crores under Post Office Savings Bank Deposits, excluding Rs. 26 crores on account of interest.

Collections in respect of National Defence Certificates which had declined from Rs. 99.5 crores in 1964-65 to Rs. 73.5 crores in 1965-66 rose to Rs. 82.2 crores in 1966-67. After making adjustment for pre-

Table 9. Small Savings Collections (Net)

(In lakhs of Rupees)

	First Plan	Second Plan	1961-62	1962-63	1963-64	1964-65	1965-66	Third Plan	1966-67 (preliminary)	1967-68 (B.E.)
1. Post Office Savings Bank Deposits* ..	111,19	142,31	35,55	6,65	39,19	42,56	88,69	212,64	53,02	67,00
2. National Defence Certificates†	95,76	220,07	43,08	53,91	64,94	63,22	29,78	254,93	38,08	24,10
3. Defence Deposit Certificates@	35,94	34,89	4,71	8,79	14,04	14,79	4,59	46,92	2,55	4,00
4. Cumulative Time Deposits	—	2,63	3,24	5,36	8,21	7,46	9,77	34,04	15,06	16,00
5. Annuity Certificates ..	95	2,43	25	20	7	—3	—17	32	—29	—10
6. National Savings Certificates (I)	—	—	—	—	—	—	18,11	18,11	18,30	18,80
7. National Savings Certificates (B.S.)	—	—	—	—	—	—	—	—	5	20
Total ..	**243,84**	**402,33**	**86,83**	**74,91**	**126,45**	**128,00**	**150,77**	**566,96**	**126,77**	**130,00**

Note : For details, see Statement 63.

* Include Dead Savings Bank Account and interest credited to depositors' account from time to time.

† Represent 12-Year National Plan Savings Certificates upto November 15, 1962 which were substituted by National Defence Certificates since that date.

@ Represent Treasury Savings Deposit Certificates upto November 10, 1962 which were substituted by Defence Deposit Certificates since that date.

mature withdrawals, surrenders and maturities under all categories of uncurrent certificates, the net collections worked out to Rs. 38.1 crores during the period under review as compared with the net collections of Rs. 29.8 crores in 1965-66 and Rs. 63.2 crores in 1964-65. The sagging interest in these certificates from 1965-66 onwards may be attributed in part to the levering up of interest rates by financial institutions, which rendered these certificates less attractive despite the tax—free yield available on these investments. The 1967-68 budget assumes a net credit of Rs. 24.1 crores from the sales of these certificates.

One of the factors affecting the collections under the National Defence Certificates was the issue of a new series of certificates *viz.*, National Savings Certificates (First Issue) from June 1, 1965 and National Savings Certificates (First Issue—'Bank' Series) from March 1, 1966, carrying 8 per cent simple interest (or 6.05 per cent per annum compound). These series yielded Rs. 18.1 crores in 1965-66 and Rs. 18.3 crores in 1966-67 ; the budget for 1967-68 takes credit for Rs. 19.0 crores (inclusive of 'Bank' series) under this head.

Net collections under Defence Deposit Certificates, after making adjustment for premature encashments and repayments on account of maturing Treasury Savings Deposit Certificates, showed a steep fall from Rs.14.8 crores in 1964-65 to Rs. 4.6 crores in 1965-66 and further to Rs. 2.6 crores in 1966-67 ; excluding adjustment for discharges under old series, the collections during the year aggregated Rs. 7.5 crores as compared with Rs. 10.6 crores in 1965-66 and over Rs. 20 crores in 1964-65. The 1967-68 budget assumes a credit of Rs. 4 crores (net) under this head. The declining interest of the investing public in this series may be attributed to the much higher rates of interest offered by commercial banks and other business concerns on term deposits.

Net collections under Cumulative Time Deposits exhibited a distinct uptrend from Rs. 7.5 crores in 1964-65 to Rs. 9.8 crores in 1965-66 and further to Rs. 15.1 crores in 1966-67 ; the budget target for 1967-68 for collections under this series has been placed at Rs. 16.0 crores. The growing popularity of Cumulative Time Deposits is due mainly to the treatment of investments in 10-year and 15-year accounts under this scheme, on par, with the provident fund and life insurance premia for tax rebate purposes from 1962-63 onwards.

Among the more important promotional measures taken during the year, mention may be made of the following :

1. The limit of holdings in the National Savings Certificates (First Issue) and National Savings Certificates (First Issue—'Bank' Series) was raised from Rs. 25,000 to Rs. 35,000 for individuals and from Rs. 50,000 to Rs. 70,000 for joint holders. This brings the limits in respect of these certificates, on par, with those prescribed for National Defence Certificates and Defence Deposit Certificates.

2. The limit for deposit by an individual in 5-year or 10-year Cumulative Time Deposit Account was raised from Rs. 200 to Rs. 300 per month ; the limit for deposit in 15-year Cumulative Time Deposit Account, however, remained at Rs. 300 per month. The total deposits made during the entire period of an individual's account or accounts should not, except in cases specified in the rules, exceed Rs. 54,000.

3. The minimum balance for the purpose of earning interest in the Post Office Savings Bank was reduced from Rs. 25 to Rs. 10 with effect from January 1, 1967.

4. It was decided to allow, for a period of 5 years, interest (simple) at $4\frac{1}{2}$ per cent per annum on the post-maturity holdings of 7-year and 12-year National Savings Certificates, $3\frac{1}{2}$ per cent 10-year Treasury Savings Deposit Certificates and 4 per cent 10-year Treasury Savings Deposit Certificates (due for repayment from June 1, 1967 onwards). Such interest in the case of 12-year National Savings Certificates and $3\frac{1}{2}$ per cent 10-year Treasury Savings Deposit Certificates will be payable from October 1, 1966. The interest will be calculated on the matured value of certificates in the case of 12-year National Plan Savings Certificates and on the face value of both the series of the 10-year Treasury Savings Deposit

Certificates and will be paid to the holder at the time of final discharge of these certificates.

5. In terms of a Government notification issued on August 25, 1966 every agent appointed under the Authorised Agents (Bank) Scheme (referred to in last year's Report) has been made eligible for the payment of commission at the rate of 1.25 per cent on the sale of these securities.

6. The total number of Post Office Savings Banks enrolled as sub-members of Clearing Houses increased by 12 to 67 in 1967-68.

7. The recommendations of the sub-committee set up by the National Savings Advisory Board under the Chairmanship of Shri Homi J. H. Taleyarkhan to study the facilities given by the Post Office Savings Banks to the small savers with particular reference to those available at commercial banks were under consideration of the Government.

Gold Bonds : Subscriptions to the National Defence Gold Bonds, 1980, which were on tap from October 27, 1965 to May 31, 1966, were received in the form of gold, gold coins and/or gold ornaments. The procedure for issuing the Gold Bonds is to assay the tenders at Government Mints and, thereafter, issue to subscribers Bonds, indicating their gold content of .995 fineness. These Bonds will mature for repayment on October 27, 1980. Total subscriptions to these Bonds aggregated 13,686 kilogrammes approximately, and gold received as subscription is notionally valued, for the purpose of adjustment under public debt, at the International Monetary Fund rate prevailing at the time of tender of the subscriptions *viz.*, Rs. 53.58 per 10 grammes of .995 fineness. Bonds of the value aggregating Rs. 4 crores were issued in 1966-67 compared with Rs. 2.01 crores in 1965-66. The budget for 1967-68 assumes credit of Rs. 1.3 crores to cover residuary adjustments connected with this issue.

Income Tax Annuity Deposits : From the inception of the Annuity Deposit Scheme from October 1, 1964, persons aged more than 70 years were exempt from making annuity deposit ; for and from the assessment year 1968-69, the minimum age limit for exemption from the obligation of making annuity deposit has been reduced to 60 years. Further, from the assessment year 1968-69, no penal tax will be chargeable on failure to make annuity deposit upto Rs. 100 or on short-falls in making annuity deposit upto Rs. 100 or 10 per cent of the annuity deposit required to be made, whichever is higher. Also, no annuity deposit will be required to be made, from the assessment year 1968-69, with reference to the income arising to a depositor in a foreign country where the laws prohibit or restrict the remittance of money to India. The rate of annuity deposit on initial slab of income for the purpose of making annuity deposit (Rs. 15,000-20,000) is 5 per cent, rising to 12.5 per cent on incomes exceeding Rs. 70,000.

The gross deposits under the Scheme of Annuity Deposits during 1966-67 (revised) are placed at Rs. 30.4 crores and, after allowing for the payment amounting to Rs. 8.4 crores, the net deposits under this head are estimated to amount to Rs. 22.0 crores; the budget for 1967-68 also places the net accretion of deposits at the same level (Rs. 22.0 crores).

National Defence Fund : Contributions to the National Defence Fund, set up on October 27, 1962 to receive voluntary contributions for the defence efforts aggregated Rs. 78.96 crores as at end-March 1967. In addition, contributions in gold (including gold ornaments) and silver aggregated 24.74 lakh grammes and 15.65 lakh grammes, respectively. Jewels and precious stones weighing 2,537 carats were also received. Total disbursements from this Fund till March 31, 1967 aggregated Rs. 33.28 crores.

State Governments

The outstanding debt liabilities of the State Governments which had shown a twelvefold increase to Rs. 5,502 crores during the fifteen years ended 1965-66, showed a further rise of Rs. 838 crores during 1966-67 (Table 10). A major portion of these loans flowed from the Union Government (mainly for the capital outlays of States) the outstandings under which soared from Rs. 4,095 crores in 1965-66 to Rs. 4,841 crores in 1966-67. During 1967-68,

according to the budget of the Union Government, loans from the Union Government to States are expected to be of the order of Rs. 828 crores, while the repayments of loans to the Union Government provided for by the States in their budgets aggregate Rs. 376 crores. The servicing of this growing volume of debt, apart from the repayment obligations, puts considerable strain on States' resources. The cost of servicing alone worked out to Rs. 367 crores in 1966-67; the repayments due to the Union Government aggregated Rs. 299 crores in that year. It may be observed that these two items together have been claiming a large chunk of the budgetary resources of States in the recent past.

Table 10. Debt Positlon of States

(In lakhs of Rs)

	End—March					
	1952	1956	1961	1965	1966	1967 (R.E.)
	1	2	3	4	5	6
Permanent Debt	133,71	264,48	493,12	721,60	823,75	917,16
Floating Debt	15,66	8,20	41,75	70,29	194,76	143,36
Loans from the Union Government	238,54	876,07	2015,81@	3558,74@	4094,63@	4840,88@
Other Debt	—	—	51,87	116,85	156,39	178,35
Unfunded Debt	57,37	83,19	134,93	203,17	232,12	260,37
Total	**445,28**	**1231,94**	**2737,17**	**4670,66**	**5501,64**	**6340,12**

Note : Excluding share of pre-partition loans of Rs. 195 lakhs in respect of W. Bengal.

During 1966-67, permanent debt of the States (comprising market loans and certain other categories of debt like Zamindari Abolition Compensation Bonds, etc.) which ranks next to loans from the Union Government, rose by Rs. 93 crores to Rs. 917 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 Khadi and Village Industries Commission, Employees' State Insurance Corporation, Life Insurance Corporation, etc.) also went up by Rs. 22 crores during the year as compared with the rise of Rs. 39 crores in the preceding year. Floating debt representing short-term accommodation from Reserve Bank, commercial banks, etc., which had risen considerably during 1965-66 from Rs. 70 crores to Rs. 195 crores, registered decline in 1966-67 ; but the outstanding level at Rs. 143 crores on March 31, 1967 was more than double the amount as on March 31, 1965, owing mainly to the continuous failure of two monsoons on the one hand and the substantial increase in outlays on State trading in food by the States on the other. Besides, a few States resorted to deficit financing by leaning, rather too heavily, on unauthorised overdrafts from the Reserve Bank, which could not be cleared by them in time. However, consequent on an understanding reached between the Union and the States, a considerable portion of these overdrafts was cleared by the States in 1966-67 with the help of special assistance from the Union Government. The special assistance granted by the Union to States mainly for clearing their overdrafts with the Reserve Bank amounted to Rs. 152 crores, of which Rs. 108 crores were

made repayable in 2 to 5 years and the balance in the same year. Prior to 1965-66,such advances by the Union, which amounted to Rs. 22 crores in 1963-64 and Rs. 34 crores in 1964-65, were repayable by the States in the same year. Out of Rs. 101 crores received by the States under this category in 1965-66, almost half (Rs.51 crores) was made repayable in 2 to 5 years.

Fourteen State Governments issued on September 12, 1966, 5½ per cent 12-Year Loans for an aggregate amount of Rs. 93.50 crores at issue prices varying from Rs. 98.00 per cent to Rs. 99.00 per cent. The lists for all the fourteen loans were closed by September 17, 1966, the loans being either fully subscribed or oversubscribed. The total amount subscribed aggregated Rs. 98.33 crores. Cash subscriptions amounted to Rs. 98.11 crores and the balance of Rs. 0.22 crores was by way of conversion. After repaying the maturing loans amounting to Rs. 1.34 crores the net market borrowings of the states in 1966-67 amounted to Rs. 97 crores.

On August 19, 1967, 15 State Governments announced their decision to raise Rs. 114.75 crores in the form of 12-year loans carrying 5¾ per cent interest per annum. The issue price of these loans varied between 97 per cent and 99 per cent giving yields ranging from 5.87 per cent to 6.11 per cent per annum. Eight State Governments also announced the facilities for conversion of their maturing loans, at par, into the new loans of the respective States; the total amount due for repayment by these State Governments aggregated Rs. 51.12 crores. Subscriptions to these loans are to open on September 1, 1967 and close on September 9, 1967 or earlier as soon as subscriptions approximate to the amount of each issue. The loans are redeemable, at par, after 12 years on September 1, 1979.

RAILWAY FINANCES

Final accounts of the Railways for 1965-66, now available, show that the gross traffic receipts in that year were lower at Rs. 733.57 crores than the revised estimates of Rs. 741.80 crores. The shortfall of Rs. 8.23 crores resulted from a decline in passenger earnings (Rs. 1.33 crores) and other sundry earnings (Rs. 10.39 crores), partially offset by a rise under goods earnings (Rs. 3.49 crores). Total expenditure, on the other hand, was higher by Rs. 3.17 crores than the revised estimates (Rs. 595.56 crores) due to an increase under ordinary working expenses (Rs. 3.81 crores), counter-balanced by declines under miscellaneous expenses (Rs. 0.63 crore) and payment to worked lines (Rs. 1 *lakh*). As a result, the surplus for 1965-66 declined from Rs. 29.99 crores (revised estimates) to Rs. 18.56 crores (after appropriating to General Revenues, as dividend, Rs. 3 *lakhs* more than the revised estimates and payment in lieu of tax on passenger fares).

Revised estimates for 1966-67 show that the gross traffic receipts amounted to Rs. 770.29 crores or Rs. 25.04 crores lower than the budget estimate of Rs. 795.33 crores. This shortfall was mainly on account of lower goods earnings. As against the anticipated increase of about 12 million tonnes in traffic during 1966-67, the additional goods traffic is now expected to be only about 2½ million tonnes. The revised estimate of goods earnings is, therefore, placed at Rs. 482.30 crores—a decrease of Rs. 24.23 crores from the budget estimate ; other coaching and sundry earnings at Rs. 38.80 crores and Rs. 20.24 crores, respectively, are also expected to show declines of Rs. 0.80 crore and Rs. 1.76 crores. These declines are partly offset by an increase of Rs. 1.75 crores under passenger earnings to Rs. 228.95 crores. Working expenses, on the other hand, are expected to rise from Rs. 508.68 crores (B.E.) to Rs. 531.36 crores (R.E.). Major items accounting for the rise in expenditure are : rise in the rate of dearness allowance, five upward revisions in the price of coal between April and December 1966, as also the increase in the tariffs of several State Electricity Boards and rising prices of materials used in Railway repairs and maintenance.

As a result of the short-fall in gross traffic receipts on the one hand and the increase

in operating expenses on the other, the budgeted surplus of Rs. 22.19 crores will now be converted into a deficit of Rs. 23.88 crores, after making a contribution of Rs. 100 crores (the same as originally estimated) to Depreciation Reserve Fund and a slightly lower contribution (Rs. 132.86 crores as against the original provision of Rs. 133.50 crores) to General Revenues as dividend and payment in lieu of passenger fare tax (for transfer to States).

The budget for 1967-68 places gross traffic receipts at Rs. 847 crores (after taking into account the additional yield from the proposed increases in passenger fares and freight rates)—an increase of Rs. 76.71 crores over the revised estimates for 1966-67. The estimates for 1967-68 assume an increase of Rs. 43.70 crores under goods earnings, Rs. 26.30 crores under passenger fares and Rs. 6.71 crores under other coaching and sundry earnings.

Of the total receipts of Rs. 847 crores, Rs. 526 crores or 62 per cent are expected to accrue from goods earnings, Rs. 255 crores or 30 per cent from passenger traffic and Rs. 66 crores or 8 per cent from other coaching and sundry earnings.

Total ordinary working expenses for 1967-68, estimated at Rs. 567.21 crores, are higher by Rs. 35.85 crores than the revised estimates for 1966-67. This rise reflects mainly the full year's effect of the higher rates of dearness allowance announced in October 1966 (Rs. 13.09 crores and an *ad hoc* provision of Rs 13.3 crores for the possible increase in dearness allowances in the wake of the Gajendragadkar Commission's Report on dearness allowance to Government employees) and partly the expected increase of Rs. 3.82 crores in the fuel bill, and a provision of Rs. 70 *lakhs* for the increase in steel prices from May 1, 1967.

It is proposed to appropriate Rs. 105 crores to the Depreciation Reserve Fund. This amount is closer to the figure of the expected withdrawal from this Fund for expenditure during 1967-68 (Rs. 110 crores), but will still be Rs. 10 crores less than the figure (Rs. 115 crores) recommended, for appropriation to the Fund, by the Railway Convention Committee, 1965 and approved by the Parliament. Other appropriations for the budget year include transfer to Pension Fund (Rs. 14.90 crores) and Dividend on Capital-at-charge (Rs. 141.56 crores as against Rs. 132.86 crores for 1966-67 R.E.) which also includes payments to General Revenues in lieu of tax on passenger fares. On the basis of these estimates of earnings and expenses, the Railways will be left with a nominal surplus of Rs. 1.28 crores at the end of 1967-68 which will be credited to the Railway Development Fund.

In the context of the steep rise in general price level during the last two years which has affected the railways' working expenses, as also lower receipts due to depressed trends in goods traffic, it was considered necessary to raise the resources of the Railways. Accordingly, the budget for 1967-68 contains proposals for enhancement of both passenger fares and freight rates, with effect from June 15, 1967. The proposed revisions of fares and freight rates are estimated to yield Rs. 19 crores each, during the remaining period of 9½ months of 1967-68. In a full year the additional revenue would be Rs. 24 crores under passenger fares and Rs. 23 crores under goods traffic earnings. These proposals are summarized below :—

Third class fares by ordinary trains are proposed to be raised from 10 paise to 15 paise for distances upto 5 kms., by 5 paise for distances of 25 kms. to 47 kms., and by 10 paise for distances from 48 to 50 kms. For distances from 6 to 24 kms., the increase will be nil in some cases and 2, 3 and 5 paise in others; these variations in the extent of increase are due to the extension of the principle of rounding off the fare to the nearest 5 paise, to third class fares for distances below 25 kms. also. The proposed increase for journeys beyond 50 kms. is 7½ per cent* upto 500 kms. and a flat increase of 85 paise (equal to the actual increase at 500 kms.) beyond

* The Railway Minister announced in Parliament on June 5, 1967, that the increase in third class fare by ordinary trains beyond 50 kms. will be 5 per cent only instead of the earlier 7.5 per cent. The loss in revenue on account of this concession is estimated at Rs. 2.7 crores.

500 kms. Third class Mail and Express fares are proposed to be increased by 12½ per cent subject to a maximum of Rs. 4.20 which is the actual increase at 1,500 kms. The resultant increase in the fare differential as between the two types of third class travel is expected to have the desirable effect of discouraging passengers from using mail and express trains for short distance journeys. A 15 per cent increase in surcharge is proposed in the fares for third class air-conditioned chair cars for all distances.

It is also proposed to raise second class Mail and Express fares by 15 per cent subject to a maximum of Rs. 9.25 which is equal to the actual increase at 1,500 kms. Second class ordinary fares will, however, be increased by 12½ per cent for journeys upto 500 kms. and by 10 per cent for journeys beyond 500 kms. upto 1,500 kms.; for journeys beyond that distance, the increase in fares will be at a flat rate of Rs. 5.45 which is equal to the actual increase at 1,500 kms. The present minimum charge of 15 paise for journeys upto 3 kms. will be raised to 20 paise.

First class fares are proposed to be raised by 15 per cent subject to a maximum of Rs. 15.50 which is reached at the distance of 1,500 kms. A flat increase of 15 per cent will be added to the existing air-conditioned class fares for all distances. Minimum fares of Rs. 5 for first class and Rs. 3 for second class will be charged for journeys by Mail and Express trains and the minimum fare for air-conditioned class is to be raised from Rs. 5 to Rs. 10. These are intended to discourage overcrowding in these classes by short distance passengers.

Monthly season ticket fares for both first and third classes in suburban areas of Bombay, Calcutta and Madras are proposed to be increased by 10 per cent, but the increase will be limited to Re. 1/- for third class monthly ticket. The fares in Delhi, Ahmedabad, Poona, Bangalore, Hyderabad, etc. which are lower than the corresponding season ticket fares in the suburban areas of Bombay, Calcutta and Madras, will also be increased by 10 per cent but such revised fares will not exceed the revised fares for the Madras suburban area. Season ticket fares for students will remain unchanged. Other changes proposed are : increases in (i) the reservation charges (from the present 50 paise to one rupee in the case of first class and from 25 paise to 50 paise in the case of second and third classes) and (ii) platform tickets (from 10 paise to 15 paise).

The supplementary charge on freight rates (on commodities including coal, coke, patent fuel, live-stock, etc.) is proposed to be raised from 3 per cent (imposed in 1966-67) to 6 per cent.@ The increased supplementary charge will also apply to iron and manganese ores for export which were originally exempt from the levy of the 3 per cent supplementary charge. The present coal rates for all distances beyond 515 kms. are also proposed to be increased. The increase will, however, be subject to a maximum of Rs. 3.00 per tonne (excluding the supplementary charge) which is reached at 1,860 kms. Simultaneously, an additional rate of 13 paise per tonne will be levied for haulage of coal for every 20 kms. of coal booked to distances beyond 2,400 kms. The rates for goods traffic in "smalls" (i.e., less than full wagon loads) in which some adjustments were made last year, are proposed to be further rationalised this year, as the cost of their movement exceeds the earnings from them.

Railway Funds : The aggregate balances in the Railway Funds viz. Depreciation Reserve Fund, Revenue Reserve Fund, Development Fund and the Pension Fund at the end of 1967-68 are estimated to amount to Rs. 160.74 crores, or Rs. 11.42 crores higher than in 1966-67 (R.E.). The addition of this year's surplus of Rs. 1.28 crores to the meagre balance of Rs. 1.45 crores in the Development Fund would be inadequate to meet the expenditure of Rs. 22 crores on works in progress and new works to be financed out of this Fund. This Fund will, therefore, have to be replenished to the extent of about Rs. 19.64 crores in 1967-68 by borrowings from the General Revenues.

@ Exemption of foodgrains from supplementary freight charge which will result in a loss of revenue of Rs. 1 crore, was announced on June 5, 1967.

Railway Plan : The actual expenditure on the Railway Development Programme in the Third Plan has been placed at Rs. 1,685.85 crores. In order to keep further capital expenditure under check, the Railways have been constantly assessing the traffic potential in consultation with the Planning Commission and the concerned Ministries and have considerably reduced the provision for works and rolling stock and have also rephased the programmes of new construction so as to meet only the immediate requirements. The expenditure on works during 1966-67 has been reduced to Rs. 298.58 crores from Rs. 363.67 crores during 1965-66, and is placed at Rs. 305 crores for 1967-68. The resources provided by the Railways for financing the Plan outlay in 1966-67, the first year of the Fourth Plan, was Rs. 130.04 crores or 44 per cent of the total outlay of Rs. 298.58 crores. On present indications, the proportion is expected to be roughly the same in 1967-68 also. During the Third Plan period, the contribution from the Railways to finance the plan outlay was lower at 37 per cent of the total outlay.

CHAPTER VI : TRADE AND TARIFF DEVELOPMENTS

Developments in Exchange Control

In the sphere of exchange control, there was, during the year, further relaxation of the restrictions on students and on foreign nationals proceeding abroad on their retirement ; there were also consequential changes following devaluation of the rupee. These developments are detailed below in chronological order.

With a view to mitigating the hardship experienced by students regarding remittances of admission fees to foreign universities, it was decided in *April 1966* to withdraw the eligibility criterion and allow such remittances without awaiting the results of their last examination in India and without considering their eligibility for the proposed course of study. Such remittances are, however, permitted without any commitment regarding subsequent release of exchange for taking up the course abroad.

Prior to April 1966, foreign nationals proceeding abroad on their retirement were not given exchange until their applications for transfer of assets were approved by the Bank. This arrangement was discontinued in April 1966 and since then, authorised dealers are permitted to issue travellers cheques to them to the extent of one month's salary or £ 100 whichever is less. The special permission required to be obtained on form 'P' by persons holding exchange permits for going abroad was also dispensed with in cases where the passage is booked for the destination specified in the exchange permit. Passage clearance in respect of travel sponsored from abroad, which was hitherto granted only where the sponsor happens to be the passenger's parent, son or daughter employed abroad, was extended to include travel sponsored by the passenger's brother or sister employed abroad.

Effective from *June 6, 1966*, the par value of the rupee in terms of gold was changed from 0.186621 gramme of fine gold to 0.118489 gramme of fine gold. Accordingly, the value of the rupee in terms of pound sterling and the U.S. dollar stood altered from *1 sh 6d* to *11-3/7d* and from *21 U.S.* cents to *13.3333 U.S. cents*, respectively. The *maximum and minimum* rates for buying and selling sterling by Reserve Bank from/to authorised dealers (under Section 40 of the Reserve Bank of India Act 1934) were also revised from 1 sh 6-9/64d per rupee to £ 4.8095238 per Rs. 100—(buying rate) and from 1 sh 5-55/64d per rupee to £ 4.7142858 per Rs. 100 (selling rate). In accordance with these changes, the actual rates at which the Reserve Bank bought and sold sterling were also revised with effect from June 8, 1966. The buying rate for delivery within six months was changed from 1sh 6d per rupee to £ 4.7619 per Rs. 100/-and the selling rate for ready delivery from 1sh 5-63/64d per rupee to £ 4.7467 per Rs. 100/-. Forward sales by the Reserve Bank have been discontinued for the present. The rates prescribed by the Reserve Bank for purchase and sale of sterling and the U.S. dollar notes by authorised dealers and money changers for their transactions with the public were also revised as indicated below.

	Buying	*Selling*
Pound Sterling £1/-	From Rs. 13.05 to Rs. 20.75	From Rs. 13.55 to Rs. 21.25
U.S. dollar $ 1.00	From Rs. 4.65 to Rs. 7.35	From Rs. 4.90 to Rs. 7.60

The scales on which exchange was being released for travel for various purposes (such as medical treatment, studies abroad etc.) were also enhanced by 57.5% in terms of rupees. Similarly, the maximum limit of Rs. 1,500 per month prescribed for remittances by foreign nationals (other than from China and Pakistan) to their respective countries was raised to Rs. 2,360/- per month or upto the foreign currency amount of the monthly average of remittances made by them during the last twelve months.

In *July 1966*, the exchange facilities granted to students undergoing honours or post-graduate degree courses at the Universities of Oxford,

Cambridge and London for reading for the Bar-at-Law simultaneously were extended to all students undergoing such courses at any university in the U.K.

The free limit in respect of imports by parcel post for private use, against which remittance was permitted without an import licence, was enhanced in *August 1966* from Rs. 50/- to Rs. 80/- for imports from Asian countries and from Rs. 100/- to Rs. 160/- for imports from non-Asian countries. This facility was also extended to imports by post or otherwise of drugs and medicines, surgical, optical and dental instruments, X-ray films, scientific instruments etc. required by hospitals, medical practitioners, medical institutions and technical and research institutions.

For the year 1967, it was decided in *September 1966* to release exchange to Haj Pilgrims upto a limit of Rs. 1,575/- per person above the age of 16 years and Rs. 790/- between the ages of 14 and 16 years ; earlier the respective limits were Rs. 1,000/- and Rs. 500/-. The total number of pilgrims was fixed at 15,000 but was increased later in *January 1967* to 15,200. The same revised scales of release of exchange were made applicable to Zariat Pilgrims proceeding to Iraq and Iran during 1967. The number of pilgrims was fixed at 1,500.

In *October 1966*, it was decided to grant limited exchange facilities to persons going abroad for business or other approved purposes, for medical check-ups and consultation abroad provided a specialist recommends such a check up or consultation.

Following Burma's withdrawal from its membership of the sterling area, the authorised dealers were advised in *November 1966* to treat Burma as a "Convertible Account" country, payments to and from which are permissible in specified non-sterling area currencies. Beginning with the same month, travelling salesmen were given the benefit of additional exchange to the extent of £ 50 or its equivalent by way of entertainment allowance so as to enable them to canvass orders successfully.

The scale of remittances allowed to be made by authorised dealers for purposes such as Patent or Trade Mark Registration fees, subscriptions, membership fees to clubs etc. was increased in *January 1967* from Rs. 200/- or its equivalent-to £ 15 or its equivalent.

The facilities hitherto granted for credit of the redemption proceeds of special rupee notes to the non-resident accounts of banks in the Gulf states were withdrawn in *March 1967*, except in respect of special notes received from banks operating in the Sultanates of Muscat and Oman.

Developments in Trade Policy

The change in the par value of the rupee on June 6, 1966 necessitated far-reaching changes in India's trade policy. The export promotion schemes involving the issue of import entitlements and tax credit certificates were terminated. With a view to stepping up production, imports were substantially liberalised and duties reduced to keep the cost of essential imports in line with the cost of comparable domestic products.

The main feature of the new export policy was the levy of export duties on a limited number of staple exports including jute manufactures, tea, iron ore, coffee, tobacco unmanufactured, black pepper and mica. The dutiable items account for over 60 per cent of total exports. The rationale of the export duties was to divert into the Exchequer a part of the windfall profits on exports arising from devaluation and also to prevent a fall in export prices in terms of foreign currencies. The duties initially imposed were subject to continuous review, and adjustments in the rates were effected from time to time in the light of subsequent developments in costs, international prices and demand, (vide statement 87). Some of the nascent exports, such as engineering goods, iron and steel, chemicals and woollen carpets, accounting for 7-8 per cent of total exports, receive cash assistance for market development. Exports not covered by duties or cash assistance account for over 30 per cent of total exports and include items like cotton fabrics, cashew kernels, precious stones, spices (other than pepper), fish and fish preparations and vegetable oils.

With a view to encouraging production of export goods, highest priority was accorded to these industries' requirements of indigenous and imported raw materials, components and parts. A special form known as the "Green Form" was devised for prompt allocation of indigenous raw materials to exporting units. Following the abolition of the import entitlement schemes, a new replenishment scheme was introduced under which *registered* exporters would receive import licences for the single import content of exports, valid for importation of items permissible to actual users engaged in the manufacture of export items.

Attention was also directed towards increasing the volume of exports of traditional commodities, and steps were initiated to secure higher levels of production of raw jute, cashewnuts, tea, coffee and cardamom. Thus, facilities were provided for financial and other assistance required for increased production of raw jute, cashewnuts, and supply of additional fertilisers and pesticides on priority basis was recognised for plantation crops like coffee, tea and cardamom. In the case of mineral ores, a programme was chalked out to facilitate annual exports of 25 million tonnes of iron ore by 1970-71, and efforts are being made to mechanise iron ore mines, provide financial credit to miners and develop port facilities.

Further progress was made during the year in the extension of quality control and preshipment inspection, and nearly 85 per cent of exports are covered under these schemes. During the year, quality control and preshipment inspection were extended to deoiled rice bran and gum karaya while action has been initiated to bring under compulsory quality control a number of commodities such as light engineering products, crude drugs, rosewood, human hair, coriander seed and celery seed.

In keeping with the export promotion policy and consistent with the needs of the economy, there was gradual relaxation during the year under review in the control over exports of some items while others were brought under control (vide Appendix IV).

The Board of Trade, while taking note of the follow-up measures taken after devaluation, agreed that these measures should be given a fair trial over a reasonable period of time before further changes could be contemplated. It also emphasised that export industries should make a greater effort towards cost reduction, and that agro-based industries viz. jute manufactures, cotton textiles and vegetable oils should directly participate in increasing agricultural production. The Board recommended that a detailed policy be drawn up, which would enable the grant of better facilities for trade development, specially in the field of foreign business travel and publicity for export and opening of offices abroad.

The Indian Institute of Foreign Trade widened its field of activities. It organised a number of training programmes at various centres in India to provide intensive training to participants on subjects such as 'International Marketing', 'Export Techniques', 'Overseas Salesmanship', 'Overseas Marketing Research' etc. Besides organising a number of seminars, the Institute has undertaken a number of research projects, commodity studies and export potential surveys of some States.

In the field of institutional arrangements, aimed at stepping up exports of specific commodities, the year witnessed two additions viz. (1) a new export promotion council for Gem and Jewellery exports, bringing the total number of these councils to nineteen; apart from promoting exports of precious stones, pearls and diamonds, the Council would assist the development of production centres for rough precious and semi-precious stones and design centres for jewellery, and (2) a new Board for Cardamom, mainly for fostering of co-operative enterprises among cardamom growers and for the provision of financial assistance to cardamom cultivators.

During the year there was further growth in the trading activities of the State Trading Corporation (STC), both in the volume and range of commodities handled. The total volume of trade handled by the STC in 1966-67 aggregated Rs. 152 crores. The level of exports in 1966-67, which prior to devaluation of the rupee had been fixed at Rs. 19 crores, was, on devaluation, altered to Rs. 32

crores. Although firm figures of the actual amount of exports channelled through the STC during the year are not yet available, indications are that the level was more or less achieved. This was attained through exports of traditional items to entirely new markets as also through the export of several new items. As a result of the Corporation's persistent efforts, Indian footwear found a place in the U.S. and Canadian markets. Another new item of export which was taken up in a big way was the export of human hair, wigs and wiglets, with the signing of a seven-year contract with a leading American firm for exports worth Rs. 17 crores during the next seven-year period. The Corporation also concluded a long-term contract for the supply of railway wagons to Hungary, of the value of Rs. 10 crores. This is the largest single contract signed for the export of finished engineering goods. A number of new chemical products such as chloral hydrate, turpentine oil, maize starch etc. were also exported and the Corporation was successful in introducing readymade garments into the East European countries. On the import side, the Corporation continued to arrange for imports of capital goods and industrial raw materials at international prices and also certain scarce commodities required for the country's economic development. As part of the export promotion drive, during the year, the Corporation participated in trade fairs held in Budapest (Hungary), Zagreb (Yugoslavia), Plovdiv (Bulgaria) and Nairobi.

The Minerals and Metals Trading Corporation (MMTC) expanded its trading activities during the year under review. Exports of iron ore by the MMTC in 1966 were 7.83 million tonnes valued at Rs. 39.8 crores compared with 6.04 million tonnes valued at Rs. 25.1 crores in 1965. Exports of manganese ore by the Corporation in 1966 totalled 1.12 million tonnes valued at Rs. 11.2 crores as against 1.28 million tonnes valued at Rs. 9.6 crores in 1965 ; the decline in the quantity was mainly due to the reduced availability for export purposes. The Corporation imported during the year certain non-ferrous metals like copper, zinc, lead and aluminium wire rods as also steel and ferro alloys.

The *import policy* during the year aimed at liberalising imports of essential items within the availability of foreign exchange resources and simplifying the licensing procedure so as to provide flexibility in the utilisation of import licences. The import policy for 1966-67, as announced on March 30, 1966, provided for selective increase of imports of certain essential items by reducing or completely eliminating quotas for certain non-essential and low-priority items. The policy also aimed at rationalising the licensing system and providing flexibility in the use of import licences. The items licensable to established importers were divided into various groups, and most of the commodities falling within a group were made interchangeable. Further, with a view to providing greater flexibility to actual users in the utilisation of foreign exchange, the import policy provided for the import of permissible items of steel against licences issued for raw materials, components, spares and non-ferrous metals and *vice versa*.

Following the devaluation of the rupee in June 1966, import duties on all items of imports other than consumer goods were reduced to keep the import cost of essential raw materials, intermediates, machinery and spares broadly in line with the cost of comparable domestic products. The regulatory import duty of 10 per cent *ad valorem* introduced in February 1965 and the import duty of 20 per cent on crude oil imposed in February 1966 were abolished. The revisions in import duties in respect of main categories of imports were as under :

CHANGES IN IMPORT DUTIES CONSEQUENT ON DEVALUATION ON JUNE 6, 1966

(*Ad valorem*—per cent)

Categories	Pre-devaluation, inclusive of 10 per cent regulatory duty*	Post-devaluation
1	2	3
1. Agricultural machinery	25	15
2. Other machinery ..	45	27.5
3. Primary raw materials	50	27.5
4. Other raw materials and intermediates ..	70	50-60
5. Consumer goods ..	110	100

* Rates in force since August 20, 1965.

Foodgrains, fertilisers, sulphur, rock phosphate, books and journals, newsprints and family planning accessories are allowed to be imported free of duty.

It was also decided to enhance the rupee value of unutilised pre-devaluation import licences and licences issued between June 6 and June 10, 1966, by 57.5 per cent to maintain the foreign exchange value of these licences. In addition, the values of quota licences issued to established importers in respect of certain essential commodities, such as motor vehicle parts and x-ray films, were raised, the increase ranging from 5 per cent to 75 per cent.

The import policy for raw materials, components and spares was liberalised in June 1966 in order to secure a higher level of production, both agricultural and industrial. Special arrangements were made for sizeable imports of fertilisers, pesticides, sulphur and rock phosphate. Raw materials needed by certain export industries (*viz.* jute textiles, cashewnut processing and leather tanning) were allowed to be imported on open general licences which in the first instance were valid for shipments upto March 31, 1967. Arrangements were also made for larger imports of (*i*) kerosene, copra and sunflower oil to provide for the needs of mass consumption and (*ii*) soyabean oil, palm oil and tallow to meet the requirements of the vanaspati and soap industries. For the 59 priority industries, arrangements were made to meet their import requirements to maintain their production at full capacity (initially for six months). The list of priority industries included many important export industries, some consumer industries like sugar and cotton textiles, and some capital goods industries like industrial and mining machinery, basic metals, etc. Supplementary licences were to be issued to these priority industries when certain specified conditions* regarding the utilisation of initial licences were fulfilled.

The import policy for small-scale industries was also liberalised. Small-scale industries producing the same goods as the 59 priority industries were made eligible for licences equivalent to three times the value of the licences allotted to them in 1964-65 or twelve times the value of the licences given in 1965-66. Small-scale units in industries other than the priority industries were to be granted licences equal to twice the value of licences issued in 1964-65 or eight times the value of licences granted in 1965-66.

For non-priority industries, the import policy was announced in September 1966, which provided for foreign exchange allocations for the import of raw materials, components and spares during 1966-67 at the same level as in 1964-65.

The import entitlements under the export promotion schemes were abolished after the devaluation, and a new scheme for *registered exporters* was introduced in August 1966 to provide for the replenishment of the import content in terms of raw materials, intermediates, components and spares against exports of specified products.** Exports to Nepal, Sikkim, Bhutan, Tibet and Afghanistan do not qualify for the grant of import licences under this scheme though, in the case of Afghanistan, exports against free foreign exchange are taken into consideration.

In May 1966, the Government announced its acceptance of the main recommendations of the Mathur Committee (second part of the

* Either the opening of a letter of credit to the extent of not less than 90 per cent of the value of goods covered by the initial licence or the production of documentary evidence to show that shipments upto 70 per cent of the value of the goods covered by the initial licence had been effected.

** A registered exporter who is himself a manufacturer of the export product or parts or components or raw materials thereof will be eligible to receive the import licence/licences in his own name. He may also nominate any other manufacturer of the exported product, or parts or components or raw materials thereof to receive a licence against the exports effected by him. A registered exporter who is not a manufacturer of the exported product will not be eligible to receive an import licence in his own name but he can nominate one or more manufacturers of the exported products, or parts or components or raw materials thereof for receiving import licence/licences against exports effected by him. An import licence issued under this scheme can be utilised for an amount not exceeding 20 per cent of the value of the licence or rupees one lakh, for the import of permissive types of jigs, tools and equipment for packing and tagging. The imports effected against the licences granted under the scheme will have to be used for production in units owned or managed by the licence holder.

Report) which examined the possibilities of simplification of the import and export control procedures. This part of the Report, submitted on December 22, 1965,* deals with the procedures for import licensing for capital goods required by the private sector, import licensing for public sector undertakings and state electricity boards, imports in connection with trade with Afghanistan and import of personal kind and baggage.

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

Tariff Commission

In 1966-67, the Tariff Commission completed** five tariff inquiries and three price inquiries. The tariff inquiries completed related to the following industries: (*i*) piston assembly,† (*ii*) cotton textile machinery, (*iii*) A.C.S.R. (aluminium conductors steel reinforced) and A.A.C. (all aluminium conductors), (*iv*) antimony, and (*v*) sericulture. The Commission recommended the withdrawal of protection granted to all these industries, except for sericulture, from January 1, 1967. The Government accepted the recommendations and withdrew protection with effect from January 1, 1967. The prevailing rates of customs duties were, however, allowed to be continued as revenue duties instead of as protective duties.

In the case of the sericulture industry, the Government accepted the recommendation to continue protection for a further period of three years ending December 31, 1969, as it was considered that the industry was not yet in a position to withstand foreign competition since the bulk of the raw silk produced by it had to be sold at much below the cost price.

The three price inquiries completed during the year related to (*i*) the revision of ceiling prices for alcohol, (*ii*) the fixation of the price structure for catguts and (*iii*) the specific aspects regarding the price structure for cotton cloth and yarn. The Government accepted the main recommendations of the Commission relating to the ceiling prices of alcohol. For catguts, the Commission recommended fair selling prices for various categories of sutures, for the years 1966 and 1967 (on f.o.r. basis), for orders valued at or more than Rs. 1000 ; the Government accepted the main recommendations of the Commission with a slight modification in that the stipulation regarding orders valued at or more than Rs. 1000 was omitted. As regards cotton cloth and yarn, the Commission was asked to report on specific aspects which, among other things, included (*i*) fair ex-mill prices of cloth and yarn, (*ii*) the cost of distribution of cloth and yarn and a reasonable basis for the determination of fair retail prices and (*iii*) the method of periodic price adjustments to cover major changes in cost elements. As this industry was producing numerous varieties of cloth and yarn and the qualities varied from producer to producer, the Commission evolved broad formulae for arriving at prices. The details had to be worked out by the Government agencies for ready application. The recommendations of the Commission were referred to a Technical Committee appointed by the Government to advise on the working of the Commission's formulae to enable the fixation of prices of the varieties of mass consumption. The recommendations of the Commission as also of the Technical Committee were taken into consideration by the Government in evolving the formulae prescribed for the fixation of prices under the statutory control scheme.

Details of the Tariff Commission's recommendations and Government's action thereon are given in Appendix VI.

* The first part of the Report was submitted by the Committee on March 8, 1965 and the Government announced its decisions on it on March 31, 1965 (see Report on Currency and Finance 1964-65 p. 110). It covered all aspects of import licensing for raw materials, components and spares in the case of actual users and also import licensing for established importers.

** An inquiry is treated as complete only after the Government's decision on the report has been published. Thus, the report of inquiry on one of the industries, though submitted by the Commission as early as 1963, is considered as having been completed only this year when the Government's decision on the report was released.

† In the case of the piston assembly industry, the Commission in its first report, submitted in May 1966, had recommended the continuation of protection to this industry ; however, consequent on devaluation, the Commission, at the instance of the Government of India, reconsidered its earlier decision and recommended the withdrawal of protection to this industry after December 31, 1966.

Trade Arrangements and Trade and Payments Agreements

Trade and payments agreements with the East European countries and certain other countries like Afghanistan and the U.A.R. continued to play a significant role in forging closer economic ties and increasing the country's foreign trade.

India also had trade agreements/arrangements with certain West European countries *viz.* Austria, Federal Republic of Germany, France, Greece, Italy, Sweden, Switzerland and U.K. and some other countries like Ceylon, Republic of Korea, Iran, Sudan and Japan.

Details in respect of the trade agreements/ arrangements concluded during 1966-67 are enumerated in Appendix VII.

With a view to fostering economic relations, India extended a credit of Rs. 100 million to Indonesia in September 1966 for importing Indian goods such as jute and cotton textiles, iron and steel and chemicals. Towards the close of 1966 a fresh two-year Trade Agreement was also concluded with Indonesia, which specified *inter alia* the details of items available for export for either country. Existing trade agreements with Greece, South Korea and Sudan were renewed, and the trade arrangements with Afghanistan, Iran, North Korea and Ceylon, extended for a further period, while annual trade arrangements were finalised within the framework of the existing trade and payments agreements with Bulgaria, East Germany (GDR), Hungary, Iraq, Rumania, Yugoslavia, U.A.R. and U.S.S.R. A feature of these annual trade arrangements is the recognition of the scope for increasing trade between India and these countries. Accordingly, these arrangements provide for increased turnover, taking into account the developing needs of these economies. Although increase in traditional exports like tea and jute manufactures continued to figure in the export list, the exports of newer items such as iron and steel products, chemicals, engineering goods, rubber, plastic products, transport equipment and consumer goods like flasks, refrigerators and air-conditioners feature on an increasing scale in a number of agreements.

Subsequent to the devaluation of the rupee, protocols were concluded with the U.A.R., Poland, G.D.R., Czechoslovakia, Rumania, Yugoslavia, Hungary and Bulgaria, marking up the value of the unimplemented portions of the export-import contracts with these countries by 57.5 per cent. In the case of the U.S.S.R., however, while the import contracts were revalued by 57.5 per cent, the export contracts were enhanced by 47.5 per cent.

An important development on the trade front was the Tri-partite Ministerial Conference on economic co-operation between India, Yugoslavia and U.A.R. held in mid-December 1966. The Conference paved the way in evolving mutually beneficial schemes on a multilateral basis, not only for the development of trade, but for other sectors such as shipping and industry. The areas in which the three countries should co-operate and the lines on which schemes should be formulated were also outlined. The promotion of trade was to be achieved by establishing preferential tariff arrangements and simplifying trade regulations, while improvement in maritime transport was to be attempted by setting up joint shipping services.

The UNCTAD (United Nations Conference on Trade and Development) Board of Trade and Development, at its fourth session in September 1966, assessed how the policies of member states had responded to the recommendations made in 1964 by the First Conference on Trade and Development. Among other problems discussed at the session were the trade relations between countries with different economic systems, technical assistance for trade promotion and principles governing international trade relations. The Board set up expert groups such as on international monetray issues, reinsurance, supplementary financing etc. In November 1966, a joint UNCTAD/ FAO working party on forest and timber products made a number of recommendations dealing with forest and timber products. An international cocoa agreement is being negotiated under the auspices of UNCTAD and the principle of a buffer stock has been accepted. The maximum size of the buffer stock would be 2,50,000 tons of cocoa. A levy system, intended to provide a sound basis for the financial operation of this scheme,

has been agreed upon. The preparatory group of the UNCTAD Consultative Committee on sugar also held further discussions in November 1966 on the general content of a new international sugar agreement.

India is to play host to the Second UNCTAD to be held in New Delhi during February-March 1968. Commodity problems would be the major items on the agenda. Items such as techniques of commodity market stabilisation, financing of buffer stocks, programmes of agricultural diversification and control of supplies, establishment of a preferential system for exports by developing countries and the expansion of their export-oriented industries would be covered. In the field of financing and trade, measures to increase the flow of international capital, public and private, to the developing countries would be considered.

The adoption of a common agricultural policy in May 1966 was one of the significant achievements of the EEC. In February 1967, the EEC adopted a 'First Medium-term Economic Programme' covering the years 1966 to 1970. The programme sets out the initial guidelines and mainly deals with employment policy, public finance and regional co-ordination. The EEC accepted, in February 1967, a proposal which would replace the cumulative turnover tax system in force in Belgium, Luxemburg, Germany, Italy and the Netherlands by a common system of taxation on value added. The latter will be a general tax on consumption levied, in principle, at all stages of the economic process in such a way that it falls only on the value added at each stage. In May 1967, the U.K. and Denmark formally applied for membership of the EEC.

At the end of 1966, the last remnants of tariffs, *viz.* 20 per cent were abolished on manufactured goods, traded between EFTA (European Free Trade Association) countries. A complete free trade area for industrial goods has thus been created three years ahead of schedule.

The twenty-third annual conference of ECAFE (Economic Commission for Asia and the Far East), held in Tokyo in April 1967, was dominated by the Asian agricultural crisis and stressed the need for expanding trade, both inter-regional and intra-regional. The conference adopted a 'Tokyo Declaration' urging better mobilisation of development resources to speed up Asian economic progress. It also decided to have a ministerial conference of ECAFE members in about three or four months as a prelude to the New Delhi UNCTAD.

After four years, the 'Kennedy Round' negotiations reached a compromise agreement at Geneva on a Package Deal to reduce tariffs on manufactured goods by an average of 30 per cent and ease other barriers to international trade over five years from 1968. The final agreement of the Kennedy Round was signed by 46 countries on June 30, 1967. Though the proposed reduction falls short of the original aim of a general 50 per cent tariff cut, it is the largest ever planned in a single multinational agreement which is calculated to stimulate the movement towards liberalisation of world trade. The Package Deal, covering a very wide range of items, involves about $ 40 billion a year of world trade. Tariffs on chemicals would be reduced by about 20 per cent ; however, the European countries would be prepared for an additional cut of 30 per cent provided the U.S.A. abolishes its American Selling Price system. On the question of minimum world price for wheat, compromise was arrived at $ 1.73 a bushel against the current market price of about $1.45 a bushel. The Package Deal also provides for a massive world food aid programme under which developed countries, signatories to this agreement, will share the burden of providing 4.5 million tons of grains per year to underdeveloped countries. An anti-dumping code has also been agreed upon.

Among the important decisions arrived at the eighth session of the International Coffee Council held in London in August 1966, was the adoption of a system for selective adjustment of supplementary quotas and floor and ceiling price ranges for various types of coffee. Total export quotas for 1966-67 have been fixed at 46.86 million bags (India's quota being 396,269 bags). In a bid to check the declining trend in world coffee prices, the International Coffee Council effected a series

of cuts in export quotas of certain varieties of coffee.

The Commonwealth Sugar Agreement was renewed in November 1966 and will be effective till December 1974. The negotiated price for the current three-year period 1966-68 is £ 47.10 sh. per ton of raw sugar. (India has a quota of 25,000 tons per year) .

A twenty-nine member committee of the GATT (General Agreement on Tariffs and Trade) in April 1967 agreed on a protocol for a three-year extension of the present international cotton textiles trade arrangement. This arrangement, known as the Long-Term Agreement which was negotiated in 1962, is due to expire on September 30, 1967.

CHAPTER VII : CURRENCY AND COINAGE

During 1966-67, there was a further expansion in currency in circulation to Rs. 3,289 crores, but the magnitude of the rise at Rs. 176.2 crores was lower than in 1965-66 (Rs. 271.4 crores). Component-wise, the rise in notes in circulation was considerably less and that in circulation of small coin also comparatively smaller, but the rise in rupee coin in circulation was larger than in the preceding year. During the year, the Governments of various Gulf States, with the exception of the Sultanate of Muscat and Oman switched over from special India rupees to other currencies. A new series of Bank notes in the denominations of Rs. 2, Rs. 5, Rs. 10 and Rs. 100 were put into circulation from April 17, 1967 and a new coin in the denomination of 5 paise in aluminium magnesium alloy was issued from July 1, 1967.

Circulation of Notes and Coins

Circulation of Notes : The expansion of Rs. 153.4 crores (5.4 per cent) in notes in circulation during 1966-67 was considerably lower compared with the expansion of Rs. 259.5 crores (or 10.1 per cent) in 1965-66. Notes in circulation rose initially from Rs. 2,823 crores* to Rs. 2,906 crores during April 1966 and, after declining to Rs. 2,656 crores by September, expanded steadily to Rs. 2,977 crores by end-March 1967. Denomination-wise, all the denominations except the Rs. 2 denomination contributed to this rise. The largest rise was recorded, as in the preceding year, by the Rs. 100 denomination, the expansion during the year being Rs. 96 crores, as against Rs. 276 crores in 1965-66. The proportion of the Rs. 100 denomination to the total currency rose further from 39.9 per cent to 40.4 per cent and thus continued to be the denomination largest in circulation. The Rs. 10 denomination also registered an increase of Rs. 55 crores (in contrast to a fall of Rs. 2 crores in the previous year), but its share in total currency declined further from 39.2 per cent to 38.6 per cent. Similarly, although the Rs. 5 denomination showed a rise of Rs. 9 crores (as against a fall of Rs. 18 crores in 1965-66), its proportion to total currency declined from 7.9 per cent to 7.7 per cent. The Rs. 2 denomination declined further by Rs. 1.4 crores, the relative share in total currency coming down slightly from 1.3 per cent to 1.2 per cent. Among the high denomination notes, the circulation of Rs. 1,000 notes increased by Rs. 8.4 crores, that of Rs. 5,000 notes by Rs. 2.3 crores and that of Rs. 10,000 notes by Rs. 22 lakhs, the relative share in total currency rising from 1.4 per cent to 1.6 per cent in respect of the Rs. 1,000 notes while it remained unchanged at 0.6 per cent and 0.2 per cent for the Rs. 5,000 notes and the Rs. 10,000 notes, respectively.

Circulation of Rupee Coins : During the year, circulation of rupee coins, the bulk of which comprises one-rupee notes issued by the Government of India, rose by Rs. 15.8 crores (or 8.6 per cent) to Rs. 199.6 crores@ as against a rise of only Rs. 3.8 crores (or 2.1 per cent) in the preceding year.

Circulation of Small Coins: The expansion in circulation of small coins (Rs. 7.0 crores) during 1966-67 was less than that in the preceding year (Rs. 8.1 crores) and was wholly accounted for by an increase in circulation of decimal coins. The rise in circulation of decimal coins was Rs. 7.13 crores during 1966-67 as compared with Rs. 7.69 crores in 1965-66. Denomination-wise, the rise was the largest in 25 paise coins (Rs. 1.71 crores) followed by 10 paise (Rs. 1.70 crores), 50 paise (Rs. 1.67 crores), three paise (Rs. 95 lakhs), two paise (Rs. 64 lakhs), one paisa (Rs. 25 lakhs) and 5 paise (Rs. 20 lakhs). The circulation of old coins (anna-pie) showed

* 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 of (i) Government of India one rupee notes issued from July 1940, (ii) quaternary silver rupees issued between December 1940 and June 1946, (iii) nickel rupees issued from June 1947 and (iv) pure nickel decimal rupees issued from 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, 1967.

Item	Unit	1950-51	1955-56	1960-61	1965-66 Likely	1970-71	% increase in 1970-71 over 1965-66
2. Mechanical & Electrical Engineering :							
Cement Machinery ..	Value in Rs. lakhs	—	40	60	350	2000	471.4
Sugar Machinery ..	,,	—	20	420	800	1600	100.0
Machine tools (graded)	,,	30	80	700	2300	10500	356.5
Diesel Engines (stationary)	000 numbers	5.5	10.4	43.2	85.0	200.0	135.3
Tractors (agricultural) ..	,,	—	—	neg.	5.6	35.0	525.0
3. Railway Locomotives : steam, diesel and electric	numbers	7	179	272	276	417	51.1
4. Chemical Fertilizers :							
Nitrogenous	000 tonnes of N	9	80	99	233	2000	758.4
Phosphatic	,, ,, of P_2O_5	9	12	54	111	1000	800.9
5. Other Industries : ..							
Sewing machines ..	000 numbers	33	111	303	450	900	100.0
Bicycles ..	,,	99	513	1071	1700	3500	105.9
Automobiles ..	,,	16.5	25.3	55.0	68.5	170.0	148.2
Cotton Textiles (mill made)	Million metres	3401	4665	4649	4434	5486	23.7
Sugar	000 tonnes	1134	1890	3029	3550	4500	26.8
Cement	Million tonnes	2.7	4.7	8.0	10.8	20.0	85.2
Petroleum Products ..	,,	0.2	3.4	5.8	9.9	20.0	102.8
Electric fans	,, numbers	0.2	0.3	1.1	1.5	3.5	133.3
Paper and Paper Board	000 tonnes	116	190	350	550	900	63.6
VII. Village and Small Industries							
Handloom, Powerloom & Khadi	Million metres	917	1643	2072	3146	4572	45.3
Sericulture (Raw Silk)	Million Kgs.	1.1	1.4	1.5	2.1	3.1	44.2
VIII. Transport and Communications							
1. Transport Services Railways :							
Passenger Kilometres	000 million	66.5	62.4	77.7	96.0	119.0	24.0
Freight Carried ..	Million tonnes	93	116	156	205	308	50.2
Roads Surfaced ..	000 K. metres	156	183	235	284	334	17.6
Shipping	lakh g.r.t.	3.9	4.8	8.6	15.4	30.0	94.8
Commercial vehicles on road.	000 numbers	116.3	165.6	224	320	525	64.1
2. Major Ports : traffic handled	Million tonnes	19.3	23.4	38.8	50.2	82.5	64.3
3. Communications:							
Post Offices	000 numbers	36	55	77	98	110	12.2
Telegraph Offices ..	,,	3.6	5.1	6.9	8.7	10.6	21.8
Telephones	,,	168	278	463	873	1523	74.5
IX. Education							
1. General education :							
Students in schools (age 6 to 17 years)	Million numbers	23.5	31.3	44.6	67.7	97.5	43.9
School going children as % of children in their respective age groups :							
Primary Stage 6—11 yrs.		42.6	52.9	62.2	78.5	92.2	17.5
Middle Stage 11—14 yrs.		12.7	16.5	22.5	32.2	47.4	47.2
Higher Secondary Stage 14— 17 yrs.		5.8	7.8	11.7	17.8	22.1	24.2

Item	Unit	1950-51	1955-56	1960-61	1965-66 Likely	1970-71	% increase in 1970-71 over 1965-66
2. Technical Education : Engineering & Technology (Admission capacity) :							
Degree level ..	000 numbers	4.1	5.9	13.8	24.7	30.0	21.5
Diploma level ..	„	5.9	10.5	25.8	49.9	68.0	36.3
X. Health							
Hospital Beds ..	000 numbers	113	125	186	240	300	25.0
Primary Health Units	Numbers	—	725	2800	4800	5200	8.3
Family Planning Centres	„	—	147	1649	11474	48405	322.6
Doctors (practising)	000 numbers	56.0	65.9	70.0	86.0	131.0	52.3
Nurses (registered)	„	15.0	18.5	27.0	45.0	87.0	93.3

† Based on 1965-66 base level (potential).
@ Bales of 180 kilograms each. n.f. not fixed.
†† Figures relate to the five year period ending with that year.
* Increase over additionals over the respective Plan periods.
b Figures are cumulative for the schemes taken up in the first three Plans.
c Calendar year. bb Provisional.

APPENDIX II. UNION GOVERNMENT BUDGET PROPOSALS, 1967-68

The Union Government Budget proposals for 1967-68 were presented to the Parliament on May 25, 1967 in the form of Finance Bill, 1967. The more important features of these proposals as finally adopted by the Parliament in the Finance Act, 1967, are briefly set out below.

A. DIRECT TAXES

(*i*) *Rates of income-tax :* The existing system of providing tax relief, by way of full or partial rebate of tax, calculated at the average rate of tax applicable to the total income of the assessee, on the incomes or payments qualifying for rebates, is proposed to be replaced by an outright deduction, in the computation of the total income of the assessee, of the whole or a specified percentage of the income at present qualifying for rebate of tax with a view to simplifying tax calculations. These are mentioned separately elsewhere in this section of the appendix. The rates of income-tax are the same as in the last year except for a minor modification made by the earlier Finance Act of 1967 (Interim Budget) in respect of the rebates of income-tax granted with reference to exports made before the date of devaluation.

(*ii*) *Widely-held* Small-Scale Companies :* The concessional rate of 45 per cent of total income applicable to widely-held domestic companies having total income not exceeding Rs. 25,000 is proposed to be extended to such companies whose total income does not exceed Rs. 50,000 to provide incentive for the growth and development of small and medium scale industries in the sector of widely-held companies.

(*iii*) *Promotion of tourism :* It is proposed to extend the "Priority industry" treatment for the purposes of the Income Tax Act to approved hotels run by Indian companies. As a result, an Indian company carrying on hotel business will be entitled to a deduction, in the computation of its business profits on account of development rebate at the higher rate of 35 per cent of the cost of plant or machinery installed in a hotel after March 31, 1967. Besides, such a company will also be entitled to a deduction of initial depreciation allowance calculated at 25 per cent of the actual cost of erection of the buildings completed after March 31, 1967. Further, from the assessment year 1968-69, hotels approved by the Central Government are entitled to a deduction of 8 per cent of their profits in the computation of taxable income. It is also proposed to remove certain impediments in the Income Tax Act relating to the ownership of the hotel premises, etc. in the way of hotel industry claiming 5-year 'tax-holiday'. The existing provision limiting the depreciation allowance to the maximum amount of Rs. 25,000, in respect of motor cars will be relaxed in the case of motor cars acquired by approved hotels after March 31, 1967 for the purpose of running on hire for tourists. This provision will have effect from the assessment year 1968-69. These concessions are expected to promote tourism and, *inter alia*, augment foreign exchange earnings.

(*iv*) *Extension and carry-forward of tax-holiday benefit :* Undertakings operating a cold storage plant and Indian companies deriving profits from a ship (which before its acquisition was not used in Indian territorial waters by a person resident in India), have been made eligible for the tax holiday† retrospectively, from April 1, 1962. It is proposed to allow a carry-forward of the amount of the 'deficiency' in the profits in relation to the amount of 6 per cent of the capital employed, during each year of the total period of the 'tax holiday' to the succeeding year in that period. Further, where such accumulated 'deficiency' is not fully absorbed by the last year of the 'tax-holiday' period, the unabsorbed deficiency will be allowed to be carried forward to the succeeding years upto the eighth year from the year in which the undertaking commenced its operations or the ship was first brought into use. These provisions will not apply to those cases where the 'tax holiday' period has expired before 1967-68 assessment year. Industrial undertakings which made profits in excess of 6 per cent of the capital employed in a particular year but suffered a deficiency in a later year, during 'tax-holiday' period, would not have been able to avail of the 'tax-holiday' benefit in full; in order to benefit, such undertakings, a provision was incorporated later, the announcement in respect of which was made on July 24, 1967, to secure that the deficiency in relation to each year will be worked out separately instead of on cumulative basis. These concessions are aimed at making the 'tax-holiday' more meaningful in respect of those enterprises which are generally not in a position to have adequate profits in the initial years and are therefore not able to avail, in full, of the benefit of the 'tax-holiday'.

(*v*) *Facilitating amalgamation of uneconomic company units :* In order to facilitate the merger of uneconomic company units with other financially sound Indian companies in the interests of increased efficiency and productivity, it is proposed to remove some of the existing disabilities in the law. Accordingly, there will be no tax on profits‡ of the amalgamating company arising out of the sale proceeds in respect of any building, machinery, plant or furniture transferred by it to the amalgamated company. The "cost of acquisition" of such assets for the purpose of computing capital loss or gain in the hands of the amalgamated company will be the same as in the hands of the amalgamating company. Further, the amalgamated company will be entitled to (*a*) the balance of depreciation eligible in respect of assets acquired by it from the amalgamating company, (*b*) amortisation of the capital cost of the assets acquired in the process of amalgamation such as assets used for scientific research related to its business or for promotion of family planning amongst employees and (*c*) exemption from the computation of capital gains in respect of assets acquired from the amalgamating company. The other changes proposed to be made in the law relate to facilitating the merger of a subsidiary company

---

* The companies in which the public are substantially interested or wholly owned subsidiaries of such companies.

† The 'tax holiday' consists of exemption from tax, of profits derived from the undertaking (including hotel, shipping or cold storage plant), upto 6 per cent per annum of the capital employed therein, for five successive years—7 years in the case of a co-operative society—commencing from the year in which the undertaking goes into production, or the hotel, ship or the cold storage, as the case may be, starts operation.

‡ Profits, in the present context, are the excess of the sale proceeds or monies receivable by the assessee in respect of any building, machinery, plant or furniture over the written down value thereof, to the extent of the depreciation allowance actually granted on such assets.

$ Widely-held companies are already exempt from gift-tax under the Gift Tax Act.

with its parent company, exemption of the amalgamating closely-held$ company from gift tax in respect of the value of the assets transferred by it to the amalgamated company and charging of tax on capital gains in the hands of shareholders receiving shares in the amalgamated company only on realisation of any capital gains thereon, in the event of sale of such shares. The capital gains will, however, be computed by taking the 'cost of acquisition' thereof to be the cost of acquisition of the shares in the amalgamating company.

(*vi*) *Tax concession to new undertakings employing displaced persons :* In order to accelerate the pace of rehabilitation of displaced persons from East Pakistan and repatriates from other foreign countries notified by the Central Government, some concessions are offered to industries which go into production at any time during the 3-year period from April 1, 1967. It is proposed to allow them a deduction of 50 per cent of profits, subject to a maximum deduction of Rs. 1 lakh, for ten successive assessment years. The undertaking should, however, employ a minimum number of 40 workers of whom at least 60 per cent should be displaced persons or repatriates. The company formed by the splitting up or reconstruction of a business already in existence or by the transfer to it of a building, machinery or plant previously used for any purpose, will not be eligible for tax concession.

(*vii*) *Tax concessions to industries affected by civil disturbances, enemy action or natural calamity :* Facilities for the reconstruction or revival of industrial undertakings manufacturing or producing articles, which discontinued production owing to extensive damage or destruction of property as a direct result of natural calamities, enemy action, civil disturbance or accidental fire are offered in the budget. It is proposed to allow a deduction, by way of 'rehabilitation allowance' in the computation of the profits of the year in which the business is revived. The rehabilitation allowance will be granted in a sum equal to 60 per cent of 'terminal allowance'.* The unabsorbed business loss of the undertaking will be carried forward and allowed to be set off against the profits of the revived business upto a period of 8 years from the year in which the business was revived. In order to be eligible for this concession, such business should be re-commenced by the assessee within a period of three years from the end of the year in which it was discontinued.

(*viii*) *Provision for encouraging scientific research :* Under the present law, capital expenditure incurred by an assessee for scientific research related to his business is allowed to be amortised against the profits from the business over a period of 5 years in equal instalments. The assessee is also entitled to a deduction by way of development rebate on new machinery and plant used by him for scientific research in the year in which such assets are installed at the general rate of 20 per cent. It is now proposed to make such installations from April 1, 1967 eligible for a rebate at a higher rate of 35 per cent which is the existing rate applicable in the case of priority industries. It is also proposed to allow deduction, in full, of the amount of capital expenditure incurred for scientific research after March 31, 1967.

(*ix*) *Deduction of tax at source :* In order to expedite and improve collection of revenue, it is proposed to extend the practice of deduction of tax at source in respect of salaries, dividend and interest on securities payable by resident assessees to incomes from interest (other than interest on securities) from September 30, 1967. The deduction is to be made only when the amount credited in their account at any time exceeds Rs. 400. The rate of deduction is 20 per cent inthe case of payments to corporate bodies and 10 per cent in the case of payments to non-corporate entities. Interest payments to banking companies, co-operative banks, including land mortgage banks, financial corporations (such as I.F.C., S.F.Cs., L.I.C., U.T.I. and insurance companies) and such other institutions as the Government may notify are excluded from the purview of this provision. However, certain exemptions will be made in the case of individual assessees who do not have taxable income during the year by which they will be entitled to receive the income without deduction of tax at source.

(*x*) *Relief to Industry due to devaluation of the rupee :* The budget provides relief to assessees in respect of the additional rupee cost incurred on capital assets imported by them on deferred payment terms or against foreign loans as a result of the devaluation of the rupee. This provision will apply to imports from East European Countries also which have to be paid for in non-convertible Indian rupees. It is proposed to allow the assessees to write-up, in the previous year in which the date of devaluation falls, the additional rupee cost incurred in respect of such assets due to devaluation ; depreciation allowance (but not development rebate) will be granted with reference to the cost so written-up. The capital assets used for scientific research relating to business or promotion of family planning amongst the employees will also be allowed to be written-up similarly. It is also proposed to allow the writing-up of the capital expenditure incurred in acquiring patent or copyright from abroad prior to the date of devaluation. The expenditure so written-up will be allowed to be amortised against profits over a period of years. Further, where a capital asset acquired from abroad before the date of devaluation, is sold or otherwise transferred after the date of devaluation, the capital loss or gain, as the case may be, in respect of such assets will be computed with reference to the original cost of the asset as written-up by the additional rupee cost, if any.

(*xi*) *Exemption of income from livestock breeding, poultry and dairy farming :* Assessees deriving income from the above-mentioned businesses had been exempted from tax for 3 assessment years from 1965-66. In view of the continuing need of the country for the development and growth of such industries to supplement food resources, it is proposed to continue this exemption for an indefinite period.

II. Personal Income Taxation :

(*i*) *Rates of income-tax :* The rates of income tax (exclusive of surcharge) remain unchanged. The major change has been effected in the procedure whereby the same rates of tax have been provided for salary as well as non-salary income for the assessment year 1967-68. Hitherto "salaries" were subject to the levy of tax at the rates prescribed by the Finance Act of the preceding assessment year. This obviates the complication of

* 'Terminal allowance' means the deduction allowable in the year in which the building, machinery, plant or furniture used in a business is sold, discarded, demolished or destroyed. The allowance is equal to the net capital loss incurred by the assessee in respect of such assets *i.e.*, the amount by which the salvage value or the insurance monies receivable fall short of their written down value.

applying two different rates of tax to the income of assessee for the same assessment year, if he happened to have income from other sources, besides salary.

(*ii*) *Personal allowances :* While the exemptions and personal allowances hitherto prevailing have not been changed, a new allowance for maintenance of dependent parents or grand parents whose own income does not exceed Rs. 1,000 during the year, has been provided for resident individuals (whether married or unmarried), having total annual income upto Rs. 10,000. The quantum of tax relief provided is Rs. 20, being 5 per cent of the fixed allowance of Rs. 400 in the initial slab of income, during the year.

(*iii*) *Ceiling limit of unearned income :* With a view to encouraging savings and investments, it is proposed to increase the limit upto which unearned incomes do not bear surcharge from Rs. 15,000 to Rs. 30,000. Unearned income in the slab of Rs. 30,001-50,000, and in the slab over Rs. 50,000, will continue to bear surcharge at the existing rates of 20 per cent and 25 per cent, respectively, of the income tax thereon.

(*iv*) *Annuity deposits :* While the rates of annuity deposits and the law relating to annuity deposits remain unchanged, a few provisions have been liberalised and simplified. Firstly, no annuity deposit will be required to be made with reference to the income arising to a depositor in a foreign country, where the laws of the foreign country prohibit or restrict the remittance of money to India. Secondly, hitherto, the failure to make annuity deposit by a depositor below the age of 70 attracted penal tax ; from the assessment year 1968-69, the annuity deposit scheme has been made optional for depositors above the age of 60 instead of 70. Also, no penal tax will be charged where the amount of the deposit required to be made is upto Rs. 100 or where the short-fall in the deposit to be made is less than Rs. 100 or upto 10 per cent of the annuity deposit.

(*v*) *Raising the limit of qualifying amounts for tax relief :* In order to encourage savings in the form of life insurance, contributions to Government or recognised provident funds, deposits in a 10-year or 15-year cumulative time deposit account in the post office, etc., it is proposed to increase the limit of contributions to these media of savings from 25 per cent of the total income or Rs. 12,500, whichever is lower, in the case of individuals to 30 per cent of the total income or Rs. 15,000, whichever is lower ; in the case of Hindu undivided family, the limit is proposed to be raised from 25 per cent of the total income of the family or Rs. 25,000 whichever is lower, to 30 per cent of the total income of the family or Rs. 30,000, whichever is lower.

(*vi*) *Exemption of dividend income from tax :* With a view to encouraging investments in shares of Indian companies by the middle income group, it is proposed that where the total amount of the dividend income of any assessee does not exceed Rs. 500 during the year, the whole of the dividend income will be allowed as a deduction in computing the taxable income of the assessee.

(*vii*) *Tax relief in respect of foreign earnings:* In order to relieve hardship faced by Indian teachers and research workers in respect of higher living costs and other essential expenditure when abroad, it is proposed to allow a deduction, in the computation of total income, of 50 per cent of remuneration received from the foreign educational institution. However, where the Indian teacher or research worker renders continuous service abroad for more than thirty-six months, the remuneration received after that period will not qualify for the above-mentioned deduction.

III. New provisions regarding replacement of rebates

Full deductions:

It is proposed to allow a deduction, in the computation of the total income, of the full amount of income qualifying under the existing law for a rebate of tax in the following cases : (1) income of an authority constituted under the law for marketing of commodities ; (2) incomes derived by co-operative societies, to the extent to which these qualify for rebate of tax at present ; (3) dividends received by the member of a co-operative society from the society ; (4) tax-holiday profits and (5) in the case of any shareholder of a company, dividends attributable to the tax-holiday profits of the company.

Partial deductions :

(*a*) *Inter-corporate dividends :* It is proposed to allow a deduction, in the computation of the total income of the foreign company, 80 per cent of the dividend amounts received by it from a closely-held Indian company mainly engaged in specified priority industries and 65 per cent of the dividends received by it from any other domestic company. The dividends received by any domestic company from any other domestic company will also be eligible for 65 per cent deduction. This will leave 35 per cent of the dividend to bear tax at the rate of 70 per cent, thus resulting in an effective incidence of tax of 24.5 per cent on the whole of such dividends.

(b) *Receipts on technical 'know-how' account :* It is proposed to allow an Indian company a deduction, in the computation of its income, of 60 per cent of the amount of dividend, royalty, commission, fees, etc. received by it from a foreign company in consideration of supply of technical 'know-how' or technical services.

(*c*) *Compensation on termination of managing agency in the case of non-corporate assessees :* It is proposed to allow a deduction in the computation of the total income of the assessee, of an amount equal to 25 per cent of the income by way of compensation, subject to a maximum deduction of Rs. one lakh.

(*d*) *Donations for charitable purposes etc. :* It is proposed to allow a deduction, in the computation of taxable income, in respect of the qualifying amount of donations to charitable purposes, etc.; the rate of deduction will be 50 per cent of the qualifying amount of donations for corporate donors and 55 per cent for non-corporate donors. Futher, the donations to the Prime Minister's Drought Relief Fund, National Defence Fund and Jawaharlal Nehru Memorial Fund will not be subject to the ceiling limit applicable to donations to institutions setup for charitable purposes.* The above-mentioned tax concession is applicable to corporate aswell as non-corporate donors.

(*e*) *Allowance for dependent children abroad :* It is proposed to allow a deduction in the computation of taxable income, of an amount of Rs. 1,500 for each child, upto two children, in the case of foreigners resident in India, for the full time education of their dependent children abroad.

IV. Deposit Insurance Corporation :

The income of the Deposit Insurance Corporation is proposed to be exempt from tax for another five years from the assessment year 1968-69, as the Corporation

* The ceiling limit is 10 per cent of the total income of the donor or Rs. 2 lakhs, whichever is lower.

intends to extend the area of its insurance coverage and would need to build up adequate reserves for meeting possible risks.

V. Unit Trust of India :

It is proposed to exempt the income of the Unit Trust of India and also the income received from the Trust by the institutions contributing to the initial capital of the Unit Trust, from the purview of the Companies (Profits) Surtax Act, 1964, retrospectively, from the date it replaced Super Profits Tax (*i.e.*, April 1, 1964) ; these incomes were already exempt under the Super Profits Tax.

VI. Capital Gains Tax :

Hitherto, the capital gains were classified, for purposes of tax, into short-term capital gains and long-term capital gains. The tax on total income including short-term gains was being worked out by calculating the tax on assessee's ordinary income at the average rate of tax applicable to it and adding to that the tax calculated on the short-term capital gains, at the average rate of tax, applicable to the total income *i.e.*, ordinary income plus short-term gain. It is now proposed to do away with this distinction and charge the tax on the whole income at appropriate rate of tax applicable to total income including short-term gains. As a corollary, losses relating to short-term capital assets will be allowed to be set off against the assessee's ordinary income in that year.

As regards long-term capital gains, where the assessee's income from all sources, including long-term capital gains does not exceed Rs. 10,000, the long-term capital gains will be allowed as a deduction in computing the total income. In cases, where total income including long-term capital gains exceeds Rs. 10,000, the assessee will be allowed a deduction, in the computation of total income, of the first Rs. 5,000 of such gains plus 45 per cent of the balance in respect of capital gains relating to lands or buildings or any other right therein and the first Rs. 5,000 of capital gains plus 65 per cent of the balance, if such capital gains related to other assets.

VII. Wealth Tax :

It is proposed to amend the definition of the term "Company" in the Wealth-tax Act to include statutory corporation in order to avoid the anomaly arising out of recent rulings of courts. As a result, the statutory corporation will be liable to wealth tax for the assessment years upto 1959-60 at a concessional rate of ½ per cent of its net wealth, and it will be exempt from wealth-tax for subsequent assessment years. Other amendments relate to provisions for facilitating the distribution of work in the Income-tax Department on 'functional' basis.

VIII. Gift Tax :

It is proposed to exempt a closely-held company from gift-tax when it is amalgamated with an Indian company.

B. INDIRECT TAXES

The proposed changes in indirect taxes are as under :

(Rupees Crores)

Item	Rate of Duty	Additional Revenue (+) or Loss (−)
1	2	3
I. Union Excise Duties		
A. *By Bill*		
(1) *Coffee:*		
Superior variety	— Increase in the rate of basic duty from Rs. 55.00 to Rs. 85.00 per quintal	+ 1.02
Inferior variety (Robusta or Liberia)	— Increase in the rate of basic duty from Rs. 41.35 to Rs. 55.00 per quintal	
(*Note* : The existing special excise duty of 20 per cent of basic duty continues for superior variety).		
(2) *Cigars and Cheroots :*		

The increase in excise duty on cigars and cheroots are as follows :

Value per 100 (Rs.)	Rate of duty (Rs.) Existing	Proposed	
Above 2.50 to 5.00	1.00	1.20	
,, 5.00 to 15.00	4.00	4.50	+ 0.01
,, 15.00 to 25.00	12.00	12.75	
,, 25.00	20.00	21.00	

(*Notes:* 1. The existing special excise duty of 33-1/3 per cent of basic duty continues.
2. Cigars and cheroots the value of which does not exceed Rs. 2.50 per 100 will continue to be exempted).

(3) *Motor spirit :*	— Increase in the rate of basic duty from Rs. 455.00 to Rs. 550.00 per Kilo litre. ..	+16.60
(4) *Petroleum products (Not otherwise specified)*	— Increase in the rate of basic duty from 10 per cent *ad valorem* to 20 per cent *ad valorem* ..	+ 2.00
(5) *Artificial or synthetic resins and plastic materials and articles thereof:*	— Increase in the rate of basic duty from 20 per cent *ad valorem* to 30 per cent *ad valorem* ..	+ 4.50

(Note : The existing special excise duty of 20 per cent of basic duty will continue. The existing concessional rate of duty on synthetic resins and plastic materials used for manufacture of certain other excisable goods like paints, varnish and artificial and synthetic yarns remains unchanged).

(6) *Rubber products :*		
(i) *Piping and tubing (including hoses)* ..	It is proposed to levy a fresh basic duty at the rate of 15 per cent *ad valorem* ..	+ 1.98
(ii) *Belting :*	-do-	
(These products will, in addition, pay special excise duty at 20 per cent of basic duty like other rubber products).		
(7) *Rayon and synthetic fibres and yarn :* ..	— Increase in basic duty from Rs. 12.00 to Rs. 45.00 and special duty from Rs.4.00 to Rs. 15.00 per kilogram.	+22.00
Effective rates of duty (1) Staple fibre:	(*a*) of cellulosic origin—a levy of special duty of Re. 0.20 per Kg. in addition to the existing basic duty of Re. 0.60 per Kg (*b*) all others—increase in basic duty from Rs 2.00 per Kg. to Rs. 12.00. Special duty is retained at the existing rate of one-third of the basic duty ; but in view of the increase in basic duty from Rs. 2 to Rs.12 per Kg., the special duty also goes up from Re. 0.67 per Kg. to Rs. 4.	

(Rupees Crores)

Item	Rate of Duty	Additional Revenue (+) or Loss (−)
1	2	3

(7) *Rayon and synthetic fibres and yarn (contd.)*

Effective rates of duty (2) Spun yarn:

(*a*) Staple fibre yarn—

N.F. Counts	Duty (Paise per Kg.) Existing	Proposed
Less than 14	—	—
14—21	15	30
22—28	25	45
29—33	40	60
34—39	45	80
40—50	60	90
51 and above	90	Re. 1

(*b*) Yarn spun either wholly out of synthetic staple fibre or partly out of synthetic fibre and partly of natural fibre, the natural fibre content of such yarn being not more than 40 per cent, if the non-cellulosic fibre content of it is—

(*i*) 50% or more —Increase in basic duty from Rs. 3.00 to Rs. 10.50 and special duty from Re.1.00 to Rs. 3.50 per Kg.

(*ii*) less than 50% but more than 10% —Increase in basic duty from Rs. 2.25 to Rs. 6.00 and special duty from Re. 0.75 to Rs. 2.00 per Kg.

(*iii*) 10% or less —Increase in basic duty from Rs. 1.50 to Rs. 4.50 and special duty from Re. 0.50 to Rs. 1.50 per Kg.

(3) Filament yarn:

(*a*) Viscose—The changes proposed are as follows :

Deniers	Basic duty (Rs. per Kg.) From	To	Special duty (Rs. per Kg.) From	To
Below 75	6.50	8.50	1.50	2.25
75—99	4.80	5.40	1.50	
100—119	4.25	3.75	0.50	1.00
120—149	2.65	3.25	—	1.00
150—349	2.50	2.80	—	0.80
(*b*) Acetate:				
Below 75 Deniers	6.00	8.50	1.50	2.25
75—99	4.50	5.40	1.50	
100	4.50	3.75	0.50	1.00
101—119	2.50	3.75	0.50	1.00
120—149 ..	2.50	3.25	—	1.00
150—349 ..	2.50	2.80	—	0.80

There is no change in the existing rates on Viscose and Acetate for deniers 350 and above

(*c*) Other synthetic yarns :				
Below 30 Deniers	9.75	42.00	3.25	14.00
30—74	9.75	27.00	3.25	9.00
75—99	8.00	15.00	2.67	5.00

(Rupees Crores)

Item	Rate of Duty	Additional Revenue (+) or Loss (—)
1	2	3
	(From 100 to 750 deniers the rates are raised to Rs. 12.00 (basic) and Rs. 4.00 (special), respectively. For deniers above 750 the existing rates will continue).	
	(4) Godetwaste, etc.	
	(*i*) Of cellulosic origin—A levy of special duty of 20 paise per Kg. over and above the existing basic duty of 60 paise per Kg.	
	(*ii*) Others—Increase in the basic duty from Rs. 2.00 to Rs. 3.00 and the consequent increase in special duty (which is one-third of basic duty) to Re. 1.00 per Kg. ..	
	For nylon yarn used in fishing nets and parachute cords the existing rates will continue.	
(8) *Cotton yarn :*		
(*i*) Of counts 29 or more	— Increase in the rate of basic duty from Rs. 1.50 to Rs. 6.50 and the existing special duty (which is one-third of the basic duty) to continue on the basic revised duty. ..	+10.80
(*ii*) Of counts less than 29	— Increase in the rate of basic duty from Re. 0.60 to Re. 1.00 ; special duty at 20 per cent per Kg. of the enhanced basic duty will remain.	

Effective rates of yarn duty are as under :

Count Group	Existing rates			Proposed rates			
	Basic		Special	In hanks		Others	
	In hanks*	Others		Un-sized	Sized	Un-sized	Sized
	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Less than 6 Kg.	Nil	0.10	10 per cent of basic duty.	Nil	Nil	0.13	0.15
6—13 ,, ...	Nil	0.15		Nil	Nil		
14—21 ,, ...	Nil	0.25		Nil	Nil	0.25	0.28
22—28 ,, ...	Nil	0.40		Nil	Nil	0.40	0.44
29—33 ,, ...	0.05	0.50	20 per cent of basic duty.	0.05	0.06	0.70	2.40
34—39 ,, ...	0.40	0.75		0.40	0.48	0.70	2.40
40—50 ,, ...	0.65	1.00		0.65	0.78	1.10	5.20
51 or more ..	0.90	1.25		0.90	1.08	1.10	5.20

* Straight or plain reels.

Rates of compounded duty are as under :

	Paise per Sq. metre	Existing rates Basic	Special	Total	Proposed rates
Super fine	,,	10.00	2.00	12.00	22.00
Fine	,,	7.50	1.50	9.00	15.00
Medium A	,,	6.00	0.60	6.60	6.60
Medium B	,,	4.00	0.40	4.40	4.40
Coarse	,,	2.00	0.20	2.20	2.20

The existing rates of duty on yarn cleared in the form of hanks (straight or plain reels) mostly used by the handloom sector remain unchanged.

(9) *Jute manufactures*

(*i*) Hessians	— Increase in the rate of basic duty from Rs. 250 to Rs. 375 per tonne.	+ 3.00
(*ii*) Others ..	— Increase in the rate of basic duty from Rs. 125 to Rs. 175 per tonne.	

(The existing special duty of 10 per cent of basic duty will continue).

(Rupees Crores)

Item	Rate of Duty	Additional Revenue or (+) Loss (−)
1	2	3
(10) *Aluminium :*		
(*a*) in any crude form, including ingots, etc.	—Increase in the rate of basic duty from Rs. 300 to Rs. 950 per tonne.	
(*b*) manufactures, namely, plates, sheets, etc.	—Increase in the rate of basic duty from Rs. 500 to Rs. 1,450 per tonne and for foils increase from Rs. 600 to Rs. 2,000 per tonne.	+10.98
(*c*) pipes and tubes other than extruded pipes and tubes	—Increase in the rate of basic duty from 10 per cent to 20 per cent *ad valorem* per tonne.	
(*d*) extruded shapes and sections including extruded pipes and tubes.	—Increase in the rate of basic duty from 10 per cent to 20 per cent *ad valorem* per tonne.	
(The existing special duty of 20 per cent of the basic duty will continue).		
	Total of A (By Bill)	**+72.89**
B. *By Notification*		
(11) *Tea :*		
Zone I—(*a*) Green tea ..	— The existing basic duty of 10 paise per Kg. will remain unchanged.	
(*b*) Others ..	— Increase in the basic duty from the existing 15 paise to 25 paise per Kg.	
Zone II ..	— Increase in the basic duty from 25 paise to 40 paise per Kg. ..	+ 7.38
Zone III	— Increase in the basic duty from 30 paise to 50 paise per Kg.	
Zone IV	— Increase in the basic duty from 35 paise to 55 paise per Kg.	
Zone V	— Increase in the basic duty from 45 paise to 65 paise per Kg.	
(The existing special excise duty of 20 per cent basic duty will continue).		
(12) *Cigarettes :*		+28.50

For units of 1,000 cigarettes the proposed changes in *ad valorem* duty are as follows :

(per cent)

Value per 1,000 (in Rs.)	Basic excise duty raised		Special excise duty raised		Additional excise duty in lieu of sales tax raised	
	From	To	From	To	From	To
Upto 7.50	30	35	6	7	5	
7.50 to 25	45	65	9	13	7.5	11
over 25	55	95	11	19	15	20

(13) *Refined Diesel Oil and Vaporising Oil :*	It is proposed to increase the effective rate of duty from Rs. 441.05 to Rs. 461·05 per Kilo litre. ..	+ 7.00
(14) *Footwear and parts thereof*:		
(*a*) Footwear	— A fresh levy of 10 per cent *ad valorem*	+ 2.75
(*b*) Parts of footwear	— A fresh levy of 15 per cent *ad valorem*	

The duty on these articles were withdrawn in February 1965. Footwear made without the aid of power or in small power-operated establishments continue to be exempted. No duty on footwears costing upto Rs. 5 (wholesale price) per pair.

(Rupees Crores)

Item	Rate of Duty	Additional Revenue (+) or Loss (—)
1	2	3
(15) *Cotton fabrics (produced in composite mills)*		— 3.00
Effective rates of duty	— It is proposed to reduce the effective rate of basic duty as under :	
(*a*) Cotton-fabrics-superfine		
(*i*) Grey	.. from 22 paise to 12 paise per sq. metre	
(*ii*) Bleached/dyed/printed	.. ,, 32 ,, 22 ,, ,,	
(*iii*) Mercerised, etc.	.. ,, 52 ,, 42 ,, ,,	
(*iv*) Shrink-proofed, etc.	.. ,, 67 ,, 57 ,, ,,	
(*b*) Cotton-fabrics-fine		
(*i*) Grey	.. ,, 16 ,, 10 ,, ,,	
(*ii*) Bleached/dyed/printed	.. ,, 26 ,, 20 ,, ,,	
(*iii*) Mercerised, etc.,	.. ,, 46 ,, 40 ,, ,,	
(*iv*) Shrink-proofed, etc.	.. ,, 61 ,, 55 ,, ,,	
The duty on grey superfine and fine fabrics of powerloom factories with 50—300 powerlooms is being suitably reduced so that the existing margin of difference in these rates vis-a-vis composite mill rates is not lowered.		
	Total of B (By notification)	+ **42.63**
	Total of Union Excise Duties (A +B)—I	+**115.52***
II Customs Duties	— It is proposed to continue upto March 31, 1968, the special duties of customs at a flat rate of 10 per cent of the duty otherwise payable ; however, a separate notification is being issued exempting all imported goods from this levy so as to maintain the *status quo*. It is also proposed to continue upto May 15, 1968, the provision for the imposition of regulatory duty of customs.	
(1) Jute manufactures	— The effective export duty on hessians (other than carpet backing and jute specialities) reduced from Rs. 900 to Rs. 750 per tonne; on carpet backing and jute specialities from Rs. 900 to Rs. 600 per tonne and on sacking from Rs. 600 to Rs. 450 per tonne. ..	—13.50
(2) Tea	— A reduction in the export duty on tea by 24 paise per Kg. so as to neutralise the effect of increase in excise duty and simplification of assessment of duty by replacing the existing specific rates of export duty related to value slabs by *ad valorem* levies ..	— 4.68
(3) Manganese Ore	— A reduction in export duty on manganese ore having (i) 10 per cent or more but not more than 48 per cent of manganese content from the present rate of Rs. 20 to Rs. 12.50 per tonne (ii) less than 10 per cent of manganese content from Rs. 10 to Rs. 7 per tonne.	— 0.68
(4) Iron Ore fines (including blue-dust.)	A reduction in the export duty on iron ore fines (including blue dust) from the existing rate of Rs. 5 to Rs. 4 per tonne. ..	— 0.15
Additional (countervailing) duties—of customs.	Revision of the rates of Central excise duties on (i) motor spirit, (ii) artificial silk yarn and thread, (iii) aluminium and (iv) artificial or synthetic resins and plastic materials are expected to yield additional revenues amounting to Rs. 80 lakhs, Rs. 500 lakhs, Rs. 93 lakhs and Rs. 60 lakhs, respectively. ..	+ 7.33
	Total Customs Duties—II	—**11.68***
	Total yield from Indirect Taxes (I + II)	+**103.84***

* The yield from these tax changes under Union Excise Duties and Customs Duties together will, however, be smaller by about Rs. 15 crores in a full year and by Rs. 11.5 crores in the current year as a result of the concessions announced subsequently.

APPENDIX III. STATE GOVERNMENTS' BUDGET PROPOSALS, 1967-68

	Estimated yield during 1967-68 (Rs. lakhs)
1. Assam	
A. *Enhancement of Existing Levy :*	
Sales Tax	
Increase in sales tax by amending the Assam Sales Tax Act, the Assam Finance (Sales Tax) Act, and the Assam (Sales of Petroleum and Petrol Products including Motor Spirit and Lubricants) Taxation Act.	
B. *New Levies :*	
Sales Tax	168.00
Imposition of sales tax on wines and spirits	
Purchase Tax	
Imposition of purchase tax on raw jute and hides and skins	
	168.00
2. Gujarat	
Enhancement of Existing Levy :	
Sales Tax	
Increase in State sales tax on all goods which carried a lower rate of tax than the Central Sales Tax which was revised with effect from July 1, 1966 ..	60.00
	60.00
3. Haryana	
A. *Enhancement of Existing levies :*	
Water Rates	
Increase in irrigation rates	159.00
Stamp Fee	
Increase in the rate of stamp fee on the transfer of movable property from 6 per cent to 7 per cent. ..	19.00
Passenger Tax	
Rise in the passenger tax from 25 paise per rupee of the fare to 35 paise per rupee	60.00
Licence Fee	
Increase in the rate of annual renewal of licence fee on brick-kilns rom Rs. 100 to Rs. 500	2.00
Entertainment Tax	
Change in the existing basis of assessment of show tax (from the rate per 100 occupied seats to rate per 100 seating capacity) and doubling of the existing rates in different towns	2.00
Royalty	
Doubling of the rate of royalty on mines and minerals from the existing rate of Rs. 5 per 100 cubic feet or a fraction thereof on stone and kankar and Rs. 4 per 100 cubic feet for other minerals	4.00
B. *New Levies :*	
Purchase Tax	
Levy of a purchase tax at 1½ per cent on paddy, inclusive of rice ..	6.00
Non-agricultural Land Tax	
Imposition of a lump sum conversion tax at the time of granting permission for change in land use (from a less profitable to more profitable use), the actual rates varying for different towns and different land uses but the average rate working out to 75 paise per sq. yard ..	15.00
Surcharge on Land Revenue	
Levy of a surcharge of 50 per cent on land revenue and property tax for one year	34.00
C. *Rationalisation of Tax Structure :*	
Rationalisation of the tax structure by amending the Passenger and Goods Tax Act	9.00
	310.00
4. Jammu and Kashmir .. .. .. (Details not available)	**40.00**
5. Kerala	
A. *Enhancement of Existing Levies :*	
Sales Tax	
The present rate of tax on certain commodities covered by the Central Sales Tax Act raised from 2 per cent to 3 per cent ; sales tax on prawns etc. raised from 2 per cent to 5 per cent and on luxury goods from 10 per cent to 12 per cent ..	30.00
Stamp Duty	
Increase in the rates of stamp duty	10.00

Kerala (*contd.*)	*Estimated yield during 1967-68* (*Rs. lakhs*)
Motor Vehicles Tax	
Increase in the rates of tax on motor vehicles and on goods	20.00
Plantation Tax	
Increase in the rate of plantation tax from Rs. 8 to Rs. 25 on a standard acre	50.00
Supertax on Agricultural Income	
Raising the rate of super tax on the higher slabs of agricultural income tax	5.00
Raising the fee for transfer of ownership of motor vehicles. Levy on trees felled from private forests ..	
B. *New Levy :*	
Tax on Urban Non-agricultural Lands	
A levy on urban non-agricultural lands in lieu of the present land tax	10.00
C. *Revenue Measures :*	
Lotteries	
It is proposed to start State managed lotteries for financing welfare schemes, etc.	20.00
General Insurance	
Conducting of all types of general insurance business on Government and public sector properties departmentally, in collaboration with the Life Insurance Corporation ..	10.00
	155.00

6. Madhya Pradesh*

A. *Enhancement of Existing Levies :*	
Irrigation rates	
Increase in the rate of irrigation cess	30.00
Revision of Water Rates	
Increase in the metered and unmetered water rates for supply of water from Government water works for domestic, non-domestic and industrial consumption and public taps in cities	35.00
Tax on Land Growing Commercial Crops	
Increase in the rate of tax on land growing groundnut, cotton and tobacco from Rs. 2 to Rs. 5 per acre and on land growing opium from Rs. 2 to Rs. 10 per acre. This tax will also be imposed on land growing linseed, 'gulabi chana' and 'teora' at the rate of Rs. 5 per acre.	125.00
Non-judicial Stamp Duty	
Increase in the rate of non-judicial stamp duty	30.00
Sales Tax	
Increase in the rates of sales tax as under :—	
(*i*) on foreign liquor and Indian-made foreign liquor: from 20 per cent to 25 per cent ;	
(*ii*) on certain specified luxury goods such as motor vehicles : from 10 per cent to 11 per cent; and on certain other specified luxury articles such as precious stones: from 7 per cent to 11 per cent;	75.00
(*iii*) on residuary category of goods such as hardware and sewing machines : from 6 per cent to 7 per cent ;	
(iv) on vegetable and edible oils (except hydrogenated vegetable oils, etc.) : from 2 per cent to 3 per cent ;	
(*v*) on ready made garments : from 1 per cent to 2 per cent and	
(vi) on raw materials: from 1 per cent to 2 per cent.	
B. *New Levy :*	
Rural Immovable Property Tax	
Levy of a tax on rural immovable property, excluding houses and other buildings, valued at more than Rs. 10,000. The levy will be at the rate of 0.50 per cent per annum on the value of such property (Holdings of 7½ acres and below and those whose land revenue does not exceed Rs. 5 per annum will be exempted from this tax.) ..	250.00
C. *Revenue Measure :*	
State Trading in Minor Forest Produce	
State trading in minor forest produce (to be taken up this year)	15.00
	560.00

* Proposals contained in the budget presented on July 3, 1967.

	Estimated yield during 1967-68 (*Rs. lakhs*)
7. Madras	
A. *Enhancement of Existing Levies :*	
General Sales Tax	
Increase in the rates of General Sales Tax as follows :	
(*a*) *Luxury goods :* from 11 per cent to 12 per cent.	
(*b*) *Declared goods :* viz. coal, iron & steel, hides and skins (raw), jute, oilseeds & cardamom : from 2 per cent to 3 per cent. The rate on groundnut is raised from 1½ per cent to 2 per cent and on dressed hides and skins from 1 per cent to 1½ per cent.	
(*c*) *Other single point goods :* Rise by 1/2 per cent (but no enhancement in respect of coffee, tea, soap, kerosene and chemical fertilizers and bullion) ..	325.00
(*d*) *Multipoint rates :* Increase from 2½ to 3 per cent (wheat and wheat products will continue to be taxed at 1 per cent)	
Note : Exemption limit for sales tax has been raised from Rs. 10,000 to Rs. 15,000 of annual turnover ; so also the limit for compounding the tax has been raised from Rs. 50,000 to Rs. 75,000 of annual turnover with suitable enhancements in the rates of composition ..	
Motor Vehicles Tax	
Enhancement in the existing rates of Motor Vehicles Tax on stage carriages as under :—	

Daily Route Mileage	Existing Rate of Tax per seat per quarter Rs.	Proposed Rate of Tax per seat per quarter Rs.	
Upto 210 kms.	35	50	90.00
Between 210 and 270 kms.	40		
More than 270 kms. ..	45	55	

(Maximum permitted daily mileage of stage carriages on ordinary services has been raised from 200 miles to 250 miles; there will be no enhancement in rates of tax on town services as these services are not so remunerative.)

Tax on motor cars of

(*a*) unladen weight upto 700 kgs : from Rs. 21 to Rs. 30 per quarter

(*b*) unladen weight from 700 kgs. to 1500 kgs: from Rs. 30 to Rs. 40 per quarter — 10.00

(corresponding adjustments will be made in respect of cars of higher unladen weights).

Excise Duty and Sales Tax on Liquor

Rise in the rate of excise duty on liquor indigenously manufactured from Rs. 8 to Rs. 18 per proof litre. Increase in sales tax on imported liquor from Re. 0.50 to Re. 0.75 per rupee .. .. — 10.00

B. *Tax Reform :*

Prevention of Stamp Duty Evasion

Legislation to prevent evasion of stamp duties by understating the price of properties conveyed .. — 90.00

[*Amendment to Madras Agricultural Income Tax Act*

Removal of the existing provisions which make compounding of tax at low flat rates possible. The amendments to apply to agricultural income accruing in 1967-68 and assessable in 1968-69. The exact amount of revenue not assessed but the additional revenue will, to some extent, compensate for the loss on account of the waiver of basic assessment on dry lands (made effective from 1-7-1967 and estimated to result in a revenue loss of Rs. 1 crore)]

525 .00

8. Maharashtra

	Estimated yield during 1967-68 (Rs. lakhs)
A. *Enhancement of Existing Levies:*	
Sales Tax	
Increase in the rates of sales tax as under :—	
(*i*) Iron & Steel furniture, refrigerators, water coolers and parts, wireless reception instruments, radiograms etc.: from 10 per cent to 12 per cent.	
(*ii*) Other kinds of furniture : from 5 per cent to 7 per cent.	
(*iii* Sweets and sweet-meats : from 5 per cent to 8 per cent.	129.00
(*iv*) Toilet articles : from 8 per cent to 11 per cent.	
(*v*) Plastic goods of thermo-setting plastic material: from 6 per cent to 11 per cent.	
(*vi*) Other plastic goods : from 6 per cent to 8 per cent.	
(*vii*) Cotton : from 2 per cent to 3 per cent.	
(*viii*) Cotton seeds: from 1 per cent to 2 per cent.	
Motor Vehicles Tax	
Increases ranging from Rs. 20 to about Rs. 105 per annum in the tax on motor vehicles used for carriage of goods and materials on the basis of their registered laden weights ..	25.00

Entertainment Duties

	Existing Rate	*Proposed Rate@*	
(1)(*a*) In Greater Bombay, Poona, Nagpur and Sholapur			
First one rupee	35%	40%	
Second one rupee	50%	60%	
Balance over two rupees	65%	70%	
(1)(*b*) *In other areas*			
First one rupee	30%	35%	
Second one rupee	45%	55%	66.00
Balance over two rupees	60%	65%	
(2) *Race Course Admission*			
From the present duty of 50 per cent of the payment for admission excluding the amount of duty to 50 per cent of the payment for admission inclusive of the amount of duty			

	Estimated yield during 1967-68 (Rs. lakhs)
Education Cess	
The rate of State education cess is raised from 2 per cent to 2½ per cent for lands and buildings whose annual letting value is Rs. 300 and above	10.00
B. *New Levy :*	
Advertisement Tax	
A tax at 25 per cent of the rate charged by theatres for advertisements exhibited through slides and films in cinema theatres	10.00
	240.00

9. Mysore

A. *Enhancement of Existing Levy : Sales Tax* Increase in the rate of sales tax to concur with the Central Sales Tax Act.	
B. *Rationalisation of Tax Structure :* Amendment to the Mysore Agricultural Income-tax being examined (Surcharge on Land Revenue would be discontinued)	400.00
	400.00

10. Orissa

A. *Enhancement of Existing Levies:*	
Rent on Urban Land	
Enhancement of rent on urban land	10.00
Electricity Duty	
Increase in the electricity duty or tariff	40.00
Royalty on Minerals	
Increase in the rate of royalty on minerals	8.00
B. *New Levies :*	
Passengers Fare and Freight	
Imposition of tax on passenger fare and freight	40.00
Toll on Express Way	
Toll on express way proposed ..	10.00
C. *Rationalisation of Tax :*	
Reorientation of excise policy ..	20.00
	128.00

11. Rajasthan

Enhancement of Existing Levies:	
Excise Duty	
Increase in the rate of excise duty on country liquor	60.00

@ A 50 per cent reduction in the proposed rise was announced on July 29, 1967. The revised rates in Greater Bombay, etc. would accordingly be 37½ per cent on the first rupee, 55 per cent on the second rupee and 67½ per cent on balance over Rs. 2. In other areas the proposed rates are 32½ per cent, 50 per cent and 62½ per cent, respectively.

	Estimated yield during 1967-68 (Rs. lakhs)
Rajasthan *Excise duty (contd.)*	
Increase in the excise licence fee and other measures for increasing income from excise	40.00
Sales Tax	
Increase in the rates of sales tax as under : (*a*) on foreign and Indian-made foreign liquor (excepting beer), motor cars (excepting spare parts), refrigerators and air-conditioning and other cooling plants : from 10 per cent to 15 per cent. (*b*) on beer, articles made of stainless steel (except safety razors), pile carpet, metal furniture, weapons, arms and ammunitions, sound transmitting equipments including telephones and loud speakers etc. : from 10 per cent to 12 per cent. (*c*) on cement and dry fruits : from 7 per cent to 10 per cent and (*d*) on distilled water : from 2 per cent to 6 per cent	50.00
Purchase Tax	
(1) Rate of tax will be 5 per cent on the final purchase of animals during festivals. (2) Sales of cattle out of Rajasthan State will bear increased tax ..	20.00
Entertainment Tax	
(1) On the entrance fee of more than Re. 0.50 and upto Re. 1.00 the rate raised from 40 per cent to 50 per cent (2) above Re. 1.00 and upto Rs. 2.00 from 45 per cent to 60 per cent (3) above Rs. 2.00 from 60 per cent to 70 per cent	15.00
Irrigation Rates	
Increase in the rate of irrigation by 25 per cent	25.00
Surcharge on Land Revenue	
Enhancement of the rates of surcharge on those land lords having land of 30 standard acres and more as specified in section 30(e) of the Rajasthan Tenancy Act	40.00
	250.00
Total Additional Taxation	**2836.00**

APPENDIX IV :—IMPORTANT EXPORT CONTROL/PROMOTION ANNOUNCEMENTS, 1966-67

Item (1)	Month of announcement (2)	Details (3)
		A. Changes in Control
Cotton textiles	May 1966	On May 30, 1966, Government announced their decision to extend upto September 30, 1966, free licensing of exports of all permissible categories of cotton textiles and cotton yarn to the U. K.
,,	June 1966	The scheme for free licensing of exports of cotton textiles and cotton yarn to the U. K. was suspended on June 9, 1966 but resumed from June 21, 1966.
,,	November 1966	The scheme for the licensing of cotton yarn and cotton textiles for export to the U. K. during the licensing years 1966 to 1970 was announced. Under the scheme, cotton yarn and cotton textiles for export to the U. K. have been divided into 18 specified categories. However, for the unexpired period of the licensing year ending November 30, 1966, categorisation currently in force would be applicable. For the 1967 licensing year beginning from December 1, 1966, the new categorisation would come into force. During the unexpired period of the licensing year ending November 30, 1966 as also during the subsequent six months ending May 31, 1967, licensing of cotton yarn and cotton textiles for export shall be subject to the procedure of allocation of necessary quota on first-come-first-served basis subject to the condition that as soon as the ceiling laid down for any of the 18 categories is reached, exports thereunder would be stopped.
,,	September 1966	The scheme for licensing of restricted varieties of cotton textiles for export to the U.S.A. during the licensing year October 1, 1966 to September 30, 1967 was announced. For the purpose of licensing, the shipment period was divided into two half yearly periods *i.e.* October 1, 1966 to March 31, 1967 and April 1, 1967 to September 30, 1967. Licences under the scheme would be issued on the basis of quota certificates issued by the Cotton Textiles Export Promotion Council. Reserved quotas under each restricted category would be allotted to established exporters on the basis of a specified percentage of the total quantity shipped by each exporter under each category from April 1, 1965 to May 12, 1966 against 1965-66 quota. Fifty per cent of these quotas would be allotted in the first instance for shipment upto March 31, 1967 subject to the condition that the exporter concerned shall execute a bond to export the quota fully by that date, failing which to pay a penalty of 5 paise per square yard on the short-fall. Balance quotas for the year would be allotted later in accordance with the decision of the U.S.A. Textiles Licensing Advisory Committee. General quotas to both established exporters and newcomers under each restricted category would be allotted by the Cotton Textiles Export Promotion Council on terms and conditions as decided by the U.S.A. Textiles Licensing Advisory Committee.
Bleeding Madras fabrics	July 1966	The policy for export of Bleeding Madras fabrics was revised and under the new arrangements (1) quota system for established exporters was abolished, (2) floor and ceiling price restrictions were abolished and (3) exports of Bleeding Madras were licensed freely subject to (*a*) production of legally valid contracts with overseas buyers and (*b*) pre-shipment inspection.
Garments and made-up articles from Bleeding Madras fabrics.	April 1966	Exports of garments and made-up articles of Bleeding Madras fabrics were freely licensed with effect from April 16, 1966.
,,	August 1966	The minimum f.o.b. prices fixed for various categories of garments made out of Bleeding Madras fabrics were abolished with effect from August 3, 1966 and exports of these garments were allowed without any floor-price restrictions.

Item (1)	Month of announcement (2)	Details (3)
Bleeding Madras fabrics and made-up articles and garments therefrom.	August 1966	Exports to France of Bleeding Madras fabrics as well as garments made from Bleeding Madras were canalised through the Handicrafts and Handlooms Export Corporation, with effect from August 3, 1966.
Woollen carpets, woollen druggets and woollen chain stitched rugs.	July 1966	The floor prices of hand-woven woollen carpets, druggets and chain stitched rugs were increased from Rs. 15/- to Rs. 23·50 per sq. yard f.o.b., inclusive of export duty, if any. Floor price restrictions on exports of woollen druggets, however, were removed with effect from July 20, 1966.
Hand-made cotton nettings.	October 1966	Exports to the U. K. of (1) hand-made cotton nettings and (2) some categories of cotton goods made by hand/handloom covering were excluded from the purview of control.
Cotton goods made by hand/handloom covering	February 1967	
Raw goat skins — wet and salted.	April 1966	Established shippers unable to utilise their export quotas of raw goat skins, against the 1965 quota, by the end of March 1966, were allowed to complete their shipments by end-May 1966.
,,	December 1966	Export quotas during 1967 for raw goat skins—wet and salted—for established shippers were reduced from 45 per cent in 1966 to 35 per cent on the basis of the best year's performance during any one of the five years ending 1958. Established shippers whose basic exports were less than 75,000 pieces were allowed to export 100 per cent of their basic exports while those whose best year's exports were more than 75,000 pieces were allowed a minimum of 75,000 pieces. Small quota holders were allowed to combine with other quota holders to enable them to utilise their quotas in a profitable manner.
,,	January 1967	Established shippers unable to utilise their 1966 export quotas of raw goat skins by end December 1966, were given extension upto end-March 1967 to complete their shipments.
Sheep, goat and cattle	January 1967	With effect from January 3, 1967, exports of sheep, goat and cattle were banned.
Flue-cured virginia tobacco.	May 1966	The ceiling prices in respect of exports of all varieties of flue-cured virginia tobacco were abolished. The floor prices earlier fixed, however, continued to be in force.
,,	July 1966	With effect from July 7, 1966, the minimum prices of different grades of flue-cured virginia tobacco of 1965 and 1966 crops were revised.
,,	February 1967	The minimum prices of different grades of flue-cured virginia tobacco were again revised and minimum prices were also fixed for various grades of sun-cured virginia tobacco for the 1967 crop. Exports of sun-cured virginia tobacco were brought under control, effective from February 21, 1967.
Bauxite	February 1967	In addition to exports of bauxite by the Minerals and Metals Trading Corporation, with effect from February 6, 1967, exports of bauxite of all grades were allowed freely on a first-come-first-served basis by all categories of private exporters against a limited ceiling.
Rewa sillimanite ore	April 1966	Exports of rewa sillimanite ore were freely licensed without any quantitative restrictions with effect from April 29, 1966.
Mango slices in brine	May 1966	During 1966-67, exports of mango slices in brine were allowed to the intending exporters upto 66⅔ per cent of their exports during 1965-66.
Change in minimum floor prices.	June 1966	The minimum f.o.b. prices of those items which were earlier allowed for export under floor price restrictions were increased in rupee terms by 57.5 per cent over the earlier notified prices. The new minimum export prices were inclusive of export duties, wherever applicable.

Item (1)	Month of announcement (2)	Details (3)
Wood and timber	March 1967	During 1967-68, exports of wood and timber of the following varieties were regulated in the manner prescribed in each case: (1) Soft wood, (2) Assam and Tripura timber, (3) Andamans timber and (4) Hard wood.
Raw cotton	July 1966	Exports of miscellaneous varieties of cotton fibres such as Assam/comillas, Zoda, Yellow pickings etc., which were treated as decontrolled for purposes of export were henceforth freely licensed against limited ceilings.
Chillies	July 1966	The quota system for established shippers for export of chillies to Ceylon was abolished; exports to Ceylon and to all other permissible destinations were licensed freely, on production of letters of credit, to all categories of exporters subject to pre-shipment inspection and quality control.
Mica	July 1966	Exports of specific varieties of mica viz. bloc mica, condenser mica films and mica splittings were allowed with effect from July 1, 1966 only at or above the prescribed minimum f.a.s. price for each variety. Exports of mica scrap and mica waste were allowed at or above the minimum f.a.s. price of Rs. 330/- per metric tonne. The f.a.s. prices were exclusive of export duty. Exports of any variety (other than the fabricated variety) would be allowed, as in the past, only after an irrevocable letter of credit to the extent of 100 per cent of the invoice value was opened in favour of the exporter.
,,	September 1966	With effect from September 30, 1966, intending exporters of mica were required to produce along with the shipping bills, the Mica Export Contracts Registration Certificate.
Bismuth, cadmium, cobalt, piglead, magnesium etc.	October 1966	With effect from October 4, 1966, exports of specified categories of non-ferrous metals like bismuth, cadmium, cobalt, piglead, magnesium etc., which were hitherto under control, were banned.
Nux-Vomica barks and leaves and roots	July 1966	With effect from July 28, 1966, exports of nux-vomica barks and leaves were banned. On March 20, 1967, exports of nux-vomica roots were also banned.
Human hair, wigs and wiglets made of human hair	August 1966	Exports of human hair, wigs and wiglets made of human hair were brought under control with effect from August 19, 1966 and were canalised through the State Trading Corporation; however, contracts entered into and backed by irrevocable letters of credit opened before August 19, 1966 were allowed to be honoured on the production of documentary evidence.
,,	October 1966	Exports of other articles made partly or wholly of human hair were also brought under control and routed through the State Trading Corporation.
Automobile truck tyres, tubes and flaps.	August 1966	Control was lifted on exports of automobile truck tyres, tubes and flaps other than giant tyres, tubes and flaps with effect from August 24, 1966.
Giant tyres, tubes and flaps	December 1966	With effect from December 30, 1966, control was lifted on exports of giant tyres, tubes and flaps.
Coal and coke	October 1966	With effect from October 4, 1966, private parties were allowed to export non-coking coal of grades other than selected 'A' and 'B' by steamer. However, all exports by steamer of coking coal (all grades), coke (all types) and non-coking coal of selected 'A' and 'B' grades would continue to be canalised through the Minerals and Metals Trading Corporation.
Silver	October 1966	With effect from October 7, 1966, exports of (1) silver bullion and silver sheets and plates which have not undergone any process of manufacture subsequent to rolling and (2) silver coins, were banned while exports of manufactures wholly or mainly of silver were brought under control.
Silver coins	January 1967	Ban on the export of silver coins was lifted with effect from January 20, 1967 and exports were freely licensed subject to the conditions that (1) export value is not less than the price of the silver content, (2) permission of the Reserve Bank is obtained and (3) if the coins are more than 100 years old, permission under the Antiquities (Export) Control Act would also be necessary from the Archaeological Department of the Ministry of Education.

Item (1)	Month of announcement (2)	Details (3)
Lac	October 1966	Consequent on the devaluation of the rupee, f.o.b. prices of lac were revised.
Tapioca fibre and waste	October 1966	With effect from October 29, 1966, control on the exports of tapioca fibre and waste was removed.
Cardamom	November 1966	With effect from November 26, 1966, control on the exports of cardamom in all forms was removed. However, exports continued to be subjected to quality control and pre-shipment inspection.
De-oiled groundnut cake (extractions)	January 1967	Export quota for 1967 for manufacturer—exporters of de-oiled groundnut cake (extractions) was fixed at the 1966 level.
Silk waste	January 1967	Exports of specified varieties of silk waste were licensed freely. However export of non-mulberry silk waste was not allowed.
Pulses, lentils, grams and beans	January 1967	Exports of pulses, lentils, grams and beans were banned with effect from January 11, 1967.
Dried fish	February 1967	With effect from February 1, 1967, exports of specified varieties of dry fish were brought under control and were routed through the State Trading Corporation.
Rutile	February 1967	Exports of rutile were banned with effect from February 1, 1967.
Raw jute and mesta	February 1967	Exports of raw jute and mesta to Nepal, which hitherto required no export licence, were regulated with effect from February 14, 1967 in accordance with the provisions of the Exports (Control) Order 1962 according to which applications for the grant of export licences for these items would be considered on merits.
Art silk fabrics	March 1967	Exports of cellulosic art silk fabrics were brought under control and canalised through the State Trading Corporation which would operate on its own as well as through its approved associates. Exports of art silk fabrics by private exporters who are not authorised associates of the S.T.C. would also be allowed under certain conditions ; but these exporters would not be eligible for the facilities and assistance provided by the S.T.C. to its approved associates.
Gem variety of beryl	March 1967	With effect from March 17, 1967, exports of gem variety of beryl which was hitherto allowed upto 10 kgs. by post parcel would now be allowed by air also.
Ferrous scrap	April 1966	The policy for the export of ferrous scrap during 1966-67 was announced. The Metal Scrap Trade Corporation alone would continue to export specified categories of ferrous scrap under certain conditions and in accordance with the export assistance scheme at f.o.b. prices not below the minimum prescribed by the Iron and Steel Controller. Such exports would hereafter be exempted from export licence. However, exports of heavy melting scrap would not be allowed.
Finished steel, billets and pig iron	April 1966	Exports of specified categories of finished steel, billets and pig iron were allowed during the period April-September 1966. Exports of finished steel were allowed to any person or organisation provided they were members of the Steel Exporters' Association. Broadly, the same policy was continued for the period October 1966-March 1967.

B. Other Export Promotion Measures

1. *Setting up of the Institute of Packaging :* An Institute of Packaging was registered under the Societies Registration Act in May 1966 with headquarters in Bombay. Initially, the programme of work of this Institute will be confined to research and training in respect of design for packaging.

2. *Inter-Ministerial Committee on Export Oriented Agricultural Commodities :* A statement outlining selected immediate programmes to help develop exports was made by the Commerce Minister on August 16, 1966. These programmes *interalia* provided for the setting up of an Inter-Ministerial Committee of the Ministries of Commerce, Food, Agriculture, Community Development and Co-operation, Finance and the Planning Commission. The Committee would work out in detail the various programmes for development of production of the main export-oriented agricultural commodities including raw jute, raw cotton, tea, tobacco and oil-seeds. The Committee would also suggest various measures to achieve production targets and supervise the implementation of priorities and programmes so as to ensure their smooth and timely fulfilment.

3. *Appointment of a Commission for Formulating a Programme for Steel Exports:* The Board of Trade at its twenty-third meeting held on April 30, 1966, noted the difficulties faced in expanding steel exports on account of inadequate storage and handling facilities at the ports, inadequacy of shipping space and high freight rates. The Board, therefore, appointed a Commission to go into all the aspects relating to steel exports and to prepare a five to seven-year programme of steel exports in all its details with an annual export target of over Rs. 47.2 crores (post devaluation rates) of steel and steel products, by 1970-72. The Commission may also formulate a programme for comprehensive market research to be undertaken in the coming years.

4. *Revision of ECGC's Premium Rates :* During 1966, the Export Credit and Guarantee Corporation undertook a detailed examination of the premium structure. On the basis of its findings, the premium structure was rationalised, and, to some extent, simplified. In the process, an average ten per cent reduction has been achieved. The rationalisation has, however, resulted in increased rates in a few instances, but on the whole it has proved beneficial to most policy-holders, particularly those exporting new manufactures.

5. *Export Production Finance Guarantee :* During 1966, the ECGC introduced a new guarantee viz. the Export Production Finance Guarantee to assist exporters to secure bank finance on the basis of the domestic value of the goods. This guarantee will help exporters of textiles, yarn, ready-made garments, engineering goods, chemicals and allied products etc. to obtain advances upto 50 per cent over and above the f.o.b. value.

6. *Creation of the Standing Export Publicity Advisory Committee:* On October 31, 1966, the Government of India set up a Standing Export Publicity Advisory Committee which will *interalia* give guidance in planning and implementing export publicity programmes through various media. The Committee will conduct a review of the various export publicity programmes and make recommendations to the Government.

7. *Import Policy for Registered Exporters:* To cover the import requirements of specified export industries, the import policy for registered exporters was announced on August 16, 1966. The new policy aims at providing replenishment of the import content in terms of raw materials and intermediates, components and spares against exports effected by registered exporters on or after June 6, 1966, in respect of the following items of export: (1) Engineering goods, (2) Chemicals, drugs and pharmaceuticals, glass and glass ware, ceramics, rubber products, (3) Paper and paper products, (4) Plastics, (5) Fish and fish products, (6) Leather and leather goods, (7) Handicrafts, (8) Sports goods, (9) Woollen carpets, rugs and druggets, (10) Woollen textiles, and hosiery etc. and mixed fabrics, (11) Unmanufactured tobacco, cigars, cigarettes and bidis, (12) Coir products, (13) Processed foods, (14) Cotton textiles, (15) Cashew kernels, (16) Stainless steel products, (17) Ship-repairs, (18) Natural silk fabrics and garments, (19) Gem and jewellery items, (20) Cinematograph films exposed and (21) Readymade garments of cotton or woollen fabrics or of mixed fabrics of wool and cotton or wool and synthetic fibre.

8. *Scheme for Supplying Steel at International Prices to Engineering Exporters:* With a view to assist the exporters to overcome the price disadvantage in overseas markets, the Government announced the scheme for the supply of steel at international prices to exporters of engineering goods. A fund known as 'JPC Engineering Goods Export Assistance Fund' was constituted which will be used exclusively for reimbursing to fabricators of engineering goods or to their authorised agents, the excess of domestic prices over international prices in respect of shipments made on or after May 2, 1967. However, reimbursement of the excess will only be made after the exports have been effected.

APPENDIX V : IMPORTANT ANNOUNCEMENTS IN REGARD TO IMPORT CONTROL POLICY, 1966-67

Item (1)	Month of Announcement (2)	Details (3)
		A. Import Policy : General
1. Import Policy for 1966-67	March 1966	The salient features of the import policy for 1966-67 have been broadly described in Chapter VI of the Report. The more important details are set out below :— (I) *Policy for the main categories :* (a) *In respect of established importers:* (1) The licensing system for established importers was rationalised. The items licensable to established importers were divided into groups, and the commodities falling within one group were made interchangeable. This would provide flexibility in the utilisation of foreign exchange. These groups are : (*i*) Components and spares, (*ii*) motor/vehicle spare parts for diesel engines/tractors, (*iii*) cinema machinery and spares, (*iv*) instruments, apparatus and appliances, (*v*) requirements for newspaper establishment, (*vi*) drugs and medicines, (*vii*) chemicals, (*viii*) items required by the tanning and leather industry, (*ix*) studio equipments etc., (*x*) consumer goods and (*xi*) other items. (2) Within the limitation of foreign exchange availability, import quotas for certain essential raw materials and components were liberalised by completely eliminating or reducing the import quotas for certain non-essential and low priority industries. The items for which quotas were increased included several items like raw materials for tanning industry, drugs and medicines, books, x-ray films, scientific and surgical goods and spare parts of agricultural and industrial machinery. The items which were banned to established importers included steel belt lacing, spares for petrol, gas and kerosene engines, spare parts of safety lamps, caffeine and its salt, spare parts for typewriters, empty gelatine capsules, nickel catalyst etc. Quotas were reduced for textile machinery. (*b*) *In respect of actual users :* Provision made for the import of permissible steel items against licences for raw materials, spares and non-ferrous metals, and vice versa. (*c*) *In respect of consumers' co-operatives :* Continuance of the provision for allowing the import of a few selected consumer goods, within limited ceiling, through wholesale/central stores, recognised by the Department of Co-operation, for distribution to consumers' co-operatives. (II) *Conditions regarding the utilisation of annual licences*:—Annual licences issued to established importers upto Rs. 5000 allowed to be utilised even in one lot; for licences valued over Rs. 5000, the licence holders entitled to utilise up to 50 per cent only of the value of licence during the first six months.
2. Post-devaluation Import Policy	June 1966	(*a*) *Priority industries:* Requirements of 59 priority industries for import of raw materials, components and spares to be met fully (for six months to begin with). The list of designated priority industries included many important export industries, essential consumer industries and capital goods industries. (*b*) *Small-scale sector:* Small-scale industrial units making the same product as the priority industries were given the same facility. They were to get import licences to the extent of thrice the value of licences issued in 1964-65 or twelve times the value of such licences issued in 1965-66. Other small-scale units were to get import licences equal to twice the value of licences issued in 1964-65 or eight times the value of licences issued in 1965-66. (*c*) *Non-priority industries:* To non-priority industries, licences to be issued according to the resources available and the essentiality of product.* (*d*) *Established importers:* Decision taken to increase the values of quota licences in respect of certain essential commodities to a specified extent. (*e*) *The scheme of import entitlements* under export promotion schemes was withdrawn.

*It was announced in September 1966 that for the non-priority industries, foreign exchange allocation for the import of raw materials, components and spares during 1966-67 would be at the same level as in 1964-65. The allocation was for the six months period and also included provision for the import of steel and non-ferrous metals.

Item (1)	Month of Announcement (2)	Details (3)
3. Enhancement of the rupee value of import licences	June 1966	Decision taken to enhance the rupee value of import licences to compensate for devaluation. For licences issued on or before the 5th June 1966, the enhancement was allowed to the extent of 57.5 per cent of that portion of the value of the licence which was not utilised on or before the 5th June 1966. For licences issued on or after 6th June 1966 but not after 10th June, 1966 the value as shown in the licence was enhanced by 57.5 per cent.
4. Import duties	June 1966	Reduction in the duties on machinery and primary raw materials from 35 per cent and 40 per cent respectively to 27.5 per cent *ad valorem* and on other raw materials and intermediates from 60 per cent to 50 per cent *ad valorem* respectively. Abolition of regulatory import duty of 10 per cent *ad valorem* imposed in February 1965 and the import duty on crude petroleum imposed in February 1966.
5. Policy for Registered Exporters	August 1966	Decision taken to issue import licences for raw materials, intermediates, including components and spares against exports of specified items by registered exporters on or after June 6, 1966. Licences would be issued only to manufacturer-exporter. Non-manufacturer registered exporter will have to nominate manufacturer of the product exported. A manufacturer exporter is also permitted to nominate other manufacturer/manufacturers of the product exported or parts thereof. The value of import licences would be equal to the import content of the product exported including the wastage. One-fifth of the value of licence can be utilised for the import of jigs, tools, and equipment for packaging and tagging subject to a maximum amount of Rs. 1 lakh. Imports against the licences issued under this scheme would have to be utilised only in the production units owned or managed by the licence holders.
6. Import Policy for the second half of the licensing year 1966-67	December 1966	(*a*) *Established importers:*—No cut in the remaining half of the annual licences already issued and supplementary (additional) licences where allowed to the established importers for the year 1966-67. No endorsement necessary for the utilisation of remaining half of the annual licence already issued. (*b*) *Actual users:—Priority industries*—Supplementary import licences were to be issued on the basis of the recommendations of the sponsoring authority to meet the requirements of raw materials, components and spares for a period of six months on the utilisation to the specified extent of the previous licence.
7. Canalisation of Imports	August 1966	Canalisation of imports of sulphur, potassium chloride, newsprint and asbestos-raw through the State Trading Corporation.
8. National Defence Remittance Scheme	April 1966	Imports of phosphorus, other than yellow, allowed under the National Defence Remittance Scheme.
	July 1966	The last date for receipt of applications for import licences under the National Defence Remittance Scheme extended upto December 31, 1966.
	September 1966	Import of tallow and palm oil by actual users allowed under the Scheme.
9. Open General Licences nos. LXXX and LXXXII	June 1966 and March 1967	Issue of fresh open general licence no. LXXX valid upto March 31,1967 to cover the imports of cashewnuts, wattle bark, wattle extract, other bark for tanning, dyeing and tanning substances and hides and skins, raw or salted, from any country except South Africa, South West Africa and Rhodesia. Subsequently open general licence no. LXXXII valid upto September 1967 was issued for import of these commodities.
10. Open General Licence no. LXXXI	July 1966	Issue of open general licence no. LXXXI valid till March 31, 1967 for the import of raw jute by jute mills only from any country except South Africa, South West Africa and Rhodesia.
11. Imports by individuals and institutions for their own use	June 1966	Provision made in the Imports (Control) Order, 1955 enabling individuals and institutions or hospitals to import without licences, the following commodities for their own use upto specified value ; (*i*) drugs and medicines by hospitals or medical institutions upto Rs. 500 and to individuals upto Rs. 200, (*ii*) surgicals, optical and dental instruments, apparatus and appliances by hospitals or medical institutions upto Rs. 1000 and by registered medical practitioners upto Rs. 500, (*iii*) x-ray films by hospitals and x-ray clinics upto Rs. 500, (*iv*) scientific instruments, apparatus and appliances, by hospitals and research institutions or Government research and analytical laboratories upto Rs. 500, (*v*) artists' materials viz. water colour tubes, canvas, brushes, and palotto knives by individuals upto Rs. 150.

Item (1)	Month of Announcement (2)	Details (3)
		B. Policy in Regard to Important Individual Items
1. Newsprint	April 1966	(*a*) Licences issued for the import of newsprint also valid for the import of waterlined newsprint provided it contained mechanical wood pulp amounting to not less than 70 per cent of fibre content and its weight is not less than 50 grammes per square metre. (*b*) Continuance of 20 per cent increase allowed in October 1963 for daily newspapers with an average circulation between 10,000 and 50,000 copies subject to specified conditions. (*c*) Entitlement of imported newsprint and indigenous white printing paper were as under :— (*i*) Newspapers with total annual entitlements of less than 100 metric tonnes of newsprint allowed to use 100 per cent imported newsprint. (*ii*) Newspapers with total annual entitlements of 100 metric tonnes or more but less than 250 tonnes of newsprint allowed 95 per cent imported newsprint and balance indigenous. (*iii*) Newspapers with total annual entitlements of 250 metric tonnes or more but less than 500 metric tonnes allowed 82½ per cent imported newsprint and balance indigenous. (*iv*) newspapers with total annual entitlements of between 500 and 1,000 metric tonnes of standard newsprint allowed 80 per cent imported newsprint and balance indigenous. (*v*) Newspapers with total annual entitlements of above 1,000 metric tonnes of standard newsprint allowed to use 75 per cent of imported newsprint and balance indigenous.
	December 1966	Liberalisation of newsprint quotas for certain categories of newspapers.
2. Coal-tar dyes	April 1966	Decision to permit the imports of certain specified varieties of coal-tar dyes.
3. Essential items of iron and steel and ferro-alloys	April 1966	Imports of a number of specified groups of iron and steel items, including, among others, tinplate (prime and secondaries), wires of all types of ordinary commercial quality, special quality billets, wire rods etc., allowed to actual users for the period April-September 1966. Certified producers or actual users of galvanised wire and holders of import licences for billets and/or wire rods allowed to import zinc, sulphur etc., upto 50 per cent of the value of licence for the import of billets and/or wire rods provided zinc, sulphur etc., were available within foreign exchange ceiling allotted for the import of billets and wire rods. Permission given for the import of ferro-tungsten, molybdenum, vanadium, titanium, phosphorous chrome, refined ferro-manganese and silico-manganese. Imports of certain items of iron and steel canalised through Minerals and Metals Trading Corporation (M.M.T.C.).
	December 1966	Decision to liberalise the policy for import of iron and steel and ferro-alloys by actual users in the small scale sector for the remaining half of 1966-67.
4. Ball pen ink	May 1966	Imposition of a ban on the import of ball pen inks by any category of importers (including those under the export promotion scheme) in view of adequate indigenous production.
5. Gum arabic	June 1966	Decision to allow actual users in the textile and pharmaceutical industries to import gum arabic from Sudan.
	October 1966	Decision to allow import of gum arabic from Sudan by the actual users in the confectionery and asafoetida industries.
	November 1966	Decision to allow import of gum arabic by all categories of actual users.
6. Books and periodicals	June 1966	Established importers' quota for books was raised and provision made for issue of supplementary licences for technical and scientific books.

Item (1)	Month of Announcement (2)	Details (3)
7. Rolling rolls for steel works	July 1966	Decision to grant licences for rolling rolls for steel works (whether of cast iron, cast steel or forged) to actual users.
8. Dry fruits, red oxide, asafoetida and medicinal herbs	July 1966	Decision to grant ad-hoc licences to the established importers for import of these items from Iran during the licensing period April-September 1966.
	January 1967	Decision to grant ad-hoc licences to the established importers for the import of these items from Iran during the licensing period October 1966-March 1967 within the fixed monetary ceiling.
9. Drugs and medicines	July 1966	Revision of the list of drugs (essential list) which could be imported during the current licensing period. Import licences already issued to established importers against their consolidated quota for the period April 1966-March 1967 were to be valid only for import of items specified in the revised list.
10. Dates	July 1966	Decision to grant licences for import of dates from Iraq on an annual basis for the licensing period 1966-67 to those established importers who had imported dates from Iraq between the basic years 1956-57 to 1961-62.
	September 1966	Decision to grant licences for import of dates from Iraq within a limited monetary ceiling for the licensing period 1966-67 to the established importers and co-operative societies dealing in fresh fruits.
	January 1967	Decision to grant licences for import of dates from Iraq to the established importers with past imports of dry fruits from Pakistan to their credit during the period 1951-52 to 1961-62.
	February 1967	Decision to allow licences issued for the import of dates from Saudi Arabia, for the import of dates from Muscat or other Persian Gulf ports excluding Iran and Iraq.
11. Emergency spare parts	August 1966	Decision to enhance the maximum value limit from Rs. 2,500 to Rs. 4,000 for the issue of actual user licences for imports of emergency spares.
12. Electric hoist blocks	September 1966	Imposition of a ban on the import of electric hoist blocks of capacity below five tonnes on account of domestic availability.
13. Borax, boric acid, veneers and plywood, highly polished zinc sheets and nickel anodes, etc.	September 1966	Decision taken not to issue licences to actual users for the import of specified commodities for the remaining period of April 1966—March 1967.
14. Copra, palm oil and tallow	September 1966	Allocation of foreign exchange worth Rs. 6 crores for the first half of the 1966-67 licensing period for the import of copra, palm oil and tallow by soap manufacturers and edible oil industries.
15. Machine tools	October 1966	Inclusion of some more items in the list of machine tools the import of which would not be ordinarily allowed to actual users in view of indigenous production.
16. Ball bearings and roller bearings	November 1966	Decision to add some more bearings in the lists of restricted and banned types of ball bearings, roller bearings and tapered roller bearings.
17. Non-ferrous metals	December 1966	Decision taken to grant licences for the import of non-ferrous metals directly to actual users in the small scale sector and other units not borne on the books of Directorate General of Technical Development on certain specified conditions. Actual users allowed to import these goods through MMTC or state sponsored small industries corporation or established importers by obtaining letter of authority in favour of importing agency. Permission given to import non-ferrous metals against the licences for non-ferrous strips.

Item (1)	Month of Announcement (2)	Details (3)
18. Spare parts and components of radio receivers and transistor radio receivers	December 1966	Decision to permit small scale units engaged in the manufacture of valve type and transistor radio receivers to import specified categories of valves, miniature ceramic condensers, R.F. transistors and ferrite antenna rods upto a specified percentage of the value of the licences granted to them for import of raw materials/components for the current year.
	February 1967	Grant of permission to small scale units holding import licences for components of radio/transistor radio receivers for the period April 1966-March 1967 to utilise such licences for import of raw materials required for the manufacture of these components.
19. Printing machinery and other items	January 1967	Decision to permit established importers who are also publishers of books (and have to their credit the publication of atleast 50 books) to import certain specified items required for the printing of books against their quota/supplementary licences for the import of books.
20. Electrographite and natural/hard graphite grades of carbon blocks	January 1967	Decision to allow imports by actual users of electrographitised and natural/hard graphite grades of carbon blocks and other special carbon products not available indigenously.
21. Sulphur	January 1967	Decision to allow the import of sulphur under the letter of authority procedure in quantities of 5,000 tonnes and above but less than 50,000 tonnes by all categories of importers and direct import of sulphur in quantities of 50,000 tonnes and above on an ad-hoc basis.
22. Streptomycin sulphate	January 1967	Grant of permission to actual users both in the scheduled and non-scheduled sectors including small scale industries to import streptomycin sulphate in bulk only within the value of valid import licences held by them for drugs and pharmaceuticals for 1966-67.
23. Butyl alcohol and butyl acetate	January 1967	Decision to allow the import of butyl alcohol by actual users to the full extent certified by the sponsoring authorities and withdrawal of permission to import butyl acetate.
24. Steel discs	February 1967	Suspension of the issue of licences for the import of specified steel discs in view of the indigenous availability.

APPENDIX VI : TARIFF COMMISSION'S RECOMMENDATIONS,* 1966-67

Industry	Purpose	Main Observations of the Commission	Government's Action on the Recommendations
1	2	3	4
		A. Tariff Inquiries	
1. Piston assembly	Continuance of protection	Initially, the Commission had recommended that the protection granted to this industry may be continued for a further period of three years ending December 1969, at the existing rate of duty. Consequent on devaluation, at the instance of Government, the Commission reconsidered its recommendation and came to the conclusion that it was not necessary to continue protection to the industry beyond December 31, 1966.	Accepted. Government, however, decided to maintain the duty at the existing rate as revenue duty.
2. Cotton textile machinery	,, ,,	Protection granted to the cotton textile machinery (spinning rings frames, spindles, spinning rings, fluted rollers and automatic looms) and parts covered by I.C.T. items Nos. 72(34) and 72(40) should not be continued beyond December 31, 1966.	Accepted. However, the existing rates of customs (protective) duties would be continued as revenue duties.
3. Antimony	Review of protection	Protection granted to antimony metal covered under I.C.T. items Nos. 70(2) and 70(3) be withdrawn.	,, ,, ,, ,, ,,
4. A.C.S.R. and A.A.C. industry (aluminium conductors steel reinforced and all aluminium conductors)	Continuance of protection	Protection granted to A.C.S.R. and A.A.C. covered under I.C.T. item No. 72(12) should not be continued beyond December 31, 1966.	,, ,, ,, ,, ,,
5. Sericulture	,, ,,	Protection to be continued for a further period of three years ending December 31, 1969 and the present rates of protective duty maintained in view of uncertainty of cocoon prices and the likely fluctuations in international prices.	Accepted.
		B. Price Inquiries	
1. Catguts	Inquiry into the price structure	The fair selling prices for the respective categories of sutures for the years 1966 and 1967 may be fixed as follows, at f.o.r. destination for orders valued at Rs. 1000 or more.	Accepted. However, the stipulation as to the value of order of Rs. 1000 or more has been dispensed with.

* These refer only to inquiries completed during the year. An inquiry is treated as complete only after the Government's decision on the report is published.

Industry	Purpose	Main Observations of the Commission	Government's Action on the Recommendations
1	2	3	4
Catguts (contd.)		Type of Sutures — Commission's estimated fair selling price (f.o.r.) Rs. (i) Sutures (plain and chromic) 23.76 per dozen (ii) Sutures 'A' (straight needles) 25.59 „ „ (iii) Sutures 'A' (curved needles) 30.18 „ „ (iv) Sutures 'A' (½ circle needles) 33.12 „ „ (v) Sutures 'B' (curved needles) 31.23 „ „ (vi) Sutures 'B' (½ circle needles) 34.19 „ „ (vii) Sutures 'C' (½ circle needles. 35.06 „ „	
2. Alcohol	Revision of ceiling prices	(i) The ceiling price (ex-distillery) of rectified spirit should be fixed at Rs. 211.00 per kilo litre. (ii) The ceiling price (ex-distillery) of absolute alcohol should be fixed at Rs. 231.00 per kilo litre. (iii) The price of denatured spirit may be arrived at after adding Rs. 5 per kilo litre to the sum of actual price of the quantity of rectified spirit used and actual price of denaturants used. Where the denaturants are supplied by the purchasers, a sum of Rs. 2 only per kilo litre may be added to the price of the quantity of rectified spirit used.	Accepted.
3. Cotton yarn and cloth	Fixation of fair selling (ex-mill and retail) prices	For fixation of the ex-mill and retail prices of cotton yarn and cloth, the Commission suggested certain formulae for arriving at prices, leaving the Government agencies to work out the details thereof.	Under the statutory controls scheme introduced in October 1964, the formulae have been prescribed for working out the cost of cotton, conversion charges for spinning and weaving and processing charges for bleaching, dyeing etc., for fixation of ex-mill prices of certain controlled varieties of mill made cloth for mass consumption viz. dhoties, sarees, long cloth, shirting and drill. For working out these formulae, Government have already taken into account the recommendations of the Commission.

APPENDIX VII : TRADE AGREEMENTS ENTERED INTO BY INDIA DURING 1966-67

Country (1)	Date of Agreement (2)	Duration (3)	Commodity Details (4)	Other particulars (5)
Afghanistan	February 1, 1967	Valid upto July 31, 1967	*Imports:* (1) Schedule 'A'—Dry and fresh fruits, asafoetida, cumin seeds, hides and skins and medicinal herbs (2) others—cotton and wool.	This is an extension of the trade arrangement signed on February 1, 1964, with certain modifications.
			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, compressors, wood working machinery, generators, drugs, medicines and all other items not included in schedule 'B'.	
Bulgaria	April 6, 1966	Valid upto December 31, 1966	*Imports:* Capital equipment, mining machinery, textile machines, lifting equipment, battery operated trucks, agricultural machines, non-ferrous metals, fertilisers etc.	This new protocol envisages trade (both ways) of the order of over Rs. 14 crores in 1966. This plan for 1966 is in terms of the agreement signed on February 14, 1964.
			Exports: Coffee, spices, de-oiled cake, chemicals, tyres and tubes, engineering goods like sewing machines, refrigerators, diesel engines, batteries, buses dumpers and chassis etc.	
	September 28, 1966	Valid upto December 31, 1967	*Imports:* Fertilisers (urea), caprolactum, chemicals, rolled steel products, tool alloy and special steel, pulp, drugs and medicines, zinc, lead and other non-ferrous metals, capital goods and machinery etc.	This trade plan for 1967 provides for a two-way trade between India and Bulgaria amounting to a total of Rs. 27 crores and is in terms of the agreement of February 14, 1964.
			Exports: Tea, coffee, spices, iron ore, mica, jute manufactures, cotton textiles, coir yarn, engineering and manufactured goods, machine tools, chemicals, drugs and medicines etc.	
Ceylon	March 17, 1967		*Imports:* Copra, coconut oil, natural rubber.	This is a trade arrangement for 1967 made under the trade agreement of October 28, 1961.
			Exports: Dried fish, tamarind, sakkarai etc.	

Country (1)	Date of Agreement (2)	Duration (3)	Commodity Details (4)	Other particulars (5)
France	April 7, 1966	Valid upto June 16, 1967	*Exports:* Cotton textiles and products, plastic articles, jute manufactures, sewing machines, dry batteries, canvas shoes, coir fabrics etc.	This is a further extension of the trade agreement originally signed in 1959.
German Democratic Republic	January 16, 1967	Valid upto December 31, 1967	*Imports:* Fertilisers like ammonium sulphate and muriate of potash, machine tools, capital goods, printing machinery, special steels, zinc, copper, tinplate, x-ray films, pesticides, newsprint, chemicals and cinematographic films.	This is a trade plan under the trade agreement of September 12, 1964.
			Exports: Iron ore, de-oiled cakes, tobacco, raw skins, tea and coffee, manufactured goods like machine tools, sanitary fittings, textile machinery, flash-lights, storage batteries and tyres.	
Iraq	October 1, 1966	Valid upto September 30, 1967	*Imports:* Dates, washed wool, goat skins etc.	This is a trade arrangement for 1967 concluded in terms of the trade and payments agreement signed on December 13, 1962.
			Exports: Tea, jute manufactures, steel goods, electric fans, electrical goods, machines, equipment and metal products, batteries and bicycles.	
Indonesia	September 22, 1966	Valid upto June 30, 1968	*Exports:* Aluminium sheets, irrigation pumps, insecticides/fungicides, jute products, iron and steel products (mostly structural), bicycle spare parts, cigarette paper, spare parts for oil mills, chemicals, paper (writing paper and craft paper), cotton yarn, cambrics, components, spare parts, accessories for trucks and buses, tyres and tubes, dye—stuffs, cotton textiles and pharmaceuticals and pharmaceutical raw materials.	This is a credit arrangement of Rs. 10 crores extended by India to Indonesia for exporting goods of Indian manufacture to Indonesia. The credit is available for utilisation upto June 30, 1968. It is repayable in equal half yearly instalments payable on June 30 and December 31 each year commencing from June 30, 1971.
	December 28, 1966	Valid from January 1, 1967 to December 31, 1968	*Imports:* Petroleum products, rubber (raw), palm oil, copra, timber, kapok, gums and resins, cinnamon, nutmeg and betelnuts and any other goods which are permitted to be exported under the import and export regulations of the country.	The trade agreement provides for increasing economic and technical co-operation.
			Exports: Textiles made of cotton, wool and synthetic fibres, cotton yarn, jute manufactures, coir products, chemicals, pharmaceuticals and allied products, rubber products, engineering goods, and miscellaneous manufactures such as leather goods, ceramics, pig iron and rolled sheet products etc.	

Country (1)	Date of Agreement (2)	Duration (3)	Commodity Details (4)	Other particulars (5)
Korea (Republic of)	April 12, 1966	Valid upto April 30, 1967	*Imports:* Ising glass (agar agar), (ginseng products, menthol, crystal, graphite and fluorspar etc.)*	This is a further extension of the trade agreement concluded on April 29, 1964 and shall continue to be in force from year to year unless either party gives to the other at least 90 days' written notice of its intention to terminate the arrangement.
			Exports: Raw sugar, jute bags, cotton fabrics, textile yarn, iron and steel scrap, salt, paper, chemicals including drugs and pharmaceuticals, power generation equipment and power transmission towers and lines, machine tools, transport equipment, wool and other animal hair, hides and skins and vegetable fibres etc.	
Poland	April 1, 1966	Valid from January 1, 1967 to December 31, 1967	*Imports:* Machinery and equipment, raw materials, semi products, food articles, sulphur, skimmed and whole milk powder, zinc, chemicals, dyes, ships equipment and drilling rigs and accessories for tube wells drilling.	This is a trade arrangement for 1967 in terms of the trade and payments agreement dated December 18, 1963.
			Exports: Engineering products like machine tools, textile machinery and accessories, manufactured products like cotton textiles, tyres and tubes.	
Rumania	October 6, 1966	Valid for one year upto December 31, 1967	*Imports:* Fertilisers (urea), petroleum products, chemicals, oil prospecting and drilling equipment, capital goods and machinery etc.	Trade arrangement for 1967 in terms of trade and payments agreement concluded on November 30, 1962. Trade of the order of Rs. 32 crores will be achieved during 1967, which will show an increase of 15 per cent over the trade level likely to be achieved in 1966.
			Exports: Coffee, spices, iron ore, mica, cotton textiles, jute manufactures, chemicals, engineering and manufactured goods etc.	
Sudan	December 10, 1966	Valid upto December 31, 1967	*Imports :* Raw Cotton	This is a further extension of the trade agreement dated October 22, 1965.
			Exports : Tea, spices, essential oils and perfumes, textiles, jute manufactures, other items such as steel bars, rods, oil mill machinery, electrical goods, commercial motor vehicles, components and spares, diesel engines etc.	

* Agreed on June 18, 1966.

Country (1)	Date of Agreement (2)	Duration (3)	Commodity Details (4)	Other particulars (5)
United Arab Republic	April 14, 1966	Valid from March 1, 1966 to February 28, 1967.	*Imports :* Cotton, rice, rock phosphate, cotton yarn, T.V. sets, petroleum products. *Exports :* Tea, jute manufactures, stationary diesel engines, dry batteries, electric fans, electric flourescent tubes, fittings and fixtures, electric motors and starters, switch gears, etc., sewing machines (industrial), chemicals, tobacco, pepper, other spices, mica, shellac, steel bars, rods, profiles and structurals, cotton yarn, tyres and tubes, trucks, chassis and inter-city buses and spares, telecommunication equipment, dye-stuffs, synthetic rubber and spares for engineering items etc.	This is the trade plan agreed to by the two countries for the period March 1, 1966 to February 28, 1967.
U.S.S.R.	December 3, 1966	Valid from January 1, 1967 to December 31, 1967.	*Imports :* Machinery and equipment, non-ferrous metals, newsprint, urea and sulphur, tinplates, fertilisers etc. *Exports :* New manufactured products like steel rails, rolled products, tooth paste, cosmetics and perfumes, chappals, thermos flasks, refrigerators and room air conditioners besides the traditional items like jute manufactures, tea, coffee, spices, cashew kernels etc.	This is a trade arrangement for 1967 made in terms of trade and payments agreement concluded on June 10, 1963 which is valid upto December 31, 1970.
Yugoslavia	December 19, 1966	Valid upto December 31, 1967	*Imports :* Lead, zinc, mercury, ferro alloys, lubricating oils, steel products, pesticides, wood pulp and finished machinery and equipment. *Exports :* Tea, coffee, pepper, jute products, de-oiled cakes, tobacco, iron ore and machine tools, tyres and tubes, engineering products, plastic goods, tinned fruits and juices, tinned fish and shrimps, handicrafts including cotton handlooms, sportsgoods, ready-made garments, knitwear etc.	This is a trade plan for 1967 made in terms of the trade agreement concluded on October 13, 1962.

PART III—STATEMENTS

SUMMARY CONTENTS

		STATEMENT NO.	PAGE NO.
1.	Notes on the Statements		S5
2.	Output and Prices	2-16	S8-S27
3.	Money and Banking	17-35	S28-S63
4.	Capital Market	36-49	S64-S81
5.	Public Finance	50-67	S82-S109
6.	Trade and Balance of Payments ..	68-88	S110-S151
7.	Currency and Coinage	89-98	S152-S158

CONTENTS

PAGE NO.

1. Selected Economic Indicators S6-S7

Output and Prices

2. Estimates of saving of the Government and the Domestic Corporate Sector .. S8-S9
3. Saving of the Household Sector in the form of financial assets S8-S9
4. National Income by Industrial Origin S10
5. Index Numbers of Agricultural Production S11
6. Area and Production of Agricultural Commodities S12-S13
7. Industrial Production S14-S15
8. Index Numbers of Industrial Production S16-S17
9. Stocks of Principal Commodities with Industry S18-S19
10. Consumer Price Index Numbers (Working Class) S20
11. Consumer Price Index Numbers for Urban Non-manual Employees S21
12. Index Numbers of Wholesale Prices By Groups and Sub-Groups (Annual, Monthly and Weekly) S22-S23
13. Movements in Price Indices of Selected Commodities S24-S25
14. A. Employment Exchange Statistics S26
    B. Occupational Distribution of Applicants on Live Registers S26
15. Assaying and Refining of Gold and Silver at the India Government Mints .. S27
16. Prices of Gold and Silver—Bombay S27

Money and Banking

17. Money Supply with the Public S28-S29
18. Seasonal Variations in Money Supply with the Public S30-S31
19. Variations in Money Supply with the Public S32-S33
20. Liabilities and Assets (Annual and Weekly) of the Reserve Bank of India (Issue Department) S34-S35
21. Liabilities and Assets (Annual and Weekly) of the Reserve Bank of India (Banking Department) S36-S37
22. Reserve Bank of India and Co-operative Credit S38
23. Reserve Bank of India and Industrial Finance S39
24. Money Rates S40
25. Remittances through the Reserve Bank of India S41
26. Borrowings by Scheduled Commercial Banks from the Reserve Bank of India at various Rates of Interest S41
27. All Scheduled Banks : Business in India (Annual and Weekly) S42-S45
28. Scheduled Commercial Banks : Business in India (Annual and Weekly) S46-S49
29. Classification of Scheduled Commercial Banks' Advances According to Security S50-S51
30. Cheque Clearances (Annual and Monthly) S52-S53
31. Non-Scheduled Commercial Banks : Liabilities and Assets in India S54-S57
32. State Co-operative Banks Maintaining Accounts with the Reserve Bank of India S58-S61
33. Seasonal Trends in Selected Items of Scheduled Commercial Banks' Liabilities and Assets S62

CONTENTS (*Contd.*)

		PAGE NO.
34.	Savings Deposits with Scheduled Commercial Banks	S63
35.	Reserves of Scheduled Commercial Banks and State Co-operative Banks with the Reserve Bank of India	S63
	Capital Market	
36.	State Financial Corporations—Liabilities and Assets	S64
37.	Operations of State Financial Corporations	S65
38.	Liabilities and Assets of the Industrial Finance Corporation of India	S66
39.	Industrial Finance Corporation of India—Industry-wise Distribution of Financial Assistance Sanctioned	S67
40.	Liabilities and Assets of the Industrial Development Bank of India	S68
41.	Assistance Sanctioned and Disbursed by Financial Institutions in the Third Plan	S68
42.	Consents for Capital Issues	S69
43.	Capital Raised by Non-Government and Government Companies	S70-S71
44.	Prices (in Bombay) of Government of India Securities, 1966-67	S72
45.	Average Yields on Government of India Securities	S73
46.	All-India and Regional Indices (Annual and Weekly) of Security Prices	S74-S75
47.	Index Numbers of Security Prices—All-India (Annual and Monthly)	S76-S77
48.	Gross Yields on Industrial Securities—All-India and Regional (By Groups and Sub-Groups)	S78-S79
49.	Prices of Selected Industrial Shares	S80-S81
	Public Finance	
50.	Budgetary Position of the Government of India	S82
51.	Consolidated Budgetary Position of States	S83
52.	Revenue and Expenditure of the Government of India (On Revenue Account)	S84-S85
53.	Revenue from Union Excise Duties	S86-S87
54.	Capital Budget of the Government of India	S88-S89
55.	Budgetary Position of Individual State Governments (On Revenue Account)	S90-S91
56.	Revenue and Expenditure of States (On Revenue Account)	S92-S93
57.	Capital Budget of States	S94
58.	Railway Finances	S95
59.	Debt, Liabilities, Capital Outlay and Loans Advanced by the Government of India	S96-S97
60.	Debt Position of the Government of India	S98
61.	Maturity Pattern of the Government of India Rupee Loans	S99
62.	Debt Position of States	S99
63.	Small Savings (Annual and Monthly)	S100-S101
64.	Market Borrowings of the Government of India and State Governments, 1966-67	S102-S103
65.	Central and State Government Loans (Outstandings as on March 31, 1967)	S104-S107
66.	Government of India Treasury Bills (Weekly), 1966-67	S108
67.	Government of India Treasury Bills (Annual and Monthly)	S109

CONTENTS (*Concld.*)

Trade and Balance of Payments

PAGE NO.

68. India's Overall Balance of Payments, 1966 (Preliminary) .. .. ..
    A. Current Account S110
    B. Capital Account S111
69. India's Balance of Payments, 1966 (Preliminary)—Current Account : Region-wise S112-S116
70. India's Foreign Exchange Reserves S117
71. India's Foreign Trade S117
72. Direction of India's Foreign Trade S118-S120
73. Exports of Tea (Black) to Principal Countries S121
74. Exports of Cashew Kernel to Principal Countries S122
75. Exports of Tobacco (Unmanufactured) to Principal Countries S122
76. Exports of Jute Goods (Bags and Cloth) to Principal Countries S123
77. Exports of Sugar to Principal Countries S124
78. Exports of Oilcakes to Principal Countries S124
79. Exports of Cotton Piecegoods to Principal Countries S125
80. India's Exports of Principal Commodities S126-S127
81. India's Imports of Principal Commodities S128-S129
82. Index Numbers of Exports S130
83. Index Numbers of Imports S131
84. External Assistance : Authorised and Utilised S132-S133
85. Purpose-wise Distribution of Foreign Loans/Credits S134-S146
86. Sterling Transactions of the Reserve Bank of India S147
87. Export Duties Imposed Subsequent to the Devaluation of Rupee (June 6, 1966) S148-S150
88. Inland and Foreign Bills Purchased and Discounted by Scheduled Commercial Banks S151

Currency and Coinage

89. Total Notes and Coins Issued (Denomination-wise) S152
90. Movements in Circulation of India Small Coin (Denomination-wise) S152
91. Movements in Circulation of India Small Coin (Metal-wise) S153
92. Lost, Destroyed and Mutilated Notes, 1966-67 .. .. S154
93. Note Forgeries S154
94. Mintage of India Rupees and Small Coins S155
95. Mintage of India Small Coins by Denominations, 1966-67 .. .. .. S155
96. Withdrawal of Silver, Cupro-nickel, Copper and Aluminium Coins, 1966-67 .. S156
97. Number of Counterfeit Coins Cut at Treasuries and Railway Stations S157
98. Description of Coins in Active Circulation at the end of March 1967 .. .. S158

NOTES ON THE STATEMENTS

The annual series in the statements cover the financial years which run from April to March ; thus 1966-67 refers to the year from April 1, 1966 to March 31, 1967. In this issue, generally annual data for the years 1950-51, 1955-56 and 1960-61 to 1966-67 are presented. In the statements giving monthly data, the latest thirteen months' figures are presented.

In the statements on industrial production, employment exchanges, consents for capital issues, capital raised by non-Government and Government companies data relating to calendar year are presented, as the statistics assembled at the respective sources are on that basis. Statistics relating to balance of payments are presented for the calendar year 1966. Statistics relating to (*i*) Agricultural production, (*ii*) Financial assistance sanctioned by the Industrial Finance Corporation of India and (*iii*) Liabilities and Assets of the Industrial Development Bank of India are for the year ended June.

The new statements included in this issue are (*i*) Consumer Price Index Numbers for Urban Non-manual Employees, (*ii*) All Scheduled Banks—Business in India, (*iii*) Liabilities and Assets of the Industrial Development Bank of India, (*iv*) Assistance sanctioned and disbursed by Financial Institutions in the Third Plan and (*v*) "Export duties imposed subsequent to the devaluation of rupee (June 6, 1966)". The statements on 'Investment and Saving' *viz.*, (*i*) Estimates of Aggregate Saving, (*ii*) Volume and Pattern of Saving and (*iii*) Volume and Pattern of Saving of the Household Sector, published in the last issue of the Report, have been replaced by two statements *viz.* (*i*) Estimates of Saving of the Government and the Domestic Corporate Sectors and (*ii*) Saving of the Household Sector in the form of Financial 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. The abbreviation 'Kg.' stands for kilogram.

Indian rupee was devalued on June 6, 1966. Consequent on the devaluation the par value of the Indian rupee has changed from Rs. 4.76 per U.S. dollar to Rs. 7.50 per U.S. dollar and from Rs. 13.33 to 1 pound sterling to Rs. 21 to 1 pound 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 and a few centrally administered areas. One State, namely, the Bombay State was bifurcated on May 1, 1960 into (*i*) Maharashtra and (*ii*) Gujarat. On December 1, 1963, Nagaland was constituted as a State and on November 1, 1966 the Punjab State was bifurcated into (*i*) Punjab and (*ii*) Haryana, bringing the total number of States in the Union to seventeen. The Federal Government is the Government of India, also called the Central Government.

From October 1, 1960 India adopted the metric system of units and measures and the data presented in the statements are in metric units. The data relating to earlier periods which were expressed in F.P.S. units have been converted into metric units using the following conversion factors :

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

Wherever 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 1—SELECTED ECONOMIC INDICATORS

Item	Unit/Base	1950-51	1955-56	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
		1	2	3	4	5	6	7	8	9
I. Population (*a*)	Millions	361.09	..	439.23	453.41	464.34	475.53	486.99	498.86	..
II. Output and Prices										
1. Net National Output										
(*i*) At current prices	Rs. abja = 100 crores	95.3	99.8	141.4	148.0	154.0	172.1	200.1	..	..
(*ii*) At 1948-49 prices	,,	88.5	104.8	127.3	130.6	133.1	139.7	150.5	..	..
2. Industrial Production General Index (*b*)	1956 = 100	73.5(*c*)	91.9	130.1	141.0	152.6	165.8	177.0	186.9	191.6
3. Agricultural Production	Year ended June 1950 = 100	95.6	116.8	142.2	144.8	137.4	142.4	158.4	131.7	..
4. Wholesale Prices										
(*i*) All Commodities	1952-53 = 100	111.8(*d*)	92.5	124.9	125.1	127.9	135.3	152.7	165.1	191.2
(*ii*) Food articles	,,	112.5(*d*)	86.6	120.0	120.1	126.1	136.8	159.9	168.8	199.8
5. Consumer Prices (All-India)	1949 = 100	101	96	124	127	131	137	157	169	191
6. Security Prices (*e*)										
(*i*) Government and semi-Government securities	1961-62 = 100	100.0	90.9	101.0	100.9	100.1	99.4	98.2	94.6	94.3
(*ii*) Variable dividend industrial securities	,,	124.2	121.6	171.7	183.7	179.5	167.1	86.1	76.7	80.2
7. Gold and Silver (Bombay : Spot)										
(*i*) Gold (*f*)	Rs. per 10 gms.	97.28	82.18	114.91	121.25	117.71	111.98 61.85	68.84	77.78	83.85
(*ii*) Silver	Rs. per Kg.	159.37	144.65	193.64	206.49	218.69	240.32	261.17	314.62	358.88
8. Number of Applicants (*b*)										
(*i*) Placed in Employment	000's	331	170	306	404	458	536	545	570	507
(*ii*) On live registers	,,	331	692	1,606	1,833	2,380	2,518	2,493	2,585	2,622
III. Money and Banking										
9. Money supply with the public (*g*)	Crores of Rs.	2,016.0	2,217.0	2,868.6	3,045.8	3,310.0	3,752.1	4,080.3*	4,529.4*	4,953.8*
(*i*) Currency with the public	,,	1,406.5	1,571.0	2,098.0	2,201.2	2,379.5	2,605.6	2,769.0*	3,034.3*	3,194.9*
(*ii*) Deposit money with the public	,,	609.5	645.9	770.6	844.7	930.5	1,146.6	1,311.2	1,495.1	1,758.9
10. Reserve Bank of India										
(*i*) Central Government's deposits	Crores of Rs.	162.0	67.3	76.5	71.3	55.8	84.2	90.9	51.4	116.9
(*ii*) State Governments' deposits	,,	26.4	62.0	29.0	15.9	31.4	16.0	24.7	25.8	38.9
(*iii*) Investments	,,	585.8	726.0	1,813.2	1,910.6	2,128.3	2,338.1	2,480.7	2,718.5	2,923.0
(*iv*) Other loans and advances (*h*)	,,	16.8	79.9	185.5	177.7	207.3	221.0	306.4	244.6	317.4
(*v*) Loans and advances to										
(a) Scheduled commercial banks	,,	..	..	..	..	71.3	84.2	153.0	73.5	139.7
(b) State co-operative banks	,,	..	..	..	..	134.4	134.0	149.9	165.8	170.7

11. Foreign exchange reserves ..	Crores of Rs.	1,029.2	902.4	303.6	297.3	295.1	305.8	249.7	298.0	478.4(*i*)
12. A. Scheduled commercial banks										
(*i*) Aggregate deposits ..	,,	880.6(*j*)	1,043.2(*j*)	1,746.1	1,921.9	2,042.3	2,285.1	2,583.3	2,949.8	3,424.8
(*ii*) Bank credit	,,	546.9(*k*)	761.2(*k*)	1,319.5	1,407.6	1,588.0	1,816.5	2,033.7	2,288.1	2,692.4
(*iii*) Investments in Government securities	,,	..	359.9	558.6	601.4	592.8	639.7	718.2	810.7	892.8
(*iv*) Cash reserves	,,	93.3	84.7	116.6	123.5	125.7	147.6	162.4	170.8	215.6
(*v*) Credit deposit ratio ..	Per cent	62.1	73.0	75.6	73.2	77.8	79.5	78.7	77.6	78.6
B. Cheque clearances† ..	Crores of Rs.	553.2	663.4	1,045.9	1,133.9	1,249.1	1,400.7	1,536.4	1,746.4	1,973.8
13. Inter-bank call money rate (Bombay) (*l*)	Per cent per annum	0.74	2.75	4.24	4.24	4.16	3.87	4.01	6.26	5.16
14. Yield on 3 per cent conversion loan of 1986 or later (*m*) ..	,,	3.15	3.74	4.06	4.16	4.49	4.66	4.80	5.46	5.57
IV. Public Finance										
A. Budgetary position of Government of India :										
15. Revenue Account										
(*i*) Revenue	Crores of Rs.	405.9	481.2	877.5	1,036.8	1,427.5	1,846 1	2,080.6	2,320.4	2,456.8
(*ii*) Expenditure	,,	346.6	440.7	826.2	911.9	1,314.1	1,658.6	1,806.7	2,000.6	2,282.3
16. Capital Account										
(*i*) Receipts	,,	104.4	281.0	1,127.0	957.3	1,204.2	1,380.8	1,645.0	1,608.2	2,556.5
(*ii*) Disbursements	,,	182.6	470.9	1,000.5	1,171.6	1,454.4	1,760.0	2,076.3	2,125.2	3,097.4
B. Debt position of Government of India :										
17. Total debt	,,	2,501.6	3,196.4	6,255.1	6,974.6	7,699.4	8,730.1	9,624.2	10,756.5	13,758.2
(*i*) Internal	,,	2,469.5	3,082.8	5,494.1	5,864.0	6,320.4	6,921.0	7,432.0	8,165.9	9,134.6
(*ii*) External	,,	32.0	113.6	761.0	1,110.6	1,379.0	1,809.1	2,192.2	2,590.6	4,623.6(*n*)
18. Rupee loans (*p*)	,,	1,438.5	1,508.7	2,571.3	2,688.4	2,840.9	3,113.9	3,267.5	3,424.9	3,556.8
19. Treasury bills outstanding ..	,,	364.8	595.3	1,106.3	1,175.0	1,299.6	1,382.0	1,443.5	1,611.8	1,919.6
20. Small savings										
(*i*) Net receipts	,,	33.9	67.0	105.0	86.8	74.9	126.4	128.0	150.8	126.8
(*ii*) Outstandings	,,	336.2	580.0	982.4	1,069.2	1,144.1	1,270.6	1,398.6	1,549.3	1,676.1
V. Trade										
21. Imports	,,	650.2	774.2	1,121.6	1,091.6	1,131.5	1,222.8	1,349.0	1,410.1	260.6@
										1,607.8
22. Exports	,,	600.6	608.9	642.1	660.6	685.3	793.2	816.3	805.7	127.7@
										967.2
23. Net balance of trade	,,	—49.6	—165.4	—479.6	—431.0	—446.2	—429.6	—532.7	—604.5	—132.8@
										—640.6
24. Number of wagons loaded ..										
(*i*) Broad gauge	000's	10,472(*q*)	4,907	6,164	6,334	7,050	7,533	7,542	8,168	8,234
(*ii*) Metre gauge	,,		2,938	3,593	3,536	3,578	3,754	3,784	3,972	3,776

Note: Figures for all the items relate to the year except those of items 8(*ii*), 11,17,18,19 and 20(*ii*) which relate to the end of the period and those of items 9, 10 and 12A which relate to last Friday.

(*a*) The figures for 1950-51 and 1960-61 relate to Census of 1951 and 1961 respectively and those for subsequent years relate to the estimated mid-year population ; the data for 1961-62 correspond to mid-year 1962 and so on. (*b*) Relating to calendar year : thus data for 1955-56 correspond to 1955. (*c*) Relating to 1951. (*d*) Derived figures. (*e*) Data for the year 1950-51 relate to the base 1938 = 100; for 1955-56 to the base 1949-50 = 100 and for the years 1960-61, 1961-62, 1962-63 & 1963-64 to the base 1952-53 = 100. (*f*) Relate to 14 carat, quoted from August 28, 1963. (*g*) Revised series. (*h*) Loans and advances, other than those to the Governments. (*i*) Gold has been valued at Rs. 53.58 per 10 grams upto May 1966 and at Rs. 84.39 per 10 grams thereafter, following the change in the par value of the rupee. (*j*) Relating to aggregate liabilities. (*k*) Including due from banks. (*l*) Data relate to local head offices of the banks and are exclusive of brokerage. (*m*) Running yield. (*n*) The outstanding foreign loans (other than P.L. 480 loans) have been worked out after writing up the balances as on June 6, 1966 by 57.5 per cent consequent on the change in the par value of the Indian rupee. (*p*) Includes the Hyderabad loans taken over by the Government of India under the States Reorganisation Act, 1956, Five-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 but excludes National Defence Gold Bonds, 1980; A and B Series. (*q*) In terms of metre gauge.

* Provisional. † Average of monthly data. @ Figures above the line relate to the pre-devaluation period and those below the line to the post-devaluation period.

STATEMENT 2—ESTIMATES OF SAVING OF THE

	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56
	1	2	3	4	5	6
Saving of the Government Sector	95.9	187.0	102.1	92.6	93.4	111.4
Proportion (per cent) to National Income ..	*1.0*	*1.9*	*1.1*	*0.9*	*1.0*	*1.1*
Saving of the Domestic Corporate Sector	35.0	63.6	1.1	25.9	50.3	60.0
Proportion (per cent) to National Income ..	*0.4*	*0.6*	—	*0.2*	*0.5*	*0.6*

Note : For 1961-62 and 1962-63 the estimates have been revised in the light of fresh data that have become *Preliminary.

STATEMENT 3—SAVING OF THE HOUSEHOLD

	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56
	1	2	3	4	5	6
A. Saving of the Household Sector in Financial Assets [(i) to (vi)] (Gross) ..	**85.0**	**24.6**	**53.8**	**123.5**	**363.7**	**508.4**
(*a*)	*0.9*	*0.3*	*0.5*	*1.2*	*3.8*	*5.1*
(i) Currency	79.6	—114.6	— 22.4	24.5	85.4	190.3
(*a*)	*0.8*	— *1.1*	— *0.2*	*0.2*	*0.9*	*1.9*
(*b*)	*93.7*	—*465.9*	— *41.5*	*19.8*	*23.5*	*37.4*
(ii) Bank Deposits	9.7	— 19.1	19.7	12.2	63.8	84.5
(*a*)	*0.1*	— *0.2*	*0.2*	*0.1*	*0.7*	*0.8*
(*b*)	*11.4*	— *77.6*	*36.6*	*9.8*	*17.5*	*16.6*
(iii) Insurance Policies ..	20.6	15.0	21.9	25.3	27.8	29.5
(*a*)	*0.2*	*0.2*	*0.2*	*0.3*	*0.3*	*0.3*
(*b*)	*24.2*	*61.0*	*40.7*	*20.5*	*7.6*	*5.8*
(iv) Provident Funds ..	31.8	34.1	42.9	78.0	87.2	86.2
(*a*)	*0.3*	*0.3*	*0.4*	*0.8*	*0.9*	*0.9*
(*b*)	*37.4*	*138.6*	*79.7*	*63.2*	*24.0*	*17.0*
(v) Claims on Government Sector	— 89.6	86.4	— 21.4	— 40.9	61.1	67.0
(*a*)	— *0.9*	*0.9*	— *0.2*	— *0.4*	*0.6*	*0.7*
(*b*)	—*105.4*	*351.2*	— *39.8*	— *33.1*	*16.8*	*13.2*
(vi) Corporate and Co-operative Shares and Securities	32.9	22.8	13.1	24.4	38.4	50.9
(*a*)	*0.4*	*0.2*	*0.1*	*0.2*	*0.4*	*0.5*
(*b*)	*38.7*	*92.7*	*24.3*	*19.8*	*10.6*	*10.0*
B. Financial Liabilities of the Household Sector [(i) to (iii)]	**65.7**	**46.2**	**11.2**	**40.5**	**55.9**	**122.8**
(*a*)	*0.7*	*0.5*	*0.1*	*0.4*	*0.6*	*1.2*
(i) Bank Advances ..	47.4	25.7	— 8.4	20.6	31.6	84.3
(*a*)	*0.5*	*0.3*	— *0.1*	*0.2*	*0.3*	*0.8*
(*b*)	*72.1*	*55.6*	— *75.0*	*50.8*	*56.5*	*68.6*
(ii) Loans against Insurance Policies (Including outstanding premiums) ..	2.8	3.6	4.3	4.2	4.2	2.2
(*a*)	—	—	—	—	*0.1*	—
(*b*)	*4.3*	*7.8*	*38.4*	*10.4*	*7.5*	*1.8*
(iii) Loans and Advances from Government ..	15.5	16.9	15.3	15.7	20.1	36.3
(*a*)	*0.2*	*0.2*	*0.2*	*0.2*	*0.2*	*0.4*
(*b*)	*23.6*	*36.6*	*136.6*	*38.8*	*36.0*	*29.6*
C. Saving of the Household Sector in Financial Assets (net) (A-B)	**19.3**	**— 21.6**	**42.6**	**83.0**	**307.8**	**385.6**
(*a*)	*0.2*	— *0.2*	*0.4*	*0.8*	*3.2*	*3.9*

Note: For 1961-62 and 1962-63 the estimates have been revised in the light of fresh data that have become (*a*) Proportion (per cent) to national income. (*b*) Proportion (per cent) to total financial assets/liabilities.

GOVERNMENT AND THE DOMESTIC CORPORATE SECTORS

(In crores of rupees, at current prices)

1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64*	1964-65*
7	8	9	10	11	12	13	14	15
176.7	156.7	138.0	202.8	239.4	356.4	407.8	526.6	550.5
1.6	*1.4*	*1.1*	*1.6*	*1.7*	*2.4*	*2.6*	*3.1*	*2.8*
58.5	18.0	32.4	57.6	106.7	102.8	108.1	126.2	80.9
0.5	*0.1*	*0.3*	*0.4*	*0.7*	*0.7*	*0.7*	*0.7*	*0.4*

available after the publication of earlier estimates.

SECTOR IN THE FORM OF FINANCIAL ASSETS

(In crores of rupees, at current prices)

1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64*	1964-65*
7	8	9	10	11	12	13	14	15
429.0	**387.9**	**444.1**	**550.0**	**578.2**	**655.0**	**759.5**	**940.7**	**942.3**
3.8	*3.4*	*3.5*	*4.2*	*4.1*	*4.4*	*4.9*	*5.5*	*4.7*
51.9	45.3	112.4	130.2	160.3	94.0	172.4	216.7	136.1
0.5	*0.4*	*0.9*	*1.0*	*1.1*	*0.6*	*1.1*	*1.3*	*0.7*
12.1	*11.7*	*25.3*	*23.8*	*27.8*	*14.4*	*22.7*	*23.0*	*14.4*
94.4	93.3	95.9	183.3	93.2	225.8	216.7	**280.0**	327.5
0.8	*0.7*	*0.8*	*1.3*	*0.7*	*1.6*	*1.4*	*1.7*	*1.6*
22.0	*24.1*	*21.6*	*33.3*	*16.1*	*34.5*	*28.5*	*29.8*	*34.8*
22.8	29.2	35.8	45.9	54.5	69.5	66.5	91.0	93.3
0.2	*0.3*	*0.3*	*0.4*	*0.4*	*0.5*	*0.4*	*0.5*	*0.5*
5.3	*7.5*	*8.1*	*8.3*	*9.4*	*10.6*	*8.8*	*9.7*	*9.9*
93.0	102.8	107.3	112.6	150.6	154.9	172.5	209.9	227.7
0.9	*0.9*	*0.8*	*0.9*	*1.1*	*1.0*	*1.1*	*1.2*	*1.1*
21.7	*26.5*	*24.2*	*20.5*	*26.0*	*23.6*	*22.7*	*22.3*	*24.2*
82.4	63.6	53.4	25.5	60.3	17.6	57.7	75.3	77.7
0.7	*0.6*	*0.4*	*0.2*	*0.4*	*0.1*	*0.4*	*0.4*	*0.4*
19.2	*16.4*	*12.0*	*4.6*	*10.4*	*2.7*	*7.6*	*8.0*	*8.2*
84.5	53.7	39.3	52.5	59.3	93.2	73.7	67.8	**80.0**
0.7	*0.5*	*0.3*	*0.4*	*0.4*	*0.6*	*0.5*	*0.4*	*0.4*
19.7	*13.8*	*8.8*	*9.5*	*10.3*	*14.2*	*9.7*	*7.2*	*8.5*
109.0	**64.3**	**102.7**	**161.9**	**142.2**	**143.4**	**174.4**	**286.4**	**232.5**
1.0	*0.6*	*0.8*	*1.2*	*1.0*	*0.9*	*1.1*	*1.7*	*1.2*
89.4	38.0	67.9	120.5	99.2	99.0	126.8	225.0	121.6
0.8	*0.4*	*0.5*	*0.9*	*0.7*	*0.6*	*0.8*	*1.4*	*0.7*
82.0	*59.1*	*66.1*	*74.4*	*69.7*	*69.0*	*72.8*	*78.5*	*52.3*
1.1	4.1	1.5	2.6	4.2	6.4	0.6	7.4	6.6
—	—	—	—	—	—	—	—	—
1.0	*6.4*	*1.5*	*1.6*	*3.0*	*4.5*	*0.3*	*2.6*	*2.8*
18.5	22.2	33.3	38.8	38.8	38.0	47.0	54.0	104.3
0.2	*0.2*	*0.3*	*0.3*	*0.3*	*0.3*	*0.3*	*0.3*	*0.5*
17.0	*34.5*	*32.4*	*24.0*	*27.3*	*26.5*	*26.9*	*18.9*	*44.9*
320.0	**323.6**	**341.4**	**388.1**	**436.0**	**511.6**	**585.1**	**654.3**	**709.8**
2.8	*2.8*	*2.7*	*3.0*	*3.1*	*3.5*	*3.8*	*3.8*	*3.5*

available after the publication of earlier estimates.
* Preliminary.

STATEMENT 4—NATIONAL INCOME BY INDUSTRIAL ORIGIN

(In Rs. abja) (*a*)

	1950-51	1955-56	1960-61	1961-62	1962-63	1963-64	1964-65(*b*)
	1	2	3	4	5	6	7
A. AT CURRENT PRICES							
Agriculture							
1. Agriculture, animal husbandry and ancillary activities ..	47.8	43.9	66.8	67.7	67.9	79.4	100.0
2. Forestry	0.7	0.7	1.1	1.2	1.3	1.4	1.5
3. Fishery	0.4	0.6	1.0	0.7	0.8	0.9	1.2
4. **Total of agriculture**	**48.9**	**45.2**	**68.9**	**69.6**	**70.0**	**81.7**	**102.7**
Mining, manufacturing and small enterprises							
5. Mining	0.7	1.0	1.6	1.7	1.9	2.3	2.2
6. Factory establishments	5.5	7.8	13.2	15.4	16.8	18.5	20.7
7. Small enterprises	9.1	9.7	11.2	11.7	12.1	12.5	13.1
8. **Total of mining, manufacturing and small enterprises** ..	**15.3**	**18.5**	**26.0**	**28.8**	**30.8**	**33.3**	**36.0**
Commerce, transport and communication							
9. Communication (post, telegraph and telephone)	0.4	0.5	0.6	0.7	0.8	0.9	1.1
10. Railways	1.8	2.5	3.6	3.8	4.6	5.1	5.2
11. Organised banking and insurance	0.7	0.9	1.6	1.9	2.1	2.4	2.8
12. Other commerce and transport ..	14.0	14.9	17.6	18.4	19.0	19.7	20.5
13. **Total of commerce, transport and communication**	**16.9**	**18.8**	**23.4**	**24.8**	**26.5**	**28.1**	**29.6**
Other services							
14. Professions and liberal arts ..	4.7	5.6	7.4	7.9	8.4	9.0	9.6
15. Government services (administration)	4.3	5.7	9.0	10.0	11.3	12.8	14.8
16. Domestic service	1.3	1.4	1.9	2.1	2.2	2.3	2.5
17. House property	4.1	4.6	5.3	5.5	5.6	5.8	6.0
18. **Total of other services**	**14.4**	**17.3**	**23.6**	**25.5**	**27.5**	**29.9**	**32.9**
19. **Net domestic product at factor cost**	**95.5**	**99.8**	**141.9**	**148.7**	**154.8**	**173.0**	**201.2**
20. Net earned income from abroad ..	−0.2	0.0	−0.5	−0.7	−0.8	−0.9	−1.1
21. **Net national output at factor cost = National income**	**95.3**	**99.8**	**141.4**	**148.0**	**154.0**	**172.1**	**200.1**
B. AT 1948-49 PRICES							
1. Agriculture, animal husbandry and ancillary activities (*c*)	43.4	50.2	59.0	59.1	57.9	59.7	65.0
2. Mining, manufacturing and small enterprises	14.8	17.6	21.1	22.1	23.0	24.4	25.5
3. Commerce, transport and communication	16.6	19.7	24.6	25.4	26.4	27.8	29.7
4. Other services(*d*)	13.9	17.3	23.1	24.7	26.6	28.7	31.4
5. **Net domestic product at factor cost**	**88.7**	**104.8**	**127.8**	**131.3**	**133.9**	**140.6**	**151.6**
6. Net earned income from abroad	−0.2	0.0	−0.5	−0.7	−0.8	−0.9	−1.1
7. **Net national output at factor cost = National income**	**88.5**	**104.8**	**127.3**	**130.6**	**133.1**	**139.7**	**150.5**

(*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 5—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	1964-65	1965-66
	1	2	3	4	5	6	7	8	9
Rice	35.3	87.9	114.2	137.7	142.4	127.4	146.6	155.1	121.6
Wheat	8.5	101.1	131.3	162.8	178.8	160.4	146.1	182.1	158.8
Jowar	5.0	89.8	96.7	141.1	115.4	138.3	131.3	140.1	107.7
Bajra	2.7	83.8	108.3	102.9	114.1	121.8	116.9	139.5	112.7
Maize	2.1	84.4	112.3	146.7	154.3	163.8	162.9	166.6	165.7
Total Cereals ..	**58.3**	**90.3**	**114.9**	**138.3**	**143.1**	**132.4**	**140.8**	**153.7**	**124.4**
Gram	3.7	98.0	138.9	160.4	148.5	137.2	115.5	148.5	114.0
Total Pulses ..	**8.6**	**91.7**	**118.4**	**129.0**	**121.5**	**116.9**	**102.8**	**126.5**	**101.0**
Total Foodgrains ..	**66.9**	**90.5**	**115.3**	**137.1**	**140.3**	**130.4**	**135.9**	**150.2**	**121.4**
Groundnuts	5.7	101.4	112.4	142.1	147.5	142.4	153.9	178.3	121.8
Total Oilseeds ..	**9.9**	**98.5**	**108.6**	**134.0**	**140.0**	**137.7**	**132.8**	**164.9**	**121.0**
Cotton	2.8	110.7	153.9	202.1	174.9	201.7	209.3	215.7	179.3
Jute	1.4	106.3	135.8	125.3	192.7	165.1	187.4	182.4	135.9
Mesta	0.3	100.0	174.7	168.8	280.8	250.4	276.5	233.6	183.6
Total Fibres ..	**4.5**	**108.6**	**149.7**	**176.0**	**187.5**	**193.6**	**207.0**	**206.5**	**166.1**
Tea	3.3	103.8	107.2	120.9	133.4	130.5	130.2	140.1(*a*)	140.1(*a*)
Coffee	0.2	112.3	196.1	246.4	230.4	237.7	250.3	250.3(*a*)	250.3(*a*)
Rubber	0.1	93.8	146.1	167.0	180.0	209.4	239.0	286.0(*a*)	286.0(*a*)
Total Plantation Crops	**3.6**	**104.0**	**113.2**	**129.2**	**140.1**	**138.6**	**140.1**	**150.3**	**150.3**
Sugarcane	8.7	113.7	119.8	183.9	173.5	156.8	173.9	200.4	197.0
Tobacco	1.9	97.3	112.9	114.3	126.2	132.2	129.5	123.2(*a*)	97.8(*a*)
Total Miscellaneous	**15.1**	**110.3**	**120.1**	**163.4**	**156.3**	**151.1**	**158.9**	**177.0**	**169.5**
Total Non-Foodgrains	**33.1**	**105.9**	**119.9**	**152.6**	**153.9**	**151.5**	**155.6**	**174.9**	**152.4**
All Commodities ..	**100.0**	**95.6**	**116.8**	**142.2**	**144.8**	**137.4**	**142.4**	**158.4**	**131.7**

Note : The indices for 1962-63, 1963-64 and 1964-65 are generally based on partially revised estimates while those for 1965-66 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 6—AREA AND PRODUCTION

Commodity	1950-51(*a*)		1955-56		1960-61		1961-62	
	Area (Hectares)	Production (Metric tons)	Area (Hectares)	Production (Metric tons)	Area (Hectares)	Production (Metric tons)	Area (Hectares)	Production (Metric tons)
	1	2	3	4	5	6	7	8
FOODGRAINS								
Cereals								
1. Rice	30,519	23,542	31,521	27,557	34,128	34,574	34,694	35,663
2. Wheat	9,758	6,391	12,367	8,760	12,927	10,997	13,570	12,072
3. Jowar	15,513	5,870	17,362	6,726	18,412	9,814	18,249	8,029
4. Bajra	9,259	2,835	11,338	3,428	11,469	3,283	11,278	3,645
5. Maize	3,262	2,046	3,696	2,602	4,407	4,080	4,507	4,312
6. Ragi	2,206	1,544	2,307	1,846	2,515	1,838	2,511	2,030
7. Barley	3,181	2,251	3,418	2,816	3,205	2,819	3,312	3,150
8. Small millets	5,415	2,278	5,335	2,070	4,955	1,909	4,868	2,050
Total Cereals	**79,113**	**46,757**	**87,344**	**55,805**	**92,018**	**69,314**	**92,989**	**70,951**
Pulses								
9. Gram	8,295	3,726	9,779	5,418	9,276	6,250	9,566	5,785
10. Other Pulses	11,872	4,433	13,437	5,627	14,287	6,454	14,677	5,970
Total Pulses	**20,167**	**8,159**	**23,216**	**11,045**	**23,563**	**12,704**	**24,243**	**11,755**
Total Foodgrains (Cereals and Pulses)	**99,280**	**54,916**	**110,560**	**66,850**	**115,581**	**82,018**	**117,232**	**82,706**
NON-FOODGRAINS								
11. Sugarcane(*b*)	1,707	5,705	1,847	6,075	2,415	11,141	2,455	10,563
12. Oilseeds	10,727	5,158	12,085	5,734	13,770	6,982	14,772	7,284
(*i*) Groundnut (Nuts in shell)	4,494	3,481	5,133	3,862	6,463	4,812	6,889	4,994
(*ii*) Rape and mustard	2,071	762	2,556	860	2,883	1,347	3,168	1,346
(*iii*) Sesamum	2,204	445	2,293	467	2,169	318	2,252	372
(*iv*) Linseed	1,403	367	1,529	420	1,789	398	1,977	463
(*v*) Castorseed ..	555	103	574	125	466	107	486	109
13. Cotton (Lint) (*c*) ..	5,882	2,875	8,086	3,949	7,610	5,293	7,978	4,581
14. Jute (*c*)	571	3,309	704	4,232	629	4,134	917	6,358
15. Mesta (*c*)	..	..	231	1,162	274	1,129	425	1,878
16. Tea	317	279	321	308	331	321	333	354
17. Coffee	93	19	103	35	120	68	125	46
18. Rubber	69	16	84	24	130	26	141	27
19. Tobacco	357	261	410	303	401	307	418	339

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 financial year ending March. Item 18 refers to the financial year ending March. (2) Figures for 1962-63, 1963-64 and 1964-65 are partially revised estimates while those for 1965-66 are final estimates. (3) In the case of *jute* 1965-66 is partially revised estimate. Final estimate for 1966-67 is indicated in brackets.

OF AGRICULTURAL COMMODITIES

(In thousands)

1962-63		1963-64		1964-65		1965-66		Target (Production) for the Third Five-Year Plan (1965-66) (Metric tons)
Area (Hectares)	Production (Metric tons)	Area (Hectares)	Production (Metric tons)	Area (Hectares)	Production (Metric tons)	Area (Hectares)	Production (Metric tons)	
9	10	11	12	13	14	15	16	17
34,934	31,914	35,622	36,889	36,364	39,034	35,022	30,614	45,722
13,657	10,829	13,496	9,861	13,460	12,290	12,798	10,720	15,241
18,021	9,621	17,956	9,135	17,938	9,749	17,181	7,492	..
10,800	3,892	10,785	3,734	11,726	4,454	11,428	3,598	..
4,607	4,578	4,584	4,553	4,618	4,658	4,683	4,632	..
2,316	1,891	2,400	1,962	2,437	1,898	2,198	1,305	..
3,022	2,423	2,775	2,037	2,684	2,523	2,551	2,284	..
4,693	1,860	4,580	2,017	4,513	1,952	4,331	1,602	..
92,050	**67,008**	**92,198**	**70,188**	**93,741**	**76,558**	**90,192**	**62,247**	**84,332**
9,177	5,343	9,376	4,499	8,896	5,785	7,849	4,442	..
14,782	6,097	14,679	5,556	14,897	6,652	13,601	5,575	..
23,959	**11,440**	**24,055**	**10,055**	**23,793**	**12,437**	**21,450**	**10,017**	**17,273**
116,009	**78,448**	**116,253**	**80,243**	**117,533**	**88,996**	**111,642**	**72,264**	**101,605**
2,280	9,544	2,257	10,596	2,562	12,031	2,749	11,830	10,161
14,794	7,113	14,710	7,038	15,110	8,458	14,639	6,097	9,957
6,834	4,821	6,809	5,215	7,216	5,888	7,171	4,022	..
3,108	1,294	3,023	903	2,881	1,466	2,891	1,268	..
2,488	464	2,395	439	2,513	493	2,456	406	..
1,899	433	2,006	379	2,059	503	1,764	329	..
435	101	477	102	440	108	356	71	..
7,845	5,309	8,160	5,494	8,271	5,664	7,827	4,708	6,915
851	5,449	868	6,185	838	6,020	756 (798)	4,471 (5,348)	6,249
379	1,697	393	1,874	360	1,583	320	1,244	1,310
334	347	334	346	338	372	342	365	408
126	56	129	69	..	61	.	60	81
146	32	153	37	155	46	165	51	46
416	366	440	358	394	346	345	274	330

(*a*) Data regarding foodgrains relate to 1949-50 which was the base year in respect of foodgrains for the First Five-Year Plan. (*b*) Yield in terms of gur. (*c*) Production in thousand bales of 180 Kilograms each.

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

STATEMENT 7—

Industry	Unit	1955	1960	1961	1962	1963	1964	1965	1966	Target for the third five-year plan (1965-66)
		1	2	3	4	5	6	7	8	9
I. Basic Industries										
1. Coal, including Lignite	000 Metric tons	3,88,44	5,26,20	5,61,00	6,15,48	6,69,24	6,39,96	6,94,56	7,05,36	9,86,00
2. Iron ore (*a*)	,,	43,32	1,06,80	1,22,76	1,33,68	1,49,28	1,49,04	1,68,00	1,97,76	3,05,00
3. Sulphuric acid	,,	1,69	3,54	4,22	4,69	5,68	6,80	6,78	6,75	15,24
4. Caustic soda	,,	35	98	1,20	1,27	1,52	1,84	2,15	2,31	3,46
5. Synthetic fibres	,,	14	45	52	62	69	79	82	86	64(*b*)
6. Cement	,,	45,59	78,44	82,45	85,86	93,55	96,90	1,05,78	1,10,53	1,32,00
7. Pig iron and ferro-alloys	,,	17,96	42,64	51,01	59,17	67,42	67,42	71,18	71,99	15,30(*c*)
8. Finished steel	,,	12,80	22,22	27,98	35,64	42,58	43,42	45,19	44,72	69,00
9. Bleaching powder (*d*)	Metric tons	2,748	5,928	7,128	6,720	6,972	7,932	7,356	10,812	..
10. Gold	Kilograms	6,576	4,992	4,872	5,076	4,308	4,608	4,056	3,744	..
11. Aluminium*	Metric tons	9,824	16,418	16,930	16,294	22,324	22,613	23,568	31,318	81,300
12. Brass*	,,	13,248	27,228	24,612	23,748	22,980	20,496	13,308	5,376	..
13. Electricity (*e*)	00,000 k.w.h.	8,46,84	16,43,28	19,11,12	21,47,28	24,79,08	28,52,76	31,37,76	34,14,84	45,00,00
II. Capital Goods Industries										
14. Diesel engines	Nos.	14,100	52,752	54,300	51,012	64,584	78,360	96,552	1,14,048	66,000
15. Railway wagons	Nos. (*f*)	15,288	7,476	10,536	16,956	19,188	23,628	25,068	16,692	117,144(*g*)
16. Motor vehicles	Nos.	23,088	52,116	54,312	57,744	52,296	67,140	72,588	72,396	100,000
III. Intermediate Goods Industries										
17. Cotton spinning	00,000 Kgs.	73,95	78,79	86,23	85,96	89,26	96,48	93,92	90,10	1,02,05
18. Woollen/worsted yarn @	,,	94	1,27	1,48	1,80	2,27	2,09	1,81	1,66	2,36
19. Jute manufactures(*h*)										
(i) Hessian (*i*)	000 Metric tons	4,08	4,30	3,56	4,82	5,28	5,36	5,29	4,27	13,00
(ii) Sacking	,,	5,84	5,50	4,84	5,52	5,08	5,15	5,90	5,03	
20. Tyres(Automobiles)	000's	8,82	13,62	15,62	17,10	19,26	20,90	23,54	23,50	38,50
21. Paints and varnishes (*j*)	000 Metric tons	40	52	59	65	74	72	71	68	1,42
22. Petroleum refinery products	,,	30,24	57,47	60,90	65,84	76,50	84,29	89,84	1,11,14	1,00,18
23. Ammonium sulphate 'N' content	,,	80	77	79	84	89	86	83	86	8,16
IV. Consumer Goods Industries										
24. Sugar (refined) (*k*)	000 Metric tons	16,20	24,73	30,29	27,16	21,53	26,26	32,60	35,15	35,56
25. Tea processing	00,000 Kgs.	30,32	32,11	35,44	34,67	34,64	37,25	36,49	37,56	40,92
26. Salt refining	00,000 Quintals	3,03	3,44	3,48	3,89	4,54	4,65	4,71	4,52	5,50
27. Hydrogenated oil (Vanaspati)	000 Quintals	26,50	33,77	33,91	36,95	38,35	35,87	42,62	35,85	50,90
28. Cigarette manufacturing	00,00,000's	22,83	36,97	39,47	41,12	40,06	46,20	54,13	58,51	..
29. Cotton weaving										
(i) Mill sector	00,000 Meters	4,65,84	4,61,62	4,70,14	4,56,03	4,42,29	4,65,35	4,58,60	4,23,89	5,30,35
(ii) Decentralised sector	000,000 Metres	16,20	20,16	23,76	24,12	28,80	30,72	30,48	30,96	32,00
30. Woollen/worsted fabrics@†	00,000 Metres	1,24	1,40	1,32	1,83	2,04	1,17	99	94	3,20
31. Footwear (Leather)	00,000 Pairs	55	92	1,06	1,18	1,35	1,38	1,59	1,69	14,00
32. Footwear (Rubber)	,,	3,49	4,46	4,51	4,98	4,66	4,70	5,30	5,22	..
33. Paper and paper boards	000 Metric tons	1,88	3,45	3,64	3,88	4,63	4,91	5,37	5,85	7,11
34. Matches (*l*)	000,000 sticks	..	28,93,68	28,12,20	26,41,20	24,84,60	25,21,20	26,63,40	27,12,60	42(*m*)
35. Soap (*n*)	000 Metric tons	1,01	1,43	1,49	1,52	1,64	1,58	1,64	1,70	2,25
36. Enamelware	000 Pieces	1,57,16	1,41,49	2,34,82	2,88,28	3,32,33	3,41,65	3,59,44	3,37,73	..
37. Bicycles	000's	4,91	10,50	10,49	11,16	11,66	13,80	15,48	16,70	20,00

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

(*a*) Figures exclude the production in Goa. (*b*) Relates to filament. (*c*) Relates to pig iron for sale. (*d*) From June 1962, production figures relate to stable variety only. (*e*) Including figures for Jammu & Kashmir and covering all power stations owned by public utility undertaking and two stations owned by industrial concerns. (*f*) In terms of 4 wheelers with effect from January 1965. (*g*) Relates to 5-year period. (*h*) Relating to the production by mills in the membership of the Indian Jute Mills' Association and to one non-member mill. (*i*) Includes canvas. (*j*) Data in respect of certain units are not included from January to May 1963. (*k*) Figures are in respect of cane sugar only ; annual figures relate to the crop year (November to October). (*l*) Including figures for Jammu & Kashmir ; production statistics now relate to all the units in the industry for the whole series. (*m*) Million gross boxes. (*n*) Figures refer to the production of organised factories.

* Production figures relate to sheets and circles only.

† Production data from 1964 relate to wearables only.

@ Including figures for Jammu & Kashmir.

INDUSTRIAL PRODUCTION

1965	1966											
December	January	February	March	April	May	June	July	August	September	October	November	December
10	11	12	13	14	15	16	17	18	19	20	21	22
62,15	57,15	59,49	62,72	59,42	58,91	57,02	56,80	55,54	58,94	58,22	58,52	62,60
16,86	16,51	17,93	18,00	17,74	17,44	15,06	16,30	15,98	15,89	15,86	15,09	15,98
52	51	49	52	50	56	62	61	63	65	60	52	55
19	19	18	18	16	19	18	20	21	20	20	20	21
7	7	7	7	6	7	7	8	8	7	7	7	8
9,50	9,50	8,87	9,61	8,92	8,68	8,52	8,97	9,18	9,07	9,42	9,33	10,45
6,36	6,42	5,92	6,34	5,95	5,99	5,70	5,95	5,71	5,69	6,02	5,90	6,41
3,91	3,91	3,56	4,39	3,68	3,67	3,71	3,82	3,39	3,54	3,61	3,64	3,82
554	523	563	723	715	835	755	977	1,095	1,090	1,130	1,238	1,165
327	341	291	307	312	345	310	315	322	300	315	305	277
2,400	2,498	2,709	2,505	2,488	3,420	2,694	2,908	2,492	2,355	2,120	2,120	3,010
561	306	314	202	300	300	350	629	430	609	427	621	893
2,77,18	2,72,63	2,61,55	2,71,25	2,72,15	2,78,35	2,83,33	2,90,98	2,96,29	2,92,50	2,91,52	2,87,88	3,16,42
10,661	9,223	8,658	9,456	8,820	9,029	9,656	9,412	9,425	9,422	8,918	10,132	11,890
2,481	2,004	1,727	1,270	1,284	1,159	1,303	1,378	1,356	1,238	1,115	1,269	1,558
6,417	4,107	6,480	8,730	4,318	5,596	5,973	5,941	6,141	6,154	5,992	6,175	6,742
7,69	6,82	7,08	6,79	7,54	7,50	7,56	7,95	8,21	7,98	7,76	7,35	7,56
13	13	12	13	14	14	13	14	13	15	16	15	15
48	39	40	38	35	26	35	36	32	31	34	39	41
48	42	46	46	44	34	45	44	39	35	37	43	47
1,91	1,69	1,88	1,93	1,71	1,51	1,69	2,12	2,13	2,13	1,95	2,22	2,54
5	5	5	5	6	5	6	6	6	6	6	6	7
7,60	8,90	8,47	8,68	8,68	9,12	8,93	9,29	8,50	9,70	9,59	10,01	11,29
7	7	6	7	6	6	7	8	8	8	7	7	9
5,76	6,69	6,36	6,34	4,76	1,90	39	13	12	10	33	1,55	5,00
1,12	59	81	83	1,63	3,53	4,06	5,02	5,67	5,66	4,89	3,50	1,38
12	15	28	56	78	93	1,11	20	10	9	9	7	16
4,01	3,42	2,93	2,99	3,01	3,17	2,76	2,75	2,45	2,81	2,49	3,23	3,86
5,25	5,35	5,06	4,65	4,63	4,62	4,91	4,60	5,00	4,84	4,80	4,98	5,08
37,73	32,52	33,48	31,68	36,62	36,14	36,55	37,61	38,26	36,60	36,02	33,66	34,76
2,67	2,43	2,69	2,38	2,43	2,40	2,65	2,68	2,75	2,54	2,45	2,81	2,76
7	6	6	5	6	5	7	9	11	11	10	9	8
17	10	15	15	13	12	17	14	14	16	10	14	19
55	40	47	46	37	36	46	40	38	47	37	48	58
54	47	47	51	47	47	47	50	50	48	50	49	52
..	1,85,20	2,19,10	2,23,45	2,18,20	2,26,80	2,38,70	2,36,25	2,48,15	2,27,60	2,19,70	2,24,65	2,44,65
14	13	13	13	15	14	14	14	14	14	14	14	15
28,37	31,05	29,33	32,17	32,15	24,67	27,01	28,32	24,40	27,96	26,17	27,00	27,50
1,48	1,33	1,37	1,44	1,36	1,27	1,38	1,29	1,27	1,48	1,40	1,47	1,64

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

STATEMENT 8—INDEX NUMBERS

(1956 =

Industry	Weight	1955	1960	1961	1962	1963	1964	1965	1966	December 1965
		1	2	3	4	5	6	7	8	9
I. Basic Industries ..	**22.33**	**94.6**	**167.2**	**188.5**	**217.4**	**247.2**	**253.7**	**270.6**	**285.7**	**288.9**
1. Coal, including Lignite	7.09	97.0	131.3	140.0	153.6	167.0	159.7	173.4	176.0	186.1
2. Heavy inorganic chemicals*	0.61	89.2	207.7	250.9	284.6	332.1	394.6	430.9	461.1	449.9
3. Cement	1.24	91.0	156.7	164.7	171.5	186.8	193.5	211.2	220.7	227.6
4. Iron & Steel† ..	7.48	96.2	192.1	223.9	268.7	310.3	307.6	317.8	340.7	339.5
(i) Pig iron ..	0.90	97.6	212.9	254.4	295.6	336.8	336.2	354.5	359.2	380.3
(ii) Finished steel ..	2.53	94.2	163.5	205.8	262.1	313.1	319.3	332.4	328.9	345.4
5. Aluminium manufacturing	0.61	101.1	177.7	206.3	268.5	386.3	388.7	416.5	483.9	489.0
6. Electricity	3.68	88.1	171.0	198.8	223.4	257.9	296.8	326.5	355.3	346.1
II. Capital Goods Industries	**4.71**	**81.2**	**150.3**	**163.9**	**189.8**	**214.0**	**265.9**	**297.5**	**303.4**	**322.5**
7. Electric cables and wires	0.72	75.7	182.3	181.2	212.8	241.0	320.6	298.1	323.5	262.2
8. Railway wagons ..	1.04	95.4	46.6	65.7	105.9	119.8	147.5	156.5	104.2	185.8
9. Automobiles** ..	1.28	71.8	162.2	169.0	179.7	162.7	208.9	225.9	220.5	239.6
III. Intermediate Goods Industries (*a*) ..	**24.59**	**90.3**	**122.8**	**128.3**	**139.3**	**149.9**	**160.3**	**167.2**	**170.3**	**166.9**
10. Cotton spinning ..	8.91	95.8	111.3	119.6	122.0	125.5	135.5	136.2	133.8	132.2
11. Jute manufactures ..	5.62	93.5	99.3	89.6	110.4	117.2	120.9	125.7	105.3	126.5
12. Rubber products (*b*)	3.04	92.0	141.3	157.4	169.5	187.0	198.0	218.0	218.0	225.7
13. Fertilisers	0.60	98.4	138.4	177.5	196.2	227.6	251.2	258.1	288.0	260.0
14. Paints, varnishes and lacquers	0.54	99.5	131.0	142.2	162.9	181.4	173.7	169.9	151.3	129.5
15. Petroleum products	3.79	77.7	147.7	156.5	169.2	196.6	216.6	231.0	285.9	234.5
IV. Consumer Goods Industries	**48.37**	**92.5**	**114.7**	**123.3**	**125.8**	**131.6**	**141.4**	**147.5**	**148.1**	**156.4**
16. Sugar	4.52	82.7	130.4	143.4	140.9	116.3	132.3	162.6	169.5	348.2
17. Tea	7.42	99.2	104.5	116.7	113.2	112.5	123.5	121.0	124.1	44.5
18. Salt	0.64	91.2	103.6	104.9	117.1	136.9	140.0	142.1	136.3	44.6
19. Cigarettes	1.49	86.8	140.6	150.0	156.3	152.3	175.6	205.8	222.5	239.5
20. Cotton weaving ..	23.19	95.3	99.9	104.3	104.6	111.8	118.6	118.3	114.6	120.3
(i) Mill sector ..	16.94	94.4	92.0	90.1	90.0	89.4	94.6	94.4	88.4	94.5
(ii) Decentralised sector (power loom and hand loom) ..	6.25	97.1	120.9	142.4	144.4	172.4	183.8	183.2	185.7	192.1
21. Woollen textiles (*c*)	1.10	82.1	101.3	107.3	138.5	165.6	128.1	110.1	102.0	94.5
22. Textiles from silk & synthetic fibres ..	2.94	77.2	135.1	144.9	153.9	169.8	211.2	217.9	215.3	226.4
23. Paper & paper products	1.39	95.9	173.4	181.9	190.9	226.8	237.8	255.4	281.7	299.8
24. Soap	0.72	89.8	127.5	133.0	135.2	146.8	141.3	146.8	151.8	150.0
25. Matches	0 58	100.0	108.8	126.8	119.2	112.1	113.7	120.2	101.5	130.7
General Index ..	**100.00**	**91.9**	**130.1**	**141.0**	**152.6**	**165.8**	**177.0**	**186.9**	**191.6**	**196.4 (188.8)**

Note : 1. Figures in brackets represent the indices adjusted for seasonal variations. 2. Weights of individual industries may not add to that of the group as only selected industries are shown. 3. The index numbers for the four groups of industries, *viz.* (i) Basic Industries, (ii) Capital Goods Industries, (iii) Intermediate Goods Industries and (iv) Consumer Goods Industries have been derived by combining the index numbers for the individual industries constituting each group using the respective weights.

(*a*) Include 'Gold'. (*b*) Include Footwear (Rubber) (*c*) Include Woollen/Worsted yarn.

* From January 1966 onwards the indices have been adjusted by excluding the production of unstable variety of Bleaching Powder from the production for the base year.

† From January 1966 onwards the index numbers have been adjusted by excluding production of 'Metal for castings' from the production for the base year.

** From January 1966 onwards, the indices have been adjusted by excluding the production of 'tempo-3 wheelers' from 'Automobiles'.

OF INDUSTRIAL PRODUCTION

100)

1966											
January	February	March	April	May	June	July	August	Sept-ember	Octo-ber	Nove-mber	Dece-mber
10	11	12	13	14	15	16	17	18	19	20	21
283.8	**275.3**	**298.9**	**275.5**	**281.7**	**276.8**	**285.7**	**280.8**	**285.2**	**288.4**	**285.8**	**310.4**
171.2	178.2	187.8	178.0	176.4	170.8	170.1	166.3	176.5	174.4	175.3	187.6
439.2	423.3	447.2	422.1	464.3	461.1	480.4	482.0	469.4	481.6	474.3	487.9
227.7	212.6	230.2	213.9	207.9	204.3	215.0	220.1	217.3	225.7	223.5	250.5
350.0	331.3	377.1	324.1	330.5	326.7	340.7	326.3	332.3	342.2	340.1	366.5
384.3	354.0	379.1	356.4	358.4	341.9	357.2	340.6	340.1	360.9	353.4	384.5
344.8	313.9	387.2	324.9	324.1	327.8	337.3	299.5	312.5	318.6	321.4	335.4
486.2	424.0	457.4	409.8	536.0	473.5	485.8	475.1	486.6	510.6	496.1	565.7
340.4	326.6	338.7	339.8	347.5	353.8	363.3	369.9	365.2	364.0	359.4	395.1
267.2	**303.4**	**350.6**	**279.4**	**298.1**	**299.0**	**287.7**	**306.5**	**299.5**	**286.0**	**310.3**	**353.7**
258.0	286.2	337.8	276.7	319.9	296.6	299.1	367.5	350.1	302.4	373.6	414.5
150.1	129.4	95.1	96.2	86.8	97.6	103.2	101.6	92.7	83.5	95.1	118.6
151.0	234.5	320.4	155.6	204.5	217.6	216.7	223.3	223.4	218.4	229.1	251.8
159.2	**163.7**	**163.5**	**164.4**	**158.4**	**167.8**	**176.7**	**172.3**	**175.2**	**170.9**	**176.7**	**193.5**
117.5	125.3	119.6	134.7	134.7	135.3	142.2	147.2	143.1	139.4	131.8	134.3
109.2	116.0	113.5	107.0	81.9	109.8	107.7	97.0	91.7	98.0	112.0	120.1
194.7	214.3	217.6	193.9	176.0	196.2	231.0	231.0	232.6	210.1	239.5	279.0
248.0	226.0	267.2	253.2	256.4	302.9	331.6	322.9	337.1	288.3	278.4	343.6
126.2	141.1	141.2	151.3	146.3	148.3	149.7	150.9	150.3	163.1	163.5	184.0
277.5	261.2	267.7	267.7	281.2	275.4	286.5	262.2	299.3	295.9	308.7	347.8
147.6	**152.1**	**151.0**	**154.0**	**147.6**	**147.9**	**147.0**	**151.1**	**145.4**	**140.2**	**142.7**	**153.9**
404.3	384.3	383.1	287.6	115.1	23.6	7.6	7.2	6.2	19.9	93.6	302.0
23.2	31.9	32.8	64.5	139.9	160.9	198.9	224.9	224.5	193.9	139.0	54.7
55.6	101.2	201.4	282.1	338.1	401.5	71.6	34.6	33.3	32.3	25.5	58.1
244.0	230.8	212.3	211.4	210.9	224.1	209.7	227.9	220.7	218.8	227.2	231.9
105.9	113.2	102.6	114.9	113.8	119.3	120.6	123.0	115.3	113.0	116.9	117.1
80.4	83.5	77.2	92.8	92.0	93.0	94.0	95.3	90.5	89.6	85.5	87.1
174.8	193.5	171.2	174.8	172.7	190.6	192.8	197.8	182.7	176.3	202.2	198.6
89.2	87.4	87.9	92.5	90.1	97.1	107.6	110.4	119.9	121.8	112.5	108.0
213.9	208.6	229.5	232.3	212.1	221.5	226.6	219.0	181.9	192.9	208.1	236.6
266.8	275.4	298.3	269.6	274.6	272.2	287.2	290.7	280.4	287.4	288.9	295.8
139.3	143.5	142.5	164.2	151.7	154.5	152.8	153.9	153.6	154.5	154.3	156.4
100.3	118.6	121.0	118.1	122.8	129.2	127.9	134.4	123.2	118.9	121.6	125.4
186.5	**189.6**	**196.5**	**189.6**	**187.3**	**188.7**	**191.9**	**192.6**	**191.2**	**187.7**	**190.9**	**208.0**
(183.9)	**(194.5)**	**(194.4)**	**(192.1)**	**(189.5)**	**(193.7)**	**(187.9)**	**(189.9)**	**(190.2)**	**(189.5)**	**(195.0)**	**(199.9)**

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*)		Coal, including Lignite			Iron ore (*d*)	Sugar (Refined) (*e*)	Salt refining	Hydrogenated oil (Vanaspati)	Cigarettes
	Indian	Foreign	Jute (*c*)	Pit head	Industries					
	000 Bales	000 Bales	000 Bales	000 Metric tons	000 Metric tons	000 Metric tons	000 Metric tons	Lakh Quintals	Metric tons	Lakhs
	1	2	3	4	5	6	7	8	9	10
1950-51	..	..	566	2,663	2,355	..	..	..	..	..
1955-56	1,443	179	1,357	3,872	1,702	1,332	439	99	7,590	3,750
1960-61	961	404	930	5,567	2,192	2,603	605	134	9,459	5,940
1961-62	1,413	397	1,969	3,767	2,219	4,331	1,203	94	13,113	4,880
1962-63	1,217	242	2,528	4,086	3,611	2,124	1,020	132	9,594	4,700
1963-64	1,579	212	2,363	5,198	3,981	1,125	157	169	15,864	6,620
1964-65	1,616	240	1,691	5,260	2,936	1,485	152	211	13,467	8,400
1965-66	1,456	346	1,154	4,871	3,921	2,290	672	249	8,252	8,410
December 1965 ..	986	234	1,077	4,611	4,332	1,929	1,151	277	12,577	8,100
January 1966 ..	1,105	223	1,137	4,535	4,178	2,027	1,512	249	13,595	8,450
February ,, ..	1,212	209	1,154	4,581	3,980	2,056	1,886	237	13,595	8,650
March ,, ..	1,509	263	1,154	4,871	3,921	2,290	2,208	249	8,252	8,410
April ,, ..	1,554	254	994	4,994	3,689	2,431	2,379	285	6,275	9,040
May ,, ..	1,650	243	936	5,003	3,473	2,800	2,267	338	5,750	9,270
June ,, ..	1,668	231	692	4,957	3,332	2,668	2,028	415	6,028	9,300
July ,, ..	1,560	240	585	4,962	3,530	2,905	1,755	401	8,002	9,300
August ,, ..	1,420	221	439	4,946	3,385	2,907	1,462	384	7,099	9,360
September ,, ..	1,139	199	420	5,014	3,539	2,991	1,193	361	7,725	5,590
October ,, ..	821	174	637	4,903	3,698	3,069	956	335	6,094	5,590
November ,, ..	606	149	885	4,948	4,078	3,150	852	294	6,390	7,710
December ,, ..	636	141	1,241	5,426	3,931	3,218	1,091	280	9,205	4,280

At or about the end of	MANUFAC									
	Matches	Soap	Synthetic fibres (*h*)	Glass and glass products (Sheet glass only)	Cement (Producers)	Structural clay products (Refractories)	Pig iron (Producers)	Finished Steel (Producers)	Aluminium (Sheets and circles only)	Copper (Sheets and circles only)
	000,000 Sticks	Metric tons	Metric tons	000 Sq. metres	000 Metric tons	000 Metric tons	000 Metric tons	000 Metric tons	Metric tons	Metric tons
	24	25	26	27	28	29	30	31	32	33
1950-51	..	..	..	..	68	..	48	125	..	..
1955-56	..	3,373	655	598	98	57	51	109	..	183
1960-61	..	5,600	2,442	807	129	102	63	134	1,200	300
1961-62	..	4,650	2,635	297	167	95	29	183	827	695
1962-63	..	4,800	6,148	717	154	60	..	205	1,410	323
1963-64	..	4,800	11,580	1,318	120	144	80	150	869	223
1964-65	..	3,850	15,826	1,369	143	143	50	141	704	241
1965-66	20,35	3,450	8,693	2,478	133	140	85	146	1,300	59
December 1965 ..	..	3,650	11,686	1,040	162	135	87	148	900	132
January 1966 ..	10,85	3,400	9,778	816	168	130	101	152	1,196	66
February ,, ..	29,65	3,300	8,073	2,535	206	135	119	137	1,300	58
March ,, ..	20,35	3,450	8,693	2,478	133	140	85	146	1,300	59
April ,, ..	19,65	3,000	6,528	2,500	151	128	109	152	1,500	60
May ,, ..	20,65	3,100	6,154	2,495	142	130	176	168	1,500	60
June ,, ..	22,65	3,200	6,257	2,507	177	125	198	176	1,302	60
July ,, ..	25,75	3,160	6,822	2,211	195	126	226	191	1,852	67
August ,, ..	23,80	3,150	7,298	2,661	157	130	244	181	1,809	65
September ,, ..	17,90	3,180	6,620	2,550	156	130	233	192	1,437	56
October ,, ..	17,40	3,200	7,522	2,400	160	120	216	152	1,022	56
November ,, ..	17,75	3,250	6,719	2,500	168	125	229	160	793	73
December ,, ..	21,95	3,260	6,244	2,450	204	124	226	200	765	65

Note : The Industries/Products have been classified according to the National Standard Industrial and Occupational classifications.

(*a*) Mill stocks ; with effect from January 1965 stock of Cotton Spinning relates to unsold stock with mills relating to civil consumption ; 1 Bale = 180 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 = 180 Kilograms. (*d*) From January 1964 onwards figures relate to stock (excluding Goa) at minehead only. (*e*) Annual figures relate to October falling within the financial year. (*f*) Relating to mills in the membership of the 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*) Including Nylon monofilament from April 1961, Polyester fibre from May, 1965 and Nylon filament yarn from February 1965. (*i*) Excluding stock of 'Miniature lamps'.

COMMODITIES WITH INDUSTRY

TURES

Cotton (*a*)		Jute (*f*)		Foot-wear (Leather)	Paper and paper boards	Foot-wear (Rubber)	Tyres (Automobiles)	Sulphuric acid	Caustic soda	Bleaching powder	Ammonium sulphate ('N' content)	Paints and varnishes (*g*)
Spinning	Weaving	Hessian cloth bags	Sacking cloth bags									
Lakh Kgs.	Million metres	000 Metric tons	000 Metric tons	000 Pairs	Metric tons	Lakh Pairs	000's	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
11	12	13	14	15	16	17	18	19	20	21	22	23
186	305	..	..	..	..	..	..	..	..	..	..	..
59	199	30	56	1,511	12,215	52	23	6,846	1,148	181	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
145	267	48	42	2,188	24,300	76	96	27,637	5,227	184	1,845	6,200
110	206	46	51	2,766	29,700	61	80	28,676	6,922	161	900	7,258
159	293	43	51	2,923	31,050	66	65	30,084	7,060	95	893	7,501
134	253	46	51	2,844	32,823	62	55	31,552	8,565	209	2,719	7,257
134	209	45	47	2,571	31,205	68	78	33,486	8,231	140	1,509	7,369
110	206	46	51	2,766	29,700	61	80	28,676	6,922	161	900	7,258
94	178	46	48	2,405	29,271	56	81	26,934	7,431	110	1,453	7,300
98	172	38	40	2,123	28,528	55	64	28,214	8,088	272	1,108	8,208
88	180	45	51	2,486	30,667	52	77	20,500	7,408	258	487	7,200
84	188	46	54	2,857	34,547	57	98	31,828	10,000	437	1,684	7,000
74	194	38	53	3,181	34,547	62	96	32,735	10,981	324	2,484	7,500
86	205	37	58	3,365	35,720	62	89	31,958	10,796	238	4,381	7,300
96	214	35	52	2,038	31,298	62	87	31,377	11,803	351	4,339	7,000
74	211	40	55	2,816	39,711	60	98	30,276	14,534	712	4,043	5,566
79	199	44	56	2,348	43,170	61	75	27,902	14,500	793	4,620	6,900

TURES—(*Contd.*)

Brass (Sheets and circles only)	Hurricane lanterns	Enamelware	Diesel engines	Sewing machines	Dry cells	Storage batteries	Electric lamps (*i*)	Electric fans	Domestic refrigerators	Motor Vehicles	Bicycles
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
2,116	320	933	2,449	15,755	77	32	2,514	204	6,612	1,818	77
280	425	797	2,667	40,549	66	23	2,519	165	4,693	1,455	49
1,006	263	946	2,028	37,952	40	29	3,765	208	6,497	3,377	36
780	100	876	3,341	42,636	34	31	3,029	244	6,278	2,947	67
466	100	993	3,413	45,126	57	24	2,882	210	6,278	3,456	63
280	425	797	2,667	40,549	66	23	2,519	165	4,693	1,455	49
280	430	800	3,625	31,289	66	27	3,019	140	3,785	1,930	60
275	506	817	3,834	39,629	124	28	2,896	130	3,594	1,943	80
325	433	905	4,655	42,248	98	31	3,065	139	3,607	2,195	78
524	441	2,930	6,793	45,254	97	30	3,384	126	3,871	2,272	74
423	541	830	8,408	52,444	87	29	3,114	130	4,169	2,671	77
433	596	740	7,284	35,193	87	37	3,160	116	4,990	2,549	79
524	575	920	3,736	36,121	90	30	3,329	126	5,627	2,272	85
644	569	800	3,652	33,362	104	28	3,641	133	6,915	2,574	85
720	568	805	3,716	28,507	125	31	3,614	132	7,706	2,348	82

Source : Ministry of Food, Agriculture, Community Development and Co-operation, Ministry of Mines and Metals and *Monthly Statistics of the production of Selected Industries of India.*

STATEMENT 10—CONSUMER PRICE INDEX NUMBERS (WORKING CLASS)

	1949 = 100							1960 = 100(*a*)										
	All-India	Cuttack	Gauhati	Jabalpur	Ludhiana	Madras City	Trichur	Ahmedabad	Ajmer	Bangalore	Bombay(*b*)	Calcutta	Delhi	Hyderabad City	Jamshedpur	Kanpur	Nagpur(*b*)	Sholapur(*b*)
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Annual Average																		
1950-51 ..	**101**	112	100	105	101	101	103	87	98	74	71	90	..	80	91	92	72	76
1955-56 ..	**96**	100	87	90	85	100	107	74	79	71	76	81	..	75	82	80	71	67
1960-61 ..	**124**	128	104	109	103	146	132	100	104(*c*)	101	100(*c*)	100	101(*c*)	100	100	101	96(*c*)	99(*c*)
1961-62 ..	**127**	134	107	115	106	149	136	103	105	106	104	102	104	104	102	102	97	99
1962-63 ..	**131**	142	112	133	112	150	137	105	106	109	106	108	108	108	105	105	98	109
1963-64 ..	**137**	151	112	143	119	153	146	110	108	114	108	114	114	115	109	113	106	106
1964-65 ..	**157**	178	128	160	131	177	164	124	123	124	119	124	128	128	122	136	131	123
1965-66 ..	**169**	188	135	169	139	192	180	130	132	144	130	131	136	140	136	146	138	128
1966-67 ..	**191**	213	158	207	175	207	199	148	156†	159	147	148	152	158	..	153	148	150
Monthly Indices																		
March 1966 ..	**174**	187	137	179	142	194	185	131	139	150	139	141	140	146	141	141	138	134
April ,, ..	**175**	190	140	187	147	195	189	135	139	154	141	140	142	148	146	142	137	136
May ,, ..	**181**	193	145	187	153	198	193	136	144	156	141	144	145	153	151	144	141	142
June ,, ..	**185**	199	148	196	156	202	198	139	147	157	142	146	150	156	154	148	144	145
July ,, ..	**188**	214	155	213	169	204	199	142	151	157	145	146	151	159	156	152	146	147
August ,, ..	**190**	213	168	210	165	205	200	143	153	157	147	146	151	160	157	154	149	153
September ,, ..	**191**	212	160	208	167	205	198	145	153	159	146	148	151	158	158	152	148	151
October ,, ..	**192**	214	157	209	177	208	201	148	154	160	147	150	152	160	160	154	150	151
November ,, ..	**194**	217	165	213	181	212	203	151	157	159	148	151	154	162	163	155	151	152
December ,, ..	**197**	225	168	213	187	216	204	155	160	161	149	153	155	158	161	157	152	156
January 1967 ..	**197**	226	163	213	193	214	198	158	163	161	151	150	157	157	..	157	151	156
February ,, ..	**198**	227	164	213	200	214	201	160	173	162	152	148	159	159	..	161	150	155
March ,, ..	**200**	226	164	225	201	212	203	158	172†	161	153	150	161	160	..	161	151	155

(*a*) Figures above the line are derived making use of the respective conversion factors. (*b*) For the period from January 1961 to September 1965 the indices in the old series have been shifted arithmetically to 1960 base by using appropriate conversion factors taking into account the corrections carried out by the Maharashtra Government in the light of the recommendations of the Expert Committee. The figures for 1965-66 are averages worked out from estimated figures for April to September 1965 and figures on original base for October 1965 to March 1966. (*c*) Average of the indices for January to March 1961. † Provisional.

Source : Labour Bureau, Government of India.

STATEMENT 11—CONSUMER PRICE INDEX NUMBERS FOR URBAN NON-MANUAL EMPLOYEES

(*Base :* 1960 = 100)

	All India	Bombay	Delhi-New Delhi	Calcutta	Madras	Hyderabad-Secunderabad	Bangalore	Lucknow	Ahmedabad	Jaipur	Patna	Srinagar	Trivandrum	Cuttack-Bhubaneswar	Bhopal	Chandigarh	Shillong
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Annual Averages																	
1960-61*	**100**	99	100	98	103	101	102	100	100	101	99	105	103	100	102	101	101
1961-62	**104**	103	105	102	106	104	106	102	103	105	102	105	105	107	109	105	103
1962-63	**108**	107	111	107	111	107	111	105	105	108	106	111	110	113	111	108	107
1963-64	**113**	114	116	112	116	111	115	110	112	115	111	120	115	122	115	114	114
1964-65	**124**	125	125	118	125	122	124	125	125	126	124	128	122	135	128	124	121
1965-66	**132**	132	131	126	133	133	133	132	131	133	139	134	131	142	133	129	123
1966-67	**146**	142	142	139	147	147	145	146	146	150	160	143	146	154	144	143	134
Monthly Indices																	
March 1966	**135**	134	135	130	137	138	138	134	132	141	145	140	136	144	135	133	122
April „	**137**	136	135	131	138	140	141	137	135	139	148	144	138	146	136	135	125
May „	**139**	138	137	134	140	144	143	139	137	142	150	136	139	150	139	136	127
June „	**143**	142	139	136	143	147	144	142	140	146	152	135	142	153	143	138	129
July „	**144**	142	142	138	144	146	143	145	143	149	155	135	143	154	144	141	141
August „	**145**	143	143	139	144	148	144	144	143	151	155	134	144	155	147	142	135
September „	**146**	142	143	140	145	148	145	143	145	152	159	138	146	154	146	143	133
October „	**147**	143	142	141	146	148	145	145	147	150	165	146	148	155	144	145	132
November „	**148**	143	142	141	151	148	145	147	150	151	167	146	149	158	144	144	135
December „	**149**	143	142	141	154	147	145	149	152	152	166	147	152	158	145	145	137
January 1967	**149**	143	144	141	154	148	148	150	153	153	167	151	153	156	146	146	138
February „	**150**	143	146	141	153	148	149	153	154	155	171	153	151	155	148	150	137
March „	**151**	144	148	142	152	149	150	156	154	155	168	153	149	156	150	152	139

* Relates to the period January to March 1961.

Source : Central Statistical Organisation.

STATEMENT 12—INDEX NUMBERS OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS

(ANNUAL, MONTHLY AND WEEKLY)

(Base : 1952-53 = 100)

Average of months/ weeks/week ended Saturday	General Index	Food Articles				Liquor and Tobacco		Fuel, Power, Light and Lubricants	Industrial Raw Materials					Manufactures					
																Finished Products			
		Total	Cereals	Pulses	Milk and ghee	Total	Tobacco		Total	Fibres	Oilseeds	Minerals	Others (*a*)	Total	Intermediate products	Total	Textiles	Chemicals	Machinery and transport equipment
Weight	**1000**	**504**	**192**	**43**	**84**	**21**	**20**	**30**	**155**	**61**	**60**	**2**	**32**	**290**	**41**	**249**	**147**	**20**	**31**
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
1950-51(*b*)	**111.8**	**112.5**	94.7	91.7	102.8	**98.4**	99.2	**92.6**	**130.9**	127.9	142.5	80.6	117.7	**103.3**	112.4	**101.8**	108.4	90.8	81.3
1955-56	**92.5**	**86.6**	75.5	62.2	89.6	**81.0**	79.6	**95.2**	**99.0**	105.6	85.4	87.6	113.2	**99.7**	100.1	**99.6**	101.6	92.1	97.4
1960-61	**124.9**	**120.0**	104.4	92.9	116.0	**109.9**	108.3	**120.0**	**145.4**	151.6	149.9	97.4	128.0	**123.9**	130.6	**122.8**	125.8	104.4	111.9
1961-62	**125.1**	**120.1**	102.3	91.9	116.4	**100.3**	96.8	**122.1**	**142.6**	138.3	156.4	94.9	128.1	**126.6**	138.8	**124.6**	125.5	110.7	114.5
1962-63	**127.9**	**126.1**	105.6	105.2	124.4	**100.9**	97.4	**124.4**	**136.5**	128.8	151.4	93.6	125.8	**128.8**	139.5	**127.1**	126.1	115.5	117.9
1963-64	**135.3**	**136.8**	116.3	115.4	128.2	**119.6**	116.8	**139.4**	**139.5**	133.2	154.1	92.8	127.3	**131.1**	139.6	**129.7**	127.7	117.9	124.2
1964-65	**152.7**	**159.9**	139.3	165.2	146.6	**131.2**	128.9	**144.9**	**162.7**	142.6	200.3	110.8	133.7	**137.3**	152.4	**134.8**	132.4	120.9	128.0
1965-66	**165.1**	**168.8**	148.0	161.7	164.8	**136.6**	134.2	**153.0**	**189.1**	165.1	240.5	129.3	141.9	**149.2**	172.3	**145.4**	143.9	128.3	135.9
1966-67	**191.2**	**199.8**	174.3	196.5	185.8	**130.3**	125.5	**169.7**	**228.6**	191.7	300.4	135.9	169.8	**163.0**	204.5	**156.1**	153.1	144.4	149.8
March 1966 ..	**172.3**	**172.9**	155.7	151.4	161.6	**128.8**	125.6	**159.9**	**207.0**	187.9	258.3	129.3	151.8	**157.3**	183.9	**152.9**	154.0	134.8	138.9
April „ ..	**176.5**	**178.6**	157.8	157.3	170.4	**130.3**	125.8	**162.1**	**212.8**	189.6	269.8	129.3	155.1	**158.3**	186.8	**153.7**	154.1	135.3	140.4
May „ ..	**181.6**	**185.7**	161.4	167.6	178.3	**131.1**	126.6	**163.6**	**220.7**	188.3	289.3	129.3	159.2	**159.0**	193.4	**153.4**	152.8	136.8	140.5
June „ ..	**186.4**	**191.7**	164.7	172.3	188.3	**129.8**	125.2	**164.7**	**227.7**	193.8	298.3	129.3	165.7	**161.3**	198.3	**155.2**	154.3	138.6	148.1
July „ ..	**189.4**	**195.5**	168.5	184.9	182.4	**129.4**	124.8	**167.0**	**233.5**	202.5	304.6	146.6	165.4	**162.0**	198.3	**156.0**	154.0	140.2	149.7
August „ ..	**192.0**	**199.2**	170.4	185.1	186.0	**129.9**	125.4	**170.8**	**237.9**	199.5	318.2	149.4	166.4	**161.5**	202.2	**154.8**	151.0	143.1	150.0
September „ ..	**187.8**	**195.9**	168.9	183.0	182.2	**129.9**	124.7	**170.1**	**224.3**	182.1	300.7	152.4	166.5	**160.3**	200.6	**153.7**	149.0	147.2	150.5
October „ ..	**189.8**	**199.4**	169.5	197.7	192.8	**129.3**	124.1	**171.0**	**222.3**	184.5	291.7	152.4	168.9	**162.2**	203.1	**155.5**	151.2	150.4	150.5
November „ ..	**191.9**	**202.8**	175.3	208.1	186.0	**130.6**	125.5	**171.7**	**221.7**	186.8	283.4	152.4	177.5	**163.4**	205.5	**156.5**	152.1	148.8	152.0
December „ ..	**194.4**	**205.1**	179.2	214.4	185.0	**130.5**	125.4	**172.9**	**226.9**	191.7	291.8	147.8	177.3	**165.2**	210.7	**157.7**	153.6	149.0	153.1
January 1967 ..	**198.6**	**209.0**	186.8	225.1	186.6	**131.0**	126.0	**174.4**	**237.1**	193.9	315.8	146.6	177.9	**167.2**	216.8	**159.1**	155.0	147.7	154.1
February „ ..	**203.0**	**216.6**	194.2	232.3	192.3	**131.7**	126.7	**174.4**	**240.2**	194.3	322.8	146.6	179.3	**167.6**	218.7	**159.2**	155.0	147.6	154.2
March „ ..	**203.5**	**218.3**	194.5	235.4	199.3	**130.6**	125.4	**173.4**	**237.9**	193.9	318.0	146.6	177.9	**167.4**	219.2	**158.9**	154.8	147.5	154.3
April 2, 1966 ..	**174.8**	**176.6**	156.7	155.2	169.3	**128.8**	124.2	**161.3**	**209.7**	188.7	262.8	129.3	154.8	**157.8**	185.3	**153.2**	154.1	134.8	140.3
„ 9, „ ..	**175.7**	**177.3**	156.8	154.8	166.7	**136.5**	132.4	**161.4**	**212.1**	189.7	268.5	129.3	154.2	**157.9**	186.1	**153.3**	153.6	135.3	140.3
„ 16, „ ..	**176.4**	**178.6**	157.6	156.9	170.5	**128.8**	124.3	**162.4**	**212.3**	190.2	267.9	129.3	155.3	**158.2**	186.0	**153.7**	154.0	134.8	140.3
„ 23, „ ..	**176.6**	**178.6**	158.3	157.8	168.7	**128.8**	124.2	**162.6**	**213.0**	189.8	270.7	129.3	153.9	**158.7**	187.9	**153.9**	154.5	134.8	140.5
„ 30, „ ..	**179.1**	**182.0**	159.7	161.7	177.0	**128.8**	124.2	**162.7**	**216.9**	189.5	279.2	129.3	157.5	**159.1**	188.9	**154.2**	154.2	136.8	140.5
May 7, „ ..	**180.0**	**183.3**	160.1	162.1	181.2	**131.3**	126.8	**163.2**	**217.9**	189.6	281.5	129.3	158·0	**159.2**	191.1	**153.9**	153.6	136.8	140.5
„ 14, „ ..	**181.8**	**185.5**	160.8	167.3	177.8	**131.3**	126.8	**163.6**	**222.8**	187.9	295.6	129.3	158.3	**159.0**	194.4	**153.2**	152.4	136.8	140.5
„ 21, „ ..	**182.1**	**186.3**	162.1	169.9	174.8	**131.3**	126.8	**163.9**	**221.4**	187.7	292.2	129.3	158.2	**159.2**	195.7	**153.2**	152.2	136.8	140.6
„ 28, „ ..	**182.4**	**187.7**	162.4	171.6	179.2	**130.4**	125.9	**163.5**	**220.5**	187.8	287.8	129.3	162.1	**158.6**	192.2	**153.1**	152.5	136.8	140.5

June	4,	1966	..	**184.5**	**190.7**	163.6	168.6	190.3	**129.1**	125.9	**164.7**	**223.3**	189.5	293·1	129.3	162.4	**158.4**	192.3	**152.8**	152.1	137.2	140.5
,,	11,	,,	..	**186.8**	**192.0**	164.5	169.9	192.2	**137.6**	135.0	**164.8**	**228.7**	192.2	302.1	129.3	166.5	**160.8**	200.7	**154.2**	154.1	139.3	140.5
,,	18,	,,	..	**186.7**	**191.2**	165.0	171.0	186.0	**128.3**	125.1	**164.6**	**229.2**	197.3	297.9	129.3	167.3	**162.1**	200.6	**155.8**	155.9	139.3	144.9
,,	25,	,,	..	**187.3**	**192.7**	165.5	178.8	184.6	**128.0**	124.8	**164.7**	**229.6**	196.3	300.1	129.3	166.6	**162.0**	199.5	**155.9**	155.1	138.6	149.1
July	2,	,,	..	**187.5**	**192.9**	166.6	181.3	182.2	**128.0**	124.8	**166.7**	**229.4**	195.3	300.9	129.3	166.3	**162.1**	198.4	**156.1**	155.1	138.6	149.2
,,	9,	,,	..	**189.5**	**196.4**	167.9	182.8	193.2	**128.0**	124.8	**166.8**	**231.3**	200.2	301.3	129.3	165.6	**161.8**	196.6	**156.1**	154.7	139.3	150·2
,,	16,	,,	..	**189.0**	**195.0**	168.8	186.7	177.8	**128.0**	124.8	**166.9**	**232·9**	201.8	303.4	138.4	165.6	**161.6**	197.1	**155.7**	153.7	139.4	149.7
,,	23,	,,	..	**190.3**	**196.0**	169.3	187.4	178.8	**128.1**	124.9	**166.9**	**237.4**	210.9	306.2	138.4	164.6	**162.1**	199.4	**156.0**	153.6	139.4	149.7
,,	30,	,,	..	**190.8**	**197.1**	169.8	185.2	180.1	**128.1**	124.9	**167.6**	**236.7**	204.4	311.0	138.4	164.8	**162.0**	200.0	**155.8**	152.9	140.1	149.8
August	6,	,,	..	**191.7**	**197.8**	170.0	185.9	184.4	**128.1**	124.9	**170.5**	**238.8**	205.9	314.2	138.4	165.9	**162.3**	201.4	**155.8**	153.1	140.1	150.0
,,	13,	,,	..	**193.3**	**200.1**	170.8	188.2	190.1	**129.0**	125.8	**170.5**	**242.4**	204·5	324.5	138.4	166.6	**161.8**	201.6	**155.2**	152.1	140.1	150.0
,,	20,	,,	..	**193.0**	**201.0**	170.7	185.4	190.3	**129.0**	125.8	**171.2**	**239.0**	197.8	323.0	138.4	166.2	**160.9**	204·3	**153.8**	149·9	139.3	150.0
,,	27,	,,	..	**189.9**	**198.0**	170.2	182.3	179.3	**128.1**	124.9	**170.9**	**231.4**	189.7	311.1	138.4	166.8	**160.0**	201.4	**153.2**	148.9	141.1	150.0
September	3,	,,	..	**187.4**	**195.2**	169.4	180.1	179.6	**130.0**	124.9	**170.3**	**224.3**	185.2	297.2	141.4	166.8	**159.3**	199.3	**152.7**	148.0	143.3	149.9
,,	10,	,,	..	**187.7**	**195.6**	169.3	182.2	179.0	**130.0**	124.9	**169.8**	**225.3**	182.3	302.6	141.4	167.1	**159·2**	199.5	**152.6**	147.6	148.1	149.9
,,	17,	,,	..	**188.7**	**196.8**	168.9	183.4	185.4	**130.0**	124.9	**170.0**	**226.8**	181.2	307.9	141.4	166.5	**159.9**	202.3	**152.9**	147.1	148.1	151.0
,,	24,	,,	..	**187.7**	**196.0**	167.9	186.4	184.6	**129.4**	124.2	**170.1**	**222.8**	184.4	294.9	141.4	165.6	**160.4**	201.4	**153.7**	148.6	147.3	151.0
October	1,	,,	..	**187.5**	**195.6**	168.4	189.2	183.9	**130.1**	124.9	**170.8**	**221.7**	185.2	290.9	141.4	166.0	**161.6**	202.0	**154.9**	150.6	149.2	151.0
,,	8,	,,	..	**189.4**	**198.3**	169.3	192.4	190.2	**128.7**	123.5	**170.8**	**222.4**	184.3	293.7	141.4	165.7	**162.3**	202.7	**155.7**	151.5	149.5	150.8
,,	15,	,,	..	**190.7**	**201·1**	170.1	200.6	200.0	**129.3**	124.1	**170.9**	**222.3**	184.1	291.7	141.4	169.7	**161.7**	203.3	**154.9**	150.4	149.5	150.8
,,	22,	,,	..	**190.7**	**200.9**	169.8	202.5	195.5	**129.3**	124.1	**171.1**	**223.7**	184.1	295.3	141.4	169.8	**161.7**	201·4	**155.2**	150.5	149.5	150.9
,,	29,	,,	..	**190.8**	**201.1**	169.7	203.3	194.3	**129.3**	124.1	**171.3**	**221.5**	186.9	286.7	141.4	169.8	**163.0**	206.2	**155.9**	151.6	149.5	150.9
November	5,	,,	..	**190.7**	**201.1**	174.5	205.4	182.9	**129.9**	124.8	**171.3**	**218.8**	186.2	280.8	141.4	169.0	**162.8**	204.3	**155.9**	151.6	148.2	150.9
,,	12,	,,	..	**192.7**	**204.6**	174.4	208.4	198.0	**129.9**	124.8	**171.6**	**220.5**	186.5	283.2	141.4	172.1	**162.8**	204.8	**155.9**	151.4	148.4	151.0
,,	19,	,,	..	**192.2**	**202.9**	175.9	210.4	182.9	**131.2**	126.1	**171.6**	**222.6**	187.0	287.5	141.4	173.4	**163.1**	205.5	**156.1**	152.0	147.3	151.0
,,	26,	,,	..	**191.8**	**202.7**	176.2	208.3	180.3	**131.2**	126.1	**172.1**	**220.3**	187.3	282.0	141.4	172.1	**163.2**	207.2	**156.0**	151.6	148.3	151.0
December	3,	,,	..	**192.0**	**202.4**	176.8	211.3	181.2	**130.5**	125.4	**172.0**	**222.3**	186.9	284.9	141.4	177.2	**164.0**	208.0	**156.8**	152.7	148.3	152.1
,,	10,	,,	..	**194.0**	**205.5**	178.2	213.1	189.3	**130·5**	125.4	**172.2**	**224.7**	189.2	288.7	136.0	177.4	**164.4**	208.9	**157.1**	153.1	148.3	152.2
,,	17,	,,	..	**194.7**	**206.0**	180.4	213.2	183.6	**130.5**	125.4	**172.4**	**226.3**	193.1	288.8	136.0	177.7	**164.9**	209.0	**157.7**	153.9	148.3	152.4
,,	24,	,,	..	**195.1**	**205.4**	179.9	215.1	182.7	**130.5**	125.4	**173.8**	**228.7**	193.3	295.0	136.0	177.2	**165.4**	211.2	**157.9**	154.0	148.6	152.4
,,	31,	,,	..	**196.2**	**206.3**	180.6	219.4	188.0	**130.5**	125.4	**173.9**	**232.3**	196.1	301.7	136.0	176.9	**165.7**	212.5	**158.0**	154.1	148.7	152.3
January	7,	1967	..	**196·7**	**206.4**	182.6	220.2	186.4	**130.5**	125.4	**174.1**	**234.1**	195.8	306.5	136.0	177.2	**166.9**	215.9	**158.9**	155.0	147.7	154.1
,,	14,	,,	..	**199.1**	**209.8**	185.9	223.0	195.8	**131.1**	126.0	**174.1**	**237.9**	194.7	317.5	136.0	176.9	**167.4**	216.6	**159.3**	155.5	147.6	154.1
,,	21,	,,	..	**198.7**	**209.1**	188.4	226.5	181.9	**131.2**	126.2	**174.6**	**237.6**	192.6	318.0	136.0	178.6	**167.0**	215.5	**159.1**	154.9	147.5	154.0
,,	28,	,,	..	**199.8**	**210.8**	190.1	230.7	182.2	**131.2**	126.2	**174.9**	**238.8**	192.5	321.0	136.0	178.8	**167.5**	219.0	**159.0**	154.7	148.0	154.0
February	4,	,,	..	**202.0**	**214.5**	191.9	231.8	185.1	**131.2**	126.2	**174.5**	**240.3**	194.9	325.7	136.0	177.3	**167.9**	219.1	**159.5**	155.3	148.0	154.1
,,	11,	,,	..	**202.8**	**216.9**	193.7	231.7	194.6	**131.8**	126.8	**174.2**	**238.4**	194.8	320.3	136.0	178.6	**167.6**	218.3	**159.2**	155.0	147.0	154.1
,,	18,	,,	..	**203.4**	**217.4**	194.6	232.0	195.8	**131.8**	126.8	**174.5**	**241.0**	194.0	324.6	136.0	179.8	**167.5**	219.0	**159.1**	154.8	147.9	154.1
,,	25,	,,	..	**203.8**	**218.2**	196.2	234.4	193.6	**131.8**	126.8	**174.2**	**241.2**	193.4	325.6	136.0	180.4	**167.4**	218.5	**159.1**	155.0	147.5	154.3
March	4,	,,	..	**204.5**	**220.0**	196.7	240.4	200.1	**131.8**	126.8	**173.9**	**239.6**	193.3	322.5	136.0	178.7	**167.1**	216.7	**159.0**	154.8	147.5	154.3
,,	11,	,,	..	**203.7**	**218.6**	194.6	235.4	201.6	**131.7**	126.6	**173.5**	**238.8**	194.8	319.2	136.0	178.4	**167.3**	217.1	**159.1**	155.1	147.5	154.3
,,	18,	,,	..	**202.7**	**216.9**	193.0	231.2	196.2	**130.8**	125.7	**173.3**	**237·2**	195.0	315.1	136.0	177.8	**167.8**	221.2	**159.0**	154.9	147.5	154.3
,,	25,	,,	..	**202.7**	**217.6**	193.5	234.2	199.2	**128.0**	122.7	**172.9**	**236.1**	192·5	315.0	136.0	177.5	**167.5**	221.7	**158.6**	154.2	147.4	154.3

Note : Weights of sub-groups may not add to the total as only selected sub-groups are shown.

(*a*) Comprising hides raw, skins raw, lac and rubber etc. (*b*) Derived figures.

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	1966	1967	(2) over (1)	(3) over (2)	(4) over (3)	(5) over (4)	(6) over (5)	(7) over (6)	(8) over (7)	(9) over (8)
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
I. All Commodities ..	**1,000**	**120.2**	**98.1**	**127.5**	**123.5**	**127.2**	**139.2**	**151.5**	**172.3**	**203.5**	**—18.4**	**+30.0**	**— 3.1**	**+ 3.0**	**+ 9.4**	**+ 8.8**	**+13.7**	**+18.1**
(*a*) Agricultural Commodities†	**461**	120.6	95.7	126.2	119.2	121.1	138.4	154.0	177.7	214.5	*—20.6*	*+31.9*	*— 5.5*	*+ 1.6*	*+14.3*	*+11.3*	*+15.4*	*+20.7*
II. Food Articles	**504**	**112.4**	**92.8**	**117.5**	**119.1**	**123.4**	**142.0**	**154.4**	**172.9**	**218.3**	**—17.4**	**+26.6**	**+ 1.4**	**+ 3.6**	**+15.1**	**+ 8.7**	**+ 12.0**	**+26.3**
(*a*) Foodgrains@ ..	**235**	100	84	99	101	102	125	143	155	202	*—16·0*	*+17·9*	*+ 2.0*	*+ 1·0*	*+22·5*	*+14.4*	*+ 8·2*	*+30.2*
(*i*) Cereals	**192**	100	86	100	102	102	123	140	156	194	*—14.0*	*+16.3*	*+ 2.0*	*—*	*+20.6*	*+13.8*	*+11.4*	*+24.9*
1. Rice	**113**	100	86	101	103	110	122	128	156	182	*—14.0*	*+17.4*	*+ 2.0*	*+ 6.8*	*+10.9*	*+ 4.9*	*+21.9*	*+16.4*
2. Wheat	**53**	100	85	91	94	87	120	141	136	191	*—15.0*	*+ 7.1*	*+ 3.3*	*— 7.4*	*+37.9*	*+17.5*	*— 3.5*	*+40.5*
3. Jowar	**10**	93	102	110	120	106	134	190	193	215	*+ 9.7*	*+ 7.8*	*+ 9.1*	*—11.7*	*+26.4*	*+41.8*	*+ 1.6*	*+11.1*
(*ii*) Pulses	**43**	102	77	93	94	100	134	159	151	235	*—24.5*	*+20.8*	*+ 1.1*	*+ 6.4*	*+34.0*	*+18.7*	*— 5.0*	*+55.5*
1. Gram	**15**	90	66	90	82	86	123	156	141	261	*—26.7*	*+36.4*	*— 8.9*	*+ 4.9*	*+43.0*	*+26.8*	*— 9.6*	*+85.0*
(*b*) Others																		
(*i*) Fruits and vegetables	**23**	103	94	108	133	133	163	158	169	205	*— 8.7*	*+14.9*	*+23.1*	*—*	*+22.6*	*— 3.1*	*+ 7.0*	*+21.1*
(*ii*) Milk and ghee ..	**84**	102	93	116	119	125	133	150	162	199	*— 8.8*	*+24.7*	*+ 2.6*	*+ 5.0*	*+ 6.4*	*+12.8*	*+ 8.0*	*+23.3*
(*iii*) Edible oils ..	**47**	151	106	164	153	142	160	188	258	317	*—29.8*	*+54.7*	*— 6.7*	*— 7.2*	*+12.7*	*+17.5*	*+37.2*	*+22.7*
(*iv*) Fish, eggs and meat	**17**	93	93	124	140	138	153	178	206	222	*—*	*+33.3*	*+12.9*	*— 1.4*	*+10.9*	*+16.3*	*+15.7*	*+ 7.4*
(*v*) Sugar	**18**	104	95	127	124	137	145	151	163	174	*— 8.7*	*+33.7*	*— 2.4*	*+10.5*	*+ 5.8*	*+ 4.1*	*+ 7.9*	*+ 6.9*
(*vi*) Gur	**30**	146	89	112	118	153	189	158	142	270	*—39.0*	*+25.8*	*+ 5.4*	*+29.7*	*+23.5*	*—16.4*	*—10.1*	*+89.8*
(*vii*) Tea	**19**	157	139	208	163	184	180	177	191	196	*—11.5*	*+49.6*	*—21.6*	*+12.9*	*— 2.2*	*— 1.7*	*+ 7.9*	*+ 2.4*
(*viii*) Coffee	**2**	93	80	88	89	98	105	113	130	132	*—14.0*	*+10.0*	*+ 1.1*	*+10.1*	*+ 7.1*	*+ 7.6*	*+15.0*	*+ 1.6*
III. Liquor and Tobacco ..	**21**	**112.9**	**78.7**	**113.4**	**99.8**	**114.2**	**119.0**	**138.6**	**128.8**	**130.6**	**—30.3**	**+44.1**	**—12.0**	**+14.4**	**+ 4.2**	**+16.5**	**— 7.1**	**+ 1.4**
(*a*) Tobacco	**20**	114	77	111	96	112	116	137	126	126	*—32.5*	*+44.2*	*—13.5*	*+16.7*	*+ 3.6*	*+18.1*	*— 8.0*	*—*

IV. Fuel, Power, Light and Lubricants	**30**	**97.5**	**96.8**	**121.9**	**122.5**	**135.7**	**140.4**	**148.2**	**159.9**	**173.4**	**− 0.7 +25.9 + 0.5 +10.8 + 3.5 + 5.6 + 7.9 + 8.4**
(*a*) Coal	**9**	100	101	141	145	158	166	172	181	189	*+ 1.0 +39.6 + 2.8 +9.0 + 5.1 + 3.6 + 5.2 + 4.4*
(*b*) Mineral oil	**14**	88	95	112	111	132	134	136	145	147	*+ 8.0 +17.9 − 0.9 + 18.9+ 1.5 + 1.5 + 6.6 + 1.2*
(*c*) Castor oil	**2**	171	79	109	105	95	103	129	179	251	*−53.8 +38.0 − 3.7 − 9.5 + 8.4 +25.2 +38.1 +40.7*
V. Industrial Raw Materials	**155**	**153.7**	**109.4**	**159.1**	**136.1**	**135.2**	**144.9**	**163.8**	**207.0**	**237.9**	**−28.8 +45.4 −14.5 − 0.7 + 7.2 +13.0 +26.4 +14.9**
(*a*) Fibres	**61**	170	113	177	128	134	136	147	188	194	*−33.5 +56.6 −27.7 + 4.7 + 1.5 + 8.1 +27.9 + 3.2*
(*i*) Cotton raw ..	**32**	144	107	111	112	117	120	131	128	150	*−25.7 + 3.7 + 0.9 + 4.5 + 2.6 + 9.2 − 2.3 +17.0*
(*ii*) Jute raw	**23**	204	122	271	148	152	151	172	275	256	*−40.2+122.1 −45.4 + 2.7 − 0.7 +13.9 +59.9 − 7.1*
(*b*) Oilseeds	**60**	149	106	160	149	143	163	195	258	318	*−28.9 +50.9 − 6.9 − 4.0 +14.0 +19.6 +32.3 +23.1*
(*i*) Groundnuts ..	**27**	145	102	159	149	134	153	186	248	301	*−29.7 +55.9 − 6.3 −10.1 +14.2 +21.6 +33.3 +21.6*
(*ii*) Linseed	**5**	157	123	141	138	125	142	183	259	366	*−21.7 +14.6 − 2.1 − 9.4 +13.6 +28.9 +41.5 +41.3*
(*iii*) Castorseed ..	**2**	172	81	128	124	117	125	169	222	298	*−52.9 +58.0 − 3.1 − 5.6 + 6.8 +35.2 +31.4 +34.3*
(*c*) Manganese ore ..	**0.5**	62	95	86	82	78	N.Q.	N.Q.	N.Q.	N.Q.	*+53.2 − 9.5 − 4.7 − 4.9*
(*d*) Mica	**1**	103	93	99	99	99	107	149	149	149	*− 9.7 + 6.5 — — + 8.1 +39.3 — —*
VI. Manufactures ..	**290**	**118.7**	**102.9**	**129.7**	**126.4**	**129.6**	**132.6**	**141.1**	**157.3**	**167.4**	**−13.3 +26.0 − 2.5 + 2.5 + 2.3 + 6.4 +11.5 + 6.4**
(*a*) Intermediate products	**41**	132.5	110.5	137.3	135.6	136.2	143.6	155.6	183.9	219.2	*−16.6 +24.3 − 1.2 + 0.4 + 5.4 + 8.4 +18.2 +19.2*
(*i*) Cotton yarn ..	**15**	105	101	126	129	137	139	139	142	168	*− 3.8 +24.8 + 2.4 + 6.2 + 1.5 — + 2.2 +18.6*
(*ii*) Metals	**8**	121	124	149	147	162	175	232	290	312	*+ 2.5 +20.2 − 1.3 +10.2 + 8.0 +32.6 +25.0 + 7.4*
1. Pig iron ..	**1**	78	117	163	183	183	210	210	262	262	*+50.0 +39.3 +12.3 — +14.8 — +24.8 —*
(*iii*) Linseed oil ..	**6**	162	136	154	137	111	132	161	250	351	*−16.0 +13.2 −11.0 −19.0 +18.9 +22.0 +55.0 +41.1*
(*b*) Finished products ..	**249**	116.5	101.6	128.4	124.9	128.5	130.8	138.6	152.9	158.9	*−12.8 +26.4 − 2.7 + 2.9 + 1.8 + 6.0 +10.3 + 3.9*
(*i*) Cotton manufactures	**91**	102	109	127	128	134	137	139	147	155	*+ 6.9 +16.5 + 0.8 + 4.7 + 2.2 + 1.5 + 5.8 + 5.5*
(*ii*) Jute manufactures	**37**	187	95	162	117	102	99	126	167	148	*−49.2 +70.5 −27.8 −12.8 − 2.9 +27.3 +32.5 −11.0*
(*iii*) Metal products ..	**12**	86	125	151	152	161	165	178	190	197	*+45.3 +20.8 + 0.7 + 5.9 + 2.5 + 7.9 + 6.7 + 4.0*
1. Iron and steel manufactures	**11**	84	126	147	152	161	166	179	189	196	*+50.0 +16.7 + 3.4 + 5.9 + 3.1 + 7.8 + 5.6 + 3.9*
(*iv*) Chemicals	**20**	96	92	105	113	117	120	125	135	148	*— 4.2 +14.1 + 7.6 + 3.5 + 2.6 + 4.2 +.8.0 + 9.4*

* 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-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
1965	376	3,957,605	570,191	2,585,473	13,938	946,082
1966	396	3,871,162	507,342	2,622,460	12,908	852,467
March 1966	377	279,058	45,614	2,469,421	12,234	74,005
April „	377	294,005	37,558	2,486,169	12,889	66,459
May „	384	315,695	40,095	2,506,541	13,553	74,924
June „	386	402,245	38,832	2,600,973	14,237	75,787
July „	386	433,561	40,688	2,717,846	14,148	75,020
August „	395	369,136	44,198	2,770,905	15,205	77,241
September „	396	330,288	44,721	2,747,610	13,457	71,636
October „	396	276,930	42,392	2,684,195	12,237	69,669
November „	396	291,794	39,641	2,636,845	12,327	65,918
December „	396	327,630	45,526	2,622,460	12,211	70,056
January 1967	396	278,969	37,145	2,609,339	11,006	55,681
February „	396	230,945	31,373	2,574,422	9,760	49,383
March „	397	299,050	37,151	2,560,503	11,319	57,442

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 1965	**2,500,446**	152,468	3,012	74,045	8,612	6,266	48,821	168,660	86,184	111,913	1,840,465
December „	**2,585,473**	122,565	2,790	76,614	9,601	5,459	55,929	184,928	87,426	105,000	1,935,161
June 1966	**2,600,973**	151,775	3,075	85,884	9,632	4,211	54,042	176,799	94,328	98,113	1,923,114
December „	**2,622,460**	153,058	4,364	94,316	9,702	2,481	62,159	195,323	99,536	103,371	1,898,150

(*a*) At the end of period. (*b*) Annual figures are averages of months.

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

STATEMENT 15—ASSAYING AND REFINING OF GOLD AND SILVER AT THE INDIA GOVERNMENT MINTS

(Kilograms)

Year	Melting and assaying at			Refining at Bombay
	Bombay	Alipore	Total	
	1	2	3	4
		Gold		
1950-51	162	2,859(*a*)	**3,021**	21,737
1955-56	114	121	**235**	12,153
1960-61	105	33	**139**	9,970
1961-62	145	11	**156**	14,714
1962-63	14,080(*b*)	688(*b*)	**14,768(*b*)**	5,155
1963-64	8,897(*b*)	—	**8,897(*b*)**	4,668
1964-65	166(*b*)	—	**166(*b*)**	6,841(*d*)
1965-66	13,856(*b*) (*c*)	—	**13,856(*b*)(*c*)**	5,704(*d*)
1966-67	5,927(*e*)	—	**5,927(*e*)**	5,052(*d*)
		Silver		
1950-51	1,482	1,12,315(*a*)	**1,13,797**	19,250
1955-56	41	52,906	**52,947**	196
1960-61	901	61,432	**62,333**	137
1961-62	969	36,944	**37,912**	166
1962-63	500	34,091	**34,591**	—
1963-64	824	1,187	**2,011**	—
1964-65	966	167	**1,133**	—
1965-66	241	—	**241**	—
1966-67	2,915	—	**2,915**	—

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

(*a*) Figures relate to the Calcutta Mint. (*b*) Including gold received against 7% Gold Bonds, 1977 and National Defence Fund. (*c*) Including gold received against 7% Gold Bonds, 1980 and National Defence Gold Bonds, 1980 and gold received from Alipore Mint. (*d*) Including confiscated gold received from Customs and Central Excise Department and State Governments. (*e*) Including gold received against National Defence Fund and National Defence Gold Bonds, 1980.

STATEMENT 16—PRICES OF GOLD AND SILVER—BOMBAY(*a*)

Year/Month	Gold (*b*) (Rs. per 10 grams)			Silver (Rs. per kilogram)		
	Spot			Spot		
	Highest	Lowest	Average (*c*)	Highest	Lowest	Average (*c*)
	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 / 69.75	97.00 / 58.00	111.98 / 61.85	269.00	222.50	240.32
1964-65	72.75	63.25	68.84	281.50	244.00	261.17
1965-66	85.00	70.50	77.78	406.00	281.00	314.62
1966-67	92.75	76.00	83.85	385.00	336.00	358.88
March 1966	84.00	81.00	82.62	368.00	357.00	362.23
April ,, ...	92.75	84.00	88.22	377.00	361.00	367.44
May ,, ...	90.75	76.00	83.55	370.00	339.00	351.12
June ,, ...	90.25	76.50	84.58	385.00	336.00	345.85
July ,, ...	85.25	84.00	84.75	358.00	341.00	348.12
August ,, ...	84.50	82.75	83.56	360.50	353.00	357.28
September ,, ...	82.00	80.00	81.01	370.00	360.00	363.81
October ,, ...	82.75	80.00	81.38	364.00	352.00	359.33
November ,, ...	83.00	81.00	81.79	367.00	355.00	359.88
December ,, ...				373.00	354.00	365.88
January 1967				365.50	358.00	362.48
February ,, ...				372.00	361.00	366.63
March ,, ...				366.00	355.00	360.48

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, Gold Bullion from August 1, 1959 to August 27, 1963 and 14-Carat Gold thereafter. Dealer to dealer quotations are not available for Gold since June 23, 1963.

Spot prices of silver relate to 0.999 fineness upto December 13, 1953 and to below 0.996 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*) Not quoted from November 10, 1966. (*c*) Average of closing quotations for working days.

Source : Bombay Bullion Association Ltd.

STATEMENT 17—MONEY SUPPLY

Last Friday			CURRENCY WITH THE PUBLIC						
			Notes in Circulation (*a*) (*b*)	Circulation of rupee coin (*a*) (*b*) (*c*)	Circulation of small coins (*b*) (*c*) (*d*)	Balances of Central and State Governments held at Treasuries (*e*)	Cash on hand with banks (*f*)	**Currency with the public** (1+2+3—4—5)	Variations in currency with the public
			1	2	3	4	5	6	7
1950-51	..	..	1,238.60	135.68	75.76	4.42	39.10	**1,406.52**	+ 81.72
1955-56	..	..	1,424.23	123.58	65.79	1.14	41.45	**1,571.01**	+193.89
1960-61	..	..	1,941.57	141.69	71.02	6.44	49.79	**2,098.05**	+167.19
1961-62	..	..	2,027.13	150.18	78.33	2.05	52.43	**2,201.16**	+103.11
1962-63	..	..	2,198.79	156.17	84.39	4.96	54.93	**2,379.47**	+178.31
1963-64	..	..	2,410.83	168.47	90.26	3.04	60.96	**2,605.56**	+226.09
1964-65	..	..	2,563.69	179.99	97.40	2.51*	69.52	**2,769.05***	+163.49*
1965-66	..	..	2,823.19	183.82	105.47	2.10*	76.09	**3,034.28***	+265.23*
1966-67	..	..	2,976.60	199.60	110.12*	1.74*	89.71	**3,194.88***	+160.60*
March	1966	..	2,823.19	183.82	105.47	2.10*	76.09	**3,034.28***	+ 66.22*
April	,,	..	2,905.74	187.97	106.58	1.48*	79.46	**3,119.35***	+ 85.07*
May	,,	..	2,891.78	192.88	107.48	1.11*	82.42	**3,108.61***	— 10.74*
June	,,	..	2,838.40	193.77	108.06	1.65*	82.83	**3,055.74***	— 52.87*
July	,,	..	2,743.35	187.49	108.36	1.12*	76.88	**2,961.21***	— 94.53*
August	,,	..	2,708.70	184.94	108.76	0.87*	80.90	**2,920.63***	— 40.58*
September	,,	..	2,656.23	182.15	109.16	0.99*	81.10	**2,865.45***	— 55.18*
October	,,	..	2,692.79	183.95	109.59	1.01*	85.69	**2,899.63***	+ 34.18*
November	,,	..	2,736.43	188.49	110.12	0.99*	86.84	**2,947.22***	+ 47.59*
December	,,	..	2,810.97	189.67	110.12*	1.00*	101.95	**3,007.82***	+ 60.60*
January	1967	..	2,884.22	193.18	110.12*	1.92*	92.77	**3,092.83***	+ 85.01*
February	,,	..	2,937.70	197.30	110.13*	0.90*	88.34	**3,155.88***	+ 63.05*
March	,,	..	2,976.60	199.60	110.12*	1.74*	89.71	**3,194.88***	+ 39.00*

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 (col. 6) and the total money supply with the public (col. 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 commercial 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 commercial banks, non-bank demand deposits and (iii) in respect of State co-operative banks net demand liabilities i.e., non-bank demand deposits plus inter-bank deposits plus non-deposit 'other liabilities'. (4) Under column 9, data on 'other deposits' with the Reserve Bank have been revised to exclude balances held on Reserve Bank Employees' Provident Fund, Pension Fund and Co-operative Guarantee Fund. As a result, data given in this statement will not agree with those published in the corresponding statement of the earlier issues of Report on Currency and Finance upto 1962-63.

WITH THE PUBLIC

(In crores of rupees)

DEPOSIT MONEY					
Net demand deposits of 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**
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**
1,289.52	21.70	**1,311.23**	+164.67	**4,080.28***	+**328.16***
1,478.38	16.72	**1,495.10**	+183.87	**4,529.39***	+**449.11***
1,711.53	47.42	**1,758.94**	+263.84	**4,953.82***	+**424.43***
1,478.38	16.72	**1,495.10**	+ 42.00	**4,529.39***	+**108.23***
1,493.63	22.14	**1,515.77**	+ 20.67	**4,635.12***	+**105.73***
1,487.45	18.99	**1,506.44**	— 9.33	**4,615.05***	— **20.07***
1,536.65	20.30	**1,556.95**	+ 50.51	**4,612.69***	— **2.36***
1,589.02	23.46	**1,612.48**	+ 55.53	**4,573.69***	— **39.00***
1,584.36	19.51	**1,603.87**	— 8.61	**4,524.51***	— **49.18***
1,566.71	27.32	**1,594.03**	— 9.84	**4,459.48***	— **65.03***
1,578.91	30.94	**1,609.84**	+ 15.81	**4,509.47***	+ **49.99***
1,578.50	32.12	**1,610.61**	+ 0.77	**4,557.84***	+ **48.37***
1,634.42	38.67	**1,673.09**	+ 62.48	**4,680.90***	+**123.06***
1,614.50	37.59	**1,652.09**	— 21.00	**4,744.92***	+ **64.02***
1,632.16	35.34	**1,667.50**	+ 15.41	**4,823.38***	+ **78.46***
1,711.53	47.42	**1,758.94**	+ 91.44	**4,953.82***	+**130.44***

(*a*) Including *Hali Sicca* currency upto December 1957. (*b*) Figures are net of the return of about Rs. 43 crores from Pakistan awaiting adjustment and special currency withdrawn (Rs. 4.28 crores in October 1965 and Rs. 3.57 crores in November 1965) from Bahrein, beginning from October 16, 1965 ; and (Rs. 3.09 crores on August 23, 1966 and Rs. 3.79 crores on August 29, 1966) from Qatar. Pending payment to the Governments of Bahrein and Qatar on account of these withdrawal, the net credit given to these Governments against the currency withdrawn under "other deposits" have been ignored as they have no effect on money supply. (*c*) Estimated. (*d*) 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. (*e*) Figures are as on the last day of the year/month. Including small coins also (*f*) Relating to scheduled commercial, non-scheduled commercial and state co-operative banks. (*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 extra-ordinary items.

* Provisional. ** Derived from comparable estimates.

STATEMENT 18—SEASONAL VARIATIONS

	1955-56		1960-61		1961-62	
	Slack Season	*Busy Season*	Slack Season	*Busy Season*	Slack Season	*Busy Season*
	1	2	3	4	5	6
A. MONEY SUPPLY WITH THE PUBLIC	**+ 9.3**	**+250.1**	**— 79.6**	**+235.1**	**— 97.9**	**+326.4**
1. Currency with the public@*	— 11.4	*+208.7*	— 89.4	*+205.2*	—101.1	*+257.8*
2. Other deposits with the Reserve Bank	— 1.4	*— 0.6*	+ 3.7	*— 5.8*	— 1.6	*+ 5.7*
3. Bank money	+ 22.1	*+ 42.0*	+ 6.1	*+ 35.7*	+ 4.8	*+ 63.0*
B. FACTORS AFFECTING MONEY SUPPLY						
1. Net Bank Credit to Government Sector (*a*+*b*)††	**+ 77.7**	**+108.1**	**—118.1**	**+108.5**	**— 63.8**	**+287.4**
(*a*) Reserve Bank's net credit to Government Sector (i-ii)	+ 24.1	*+145.7*	— 69.3	*+234.9*	—125.4	*+313.2*
(i) Aggregate financial assets of the Reserve Bank (including rupee coins)	+ 17.6	*+151.8*	— 75.6	*+215.2*	—110.2	*+296.0*
(ii) Government deposits with the Reserve Bank	— 6.5	*+ 6.1*	— 6.3	*— 19.7*	+ 15.2	*— 17.2*
(*b*) Banks' credit to Government Sector††	+ 53.6	*— 37.6*	— 48.8	*—126.4*	+ 61.6	*— 25.8*
2 Net Bank Credit to Private Sector (*a*+*b*)††	**— 66.1**	**+156.2**	**+ 49.7**	**+196.5**	**— 57.5**	**+102.5**
(*a*) Reserve Bank credit to private sector	+ 0.2	*+ 0.3*	+ 0.5	*+ 0.4*	+ 0.7	*+ 1.9*
(*b*) Banks' net credit to private sector (i-ii)	*— 66.3*	*+155.9*	+ 49.2	*+196.1*	— 58.2	*+100.6*
(i) Financial assets of banks	— 26.5	*+163.6*	+ 18.8	*+191.2*	— 31.2	*+199.9*
(ii) Non-monetary liabilities of banks††	+39.8	*+ 7.7*	— 30.4	*— 4.9*	+ 27.0	*+ 99.3*
3. Net Foreign Exchange Assets of Banking Sector(*a*+*b*)	**+ 15.2**	**— 2.8**	**— 33.2**	**— 53.2**	**+ 5.4**	**— 43.2**
(*a*) Net foreign exchange assets of the Reserve Bank	+ 4.3	*+ 16.0*	— 27.9	*— 47.0*	— 10.7	*— 33.2*
(*b*) Banks' net foreign exchange assets @@	+ 10.9	*— 18.8*	— 5.3	*— 6.2*	+ 16.1	*— 10.0*
4. Government's Net Currency Liabilities to the Public @ (Government Currency Liabilities—Treasury Balances)	**— 3.0**	**+ 11.6**	**— 1.0**	**+ 15.7**	**+ 0.8**	**+ 18.0**
5. Net Non-Monetary Liabilities of the Reserve Bank **(Increase—)	**— 8.6**	**— 16.0**	**+ 20.3**	**— 41.8**	**+ 36.5**	**— 36.6**
6. Non-identifiable Net Non-Monetary Liabilities of Banks ℒℒ(Increase—)	**— 5.9**	**— 7.0**	**+ 2.7**	**+ 9.4**	**— 19.3**	**— 1.7**

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 commercial 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 commercial 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 commercial banks and are broadly comparable with those for the subsequent periods. Consequential changes are reflected in the totals. (5) The items under 'Factors Affecting Money Supply' have all been replaced by those appearing in the Statement 'Variations in Money Supply with the Public' and hence do not agree with those in the corresponding Statement of the Reports on Currency and Finance upto 1962-63.

* Excludes Rs. 43.17 crores of India notes returned from Pakistan and awaiting adjustment but allows for the withdrawal of special currency (Rs. 26.93 crores in April 1961, Rs. 6.72 crores in May 1961 and Rs. 0.55 crore in June 1961) from Kuwait, (Rs. 4.28 crores in October 1965 and Rs. 3.57 crores in November 1965) from Bahrein and Rs. 3.09 crores on August 23, 1966 and Rs. 3.79 crores on August 29, 1966) from Qatar.

IN MONEY SUPPLY WITH THE PUBLIC

(In crores of rupees)

1962-63		1963-64		1964-65		1965-66		1966-67		Outstanding as on April 28, 1967
Slack Season	*Busy Season*	Slack Season	*Busy Season*	Slack Season	*Busy Season*	Slack Season	*Busy Season*	Slack Season	*Busy Season*	
7	8	9	10	11	12	13	14	15	16	17
— 62.9	**+361.5**	**+ 29.9**	**+410.0**	**— 32.7**	**+388.7**	**— 43.0**	**+481.8**	**—125.6**	**+458.8**	**4,968.2**
— 70.7	*+258.9*	— 51.6	*+297.0*	—140.0	*+322.9*	—100.9	*+349.3*	—219.7	*+335.4*	3,235.0
— 5.2	*+ 11.3*	— 2.6	*+ 8.8*	— 7.9	*+ 12.3*	— 18.3	*+ 5.9*	+ 8.8	*+ 5.5*	36.5
+ 13.0	*+ 91.3*	+ 84.1	*+104.2*	+115.3	*+ 53.5*	+ 76.1	*+126.5*	+ 85.3	*+117.9*	1,696.8
+ 5.9	**+194.6**	**+126.9**	**+ 93.3**	**+117.6**	**+156.4**	**+ 109.5**	**+389.4**	**+ 26.9**	**+141.3**	**4,185.6**
—109.1	*+291.5*	— 19.6	*+241.0*	—142.3	*+309.0*	— 30.6	*+414.3*	—267.6	*+338.7*	3,216.3
—116.2	*+301.9*	— 28.1	*+244.5*	—100.9	*+267.3*	— 33.1	*+446.1*	—249.4	*+320.6*	3,311.8
— 7.1	*+ 10.4*	— 8.5	*+ 3.5*	+ 41.4	*— 41.7*	— 2.5	*+ 31.9*	+ 18.2	*— 18.1*	95.5
+115.0	*— 96.9*	+ 146.5	*—147.6*	+259.9	*—152.6*	+ 140.2	*— 24.8*	+294.5	*—197.4*	969.3
— 69.3	**+246.5**	**—130 5**	**+359.8**	**—156.2**	**+302.9**	**—154.7**	**+191.8**	**—204.9**	**+362.2**	**1,159.3**
+ 2.2	*+ 2.1*	+ 5.9	*+ 3.9*	+ 9.8	*+ 6.1*	+ 3.5	*+ 2.3*	+ 5.0	*+ 3.0*	56.3
— 71.5	*+244.4*	—136.4	*+355.9*	—166.1	*+296.8*	—158.1	*+189.5*	—209.9	*+359.2*	1,103.0
+ 2.7	*+194.4*	— 64.6	*+334.5*	— 76.5	*+365.2*	— 53.8	*+294.8*	— 29.6	*+414.0*	3,024.3
+ 74.2	*— 50.0*	+ 71.8	*— 21.5*	+ 89.6	*+ 68.4*	+ 104.3	*+105.2*	+180.4	*+ 54.8*	1,921.3
—25.4	**+ 0.6**	**+ 17.9**	**+ 6.1**	**+ 4.7**	**— 21.2**	**— 42.7**	**+ 25.8**	**+ 54.6**	**+ 21.3**	**145.3**
— 32.8	*+ 20.4*	— 1.0	*+ 24.6*	— 12.2	*— 20.1*	— 41.1	*+ 15.4*	+ 30.5	*+ 35.4*	120.4
+ 7.4	*— 19.8*	+ 18.9	*— 18.5*	+ 16.9	*— 1.1*	— 1.6	*+ 10.4*	+ 24.1	*— 14.1*	+24.9
— 0.2	**+ 10.6**	**+ 3.0**	**+ 18.2**	**+ 3.0**	**+ 13.6**	**— 2.3**	**+ 18.3**	**— 0.5**	**+ 18.6**	**311.1**
+ 30.7	**— 49.2**	**+ 16.9**	**— 43.3**	**+ 1.0**	**— 51.5**	**+ 45.1**	**— 63.7**	**+ 12.0**	**— 55.8**	**406.3**
— 4.6	**— 41.6**	**— 4.3**	**— 24.1**	**— 2.8**	**— 11.5**	**+ 2.0**	**— 79.9**	**— 13.7**	**— 29.0**	**426.8**

@ Including *Hali Sicca* currency upto December 1957.

@@ Converted into Indian rupees at post-devaluation rates from June 6, 1966.

†† In view of the change in arrangements for holding P.L. 480 Funds from May 12, 1960 figures from 1960-61 onwards are not comparable with those for the earlier years as no adjustment is made on this count.

** Comprises (i) the sum of capital and reserves, (ii) contribution by the Reserve Bank to the National Agricultural Credit (Long-term Operations and Stabilisation) Funds, (iii) the difference of (*a*) other liabilities of the Reserve Bank (mainly bills payable, profits of the Bank accruing under various heads such as interest, discount, exchange, commission, etc.) and (*b*) other assets (mainly premises, furniture, fittings, stationery, debit balances under heads representing expenditure incurred by the Bank and items in course of collection, etc.), (iv) Reserve Bank Employees' Pension Fund, Provident Fund and Co-operative Guarantee Fund and (v) an offset of Rs. 43 crores to assets held against Indian currency returned by Pakistan awaiting adjustment.

££ Comprises mainly capital and reserves of banks and the difference of their (*a*) other liabilities (mainly bills payable and net credit balances on account of branch adjustments) and (*b*) other assets (mainly premises, furniture, fittings, net debit balances on account of branch adjustments and capitalised expenses and tangible assets like uncleared cheques, stamps in hand, etc.).

STATEMENT 19—VARIATIONS IN

	Out-standing as on March 30, 1951	Varia-tions during the First Plan	Out-standing as on March 30, 1956	Varia-tions during the Second Plan	Out-standing as on March 31, 1961
	1	2	3	4	5
A. MONEY SUPPLY WITH THE PUBLIC	**2,020.6†**	**+196.2**	**2,217.0**	**+703.7$**	**2,868.6**
1. Currency with the Public*@	1,404.8†	+166.2	1,571.0	+527.0	2,098.1
2. Other deposits with the Reserve Bank	24.4	—15.4	9.0	+ 4.4	13.5
3. Bank money	591.4†	+45.4	636.9	+172.3$	757.1
B. FACTORS AFFECTING MONEY SUPPLY					
1. Net Bank Credit to Government Sector (*a*+*b*)†† ..	**807.5**	**+297.6**	**1,105.0**	**+1,383.5**	**2,488.5**
(*a*) Reserve Bank's net Credit to Government Sector (i-ii)	460.5	+246.2	706.7	+1,190.7	1,897.4
(*i*) Aggregate financial assets of the Reserve Bank (including rupee coins)	648.9	+187.2	836.1	+1,166.9	2,002.9
(ii) Government deposits with the Reserve Bank ..	188.4	—59.0	129.4	—23.8	105.5
(*b*) Banks' Credit to Government Sector††	347.0	+51.4	398.3	+192.8	591.1
2. Net Bank Credit to Private Sector (*a*+*b*)††	**257.5‡**	**+105.0**	**362.5**	**+ 23.3$**	**408.3**
(*a*) Reserve Bank's Credit to Private Sector	1.2	+4.8	6.1	+2.6	8.8
(*b*) Banks' net Credit to Private Sector (i-ii)	256.3‡	+100.1	356.4	+20.7$	399.5
(*i*) Financial assets of Banks	587.1‡	+235.6	822.7	+671.8	1,494.5
(ii) Non-monetary liabilities of Banks††	330.8	+135.5	466.3	+651.1$	1,095.0
3. Net Foreign Exchange Assets of Banking Sector (*a*+*b*) ..	**860.0**	**—95.8**	**764.2**	**—663.5**	**178.4**
(*a*) Net foreign exchange assets of the Reserve Bank ..	877.9	—96.4	781.5	—674.2	185.0
(*b*) Banks' net foreign exchange assets@@	—17.9	+0.6	—17.3	+10.7	—6.6
4. Government's Net Currency Liabilities to the Public@ (Government Currency Liabilities—Treasury Balances) ..	**241.4**	**—52.4**	**189.0**	**+17.3**	**206.3**
5. Net Non-Monetary Liabilities of the Reserve Bank* (increase—)**	**68.3**	**—19.5**	**87.8**	**—84.7**	**250.2**
6. Non-identifiable Net Non-Monetary Liabilities of Banks ££ (increase—)	**77.5‡**	**—38.7**	**116.0**	**+28.0$**	**162.7**

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 commercial 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 commercial 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 the figures published upto 1960-61. Figures for 1960-61 exclude estimated non-deposit 'other' demand/time liabilities of scheduled commercial 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 the Reserve Bank of India and (ii) relating to banks. (5) Figures against A(2) have been revised to exclude and those against B(5) to include balances held on the 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

MONEY SUPPLY WITH THE PUBLIC

(In crores of rupees)

Variations during							Outstanding as on March 25,	Outstanding as on March 31,
1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1966	1967
6	7	8	9	10	11	12	13	14
+199.2	**+177.2**	**+264.2**	**+442.2**	**+328.2**	**+449.1**	**+424.4**	**4,529.4**	**4,953.8**
+167.2	+103.1	+178.3	+226.1	+163.5	+265.2	+160.6	3,034.3	3,194.9
— 3.5	+ 3.8	+ 5.3	+ 9.4	— 10.2	— 5.0	+ 30.7	16.7	47.4
+ 35.5	+ 70.3	+ 80.6	+206.7	+174.9	+188.9	+233.2	1,478.4	1,711.5
— 17.3	**+202.5**	**+201.8**	**+242.2**	**+207.1**	**+466.7**	**+217.6**	**3,808.9**	**4,026.4**
+136.6	+159.3	+207.4	+194.8	+127.8	+370.6	+138.7	2,957.4	3,096.1
+135.9	+141.0	+207.5	+207.7	+143.3	+332.2	+217.3	3,034.6	3,251.9
— 0.7	— 18.3	+ 0.1	+ 12.9	+ 15.5	— 38.4	+ 78.6	77.2	155.8
—153.9	+ 43.2	— 5.6	+ 47.4	+ 79.3	+ 96.0	+ 78.9	851.5	930.4
+252.9	**+ 36.7**	**+171.7**	**+217.1**	**+117.1**	**+ 99.9**	**+206.1**	**1,050.7**	**1,256.9**
+ 0.3	+ 2.7	+ 3.3	+ 11.5	+ 13.8	+ 7.3	+ 7.8	47.4	55.2
+252.6	+ 34.0	+168.4	+205.6	+103.3	+ 92.6	+198.4	1,003.3	1,201.7
+237.8	+136.7	+213.6	+247.8	+236.6	+279.3	+459.8	2,608.4	3,068.1
— 14.8	+102.7	+ 45.2	+ 42.2	+133.3	+186.6	+261.4	1,605.0	1,866.5
— 62.6	**— 57.0**	**— 42.6**	**+ 35.1**	**— 19.1**	**— 23.8**	**+ 84.5**	**71.1**	**155.6**
— 51.6	— 66.5	—27.3	+ 31.0	— 27.8	— 35.4	+ 71.6	59.1	130.7
— 11.0	+ 9.5	— 15.3	+ 4.1	+ 8.7	+ 11.6	+ 12.9	+12.0	+24.9
+ 9.9	**+ 20.2**	**+ 9.1**	**+ 20.1**	**+ 19.2**	**+ 12.3**	**+ 20.8**	**287.2**	**308.0**
— 0.2	**+ 3.3**	**— 31.1**	**— 25.9**	**— 36.3**	**— 19.4**	**— 74.3**	**359.5**	**433.9**
+ 16.5	**— 28.5**	**— 44.7**	**— 46.5**	**+ 40.1**	**— 86.6**	**— 30.2**	**329.0**	**359.1**

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.)

* Excludes Rs. 43.17 crores of India notes returned from Pakistan and awaiting adjustment but allows for the withdrawal of special currency, Rs. 4.28 crores in October 1965 and Rs. 3.57 crores in November 1965, from Bahrein beginning from October 16, 1965 and Rs. 3.09 crores on 23rd August 1966 and Rs. 3.79 crores on 29th August 1966 from Qatar.

@ Including *Hali Sicca* currency upto December 1957.

@@ Converted into Indian rupees at post-devaluation rates from June 6, 1966.

†† 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 commercial banks operating exclusively in the then Part B States.

$ Worked out by using the net demand/time deposits of scheduled commercial 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 20—LIABILITIES AND ASSETS (ANNUAL AND WEEKLY) OF THE RESERVE BANK OF INDIA (ISSUE DEPARTMENT)

(In lakhs of rupees)

	LIABILITIES			ASSETS			
	Notes in circulation	Notes held in the Banking Department	**Total liabilities (total notes issued) or assets**	Gold coin and bullion (*a*)	Foreign securities	Rupee coin (*b*)	Government of India rupee securities
	1	2	3	4	5	6	7
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
1965-66	2,866,36	24,86	**2,891,21**	115,89	95,05	94,00	2,586,27
1966-67	3,019,77	45,53	**3,065,30**	115,89	186,42	78,07	2,684,92
1966-67 (Weekly)							
As at the close of **1966**							
April 1, ...	2,905,01	19,77	**2,924,78**	115,89	100,05	92,57	2,616,27
„ 8, ...	2,988,06	18,66	**3,006,72**	115,89	165,05	89,50	2,636,27
„ 15, ...	2,998,99	7,20	**3,006,19**	115,89	165,05	88,96	2,636,28
„ 22, ...	2,971,08	20,96	**2,992,03**	115,89	165,05	89,80	2,621,28
„ 29, ...	2,948,91	43,12	**2,992,04**	115,89	165,05	89,81	2,621,28
May 6, ...	2,994,24	23,54	**3,017,78**	115,89	165,05	85,55	2,651,28
„ 13, ...	3,006,84	24,12	**3,030,96**	115,89	165,05	83,73	2,666,28
„ 20, ...	2,968,18	23,30	**2,991,48**	115,89	165,05	84,25	2,626,28
„ 27, ...	2,934,95	42,25	**2,977,20**	115,89	165,05	84,98	2,611,28
June 3, ...	2,944,03	30,58	**2,974,61**	115,89	154,55	82,38	2,621,78
„ 10, ...	2,976,55	11,38	**2,987,93**	115,89	243,42	80,70	2,547,92
„ 17, ...	2,939,71	24,36	**2,964,07**	115,89	243,42	81,84	2,522,92
„ 24, ...	2,881,57	24,76	**2,906,33**	115,89	243,42	84,10	2,462,92
July 1, ...	2,875,67	30,42	**2,906,09**	115,89	201,42	83,86	2,504,92
„ 8, ...	2,901,19	8,76	**2,909,95**	115,89	201,42	82,72	2,509,92
„ 15, ...	2,868,85	23,26	**2,892,11**	115,89	201,42	84,88	2,489,92
„ 22, ...	2,820,15	25,02	**2,845,17**	115,89	161,42	87,94	2,479,92
„ 29, ...	2,786,52	36,00	**2,822,52**	115,89	161,42	90,29	2,454,92

August 5,	2,828,41	21,62	**2,850,03**	115,89	161,42	87,80	2,484,92
„ 12,	2,831,01	19,46	**2,850,47**	115,89	161,42	88,24	2,484,92
„ 19,	2,797,82	19,69	**2,817,51**	115,89	161,42	90,28	2,449,92
„ 26,	2,751,87	33,22	**2,785,09**	115,89	161,42	92,87	2,414,92
September 2,	2,751,36	32,64	**2,783,99**	115,89	161,42	91,76	2,414,92
„ 9,	2,798,95	18,00	**2,816,95**	115,89	161,42	89,72	2,449,92
„ 16,	2,769,38	19,26	**2,788,64**	115,89	171,42	91,41	2,409,92
„ 23,	2,722,75	23,60	**2,746,35**	115,89	176,42	94,12	2,359,92
„ 30,	2,699,40	38,47	**2,737,87**	115,89	176,42	95,64	2,349,92
October 7,	2,766,76	7,40	**2,774,16**	115,89	176,42	91,93	2,389,92
„ 14,	2,766,97	17,64	**2,784,61**	115,89	176,42	92,39	2,399,92
„ 21,	2,752,19	33,20	**2,785,39**	115,89	176,42	93,16	2,399,92
„ 28,	2,735,96	40,11	**2,776,07**	115,89	176,42	93,84	2,389,92
November 4,	2,774,14	38,53	**2,812,67**	115,89	176,42	90,44	2,429,92
„ 11,	2,837,00	12,16	**2,849,16**	115,89	176,42	86,93	2,469,92
„ 18,	2,822,66	26,52	**2,849,18**	115,89	176,42	86,95	2,469,92
„ 25,	2,779,60	32,00	**2,811,60**	115,89	176,42	89,37	2,429,92
December 2,	2,797,10	13,35	**2,810,46**	115,89	176,42	88,23	2,429,92
„ 9,	2,864,04	18,88	**2,882,92**	115,89	181,42	85,69	2,499,92
„ 16,	2,861,71	21,77	**2,883,48**	115,89	186,42	86,25	2,494,92
„ 23,	2,846,28	38,57	**2,884,85**	115,89	186,42	87,62	2,494,92
„ 30,	2 854,14	31,23	**2,885,36**	115,89	186,42	88,13	2,494,92
1967							
January 6,	2,917,27	24,47	**2,941,74**	115,89	186,42	84,51	2,554,92
„ 13,	2,960,24	9,85	**2,970,09**	115,89	186,42	82,86	2,584,92
„ 20,	2,946,21	24,57	**2,970,78**	115,89	186,42	83,55	2,584,92
„ 27,	2,927,39	29,45	**2,956,84**	115,89	186,42	84,61	2,569,92
February 3,	2,951,82	42,93	**2,994,75**	115,89	186,42	82,52	2,609,92
„ 10,	3,014,19	17,66	**3,031,84**	115,89	186,42	79,61	2,649,92
„ 17,	3,006,29	25,57	**3,031,86**	115,89	186,42	79,63	2,649,92
„ 24,	2,980,87	36,84	**3,017,72**	115,89	186,42	80,49	2,634,92
March 3,	3,006,77	8,28	**3,015,05**	115,89	186,42	77,82	2,634,92
„ 10,	3,061,77	25,93	**3,087,70**	115,89	186,42	75,47	2,709,92
„ 17,	3,042,17	21,51	**3,063,67**	115,89	186,42	76,45	2,684,92
„ 24,	3,024,75	39,87	**3,064,62**	115,89	186,42	77,39	2,684,92
„ 31,	3,019,77	45,53	**3,065,30**	115,89	186,42	78,07	2,684,92

(*a*) The gold reserves of the Issue Department are valued at the statutory rate of Rs. 18.21 per 10 grams upto October 5, 1956 and at Rs. 53.58 per 10 grams thereafter. (*b*) Including Government of India one rupee notes issued from July 1940.

STATEMENT 21—LIABILITIES AND ASSETS (ANNUAL AND WEEKLY) OF THE RESERVE BANK OF INDIA (BANKING DEPARTMENT)

(In lakhs of rupees)

	LIABILITIES										ASSETS									
	DEPOSITS								Other liabilities (*a*)	**Total liabilities or assets**	Notes and coins	Balances held abroad (*b*)	LOANS AND ADVANCES TO					Bills purchased and discounted	Investments	Other assets
	Central Government	State Governments	Scheduled commercial banks	Scheduled State Co-operative banks	Non-Scheduled State Co-operative banks	Other banks	Others	**Total**					Central Government	State Governments (*c*)	Scheduled Commercial banks	State Co-operative banks	Others (*d*)			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
As at the close of last Friday ..																				
1950-51 ..	162,04	26,40		59,28			72,31	**320,03**	33,10	**353,13**	11,89	206,03		1,56		16,75		8,21	99,20	9,50
1955-56 ..	67,34	62,03		53,24			16,68	**199,30**	59,46	**258,77**	11,92	89,72		—		79,94		12,23	47,19	17,77
1960-61 ..	76,46	28,99		70,85			87,96	**264,25**	221,39	**485,64**	7,94	13,24		39,02		185,50		39,17	180,95	19,82
1961-62 ..	71,30	15,89		72,73			152,36	**312,27**	231,84	**544,12**	25,42	15,84		80,89		177,69		46,60	163,43	34,24
1962-63 ..	55,83	31,42	74,91	2,49		4	172,39	**337,09**	263,18	**600,27**	8,62	11,30		54,76	71,28	134,35	1,68	66,00	216,87	35,40
1963-64 ..	84,15	15,97	76,66	2,34		4	161,71	**340,88**	282,76	**623,64**	19,87	13,82		70,62	84,16	133,98	2,82	64,60	203,63	30,13
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
1965-66 ..	51,44	25,76	99,77	4,07		2	193,85	**374,91**	349,28	**724,19**	24,93	14,87	—	211,21	73,52	165,85	5,20	53,01	132,25	43,34
1966-67 ..	116,90	38,90	127,82	5,84	63	11	278,97	**569,17**	416,32	**985,49**	45,65	48,21	—	70,66	139,72	170,68	7,01	228,13	238,13	37,31
1966-67 (Weekly)																				
As at the close of **1966**																				
April 1, ..	142,02	21,45	108,67	7,11		1	193,96	**473,22**	373,25	**846,47**	19,87	10,21	—	223,02	80,71	157,31	7,03	118,58	184,43	45,32
„ 8, ..	90,75	19,41	106,99	8,96		3	282,56	**508,69**	361,21	**869,90**	18,75	28,04	—	262,46	68,09	150,19	6,20	125,97	164,24	45,94
„ 15, ..	63,01	18,89	124,68	4,91		19	281,60	**493,29**	348,86	**842,16**	7,28	25,45	—	278,74	49,91	140,05	5,89	125,46	163,07	46,32
„ 22, ..	52,25	27,53	115,35	4,67		1	283,14	**482,96**	356,67	**839,62**	21,03	23,75	—	211,87	28,77	135,66	5,59	110,13	256,29	46,53
„ 29, ..	69,96	25,43	114,47	5,81		3	281,23	**496,93**	356,53	**853,46**	43,25	22,15	—	183,26	31,84	130,95	5,75	117,61	271,04	47,61
May 6, ..	51,79	24,01	118,97	4,60		3	280,12	**479,52**	357,12	**836,63**	23,63	19,13	—	180,31	39,80	136,90	6,50	116,36	266,33	47,67
„ 13, ..	50,32	20,54	118,51	5,06		3	280,62	**475,08**	372,23	**847,31**	24,20	13,14	—	161,78	68,10	139,24	7,13	111,18	274,87	47,68
„ 20, ..	55,44	11,98	121,88	5,36		13	280,99	**475,78**	363,31	**839,09**	23,38	9,42	—	169,38	42,87	135,29	7,54	88,01	315,60	47,61
„ 27, ..	50,95	22,69	122,15	5,50		3	279,36	**480,70**	370,13	**850,83**	42,33	7,29	—	140,01	34,27	134,51	7,80	71,64	364,94	48,04
June 3, ..	70,95	18,91	108,87	4,78		4	280,32	**483,87**	362,40	**846,27**	30,66	8,18	—	147,34	35,22	135,24	6,22	109,18	325,40	48,83
„ 10, ..	56,99	16,78	118,86	4,24		5	278,28	**475,21**	460,70	**935,91**	11,45	9,49	—	162,04	44,81	136,76	7,27	119,97	394,86	49,26
„ 17, ..	51,57	20,19	125,32	6,23		20	278,15	**481,66**	466,19	**947,85**	24,44	15,68	—	136,38	31,16	136,30	6,09	99,07	448,17	50,57
„ 24, ..	82,47	14,99	123,92	7,06		3	281,01	**509,49**	474,30	**983,79**	24,82	12,04	—	146,11	2,46	141,62	5,77	91,82	506,44	52,70
July 1, ..	54,28	18,52	127,96	14,31		13	334,08	**549,27**	332,45	**881,73**	30,50	19,14	—	48,33	64	168,33	5,75	103,49	449,81	55,73
„ 8, ..	57,70	11,77	122,09	13,02		4	333,00	**537,63**	321,04	**858,67**	8,84	9,24	—	56,85	20,62	163,58	5,90	96,07	443,62	53,94
„ 15, ..	54,25	19,27	129,06	10,52		4	333,45	**546,59**	317,45	**864,04**	23,32	9,24	—	58,75	20	161,43	6,68	91,28	463,55	49,60
„ 22, ..	60,01	38,99	128,08	7,22		1	334,71	**569,02**	315,58	**884,60**	25,08	20,29	—	33,04	32	159,76	7,05	120,41	476,36	42,30
„ 29, ..	132,72	34,51	122,90	5,69		7	296,66	**592,54**	317,84	**910,38**	36,15	9,08	—	34,01	2,04	158,54	8,17	121,92	500,07	40,40

August	5, ..	95,24	30,96	120,18	5,35		1	295,18	**546,93**	314,91	**861,84**	21,69	12,18	—	30,25	4,25	158,63	6,77	142,66	448,39	37,02
„	12, ..	124,14	18,15	118,08	5,53		—	294,90	**560,81**	315,65	**876,46**	19,53	12,58	—	31,10	38	158,00	6,83	182,54	428,43	37,07
„	19, ..	78,52	17,64	135,14	5,96		—	294,42	**531,68**	313,20	**844,88**	19,77	11,72	—	35,68	32	156,19	6,76	184,12	393,25	37,08
„	26, ..	86,08	11,24	120,74	5,97		1	247,78	**471,82**	312,41	**784,22**	33,35	9,20	—	38,00	1,47	156,73	6,67	172,04	334,11	32,65
September	2, ..	134,36	9,69	119,19	5,64		1	265,07	**533,96**	315,27	**849,23**	32,74	10,47	—	37,99	8,07	162,77	6,94	223,08	333,73	33,44
„	9, ..	156,24	6,69	126,58	5,54		—	262,07	**557,14**	309,93	**867,07**	18,07	17,57	—	48,42	7,22	165,16	6,91	272,49	297,89	33,34
„	16, ..	123,78	21,87	128,85	5,29		—	280,98	**560,77**	314,19	**874,96**	19,33	20,47	—	43,84	2,02	166,30	7,18	276,03	307,86	31,92
„	23, ..	177,80	22,24	124,73	6,21		—	255,44	**586,42**	308,91	**895,33**	23,67	21,35	—	38,64	3,19	165,69	7,21	246,53	357,28	31,78
„	30, ..	74,54	34,16	131,41	5,82		—	259,44	**505,38**	313,03	**818,40**	38,61	21,87	—	37,44	1,68	169,41	6,36	262,17	248,16	32,71
October	7, ..	80,71	5,95	117,83	5,11	57	13	256,39	**466,68**	309,70	**776,38**	7,47	19,78	—	56,77	87	168,70	6,46	300,01	183,60	32,72
„	14, ..	82,60	5,20	120,70	4,80	51	13	256,96	**470,90**	312,10	**783,00**	17,71	19,32	—	71,03	51	168,00	7,81	292,40	173,82	32,40
„	21, ..	52,39	14,93	133,88	4,87	51	18	258,43	**465,18**	318,31	**783,49**	33,27	15,28	—	68,66	51	169,68	6,31	262,75	196,02	31,02
„	28, ..	100,16	13,38	113,64	4,92	56	4	263,10	**495,79**	327,88	**823,67**	40,25	13,71	—	79,82	2,05	175,46	7,40	267,85	205,48	31,64
November	4, ..	80,63	15,99	123,19	4,57	53	3	267,98	**492,92**	320,49	**813,40**	38,58	17,40	—	90,74	5,17	178,49	6,51	276,76	168,22	31,53
„	11, ..	51,44	22,47	125,80	4,41	71	3	268,11	**472,98**	336,67	**809,66**	12,22	18,27	—	79,69	10,18	184,46	7,76	300,45	164,88	31,74
„	18, ..	51,65	18,43	123,48	4,07	46	3	267,17	**465,30**	340,45	**805,74**	26,60	18,84	—	88,13	1,39	181,43	7,45	270,40	179,94	31,57
„	25, ..	79,62	16,20	121,90	4,34	58	11	266,55	**489,31**	338,61	**827,92**	32,07	21,02	—	107,26	2,38	184,35	6,65	223,41	219,32	31,47
December	2, ..	118,31	15,85	126,87	4,50	55	6	268,77	**534,91**	337,33	**872,24**	13,42	19,76	—	103,59	23,07	187,69	7,03	269,67	215,68	32,32
„	9, ..	103,39	5,51	118,64	4,77	54	6	268,29	**501,20**	338,80	**840,00**	18,96	23,18	—	108,86	18,07	187,93	7,13	327,90	115,37	32,60
„	16, ..	61,99	11,27	117,00	4,72	50	4	267,31	**462,84**	337,72	**800,55**	21,86	31,39	—	102,58	9,59	187,91	7,67	287,29	119,53	32,74
„	23, ..	50,28	10,82	119,99	4,72	58	7	268,56	**455,01**	342,80	**797,81**	38,65	34,33	—	115,01	9,80	187,42	6,95	243,47	128,96	33,22
„	30, ..	54,50	10,17	153,68	5,34	50	7	273,50	**497,76**	346,81	**844,57**	31,36	17,31	—	114,77	7,46	188,14	7,09	270,96	174,21	33,27
1967																				
January	6, ..	51,06	7,83	111,46	4,52	50	4	277,38	**452,78**	341,82	**794,61**	24,56	14,81	—	133,13	11,21	188,62	6,89	266,45	115,59	33,34
„	13, ..	52,55	7,64	125,13	4,71	72	3	277,38	**468,17**	352,46	**820,63**	9,92	11,03	—	126,72	30,62	192,47	7,11	269,75	139,60	33,40
„	20, ..	52,49	15,41	115,84	4,07	57	3	274,87	**463,28**	358,47	**821,75**	24,65	16,42	—	104,29	14,68	189,99	6,98	250,85	182,81	31,09
„	27, ..	52,81	14,69	119,10	4,45	54	3	272,41	**464,03**	370,07	**834,11**	29,59	15,38	—	100,98	27,54	187,15	6,84	227,49	208,07	31,06
February	3, ..	55,69	5,06	126,01	4,31	57	4	271,89	**463,57**	370,93	**834,50**	43,02	9,95	—	113,85	50,42	186,21	6,63	230,68	159,75	33,98
„	10, ..	54,57	17,38	116,50	4,59	58	6	268,93	**462,61**	370,61	**833,22**	17,74	7,61	—	104,56	69,10	182,64	6,92	235,50	174,97	34,18
„	17, ..	52,46	26,37	113,74	4,53	59	3	272,18	**469,91**	366,35	**836,26**	25,65	12,70	—	109,38	68,58	182,71	6,94	220,41	175,62	34,28
„	24, ..	52,13	26,69	123,29	4,40	56	3	272,48	**479,59**	365,75	**845,33**	36,99	26,14	—	108,52	61,62	178,97	7,28	176,64	215,00	34,17
March	3, ..	99,80	27,58	115,87	5,00	52	5	275,36	**524,20**	371,59	**895,79**	8,36	33,80	—	111,14	122,97	180,13	6,87	180,85	216,32	35,36
„	10, ..	117,31	13,23	111,09	4,20	59	7	273,09	**519,58**	375,54	**895,11**	26,00	44,89	—	136,86	132,24	178,08	7,58	191,81	142,02	35,62
„	17, ..	133,60	20,27	112,50	4,57	58	3	266,91	**538,48**	387,11	**925,59**	21,58	51,36	—	155,98	128,28	175,32	7,29	179,64	170,35	35,79
„	24, ..	160,91	16,91	118,44	4,95	71	6	266,66	**568,64**	388,08	**956,71**	39,93	52,15	—	184,88	117,46	173,07	7,20	174,98	171,17	35,88
„	31, ..	116,90	38,90	127,82	5,84	63	11	278,97	**569,17**	416,32	**985,49**	45,65	48,21	—	70,66	139,72	170,68	7,01	228,13	238,13	37,31

(*a*) Including (i) paid-up capital of Rs. 5 crores, (ii) reserve fund of Rs. 5 crores upto June 28, 1957 and 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, Rs. 86 crores from July 3, 1964, Rs. 100 crores from July 2, 1965 and Rs. 115 crores from July 1, 1966, (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, Rs. 9 crores from July 3, 1964, Rs. 10 crores from July 2, 1965 and Rs. 16 crores from July 1, 1966 and (v) National Industrial Credit (Long-term Operations) Fund of Rs. 10 crores from July 3, 1964, Rs. 15 crores from July 2, 1965 and Rs. 20 crores from July 1, 1966. (*b*) Including cash and short-term securities. (*c*) Including temporary overdrafts to State Governments from August 23, 1957. (*d*) Including loans and advances to Industrial Development Bank of India from the National Industrial Credit (Long-term Operations) Fund with effect from the week ended January 1, 1965.

STATEMENT 22—RESERVE BANK OF INDIA AND CO-OPERATIVE CREDIT*

(In 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 High Yielding Varieties Programme [17 (4) (*c*)] at 2 per cent below Bank rate		For non-agricultural purposes							
					For financing handloom weavers' societies				For general banking purposes [17(4)(*a*)] at Bank rate		For financing working capital requirements of co-operative sugar factories [17 (2)(*b*) or (4)(*c*)] at Bank rate	
					For purchase of yarn [17(2)(*a*) or (4)(*c*)] at Bank rate		For production and marketing activities [17(2)(*bb*) or (4)(*c*)] at 1½ per cent below Bank rate					
	Amount drawn	Outstandings	Amount drawn	Outstandings	Amount drawn	Outstandings	Amount drawn	Outstandings	Amount drawn	Outstandings	Amount drawn	Outstandings
	1	2	3	4	5	6	7	8	9	10	11	12
1950-51	537.30	339.20	—	—	—	—	—	—	42.30	2.30	—	—
1955-56	2299.78	1233.48	—	—	—	—	—	—	38.60	13.00	—	—
1960-61	13166.16	7914.42	—	—	42.50	12.50	239.88	240.70	319.20	9.00	469.90	—
1961-62	15169.42	10751.22	—	—	173.90	65.00	354.30	335.63	983.00	18.50	2032.00	18.00
1962-63	18452.69	11909.02	—	—	238.00	77.75	451.66	443.59	1040.00	48.00	1475.00	19.00
1963-64	27453.15	12049.42	—	—	291.00	79.00	487.69	486.68	1474.50	70.00	—	—
1964-65	25293.73	13131.99	—	—	580.00	73.00	506.09	493.78	1322.00	58.00	—	—
1965-66	24937.22	14471.69	—	—	311.00	39.00	554.82	556.65	3723.00	—	—	—
1966-67	29891.54	14697.49	614.96	217.53	58.00	24.00	503.63‡	501.63‡	2381.00	59.00	—	—

* 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.
$ Includes finance for Intensive Agricultural District Programme also from 1961-62.
‡ Includes Rs. 17 lakhs under Section 17 (4) (*a*).

Year	National Agricultural Credit (stabilisation) Fund. Loans to State Co-operative Banks for conversion of short-term loans into medium-term loans in areas affected by drought [46 (B) (2)] at 1½ per cent below Bank rate		National Agricultural Credit (Long-term Operations) Fund								Ordinary debentures of Land Mortgage Banks	
			Medium-term loans to State Co-operative Banks for agricultural purposes [17(4AA) read with 46A (2)(*b*)] at 2 per cent below Bank rate**		Medium-term loans to State Co-operative Banks for financing small and medium cultivators to enable them to purchase shares in co-operative sugar factories [17(4AA) read with 46A(2)(*b*)] at Bank rate		Long-term loans to State Governments for contribution to the share capital of co-operative credit societies [17(4AA) read with 46A(2)(*a*)]@@		Rural debentures of Land Mortgage Banks§ [17(4AA) read with 46A(2)(*d*)]			
	Amount drawn	Outstandings	Amount drawn	Outstandings	Amount drawn	Outstandings	Amount drawn	Outstandings	Purchases	Outstandings	Purchases	Outstandings
	13	14	15	16	17	18	19	20	21	22	23	24
1950-51	—	—	—	—	—	—	—	—	—	—	12.00	18.13
1955-56	—	—	41.34	51.11	—	—	—	—	—	—	9.50	73.38
1960-61	—	—	467.90	763.19	—	—	274.58	1995.17	33.17	107.15	2.90	66.81
1961-62	—	—	711.33	1081.50	10.00	10.00	542.65	2436.80	70.81	177.96	72.20	139.02
1962-63	—	—	348.85	918.86	8.81	15.97	491.34	2714.53	106.92	284.88	167.16	290.18
1963-64	—	—	448.24	863.62	—	9.87	330.81†	2831.63	74.48	359.36	334.46	614.26
1964-65	—	—	737.38	1105.02	—	4.89	418.25	2987.85	86.16	445.53	481.20	1095.46
1965-66	—	—	706.30	1165.44	—	—	252.82	2941.31	129.12	547.77	449.77	1545.23
1966-67	468.31	341.86	746.18	1221.04	5.00	5.00	227.10	2821.49	164.16	711.93	437.14	1976.37

** Rate of interest of loans sanctioned with effect from November 1, 1960 raised to 1½ per cent below Bank rate. Includes Rs. 30.75 lakhs and Rs. 40.52 lakhs representing the amount drawn and outstanding respectively at the end of 1955-56 prior to constitution of the Fund.
@@ Rate of interest charged to State Governments is 'nil' per cent for the first two years, 2 per cent during the next three years, 2½ per cent for the next four years and 3 per cent during the next three years.
† Of this Rs. 27,65 lakhs pertain to the amount sanctioned in 1962-63.
§ Include special development debentures from 1962-63.

STATEMENT 23—RESERVE BANK OF INDIA AND INDUSTRIAL FINANCE

(In 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(*b*)
	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
1965-66	—	220.00	243.00	20.85	1,000.00	—	308.87
1966-67	—	220.00	243.00	20.85	1,000.00	—	517.90

Note : Consequent on the merger of the Refinance Corporation for Industry 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.

(*a*) From August 1, 1964 all the shares of the Industrial Finance Corporation of India held by the Reserve Bank of India have been transferred to the Industrial Development Bank of India. (*b*) Relates to the data on long-term finance to Industrial Development Bank, for the purpose of purchase of or subscription to stocks, shares, bonds, debentures issued by Industrial Finance Corporation, S.F.C.'s or any other notified financial institution or for purposes of any other business of Industrial Development Bank.

Outstanding as on last Friday	B. Medium-term Finance to		C. Short -term Finance to
	Industrial Finance Corporation [Under Section 17 (4B)(*b*) of the Reserve Bank of India Act]	State Financial Corporations 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	52.10
1965-66	82.00	77.00	51.69
1966-67	—	132.75	50.05
March 1966	82.00	77.00	51.69
April „	109.00	92.00	64.69
May „	278.00	134.00	59.14
June „	—	138.50	53.95
July „	184.50	149.50	73.40
August „	29.50	176.50	51.51
September „	—	192.50	34.06
October „	150.75	165.50	14.76
November „	19.50	186.50	33.26
December „	—	181.80	26.26
January 1967	30.75	141.55	17.96
February „	84.25	91.05	35.00
March „	—	132.75	50.05

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 24—MONEY RATES

(Per cent per annum)

Year/Month	STATE BANK OF INDIA					OTHER SELECTED MAJOR SCHEDULED COMMERCIAL BANKS								
			Call Loan		Call Money From Banks			Deposits upto 14 Days From Banks (4)			Bazar Bill Rate (5)		
	Bank Rate	Hundi Rate	Advance Rate (1)	Scheduled Commercial Banks(2)	Co-operative Banks(3)	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras	Bombay	Calcutta	Madras
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1955-56	3½	4½-5(*a*)	4	3½	3½	2.75	3.16	2.93	2.97	1.32	2.98	10⅜	10½-11	12
1960-61	4	5¼-6½(*b*)	4½-5(*c*)	4-6(*c*)	4-4½(*c*)	4.24	4.30	3.74	3.07	2.81	2.79	9.00-12.00	9.50-13.00	12.00-13.92
1961-62	4	6½	5	6	4½	4.24	4.14	4.07	3.00	3.00	3.00	10.50-12.00	12.50-13.50	13.92
1962-63	4-4½	6½-7(*d*)	5	6-6½(*e*)	4½	4.16	3.91	3.70	2.97	2.87	2.59	10.50-12.00	12.50-13.00	13.92-15.00
1963-64	4½	7¼(*f*)	5-6(*f*)	6½-6¾(*g*)	4½-5(*f*)	3.87	4.09	4.11	2.95	2.97	3.00	12.00	13.00	15.00
1964-65	4½-6	7¼-9½(*h*)	6-7(*i*)	6¾-7½(*j*)	5-6¾(*k*)	4.01	4.48	4.46	2.95	2.96	3.00	12.00	13.00-15.00	15.00-17.40
									7.93	5.01	5.51			
1965-66	6	9¼-9¾(*m*)	7-7½(*l*)	7½-9(*l*)	6¾-8(*l*)	6.26	6.81	6.06	8.34	8.30	7.63	12.00-15.00	15.00	17.40-19.80
1966-67	6	9¾	7½	9	8	5.16	5.51	4.57	8.81	6.39	6.91	15.00	15.00	19.80
March 1966	6	9¾	7½	9	8	6.09	7.73	5.47	7.50	7.08	7.00	15.00	15.00	19.80
April „	6	9¾	7½	9	8	5.40	5.98	5.26	7.50	7.50	6.25	15.00	15.00	19.80
May „	6	9¾	7½	9	8	4.15	5.33	4.01	@	@	@	15.00	15.00	19.80
June „	6	9¾	7½	9	8	3.99	4.23	2.97	@	@	@	15.00	15.00	19.80
July „	6	9¾	7½	9	8	3.76	3.36	2.72	@	4.58	@	15.00	15.00	19.80
August „	6	9¾	7½	9	8	3.80	4.63	3.50	@	@	@	15.00	15.00	19.80
September „	6	9¾	7½	9	8	3.93	4.31	4.69	@	@	@	15.00	15.00	19.80
October „	6	9¾	7½	9	8	3.96	4.21	3.69	@	@	@	15.00	15.00	19.80
November „	6	9¾	7½	9	8	4.15	5.46	3.65	@	@	@	15.00	15.00	19.80
December „	6	9¾	7½	9	8	5.28	6.05	4.86	7.62	@	@	15.00	15.00	19.80
January 1967	6	9¾	7½	9	8	5.91	5.68	5.95	8.25	@	7.70	15.00	15.00	19.80
February „	6	9¾	7½	9	8	6.00	6.76	6.99	8.50	7.00	@	15.00	15.00	19.80
March „	6	9¾	7½	9	8	9.98	11.40	9.50	14.54	@	@	15.00	15.00	19.80

Note : The Reserve Bank of India rate was raised from 3½ per cent (in operation since 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 commercial 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. 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 46(A)(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.

The rates given in this statement are the rates at which the banks are prepared to discount or rediscount bills of exchange, to give loans and advances or to accept deposits. The rates given in columns 6 to 11 are the weighted averages of the quotations, the weights being proportional to the amounts accepted during the period.

(1) The Bank's prime lending rate, which regulates all interest rates for the various categories and classes of advances granted by the Bank. (2) Prior to October 1, 1960 the rates relate to call loans above Rs. 5 lakhs, the loans below Rs. 5 lakhs were charged quarter per cent more during this period. (3) From January 1, 1966 the rates relate to call loans of Rs. 1 lakh and above ; loans below Rs. 1 lakh are charged half per cent less. (4) Data prior to October 1964 relate to deposits at notice of seven days. (5) 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.

(*a*) From March 7, 1956. (*b*) 6 per cent with effect from May 15, 1960 and 6½ per cent with effect from October 1, 1960. (*c*) With effect from October 1, 1960. (*d*) With effect from January 4, 1963. (*e*) With effect from November 15, 1962. (*f*) With effect from April 6, 1963. (*g*) 6¼ per cent with effect from January 29, 1964 and 6¾ per cent with effect from March 12, 1964. (*h*) 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. (*i*) 6¼ per cent with effect from October 1, 1964 and 7 per cent with effect from February 18, 1965. (*j*) 7½ per cent with effect from February 18, 1965. (*k*) 5¾ 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. (*l*) With effect from January 1, 1966. (*m*) With effect from February 3, 1966.

@ No transaction.

Source : State Bank of India and selected major scheduled commercial banks.

STATEMENT 25—REMITTANCES THROUGH THE RESERVE BANK OF INDIA

Telegraphic Transfers Issued and Paid

(In 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*
1965-66	**6,187.6**	**4,559.5**	841.4	*702.4*	2,265.0	*2,777.3*	726.8	*455.6*	165.7	*129.7*	258.5	*391.5*	67.8	*19.7*	1,862.4	*83.3*
1966-67	**6,490.4**	**4,736.0**	892.6	*798.9*	2,358.1	*2,775.9*	755.1	*414.0*	290.7	*132.9*	343.8	*521.3*	69.8	*27.1*	1,780.4	*65.9*
April 1965 to September 1965	**3,157.5**	**2,309.1**	402.1	*353.0*	1,158.8	*1,441.2*	358.9	*226.4*	97.8	*55.3*	120.1	*181.6*	30.4	*8.1*	989.4	*43.5*
October 1965 to March 1966 ..	**3,030.1**	**2,250.4**	439.3	*349.4*	1,106.2	*1,336.1*	367.9	*229.2*	67.9	*74.4*	138.4	*209.9*	37.4	*11.6*	873.0	*39.8*
April 1966 to September 1966	**3,236.6**	**2,384.3**	377.4	*412.0*	1,172.8	*1,432.0*	329.6	*157.8*	213.0	*59.9*	193.0	*266.3*	38.7	*11.1*	912.1	*45.1*
October 1966 to March 1967	**3,253.9**	**2,351.7**	515.2	*386.9*	1,185.3	*1,343.8*	425.4	*256.2*	77.7	*73.0*	150.8	*255.0*	31.1	*16.0*	868.3	*20.8*

Note : Figures relate to the Indian Union. (*a*) Opened in July 1953. (*b*) Opened in September 1956.

STATEMENT 26—BORROWINGS BY SCHEDULED COMMERCIAL BANKS FROM THE RESERVE BANK OF INDIA AT VARIOUS RATES OF INTEREST

(In lakhs of rupees)

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 7%	At 8%	At 9%	At 10%	Over 10%	
	1	2	3	4	5	6	7	8
1966-67* ..	**19,82**	18,27	46	4	38	45	21	6.25
March 1966 ..	**91,40**	77,77	3,75	5,72	2,59	75	82	6.33
April ,, ..	**51,86**	44,02	1,32	7	2,34	2,79	1,33	6.56
May ,, ..	**46,26**	44,08	1,89	25	4	—	—	6.05
June ,, ..	**28,41**	28,40	1	—	—	—	—	6.00
July ,, ..	**4,76**	4,76	—	—	—	—	—	6.00
August ,, ..	**1,60**	1,60	—	—	—	—	—	6.00
September ,, ..	**4,44**	4,43	1	—	—	—	—	6.00
October ,, ..	**99**	99	—	—	—	—	—	6.00

Average of Fridays	Outstandings under Section 17(4)(*a*), 17(4) (*c*) and 17(3A) of the Reserve Bank of India, 1934				Weighted average rate of borrowings (Per cent)
	Total	At 6%	At 10%	Over 10%	
	1	2	3	4	5
1966-67** ..	**47,89**	46,29	59	1,00	6.28
November 1966 ..	**4,78**	4,78	—	—	6.00
December ,, ..	**13,60**	13,60	—	—	6.00
January 1967 ..	**21,02**	21,02	—	—	6.00
February ,, ..	**62,43**	62,29	14	—	6.01
March ,, ..	**126,53**	119,62	2,49	4,42	6.46

Note : Upto September 25, 1964 interest was charged under the slab-rate system. Effective from September 26, 1964, the slab-rate system was replaced by a new system under which borrowings of scheduled commercial banks are linked to the net liquidity ratio. From October 29, 1966 the existing system has been modified. For further details, please refer to Chapter III of this Report and also pp. 61-62 and Statement 26 of the Report on Currency and Finance, 1965-66. The weighted average rates of borrowings for the earlier years were : 1960-61—5.12% (average of 23 weeks), 1961-62—4.81%, 1962-63—5.19%, 1963-64—5.15%, 1964-65—5.18% and 1965-66—6.87%.

* Average of 31 weeks. ** Average of 22 weeks.

STATEMENT 27-[illegible]—ALL SCHEDULED BANKS : BUSINESS IN INDIA (ANNUAL AND WEEKLY)

(Amount in lakhs of rupees)

	No. of reporting banks	Demand liabilities (*a*)				Time liabilities (*a*)				Aggregate deposits (3+7)	Borrowings from Reserve Bank (*b*)			Borrowings from State Bank of India and/or a notified bank (*c*) and State Governments (*d*)
		Deposits		Borrowings from banks	Others	Deposits		Borrowings from banks	Others		Against usance bills and/or promissory notes	Others	Total	
		Inter-bank	Others			Inter-bank	Others							
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
As at the close of last Friday 1966-67	87	125,80	1,674,20	17,03	97,06	60,65	1,814,87	21,10	26,19	**3,489,07**	218,23	75,60	**293,82**	102,24
1966-67 (Weekly) Friday figures 1966														
August 12, ...	88	100,48	1,531,24	24,19	95,68	108,61	1,741,82	36,03	22,12	**3,273,06**	139,93	3,13	**143,06**	79,02
„ 19, ...	88	103,90	1,544,85	21,79	95,29	107,87	1,749,30	37,94	21,78	**3,294,15**	138,89	4,79	**143,68**	79,55
„ 26, ...	88	100,66	1,548,58	23,31	94,40	113,43	1,757,63	36,83	21,53	**3,306,21**	139,13	6,14	**145,27**	79,76
September 2, ...	88	95,69	1,529,95	22,26	95,04	111,87	1,763,73	38,26	22,76	**3,293,67**	143,67	13,86	**157,53**	81,01
„ 9, ...	88	98,38	1,530,33	30,21	95,61	107,86	1,766,71	38,00	22,65	**3,297,04**	146,90	12,60	**159,50**	79,12
„ 16, ...	88	95,67	1,561,07	27,54	104,80	108,36	1,775,88	38,66	22,37	**3,336,95**	148,73	7,10	**155,83**	80,08
„ 23, ...	88	95,27	1,539,27	33,26	95,02	106,85	1,783,71	35,62	22,57	**3,322,98**	146,11	10,80	**156,92**	82,16
„ 30, ...	88	95,87	1,532,91	25,72	100,78	104,42	1,779,87	35,81	25,89	**3,312,77**	149,45	8,03	**157,48**	83,10
October 7, ...	88	96,31	1,521,32	28,42	95,89	102,88	1,795,19	36,24	25,92	**3,316,51**	149,53	6,52	**156,05**	82,58
„ 14, ...	88	95,52	1,519,09	31,07	104,62	105,26	1,805,67	37,09	25,46	**3,324,76**	149,69	6,11	**155,80**	82,00
„ 21, ...	88	95,31	1,529,13	27,17	96,86	102,29	1,806,07	36,32	25,73	**3,335,20**	150,72	6,46	**157,18**	81,58
„ 28, ...	88	95,89	1,547,23	30,88	109,54	102,42	1,807,44	34,50	25,29	**3,354,67**	155,23	8,06	**163,28**	82,02

November	4,	..	..	88	92,75	1,544,83	32,67	111,80	100,65	1,815,18	34,15	25,01	**3,360,01**	157,22	11,26	**168,48**	84,79
„	11,	..	..	88	91,97	1,520,70	32,70	110,24	103,40	1,818,51	33,94	24,90	**3,339,21**	161,91	18,31	**180,22**	72,65
„	18,	..	..	88	96,36	1,546,19	31,14	113,74	101,22	1,818,75	36,30	24,41	**3,364,94**	160,99	7,27	**168,26**	81,58
„	25,	..	..	88	98,17	1,547,09	29,28	114,95	104,59	1,823,43	38,84	24,12	**3,370,52**	163,24	8,96	**172,20**	83,40
December	2,	..	..	88	97,71	1,518,22	25,89	119,32	104,70	1,812,72	38,84	25,68	**3,330,94**	167,09	29,45	**196,54**	85,96
„	9,	..	..	88	101,53	1,519,00	27,25	111,89	98,39	1,813,17	37,12	25,48	**3,332,17**	166,65	24,55	**191,20**	85,27
„	16,	..	..	88	103,76	1,537,89	32,85	113,11	97,89	1,806,38	30,44	25,04	**3,344,26**	168,46	15,52	**183,97**	83,86
„	23,	..	..	88	111,29	1,546,34	35,14	117,20	96,23	1,811,91	28,66	24,47	**3,358,25**	167,36	15,87	**183,23**	85,25
„	30,	..	..	88	131,32	1,601,35	27,97	115,27	91,88	1,836,41	28,16	26,56	**3,437,76**	169,68	12,08	**181,76**	89,65
1967																	
January	6,	..	..	88	99,70	1,562,25	36,33	113,93	86,71	1,833,85	24,87	24,57	**3,396,10**	171,38	16,07	**187,45**	94,61
„	13,	..	..	88	98,76	1,550,30	22,10	105,79	86,26	1,826,50	21,74	23,83	**3,376,80**	172,91	35,58	**208,48**	94,84
„	20,	..	..	88	100,85	1,571,53	27,90	106,00	80,23	1,822,35	19,19	23,86	**3,393,88**	170,02	20,86	**190,88**	95,77
„	27,	..	..	87	102,23	1,581,62	26,03	104,08	78,41	1,819,09	19,48	23,46	**3,400,70**	173,93	26,64	**200,56**	97,84
February	3,	..	..	87	98,91	1,574,53	21,45	99,68	71,24	1,825,12	15,94	25,36	**3,399,65**	180,76	40,98	**221,73**	98,15
„	10,	..	..	87	99,12	1,569,76	20,12	94,97	68,74	1,837,31	17,76	25,36	**3,407,07**	188,02	48,87	**236,89**	99,10
„	17,	..	..	87	100,03	1,582,94	23,47	101,72	64,46	1,836,76	18,80	25,21	**3,419,70**	192,52	43,30	**235,81**	97,36
„	24,	..	..	87	99,73	1,599,16	18,32	101,75	66,99	1,833,09	22,26	24,84	**3,432,25**	190,67	35,43	**226,10**	99,77
March	3,	..	..	87	97,37	1,575,93	18,97	102,68	64,37	1,829,48	21,62	26,60	**3,405,40**	215,35	72,26	**287,61**	101,63
„	10,	..	..	87	98,70	1,574,79	19,73	107,72	60,58	1,826,66	21,61	26,03	**3,401,44**	213,83	80,84	**294,67**	99,73
„	17,	..	..	87	95,68	1,601,96	18,28	99,55	55,29	1,828,82	21,39	25,55	**3,430,78**	215,40	72,56	**287,97**	100,18
„	24,	..	..	87	95,17	1,629,13	19,83	103,42	58,78	1,819,01	19,70	25,18	**3,448,14**	214,29	60,49	**274,78**	102,08
„	31,	..	..	87	125,80	1,674,20	17,03	97,06	60,65	1,814,87	21,10	26,19	**3,489,07**	218,23	75,60	**293,82**	102,24

STATEMENT 27—ALL SCHEDULED BANKS : BUSINESS IN INDIA (ANNUAL AND WEEKLY)—(*Contd.*)

(Amount in lakhs of rupees)

	Cash in hand and balances with Reserve Bank				Balances with other banks in current account	Money at call and short notice	Investments in Government securities (*e*)		Bank credit					
									Advances		Bills purchased and discounted			
	Cash in hand	Balances with Reserve Bank	Total	*Percentage of (17) to (10)*				*Percentage of (21) to (10)*	Loans, cash credits and overdrafts	Due from banks	Inland	Foreign	Total	*Percentage of (27) to (10)*
	15	16	17	18	19	20	21	22	23	24	25	26	27	28
As at the close of last Friday														
1966-67	87,68	133,46	**221,14**	*6.3*	53,35	39,00	923,04	*26.5*	2,275,71	260,61	362,61	116,08	**2,754,40**	*78.9*
1966-67 (Weekly) Friday figures 1966														
August 12, ...	75,67	119,75	**195,42**	*6.0*	30,73	72,17	1,043,11	*31.9*	2,132,12	92,54	226,47	99,38	**2,457,97**	*75.1*
„ 19, ...	79,26	125,45	**204,70**	*6.2*	30,96	71,23	1,072,50	*32.6*	2,112,36	102,45	221,83	103,51	**2,437,70**	*74.0*
„ 26, ...	78,81	117,57	**196,38**	*5.9*	31,91	71,47	1,107,47	*33.5*	2,098,48	102,04	222,81	109,24	**2,430,53**	*73.5*
September 2, ...	77,50	125,68	**203,17**	*6.2*	29,93	72,05	1,076,65	*32.7*	2,135,85	102,20	221,13	110,47	**2,467,44**	*74.9*
„ 9, ...	81,82	125,11	**206,93**	*6.3*	33,83	78,00	1,048,84	*31.8*	2,016,48	215,86	221,11	110,07	**2,347,67**	*71.2*
„ 16, ...	82,52	121,05	**203,57**	*6.1*	33,44	79,07	1,072,54	*32.1*	1,994,51	245,83	211,63	108,33	**2,314,47**	*69.4*
„ 23, ...	78,74	121,64	**200,38**	*6.0*	31,64	80,19	1,127,32	*33.9*	1,967,86	250,59	214,34	111,89	**2,294,10**	*69.0*
„ 30, ...	78,77	126,97	**205,75**	*6.2*	30,86	71,73	1,112,91	*33.6*	1,986,24	248,79	211,88	112,60	**2,310,72**	*69.8*
October 7, ...	76,21	120,58	**196,79**	*5.9*	31,13	74,80	1,106,93	*33.4*	1,964,80	272,48	212,86	112,14	**2,289,80**	*69.0*
„ 14, ...	76,99	118,49	**195,48**	*5.9*	31,52	77,48	1,122,41	*33.8*	1,953,14	276,38	216,19	112,60	**2,281,93**	*68.6*
„ 21, ...	76,75	132,11	**208,86**	*6.3*	31,32	75,37	1,140,08	*34.2*	1,947,98	273,24	220,00	115,97	**2,283,95**	*68.5*
„ 28, ...	83,59	120,67	**204,26**	*6.1*	32,90	75,47	1,158,94	*34.6*	1,943,49	272,42	222,14	121,64	**2,287,28**	*68.2*

November	4,	..	..	..	88,15	130,85	**219,01**	*6.5*	32,33	76,49	1,148,26	*34.2*	1,962,77	279,29	228,36	124,80	**2,315,93**	*68.9*
,,	11,	..	..	..	79,20	121,69	**200,89**	*6.0*	31,82	79,63	1,100,33	*33.0*	1,981,23	279,23	230,41	125,00	**2,336,64**	*70.0*
,,	18,	..	..	..	91,11	125,00	**216,12**	*6.4*	33,27	81,31	1,101,81	*32.7*	1,974,40	276,23	228,55	122,31	**2,325,27**	*69.1*
,,	25,		..	..	84,82	119,30	**204,12**	*6.1*	33,11	81,01	1,138,05	*33.8*	1,962,27	280,40	230,16	127,55	**2,319,98**	*68.8*
December	2,	..	..	..	82,60	131,15	**213,75**	*6.4*	31,70	74,20	1,095,80	*32.9*	1,997,26	284,68	246,93	122,38	**2,366,57**	*71.0*
,,	9,	..	..	..	81,17	124,66	**205,83**	*6.2*	31,69	73,87	1,064,04	*31.9*	2,012,05	283,50	254,17	120,93	**2,387,14**	*71.6*
,,	16,	..	..	..	82,66	120,18	**202,83**	*6.1*	33,10	78,51	1,052,91	*31.5*	2,024,15	280,69	252,09	116,93	**2,393,17**	*71.6*
,,	23,	..	..	..	81,19	125,06	**206,26**	*6.1*	33,48	82,82	1,048,20	*31.2*	2,041,57	275,01	256,30	116,47	**2,414,35**	*71.9*
,,	30,	..	..	..	99,51	154,97	**254,47**	*7.4*	56,82	71,87	984,61	*28.6*	2,109,37	283,09	258,35	117,23	**2,484,95**	*72.3*
1967																		
January	6,	..	..	..	83,14	124,89	**208,03**	*6.1*	39,66	76,27	1,000,21	*29.4*	2,123,14	286,15	268,18	121,98	**2,513,31**	*74.0*
,,	13,	..	..	..	79,79	125,04	**204,84**	*6.1*	32,79	56,77	965,12	*28.6*	2,144,54	285,36	268,93	122,12	**2,535,58**	*75.1*
,,	20,	..	..	..	86,04	117,89	**203,94**	*6.0*	34,18	58,14	962,27	*28.4*	2,142,22	282,99	284,92	121,42	**2,548,56**	*75.8*
,,	27,	..	..	..	90,65	117,83	**208,48**	*6.1*	33,40	55,34	961,03	*28.3*	2,154,90	283,06	284,83	121,35	**2,561,08**	*75.3*
February	3,	..	..	..	86,19	127,99	**214,18**	*6.3*	32,58	45,32	960,63	*28.3*	2,177,66	285,23	292,11	124,34	**2,594,11**	*76.3*
,,	10,	..	..	..	83,42	118,40	**201,82**	*5.9*	35,41	40,39	941,22	*27.6*	2,182,16	280,98	302,72	123,51	**2,608,40**	*76.6*
,,	17,	..	..	..	87,06	117,44	**204,49**	*6.0*	34,49	43,41	936,82	*27.4*	2,196,07	279,04	303,69	120,92	**2,620,68**	*76.6*
,,	24,	..	..	..	86,41	119,55	**205,96**	*6.0*	35,96	38,16	939,38	*27.4*	2,197,24	278,38	307,98	115,52	**2,620,74**	*76.4*
March	3,	..	..	..	86,10	122,81	**208,91**	*6.1*	42,40	37,39	931,82	*27.4*	2,238,89	275,62	323,69	114,40	**2,676,98**	*78.6*
,,	10,	..	..	..	87,20	128,05	**215,24**	*6.3*	35,39	36,66	928,43	*27.3*	2,250,31	271,22	342,60	112,96	**2,705,87**	*79.6*
,,	17,	..	..	..	86,63	117,80	**204,43**	*6.0*	35,29	35,83	923,18	*26.9*	2,255,30	268,46	345,13	112,17	**2,712,61**	*79.1*
,,	24,	..	..	..	88,91	130,02	**218,93**	*6.4*	35,73	39,51	930,85	*27.0*	2,263,85	266,49	349,36	115,70	**2,728,90**	*79.1*
,,	31,	..	..	..	87,68	133,46	**221,14**	*6.3*	53,35	39,00	923,04	*26.5*	2,275,71	260,61	362,61	116,08	**2,754,40**	*78.9*

Note : The data on scheduled state co-operative banks are included from August 12, 1966. (*a*) Data do not include borrowings of any scheduled state co-operative bank from State Government and any reserve fund deposit required to be maintained with such bank by any co-operative society within the area of operation of such bank. (*b*) As available in the Reserve Bank records in the case of scheduled commercial banks and as reported by the banks in the case of scheduled state co-operative banks. (*c*) Includes borrowings from the Industrial Development Bank of India and the Agricultural Refinance Corporation. (*d*) Borrowings from State Governments relate to scheduled state co-operative banks only. (*e*) At book value; including Treasury bills and Treasury Deposit Receipts etc. For further details reference may be made to the footnotes to Statement 28.

STATEMENT 28—SCHEDULED COMMERCIAL 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 Reserve Bank (*e*)			Borrowings from State Bank of India and/or a notified bank†
		Deposits		Borrowings from banks (*a*)	Others (*b*)	Deposits		Borrowings from banks (*a*)	Others (*c*)		Against usance bills and/or promissory notes	Others	Total	
		Inter-bank	Others			Inter-bank	Others							
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
As at the close of last Friday														
1950-51	93			23,62	592,55			8	288,06	**880,61**	—	12,41	**12,41**	..
1955-56	89			4,87	630,80			3,01	412,35	**1,043,15**	27,43	37,65	**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**	45,39	49,15	**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**	40,73	12,31	**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**	53,30	17,99	**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**	47,59	36,58	**84,16**	26,91
1964-65	76	75,69	1,239,35	20,40	71,78	25,39	1,343,95	16,06	14,15	**2,583,30**	52,97	100,05	**153,02**	57,85
1965-66	76	80,46	1,426,86	39,59	75,22	41,50	1,522,97	26,75	17,82	**2,949,83**	43,25	30,26	**73,52**	52,39
1966-67	75	111,27	1,649,14	16,38	91,99	33,04	1,775,68	19,59	24,39	**3,424,82**	73,18	66,54	**139,72**	62,04
1966-67 (Weekly) Friday figures 1966														
April 1, ...	76	95,07	1,443,70	32,82	68,17	46,05	1,540,27	30,26	19,03	**2,983,97**	56,55	24,16	**80,71**	53,30
,, 8, ...	76	89,62	1,423,78	39,70	70,29	48,85	1,559,64	31,38	18,99	**2,983,42**	55,67	12,42	**68,09**	52,72
,, 15, ...	76	83,88	1,439,49	41,95	89,35	52,71	1,566,81	27,89	18,39	**3,006,30**	39,42	10,48	**49,91**	52,38
,, 22, ...	76	81,45	1,445,00	47,89	91,65	51,71	1,576,72	26,48	18,20	**3,021,72**	26,11	2,66	**28,77**	52,81
,, 29, ...	76	81,72	1,441,11	43,92	95,28	49,33	1,588,05	24,09	17,44	**3,029,16**	26,25	5,59	**31,84**	54,73
May 6, ...	76	78,62	1,437,95	42,99	92,86	49,17	1,594,84	24,53	18,90	**3,032,78**	29,75	10,05	**39,80**	55,60
,, 13, ...	76	81,22	1,427,51	47,01	77,47	44,98	1,606,35	26,40	18,59	**3,033,86**	48,67	19,43	**68,10**	54,84
,, 20, ...	76	80,54	1,432,19	37,71	85,93	48,20	1,613,44	27,57	18,26	**3,045,64**	41,71	1,16	**42,87**	53,91
,, 27, ...	76	83,79	1,434,46	33,86	84,64	52,41	1,619,35	29,38	18,08	**3,053,80**	32,39	1,88	**34,27**	54,13

June	3,	..	..	76	81,11	1,430,38	35,12	84,81	56,10	1,625,97	31,71	19,37	**3,056,35**	33,39	1,83	**35,22**	53,83
,,	10,	..	..	76	79,84	1,437,86	40,58	82,41	55,68	1,625,85	28,69	19,29	**3,063,71**	41,61	3,19	**44,81**	54,94
,,	17,	..	..	76	86,94	1,456,54	27,24	83,58	54,77	1,638,73	26,98	18,86	**3,095,27**	30,36	80	**31,16**	55,06
,,	24,	..	..	76	85,04	1,477,31	26,64	83,64	65,52	1,645,86	28,27	18,86	**3,123,17**	1,00	1,46	**2,46**	54,98
July	1,	..	..	76	92,20	1,518,02	28,41	93,25	72,06	1,631,43	29,68	20,78	**3,149,44**	—	64	**64**	55,04
,,	8,	..	..	76	87,11	1,500,92	31,13	86,86	77,45	1,647,66	28,49	19,60	**3,148,58**	—	20,62	**20,62**	56,19
,,	15,	..	..	76	82,12	1,523,59	28,34	90,40	81,20	1,665,30	26,25	19,31	**3,188,89**	—	20	**20**	53,52
,,	22,	..	..	76	83,26	1,525,02	25,49	92,99	82,77	1,679,22	29,30	18,75	**3,204,24**	—	32	**32**	53,71
,,	29,	..	..	76	79,95	1,532,24	25,58	95,81	81,80	1,690,22	28,72	18,45	**3,222,45**	—	2,04	**2,04**	55,90
August	5,	..	..	76	78,41	1,514,07	26,84	94,88	75,27	1,695,28	28,10	20,18	**3,209,34**	—	4,25	**4,25**	54,14
,,	12,	..	..	76	81,12	1,511,73	24,19	91,78	70,06	1,703,25	36,03	19,67	**3,214,98**	—	38	**38**	52,96
,,	19,	..	..	76	83,88	1,524,29	21,75	91,56	69,30	1,710,98	37,94	19,43	**3,235,27**	—	32	**32**	53,37
,,	26,	..	..	76	84,98	1,526,03	18,37	90,72	74,96	1,718,82	35,78	19,69	**3,244,85**	—	1,47	**1,47**	53,44
September	2,	..	..	76	80,10	1,506,97	21,04	91,31	73,85	1,725,54	37,43	21,31	**3,232,51**	—	8,07	**8,07**	54,67
,,	9,	..	..	76	84,68	1,507,33	29,09	91,75	70,62	1,727,87	37,36	21,19	**3,235,20**	—	7,22	**7,22**	52,27
,,	16,	..	..	76	83,51	1,538,37	26,44	101,02	71,72	1,737,95	35,79	21,00	**3,276,32**	—	2,02	**2,02**	52,32
,,	23,	..	..	76	81,30	1,516,50	29,59	90,54	72,55	1,744,80	34,74	20,69	**3,261,30**	—	3,19	**3,19**	54,81
,,	30,	..	..	76	82,51	1,510,21	21,67	96,76	71,58	1,741,22	34,54	22,84	**3,251,42**	—	1,68	**1,68**	55,35
October	7,	..	..	76	83,69	1,499,06	26,34	92,13	69,39	1,755,76	34,61	22,28	**3,254,83**	—	87	**87**	55,10
,,	14,	..	..	76	83,70	1,495,80	28,62	100,90	72,47	1,765,37	35,35	21,87	**3,261,17**	—	51	**51**	54,48
,,	21,	..	..	76	83,27	1,507,14	25,57	93,35	70,25	1,766,52	34,30	22,12	**3,273,66**	—	51	**51**	54,75
,,	28,	..	..	76	84,55	1,525,91	30,40	106,10	70,71	1,768,13	32,56	21,71	**3,294,04**	—	2,05	**2,05**	55,11
November	4,	..	..	76	81,04	1,523,05	32,30	108,44	68,26	1,774,25	32,20	23,41	**3,297,30**	—	5,17	**5,17**	56,66
,,	11,	..	..	76	81,58	1,498,96	32,41	106,87	72,03	1,777,28	32,10	23,39	**3,276,25**	—	10,18	**10,18**	45,57
,,	18,	..	..	76	85,07	1,524,03	27,76	110,42	69,63	1,778,51	34,15	22,90	**3,302,55**	—	1,39	**1,39**	54,25
,,	25,	..	..	76	86,82	1,525,29	27,02	111,39	72,58	1,782,43	36,03	22,61	**3,307,73**	—	2,38	**2,38**	56,18
December	2,	..	..	76	87,38	1,495,99	25,32	115,72	71,27	1,774,07	36,82	24,16	**3,270,06**	2,80	20,27	**23,07**	57,25
,,	9,	..	..	76	90,33	1,496,42	27,00	108,78	66,97	1,773,64	34,68	23,95	**3,270,06**	2,60	15,47	**18,07**	56,41
,,	16,	..	..	76	91,83	1,515,53	29,61	109,64	65,15	1,768,85	28,49	23,50	**3,284,38**	2,75	6,84	**9,59**	54,61
,,	23,	..	..	76	101,02	1,523,34	30,76	113,61	66,07	1,772,05	25,83	22,93	**3,295,39**	1,85	7,95	**9,80**	55,51
,,	30,	..	..	76	118,97	1,579,68	23,09	111,14	62,71	1,796,62	26,20	25,06	**3,376,29**	2,85	4,61	**7,46**	53,55
1967																	
January	6,	..	..	76	89,28	1,540,11	31,97	109,68	57,73	1,794,95	23,09	22,52	**3,335,06**	4,35	6,86	**11,21**	56,91
,,	13,	..	..	76	87,40	1,528,81	20,96	101,67	58,08	1,786,63	19,85	21,79	**3,315,43**	6,66	23,96	**30,62**	56,55
,,	20,	..	..	76	89,68	1,548,85	26,64	101,84	53,19	1,782,73	17,59	21,77	**3,331,57**	4,96	9,72	**14,68**	56,43
,,	27,	..	..	75	90,74	1,558,90	24,69	99,65	51,04	1,779,85	17,09	21,36	**3,338,75**	11,54	16,00	**27,54**	58,31
February	3,	..	..	75	87,58	1,552,74	20,56	95,48	43,25	1,785,62	13,76	23,27	**3,338,36**	20,16	30,26	**50,42**	57,95
,,	10,	..	..	75	87,29	1,547,99	19,50	90,78	41,18	1,797,08	16,29	23,25	**3,345,07**	29,45	39,65	**69,10**	59,41
,,	17,	..	..	75	87,90	1,561,20	23,15	97,89	37,52	1,796,32	17,19	23,10	**3,357,52**	34,52	34,06	**68,58**	58,05
,,	24,	..	..	75	88,19	1,577,06	17,97	97,94	39,30	1,793,64	20,36	22,72	**3,370,70**	34,82	26,79	**61,62**	60,60
March	3,	..	..	75	85,66	1,553,90	18,83	98,55	36,74	1,790,05	20,41	24,48	**3,343,95**	61,02	61,95	**122,97**	60,99
,,	10,	..	..	75	86,08	1,551,83	19,25	103,72	33,43	1,788,20	20,54	23,92	**3,340,03**	61,71	70,53	**132,24**	62,05
,,	17,	..	..	75	82,43	1,579,29	17,98	95,28	28,25	1,789,93	19,92	23,43	**3,369,23**	66,38	61,90	**128,28**	62,65
,,	24,	..	..	75	82,42	1,605,50	19,16	99,29	31,21	1,780,91	18,30	23,03	**3,386,42**	68,26	49,19	**117,46**	63,21
,,	31,	..	..	75	111,27	1,649,14	16,38	91,99	33,04	1,775,68	19,59	24,39	**3,424,82**	73,18	66,54	**139,72**	62,04

STATEMENT 28—SCHEDULED COMMERCIAL 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 (27) to (10) (f)*
	Cash in hand	Balances with Reserve Bank	Total	*Percentage of (17) to (10) (f)*	Balances with other banks in current account	Money at call and short notice	Investments in Government securities(*g*)	*Percentage of (21) to (10) (f)*	Loans, cash credits and overdrafts(*k*)	Due from banks	Inland	Foreign (*i*)		
	15	16	17	18	19	20	21	22	23	24	25	26	27	28
As at the close of last Friday														
1950-51	34,95	58,36	**93,30**	*10.6*	..	..	..	..	533,66(*h*)		13,26(*j*)		**546,93**	*62.1*
1955-56	35,84	48,90	**84,73**	*8.1*	10,81	6,31	359,90	*34.5*	612,45		102,02	46,77	**761,25**	*73.0*
1960-61	45,56	71,02	**116,58**	*6.7*	17,85	20,78	558,58	*32.0*	1,110,96	16,78	159,35	49,23	**1,319,54**	*75.6*
1961-62	48,86	74,59	**123,46**	*6.4*	17,77	37,55	601,39	*31.3*	1,178,38	11,69	180,69	48,53	**1,407,61**	*73.2*
1962-63	51,73	73,97	**125,71**	*6.2*	21,86	38,78	592,76	*29.0*	1,309,28	14,28	222,56	56,17	**1,588,01**	*77.8*
1963-64	58,18	89,42	**147,60**	*6.5*	23,34	36,89	639,69	*28.0*	1,520,15	17,17	231,31	65,00	**1,816,46**	*79.5*
1964-65	66,72	95,73	**162,45**	*6.3*	24,22	36,76	718,18	*27.8*	1,698,12	24,27	261,51	74,07	**2,033,70**	*78.7*
1965-66	73,25	97,55	**170,80**	*5.8*	30,11	57,51	810,69	*27.5*	1,945,78	19,77	269,65	72,71	**2,288,14**	*77.6*
1966-67	86,84	128,77	**215,61**	*6.3*	47,98	31,58	892,80	*26.1*	2,213,99	26,56	362,38	116,08	**2,692,45**	*78.6*
1966-67 (Weekly) Friday figures 1966														
April 1,	74,21	115,71	**189,93**	*6.4*	35,67	53,99	805,92	*27.0*	1,959,24	17,24	303,31	72,61	**2,335,16**	*78.3*
„ 8,	75,56	115,49	**191,04**	*6.4*	32,04	61,75	808,28	*27.1*	1,955,19	16,20	310,52	74,14	**2,339,84**	*78.4*
„ 15,	79,60	112,56	**192,16**	*6.4*	30,43	66,47	815,42	*27.1*	1,946,36	14,40	309,83	74,19	**2,330,38**	*77.5*
„ 22,	75,69	113,04	**188,73**	*6.2*	29,57	70,28	823,35	*27.2*	1,947,42	12,98	305,23	74,67	**2,327,32**	*77.0*
„ 29,	76,55	112,06	**188,60**	*6.2*	31,49	68,71	830,91	*27.4*	1,942,40	13,48	312,54	74,24	**2,329,17**	*76.9*
May 6,	82,17	121,84	**204,01**	*6.7*	28,96	65,65	828,12	*27.3*	1,951,76	12,49	320,06	76,34	**2,348,15**	*77.4*
„ 13,	81,23	115,97	**197,20**	*6.5*	31,23	65,76	827,95	*27.3*	1,952,90	12,09	322,36	77,60	**2,352,86**	*77.6*
„ 20,	78,58	114,00	**192,58**	*6.3*	30,01	58,49	841,55	*27.6*	1,930,63	13,35	314,33	78,17	**2,323,13**	*76.3*
„ 27,	79,63	113,33	**192,96**	*6.3*	29,53	59,65	856,01	*28.0*	1,917,50	13,47	307,57	78,71	**2,303,78**	*75.4*
June 3,	80,28	119,40	**199,68**	*6.5*	28,08	60,12	853,23	*27.9*	1,940,83	16,59	296,38	78,93	**2,316,14**	*75.8*
„ 10,	85,66	117,49	**203,15**	*6.6*	29,34	65,08	852,19	*27.8*	1,954,42	18,23	289,00	80,28	**2,323,70**	*75.8*
„ 17,	81,97	119,61	**201,58**	*6.5*	32,57	56,35	880,00	*28.4*	1,942,95	18,47	267,07	82,50	**2,292,52**	*74.1*
„ 24,	80,01	115,25	**195,26**	*6.2*	29,52	62,24	918,83	*29.4*	1,931,90	20,53	255,41	84,07	**2,271,37**	*72.7*
July 1,	82,55	130,76	**213,31**	*6.8*	32,75	59,28	929,78	*29.5*	1,971,92	18,35	237,15	85,32	**2,294,39**	*72·8*
„ 8,	76,12	117,37	**193,49**	*6.2*	28,58	63,46	946,80	*30.1*	1,972,73	17,56	232,36	83,86	**2,288,94**	*72.7*
„ 15,	76,93	122,93	**199,86**	*6.3*	28,83	62,35	974,64	*30.6*	1,955,47	14,76	225,77	87,58	**2,268,83**	*71.2*
„ 22,	74,05	118,59	**192,64**	*6.0*	28,05	62,05	997,47	*31.1*	1 940,79	19,55	226,67	88,50	**2,255,96**	*70.4*
„ 29,	74,12	116,14	**190,26**	*5.9*	29,33	63,15	1,012,49	*31.4*	1,934,67	21,64	233,44	92,86	**2,260,97**	*70.2*

August	5,	..	..	..	75,83	125,66	**201,50**	*6.3*	28,66	61,65	1,021,43	*31.8*	1,929,09	20,88	233,91	94,29	**2,257,28**	*70.3*
,,	12,	..	..	..	74,88	115,34	**190,22**	*5.9*	28,97	61,29	1,011,66	*31.5*	1,913,10	22,55	226,42	99,35	**2,238,88**	*69.6*
,,	19,	..	..	..	78,39	120,41	**198,80**	*6.1*	29,47	60,91	1,041,32	*32.2*	1,898,76	26,19	221,69	103,51	**2,223,95**	*68.7*
,,	26,	..	..	..	77,94	112,70	**190,63**	*5.9*	29,57	62,47	1,080,50	*33.3*	1,884,90	24,91	222,74	109,24	**2,216,88**	*68.3*
September	2,	..	..	..	76,62	120,87	**197,49**	*6.1*	28,49	63,33	1,049,64	*32.5*	1,920,60	24,53	221,03	110,47	**2,252,09**	*69.7*
,,	9,	..	..	..	80,95	120,48	**201,43**	*6.2*	32,37	69,56	1,022,00	*31.6*	1,919,33	25,46	221,03	110,07	**2,250,43**	*69.6*
,,	16,	..	..	..	81,66	116,46	**198,12**	*6.0*	32,22	71,73	1,042,48	*31.8*	1,924,60	26,58	211,61	108,33	**2,244,53**	*68.5*
,,	23,	..	..	..	77,91	116,35	**194,26**	*6.0*	30,01	73,19	1,097,28	*33.6*	1,903,59	28,43	214,28	111,89	**2,229,76**	*68.4*
,,	30,	..	..	..	77,96	122,33	**200,29**	*6.2*	29,44	65,90	1,082,85	*33.3*	1,917,40	24,31	211,79	112,60	**2,241,80**	*69.0*
October	7,	..	..	..	75,38	115,72	**191,10**	*5.9*	29,77	70,37	1,077,56	*33.1*	1,918,85	24,77	212,65	112,14	**2,243,63**	*68.9*
,,	14,	..	..	..	76,14	114,21	**190,35**	*5.8*	30,34	72,56	1,093,05	*33.5*	1,908,24	27,57	215,96	112,60	**2,236,79**	*68.6*
,,	21,	..	..	..	75,97	127,63	**203,60**	*6.2*	30,15	71,77	1,110,73	*33.9*	1,904,38	23,80	219,87	115,97	**2,240,23**	*68.4*
,,	28,	..	..	..	82,81	116,10	**198,91**	*6.0*	31,99	71,90	1,129,07	*34.3*	1,899,87	22,08	221,99	121,64	**2,243,50**	*68.1*
November	4,	..	..	..	87,32	126,64	**213,96**	*6.5*	30,37	73,29	1,118,39	*33.9*	1,918,73	25,73	228,21	124,80	**2,271,74**	*68.9*
,,	11,	..	..	..	78,35	117,65	**195,99**	*6.0*	30,43	75,43	1,070,46	*32.7*	1,937,11	23,14	230,21	125,00	**2,292,32**	*70.0*
,,	18,	..	..	..	90,30	121,03	**211,34**	*6.4*	31,33	77,32	1,071,93	*32.5*	1,929,83	19,34	228,37	122,31	**2,280,51**	*69.0*
,,	25,	..	..	..	84,00	115,14	**199,14**	*6.0*	31,29	75,67	1,108,09	*33.5*	1,917,77	21,26	229,96	127,55	**2,275,29**	*68.8*
December	2,	..	..	..	81,74	127,09	**208,83**	*6.4*	30,25	68,67	1,065,85	*32.6*	1,950,18	26,34	246,76	122,38	**2,319,31**	*70.9*
,,	9,	..	..	..	80,35	120,24	**200,60**	*6.1*	30,26	67,93	1,034,09	*31.6*	1,964,52	25,51	253,99	120,93	**2,339,44**	*71.5*
,,	16,	..	..	..	81,87	115,71	**197,59**	*6.0*	31,70	71,33	1,022,96	*31.2*	1,975,75	21,35	251,94	116,93	**2,344,63**	*71.4*
,,	23,	..	..	..	80,37	120,46	**200,83**	*6.1*	32,00	76,03	1,018,25	*30.9*	1,991,78	16,66	256,15	116,47	**2,364,40**	*71.8*
,,	30,	..	..	..	98,85	148,98	**247,83**	*7.3*	55,17	64,24	954,66	*28.3*	2,057,29	21,75	258,18	117,23	**2,432,70**	*72.0*
1967																		
January	6,	..	..	..	82,25	120,20	**202,45**	*6.1*	38,17	68,25	970,16	*29.1*	2,069,53	23,73	268,02	121,98	**2,459,52**	*73.8*
,,	13,	..	..	..	79,07	120,96	**200,03**	*6.0*	30,79	49,73	935,07	*28.2*	2,089,32	23,56	268,73	122,12	**2,480,17**	*74.8*
,,	20,	..	..	..	85,26	114,10	**199,36**	*6.0*	32,78	52,44	932,22	*28.0*	2,084,89	22,99	284,76	121,42	**2,491,07**	*75.4*
,,	27,	..	..	..	89,78	113,59	**203,37**	*6.1*	31,94	49,97	930,98	*27.9*	2,097,85	24,06	284,68	121,35	**2,503,87**	*75.0*
February	3,	..	..	..	85,26	124,31	**209,57**	*6.3*	31,10	40,75	930,58	*27.9*	2,120,03	28,73	291,91	124,34	**2,536,28**	*76.0*
,,	10,	..	..	..	82,56	113,90	**196,46**	*5.9*	33,61	36,62	911,18	*27.2*	2,124,28	28,81	302,50	123,52	**2,550,29**	*76.2*
,,	17,	..	..	..	86,18	113,65	**199,82**	*6.0*	32,53	39,15	906,79	*27.0*	2,137,74	28,78	303,49	120,92	**2,562,15**	*76.3*
,,	24,	..	..	..	85,56	115,67	**201,23**	*6.0*	34,49	33,32	909,35	*27.0*	2,139,53	31,19	307,76	115,52	**2,562,81**	*76.0*
March	3,	..	..	..	85,12	118,80	**203,92**	*6.1*	41,23	31,75	901,80	*27.0*	2,178,19	30,90	323,43	114,40	**2,616,02**	*78.2*
,,	10,	..	..	..	86,41	123,84	**210,26**	*6.3*	33,98	31,31	898,40	*26.9*	2,192,33	28,02	342,42	112,96	**2,647,71**	*79.3*
,,	17,	..	..	..	85,81	113,69	**199,50**	*5.9*	33,11	30,30	893,15	*26.5*	2,196,39	29,05	344,94	112,17	**2,653,51**	*78.8*
,,	24,	..	..	..	88,02	125,59	**213,62**	*6.3*	34,17	33,75	900,63	*26.6*	2,203,20	29,68	349,21	115,70	**2,668,11**	*78.8*
,,	31,	..	..	..	86,84	128,77	**215,61**	*6.3*	47,98	31,58	892,80	*26.1*	2,213,99	26,56	362,38	116,08	**2,692,45**	*78.6*

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, (*iv*) Rs. 8 crores each month from November 1964 to March 1965 and (*v*) Rs. 5 crores in November 1965 and Rs. 4 crores each month from December 1965 to March 1966.

(*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.

† Includes borrowings from the Industrial Development Bank of India from January 2, 1965 and borrowings from the Agricultural Refinance Corporation from April 1, 1966.

STATEMENT 29—CLASSIFICATION OF SCHEDULED COMMERCIAL BANKS

Nature of Security	Outstandings as on					
	March 1966	April 1966*	May 1966	June 1966	July 1966	August 1966
	1	2	3	4	5	6
Seasonal Advances	**452,17**	**513,79**	**521,17**	**502,75**	**460,44**	**399,08**
1. Paddy and Rice	30,21	49,97	50,55	49,45	43,60	29,77
2. Wheat	7,39	8,94	11,35	18,40	18,10	13,22
3. Other Foodgrains	14,63	19,68	20,76	20,07	20,69	13,44
4. Sugar and Gur	1,17,65	1,35,52	1,38,81	1,31,85	1,17,26	1,05,48
5. Groundnuts	16,12	14,62	12,11	8,57	4,85	3,14
6. Cotton and Kapas	1,36,56	1,38,16	1,35,06	1,25,01	1,11,87	98,20
7. Raw Jute	29,07	29,09	25,90	24,03	22,11	19,31
8. Tea	44,56	47,62	47,98	50,41	52,32	54,13
9. Others	55,98	70,19	78,65	74,96	69,64	62,39
Non-Seasonal Advances	**1,512,12**	**1,498,25**	**1,469,56**	**1,459,97**	**1,492,69**	**1,502,87**
Manufactures and Minerals						
10. Cotton Textiles	1,76,96	1,70,68	1,56,03	1,52,60	1,61,46	1,70,64
11. Jute Textiles	41,57	42,88	38,39	36,71	41,42	42,28
12. Iron & Steel and Engineering Products	3,30,52	3,19,21	3,26,79	3,29,10	3,40,17	3,42,58
13. Others	3,09,95	2,98,63	3,03,66	3,00,18	3,08,83	3,10,16
Others						
14. Shares of Joint Stock Companies	86,69	89,33	87,40	84,90	84,61	82,01
15. Debentures of Joint Stock Companies	30,91	28,47	27,88	26,14	25,99	25,79
16. Government and Other Trustee Securities	22,44	22,22	22,26	20,85	22,16	20,61
17. Gold & Silver Bullion and Ornaments	20,21	19,73	18,37	18,48	19,76	20,12
18. Assets of Industrial Concerns	1,72,13	1,65,33	1,59,90	1,60,19	1,58,07	1,57,29
19. Others	3,20,74	3,41,77	3,28,88	3,30,82	3,30,22	3,31,39
Total Secured Advances	**1,964,29**	**2,012,04**	**1,990,73**	**1,962,72**	**1,953,13**	**1,901,95**
Total Unsecured Advances	**318,78**	**318,18**	**316,97**	**311,69**	**308,19**	**318,31**

Notes: 1. The data for this statement are obtained directly from the offices of scheduled commercial banks in India.
2. The data are exclusive of 'Due from banks'.
* Revised.

ADVANCES ACCORDING TO SECURITY

(In lakhs of rupees)

the last Friday of								*Slack Season Variations*		*Busy Season Variations*	
Septem-ber 1966	October 1966	Novem-ber 1966	Decem-ber 1966	January 1967	February 1967	March 1967	April 1967	*1965*	*1966*	*1965-66**	*1966-67*
7	8	9	10	11	12	13	14	15	16	17	18
338,58	**309,87**	**288,83**	**348,51**	**402,97**	**436,16**	**486,68**	**480,82**	*—149,72*	*—203,92*	*+217,37*	*+170,95*
19,18	19,42	13,65	15,02	16,28	13,67	23,75	19,56	*—5,32*	*—30,55*	*+35,21*	*+ 14*
12,62	11,97	11,52	11,45	10,14	7,14	8,11	5,46	*+11,49*	*+3,03*	*—4,72*	*—6,51*
12,13	14,58	15,54	16,06	18,02	15,71	18,92	24,34	*+1,48*	*—5,10*	*+5,13*	*+9,76*
87,11	70,64	57,71	67,28	81,54	94,99	103,94	101,70	*—58,34*	*—64,88*	*+83,50*	*+31,06*
1,74	1,63	5,45	20,68	29,02	26,31	23,30	19,76	*—11,01*	*—12,99*	*+11,89*	*+18,13*
80,87	67,70	60,84	79,32	100,75	126,01	152,55	145,70	*—60,51*	*—70,46*	*+52,07*	*+78,00*
18,56	23,48	28,23	37,04	41,86	42,06	40,62	39,50	*—15,62*	*—5,61*	*+9,30*	*+16,02*
53,72	55,99	51,07	45,78	42,96	39,31	41,48	42,55	*+8,63*	*+8,37*	*—4,68*	*—13,44*
52,65	44,46	44,82	55,88	62,40	70,96	74,01	82,25	*—20,52*	*—25,73*	*+29,67*	*+37,79*
1,572,70	**1,588,19**	**1,627,51**	**1,716,64**	**1,724,94**	**1,763,70**	**1,847,39**	**1,851,11**	*+96,07*	*+89,94*	*+52,86*	*+262,92*
179,97	179,85	175,35	181,96	180,55	184,38	193,12	186,31	*+10,40*	*+9,17*	*—16,57*	*+6,46*
43,41	51,27	58,55	56,70	56,24	55,95	52,07	50,62	*+5,75*	*+8,39*	*— 49*	*— 65*
367,10	373,44	378,38	400,49	399,27	405,42	415,88	418,06	*+44,54*	*+54,23*	*+11,96*	*+44,62*
322,00	324,72	342,26	363,72	365,49	370,39	394,70	405,03	*+22,06*	*+26,09*	*—5,55*	*+80,31*
81,89	80,44	81,37	85,38	85,12	84,11	89,83	87,86	*—9,80*	*—8,89*	*+3,12*	*+7,42*
26,85	28,57	28,47	30,81	29,64	31,65	32,27	33,04	*+2,07*	*+ 10*	*+2,64*	*+4,47*
28,28	26,88	23,50	24,91	25,40	22,20	22,18	21,82	*— 14*	*+4,66*	*—4,84*	*—5,06*
21,89	22,95	24,52	25,06	25,22	24,97	24,64	24,00	*+ 50*	*+3,22*	*—1,15*	*+1,05*
163,69	161,72	164,81	164,16	163,65	167,21	182,56	184,82	*+13,47*	*—3,61*	*+ 8,04*	*+23,10*
337,62	338,35	350,30	383,45	394,36	417,42	440,14	439,55	*+7,22*	*—3,42*	*+55,70*	*+101,20*
1,911,28	**1,898,06**	**1,916,34**	**2,065,15**	**2,127,91**	**2,199,86**	**2,334,07**	**2,331,93**	*—53,65*	*—113,98*	*+270,23*	*+433,87*
328,30	**345,26**	**355,28**	**364,69**	**374,93**	**366,21**	**357,26**	**337,40**	*—30,46*	*+27,08*	*+41,45*	*—7,86*

STATEMENT 30—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**	**1,536,35**	330	74,02	77	10,30	181	33,92	1,923	542,53
1965-66	..	..	**6,327**	**1,746,38**	331	76,77	76	10,06	195	40,68	2,029	624,48
1966-67	..	..	**6,970**	**1,973,76**	328	91,36	86	12,27	214	50,46	2,321	728,32
March	1966	..	**7,260**	**2,215,71**	406	91,94	69	9,61	227	61,08	2,359	819,88
April	,,	..	**6,625**	**1,936,43**	307	93,12	86	12,02	208	52,56	2,006	682,38
May	,,	..	**6,750**	**1,859,36**	329	94,27	92	12,12	205	41,68	2,183	692,95
June	,,	..	**6,356**	**1,752,85**	313	75,16	78	11,34	193	41,79	2,078	647,99
July	,,	..	**7,026**	**1,874,58**	341	86,33	79	10,90	207	45,72	2,287	693,38
August	,,	..	**6,987**	**1,896,55**	321	89,27	79	8,74	219	45,08	2,309	684,73
September	,,	..	**6,660**	**1,778,74**	334	90,01	82	10,17	216	53,07	2,371	670,96
October	,,	..	**6,977**	**1,851,24**	322	85,43	81	11,76	213	49,15	2,473	692,63
November	,,	..	**7,135**	**1,933,51**	307	87,70	91	13,90	214	49,26	2,495	695,92
December	,,	..	**7,452**	**2,210,14**	306	94,97	97	15,27	225	51,10	2,494	814,41
January	1967	..	**7,159**	**2,173,62**	328	93,98	93	14,70	218	52,00	2,463	875,30
February	,,	..	**6,844**	**1,974,07**	364	100,98	84	12,76	216	51,74	2,268	720,00
March	,,	..	**7,666**	**2,444,00**	367	105,06	88	13,58	232	72,41	2,423	869,14

Period			Jabalpur		Kanpur*		Lucknow		Madras*		Madurai	
			Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
			23	24	25	26	27	28	29	30	31	32
1950-51	..	..			53	11,35	23	2,24	264	36,01	10	1,38
1955-56	..	..			76	12,44	32	2,54	351	35,55	16	1,75
1960-61	..	..			93	18,32	41	4,19	410	55,45	26	3,77
1961-62	..	..	9@	1,45@	100	19,31	43	4,58	438	59,37	31	4,92
1962-63	..	..	9	2,23	106	20,75	44	4,89	447	64,69	31	5,16
1963-64	..	..	12	2,75	109	23,28	45	5,09	483	73,38	35	5,91
1964-65	..	..	13	2,87	112	23,51	52	5,97	498	83,55	36	5,74
1965-66	..	..	15	3,30	119	26,35	53	7,40	510	102,09	41	6,47
1966-67	..	..	16	3,92	122	30,31	58	8,27	561	120,84	43	7,23
March	1966	..	17	4,96	124	28,82	60	11,07	608	134,80	47	6,94
April	,,	..	17	4,43	136	34,94	58	8,81	521	114,96	40	6,85
May	,,	..	15	2,67	129	30,96	50	7,25	516	111,35	41	6,93
June	,,	..	14	5,39	113	27,40	51	7,56	492	112,02	41	6,70
July	,,	..	15	3,81	112	27,59	58	9,35	583	121,59	46	7,08
August	,,	..	17	4,00	114	26,37	52	7,03	548	125,00	44	7,38
September	,,	..	16	3,54	115	29,61	56	7,37	533	129,61	39	7,57
October	,,	..	13	4,81	117	26,93	60	7,33	570	121,47	41	6,69
November	,,	..	15	3,21	121	29,08	61	7,55	581	108,61	42	7,18
December	,,	..	16	3,81	136	34,66	83	8,63	594	134,62	45	7,46
January	1967	..	16	3,41	125	33,32	55	9,12	575	115,97	46	7,74
February	,,	..	15	4,08	115	29,74	48	8,01	551	112,46	42	6,66
March	,,	..	17	3,83	126	33,13	64	11,25	662	142,47	49	8,49

Note : Annual figures are averages of months.
* Managed by the Reserve Bank of India. @Average of nine months.

(ANNUAL AND MONTHLY)

(Number in thousands ; Amount in lakhs of rupees)

CALCUTTA*		COCHIN		COIMBATORE		DELHI		HYDERABAD		JAIPUR	
Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
11	12	13	14	15	16	17	18	19	20	21	22
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
918	388,75	26	7,49	44	8,97	353	42,20	71	13,31	26	4,32
906	417,76	29	8,88	52	10,44	368	45,07	85	17,02	28	4,86
944	449,91	31	9,43	52	11,15	371	45,81	100	20,51	32	5,47
1,018	487,93	32	13,29	59	12,25	381	53,27	96	20,27	39	6,60
1,071	489,27	33	15,26	62	13,33	408	61,65	109	22,36	42	7,53
1,124	582,64	36	15,86	52	10,87	426	61,46	99	22,09	46	8,64
1,086	492,96	31	14,01	61	13,18	417	61,01	102	23,52	43	7,79
1,139	460,96	31	14,44	61	13,16	401	61,80	101	21,35	40	7,26
1,051	437,78	31	14,48	56	12,41	392	58,00	90	19,29	46	6,51
1,161	473,26	37	16,19	67	13,92	421	57,22	108	21,76	43	7,54
1,151	489,72	34	16,05	62	13,17	411	60,61	111	22,48	40	7,65
861	393,54	33	16,26	43	12,54	361	54,63	107	20,26	40	6,57
994	456,98	34	15,46	61	12,38	391	54,75	111	19,30	42	7,30
1,043	501,52	34	16,01	67	13,12	399	58,99	114	23,25	40	6,45
1,160	564,28	34	16,02	68	13,97	442	73,19	118	23,26	45	8,34
998	497,42	34	15,67	64	13,74	425	67,17	109	23,24	42	8,30
1,035	494,79	32	14,20	63	12,56	390	63,24	108	22,17	40	7,79
1,177	608,06	31	14,30	75	15,82	440	69,21	127	28,42	43	8,82

MANGALORE		NAGPUR*		NEW DELHI*		POONA		SIMLA		SURAT		OTHER CENTRES	
Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
33	34	35	36	37	38	39	40	41	42	43	44	45	46
6	88	21	2,34	56	4,10	29	1,91	7	45			67	7,42
10	1,05	30	4,05	106	10,93	39	2,66	5	27			112	11,58
18	2,54	37	6,21	223	49,53	65	5,48	5	54	43	5,05	302	37,38
18	2,66	41	6,09	235	52,13	73	6,55	5	60	45	6,08	395	51,85
20	2,88	44	7,07	254	63,02	83	7,90	6	69	49	7,29	464	66,38
21	3,42	50	8,88	280	75,45	89	9,35	6	76	55	8,51	538	79,64
23	3,89	53	9,79	307	82,59	99	11,10	6	93	59	9,46	616	93,92
24	4,22	64	12,05	351	96,18	100	12,39	6	90	64	11,94	722	117,49
26	5,01	68	12,81	402	117,17	112	15,37	7	96	71	13,67	812	146,40
31	6,32	89	18,80	414	136,23	117	17,49	6	94	78	14,35	825	150,90
27	5,14	66	14,67	415	115,53	107	15,85	7	106	71	15,09	813	146,54
26	5,01	62	13,18	394	101,10	99	11,07	7	90	70	14,06	758	134,88
24	4,56	59	13,36	359	98,10	99	13,60	6	76	66	11,17	701	127,47
23	4,15	65	12,43	391	99,81	118	15,83	7	86	70	13,37	787	132,47
25	5,52	65	10,46	396	108,40	116	15,19	7	87	70	13,00	796	135,83
24	4,99	66	10,77	391	100,93	108	14,44	7	85	62	11,45	792	129,61
26	4,74	67	11,07	388	105,77	112	15,00	7	110	61	12,02	795	129,19
26	4,39	67	11,41	392	103,43	109	16,71	8	114	82	15,12	825	159,56
28	4,88	75	12,98	423	141,99	115	16,55	7	114	71	14,95	870	153,64
29	5,24	70	14,38	403	128,70	125	16,77	6	102	77	15,14	859	161,30
26	5,34	67	12,62	400	109,90	110	14,93	5	89	68	12,48	796	156,74
32	6,12	80	16,36	467	192,38	126	18,48	6	97	85	16,22	947	189,51

STATEMENT 31—NON-SCHEDULED COMMERCIAL BANKS:

LIABI-

Last Friday	Number of functioning banks(*a*)	Total (*b*)	Capital And Reserves			Aggregate deposits (9 + 12)
			Total	Paid-up capital (*c*)	Reserves	
	1	2	3	4	5	6
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**
1964-65	103	**34,73**	**4,36**	2,39	1,97	**26,93**
1965-66	33	**28,09**	**1,95**	1,05	90	**23,82**
1966-67	24	**27,77**	**1,82**	96	86	**24,11**
December 1965	33	**27,65**	**1,98**	1,08	90	**23,79**
January 1966	33	**27,42**	**1,99**	1,08	91	**23,32**
February „	33	**27,91**	**1,99**	1,08	91	**23,76**
March „	33	**28,09**	**1,95**	1,05	90	**23,82**
April „	31	**28,24**	**1,92**	1,02	90	**24,42**
May „	31	**28,58**	**1,95**	1,02	93	**24,69**
June „	31	**29,37**	**1,96**	1,02	94	**25,02**
July „	31	**29,28**	**1,97**	1,02	95	**25,50**
August „	30	**29,12**	**1,93**	1,00	93	**25,22**
September „	29	**29,30**	**1,90**	99	91	**25,29**
October „	29	**29,47**	**1,90**	99	91	**25,52**
November „	29	**29,42**	**1,91**	99	92	**25,29**
December „	27	**28,01**	**1,85**	95	90	**24,17**
January 1967	24	**27,59**	**1,82**	93	89	**23,78**
February „	24	**27,52**	**1,86**	96	90	**23,95**
March „	24	**27,77**	**1,82**	96	86	**24,11**

LIABILITIES AND ASSETS IN INDIA

(Amount in lakhs of rupees)

LITIES

Deposits						Due to other banks	Other liabilities
Demand			Time				
Total	Inter-bank	Others	Total	Inter-bank	Others		
7	8	9	10	11	12	13	14
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
9,38	18	9,20	**17,91**	18	17,73	1,19	1,89
8,30	17	8,13	**15,79**	10	15,69	43	1,62
9,48	13	9,35	**14,84**	8	14,76	19	1,44
8,42	10	8,32	**15,58**	11	15,47	14	1,53
8,11	12	7,99	**15,42**	9	15,33	37	1,53
8,30	11	8,19	**15,67**	10	15,57	54	1,41
8,30	17	8,13	**15,79**	10	15,69	43	1,62
8,72	17	8,55	**16,02**	15	15,87	20	1,38
8,95	11	8,84	**15,98**	13	15,85	33	1,37
9,21	16	9,05	**16,15**	18	15,97	75	1,30
9,10	11	8,99	**16,63**	12	16,51	24	1,34
8,96	14	8,82	**16,50**	10	16,40	23	1,50
9,14	12	9,02	**16,36**	9	16,27	43	1,47
9,28	8	9,20	**16,42**	10	16,32	39	1,48
8,85	13	8,72	**16,69**	12	16,57	46	1,51
9,52	13	9,39	**14,88**	10	14,78	43	1,33
9,32	14	9,18	**14,69**	9	14,60	49	1,27
9,43	13	9,30	**14,74**	9	14,65	22	1,27
9,48	13	9,35	**14,84**	8	14,76	19	1,44

STATEMENT 31—NON-SCHEDULED COMMERCIAL BANKS:

Last Friday	Total (b)	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	Assets-Bank	
		Total	Cash in hand	Balances with Reserve Bank			Total	Advances
	15	16	17	18	19	20	21	22
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
1964-65	**34,62**	**1,78**	1,75	3	1,71	1,39	**17,48**	16,51
1965-66	**28,01**	**1,63**	1,62	1	2,07	36	**14,14**	13,28
1966-67	**27,66**	**1,62**	1,62	—	1,82	1,97	**12,72**	11,95
December 1965	**27,59**	**1,98**	1,96	2	2,00	45	**13,74**	13,29
January 1966	**27,37**	**1,62**	1,61	1	2,41	91	**12,53**	11,74
February „	**27,82**	**1,78**	1,76	2	1,83	32	**13,21**	12,38
March „	**28,01**	**1,63**	1,62	1	2,07	36	**14,14**	13,28
April „	**28,14**	**1,81**	1,79	2	2,06	49	**14,51**	13,62
May „	**28,45**	**1,72**	1,70	2	1,99	74	**14,11**	13,22
June „	**29,28**	**1,66**	1,63	3	1,90	45	**14,95**	14,12
July „	**29,21**	**1,66**	1,65	1	2,38	1,30	**13,15**	12,33
August „	**29,04**	**1,78**	1,77	1	2,20	1,23	**13,42**	12,53
September „	**29,17**	**2,02**	2,01	1	1,93	97	**13,37**	12,55
October „	**29,40**	**1,77**	1,75	2	2,60	40	**13,67**	12,81
November „	**29,36**	**1,66**	1,65	1	1,66	23	**14,99**	14,17
December „	**27,92**	**2,10**	2,09	1	2,47	25	**13,45**	12,90
January 1967	**27,50**	**1,82**	1,80	2	2,02	22	**13,68**	12,98
February „	**27,41**	**1,62**	1,60	2	1,79	1,86	**12,65**	11,94
March „	**27,66**	**1,62**	1,62	—	1,82	1,97	**12,72**	11,95

Note : Compiled from the information supplied in Form XII under the Banking Regulation Act, 1949. Data from September 1961, being on 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*
97	—	**9,42**	2,50	4,02	2,90	2,84	*6.6*	*64.9*	*35.0*
86	—	**7,76**	1,88	3,73	2,15	2,05	*6.8*	*59.4*	*32.6*
77	—	**6,74**	1,68	3,40	1,66	2,79	*6.7*	*52.8*	*28.0*
45	—	**7,59**	1,87	3,68	2,04	1,83	*8.3*	*57.8*	*31.9*
79	—	**7,51**	1,88	3,68	1,95	2,39	*6.9*	*53.7*	*32.2*
83	—	**7,66**	1,88	3,70	2,08	3,02	*7.5*	*55.6*	*32.2*
86	—	**7,76**	1,88	3,73	2,15	2,05	*6.8*	*59.4*	*32.6*
89	—	**7,74**	1,87	3,68	2,19	1,53	*7.4*	*59.4*	*31.7*
89	—	**7,82**	1,87	3,69	2,26	2,07	*7.0*	*57.1*	*31.7*
83	—	**7,96**	1,87	3,69	2,40	2,36	*6.6*	*59.8*	*31.8*
82	—	**8,02**	1,87	3,70	2,45	2,70	*6.5*	*51.6*	*31.5*
89	—	**7,85**	1,87	3,68	2,30	2,56	*7.1*	*53.2*	*31.1*
82	—	**7,60**	1,82	3,67	2,11	3,28	*8.0*	*52.9*	*30.1*
86	—	**7,39**	1,81	3,65	1,93	3,57	*6.9*	*53.6*	*29.0*
82	—	**7,39**	1,81	3,69	1,89	3,43	*6.6*	*59.3*	*29.2*
55	—	**6,50**	1,70	3,31	1,49	3,15	*8.7*	*55.6*	*26.9*
70	—	**6,63**	1,68	3,33	1,62	3,13	*7.7*	*57.5*	*27.9*
71	—	**6,65**	1,67	3,70	1,28	2,84	*6.8*	*52.8*	*27.8*
77	—	**6,74**	1,68	3,40	1,66	2,79	*6.7*	*52.8*	*28.0*

(*a*) Relate to reporting banks upto October 1965. (*b*) As the data relate only to areas to which the Banking Regulation 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 32—STATE CO-OPERATIVE BANKS MAINTAINING ACCOUNTS WITH THE RESERVE BANK OF INDIA

(Amount in lakhs of rupees)

	Number of reporting banks	DEMAND AND TIME LIABILITIES: Aggregate deposits (a) (5+10)	DEMAND: Total	DEMAND: Deposits: Inter-bank	DEMAND: Deposits: Others	DEMAND: Borrowings from banks	DEMAND: Others (b)	TIME: Total	TIME: Deposits: Inter-bank	TIME: Deposits: Others	TIME: Borrowings from banks	TIME: Others (c)	Borrowings from Reserve Bank	Borrowings from State Bank and/or a notified bank*: Total	Demand	Time
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
As at the close of last Friday																
1950-51 ..	7	**17,77**	**9,81**			1,04	8,77	**10,11**			1,11	9,00	3,42(g)			
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	**58,44**	**40,98**	15,81	23,60	—	1,57	**56,73**	19,19	34,84	—	2,70	149,81	**21,59**	9,60	11,99
1965-66 ..	18	**62,28**	**43,40**	15,10	25,82	—	2,48	**66,39**	28,60	36,46	—	1,33	166,78	**19,15**	4,67	14,48
1966-67 ..	19	**77,85**	**53,68**	15,14	32,33	64	5,57	**77,52**	28,25	45,52	1,51	2,23	169,31	**40,45**	18,75	21,70
1966-67 (Weekly) Friday figures 1966																
April 1, ..	18	**66,42**	**46,91**	16,84	27,64	—	2,42	**68,76**	28,96	38,78	—	1,02	157,44	**13,80**	3,11	10,69
,, 8, ..	18	**67,15**	**48,19**	18,51	27,20	—	2,49	**76,66**	31,28	39,95	—	5,42	149,36	**9,21**	1,52	7,69
,, 15, ..	18	**65,68**	**48,92**	19,98	26,26	—	2,67	**77,28**	33,22	39,41	—	4,65	140,20	**6,90**	2,16	4,74
,, 22, ..	18	**65,38**	**46,85**	17,87	26,12	47	2,39	**78,27**	34,05	39,26	—	4,95	135,42	**7,37**	2,64	4,74
,, 29, ..	18	**64,79**	**44,05**	16,17	25,39	8	2,41	**82,22**	37,55	39,40	—	5,26	129,80	**11,05**	2,69	8,36
May 6, ..	18	**64,53**	**44,85**	17,31	25,28	—	2,25	**77,87**	33,15	39,25	—	5,47	136,59	**11,14**	2,81	8,33
,, 13, ..	18	**63,99**	**44,23**	17,25	24,76	—	2,22	**78,25**	34,63	39,23	—	4,40	139,21	**11,02**	2,66	8,36
,, 20, ..	18	**66,14**	**45,00**	17,37	25,07	21	2,36	**79,42**	33,55	41,07	—	4,81	135,89	**7,97**	2,61	5,36
,, 27, ..	18	**65,07**	**44,16**	17,46	24,14	—	2,56	**80,69**	34,86	40,93	—	4,90	134,16	**9,27**	2,91	6,36
June 3, ..	18	**65,89**	**44,69**	17,14	25,12	26	2,16	**77,78**	34,87	40,76	—	2,15	135,08	**10,82**	2,65	8,17
,, 10, ..	18	**68,38**	**45,89**	17,08	26,31	16	2,34	**76,38**	32,14	42,07	—	2,16	135,02	**10,94**	2,77	8,17
,, 17, ..	18	**66,42**	**46,86**	17,28	26,70	35	2,53	**79,68**	37,70	39,72	—	2,25	133,62	**10,66**	2,73	7,93
,, 24, ..	18	**66,98**	**50,45**	21,82	26,36	15	2,12	**82,73**	40,35	40,62	—	1,77	137,82	**11,10**	3,18	7,92
July 1, ..	18	**68,62**	**56,57**	26,44	27,45	—	2,68	**83,23**	40,57	41,18	—	1,49	163,86	**10,47**	3,35	7,12
,, 8, ..	18	**70,14**	**53,54**	22,73	28,25	—	2,56	**85,04**	41,89	41,89	—	1,26	161,52	**8,63**	1,46	7,17
,, 15, ..	18	**69,81**	**51,93**	22,63	26,68	—	2,63	**85,68**	41,11	43,13	—	1,43	161,03	**8,27**	90	7,37
,, 22, ..	18	**71,00**	**48,86**	19,58	26,78	—	2,51	**86,79**	41,05	44,23	—	1,52	159,29	**8,47**	85	7,62
,, 29, ..	18	**71,60**	**47,69**	18,77	26,44	—	2,48	**87,35**	40,39	45,16	—	1,79	158,06	**8,38**	1,16	7,22

August	5,	..	18	**71,87**	**47,46**	18,31	26,62	—	2,53	**86,88**	39,83	45,25	—	1,80	157,91	**7,69**	77	6,92
„	12,	..	18	**71,87**	**50,56**	19,56	26,81	—	4,20	**86,58**	39,05	45,06	—	2,47	155,39	**26,07**	3,56	22,51
„	19,	..	18	**72,48**	**51,90**	20,22	27,64	4	4,00	**86,29**	39,07	44,84	—	2,38	155,92	**26,18**	3,67	22,51
„	26,	..	18	**75,01**	**54,44**	15,92	29,65	4,93	3,94	**87,26**	38,98	45,36	1,05	1,87	156,17	**26,33**	3,97	22,36
September	2,	..	18	**75,12**	**51,44**	15,92	30,32	1,21	3,98	**85,63**	38,52	44,80	83	1,48	161,76	**26,36**	3,74	22,61
„	9,	..	18	**75,49**	**49,06**	13,93	29,87	1,12	4,14	**85,46**	37,72	45,62	64	1,48	164,58	**27,06**	4,29	22,77
„	16,	..	18	**74,07**	**46,87**	12,34	29,33	1,10	4,10	**86,13**	37,13	44,74	2,86	1,40	165,96	**28,11**	4,91	23,20
„	23,	..	18	**75,53**	**52,31**	14,13	29,78	3,67	4,73	**83,32**	34,79	45,75	88	1,91	165,60	**27,71**	6,82	20,89
„	30,	..	18	**75,01**	**51,50**	13,51	29,58	4,05	4,36	**83,10**	33,32	45,43	1,27	3,08	168,10	**28,00**	7,63	20,38
October	7,	..	18	**75,19**	**47,79**	12,77	28,91	2,09	4,02	**85,54**	33,99	46,28	1,62	3,66	167,33	**27,73**	7,27	20,46
„	14,	..	18	**77,08**	**48,25**	11,93	29,83	2,45	4,04	**85,89**	33,29	47,25	1,74	3,61	167,42	**27,77**	7,31	20,46
„	21,	..	18	**75,44**	**46,51**	12,16	28,94	1,61	3,81	**84,69**	32,52	46,50	2,03	3,64	169,13	**27,08**	6,62	20,46
„	28,	..	18	**74,73**	**44,27**	11,48	28,47	48	3,83	**84,01**	32,20	46,26	1,94	3,61	174,70	**27,16**	6,70	20,46
November	4,	..	18	**75,61**	**44,39**	11,84	28,27	38	3,90	**83,79**	32,88	47,34	1,95	1,62	172,40	**28,38**	7,41	20,97
„	11,	..	18	**75,72**	**42,82**	10,56	28,10	29	3,88	**82,83**	31,83	47,62	1,84	1,53	178,97	**27,33**	6,31	21,02
„	18,	..	18	**75,32**	**47,30**	11,45	28,67	3,38	3,80	**82,58**	32,08	46,64	2,15	1,70	175,63	**27,58**	6,36	21,22
„	25,	..	18	**76,14**	**46,67**	11,46	28,73	2,26	4,22	**84,26**	32,51	47,40	2,81	1,53	178,85	**27,47**	6,24	21,22
December	2,	..	18	**73,83**	**44,15**	10,46	28,87	57	4,26	**82,46**	33,92	44,96	2,02	1,55	182,68	**28,96**	7,49	21,47
„	9,	..	18	**74,90**	**44,66**	11,40	29,20	25	3,81	**81,54**	31,85	45,70	2,44	1,55	182,20	**29,12**	7,45	21,67
„	16,	..	18	**72,47**	**48,30**	12,11	28,84	3,24	4,12	**80,34**	33,20	43,64	1,95	1,56	183,28	**29,51**	8,84	20,67
„	23,	..	18	**75,62**	**48,74**	10,47	29,66	4,38	4,22	**81,00**	30,62	45,97	2,83	1,57	182,06	**29,99**	8,85	21,14
„	30,	..	18	**73,93**	**50,23**	12,56	28,16	4,88	4,63	**78,89**	29,62	45,78	1,96	1,53	182,80	**36,35**	15,34	21,01
1967																		
January	6,	..	18	**73,26**	**48,10**	10,53	28,45	4,36	4,77	**78,15**	29,48	44,81	1,79	2,07	184,47	**37,95**	16,77	21,18
„	13,	..	18	**73,87**	**45,31**	11,45	28,09	1,13	4,63	**78,44**	28,69	45,78	1,89	2,07	186,02	**38,54**	17,36	21,18
„	20,	..	18	**75,22**	**46,75**	11,27	29,53	1,26	4,69	**76,97**	27,56	45,70	1,60	2,12	184,27	**39,59**	18,45	21,14
„	27,	..	18	**75,20**	**47,76**	11,60	29,86	1,33	4,96	**77,73**	27,87	45,34	2,38	2,13	181,45	**39,78**	18,89	20,88
February	3,	..	19	**74,47**	**46,01**	11,60	28,77	89	4,75	**79,20**	28,64	45,70	2,18	2,68	185,05	**40,45**	19,41	21,04
„	10,	..	19	**75,17**	**46,28**	12,13	28,78	61	4,75	**78,79**	28,23	46,39	1,48	2,69	181,60	**39,94**	19,19	20,75
„	17,	..	19	**75,33**	**45,80**	12,39	28,75	32	4,35	**78,47**	27,58	46,58	1,61	2,70	181,11	**39,57**	18,36	21,21
„	24,	..	19	**75,13**	**46,15**	11,87	29,59	35	4,33	**78,36**	28,33	45,53	1,90	2,60	178,26	**39,42**	18,27	21,14
March	3,	..	19	**74,23**	**45,70**	12,17	28,75	14	4,65	**77,51**	28,26	45,48	1,22	2,55	179,38	**40,89**	19,59	21,30
„	10,	..	19	**74,29**	**47,74**	13,04	29,73	48	4,49	**75,95**	27,77	44,56	1,06	2,55	177,28	**37,93**	16,80	21,13
„	17,	..	19	**74,36**	**47,99**	13,57	29,35	31	4,76	**76,69**	27,66	45,01	1,47	2,55	174,27	**37,77**	16,57	21,20
„	24,	..	19	**74,43**	**48,58**	13,14	30,14	67	4,63	**76,45**	28,17	44,29	1,41	2,59	172,42	**39,12**	17,84	21,28
„	31,	..	19	**77,85**	**53,68**	15,14	32,33	64	5,57	**77,52**	28,25	45,52	1,51	2,23	169,31	**40,45**	18,75	21,70

STATEMENT 32—STATE CO-OPERATIVE BANKS MAINTAINING ACCOUNTS WITH THE RESERVE BANK OF INDIA—(*Concld.*)

(Amount in lakhs of rupees)

	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 overdrafts	Due from banks @				
	17	18	19	20	21	22	23	24	25	26	27	28	29
As at the close of last Friday													
1950-51 ..	**1,08**	58	50				**13,86**	10,67		3,19	—	—	*78.0*
1955-56 ..	**2,02**	95	1,07	1,59	13,76	2,99	**25,35**	19,25		6,10	7.1	48.3	*89.0*
1960-61 ..	**2,60**	1,01	1,59	4,39	21,78	10,15	**62,08**	61,99	62,40	9	*7.4*	*62.3*	*177.7*
1961-62 ..	**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 ..	**3,47**	1,05	2,41	4,94	30,72	17,99	**241,77**	241,69	2	8	*5.9*	*52.6*	*413.7*
1965-66 ..	**5,03**	1,22	3,82	5,57	35,17	13,71	**267,86**	267,69	7	16	*8.1*	*56.5*	*430.1*
1966-67 ..	**6,37**	1,26	5,11	9,56	32,48	8,70	**67,88**	67,62	255,39	26	*8.2*	*41.7*	*87.2*
1966-67 (Weekly) Friday figures 1966													
April 1, ..	**6,71**	1,16	5,54	6,21	35,35	17,18	**266,94**	266,79	9	15	*10.1*	*53.2*	*401.9*
,, 8, ..	**8,79**	1,09	7,70	7,57	35,39	19,53	**261,72**	261,57	9	15	*13.1*	*52.7*	*389.8*
,, 15, ..	**5,55**	1,17	4,38	5,70	35,38	18,50	**259,64**	259,52	3	12	*8.5*	*53.9*	*395.3*
,, 22, ..	**5,60**	1,18	4,42	5,27	35,72	17,38	**255,58**	255,48	6	10	*8.6*	*54.6*	*390.9*
,, 29, ..	**5,75**	1,12	4,64	4,96	35,70	14,02	**253,99**	253,91	3	8	*8.9*	*55.1*	*392.0*
May 6, ..	**5,77**	1,23	4,54	4,60	35,71	14,23	**250,32**	250,25	9	7	*8.9*	*55.3*	*387.9*
,, 13, ..	**5,72**	1,13	4,59	4,93	35,71	14,43	**251,40**	251,32	3	8	*8.9*	*55.8*	*392.9*
,, 20, ..	**5,96**	1,08	4,88	5,03	35,72	12,44	**251,75**	251,70	3	5	*9.0*	*54.0*	*380.7*
,, 27, ..	**6,24**	1,09	5,15	5,07	35,98	12,79	**252,67**	252,59	3	8	*9.6*	*55.3*	*388.3*
June 3, ..	**5,58**	1,11	4,48	4,91	36,05	12,51	**250,71**	250,34	2	36	*8.5*	*54.7*	*380.5*
,, 10, ..	**5,16**	1,13	4,03	4,50	36,44	12,18	**249,24**	249,17	2	7	*7.6*	*53.3*	*364.5*
,, 17, ..	**6,36**	1,15	5,21	5,27	36,44	10,46	**256,00**	255,94	2	6	*9.6*	*54.9*	*385.4*
,, 24, ..	**7,19**	1,19	6,00	6,76	36,44	9,10	**266,19**	266,12	2	8	*10.7*	*54.4*	*397.4*
July 1, ..	**14,15**	1,31	12,84	8,16	36,47	19,38	**275,92**	275,85	4	6	*20.6*	*53.1*	*402.1*
,, 8, ..	**14,60**	1,14	13,46	6,74	36,47	19,83	**274,64**	274,57	7	6	*20.8*	*52.0*	*391.5*
,, 15, ..	**11,25**	1,06	10,19	5,94	36,48	18,51	**274,28**	274,22	7	6	*16.1*	*52.3*	*392.9*
,, 22, ..	**7,75**	1,11	6,64	5,80	36,46	18,22	**276,51**	276,41	7	10	*10·9*	*51.4*	*389.4*
,, 29, ..	**5,92**	1,10	4,82	4,78	36,35	16,24	**280,99**	280,93	7	7	*8.3*	*50.8*	*392.5*

August	5,	..	**5,71**	1,10	4,60	5,15	36,35	14,65	**281,64**	281,54	6	10	*7.9*	*50.6*	*391.9*
,,	12,	..	**5,99**	1,12	4,87	4,81	33,32	12,67	**243,64**	243,56	70,05	8	*8.3*	*46.4*	*339.0*
,,	19,	..	**6,69**	1,19	5,50	4,41	33,06	12,11	**238,28**	238,13	76,32	16	*9.2*	*45.6*	*328.8*
,,	26,	..	**6,50**	1,19	5,31	5,61	28,89	10,64	**238,07**	237,97	77,20	10	*8.7*	*38.5*	*317.4*
September	2,	..	**6,41**	1,17	5,23	4,36	28,94	10,05	**240,34**	240,21	77,73	13	*8.5*	*38.5*	*319.9*
,,	9,	..	**6,24**	1,19	5,06	5,09	28,77	8,53	**122,25**	122,14	190,46	11	*8.3*	*38.1*	*161.9*
,,	16,	..	**6,20**	1,18	5,01	4,02	32,18	8,03	**94,91**	94,85	219,31	6	*8.4*	*43.4*	*128.1*
,,	23,	..	**6,86**	1,15	5,71	4,65	32,31	7,44	**89,63**	89,56	222,23	8	*9.1*	*42.8*	*118.7*
,,	30,	..	**6,18**	1,13	5,05	4,22	32,32	6,27	**94,47**	94,36	224,53	11	*8.2*	*43.1*	*126.0*
October	7,	..	**6,44**	1,13	5,31	4,46	31,64	4,50	**71,46**	71,22	247,74	24	*8.6*	*42.1*	*95.0*
,,	14,	..	**5,88**	1,17	4,71	4,27	31,62	4,98	**70,37**	70,10	248,80	27	*7.6*	*41.0*	*91.3*
,,	21,	..	**5,99**	1,08	4,90	4,70	31,62	3,67	**69,27**	69,11	249,44	16	*7.9*	*41.9*	*91.8*
,,	28,	..	**6,18**	1,13	5,05	4,59	32,14	3,64	**70,04**	69,86	250,33	19	*8.3*	*43.0*	*93.7*
November	4,	..	**5,84**	1,18	4,66	5,67	32,01	3,27	**63,21**	63,04	253,58	17	*7.7*	*42.3*	*83.6*
,,	11,	..	**5,63**	1,15	4,47	4,75	32,01	4,57	**63,26**	63,03	256,11	23	*7.4*	*42.3*	*83.5*
,,	18,	..	**5,50**	1,07	4,42	5,30	32,01	4,36	**52,19**	51,98	268,53	20	*7.3*	*42.5*	*69.3*
,,	25,	..	**5,79**	1,15	4,64	5,33	32,09	5,86	**52,20**	51,98	270,92	22	*7.6*	*42.2*	*68.6*
December	2,	..	**5,65**	1,15	4,50	4,96	32,08	6,05	**53,19**	52,98	271,62	20	*7.7*	*43.5*	*72.0*
,,	9,	..	**6,01**	1,14	4,86	5,08	32,08	6,46	**53,54**	53,32	271,01	21	*8.0*	*42.8*	*71.5*
,,	16,	..	**6,03**	1,15	4,88	4,99	32,08	7,87	**54,25**	54,08	272,01	17	*8.3*	*44.3*	*74.9*
,,	23,	..	**6,20**	1,15	5,05	5,14	32,08	7,53	**55,69**	55,51	270,69	18	*8.2*	*42.4*	*73.6*
,,	30,	..	**7,42**	1,01	6,41	4,98	32,08	8,23	**58,10**	57,90	273,47	20	*10.0*	*43.4*	*78.6*
1967															
January	6,	..	**6,35**	1,23	5,11	4,82	32,18	8,61	**59,64**	59,44	275,20	20	*8.7*	*43.9*	*81.4*
,,	13,	..	**5,60**	1,03	4,57	5,21	32,18	7,84	**61,25**	61,01	274,57	24	*7.6*	*43.6*	*82.9*
,,	20,	..	**5,34**	1,13	4,22	4,55	32,18	6,65	**63,42**	63,23	272,74	19	*7.1*	*42.8*	*84.3*
,,	27,	..	**5,88**	1,19	4,69	4,83	32,18	6,27	**63,21**	63,02	272,20	18	*7.8*	*42.8*	*84.0*
February	3,	..	**5,37**	1,27	4,11	5,62	32,28	5,47	**63,74**	63,51	276,11	23	*7.2*	*43.3*	*85.6*
,,	10,	..	**6,14**	1,15	4,99	5,66	32,28	4,77	**64,18**	63,93	271,77	25	*8.2*	*42.9*	*85.4*
,,	17,	..	**5,48**	1,22	4,26	5,53	32,26	5,40	**64,31**	64.08	270,44	22	*7.3*	*42.8*	*85.4*
,,	24,	..	**5,54**	1,18	4,36	4,90	32,26	5,97	**63,73**	63,48	267,71	25	*7.4*	*42.9*	*84.8*
March	3,	..	**5,76**	1,28	4,48	4,74	32,26	9,48	**66,69**	66,41	265,36	27	*7.8*	*43.5*	*89.8*
,,	10,	..	**5,78**	1,08	4,70	5,17	32,26	6,60	**63,93**	63,69	263,97	23	*7.8*	*43.4*	*86.0*
,,	17,	..	**5,75**	1,14	4,60	5,63	32,26	6,71	**64,81**	64,60	260,21	21	*7.7*	*43.4*	*87.2*
,,	24,	..	**6,18**	1,23	4,94	4,98	32,46	6,83	**66,77**	66,59	258,08	17	*8.3*	*43.6*	*89.7*
,,	31,	..	**6,37**	1,26	5,11	9,56	32,48	8,70	**67,88**	67,62	255,39	26	*8.2*	*41.7*	*87.2*

* Includes borrowings from the Industrial Development Bank of India from January 2, 1965.

@ Include advances of Scheduled State Co-operative banks to Central Co-operative banks and Primary Co-operative banks from week ended August 12, 1966; prior to this date these advances were included under 'loans, cash credits and overdrafts'.

(*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. (*g*) As on March 31, 1951.

STATEMENT 33—SEASONAL TRENDS IN SELECTED ITEMS OF SCHEDULED COMMERCIAL BANKS' LIABILITIES AND ASSETS

(Amount in 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*)	*Investments 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(f)*	− 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(f)*	+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	+ 43,48	+ 62,93	**+106,41**	+124,50	+ 7,62	*6.1*	−153,83	*27.3*	+407,40	*80.1*
Slack 1965	+ 79,99	+ 97,92	**+177,90**	−122,81	+21,60	*6.5*	+138,61	*30.5*	− 93,37	*71.7*
Busy 1965-66	+120,60	+ 93,32	**+213,92**	+ 28,48	+ 5,44	*6.2*	− 27,34	*27.4*	+309,53	*76.9*
Slack 1966	+ 84,80	+180,08	**+264,88**	− 29,79	+10,31	*6.0*	+298,15	*34.3*	− 85,67	*68.1*
Busy 1966-67	+110,61	+ 58,51	**+169,12**	+ 40,77	+12,10	*6.1*	−198,07	*26.9*	+425,67	*77.1*
Outstanding as on April 28, 1967	**1,636,52**	**1,826,64**	**3,463,16**	**42,82**	**211,01**		**930,99**		**2,669,17**	

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 28—Scheduled Commercial 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 Column 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 XII figures submitted by scheduled commercial banks. (*g*) Excluding foreign bills purchased and discounted in India and including money at call and short notice.

STATEMENT 34—SAVINGS DEPOSITS WITH SCHEDULED COMMERCIAL BANKS

(In lakhs of rupees)

Last Friday	All Scheduled Commercial Banks	Indian Scheduled Commercial Banks	Foreign Banks
	1	2	3
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
1965-66	**716,48**	655,29	61,20
1966-67	**835,77**	766,28	69,50
March 1966	**716,48**	655,29	61,20
April ,, ...	**729,26**	667,32	61,94
May ,, ...	**738,27**	675,25	63,02
June ,, ...	**755,59**	691,39	64,21
July ,, ...	**774,24**	709,01	65,24
August ,, ...	**777,10**	711,55	65,55
September ,, ...	**786,59**	720,59	66,01
October ,, ...	**789,59**	722,75	66,84
November ,, ...	**793,79**	726,56	67,22
December ,, ...	**819,52**	750,08	69,44
January 1967	**815,92**	746,86	69,06
February ,, ...	**822,69**	753,95	68,73
March ,, ...	**835,77**	766,28	69,50

STATEMENT 35—RESERVES OF SCHEDULED COMMERCIAL BANKS AND STATE CO-OPERATIVE BANKS WITH THE RESERVE BANK OF INDIA

(In lakhs of rupees)

Last Week	All Scheduled Commercial Banks		Indian Scheduled Commercial 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	9,68	10,44	2,30	**1,59**	**1,66**
1965-66 ..	**95,70**	**15,69**	83,98	12,82	11,72	2,87	**1,72**	**3,18**
1966-67 ..	**109,79**	**15,66**	97,30	12,88	12,49	2,78	**3,57**	**2,23**
March 1966	**95,70**	**15,69**	83,98	12,82	11,72	2,87	**1,72**	**3,18**
April ,,	**100,15**	**14,59**	88,19	13,02	11,96	1,57	**1,95**	**2,79**
May ,,	**100,30**	**15,44**	88,38	13,91	11,92	1,52	**1,92**	**2,60**
June ,,	**101,80**	**24,08**	89,75	20,55	12,04	3,53	**1,97**	**5,10**
July ,,	**106,09**	**16,73**	93,76	14,14	12,33	2,58	**2,09**	**4,23**
August ,,	**106,76**	**17,60**	94,12	14,50	12,65	3,10	**4,07**	**1,30**
September ,,	**107,71**	**18,51**	94,91	15,54	12,80	2,97	**3,88**	**1,71**
October ,,	**108,07**	**13,99**	95,36	11,57	12,70	2,42	**3,75**	**1,50**
November ,,	**109,57**	**15,83**	96,63	13,23	12,94	2,60	**3,72**	**1,08**
December ,,	**109,61**	**19,64**	97,06	16,24	12,55	3,40	**3,72**	**2,00**
January 1967	**109,26**	**14,44**	96,83	11,73	12,43	2,71	**3,54**	**1,24**
February ,,	**109,32**	**15,33**	96,72	11,62	12,60	3,71	**3,54**	**1,40**
March ,,	**109,79**	**15,66**	97,30	12,88	12,49	2,78	**3,57**	**2,23**

STATEMENT 36—STATE FINANCIAL CORPORATIONS—LIABILITIES AND ASSETS

(In lakhs of rupees)

	LIABILITIES							
	As on last Friday of March							
	1956	1961	1962	1963	1964	1965	1966	1967
	1	2	3	4	5	6	7	8
1. Capital and Reserves :								
Paid-up capital ..	10,28	15,23	15,82	15,32	15,32	15,54	16,35	17,80
Reserve fund ..	1	11	13	13	17	17	22	27
Provision for bad and doubtful debts and other reserves	—	9	13	26	49	77	1,02	1,50
2. Bonds and debentures	—	7,17	13,54	18,29	20,64	25,61	32,70	41,20
3. Fixed deposits (*a*)	—	3,54	5,33	6,52	9,59	10,02	12,03	13,77
4. Borrowings from Reserve Bank of India	—	13	34	76	1,61	2,41	1,33	1,78
5. Other borrowings	—	1,00	1,02	2,54	4,78	7,88	11,85	14,50
6. Other liabilities ..	40	2,53	3,91	3,94	9,20	11,88	14,62	15,49
Total	**10,70**	**29,80**	**40,22**	**47,76**	**61,80**	**74,28**	**90,12**	**106,31**

	ASSETS							
	As on last Friday of March							
	1956	1961	1962	1963	1964	1965	1966	1967
	9	10	11	12	13	14	15	16
1. Cash in hand and balances with banks	3,60	4,56	7,43	4,12	2,97	3,39	4,36	6,24
2. Investments in Government securities	3,94	4,60	4,55	4,61	4,11	3,73	3,76	3,74
3. Investments in shares	—	1,19	2,16	2,72	4,58	5,59	7,49	8,58
4. Loans and advances	2,72	17,12	23,16	31,83	40,23	48,53	58,95	71,36
5. Debentures ..	14	14	14	22	22	37	34	31
6. Other assets ..	30	2,19	2,78	4,26	9,69	12,67	15,22	16,08
Total	**10,70**	**29,80**	**40,22**	**47,76**	**61,80**	**74,28**	**90,12**	**106,31**

Note : There were 12 State Financial Corporations as on the last Friday of March 1956 and 15 as on last Friday of March 1961 to March 1967.
(*a*) Including cash certificates and call deposits from 1960-61 onwards.

STATEMENT 37—OPERATIONS OF STATE FINANCIAL CORPORATIONS

(In lakhs of rupees)

Corporation	Capital as at the end of March 1967	Outstandings of bonds issued as at the end of March 1967	Total assets as at the end of March 1967	Loans sanctioned* during						
				1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
	1	2	3	4	5	6	7	8	9	10
1. Madras	2,85	3,86	22,47	1,12	1,79	3,25	1,08	3,60	4,70	2,18
2. Punjab	1,00	4,00	8,01	1,28	1,44	2,33	1,84	2,63	2,41	2,54
3. Maharashtra ..	1,50	6,78	12,09	1,76	1,79	2,06	3,21	4,09	2,36	3,66
4. Gujarat	1,00	2,56	5,67	38	72	49	75	1,03	1,58	1,84
5. Kerala	1,00	2,09	3,41	42	27	55	31	9	1,28	97
6. West Bengal ..	1,00	4,71	7,81	30	1,25	1,96	1,71	2,24	1,96	1,20
7. Assam	1,00	2,82	4,51	68	63	96	1,19	43	46	48
8. Uttar Pradesh ..	1,45	1,95	4,06	78	35	77	1,20	1,35	75	60
9. Bihar	1,00	1,50	2,93	51	62	76	35	39	31	54
10. Rajasthan ..	1,00	1,25	3,67	27	58	90	69	73	1,23	96
11. Madhya Pradesh	1,00	2,99	5,34	37	1,47	2,75	47	52	1,97	1,43
12. Andhra Pradesh ..	1,50	3,05	8,34	56	99	81	2,38	1,05	2,21	1,55
13. Orissa	1,00	1,50	2,93	58	39	24	63	59	26	66
14. Mysore	1,00	2,80	3,70	44	55	29	68	1,11	1,49	77
15. Jammu & Kashmir	50	27	97	4	6	15	6	11	41	53
Total	**17,80**	**42,13**	**95,91**	**9,49**	**12,90**	**18,27**	**16,55**	**19,96**	**23,38**	**19,91**

Corporation	Loans disbursed during							Loans outstanding as at the end of March						
	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1961	1962	1963	1964	1965	1966	1967
	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1. Madras	71	1,30	2,62	1,51	1,44	2,89	3,27	3,89	4,83	6,95	7,80	8,33	10,03	12,52
2. Punjab	57	89	1,26	1,32	1,42	1,63	1,72	1,71	2,39	3,34	4,28	5,21	6,30	7,32
3. Maharashtra ..	83	1,35	1,65	2,08	2,29	2,46	2,46	1,99	3,02	4,08	5,82	7,44	9,08	10,43
4. Gujarat	19	35	37	52	72	1,02	1,08	19	54	90	1,28	1,80	2,54	3,13
5. Kerala	23	25	32	36	22	45	59	1,38	1,47	1,62	1,72	1,76	1,95	2,31**
6. West Bengal ..	21	76	90	1,30	1,36	1,15	1,20	1,56	2,13	2,87	3,96	5,01	5,75	6,27
7. Assam	56	60	66	66	95	34	30	1,54	2,02	2,52	3,03	3,71	3,67	3,74
8. Uttar Pradesh ..	35	23	26	54	79	82	65	1,03	1,12	1,21	1,58	2,11	2,68	3,07
9. Bihar	36	44	52	42	20	24	23	1,49	1,81	2,12	2,42	2,43	2,50	2,50
10. Rajasthan ..	10	37	42	62	63	62	80	54	85	1,18	1,65	2,10	2,52	3,07
11. Madhya Pradesh	7	34	94	53	48	1,41	1,38	44	71	1,51	1,91	2,18	3,39	4,61
12. Andhra Pradesh ..	27	54	47	82	1,17	1,55	1,71	82	1,25	1,62	2,19	3,02	4,24	5,54
13. Orissa	20	26	32	42	47	47	54	18	43	78	1,19	1,66	1,88	2,33
14. Mysore	21	35	60	51	75	79	91	34	68	1,24	1,67	2,27	2,92	3,59
15. Jammu & Kashmir	2	4	2	9	9	25	44	2	6	8	16	24	44	75
Total	**4,88**	**8,07**	**11,33**	**11,70**	**12,98**	**16,09**	**17,28**	**17,12**	**23,31**	**32,02**	**40,66**	**49,27**	**59,89**	**71,18**

* Includes in respect of some Corporations, loans subsequently declined by Industrial concerns or cancelled or reduced by the Corporation. ** Provisional.

Source : State Financial Corporations.

STATEMENT 38—LIABILITIES AND ASSETS OF THE INDUSTRIAL FINANCE CORPORATION OF INDIA

(In lakhs of rupees)

	LIABILITIES								
	As on last Friday of March								
	1951	1956	1961	1962	1963	1964	1965	1966	1967
	1	2	3	4	5	6	7	8	9
1. Capital issued and paid-up	5,00	5,00	5,00	6,84	7,00	7,00	8,35	8,35	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	70	84
(ii) Other reserves ..	1	6	70	1,34	1,75	2,39	3,45	4,52	5,60
3. Reserve for doubtful debts	—	20	15	14	14	14	14	14	14
4. Provision for taxation ..	—	10	50	59	59	85	1,12	1,17	2,78
5. Bonds and debentures ..	5,30	7,81	22,24	22,24	28,24	28,24	31,48	33,48	39,61
6. Borrowings from the Reserve Bank of India (*a*) ..	—	61	51	—	—	1,24	—	82	—
7. Borrowings from Government (*b*) ..	—	—	15,25	17,75	23,75	29,75	37,60	50,94	67,69
8. Guarantees and Underwriting Agreements per contra ..	—	—	4,77	10,40	12,46	16,87	19,33	23,66	35,13
9. Other liabilities	37	80	1,60	1,63	2,68	5,82	8,60	11,57	23,05
**Total .. **	**10,68**	**14,70**	**51,09**	**61,34**	**77,09**	**92,80**	**110,65**	**135,36**	**183,18**

	ASSETS								
	As on last Friday of March								
	1951	1956	1961	1962	1963	1964	1965	1966	1967
	10	11	12	13	14	15	16	17	18
1. Cash in hand and with bankers	47	2	3,00	2,91	3,59	3	1,19	2,05	8,73
2. Investments in:									
(i) Government securities ..	4,58	—	—	—	—	—	—	—	—
(ii) Shares/ Stocks (*c*)	—	—	95	88	1,37	2,97	5,43	8,01	10,41
(iii) Bonds/ Debentures (*d*) ..	—	—	—	—	1,72	3,44	2,54	3,96	5,06
(iv) Others (*e*)	—	—	—	—	—	—	21	21	21
3. Loans and advances ..	5,21	14,01	40,74	45,48	55,63	67,70	78,86	95,43	118,53
4. Guarantees and Underwriting Agreements per contra ..	—	—	4,77	10,40	12,46	16,87	19,33	23,66	35,13
5. Other assets	41	67	1,62	1,67	2,31	1,79	3,09	2,05	5,12
**Total .. **	**10,68**	**14,70**	**51,09**	**61,34**	**77,09**	**92,80**	**110,65**	**135,36**	**183,18**

(*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

INDUSTRYWISE DISTRIBUTION OF FINANCIAL ASSISTANCE SANCTIONED

(In lakhs of rupees)

Name of Industry	Year ended June													
	1956		1961		1962		1963		1964		1965		1966	
	Amount	% to total	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	13	14
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*	2,81.44	*8.4*	2,88.06	*6.6*
Textiles	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*	6,54.56	*19.5*	2,65.08	*6.1*
Artificial Fibres	—	—	—	—	70.00	*2.9*	31.00	*0.8*	18.98	*0.5*	30.12	*0.9*	2,00.48	*4.6*
Wood and Cork	—	—	80.92	*3.8*	—	—	—	—	8.00	*0.2*	36.50	*1.1*	—	—
Paper	1,10.00	*7.3*	3,50.00	*16.5*	15.00	*0.6*	1,76.66	*4.4*	1,22.44	*3.2*	2,23.40	*6.7*	3,39.47	*7.8*
Rubber	—	—	1,72.00	*8.1*	—	—	50.00	*1.2*	84.00	*2.1*	1,76.02	*5.3*	—	—
Basic Industrial Chemicals ..	3,06.00	*20.2*	24.05	*1.1*	6,38.00	*26.1*	4,39.32	*10.9*	5,78.75	*15.1*	3,39.60	*10.2*	2,60.03	*6.0*
Miscellaneous Chemicals ..	—	—	1,25.50	*5.9*	10.00	*0.4*	87.33	*2.3*	1,21.87	*3.2*	1,56.25	*4.7*	3,79.45	*8.7*
Vegetable & Animal Oil & Fats	—	—	4.50	*0.2*	22.50	*0.9*	—	—	—	—	—	—	7.00	*0.2*
Glass	4.00	*0.3*	97.00	*4.6*	—	—	8.00	*0.2*	1,45.05	*3.8*	—	—	14.17	*0.3*
Pottery	—	—	1,45.00	*6.8*	13.00	*0.5*	10.00	*0.3*	40.00	*1.0*	37.50	*1.1*	—	—
Cement	25.00	*1.7*	50.00	*2.4*	95.00	*3.9*	15.00	*0.4*	3,00.00	*7.8*	1,88.50	*5.6*	3,78.39	*8.7*
Iron and Steel	—	—	—	—	—	—	1,60.00	*4.0*	60.00	*1.7*	1,46.00	*4.4*	5,26.00	*12.1*
Non-ferrous Metals	—	—	1,30.00	*6.1*	—	—	6,76.52	*16.8*	3,83.45	*10.0*	—	—	40.00	*0.9*
Metal Products	55.00	*3.6*	60.00	*2.8*	96.00	*3.9*	2,65.46	*6.6*	7,15.35	*18.7*	3,54.23	*10.6*	8,31.25	*19.1*
Machinery	10.00	*0.7*	70.00	*3.3*	75.00	*3.1*	1,32.39	*3.3*	1,79.39	*4.7*	3,31.68	*9.9*	4,95.17	*11.4*
Electrical Machinery and Equipment	19.00	*1.3*	54.75	*2.6*	3,13.53	*12.8*	1,03.04	*2.6*	1,52.22	*4.0*	1,15.86	*3.5*	1,72.05	*4.0*
Motor Vehicles and Ancillaries	*21.00*	*1.4*	—	—	14.00	*0.6*	1,49.43	*3.7*	87.00	*2.3*	1,12.51	*3.4*	1,09.19	*2.5*
Bicycles	—	—	—	—	—	—	11.00	*0.3*	4.50	*0.1*	—	—	—	—
Electricity, Gas and Steam ..	—	—	—	—	1,09.28	*4.5*	—	—	—	—	1,01.28	*3.0*	10.00	*0.2*
Petroleum Products (Oil Refineries)	—	—	—	—	—	—	—	—	46.18	*1.2*	—	—	—	—
Shipping	—	—	—	—	—	—	—	—	—	—	7.00	*0.2*	—	—
Miscellaneous Industries* ..	50.00	*3.3*	60.75	*2.9*	32.00	*1.3*	4,80.50	*11.9*	12.35	*0.3*	52.00	*1.5*	36.75	*0.8*
Total ..	**15,13.00**	*100.0*	**21,21.34**	*100.0*	**24,45.31**	*100.0*	**40,13.57**	*100.0*	**38,27.38**	*100.0*	**33,44.45**	*100.0*	**43,52.54**	*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 the Industrial Finance Corporation of India Ltd.

STATEMENT 40—LIABILITIES AND ASSETS OF THE INDUSTRIAL DEVELOPMENT BANK OF INDIA

(In lakhs of rupees)

LIABILITIES	As at the end of June 1965	As at the end of June 1966	ASSETS	As at the end of June 1965	As at the end of June 1966
	1	2		3	4
1. Capital issued and paid-up	10,00	10,00	1. Investments in :		
			(i) Government securities	11,15	7,72
2. Reserves and reserve fund	81	2,09(*a*)	(ii) Others	6,76	13,57
3. Borrowings :			2. Loans and advances :		
(i) From Reserve Bank of India	2,17	3,84	(i) Scheduled banks, State Co-operative banks and other financial institutions	50,22	63,93
(ii) From Government of India	55,00	92,90	(ii) Industrial concerns	—	19,89
4. Other liabilities	1,67	61	3. Bills of exchange and promissory notes discounted or rediscounted	9	2,31
			4. Other assets	1,43	2,02
Total	**69,65**	**109,44**	**Total**	**69,65**	**109,44**

Note : Data relate to General Fund and Development Assistance Fund.
(*a*) Inclusive of unappropriated profit at Rs. 3 lakhs.

Source : Annual Report of the Industrial Development Bank of India.

STATEMENT 41—ASSISTANCE SANCTIONED AND DISBURSED BY FINANCIAL INSTITUTIONS IN THE THIRD PLAN

(In crores of rupees)

	Underwriting and direct subscriptions									
	Loans		Ordinary and preference shares		Debentures		Total		Total Assistance	
	Sanctioned	Disbursed	Sanctioned	Disbursed	Sanctioned	Disbursed	Sanctioned	Disbursed	Sanctioned	Disbursed
	1	2	3	4	5	6	7	8	9	10
IDBI	111.5(*a*)	76.4(*a*)	12.2	1.7	1.3	1.3	**13.5**	**3.0**	**125.0**	**79.4**
IFC	131.2	78.0	13.1	7.4	6.7	5.0	**19.8**	**12.4**	**151.0**	**90.4**
	(24.5)	(8.8)							**(24.5)**	**(8.8)**
ICICI	83.0	54.1	14.2	7.5	8.9	3.9	**23.1**	**11.4**	**106.1**	**65.5**
	(56.1)	(35.5)							**(56.1)**	**(35.5)**
SFCs	90.5	60.2	8.1	6.4	0.6	0.4	**8.7**	**6.8**	**99.2**	**67.0**
SIDCs	1.3	0.6	10.8	5.0	—	—	**10.8**	**5.0**	**12.1**	**5.6**
Sub-Total	**417.5**	**269.3**	**58.4**	**28.0**	**17.5**	**10.6**	**75.9**	**38.6**	**493.4**	**307.9**
	(80.6)	**(44.3)**							**(80.6)**	**(44.3)**
UTI	—	—	3.1	2.6	8.0	6.9	**11.1**	**9.5**	**11.1**	**9.5**
LIC	16.7	1.8	25.6	20.9	26.6	23.8	**52.2**	**44.7**	**68.9**	**46.5**
Sub-Total	**16.7**	**1.8**	**28.7**	**23.5**	**34.6**	**30.7**	**63.3**	**54.2**	**80.0**	**56.0**
Grand Total	**434.2**	**271.1**	**87.1**	**51.5**	**52.1**	**41.3**	**139.2**	**92.8**	**573.4**	**363.9**
	(80.6)	**(44.3)**							**(80.6)**	**(44.3)**
Total for the Second Plan(*b*)	**105.2**	**70.1**					**15.8**	**6.3**	**121.0**	**76.4**

Note : Figures within brackets relate to foreign currency loans.
(*a*) Comprising refinance to banks, direct loans and rediscounts. (*b*) Data for the Second Plan which relate to the operations of the RCI, the IFC, the ICICI and the SFCs are not strictly comparable with those for the Third Plan.

Source : The Life Insurance Corporation of India and Annual Report of the Industrial Development Bank of India.

STATEMENT 42—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
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
A. Non-Government Companies														
Industrial	535	233.86	530	233.08	27	24.24	36	20.26	14	18.06	27	45.89	426	124.64
Non-Industrial	261	44.84	255	44.45	1	0.60	10	2.88	—	—	12	18.62	232	22.36
Of which :														
(i) Agriculture and allied activities	80	4.86	78	4.75	—	—	1	0.04	—	—	—	—	77	4.71
(ii) Financial	43	5.98	42	5.93	—	—	4	1.18	—	—	—	—	38	4.75
(iii) Trade and transport	90	25.77	88	25.75	1	0.60	4	1.55	—	—	9	16.84	74	6.76
(iv) Others	48	8.22	47	8.02	—	—	1	0.10	—	—	3	1.78	43	6.14
Total for 1966	**796**	**278.70**	**785**	**277.54**	**28**	**24.84**	**46**	**23.13**	**14**	**18.06**	**39**	**64.51**	**658**	**147.00**
Total for 1965	**166**	**167.79**	**154**	**166.50**	**43**	**41.42**	**40**	**23.83**	**18**	**21.02**	**29**	**75.29**	**24**	**4.93**
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	40	166.33	40	164.68	5	21.83	31	121.28	—	—	4	21.57	—	—
Non-Industrial	17	17.47	17	17.07	—	—	13	6.70	2	4.50	2	5.87	—	—
Of which :														
(i) Agriculture and allied activities	3	1.11	3	1.11	—	—	3	1.11	—	—	—	—	—	—
(ii) Financial	10	8.34	10	8.34	—	—	8	3.84	2	4.50	—	—	—	—
(iii) Trade and transport	4	8.02	4	7.62	—	—	2	1.75	—	—	2	5.87	—	—
(iv) Others	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total for 1966	**57**	**183.79**	**57**	**181.74**	**5**	**21.83**	**44**	**127.98**	**2**	**4.50**	**6**	**27.43**	—	—
Total for 1965	**53**	**172.36**	**53**	**109.28**	**8**	**12.20**	**36**	**78.74**	**1**	**3.00**	**8**	**15.34**	—	—
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 43—CAPITAL RAISED BY NON-GOVERNMENT

Type of issue	1963 (Further revised)					1964 (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	27.37	1.83	0.62	2.44	**32.26**	38.08	0.33	1.23	3.00	**42.63**
Preference	1.43	—	—	0.03	**1.46**	2.41	—	—	0.05	**2.46**
Further (*b*)										
Ordinary	21.53	0.47	3.39	9.86	**35.25**	22.94	0.09	3.61	9.06	**35.71**
Preference	1.69	—	0.17	0.39	**2.25**	2.10	—	0.18	0.18	**2.47**
Debentures	22.70	0.30	—	—	**23.00**	11.39	0.10	—	—	**11.49**
	74.72	2.60	4.17	12.73	**94.22**	76.92	0.52	5.02	12.30	**94.76**
Bonus	11.13	0.57	—	—	**11.70**	2.33	0.11	—	—	**2.44**
Miscellaneous (loans, etc.)	16.24	—	—	—	**16.24**	9.16	0.11	—	—	**9.27**
Total	**102.08**	**3.16**	**4.17**	**12.73**	**122.15**	**88.41**	**0.74**	**5.02**	**12.30**	**106.47**
										B. Government
Initial (*a*)										
Ordinary	1.35	3.54	—	—	**4.89**	9.01	8.04	—	0.49	**17.53**
Preference	0.34	—	—	—	**0.34**	—	—	—	—	—
Further (*b*)										
Ordinary	3.24	142.68	—	—	**145.92**	3.20	141.66	—	—	**144.86**
Preference	—	0.10	—	—	**0.10**	—	—	—	—	—
Debentures	—	—	—	—	—	—	0.49	—	—	**0.49**
	4.94	146.32	—	—	**151.25**	2.21	150.18	—	0.49	**162.88**
Bonus	—	—	—	—	—	—	—	—	—	—
Miscellaneous (loans, etc.)	0.17	4.08	—	—	**4.25**	3.73	8.07	—	—	**11.80**
Total	**5.11**	**150.39**	—	—	**155.50**	**15.94**	**158.25**	—	**0.49**	**174.68**

Note : The data in columns 1 & 2, 6 & 7, 11 & 12 and 16 & 17 relate to the capital raised in 1963, 1964, 1965 and 1966 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, 1967. 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

(In crores of rupees)

1965 (Revised)					1966 (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									
25.66	0.18	0.45	3.44	**29.72**	14.50	0.15	0.74	2.86	**18.25**
2.12	—	—	0.13	**2.25**	2.02	—	0.13	0.08	**2.23**
24.82	0.52	5.01	8.00	**38.34**	14.85	0.02	6.52	9.62	**31.00**
5.99	—	2.12	0.39	**8.50**	4.42	—	0.40	0.25	**5.06**
21.61	—	0.01	—	**21.62**	15.32	—	—	—	**15.32**
80.20	0.69	7.58	11.97	**100.43**	51.10	0.17	7.79	12.81	**71.87**
5.64	0.49	—	—	**6.13**	66.34	16.94	—	—	**83.28**
16.64	—	—	—	**16.64**	18.21	0.23	—	—	**18.44**
102.48	**1.19**	**7.58**	**11.97**	123.21	**135.66**	**17.34**	7.79	**12.81**	**173.60**
Companies									
0.24	25.18	0.66	—	**26.07**	0.19	14.19	—	0.15	**14.53**
—	—	—	—	—	—	—	—	—	—
2.71	75.66	1.09	0.44	**79.90**	5.08	89.77	0.43	0.83	**96.12**
0.50	—	—	—	**0.50**	—	—	—	—	—
—	0.25	—	—	**0.25**	—	—	—	—	—
3.45	101.09	1.75	0.44	**106.72**	5.27	103.97	0.43	0.98	**110.65**
0.11	—	—	—	**0.11**	—	—	—	—	—
7.15	—	—	—	**7.15**	—	—	—	—	—
10.70	**101.09**	**1.75**	**0.44**	**113.98**	**5.27**	**103.97**	**0.43**	**0.98**	**110.65**

(*a*) Issues of new companies. (*b*) Issues of existing companies.

Source : Office of the Controller of Capital Issues.

STATEMENT 44—PRICES (IN BOMBAY) OF GOVERNMENT OF INDIA SECURITIES, 1966-67

(In rupees)

Loans	As on Jan. 3, 1963	As on Sept. 26, 1964	As on Feb. 17, 1965	Average (*a*) for March 1966	Average (*a*) for June 1966	Average (*a*) for Sept. 1966	Average (*a*) for Dec. 1966	Average (*a*) for March 1967	1966-67 Highest	1966-67 Lowest	Difference of March 1967 over March 1966
	1	2	3	4	5	6	7	8	9	10	11
Terminable											
Under 5 years											
3½% 1966(*b*) ..	99.70	100.00	100.00	99.62	99.70				99.70	99.70	
3 % 1966-68(*c*)	96.40	98.35	98.35	98.28	99.26	99.80			99.80	99.00	
3½% 1967 ..	98.55	99.80	99.65	98.50	98.94	99.45	99.42	99.50	99.65	98.40	+1.00
3¾% 1967 ..	99.05	99.90	99.90	99.15	99.40	99.75	99.76	99.70	99.90	99.10	+0.55
3¾% 1968 ..	99.35	99.95	99.80	99.20	99.20	99.25	99.25	99.25	99.25	99.20	+0.05
3½% 1968 ..	98.00	99.00	99.00	97.93	98.02	98.25	98.35	98.30	98.35	97.80	+0.37
4¼% 1968(*d*) ..					100.00	100.00	100.00	100.00	100.00	100.00	
4 % 1969 ..		99.50	99.35	98.43	98.60	99.07	99.10	99.10	99.20	98.35	+0.67
3½% 1969 ..	97.55	97.95	97.25	96.14	96.58	96.70	97.04	97.03	97.20	96.16	+0.89
4 % 1970 ..		99.00	99.00	97.76	98.06	98.17	98.13	98.20	98.25	97.75	+0.44
3 % 1970-75 ..	87.15	90.15	90.20	84.31	85.46	86.81	88.13	88.24	88.35	84.15	+3.93
4½% 1971 ..				99.48	99.52	99.40	99.40	99.45	99.60	99.25	—0.03
Between 5 and 10 years											
4 % 1972 ..	99.30	98.75	98.80	95.49	95.50	96.12	96.20	96.09	96.20	94.75	+0.60
4¼% 1972 ..		100.10	100.05	96.32	96.40	97.65	97.63	97.60	97.75	96.30	+1.28
4¼% 1972(*d*) ..					101.00	101.05	101.05	101.01	101.05	100.00	
4 % 1973 ..	99.25	98.70	98.80	95.12	94.81	95.30	95.45	95.45	95.60	94.80	+0.33
4¼% 1973 ..		99.95	100.05	95.75	96.39	97.50	97.40	97.55	97.55	95.60	+1.80
3¾% 1974 ..	98.30	96.60	96.60	89.70	91.00	93.00	93.35	93.35	93.50	89.70	+3.65
2¾% 1976 ..	83.50	83.25	83.25	75.00	75.00	75.00	77.00	78.00	78.00	75.00	+3.00
Between 10 and 15 years											
7 % 1977 .. (Gold Bonds)(*e*)		118.10	117.00	110.20	110.59	111.20	112.01	112.64	112.80	110.25	+2.44
4 % 1979 ..	98.35	98.00	96.50	85.89	86.70	90.00	89.98	90.31	90.40	86.15	+4.42
7 % 1980 .. (Gold Bonds)				109.74	110.66	111.11	112.00	112.41	112.85	110.25	+2.67
4 % 1980 ..	98.25	98.05	96.50	85.81	87.00	90.00	90.15	89.91	90.20	86.00	+4.10
4 % 1981 ..	98.55	98.35	97.25	84.99	86.54	90.00	90.12	90.00	90.15	85.25	+5.01
Over 15 years											
4½% 1985 ..	100.00	100.15	100.10	95.00	95.00	93.75	92.91	92.00	95.00	92.00	—3.00
4½% 1986 ..		100.25	100.00	98.50	94.00	93.58	92.75	92.43	98.50	92.00	—6.07
4¾% 1989 ..		100.00	100.00	95.91	96.00	96.00	96.00	95.50	96.00	95.50	—0.41
5½% 1990 ..				100.10	100.10	100.20	100.20	100.25	100.25	99.95	+0.15
5½% 1991(*f*) ..						99.15	99.15	99.20	99.30	99.15	
Non-terminable											
3 % 1986 or later ..	63.00	63.50	62.00	54.62	54.11	53.81	53.75	53.98	54.55	53.75	—0.64
3 % 1896-97 ..	69.75	62.50	62.50	53.00	52.75	52.50	52.50	52.50	53.00	52.00	—0.50

Note: The maturity classification is as of March 31, 1967 and on the assumption of the earlier date of redemption.

(*a*) Average of closing quotations for working days. (*b*) Redeemed on July 18, 1966. (*c*) Redeemed on October 1, 1966. (*d*) Quoted from June 1, 1966. (*e*) Prior to April 1, 1965, the rate of interest was 6½ per cent per annum. (*f*) Quoted from August 2, 1966.

Source: Bombay Stock Exchange.

STATEMENT 45—AVERAGE YIELDS ON GOVERNMENT OF INDIA SECURITIES

(Per cent per annum)

Loans	As on Jan. 3, 1963	As on Sept. 26, 1964	As on Feb. 17, 1965	Average for March 1966	Average for June 1966	Average for Sept. 1966	Average for Dec. 1966	Average for March 1967	Annual Average 1966-67	Annual Average 1965-66	Difference of March 1967 over March 1966
	1	2	3	4	5	6	7	8	9	10	11
Terminable											
Under 5 years											
3½% 1966(*a*) ..	3.59	3.50	3.50	4.65	6.84				5.56	4.00	
3 % 1966-68(*b*)	4.04	3.85	4.06	6.30	5.59	7.88			5.19	5.39	
	(3.73)	(3.44)	(3.49)	(3.72)	(3.33)	(3.11)				(3.82)	
3½% 1967 ..	3.85	3.58	3.65	4.67	4.51	4.18	4.52	5.05	4.42	4.37	+0.38
3½% 1967 ..	3.98	3.79	3.79	4.39	4.30	4.04	4.15	4.57	4.24	4.21	+0.18
3½% 1968 ..	3.88	3.76	3.81	4.14	4.19	4.22	4.30	4.42	4.24	4.10	+0.28
3½% 1968 ..	3.90	3.78	3.81	4.40	4.46	4.45	4.52	4.73	4.49	4.12	+0.33
4¼% 1968(*c*) ..					4.25	4.25	4.25	4.25	4.25		
4 % 1969 ..		4.12	4.17	4.54	4.52	4.38	4.40	4.45	4.45	4.48	—0.09
3½% 1969 ..	3.93	3.98	4.20	4.79	4.72	4.77	4.75	4.89	4.76	4.68	+0.10
4 % 1970 ..		4.19	4.20	4.61	4.56	4.56	4.61	4.63	4.58	4.52	+0.02
3 % 1970-75 ..	5.02	4.91	5.01	7.04	6.92	6.75	6.56	6.76	6.76	6.11	—0.28
	(4.32)	(4.12)	(4.15)	(5.09)	(4.97)	(4.81)	(4.66)	(4.68)	(4.80)	(4.68)	(—0.41)
4½% 1971 ..				4.61	4.61	4.64	4.64	4.64	4.63	4.60	+0.03
Between 5 and 10 years											
4 % 1972 ..	4.09	4.19	4.19	4.83	4.85	4.76	4.78	4.84	4.81	4.66	+0.01
4¼% 1972 ..		4.24	4.24	4.91	4.91	4.69	4.72	4.74	4.77	4.64	—0.17
4½% 1972(*c*) ..					4.57	4.55	4.54	4.54	4.55		
4 % 1973 ..	4.09	4.18	4.18	4.81	4.89	4.83	4.83	4.86	4.85	4.64	+0.05
4¼% 1973 ..		4.26	4.24	4.95	4.86	4.68	4.69	4.70	4.74	4.63	—0.25
3½% 1974 ..	3.94	4.18	4.19	5.30	5.13	4.83	4.81	4.84	4.94	5.25	—0.46
2½% 1976 ..	4.36	4.58	4.64	5.99	6.06	6.13	5.89	5.79	5.96	5.27	—0.20
Between 10 and 15 years											
7 % 1977 ..		4.68	4.75	5.82	5.75	5.67	5.55	5.45	5.64	5.61	—0.37
(Gold Bonds) (*d*)											
4 % 1979 ..	4.14	4.19	4.34	5.51	5.44	5.07	5.09	5.07	5.16	5.22	—0.44
7 % 1980 ..				6.00	5.90	5.84	5.74	5.68	5.82	5.92	—0.32
(Gold Bonds)											
4 % 1980 ..	4.14	4.17	4.31	5.44	5.32	5.01	5.01	5.05	5.10	5.23	—0.39
4 % 1981 ..	4.11	4.14	4.23	5.46	5.31	4.96	4.96	4.99	5.06	5.08	—0.47
Over 15 years											
4½% 1985 ..	4.50	4.49	4.49	4.90	4.91	5.01	5.10	5.18	5.01	4.66	+0.28
4½% 1986 ..		4.47	4.50	4.62	4.98	5.02	5.09	5.13	5.02	4.61	+0.51
4¾% 1989 ..		4.75	4.75	5.05	5.05	5.05	5.05	5.09	5.05	4.98	+0.04
5½% 1990 ..				5.49	5.49	5.49	5.48	5.48	5.49	5.49	—0.01
5½% 1991(*e*) ..						5.56	5.56	5.56	5.56		
Non-terminable											
3 % 1986 or later(*f*) ..	4.76	4.72	4.84	5.49	5.55	5.58	5.58	5.56	5.57	5.46	+0.07
3 % 1896-97(*f*)	4.31	4.80	4.80	5.66	5.69	5.71	5.71	5.71	5.72	5.53	+0.05

Note : The maturity classification is as of March 31, 1967 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 July 18, 1966. (*b*) Redeemed on October 1, 1966. (*c*) Quoted from June 1, 1966. (*d*) Prior to April 1, 1965, the rate of interest was 6½ per cent per annum. (*e*) Quoted from August 2, 1966. (*f*) Flat yield.

STATEMENT 46—ALL-INDIA AND REGIONAL INDICES (ANNUAL

(Base : 1961-62

		Government and Semi-Government Securities				Debentures			
		All-India	Bombay	Calcutta	Madras	All-India	Bombay	Calcutta	Madras
		1	2	3	4	5	6	7	8
Last week of									
1 1964-65	.. ..	97.1	96.6	96.9	97.8	95.0	94.9	94.4	99.7
2 1965-66	.. ..	93.6	93.6	93.6	93.4	93.1	94.5	91.3	98.5
3 1966-67	.. ..	94.6	94.7	94.6	94.5	91.8	91.3	91.4	98.7
1966-67 Weekly									
Week ended									
1966									
4 April	2, ..	93.6	93.7	93.6	93.4	92.8	94.5	90.8	98.5
5 „	9, ..	93.6	93.7	93.6	93.3	92.6	94.5	90.6	98.5
6 „	16, ..	93.6	93.7	93.7	93.3	92.6	94.5	90.6	98.5
7 „	23, ..	93.7	93.7	93.8	93.4	92.6	94.5	90.6	98.5
8 „	30, ..	93.7	93.8	93.8	93.4	92.6	94.5	90.6	98.5
9 May	7, ..	93.7	93.8	93.8	93.4	92.6	94.5	90.6	98.5
10 „	14, ..	93.7	93.8	93.8	93.4	92.6	94.5	90.6	98.6
11 „	21, ..	93.7	93.8	93.8	93.5	92.5	94.5	90.5	98.5
12 „	28, ..	93.8	93.9	93.9	93.5	92.4	94.5	90.2	98.5
13 June	4, ..	93.8	93.9	93.9	93.5	92.3	94.5	90.0	98.5
14 „	11, ..	93.8	93.9	93.9	93.5	92.3	94.5	90.0	98.5
15 „	18, ..	93.9	93.9	93.9	93.9	91.5	92.8	90.0	98.5
16 „	25, ..	94.0	94.0	93.9	94.1	91.5	92.6	90.0	98.5
17 July	2, ..	94.1	94.2	94.0	94.0	91.3	91.5	90.3	98.5
18 „	9, ..	94.2	94.4	94.2	94.1	91.2	91.2	90.3	98.5
19 „	16, ..	94.2	94.4	94.3	93.9	91.2	91.2	90.3	98.5
20 „	23, ..	94.4	94.6	94.4	94.0	91.2	91.2	90.3	98.5
21 „	30, ..	94.4	94.6	94.5	94.1	91.2	91.2	90.3	98.5
22 August	6, ..	94.4	94.6	94.6	94.1	91.2	91.2	90.3	98.5
23 „	13, ..	94.5	94.6	94.6	94.1	91.4	91.3	90.7	98.5
24 „	20, ..	94.5	94.7	94.6	94.1	91.6	91.8	90.7	98.5
25 „	27, ..	94.5	94.7	94.7	94.1	91.7	91.9	90.8	98.5
26 September	3, ..	94.5	94.7	94.7	94.2	91.7	91.9	90.9	98.5
27 „	10, ..	94.6	94.7	94.7	94.2	91.8	92.0	90.9	98.5
28 „	17, ..	94.6	94.6	94.7	94.3	91.8	92.0	90.9	98.5
29 „	24, ..	94.6	94.7	94.7	94.3	91.8	92.0	90.9	98.5
30 October	1, ..	94.6	94.7	94.6	94.3	91.7	92.0	90.9	98.5
31 „	8, ..	94.6	94.7	94.6	94.3	91.8	91.9	90.9	98.5
32 „	15, ..	94.6	94.8	94.6	94.4	91.8	91.9	91.0	98.5
33 „	22, ..	94.6	94.8	94.7	94.4	91.7	91.6	90.9	99.1
34 „	29, ..	94.7	94.8	@	94.3	91.6	91.4	@	98.6
35 November	5, ..	94.7	94.8	94.6	94.3	91.5	91.4	90.9	98.5
36 „	12, ..	94.6	94.8	94.6	94.3	91.5	91.4	90.9	98.5
37 „	19, ..	94.6	94.8	94.6	94.3	91.5	91.3	90.9	98.5
38 „	26, ..	94.6	94.8	94.5	94.3	91.5	91.3	90.9	98.5
39 December	3, ..	94.5	94.8	94.3	94.3	91.6	91.3	91.1	98.4
40 „	10, ..	94.5	94.8	94.3	94.3	91.6	91.3	91.1	98.4
41 „	17, ..	94.5	94.8	94.3	94.3	91.7	91.3	91.3	98.4
42 „	24, ..	94.5	94.8	94.2	94.3	91.7	91.3	91.3	98.4
43 „	31, ..	94.6	@	94.5	@	91.7	@	91.3	@
1967									
44 January	7, ..	94.6	94.8	94.6	94.3	91.7	91.3	91.3	98.5
45 „	14, ..	94.6	94.8	94.5	94.3	91.7	91.3	91.3	98.7
46 „	21, ..	94.6	94.8	94.6	94.3	91.7	91.2	91.3	98.7
47 „	28, ..	94.6	94.7	94.5	94.4	91.7	91.3	91.3	98.7
48 February	4, ..	94.6	94.8	94.6	94.4	91.7	91.4	91.3	98.7
49 „	11, ..	94.6	94.7	94.6	94.4	91.8	91.4	91.3	98.7
50 „	18, ..	94.6	94.7	94.6	94.4	91.8	91.4	91.3	98.7
51 „	25, ..	94.6	94.7	94.6	94.4	91.8	91.3	91.4	98.7
52 March	4, ..	94.6	94.7	94.6	94.4	91.8	91.3	91.4	98.7
53 „	11, ..	94.6	94.7	94.5	94.4	91.8	91.3	91.4	98.7
54 „	18, ..	94.6	94.7	94.5	94.5	91.8	91.3	91.4	98.7
55 „	25, ..	94.6	94.7	94.6	94.5	91.8	91.3	91.4	98.7

Note: The old series has been replaced by a revised series. For details of the revised series a reference may be made to pp. 1506-1529 of the October 1965 issue of the *Reserve Bank of India Bulletin*. Linking of the old series with the revised series may be done by multiplying the All-India main group indices under the old series with the following factors: (*a*) Government and Semi-Government Securities—0.9867. (*b*) Debentures—0.9733. (*c*) Preference Shares—1.2418 and (*d*) Variable Dividend Industrial Securities— 0.5252.

@ Market closed during the week.

AND WEEKLY) OF SECURITY PRICES

= 100)

Preference Shares					Variable Dividend Industrial Securities						
All-India	Bombay	Calcutta	Madras	Ahmedabad	All-India	Bombay	Calcutta	Madras	Ahmedabad	Delhi	
9	10	11	12	13	14	15	16	17	18	19	
100.4	102.1	101.1	89.7	97.5	81.6	85.6	81.2	78.9	69.6	89.7	*1*
90.9	91.1	93.6	84.1	84.7	75.9	80.6	73.5	75.1	68.6	86.0	*2*
88.6	88.6	91.5	81.2	81.7	81.1	88.3	78.9	77.6	72.9	95.7	*3*
91.0	91.3	93.6	84.1	84.8	76.3	81.0	73.7	75.3	69.0	87.7	*4*
91.1	91.5	93.8	84.0	84.9	77.8	82.9	75.5	75.9	69.8	89.6	*5*
91.1	91.5	93.8	84.2	84.9	79.6	85.1	77.3	77.4	71.4	92.4	*6*
91.6	91.8	94.4	84.4	84.9	80.7	85.5	79.3	77.6	72.4	94.7	*7*
91.5	91.9	94.2	84.5	84.9	81.4	86.1	80.4	78.0	72.3	94.7	*8*
91.2	91.9	93.5	84.5	84.8	81.1	85.7	80.3	78.4	72.1	94.0	*9*
91.0	91.7	93.1	84.6	84.4	80.3	84.6	79.3	78.2	71.2	93.1	*10*
90.8	91.4	93.0	84.6	84.6	80.0	84.8	78.6	77.9	71.3	92.7	*11*
90.8	91.4	92.9	84.5	85.0	80.1	85.2	78.6	77.7	71.5	92.8	*12*
90.7	91.3	92.8	84.6	85.3	79.7	84.6	78.4	77.5	70.7	92.8	*13*
91.0	91.4	93.2	84.3	86.6	80.5	86.0	78.6	77.7	72.0	94.2	*14*
91.1	91.5	93.3	84.3	86.6	81.1	86.7	79.4	78.2	72.3	94.9	*15*
91.2	91.7	93.3	84.4	86.7	81.0	86.6	79.0	78.2	72.9	94.4	*16*
91.3	91.7	93.3	84.6	86.7	80.9	86.8	78.8	78.0	72.9	94.3	*17*
91.2	91.6	93.5	83.8	86.7	80.6	86.5	78.4	77.9	72.6	93.8	*18*
91.2	91.6	93.3	84.0	86.7	80.3	86.0	78.0	78.4	72.3	93.7	*19*
91.1	91.7	92.8	84.0	86.7	80.5	86.3	78.1	78.3	72.1	94.4	*20*
91.0	91.7	92.8	84.1	86.7	80.7	86.7	78.1	78.8	72.3	95.3	*21*
91.2	91.9	92.7	84.0	88.1	80.5	86.6	77.8	79.0	72.4	94.7	*22*
91.2	91.8	92.6	83.7	88.4	79.5	85.6	76.8	78.8	70.7	93.2	*23*
90.7	90.8	92.5	83.4	87.0	78.8	84.6	76.1	78.5	68.3	92.0	*24*
90.1	90.5	92.2	83.3	83.4	78.6	84.6	76.0	78.3	67.9	91.8	*25*
90.1	90.3	92.4	83.3	83.4	77.8	83.6	75.3	78.3	66.5	89.2	*26*
89.9	90.1	92.3	83.2	83.0	77.2	82.9	74.9	78.1	65.9	89.1	*27*
89.7	90.0	92.1	82.7	83.0	77.1	82.7	74.7	77.8	65.9	89.4	*28*
89.7	90.0	92.2	82.6	83.0	77.3	83.1	74.8	77.8	66.3	89.0	*29*
89.5	89.3	92.3	82.9	83.0	77.9	84.2	74.8	77.7	67.0	89.9	*30*
89.4	89.3	92.2	83.0	82.5	78.1	84.4	75.0	77.7	67.2	90.2	*31*
89.4	89.6	92.1	82.6	82.2	78.8	85.0	76.1	78.0	68.6	91.8	*32*
89.4	89.9	92.0	82.6	82.2	79.2	85.1	76.9	78.0	69.2	92.4	*33*
89.4	89.9	@	82.5	82.2	79.0	84.7	@	78.0	68.3	92.0	*34*
89.4	89.7	92.0	82.5	82.3	78.7	84.4	76.7	78.0	67.9	91.4	*35*
89.3	89.7	92.0	82.5	82.4	78.8	84.5	76.8	77.9	68.2	91.4	*36*
89.2	89.4	91.9	82.5	82.4	78.6	84.4	76.5	78.0	68.3	91.0	*37*
89.2	89.4	91.8	82.5	82.8	78.6	84.2	76.6	78.0	68.6	91.2	*38*
89.2	89.4	91.7	82.5	82.9	78.7	84.5	76.5	78.0	68.7	91.2	*39*
89.2	89.5	91.8	82.5	82.7	78.8	84.9	76.3	78.0	68.9	91.3	*40*
89.4	89.7	91.9	82.5	82.7	79.3	85.8	76.6	78.2	69.5	91.3	*41*
89.1	89.1	91.8	82.3	82.6	79.3	85.9	76.6	78.5	69.3	91.5	*42*
89.2	@	92.0	@	@	79.6	@	77.5	@	@	92.6	*43*
89.1	89.0	92.1	82.0	82.2	81.2	88.0	78.9	78.8	71.0	94.2	*44*
89.2	88.9	92.1	82.0	82.3	82.0	89.4	79.4	79.2	72.5	94.8	*45*
89.2	89.0	92.2	81.8	82.3	82.3	89.7	79.9	78.9	72.3	95.2	*46*
89.1	88.9	92.2	81.7	82.3	83.4	90.7	81.6	79.0	73.3	97.9	*47*
89.1	88.9	92.3	81.7	82.0	84.3	91.3	83.3	78.9	74.5	99.4	*48*
88.7	88.5	91.6	81.6	81.6	84.3	91.5	83.0	78.5	75.6	94.3	*49*
88.6	88.5	91.3	81.4	81.7	84.4	91.7	83.3	78.5	75.8	99.6	*50*
88.7	88.7	91.4	81.4	81.7	84.0	91.0	82.9	78.4	75.6	98.8	*51*
88.8	88.9	91.5	81.4	81.7	83.3	90.3	82.1	78.2	75.1	97.9	*52*
88.8	89.0	91.6	81.5	81.7	83.0	90.2	81.2	78.1	75.4	97.4	*53*
88.7	88.7	91.5	81.5	81.7	82.5	89.7	80.7	77.9	75.0	97.3	*54*
88.6	88.6	91.5	81.2	81.7	81.1	88.3	78.9	77.6	72.9	95.7	*55*

STATEMENT 47—INDEX NUMBERS OF

(Base : 1961-62

Average of weeks	GROUP INDICES				SUB-GROUP INDICES OF GOVERNMENT AND SEMI-GOVERNMENT SECURITIES			SUB-GROUP INDICES OF JOINT STOCK				
	Government and Semi-Government Securities	Debentures	Preference Shares (Fixed Dividend)	Variable Dividend	Government of India	State Governments	Semi-Government Institutions	Plantations	Coal and other mining	Sugar	Textiles other than Jute	Jute Textiles
	1	2	3	4	5	6	7	8	9	10	11	12
1964-65	98.2	95.7	101.5	86.1	98.0	99.4	98.6	99.9	96.5	99.8	98.3	97.2
1965-66	94.6	93.9	94.4	76.7	94.4	95.7	95.5	99.9	96.2	97.2	93.0	96.6
1966-67	94.3	91.8	90.0	80.2	94.2	95.0	93.7	99.8	96.0	96.6	90.7	94.5
March 1966 ..	93.6	93.5	90.9	75.4	93.5	94.2	94.0	99.9	96.0	96.6	90.7	96.6
April „ ..	93.6	92.7	91.3	79.2	93.5	94.3	93.7	99.9	96.0	96.6	90.5	96.6
May „ ..	93.7	92.6	91.0	80.4	93.7	94.3	92.5	99.7	96.0	96.6	90.4	95.1
June „ ..	93.9	91.9	91.0	80.6	93.8	94.2	92.6	99.6	96.0	96.6	90.3	94.1
July „ ..	94.3	91.2	91.2	80.6	94.2	95.0	93.1	99.7	96.0	96.6	90.1	94.2
August „ ..	94.5	91.5	90.8	79.4	94.4	95.4	93.2	99.9	96.0	96.6	90.3	94.2
September „ ..	94.6	91.8	89.8	77.3	94.4	95.3	93.6	99.9	96.0	96.6	90.9	94.2
October „ ..	94.6	91.7	89 4	78.6	94.5	95.5	94.1	99.9	96.0	96.6	91.0	94.2
November „ ..	94.6	91.5	89.3	78.7	94.5	95.4	94.0	99.9	96.0	96.6	90.9	94.2
December „ ..	94.5	91.7	89.2	79.1	94.4	95.3	94.3	99.9	96.0	96.6	90.9	94.2
January 1967 ..	94.6	91.7	89.1	82.2	94.5	95.2	94.1	99.9	96.0	96.6	91.0	94.2
February „ ..	94.6	91.8	88.8	84.2	94.5	95.1	94.3	99.9	96.0	96.6	91.1	94.2
March „ ..	94.6	91.8	88.7	82.5	94.5	95.1	94.3	99.9	96.0	96.6	91.2	94.2
Percentage variation of March 1967 over March 1966	*+1.1*	*—1.8*	*—2.4*	*+9.4*	*+1.1*	*+1.0*	*+0.3*	—	—	—	*+0.6*	*—2.5*

Average of weeks	SUB-GROUP INDICES OF VARIABLE										
	Tea Plantations	Coffee Plantations	Rubber Plantations	Coal	Other Mining	Edible and Vegetable oils	Sugar	Cotton Textiles	Jute Textiles	Silk, Woollen and Rayon Textiles	Iron and Steel
	31	32	33	34	35	36	37	38	39	40	41
1964-65	84.7	107.4	115.0	80.2	64.1	103.5	86.9	81.8	90.5	70.1	99.4
1965-66	79.5	107.5	111.1	71.4	49.6	97.9	80.0	69.8	70.6	62.6	95.9
1966-67	80.8	120.6	148.7	65.8	46.4	104.9	77.7	66.5	61.8	71.7	105.3
March 1966 ..	79.4	104.7	122.4	66.4	43.2	97.6	76.8	66.8	64.4	62.7	97.0
April „ ..	82.4	110.0	123.9	68.7	42.9	99.9	78.9	69.3	65.2	67.8	101.8
May „ ..	82.7	114.2	123.0	72.6	44.6	102.5	78.3	69.7	66.5	67.4	103.5
June „ ..	82.6	114.9	124.1	70.8	46.8	104.7	77.7	68.8	63.6	68.7	105.6
July „ ..	82.4	117.4	140.0	69.2	47.3	106.4	77.1	68.1	63.8	69.6	106.6
August „ ..	81.3	120.1	158.0	66.0	48.7	101.1	76.7	66.4	61.7	67.9	105.5
September „ ..	79.8	114.9	157.8	64.8	48.1	101.5	75.4	63.9	60.8	66.5	100.4
October „ ..	79.6	118.7	160.1	65.0	47.0	102.6	77.8	64.6	60.1	69.3	102.7
November „ ..	79.8	124.4	158.9	64.6	46.5	103.1	77.8	64.1	60.7	69.3	102.4
December „ ..	78.7	127.9	160.4	63.0	46.8	104.5	78.4	64.2	60.1	71.0	103.5
January 1967 ..	77.9	127.0	160.6	61.6	46.4	108.3	80.3	66.4	59.6	77.7	109.6
February „ ..	80.2	128.7	160.2	61.9	46.1	112.4	78.8	67.2	60.4	84.1	112.8
March „ ..	81.8	130.7	159.6	60.9	45.7	113.7	75.4	65.6	58.2	83.5	110.4
Percentage variation of March 1967 over March 1966	*+3.0*	*+24.8*	*+30.4*	*—8.3*	*+5.8*	*+16.5*	*—1.8*	*—1.8*	*—9.6*	*+33.2*	*+13.8*

SECURITY PRICES—ALL-INDIA (ANNUAL AND MONTHLY)

= 100)

OF DEBENTURES COMPANIES			SUB-GROUP INDICES OF PREFERENCE SHARES (FIXED DIVIDEND INDUSTRIAL SECURITIES)														
Metals and Engineering	Electricity Generation and Supply	Others	Plantations	Coal and other Mining	Sugar	Cotton Textiles	Jute Textiles	Silk, Woollen and Rayon Textiles	Iron and Steel	Non-ferrous Metals (Basic)	Engineering	Chemicals	Cement	Paper	Electricity Generation and Supply	Trading	Shipping and other Transport
13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
95.5	96.1	94.4	86.5	100.4	95.9	103.8	111.9	101.1	97.4	112.5	100.3	105.7	99.8	112.0	94.9	93.5	92.4
94.4	94.1	93.2	81.8	97.9	92.7	97.8	104.7	92.0	86.2	111.9	94.8	98.5	92.9	106.5	81.8	87.5	87.2
91.6	92.1	91.0	79.7	89.5	89.5	90.3	100.8	91.9	82.1	100.4	92.8	96.2	86.6	102.3	81.8	82.8	84.6
93.5	95.2	92.7	80.1	93.9	91.5	91.4	101.8	92.0	81.8	108.9	93.5	95.2	89.9	105.1	75.3	84.2	79.1
90.7	93.6	92.5	80.3	92.9	89.8	91.9	102.0	93.0	82.4	109.0	94.4	95.8	90.4	105.6	75.6	84.5	81.6
90.7	93.5	92.5	81.0	91.9	90.1	91.7	102.3	91.8	82.8	105.8	94.2	96.3	90.6	104.1	76.5	84.4	84.6
90.7	92.3	91.7	81.2	89.3	88.6	91.6	101.7	88.2	84.3	105.8	94.3	96.2	89.0	103.9	79.6	84.1	84.7
92.0	91.6	90.0	80.7	89.3	90.8	91.5	101.6	89.8	85.1	103.3	93.6	96.6	87.0	103.3	81.7	83.9	85.5
92.0	91.6	90.4	80.4	89.5	90.2	91.4	101.1	92.3	84.3	103.2	93.0	97.2	87.0	102.1	82.0	83.1	85.1
91.9	91.7	91.0	80.5	89.5	89.7	90.4	100.5	92.2	81.2	103.0	92.6	97.3	85.7	101.2	82.1	82.1	85.1
91.9	91.7	90.8	80.1	88.9	89.4	90.1	99.9	91.8	81.6	96.4	92.5	97.1	83.9	100.6	82.8	82.2	85.1
91.9	91.7	90.5	79.5	88.8	89.4	90.1	100.0	92.0	81.5	96.0	92.6	96.0	84.4	100.7	82.2	82.1	85.1
91.9	91.7	90.7	78.7	88.3	89.7	89.5	100.3	92.8	81.0	95.3	92.6	95.4	84.6	101.2	83.3	82.0	85.1
91.8	91.7	90.8	77.6	87.8	89.5	88.5	100.0	92.8	80.3	95.5	92.7	95.0	84.9	101.6	86.7	81.5	85.1
91.9	92.0	90.8	77.8	88.8	88.4	88.2	99.9	93.1	79.9	95.7	90.8	95.7	85.7	100.8	85.4	81.6	84.9
91.9	92.2	90.7	78.1	89.0	87.9	87.9	100.0	93.4	80.1	95.8	89.6	95.8	86.3	102.2	84.4	81.9	83.4
—1.7	*—3.2*	*—2.2*	*—2.5*	*—5.2*	*—3.9*	*—3.8*	*—1.8*	*+1.5*	*—2.1*	*—12.0*	*—4.2*	*+0.6*	*—4.0*	*—2.8*	*+12.1*	*—2.7*	*+5.4*

DIVIDEND INDUSTRIAL SECURITIES																	
Non-ferrous Metals (Basic)	Transport Equipment	Electrical Machinery, Appliances etc.	Machinery other than Transport and Electrical	Foundries and Engineering Workshops	Metal Products	Basic Industrial Chemicals	Other Chemical Products	Cement	Paper and Paper Products	Rubber and Rubber Products	Electricity Generation and Supply	Trading	Shipping and other Transport	Banks	Insurance	Investment
42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58
87.1	89.1	82.4	92.5	93.5	83.4	69.9	76.0	92.6	87.5	67.7	110.0	84.7	108.5	96.8	107.0	88.3
75.8	79.4	72.6	81.4	81.1	72.6	59.2	71.9	85.6	74.8	60.7	107.6	75.4	95.8	96.4	116.3	80.2
92.0	81.2	78.3	85.1	79.4	79.6	67.0	86.0	98.0	77.9	69.5	104.9	79.2	115.3	96.3	136.2	85.9
75.2	77.3	72.5	80.4	80.0	72.1	59.4	73.8	88.2	73.4	59.1	104.3	72.1	99.2	96.2	121.3	80.3
86.8	82.5	77.2	86.2	82.9	78.0	64.5	78.4	92.6	76.0	64.8	104.8	74.8	105.3	97.9	125.3	81.9
90.2	83.4	77.9	87.3	83.4	85.3	65.2	82.2	94.0	77.7	65.5	105.3	77.4	105.2	96.8	130.1	82.5
93.4	84.3	76.7	86.1	83.0	83.1	66.1	81.2	95.8	76.6	66.6	104.7	78.9	108.9	96.2	137.0	83.9
91.0	83.7	77.2	86.5	83.1	81.5	67.8	83.3	96.2	75.4	67.0	104.9	78.8	111.0	96.7	136.7	84.1
88.0	80.4	76.7	85.7	80.4	79.7	66.1	84.5	95.4	74.3	65.3	107.1	78.9	109.6	97.5	136.8	83.8
85.2	77.4	74.5	82.3	77.8	78.3	64.1	82.1	94.2	73.0	63.0	106.7	78.8	109.8	95.8	134.0	85.0
89.1	78.9	76.5	83.4	76.6	78.7	65.5	82.3	96.4	75.8	66.7	106.4	79.2	116.5	94.8	134.9	89.0
89.0	78.0	76.6	83.6	76.3	78.9	65.6	84.1	97.5	77.0	68.0	103.0	79.4	120.9	94.9	136.4	90.0
88.9	78.4	77.6	82.4	75.3	77.9	66.8	85.8	99.2	78.8	69.3	102.6	80.3	125.0	94.7	139.0	88.0
98.0	81.9	82.3	86.4	77.9	78.8	70.7	94.7	102.6	82.4	78.8	104.4	82.1	126.6	96.0	139.6	87.3
105.3	84.1	83.9	86.8	79.0	78.1	72.4	99.2	108.1	85.7	83.4	104.6	82.3	123.5	97.0	142.8	88.0
101.9	81.9	83.0	84.7	76.8	77.0	69.4	97.3	105.9	83.2	78.6	105.1	80.0	122.3	97.4	144.3	87.6
+35.5	*+6.0*	*+14.5*	*+5.3*	*—4.0*	*+6.8*	*+16.8*	*+31.8*	*+20.1*	*+13.4*	*+33.0*	*+0.8*	*+11.0*	*+23.3*	*+1.2*	*+19.0*	*+9.1*

STATEMENT 48—GROSS YIELDS ON INDUSTRIAL SECURITIES—ALL-INDIA

Average of months/ month				ALL—										
								Variable Dividend						
				Debentures		Preference Shares (Total)	Agriculture and Allied Activities					Mining and Quarrying		
				Redemption yield	Running yield		Total	Total (a)	Tea plantations	Coffee plantations	Rubber plantations	Total	Coal	Other mining
				1	2	3	4	5	6	7	8	9	10	11
1	1964-65	..	..	6.78	6.46	8.26	6.96	8.25	8.38	6.88	7.76	8.46	9.00	6.11
2	1965-66	..	..	7.36	6.68	8.92	8.11	8.93	8.73	8.75	8.28	8.96	9.85	5.08
3	1966-67	..	..	7.97	6.85	9.38	7.71	8.77	9.05	7.94	7.66	8.92	9.70	5.51
4	March	1966	..	7.69	6.78	9.24	8.22	8.95	8.81	8.46	7.74	8.93	10.05	4.03
5	April	„	..	7.90	6.83	9.17	7.73	8.58	8.48	7.98	7.85	8.29	9.30	3.85
6	May	„	..	7.93	6.83	9.17	7.71	8.72	8.65	7.75	8.05	7.83	8.92	3.04
7	June	„	..	8.05	6.87	9.18	7.58	8.44	8.56	7.74	8.14	8.05	9.23	2.85
8	July	„	..	8.10	6.88	9.22	7.57	8.51	8.69	7.50	7.96	8.03	9.22	2.82
9	August	„	..	8.13	6.91	9.25	7.73	8.56	8.83	7.35	7.55	8.82	9.66	5.14
10	September	„	..	7.90	6.85	9.38	7.94	8.79	9.14	7.54	7.62	9.24	9.88	6.49
11	October	„	..	7.92	6.85	9.47	7.87	8.89	9.40	7.24	7.57	9.53	10.13	6.90
12	November	„	..	7.95	6.85	9.50	7.92	9.06	9.63	7.80	7.51	9.53	10.13	6.90
13	December	„	..	7.94	6.84	9.49	7.84	9.01	9.58	8.12	7.43	9.25	9.79	6.84
14	January	1967	..	7.94	6.84	9.50	7.54	8.96	9.42	8.89	7.41	9.46	10.00	7.08
15	February	„	..	7.95	6.83	9.55	7.43	8.81	9.14	8.74	7.43	9.39	9.92	7.10
16	March	„	..	7.98	6.83	9.62	7.64	8.87	9.11	8.63	7.46	9.62	10.19	7.12

Average of months/ month				ALL—										
				Variable Dividend										
				Processing and Manufacturing (*Contd.*)								Other Industries		
				Metals and Chemicals (*Contd.*)				Others				Total (a)		
				Foundries and Engineering works	Metal products	Basic industrial chemicals	Other chemical products	Total (a)	Cement	Paper and paper products	Rubber and rubber products		Electricity generation and supply	Trading	Shipping and other transport
				25	26	27	28	29	30	31	32	33	34	35	36
1	1964-65	..	..	7.97	5.82	5.13	6.96	6.97	8.38	6.16	4.99	8.12	8.19	8.05	7.02
2	1965-66	..	..	8.36	7.84	6.94	7.90	7.83	9.53	7.00	5.69	9.44	9.13	9.20	10.30
3	1966-67	..	..	7.30	7.19	6.70	6.20	8.01	9.27	6.77	7.32	9.43	9.82	8.88	9.65
4	March	1966	..	7.15	8.32	7.37	7.75	8.34	9.57	6.97	7.92	9.70	9.58	9.80	10.18
5	April	„	..	6.86	7.46	6.72	6.02	8.01	9.13	6.56	7.77	9.45	9.53	9.29	9.61
6	May	„	..	6.95	7.18	6.87	6.39	8.15	9.57	6.50	7.81	9.39	9.52	9.16	9.37
7	June	„	..	6.63	7.32	6.67	6.39	7.97	9.21	6.63	7.48	9.28	9.54	8.91	9.07
8	July	„	..	6.56	7.43	6.56	6.02	8.07	9.19	6.93	7.57	9.30	9.55	8.95	9.08
9	August	„	..	6.92	7.50	6.75	6.16	8.31	9.28	7.26	7.96	9.34	9.73	8.88	9.26
10	September	„	..	7.19	7.49	6.97	6.21	8.45	9.46	7.45	7.98	9.28	9.73	8.80	9.20
11	October	„	..	7.27	7.35	6.86	6.17	8.25	9.41	7.05	7.60	9.34	9.81	8.76	9.46
12	November	„	..	7.33	7.31	6.88	6.04	8.14	9.31	6.89	7.46	9.67	10.17	8.87	10.37
13	December	„	..	7.42	7.17	6.73	6.15	8.08	9.44	6.78	7.33	9.58	10.11	8.76	10.15
14	January	1967	..	7.24	6.55	6.43	6.29	7.60	9.00	6.42	6.44	9.48	10.07	8.62	10.08
15	February	„	..	7.78	6.69	6.37	6.18	7.37	8.90	6.21	6.07	9.43	10.06	8.62	9.99
16	March	„	..	9.48	6.83	6.64	6.45	7.70	9.29	6.51	6.39	9.56	10.01	8.95	10.17

Note : The old series has been replaced by a revised series. For details of the revised series a reference may be made to pp. 1481-1492 of the December 1966 issue of the *Reserve Bank of India Bulletin.*

(a) Including miscellaneous.

AND REGIONAL (BY GROUPS AND SUB-GROUPS)

(Per cent per annum)

INDIA													
Industrial Securities													
Processing and Manufacturing													
	Foodstuffs, Textiles, etc.						Metals and Chemicals						
Total	Total (*a*)	Edible and vegetable oil	Sugar	Cotton textiles	Jute textiles	Silk, woollen and rayon textiles	Total (*a*)	Iron and steel	Non-ferrous metals (Basic)	Transport equipment	Electrical machinery, appliances etc.	Machinery other than transport and electrical	
12	13	14	15	16	17	18	19	20	21	22	23	24	
6.58	**6.81**	7.41	8.08	6.77	9.21	5.59	**6.19**	7.18	5.14	6.10	6.11	7.29	*1*
7.80	**8.08**	8.14	9.67	8.22	8.33	7.24	**7.49**	7.60	6.56	7.46	7.64	8.78	*2*
7.34	**7.25**	7.75	9.45	7.18	6.89	7.50	**7.19**	6.96	6.24	7.70	7.43	9.57	*3*
7.91	**7.98**	8.24	9.57	8.14	7.09	7.06	**7.68**	7.52	6.84	7.85	7.75	9.35	*4*
7.39	**7.47**	7.83	9.39	7.46	6.90	6.95	**7.08**	7.12	5.90	7.43	7.17	8.72	*5*
7.37	**7.33**	7.49	9.60	7.26	6.74	7.09	**7.13**	7.08	6.06	7.44	7.31	8.87	*6*
7.23	**7.13**	7.40	9.67	7.12	6.97	6.83	**7.08**	6.90	6.01	7.37	7.44	9.08	*7*
7.22	**7.06**	7.84	9.71	7.04	7.02	6.73	**7.08**	6.86	6.13	7.48	7.45	9.13	*8*
7.40	**7.22**	8.17	9.76	7.15	7.36	7.06	**7.26**	6.97	6.37	7.77	7.59	9.45	*9*
7.62	**7.45**	8.07	9.83	7.25	7.25	8.11	**7.52**	7.29	6.77	8.09	7.92	9.82	*10*
7.52	**7.43**	8.00	9.59	7.21	7.06	8.28	**7.37**	7.13	6.51	7.94	7.62	9.89	*11*
7.54	**7.47**	7.92	9.54	7.33	6.99	8.40	**7.41**	7.17	6.61	8.03	7.69	9.95	*12*
7.46	**7.35**	7.72	9.46	7.33	6.58	8.10	**7.36**	7.10	6.65	8.00	7.62	10.12	*13*
7.10	**7.03**	7.45	8.87	7.00	6.60	7.56	**6.98**	6.72	6.06	7.66	7.14	9.79	*14*
6.98	**6.92**	7.47	9.08	6.86	6.48	7.26	**6.90**	6.54	5.84	7.47	7.04	9.88	*15*
7.21	**7.11**	7.65	8.85	7.09	6.73	7.63	**7.15**	6.69	6.02	7.68	7.20	10.10	*16*

INDIA—(*Contd.*)				REGIONAL					
Industrial Securities—(*Contd.*)									
Financial				Variable Dividend Industrial Securities					
Total	Banks	Insurance	Investment trusts	Bombay	Calcutta	Madras	Ahmedabad	Delhi	
37	38	39	40	41	42	43	44	45	
9.06	8.90	10.54	8.64	7.06	6.88	7.15	5.95	7.18	*1*
9.56	9.27	11.46	9.34	8.26	7.82	8.75	7.13	8.12	*2*
9.21	9.19	9.35	9.19	7.90	7.48	8.02	6.68	7.53	*3*
9.55	9.31	10.81	9.55	8.37	7.89	9.18	7.00	8.10	*4*
9.16	9.09	10.12	8.82	7.89	7.47	8.51	6.67	7.35	*5*
9.19	9.21	9.59	8.87	7.91	7.42	8.36	6.73	7.30	*6*
9.10	9.27	8.75	8.75	7.77	7.24	8.15	6.33	7.17	*7*
9.14	9.23	9.08	8.85	7.72	7.30	8.03	6.62	7.22	*8*
9.08	9.01	9.50	9.05	7.84	7.50	7.99	6.90	7.46	*9*
9.29	9.20	9.80	9.27	8.06	7.87	8.06	6.94	7.71	*10*
9.30	9.26	9.67	9.21	7.99	7.81	8.02	6.82	7.76	*11*
9.28	9.26	9.53	9.21	8.08	7.77	7.99	6.91	7.96	*12*
9.27	9.24	9.20	9.42	8.07	7.64	7.81	6.81	7.92	*13*
9.18	9.11	9.04	9.52	7.75	7.30	7.70	6.49	7.53	*14*
9.25	9.22	8.90	9.54	7.73	7.11	7.79	6.17	7.34	*15*
9.30	9.21	9.01	9.76	7.95	7.29	7.86	6.51	7.58	*16*

STATEMENT 49—PRICES OF

Scrip	End December 1957	May 1962	June 1963	December 1964	December 1965
	1	2	3	4	5
Iron and Steel					
1. Indian Iron	18.70*	26.20*	22.38	26.02	23.06
2. Tata Ordinary	160.50*	148.25*	134.75	147.50	136.50
Cotton Textiles					
3. Ambica	582.00	1,417.00*	1,061.00	828.00	636.00
4. Bombay Dyeing	49.80@	69.60	57.00	57.80	51.00
5. Buckingham	155.00	265.00	261.00	277.00	235.00
6. Century	382.00	663.50*	508.50	579.00	485.50
7. Kohinoor	259.50	303.00	302.00	322.00	246.00
8. Madura	33.75	36.75	31.25	35.25	33.25
9. New Shorrock	897.00	1,620.00*	1,250.00	807.50*	608.75
Jute Textiles					
10. Anglo-India	146.50	252.00	224.00	186.00*	106.00
11. Birla	14.75	35.75*	28.00	39.19	22.75
12. Howrah	13.44	22.87	18.87	15.75	12.62
Banks					
13. Central (F50)	52.30	62.00	55.30	52.30*	47.00
14. India (F 100)	132.25*	111.50*	109.00	101.75	98.50
Coal					
15. Bengal	228.00*	392.00*	270.00	228.00	166.00
16. Burrakur	22.00	20.37	16.50	15.75	12.37
Tea Plantations					
17. Hasimara	21.12	31.56	12.56*	12.06	10.00
18. Periakaramalai	4.05*	3.41	3.05	3.72	3.50
Engineering					
19. Alcock	221.25	331.00*	274.00	297.00	227.00*
20. Ashok Leyland	4.45	8.75*	7.35	7.40*	5.85*
21. Guest, Keen, Williams	29.12	41.75*	31.75	22.75*	17.12
22. Jessop & Co.	22.12*	24.12*	23.31	25.62	21.06
23. Hindustan Motors	5.69	20.06	15.62	16.94	14.31
24. Sandvik Asia			176.00	172.00	140.00*
25. Tata Locomotives	137.25	368.75*	251.00*	272.00*	203.00
26. Texmaco	15.60*	26.00	23.65	25.55	20.45
Electricity					
27. Andhra Valley	1,117.50*	1,015.00	1,015.00	1,215.00	1,197.50
28. Tata Power	1,155.00*	1,103.75	1,058.75	1,257.50	1,256.25
Chemicals					
29. Amar Dye Chem.	100.00	333.75*	157.50	142.50*	123.75
30. Atul	176.50*	500.50*	319.00*	284.50	211.75
31. Chemicals and Fibres					13.24
32. Colour Chem.		500.00*	336.25	307.50	210.00
33. Tata Chem.	12.80*	16.68*	16.60	18.16	17.68
Miscellaneous					
34. Belapur Sugar	252.00*	233.00	173.00	229.50	168.00
35. Deccan Sugar	7.85*	10.10	9.75	10.65*	8.50
36. Cochin Malabar	4.25*	7.00	5.95	6.07	5.75
37. Consolidated Coffee	28.00*	18.35	17.60	25.65	26.15
38. Ouchterlony Valley	4.85	3.80	3.65	3.37	3.06
39. A. C. C.	151.00*	160.00	138.50	153.00*	146.75
40. India Cement	4.70*	6.13*	5.49	5.15	4.92
41. Dunlop Rubber	19.75*	44.44*	30.87	30.87*	20.87*
42. Orient Paper	24.25	44.20*	34.35	33.00	27.20
43. West Coast Paper	65.00	180.00*	127.50	174.50	149.00
44. National Rayon	211.25	545.00*	302.00	370.50*	375.00
45. Travancore Rayon	10.65	40.00	22.75	17.75	12.25
46. Aluminium Industries	13.00*	24.00*	16.80*	24.12	17.20*
47. Bombay-Burmah (Old)	520.00	683.00*	60.00*@	55.50	40.10
48. Hindustan Lever	19.76	50.50*	33.75	28.10	19.00*
49. Tata Oil	35.00	81.00	56.70*	48.50*	44.00
50. Scindia Steam	17.08*	12.76	10.36	15.68	12.24
51. Rohtas Industries	16.00	16.50	10.75	9.62	7.50
52. Premier Construction	154.00	167.00*	132.50	230.50	216.50*
53. Voltas	112.75	298.50	228.00	271.50	188.00*

* Exright/bonus. @ Split shares. £ Nominal.

SELECTED INDUSTRIAL SHARES

(Prices in rupees)

of					1966-67		Percentage variation of (10) over		
March 1966	June 1966	September 1966	December 1966	March 1967	Highest	Lowest	(1)	(6)	
6	7	8	9	10	11	12	13	14	
25.58	27.88	27.44	29.34	14.80*	31.60	14.48	+ 89.9	+ 15.7	1
142.25	156.00	144.50	145.50	106.75*	161.50	105.50	+ 41.1	+ 5.1	2
768.50	782.50	526.00*	535.50	556.00	824.00	493.50	+ 69.8	— 3.5	3
60.10	61.50	48.80*	47.90	47.20	64.00	46.50	+ 13.7	— 5.8	4
212.00	232.00	121.66*	118.00	106.00	266.50	106.00	+ 36.8	—	5
547.50	571.00*	543.00	564.00	661.50	695.00	518.00	+287.5	+ 32.9	6
250.50	248.50*	217.50	226.00	166.50	265.50	155.50	— 33.9	— 31.5	7
29.10	31.25	31.25	17.75*	16.12	33.85	16.10	— 4.5	+ 10.8	8
682.50	617.50*	547.50	557.50	597.50	728.75	505.00	+ 16.9	— 2.7	9
117.00£	125.00	123.00	112.00	100.00£	137.00	99.00	— 18.1	— 14.5	10
24.62	22.16*	22.30	24.05	25.35	28.45	20.90	+210.0	+ 28.7	11
13.75	14.12	12.75	12.25	11.25£	14.75	11.20	— 16.3	— 18.2	12
49.00	49.50	47.75	48.50	49.50	52.50	47.50	+ 12.2	+ 1.0	13
94.00	100.00	100.50	101.00	95.50	105.00	95.50	— 17.1	+ 1.6	14
177.00£	182.00	154.00	150.00	142.00	208.00	141.00	— 33.0	— 19.8	15
14.00£	16.00	11.25*	10.50	10.50£	16.00	10.30	— 36.4	—	16
9.69	8.62	7.62	7.69	7.87£	9.75	6.39	— 25.5	— 18.8	17
4.34	4.63	4.68	3.70*	3.55	4.77	3.48	+ 5.2	— 1.8	18
252.00	260.00	169.00*	166.00	150.00	304.00	149.00	+ 24.7	— 10.7	19
5.58	5.87	5.85	6.00	5.85	6.43	5.10	+ 88.8	+ 4.8	20
17.75	20.25	17.65	17.30	16.30	23.00	15.90	+ 6.3	— 8.2	21
20.62	20.75	19.25	18.94	19.00£	25.12	18.69	+ 26.6	— 7.9	22
15.62	17.97	15.44	16.08	16.16	19.26	14.76	+184.0	+ 3.5	23
145.50	166.00	151.00*	166.50	175.00	185.00	146.00		+ 32.3	24
218.75	263.50	218.50	219.00	198.50*	267.25	194.75	+152.1	+ 5.9	25
19.10	19.00	17.80	17.60	17.65	22.05	16.80	+ 13.1	— 7.6	26
1,180.00	1,156.25	1,165.00	1,112.50	114.75@	1,190.00	114.00@	+ 2.7	— 2.8	27
1,237.50	1,232.50	1,267.50	1,187.50	122.00@*	1,280.00	119.00@	+ 7.2	—	28
136.25	141.25	140.00	142.50	152.50	175.00	123.75	+122.0	+ 11.9	29
215.50	243.25	210.00	218.00	222.75	264.00	199.25	+105.1	+ 3.4	30
18.00	24.64	27.55	31.50	37.75	39.25	18.68	—	+109.7	31
235.00	271.25	252.50	188.75*	190.00	302.50	185.00		+ 13.2	32
19.20	21.08	20.88	19.12*	18.24	21.40	17.64	+ 70.1	+ 4.5	33
177.50	171.00	179.00	179.00	82.50*	193.00	80.50	— 34.5	— 7.0	34
8.40	6.70*	6.50	6.20	6.28	11.25	6.12	+ 40.0	+ 12.1	35
6.75	7.20	8.70	6.90*	7.00	9.12	6.73	+ 97.6	+ 24.4	36
28.25	31.50	24.25*	26.60	24.37	34.25	22.87	+ 30.6	+ 29.4	37
3.43	3.05	3.18	3.32	3.25	3.68	3.05	— 33.0	— 5.2	38
139.50	157.50	160.50	142.00*	131.25	162.50	130.75	+ 8.2	+ 9.8	39
4.92	5.15	4.98	5.32	5.62	5.78	4.88	+ 48.5	+ 14.2	40
20.50	23.50	22.60	20.10*	21.50	24.15	19.30	+205.9	+ 31.1	41
31.75	33.00	30.00	32.90	40.10	44.35	28.70	+ 83.8	+ 26.3	42
153.00	157.00	162.50	171.50	120.50*	173.50	120.00	+175.2	+ 5.0	43
427.50	483.00	418.50*	442.50	516.50	547.00	390.00	+243.0	+ 32.9	44
17.90	18.75	12.75*	12.35	14.16	18.75	12.35	+ 66.2	— 1.1	45
17.15*	17.50	17.75	17.00	15.40	18.00	15.35	+ 98.9	— 10.2	46
45.25	56.00	53.80	45.80*	41.50	60.50	41.00	+ 24.7	+ 14.7	47
19.52	24.52	18.24*	18.48	18.52	24.52	17.52	+ 90.1	+ 18.6	48
46.00	52.00	50.20	50.00	53.70	55.00	45.75	+136.9	+ 16.7	49
12.36	13.84	13.84	14.88	13.72	15.12	12.12	— 19.7	+ 11.0	50
7.66	8.09	6.84	7.74	7.80	9.98	6.78	— 51.2	+ 1.8	51
178.00	253.00	214.50*	231.00	231.50	287.00	204.00	+246.2	— 0.1	52
200.00	247.00	202.25*	214.00	197.00	251.00	189.00	+142.9	+ 18.2	53

Source: Stock Exchanges.

STATEMENT 50—BUDGETARY POSITION OF THE GOVERNMENT OF INDIA

(In crores of rupees)

	1950-51 (Accounts)	1955-56 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63 (Accounts)	1963-64 (Accounts)	1964-65 (Accounts)	1965-66 (Accounts)	1966-67 (Budget)	1966-67 (Revised)	1967-68 (Budget)
	1	2	3	4	5	6	7	8	9	10	11
I. Revenue Account											
A. Revenue (*a*)	405.86	481.19	877.46	1,036.79	1,427.53	1,846.14	2,080.59	2,320.39	2,473.86	2,456.79	2,738.72
B. Expenditure (*b*)	346.64	440.74	826.21	911.94	1,314.13	1,658.60	1,806.69	2,000.63	2,169.90	2,282.30	2,425.07
C. *Surplus* (+) *or deficit* (—) ..	*+59.22*	*+40.45*	*+51.25*	*+124.85*	*+113.40*	*+187.54*	*+273.90*	*+319.76*	*+303.96*	*+174.49*	*+313.65*
II. Capital Account											
A. Receipts (*c*)	104.45	280.95	1,127.00(*d*)	957.34(*d*)	1,204.25(*d*)	1,380.85(*d*)	1,645.04(*d*)	1,608.25(*d*)	1,873.08	2,556.54(*d*)	2,250.42
B. Disbursements	182.59	470.92	1,000.53	1,171.61	1,454.38	1,759.95	2,076.31	2,125.18	2,206.81	3,097.37	2,568.17
C. *Surplus* (+) *or deficit* (—) ..	*—78.14*	*—189.97*	*+126.47*	*—214.27*	*—250.13*	*—379.10*	*—431.27*	*—516.93*	*—333.73*	*—540.83*	*—317.75*
III. Miscellaneous (Net) (*e*)	*+15.26*	*—10.35*	*—60.87*	*—25.09*	*—19.41*	*+24.70*	*—14.47*	*+24.39*	*—1.99*	*+16.37*	*+4.95*
IV. Overall Surplus(+) or Deficit (—) (IC+IIC+III)	**—3.66**	**—159.87**	**+116.85**	**—114.51**	**—156.14**	**—166.86**	**—171.84**	**—172.78**	**— 31.75**	**—349.97**	**+0.85**
Financed by :											
A. Treasury bills (*f*) [(Increase (—)]	—16.10	—123.38	+141.31	—118.69	—174.57	—157.41	—111.56	—218.32	—32.00	—356.91	—
B. Cash balances [Decrease (—)]	+12.44	—36.49	—24.46	+ 4.18	+18.43	—9.45	—60.28	+45,54	+0.25	+7.00	—
(i) Opening balance ..	149.50	32.23	69.67	45.22	49.40	67.75	58.30	— 2.00	50.02	43.54	50.54
(ii) Closing balance ..	161.94	—4.26	45.21	49.40	67.83	58.30	—1.98	43.54	50.27	50.54	51.39

Note : Accounts are provisional. Budget estimates for 1967-68 relate to those presented to the *Lok Sabha*.

(*a*) Excludes States' share of excise duties and other taxes. (*b*) Excludes the payment of States' share of excise duties and additional excise duties. (*c*) Excludes Treasury bill receipts. (*d*) 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 each in 1964-65, 1965-66 and 1966-67 (R.E.) funded in January 1961, February 1962, December 1962, January 1964, January 1965, February 1966 and February 1967, respectively. (*e*) Includes remittances, transfer of cash between England and India and Reserve Bank deposits. (*f*) Mostly sold to the Reserve Bank.

STATEMENT 51—CONSOLIDATED BUDGETARY POSITION OF STATES*

(In crores of rupees)

	1951-52 (Accounts)	1955-56 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63 (Accounts)	1963-64 (Accounts)	1964-65 (Accounts)	1965-66 (Accounts)	1966-67 (Budget)	1966-67 (Revised)	1967-68 (Budget)
	1	2	3	4	5	6	7	8	9	10	11
I. Revenue Account											
A. Revenue(*a*)	396.4	554.3	1,011.8	1,073.5	1,283.9	1,490.2	1,635.0	1,850.2	2,126.0	2,144.6	2,375.6 (2,404.0)
B. Expenditure(*a*)	392.6	604.1	987.4	1,121.3	1,260.9	1,412.5	1,584.7	1,892.2	2,109.2	2,201.4	2,426.8
C. *Surplus* (+) *or Deficit* (−)	+ *3.8*	− *49.8*	+ *24.4*	− *47.8*	+ *23.0*	+ *77.7*	+ *50.3*	− *42.0*	+ *17.8*@	− *56.8*	− *51.2* (−*22.8*)
II. Capital Account											
A. Receipts (*b*)	135.0	382.0	580.0	699.9	778.2	864.8	1,038.2	1,309.0	1,021.4	1,203.1	1,259.3
B. Disbursements	188.7	335.9	632.9	668.5	749.1	914.3	1,033.0	1,324.2	1,094.9	1,229.6	1,361.0
C. *Surplus* (+) *or Deficit* (−)	− *53.7*	+ *46.1*	− *52.9*	+ *31.4*	+ *29.1*	− *49.5*	+ *5.2*	− *15.2*	− *73.5*	− *26.5*	−*1,01.7*
III. Miscellaneous (Net) (*c*)	+ *1.6*	+ *4.1*	− *19.9*	− *21.1*	− *24.6*	− *33.6*	− *16.7*	− *9.6*	+ *5.2*	+ *7.1*	− *5.7*
IV. Overall Surplus (+) or Deficit (—)	− **48.3**	+ **0.4**	− **48.4**	− **37.5**	+ **27.5**	− **5.4**	+ **38.8**	− **66.8**	− **50.5**	− **76.2**	**−158.6** (**−130.2**)
Financed by :											
A. Increase (+) or Decrease (−) in Cash Balances (*d*)	− **10.8**	+ **10.0**	+ **3.7**(*e*)	− **0.9**	+ **11.4**	− **18.3**	+ **26.4**	+ **8.3**	− **51.4**	− **60.3**	**−148.3**
(1) Opening balance	+ 61.5	+ 93.8	− 4.6	− 0.9	− 1.8	+ 16.7	− 9.6	+ 16.8	− 90.1	+ 12.4	− 22.6
(2) Closing balance	+ 50.7	+103.8	− 0.9	− 1.8	+ 9.6	— 1.6	+ 16.8	+ 25.1	−141.5	− 47.9	−170.9(*f*)
B. Purchase (+) or Sale (−) of Securities	− **37.6**	− **9.6**(*g*)	− **52.1**	− **36.6**	+ **16.1**	+ **12.9**	+ **12.4**	− **75.1**	+ **0.9**	− **15.9**	− **8.7**

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. For 1955-56, figures have been 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 and also include Jammu and Kashmir. The figures for 1967-68 (B.E.) are before tax changes ; the position after tax changes as proposed by the Governments of Assam, Gujarat, Haryana, Jammu and Kashmir, Kerala, Maharashtra, Madras, Madhya Pradesh, Mysore, Orissa and Rajasthan is shown in brackets. The closing and opening cash balances for 1962-63 and 1963-64, respectively, differ owing to "cash in transit" in the case of Rajasthan. Similarly, the closing and opening cash balances for 1966-67 (R.E.) and 1967-68 (B.E.), respectively, differ because the opening balances for 1967-68 (B.E.), in case of some States, are based on preliminary accounts for the year 1966-67.

(*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 represented the figure for the Composite State of Bombay) has been adjusted to exclude the amount transferred to Gujarat. (*f*) Including the effect of additional taxation in the case of Jammu and Kashmir (Rs. 40 lakhs) and Orissa (Rs. 1.3 crores). (*g*) As separate figures of Cash Balance Investment Accounts are not available, total Suspense Accounts has been included under this head. * Excluding figures for Nagaland, Manipur, Tripura, Himachal Pradesh, Pondichery and Goa, Daman and Diu. @ Taking into account probable economy measures to the tune of Rs. 1 crore proposed in Rajasthan Budget.

STATEMENT 52—REVENUE AND EXPENDITURE OF THE GOVERNMENT OF INDIA

(On Revenue Account)

(In crores of rupees)

	1950-51	1955-56	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67		1967-68
	(Accounts)	(Accounts)	(Accounts)	(Accounts)	(Accounts)	(Accounts)	(Accounts)	(Accounts)	(Budget)	(Revised)	(Budget)
	1	2	3	4	5	6	7	8	9	10	11
					REVENUE						
I. Taxes on Income and Expenditure (1+2+3)	**125.70**	**113.23**	**191.97**	**228.84**	**312.39**	**414.02**	**457.27**	**453.72**	**534.67**	**488.01**	**508.51**
Taxes on income other than corporation tax	132.73	131.35	167.38	165.39	185.96	258.60	266.55	271.80	292.90	280.00	290.00
Less States' share	47.52	55.16	87.37	93.85	95.27	119.29	123.77	123.34	130.45	137.10	131.58
1. Net receipts	85.21	76.19	80.01	71.54	90.69	139.31	142.78	148.46	162.45	142.90	158.42
2. Corporation tax ..	40.49	37.04	111.05	156.46	221.50	274.59	314.05	304.84	372.07	345.00	350.00
3. Expenditure tax ..			0.91	0.84	0.20	0.12	0.44	0.42	0.15	0.11	0.09
II. Taxes on Property and Capital Transactions (1+2+3+4+5)	**3.81**	**2.55**	**13.49**	**14.21**	**16.15**	**17.02**	**16.49**	**19.83**	**21.17**	**22.01**	**20.13**
Estate duty		1.81	3.09	4.21	3.94	4.67	5.43	6.66	8.10	6.75	7.25
Less States' share		1.86	2.91	3.88	3.88	4.22	6.78	6.79	7.80	4.54	6.94
1. Net receipts		—0.05	0.18	0.33	0.06	0.45	—1.35	—0.13	0.30	2.21	0.31
2. Tax on wealth			8.15	8.26	9.54	10.20	10.50	12.05	14.00	12.25	12.50
3. Gift tax			0.89	1.01	0.97	1.12	2.22	2.27	1.29	1.85	1.50
4. Stamps and registration	1.81	1.72	3.68	4.05	5.00	4.94	4.97	5.38	5.38	5.50	5.61
5. Land revenue	2.00	0.88	0.59	0.56	0.58	0.31	0.15	0.26	0.20	0.20	0.21
III. Taxes on Commodities and Services (1+2+3+4)	**227.49**	**295.69**	**524.68**	**632.32**	**732.44**	**943.29**	**1,089.04**	**1,311.07**	**1,379.43**	**1,418.59**	**1,632.20**
Customs											
Imports	107.70	127.98	154.61	198.22	238.42	334.25	404.64	547.69	567.08	490.00	528.00
Exports	47.36	37.76	13.12	12.69	9.60	3.37	2.43	2.14	2.07	120.00	129.08
Other revenue	6.37	4.22	8.21	7.82	7.50	8.01	4.22	4.91	3.33	3.50	4.00
Less refunds	4.28	3.26	5.91	6.48	9.56	10.89	13.79	15.77	12.28	17.50	18.00
1. Net receipts	157.15	166.70	170.03	212.25	245.96	334.74	397.50	538.97	560.20	596.00	643.08
Union excise duties	67.54	145.25	416.35	489.31	598.83	729.58	801.51	897.92	1,010.59	1,030.21	1,214.04*
(Of which additional excise duties)			(33.60)	(38.96)	(44.75)	(43.11)	(44.49)	(46.93)	(48.00)	(48.42)	(50.56)
Less States' share	—	16.57	75.10	80.65	124.91	135.99	127.34	145.92	212.75	230.91	251.10*
2. Net receipts	67.54	128.68	341.25	408.66	473.92	593.59	674.17	752.00	797.84	799.30	962.94*
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	17.37	20.10	21.39	23.29	26.18
IV. Total Tax Revenue (I+II+III)	**357.00**	**411.47**	**730.14**	**875.37**	**1,060.98**	**1,374.33**	**1,562.80**	**1,784.62**	**1,935.27**	**1,928.61**	**2,160.84**
V. Administrative Receipts ..	**12.53**	**17.08**	**59.32**	**53.92**	**63.44**	**48.13**	**49.05**	**40.95**	**44.57**	**45.43**	**47.52**
VI. Net Contribution of Public Undertakings (1+2+3+4) ..	**23.16**	**28.92**	**53.00**	**65.69**	**56.07**	**70.25**	**70.18**	**78.86**	**90.61**	**87.63**	**98.27**
1. Railways	6.50	5.80	4.77	20.66	20.37	24.82	23.25	25.90	32.61	31.39	30.98
2. Posts and Telegraphs ..	3.98	3.47	0.46	0.77	0.77	1.22	1.44	1.15	4.17	2.45	4.06
3. Currency and Mint ..	9.71	19.75	47.95	42.75	32.21	40.68	39.01	46.48	47.12	45.24	56.57
(Profits of the Reserve Bank of India)	(9.91)	(20.00)	(40.00)	(42.50)	(43.50)	(40.00)	(48.00)	(48.00)	(50.00)	(50.00)	(60.00)
4. Others (*a*)	2.97	—0.10	—0.18	1.51	2.72	3.53	6.48	5.33	6.71	8.55	6.66

VII. Other Revenue (*b*)	**13.17**	**23.72**	**35.00**	**41.81**	**247.04**	**353.43**	**398.56**	**415.96**	**403.41**	**395.12**	**432.10**
VIII. Total Revenue (IV+V+VI+VII)	**405.86**	**481.19**	**877.46**	**1,036.79**	**1,427.53**	**1,846.14**	**2,080.59**	**2,320.39**	**2,473.86**	**2,456.79**	**2,738.72**
EXPENDITURE											
IX. Collection of Taxes, Duties and other Principal Revenue (*c*) ..	10.24	12.51	22.43	21.16	23.47	23.93	26.30	30.07	30.84	32.41	34.53
X. Civil Administration (*d*) ..	21.29	33.57	58.66	59.17	75.18	77.51	81.87	95.40	110.08	122.90	123.77
XI. Defence Services (Net) ..	164.13	172.23	247.55	289.54	425.30	704.15	692.85	762.18	797.67	827.29	842.49
XII. Debt Services (*e*)	37.36	43.14	77.09	82.85	245.43	278.35	316.41	370.62	414.83	462.81	509.97
XIII. Pensions, Superannuation and Privy Purses (including allowances)	6.99	8.97	10.04	10.24	10.63	10.30	10.42	10.65	10.84	11.19	11.22
XIV. Extraordinary Charges (*f*) ..	0.07	—	3.68	13.63	64.22	82.34	127.08	81.26	37.26	15.04	10.35
XV. Miscellaneous (*g*)	44.28	48.82	117.82	57.10	81.31	71.21	73.87	102.65	131.64	162.46	144.11
XVI. Social and Developmental Services (*h*)	39.50	82.41	236.40	176.29	186.09	172.44	199.88	214.90	231.45	236.16	283.96
XVII. Contributions and Miscellaneous adjustments between Union and State Governments (*i*) ..	15.59	35.87	48.55	198.01	198.45	233.40	272.90	328.83	401.33	408.30	458.92
XVIII. Other Expenditure (*j*)	7.19	3.22	3.99	3.95	4.05	4.98	5.11	4.07	3.96	3.74	5.75
XIX. Total Expenditure	**346.64**	**440.74**	**826.21**	**911.94**	**1,314.13**	**1,658.60**	**1,806.69**	**2,000.63**	**2,169.90**	**2,282.30**	**2,425.07**
Surplus(+) *or Deficit*(—) ..	+59.22	+40.45	+51.25	+124.85	+113.40	+187.54	+273.90	+319.76	+303.96	+174.49	+313.65

Note : (1) The figures of total revenue and expenditure as given in the Statement differ from those in the Budget papers as receipts from forests, opium and currency and mint etc., are shown on a net basis and States' share of Union excise duties and additional duties of excise are excluded. Owing to changes in accounting classification, the figures from 1962-63 onwards, particularly in respect of items VII, X, XII and XVI are not comparable with those for earlier years. Budget estimates for 1967-68 relate to those presented to the *Lok Sabha*. (2) From 1960-61, figures under revenue and expenditure include self-balancing items in respect of grants under P.L. 480 and Steel Equalisation Fund ; from 1962-63 figures also include Emergency Risks (Goods and Factories) Insurance Funds.

(*a*) Including forests, opium irrigation, electricity, road and water transport schemes, and from 1962-63, dividends due from commercial and other undertakings. (*b*) Includes recoveries of interest from State Governments and Commercial Departments, adjusted as reduction of interest charges till 1961-62. (*c*) Excludes forests, opium and States' share of Union excise duties and additional excise duties. (*d*) Comprises General Administration Audit, Administration of Justice, Jails, Police, Tribal Areas and External Affairs ; with effect from 1961-62, expenditure relating to Tribal Areas is adjusted under the relevant major heads closely connected with the object of the expenditure. From 1962-63, this includes miscellaneous departments of administrative nature and Supplies and Disposals. (*e*) Includes appropriation for reduction or avoidance of debt. From 1962-63, these also include interest charges on capital advanced to Commercial Departments like Railways and Posts and Telegraphs which were hitherto booked in the accounts in reduction of receipts. (*f*) Includes provision for grants to States for G.M.F. schemes, relief in natural calamities etc. From 1955-56 these items are transferred to miscalleneous expenditure under appropriate ministries ; from 1961-62 these figures are shown against item XVII. From 1960-61 it includes provision for transfer to the Special Development Fund of grants received under P.L. 480. From 1962-63 it includes Emergency Risks (Goods and Factories) Insurance Funds. (*g*) Includes certain grants to States ; from 1961-62 these grants are shown against item XVII. (*h*) Comprises irrigation and multi-purpose river schemes, ports and pilotage, lighthouses and lightships, scientific departments, education, medical public health, agriculture, rural development, animal husbandry, co-operation, industries (and supplies upto 1961-62), aviation, broadcasting, civil works, post-war reconstruction and electricity schemes, community development projects, national extension service, labour and employment, overseas communications service and miscellaneous departments. (*i*) Includes grants-in-aid to States ; all grants to States are grouped together under this item from 1961-62. (*j*) Comprises famine relief, stationery and printing, civil defence and pre-partition payments.

* The figure of additional revenue from union excise duties shown here relates only to the period for a little over 10 months to which the new rates levied in the final budget presented to the *Lok Sabha* on May 25, 1967 are applicable.

STATEMENT 53—REVENUE FROM UNION EXCISE DUTIES

(In lakhs of rupees)

Commodity	1950-51 (Accounts)	1955-56 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63(*a*) (Accounts)	1963-64 (*b*)(*a*) (Accounts)	1964-65 (*a*) (Accounts)	1965-66 (*a*) (Accounts)	1966-67 (*a*) (Revised)	1967-68 (*a*)(*c*) (Budget)
	1	2	3	4	5	6	7	8	9	10
Basic duties on :										
Motor spirit	2,08	23,05	40,46	45,51	51,56	67,55	73,77(*d*)	84,28(*d*)	88,00(*d*)	107,70
Kerosene	28	2,43	8,29	12,84	16,55	35,74	39,67	44,25	50,00	65,60
Sugar	6,46	18,58	44,19	47,23	60,18	52,11	51,05	53,69	91,42	86,20
Matches	8,07	10,08	18,08	18,48	21,91	20,84	22,82	23,24	26,00	26,70
Tyres and tubes	4,04	5,53	13,54	14,50	17,04	23,82	25,33	29,58	34,50	37,00
Tobacco	31,99	36,46	53,73	56,45	64,43	80,66	89,68	98,88	115,75	145,82
Vegetable products	2,19	3,82	5,63	6,06	7,81	14,54	12,92	7,65	6,80	7,50
Coffee	1,17	93	1,35	1,92	1,83	2,07	2,28	2,11	2,04	3,12
Tea	3,36	3,17	7,47	10,57	10,21	15,76	17,06	17,21	17,25	25,38
Cotton fabrics	9,26	28,18	45,94	47,51	58,37	57,36	55,66	50,49	53,94	52,00
Artificial silk fabrics		2,18	2,05	2,91	1,12	1,80	1,77	1,84	1,98	2,13
Cement		2,22	18,45	18,32	21,38	26,62	27,31	30,73	31,80	34,00
Soap		1,55	2,38	2,46	3,02	5,01	4,38	4,73	5,34	6,00
Woollen fabrics		53	90	1,35	1,93	2,10	1,48	1,30	1,20	1,55
Electric fans		27	1,17	1,20	1,52	1,50	1,91	1,98	1,98	1,98
Electric bulbs and tubes		25	68	88	1,29	1,69	1,55	1,74	1,70	1,82
Electric batteries and parts thereof		73	1,88	1,79	2,23	2,87	3,23	3,51	4,43	5,65
Paper		2,68	8,38	11,51	13,33	18,08	17,94	18,09	19,10	21,00
Paints and varnishes		1,01	1,40	2,12	2,62	4,09	4,66	4,10	4,44	4,44
Vegetable non-essential oils		29	11,69	10,47	10,54	1,42	1,08	90	75	80
Refined diesel oils and vapourizing oils		16	36,38	43,36	46,99	67,23	82,07(*d*)	106,02(*d*)	138,00(*d*)	173,35
Industrial fuel oils		47	13,01	14,49	18,89	27,33	27,19(*d*)	36,66(*d*)	38,40(*d*)	43,00
Rayon and synthetic fibres and yarn			2,82	5,58	9,71	15,16	19,91	20,01	22,48	45,04
Motor vehicles			8,03	10,30	11,22	14,86	18,03	20,09	21,10	22,20
Asphalt, bitumen and tar			2,93	2,52	2,40	2,92	3,32	5,54	4,50	4,50
Aluminium			1,17	1,04	1,69	2,57	2,95	3,73	4,80	16,50
Tin plates			1,36	1,61	1,96	2,11	2,16	1,96	2,25	4,90
Internal combustion engines			1,53	1,34	1,27	1,86	2,34	2,18	1,76	2,20
Electric motors			80	1,03	1,26	1,91	2,31	2,79	3,24	3,60
Pig iron			97	1,11	1,36	1,66	4,08	4,70	4,60	5,00
Steel ingots	54	69	13,14	15,51	4,61	20	28	} 70,86	{ 45	45
Iron and steel products					24,29	38,13	46,19		{ 71,00	75,00

Coal and coke	1,62	2,38	5,40	9,98	12,26	14,15	13,03	14,08	14,00	14,50
Petroleum products n.o.s.					62	40	51	1,36	2,80	6,00
Soda ash			2	30	41	49	51	60	65	75
Caustic soda			2	41	51	65	80	84	90	1,20
Synthetic organic dye-stuffs			9	2,15	2,03	1,93	2,50	2,94	3,40	3,90
Cosmetics			7	1,21	1,34	1,71	2,08	2,41	2,64	3,00
Patent and proprietary medicines			26	4,19	5,06	5,62	6,50	7,23	7,50	8,00
Plastic material and synthetic resins			8	1,11	1,57	2,48	5,41	5,75	6,48	13,50
Cotton yarn			13	4,98	8,38	12,67	25,13	25,63	31,50	42,30
Woollen yarn			2	1,02	1,91	3,52	2,52	2,04	2,93	5,28
Glass and glassware			11	2,01	2,72	3,12	3,08	3,58	4,02	4,13
Chinaware and porcelainware			3	84	1,11	1,33	1,37	1,43	1,65	1,70
Copper and copper alloys			7	1,75	1,83	2,11	2,19	4,63	4,10	4,50
Refrigerators and air-conditioning appliances			2	86	1,49	1,77	2,27	2,93	4,00	4,80
Wireless receiving sets			6	1,25	1,21	1,92	2,30	2,76	3,13	3,47
Jute manufactures					5,28	6,50	6,87	7,17	7,15	10,70
Electric wires and cables					2,57	3,59	4,94	4,56	5,10	5,25
Miscellaneous	44	1,60	9,51	9,62	14,66	18,49	17,94	15,43	15,57	22,46
Total gross revenue	**71,50**	**149,24**	**385,69**	**453,65**	**559,48**	**694,02**	**766,33**	**860,21**	**988,52**	**1,187,57**
Less : Refunds and drawbacks	3,96	3,99	2,94	3,30	5,40	7,55	9,31	9,22	6,73	6,73
Total net revenue	**67,54**	**145,25**	**382,75**	**450,35**	**554,08**	**686,47**	**757,02**	**850,99**	**981,79**	**1,180,84**
Additional duties on :										
Sugar			10,91	11,22	15,03	14,90	14,68	16,38	18,50	18,20
Textiles			17,01	19,46	20,34	20,78	20,74	20,52	19,23	20,94
Tobacco			5,68	8,28	9,38	7,67	9,29	10,25	10,96	11,69
Total additional duties			**33,60**	**38,96**	**44,75**	**43,35**	**44,71**	**47,15**	**48,69**	**50,83**
Less : Refunds, etc.						24	22	22	27	27
Net additional duties			**33,60**	**38,96**	**44,75**	**43,11**	**44,49**	**46,93**	**48,42**	**50,56**
Grand total—Union excise duties	**67,54**	**145,25**	**416,35**	**489,31**	**598,83**	**729,58**	**801,51**	**897,92**	**1,030,21**	**1,231,40**
Less : States' share of excise duties		16,57	75,10	80,65	124,91	135,99	127,34	145,92	230,91	274,08
Net receipts	**67,54**	**128,68**	**341,25**	**408,66**	**473,92**	**593,59**	**674,17**	**752,00**	**799,30**	**957,32**

(*a*) Includes special duties of excise also. (*b*) Figures are provisional. (*c*) The figures show the effect of all the proposed changes in the excise duties for the full year, as envisaged in the final budget presented to the *Lok Sabha* on May 25, 1967. (*d*) Including regulatory duty of excise.

STATEMENT 54—CAPITAL BUDGET OF THE GOVERNMENT OF INDIA

(In crores of rupees)

	1950-51 (Accounts)	1955-56 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63 (Accounts)	1963-64 (Accounts)	1964-65 (Accounts)	1965-66 (Accounts)	1966-67 (Budget)	1966-67 (Revised)	1967-68 (Budget)
	1	2	3	4	5	6	7	8	9	10	11
RECEIPTS											
Loans											
Internal (*a*)	30.34	103.68	180.70(*i*)	202.55(*i*)	278.94(*i*) (*j*)	367.10(*i*)(*j*)	296.67(*i*)	278.58(*i*)	280.00	275.29(*i*)	350.00
External	7.75	2.67	264.71	314.33	339.57	384.57	569.73	562.41	784.85	992.24**	1,015.00
Special Floating Loan	—	—	3.45	3.45	3.45	3.45	3.45	53.57	2.22	349.59	3.49
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	2.01	—18.40	—2.00	— 1.00	—3.00
Gold Bonds					3.39	5.22	0.01	5.26	4.00	4.00	1.30
Small Savings (*b*)	33.52	66.51	103.77	87.75	74.09	126.99	127.43	151.19	135.00	125.00	130.00
Other Unfunded Debt (*b*)	8.30	16.89	43.99	40.13	41.84	51.34	49.65	56.06	59.09	52.44	56.34
Compulsory Deposits (*b*)						30.12	1.61	—1.61	—1.00	—1.00	—0.50
Income-tax Annuity Deposits (*b*)							40.28	37.34	35.01	22.00	22.00
Investment of U.S. Government Counter-part Deposit Funds (*b*)			240.41	54.13	48.07	87.38	—1.57	133.06	—119.00	—26.74	135.00
Railway Funds (*b*)	17.55	6.92	—3.76	—14.44	15.27	32.80	12.24	13.95	7.22	—19.38	11.41
Other Reserve Funds (Interest-bearing) (*b*)	0.16	1.02	6.57	12.26	11.75	14.59	7.65	8.16	20.73	4.82	16.10
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	5.00	5.00
Deposits under Income-tax Act (*b*)	—33.21	—1.33	0.32	—0.22	—3.93	—0.37	—0.06	0.43	0.03	0.03	0.10
Repayments of Loans by States	8.08	25.22	95.48	133.91	144.75	179.34	216.02	276.25	288.00	275.00	343.00
Special Development Fund (*d*)	—	40.50	104.52	106.15	156.04	151.21	106.82	—110.50	364.08	459.24	203.20
Contingency Fund (*b*)	15.00	—	—	—	—0.01	—2.30	—1.09	2.05	—	1.34	0.52
Other Items (*b*) (*e*)	19.09	13.09	66.21	8.87	80.04	—59.74	209.19	155.45	9.85	38.67	—38.54
Total Receipts [excluding Treasury Bills (*f*)]	**104.45**	**280.95**	**1,127.00**	**957.34**	**1,204.25**	**1,380.85**	**1,645.04**	**1,608.25**	**1,873.08**	**2,556.54**	**2,250.42**

DISBURSEMENTS

Capital outlay											
Non-Developmental											
Defence	4.19	17.59	33.39	22.95	48.61	111.97	112.95	122.58	120.60	114.96	120.88
Payment of Commuted value of Pensions	—6.57	—9.01	—4.04	—3.93	—3.45	—3.69	—5.44	—2.38	—4.44	—1.48	—1.22
State Trading Schemes	—2.26	—29.59	33.95	2.24	—22.19	13.38	41.25	—84.19	—25.11	210.70	96.78
Currency, Mint and Security Printing Press	3.26	8.76	6.48	6.92	8.85	11.56	—7.30	80.30	12.98	220.43	19.64
Others (*g*)	15.01	3.67	65.84	56.93	78.16	56.91	166.21	74.41	320.52	343.38	144.41
Total Non-Developmental	**13.63**	**—8.58**	**135.62**	**85.11**	**109.98**	**190.13**	**307.67**	**190.72**	**424.55**	**887.99**	**380.49**
Developmental											
Railways	25.41	67.52	89.48	144.90	214.89	260.52	275.37	245.09	180.60	175.13	161.75
Posts & Telegraphs	7.07	9.03	11.26	11.25	20.96	31.48	30.54	31.38	24.25	27.60	31.68
Civil Aviation	1.82	1.95	3.46	3.01	2.93	2.71	3.45	4.41	5.03	4.67	4.98
Irrigation and Multi-purpose River Schemes	2.56	2.98	1.31	2.06	3.16	8.81	14.04	20.41	16.54	18.38	20.50
Civil Works	9.11	24.55	38.92	41.63	48.48	81.25	80.40	71.85	61.38	58.89	52.57
Industrial Development	8.90	11.07	91.27	110.68	171.35	200.21	194.75	150.39	177.72	181.39	213.18
Other Heads (*h*)	2.53	18.84	34.18	37.68	40.42	38.80	40.11	61.49	62.32	73.02	68.43
Total Developmental	**57.40**	**135.94**	**269.88**	**351.21**	**502.19**	**623.78**	**638.66**	**585.02**	**527.84**	**539.08**	**553.09**
Total Capital Outlay	**71.03**	**127.36**	**405.50**	**436.33**	**612.17**	**813.91**	**946.33**	**775.74**	**952.38**	**1,427.07**	**933.58**
Discharge of Permanent Debt											
Internal	41.74	69.04	109.19	137.62	182.30	175.97	189.04	154.96	191.60	184.93	255.00
External	4.11	3.22	17.71	65.62	46.30	63.73	84.42	80.52	120.59	168.15	195.44
Discharge of Special Floating Debt	—	—	1.71	—	—	—	0.85	—	3.43	1.00	1.00
Inter-State Debt Settlement	—	0.68	—	1.79	—	0.90	—	—	—	0.03	0.05
Advances to States		241.24						828.92	665.93	920.87	840.02
Advances to States from Special Development Fund	61.46	5.47	338.63	452.42	511.09	583.60	678.71	11.19	9.88	11.85	10.82
Other Loans and Advances (*b*)	4.25	23.91	127.79	77.83	102.52	121.84	176.96	273.85	263.00	383.47	332.26*
Total Disbursements	**182.59**	**470.92**	**1,000.53**	**1,171.61**	**1,454.38**	**1,759.95**	**2,076.31**	**2,125.18**	**2,206.81**	**3,097.37**	**2,568.17**
Surplus (+) *or Deficit* (—)	*—78.14*	*—189.97*	*+126.47*	*—214.27*	*—250.13*	*—379.10*	*—431.27*	*—516.93*	*—333.73*	*—540.83*	*—317.75*

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.

(*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 to December 31, 1964. (*d*) Receipts comprise the sale proceeds of American (Loan) Wheat, wheat received under Colombo Plan, assistance under Indo-U.S. Technical Assistance Agreement and other aid. (*e*) Residual item. (*f*) Mostly sold to the Reserve Bank of India. (*g*) Includes transfer of sale proceeds of American (Loan) Wheat, contingency fund and payment to displaced persons, etc. (*h*) Includes grants to States for development purposes, Ports, etc. (*i*) Excludes the conversion of *ad-hoc* Treasury bills of Rs. 50 crores each in 1960-61, 1961-62 and 1962-63, Rs. 75 crores in 1963-64 and Rs. 50 crores each in 1964-65, 1965-66 and 1966-67 (Revised). (*j*) Includes receipts from 4½ per cent National Defence Bonds, 1972 which were on tap from November 10, 1962 to April 29, 1963.

* Inclusive of the additional provision of Rs. 10 crores for financial institutions and Rs. 16 crores for contingencies provided for, by the Finance Minister in his final Budget Speech.

** The outstanding foreign loans (other than P.L. 480 loans) have been worked out after writing up the balances as on June 6, 1966 by 57.5 per cent consequent on the change in the par value of the Indian rupee.

STATEMENT 55—BUDGETARY POSITION OF INDIVIDUAL STATE GOVERNMENTS

(On Revenue Account)

(In lakhs of rupees)

	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-developmental (*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										
1964-65 (Accounts)	9,53	24,11	53,90	**87,54**	**50,26**	**137,80**	47,01	86,35	**133,36**	+ *4,44*
1965-66 (Accounts)	9,50	20,92	60,84	**91,26**	**55,06**	**146,32**	57,11	96,99	**154,10**	— *7,78*
1966-67 (Revised)	10,15	18,16	76,49	**104,80**	**66,96**	**171,76**	76,51	103,66	**180,17**	— *8,41*
1967-68 (Budget)	9,73	7,41	81,47	**98,61**	**67,65**	**166,26**	73,44	105,58	**179,02**	— *12,76*
Assam										
1964-65 (Accounts)	7,07	5,01	16,00	**28,08**	**27,59**	**55,67**	23,70	37,57	**61,27**	— *5,60*
1965-66 (Accounts)	6,01	6,56	18,14	**30,71**	**30,98**	**61,69**	26,62	50,92	**77,54**	— *15,85*
1966-67 (Revised)	7,37	6,82	21,89	**36,08**	**44,41**	**80,49**	33,75	50,57	**84,32**	— *3,83*
1967-68 (Budget)	7,67	7,20	23,39	**38,26**	**45,20**	**83,46**	33,79	51,01	**84,80**	— *1,34*
Bihar										
1964-65 (Accounts)	11,75	17,76	44,86	**74,37**	**33,86**	**108,23**	35,75	51,17	**86,92**	+ *21,31*
1965-66 (Accounts)	11,71	18,51	52,73	**82,95**	**41,35**	**124,30**	56,49	65,14	**121,63**	+ *2,67*
1966-67 (Revised)	12,74	9,90	64,33	**86,97**	**44,27**	**131,24**	63,59	70,96	**134,55**	— *3,30*
1967-68 (Budget)	12,22	19,39	67,91	**99,52**	**53,37**	**152,89**	66,82	81,52	**148,34**	+ *4,55*
Gujarat										
1964-65 (Accounts)	5,91	11,33	45,93	**63,17**	**33,42**	**96,59**(*h*)	43,71	49,21	**92,92**	+ *3,67*
1965-66 (Accounts)	5,89	11,17	50,41	**67,46**	**46,27**	**113,73**(*h*)	49,22	62,58	**111,80**	+ *1,93*
1966-67 (Revised)	7,23	10,44	61,56	**79,23**	**44,75**	**123,98**(*h*)	57,78	66,75	**124,53**	— *55*
1967-68 (Budget)	6,98	11,54	70,82	**89,34**	**58,09**	**147,43**(*h*)	61,13	83,43	**144,56**	+ *2,87*
Haryana										
1966-67 (Revised)	1,67	2,05	9,05	**12,77**	**10,64**	**23,41**	7,44	12,37	**19,81**	+ *3,60*
1967-68 (Budget)	2,31	3,84	22,31	**28,46**	**24,93**	**53,39**	22,52	32,39	**54,91**	— *1,52*
Jammu & Kashmir										
1964-65 (Accounts)	87	1,09	4,48	**6,44**	**16,66**	**23,10**	12,92	12,42	**25,34**	— *2,24*
1965-66 (Accounts)	86	79	5,15	**6,80**	**20,00**	**26,80**	11,07	16,53	**27,60**	— *80*
1966-67 (Revised)	99	88	7,60	**9,47**	**30,12**	**39,59**	22,82	20,49	**43,31**	— *3,72*
1967-68 (Budget)	98	1,15	9,55	**11,68**(*i*) **(11,28)**	**28,69**	**40.37**(*i*) **(39,97)**	19,37	26,61	**45,98**	— *5,61* (— *6,01*)
Kerala										
1964-65 (Accounts)	6,48	6,53	33,00	**46,01**	**28,17**	**74,18**	20,39	47,78	**68,17**	+ *6,01*
1965-66 (Accounts)	6,65	7,30	36,21	**50,16**	**30,24**	**80,40**	23,76	56,37	**80,13**	+ *27*
1966-67 (Revised)	7,33	6,83	43,49	**57,65**	**45,78**	**103,43**	28,98	70,26	**99,24**	+ *4,19*
1967-68 (Budget)	7,34	7,46	51,97	**66,77**	**54,49**	**121,26**	36,59	83,32	**119,91**	+ *1,35*
Madhya Pradesh										
1964-65 (Accounts)	8,04	14,21	42,52	**64,77**	**40,92**	**105,69**	38,12	63,12	**101,24**	+ *4,45*
1965-66 (Accounts)	8,01	10,96	49,26	**68,23**	**49,37**	**117,60**	47,95	72,26	**120,21**	— *2,61*
1966-67 (Revised)	9,17	12,22	59,49	**80,88**	**53,13**	**134,01**	71,83	76,77	**148,60**	— *14,59*
1967-68 (Budget)	8,94	11,90	67,91	**88,75**	**62,77**	**151,52**	74,26	99,38	**173,64**	— *22,12*

Madras												
1964-65 (Accounts)	11,48	15,49	65,73	**92,70**	**52,43**	**145,13**	51,13	91,42	**142,55**	+	*2,58*
1965-66 (Accounts)	11,24	17,72	74,91	**103,87**	**58,77**	**162,64**	61,49	109,01	**170,50**	—	*7,86*
1966-67 (Revised)	12,71	16,38	92,98	**122,07**	**58,89**	**180,96**	74,18	114,23	**188,41**	—	*7,45*
1967-68 (Budget)	13,33	18,16	102,58	**134,07**	**65,10**	**199,17**	76,84	128,70	**205,54**	—	*6,37*
Maharashtra												
1964-65 (Accounts)	17,65	16,84	107,47	**141,96**	**56,47**	**198,43**	99,02	100,31	**199,33**	—	*90*
1965-66 (Accounts)	16,78	15,38	120,85	**153,01**	**68,46**	**221,47**	108,29	126,91	**235,20**	—	*13,73*
1966-67 (Revised)	19,97	17,01	159,81	**196,79**	**72,84**	**269,63**	143,98	126,99	**270,97**	—	*1,34*
1967-68 (Budget)	19,12	18,78	179,47	**217,37**	**86,62**	**303,99**	152,56	140,99	**294,14***	+	*9,87*
Mysore												
1964-65 (Accounts)	7,35	11,13	37,23	**55,71**	**39,86**	**95,57**	35,58	57,08	**92,66**	+	*2,91*
1965-66 (Accounts)	7,90	10,34	42,39	**60,63**	**43,02**	**103,65**	40,49	68,14	**108,63**	—	*4,98*
1966-67 (Revised)	8,39	9,23	54,91	**72,53**	**69,62**	**142,15**	60,10	76,79	**136,89**	+	*5,26*
1967-68 (Budget)	8,11	13,77	59,32	**81,20**	**84,26**	**165,46**	61,77	95,10	**156,87**	+	*8,59*
Orissa												
1964-65 (Accounts)	4,31	4,74	21,75	**30,80**	**41,03**	**71,83**	30,94	45,12	**76,06**	—	*4,23*
1965-66 (Accounts)	4,31	4,78	23,66	**32,75**	**43,51**	**76,26**	36,19	50,99	**87,18**	—	*10,92*
1966-67 (Revised)	4,72	5,36	28,46	**38,54**	**67,65**	**106,19**	47,45	58,74	**106,19**		—
1967-68 (Budget)	4,54	3,85	33,02	**41,41**(*i*)	**69,79**	**111,20**(*i*)	45,87	65,89	**111,76**	—	*56*
				(40,13)		**(109,92)**				(—	*1,84)*
Punjab												
1964-65 (Accounts)	6,16	12,96	46,28	**65,40**	**49,07**	**114,47**	48,55	52,86	**101,41**	+	*13,06*
1965-66 (Accounts)	6,07	11,87	52,94	**70,88**	**57,60**	**128,48**	51,17	62,77	**113,94**	+	*14,54*
1966-67 (Revised)	4,54	10,49	48,64	**63,67**	**40,01**	**103,68**	45,86	53,06	**98,92**	+	*4,76*
1967-68 (Budget)	3,67	8,93	40,42	**53,02**	**35,44**	**88,46**	34,84	48,88	**83,72**	+	*4,74*
Rajasthan												
1964-65 (Accounts)	4,94	10,68	28,38	**44,00**	**28,73**	**72,73**	34,19	42,91	**77,10**	—	*4,37*
1965-66 (Accounts)	4,91	9,03	34,02	**47,96**	**47,68**	**95,64**	45,05	54,10	**99,15**	—	*3,51*
1966-67 (Revised)	5,47	8,08	39,67	**53,22**	**42,08**	**95,30**	53,83	60,52	**114,35**	—	*19,04*
1967-68 (Budget)	5,72	10,57	46,10	**62,39**	**49,77**	**112,16**	59,97	65,72	**125,69**	—	*13,53*
Uttar Pradesh												
1964-65 (Accounts)	18,00	30,08	67,37	**115,45**	**81,08**	**196,53**	90,35	102,91	**193,26**	+	*3,27*
1965-66 (Accounts)	18,08	35,21	79,26	**132,55**	**91,68**	**224,23**	100,00	119,91	**219,91**	+	*4,32*
1966-67 (Revised)	20,82	28,03	97,60	**146,45**	**106,73**	**253,18**(*j*)	121,44	135,33	**256,77**	—	*3,59*
1967-68 (Budget)	20,45	33,24	107,02	**160,71**	**118,53**	**279,24**	129,41	149,29	**278,70**	+	*54*
West Bengal												
1964-65 (Accounts)	15,72	15,89	74,41	**106,02**	**33,01**	**139,03**	60,33	72,81	**133,14**	+	*5,89*
1965-66 (Accounts)	15,97	16,17	86,39	**118,53**	**48,47**	**167,00**	74,20	90,52	**164,72**	+	*2,28*
1966-67 (Revised)	15,84	14,07	100,62	**130,53**	**55,05**	**185,58**	88,59	105,78	**194,37**	—	*8,79*
1967-68 (Budget)	15,12	16,18	110,19	**141,49**	**59,54**	**201,03**	89,68	129,55	**219,23**	—	*18,20*
Total												
1964-65 (Accounts)	135,26	197,85	689,31	**1,022,42**	**612,57**	**1,634,98**	671,69	913,04	**1,584,73**	+	*50,25*
1965-66 (Accounts)	133,89	196,71	787,16	**1,117,75**	**732,46**	**1,850,21**	789,10	1,103,14	**1,892,24**	—	*42,03*
1966-67 (Revised)	149,11	175,95	966,59	**1,291,65**	**852,93**	**2,144,58**	998,14	1,203,26	**2,201,40**	—	*56,80*
1967-68 (Budget)	146,23	193,37	1,073,45	**1,413,05**(*i*)	**964,24**	**2,377,29**(*i*)	1,038,86	1,387,36	**2,426,81**	—	*49,50*
				(1,411,37)		**(2,375,61)**				(—	*51,18)*

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 1967-68 are before tax changes except in the case of Jammu & Kashmir and Orissa ; the position before tax changes in these two States is shown in brackets. (*a*) Includes States' shares 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. (*h*) Excludes receipts from Special Revenue Reserve Fund of Rs. 5,61 lakhs for 1964-65 (Account), Rs. 5,26 lakhs for 1965-66 (Accounts), Rs. 4,33 lakhs for 1966-67 (Revised) and Rs. 3,40 lakhs for 1967-68 (Budget) (*i*) Includes yield from additional taxation. The figures in brackets indicate position before tax changes. (*j*) Excludes receipts from Revenue Reserve Fund of Rs. 3,59 lakhs.

* Includes proposed expenditure of Rs. 59 lakhs for which details are not given in the budget.

STATEMENT 56—REVENUE AND EXPENDITURE OF STATES*

(On Revenue Account) (In lakhs of rupees)

	1951-52 (Accounts)	1955-56 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63 (Accounts)	1963-64 (Accounts)	1964-65 (Accounts)	1965-66 (Accounts)	1966-67 (Budget)	1966-67 (Revised)	1967-68 (Budget)
	1	2	3	4	5	6	7	8	9	10	11
						REVENUE					
TAX REVENUE											
Taxes on Income	**57,05**	**63,08**	**100,47**	**104,26**	**105,77**	**128,42**	**135,26**	**133,89**	**146,62**	**149,11**	**146,23**
Share of income-tax	52,65	55,28	90,58	94,37	95,24	118,10	123,59	123,17	134,52	136,95	133,20
Agricultural income-tax	4,33	7,67	9,49	9,44	9,59	9,26	10,73	9,88	10,58	10,60	10,97
Profession tax	7	13	40	45	94	1,06	94	84	1,52	1,56	2,06
Taxes on Property and Capital Transactions	**75,40**	**111,04**	**144,41**	**148,75**	**179,12**	**191,13**	**197,85**	**196,71**	**209,03**	**175,95**	**193,37**
Estate duty		1,86	2,89	3,89	3,87	4,22	6,76	6,78	7,55	4,53	6,95
Land revenue	47,99	78,01	97,19	95,23	120,07	123,42	119,79	111,93	121,44	87,93	98,29
Stamps and registration	25,56	29,08	43,33	46,57	52,21	61,41	68,55	74,11	75,09	80,25	83,63
Urban immovable property tax	1,85	2,10	1,00	3,06	2,97	2,08	2,75	3,89	4,95	3,24	4,50
Taxes on Commodities and Services	**148,60**	**182,01**	**379,90**	**409,58**	**509,06**	**619,51**	**689,31**	**787,16**	**927,14**	**966,59**	**1,073,45§**
Union excise	70	16,57	75,11	80,65	124,92	136,04	127,24	145,80	209,17	225,88	243,05
State excise	49,41	45,09	53,11	58,58	62,81	72,89	84,54	96,37	100,50	105,34	113,87
General sales tax	54,40	80,06	142,44	163,14	187,52	245,41	295,09	338,57	374,62	393,12	450,31
Sales tax on motor spirit	4,53	1,54	16,30	18,30	21,35	22,90	23,33	29,22	37,41	40,94	43,72
Motor vehicles taxes	10,09	15,88	34,10	37,93	46,29	57,40	59,33	64,22	70,43	70,97	76,54
Tax on railway fares (*a*)			13,79								
Entertainment tax	6,39	7,34	13,11	15,10	18,21	22,56	25,11	29,44	30,18	34,26	36,43
Electricity duties	3,39	5,82	12,51	14,89	19,48	27,29	33,43	35,36	44,62	43,90	47,94
Other taxes and duties (*b*)	19,69	9,71	19,43	20,99	28,48	35,02	41,24	48,17	60,21	52,18	61,59
Total Tax Revenue	**281,05**	**356,14**	**624,78**	**662,58**	**793,95**	**939,06**	**1,022,42**	**1,117,75**	**1,282,79**	**1,291,65**	**1,413,05** (1,438,73)
NON-TAX REVENUE											
Administrative Receipts (*c*)	**38,13**	**61,86**	**139,53**	**85,50**	**93,22**	**108,87**	**121,13**	**145,01**	**134,63**	**147,00**	**162,34**
Net Contributions of Public Enterprises(*d*)	**24,92**	**31,41**	**47,44**	**46,52**	**57,34**	**63,48**	**57,54**	**60,32**	**72,76**	**77,16**	**79,71**
Forests	12,61	15,92	32,55	34,31	37,96	40,16	41,28	46,07	37,46	45,50	46,32
Irrigation (*e*)	8,03	6,89	7,60	6,24	9,72	10,13	9,62	6,03	16,92	10,72	8,77
Electricity schemes	3,41	7,46	3,45	2,37	2,74	8,04	2,60	4,03	10,45	15,01	15,51
Road and water transport	77	1,45	5,74	5,56	5,66	5,22	4,68	5,35	6,02	4,66	5,83
Industries and others	10	—31	—1,90	—1,95	1,26	—6	—64	—1,16	1,91	1,27	3,28
Other Revenue (*f*)	**26,94**	**51,87**	**78,43**	**83,99**	**129,97**	**150,05**	**163,54**	**197,64**	**231,06**	**227,95**	**273,85**
Grants-in-aid and other Contributions	**25,36**	**52,98**	**121,63**	**194,88**	**209,38**	**228,73**	**270,36**	**329,50**	**404,75**	**400,82**	**448,34**
Total Non-tax Revenue	**115,35**	**198,13**	**387,03**	**410,90**	**489,91**	**551,13**	**612,57**	**732,46**	**843,20**	**852,93**	**964,24**
Total Revenue	**396,40**	**554,27**	**1,011,81**	**1,073,49**	**1,283,86**	**1,490,20**	**1,634,98**	**1,850,21**	**2,125,99**	**2,144,58**	**2,377,29** (2,403,97)

	EXPENDITRUE									
Social and Developmental Services(*g*)										
Education	60,30	104,16	195,39	234,56	250,52	279,09	319,45	372,91	420,79	422,22	495,80
Medical and Public Health ..	29,22	47,18	80,84	93,95	106,77	117,36	129,14	148,68	175,85	169,83	204,90
Agriculture, Veterinary and Co-operation	25,90	39,02	65,95	75,77	85,50	98,45	121,59	156,10	177,43	176,36	205,02
Irrigation (*h*)	17,62	23,47	31,36	35,52	39,93	45,57	49,93	65,93	68,96	71,38	76,13
Electricity Schemes (*h*)	4,61	8,37	5,35	3,06	2,42	4,19	3,61	5,07	5,92	6,24	7,23
Rural and Community Development Projects	82	26,89	52,31	57,59	62,08	65,03	74,35	85,60	80,73	76,58	79,17
Civil Works	40,93	68,28	67,40	84,45	88,86	.88,87	100,58	135,38	132,20	135,20	148,86
Industries and Supplies	5,81	3,54	21,82	23,82	26,19	27,08	27,73	29,34	26,56	24,58	29,29
Other developmental expenditure(*i*)	11,00	17,00	49,21	51,51	57,79	72,30	86,66	104,13	122,60	120,88	140,96
Total Expenditure on Social and Developmental Services	**196,21**	**337,91**	**569,63**	**660,23**	**720,06**	**797,94**	**913,04**	**1,103,14**	**1,211,03**	**1,203,26**	**1,387,36**
Non-Developmental Expenditure (*g*)										
Collection of taxes, duties and other principal revenues (*j*)	26,94	46,02	66,19	62,18	58,65	64,17	71,52	80,96	93,20	94,36	103,44
Debt services (*k*)	8,49	18,82	84,38	99,66	152,54	198,39	207,29	268,67	344,08	367,22	398,53
Civil Administration (*l*)	106,65	122,40	167,00	185,36	202,25	209,99	234,70	272,98	271,32	282,25	303,47
Miscellaneous (*m*)	17,53	31,02	42,93	50,24	68,59	75,79	94,65	93,50	108,77	113,29	115,59
Famine	3,99	16,61	21,50	22,53	15,60	15,87	15,52	17,23	19,46	81,50	55,85
Other non-developmental expenditure (*n*)	32,82	31,32	35,74	41,07	43,19	50,31	48,01	55,77	61,34	59,51	61,98
Total Non-Developmental Expenditure ..	**196,42**	**266,19**	**417,74**	**461,04**	**540,82**	**614,52**	**671,69**	**789,10**	**898,17**	**998,14**	**1,038,86**
Total Expenditure	**392,63**	**604,09**	**987,37**	**1,121,27**	**1,260,88**	**1,412,46**	**1,584,73**	**1,892,24**	**2,109,20**	**2,201,40**	**2,426,81†**
Surplus (+) or deficit (—) ..	*+3,77*	*—49,82*	*+24,44*	*—47,78*	*+22,99*	*+77,74*	*+50,25*	*—42,03*	*—16,79*	*—56,82*	*—49,52* *(—22,84)*

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, figures have been 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 and also include Jammu and Kashmir. Figures for 1967-68 (Budget) are before tax changes ; the position after tax changes as proposed by the Governments of Assam, Gujarat, Haryana, Jammu and Kashmir, Kerala, Maharashtra, Madras, Madhya Pradesh, Mysore, Orissa and Rajasthan 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 sugarcane 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 from 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 underestimates. (*i*) Includes expenditure on scientific and miscellaneous departments aviation and ports and pilotage ; from 1962-63 expenditure on miscellaneous departments of an administrative nature has been shown under civil administration. (*j*) Excludes 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, scholarships, etc., (*n*) Includes pensions, stationery and printing and extra-ordinary charges, dividends in respect of all investments in autonomous undertakings, but excludes transfers to funds. * Excluding figures for Nagaland, Manipur, Tripura, Himachal Pradesh, Pondicherry and Goa, Daman and Diu. § Inclusive of additional taxation of Orissa Rs. 1.3 crores and of Jammu and Kashmir Rs. 0.4 crore.

† Includes proposed expenditure of Rs. 59 lakhs in respect of Maharashtra for which details are not available.

STATEMENT 57—CAPITAL BUDGET OF STATES*

(In lakhs of rupees)

	1951-52 (Accounts)	1955-56 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63 (Accounts)	1963-64 (Accounts)	1964-65 (Accounts)	1965-66 (Accounts)	1966-67 (Budget)	1966-67 (Revised)	1967-68 (Budget)
	1	2	3	4	5	6	7	8	9	10	11
RECEIPTS											
Permanent debt	11,81	74,19	93,77	92,98	104,46	38,12	100,51	106,79	92,67	105,17	108,48
Floating debt(*a*)	3,75	−38	15,89	8,54	−25,58	17,84	29,38	129,09	−19,00	−125,34	11,73
Loans from the Centre	73,96	261,89	345,67	451,35	525,71	623,06	675,50	816,09	635,13	891,07	751,54
Other loans(*b*)			11,75	16,13	19,33	23,78	30,49	64,23	42,20	63,00	51,10
Unfunded debt(*a*)	2,57	8,68	15,69	14,05	13,79	20,93	22,75	28,92	30,50	28,47	30,07
Loans and advances repaid to State Governments(*c*)	24,33	26,97	48,49	53,56	62,25	86,91	76,10	94,74	127,13	112,45	151,03
Deposits and advances and other items(*a*)(*d*)	18,57	10,64(*f*)	48,78	63,31	78,25	54,14	103,52	69,17	112,75	128,29	155,30
A. Total Receipts	**134,99**	**381,99**	**580,04**	**699,92**	**778,22**	**864,78**	**1,038,25**	**1,309,03**	**1,021,38**	**1,203,11**	**1,259,25**
CAPITAL OUTLAY											
Development						**DISBURSEMENTS**					
Multi-purpose river valley schemes	27,59	55,71	46,46	56,36	54,57	55,40	62,89	69,04	52,54	59,76	77,80
Irrigation and navigation	24,00	64,39	80,65	83,85	94,96	105,02	121,25	149,88	111,95	130,04	112,79
Schemes of agricultural improvement and research	12	4,07	3,69	4,72	3,31	10,32	9,92	12,20	16,79	16,25	18,68
Electricity schemes	19,94	42,87	25,42	25,69	25,44	29,34	37,49	−10,53	32,88	32,86	32,05
Road transport	1,63	2,35	4,82	3,71	5,04	6,74	4,67	4,31	−46	−2,46	3,72
Buildings, roads and water works	21,04	29,79	114,78	116,20	121,64	117,23	128,82	126,11	132,33	118,53	130,71
Industrial development	5,81	7,07	15,49	23,02	22,73	22,89	32,07	47,45	51,30	60,60	64,56
Others	16	13	2,28	1,60	2,51	3,13	3,95	5,43	5,88	4,98	5,19
Total Development	**100,29**	**206,38**	**293,59**	**315,15**	**330,20**	**350,07**	**401,07**	**403,89**	**403,21**	**420,56**	**445,50**
Non-Development											
State trading	25,09	−12,40	10,17	−9,55	12,34	−12,82	−7,43	79,45	15,58	−12,87	20,15
Compensation to landholders on the abolition of Zamindari	2,03	2,65	14,06	14,36	11,93	25,20	6,99	7,03	12,29	8,53	11,65
Other Financial transactions	16	2,16	19	29	6	15	5	11	13	6	13
Total Non-Development	**27,28**	**−7,60**	**24,42**	**5,10**	**24,33**	**12,53**	**−39**	**86,59**	**28,00**	**−4,28**	**31,93**
Total Capital Outlay (*e*)	**127,57**	**198,78**	**318,01**	**320,25**	**354,53**	**362,60**	**400,68**	**490,48**	**431,21**	**416,28**	**477,43**
Discharge of permanent debt	1,01	14,77	17,78	16,94	21,27	43,78	29,61	9,50	13,01	11,77	61,82
Repayment of loans to the Centre	11,37	25,62	114,25	149,32	163,24	187,76	228,65	285,21	237,44	299,12	375,73
Repayment of other loans (*b*)			2,81	2,77	5,62	5,85	10,54	19,21	32,09	41,50	41,29
Loans and advances by State Governments	48,77	96,75	180,08	179,28	204,49	314,35	363,55	519,78	381,16	460,89	404,28
B. Total Disbursements	**188,72**	**335,92**	**632,93**	**668,56**	**749,15**	**914,34**	**1,033,03**	**1,324,18**	**1,094,91**	**1,229,56**	**1,360,98**
C. *Surplus* (+) *or Deficit* (−) *on Capital Account* (A − B)	*−53,73*	*+46,07*	*−52,89*	*+31,36*	*+29,07*	*−49,56*	*+ 5,22*	*−15,15*	*−73,53*	*−26,45*	*−101,73*

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 (*viz.* Ajmer, Bhopal, Coorg, Delhi, Himachal Pradesh and Vindhya Pradesh) since they had capital budgets only from 1954-55. For 1955-56, figures have been 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 and 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 Warehousing Corporation, loans from Khadi and Village Industries Commission, Employees' State Insurance Corporation, Life Insurance Corporation, State Bank of India, etc. (*c*) Include inter-State Debt settlement (net). (*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.

* Excluding figures for Nagaland, Manipur, Tripura, Himachal Pradesh, Pondicherry and Goa, Daman and Diu.

STATEMENT 58—RAILWAY FINANCES

(In crores of rupees)

	1950-51 (Accounts)	1955-56 (Accounts)	1960-61 (Accounts)	1961-62 (Accounts)	1962-63 (Accounts)	1963-64 (Accounts)	1964-65 (Accounts)	1965-66 (Accounts)	1966-67 (Budget)	1966-67 (Revised)	1967-68 (Budget)
	1	2	3	4	5	6	7	8	9	10	11
I. Capital-at-Charge	**827.04**	**968.98**	**1,520.87**	**1,682.98**	**1,896.81**	**2,159.63**	**2,435.12**	**2,680.32**	**2,855.61**	**2,846.56**	**3,009.31**
II. Gross Traffic Receipts	**263.01**	**316.29**	**456.80**	**500.50**	**566.79**	**632.21**	**660.85**	**733.57**	**795.33**	**770.29**	**847.00**
1. Passenger	97.84	107.71	131.59	150.88	169.19	185.15	199.28	219.17	227.20	228.95	255.25
2. Other coaching	16.64	20.87	27.21	29.10	32.54	34.12	34.65	39.40	39.60	38.80	40.25
3. Goods	143.01	180.28	286.14	306.90	349.52	395.30	409.82	465.49	506.53	482.30	526.00
4. Other earnings*	5.52	7.43	11.86	13.62	15.54	17.64	17.11	9.51	22.00	20.24	25.50
III. Total Expenses (1+2+3+4+5)	**215.45**	**265.95**	**368.93**	**400.75**	**443.47**	**487.02**	**542.73**	**598.73**	**639.64**	**661.31**	**704.16**
1. Ordinary Working Expenses	**180.23**	**212.95**	**313.15**	**325.33**	**362.38**	**392.13**	**433.45**	**485.85**	**508.68**	**531.36**	**567.21**
(*a*) Administration	23.36	31.52	37.51	37.60	40.90	43.98	49.27	55.61	58.05	61.12	65.53
(*b*) Repairs & maintenance	57.11	78.67	99.75	100.45	112.84	122.55	139.38	157.58	164.62	174.24	184.23
(*c*) Operating staff	35.41	49.73	63.44	64.38	72.26	76.65	89.47	102.54	108.70	112.70	122.09
(*d*) Operation (fuel)	30.72	23.58	62.80	68.35	75.73	86.61	92.07	101.05	103.78	111.36	117.37
(*e*) Operation (other than staff and fuel)	13.35	10.19	18.30	18.20	21.27	22.45	23.74	25.61	25.43	27.61	27.69
(*f*) Miscellaneous	19.39	14.97	23.84	26.50	28.10	27.25	24.87	26.35	28.31	29.67	28.75
(*g*) Labour welfare	3.19	5.03	9.68	10.24	11.90	13.57	16.19	18.62	20.80	20.70	22.48
(*h*) Suspense	—2.30	—0.74	—2.17	—0.39	—0.62	—0.93	—1.54	—1.51	—1.01	—1.66	—0.93
2. Depreciation	**30.00**	**45.00**	**45.00**	**65.00**	**67.00**	**80.00**	**83.00**	**85.00**	**100.00**	**100.00**	**105.00**
3. Payments to Worked Lines	**0.25**	**0.26**	**0.09**	**0.18**	**0.14**	**0.14**	**0.16**	**0.19**	**0.17**	**0.14**	**0.14**
4. Miscellaneous Expenses	**4.97**	**7.74**	**10.69**	**10.24**	**13.95**	**14.75**	**14.62**	**15.69**	**17.29**	**16.31**	**16.91**
(*a*) Open line works	3.93	5.97	11.50	9.60	10.95	11.44	10.62	10.74	12.00	11.08	11.25
(*b*) Others (net)	1.04	1.77	—0.81	0.64	3.00	3.31	4.00	4.95	5.29	5.23	5.66
5. Appropriation to Pension Fund	—	—	—	—	—	—	**11.50**	**12.00**	**13.50**	**13.50**	**14.90**
IV. Net Revenue (II-III)	**47.56**	**50.34**	**87.87**	**99.75**	**123.32**	**145.19**	**118.11**	**134.84**	**155.69**	**108.98**	**142.84**
V. Dividend to General Revenues	**32.51**	**36.12**	**55.86**	**62.85**	**68.76**	**83.45**	**92.43**	**103.78**			
VI. Payment to General Revenues in lieu of Tax in Railway Passenger fares	—	—	—	**12.50**	**12.50**	**12.50**	**12.50**	**12.50**	**133.50@**	**132.86@**	**141.56@**
VII. Surplus (IV—V—VI)	**15.05**	**14.22**	**32.01**	**24.40**	**42.06**	**49.24**	**13.18**	**18.56**	**22.19**	**—23.88**	**1.28**
VIII. Appropriations to :											
1. Development fund	10.00	7.08	32.01	24.40	42.06	49.24	13.18	18.56	22.19	—	1.28
2. Revenue reserve fund	5.05	7.14	—	—	—	—	—	—	—	—23.88	—

Note : Total ordinary working expenses for the year 1966-67 (Revised) are according to the final Budget while the constituents are as given in the interim Budget. * Include suspense.

@ In accordance with the 1965 Convention, the payment of dividend with effect from 1966-67 will combine the two separate payments that were hitherto being made as dividend and as a special payment in lieu of tax on passenger fares.

STATEMENT 59—DEBT, LIABILITIES, CAPITAL OUTLAY AND LOANS

	As at the end of					
	1950-51	1955-56	1960-61	1965-66	1966-67 (Revised)	1967-68 (Budget)†
	1	2	3	4	5	6
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	3,417.28	3,552.58	3,649.48
(2) Prize Bonds	—	—	15.63	11.35	10.35	7.35
(3) Loans in course of Repayment	6.49	12.22	22.73	33.72	42.78	42.18
Total	**1,444.95**	**1,520.85**	**2,594.08**	**3,462.35**	**3,605.71**	**3,699.01**
(*b*) **Floating Debt :**						
(1) Treasury Bills	358.02	595.25	1,106.29	1,611.82	1,918.82	1,918.82
(2) Special Floating Loan	212.60	212.60	274.18	340.70	689.29	691.78
(3) Treasury Deposit Receipts and other Floating Loans	6.73	0.06	—	—	—	—
Total	**577.35**	**807.91**	**1,380.47**	**1,952.52**	**2,608.11**	**2,610.60**
Total A	**2,022.30**	**2,328.76**	**3,974.55**	**5,414.87**	**6,213.82**	**6,309.61**
B. Debt Raised Outside India						
(*a*) England@						
(1) Loans	—	—	106.52	263.41	481.72	513.17
(2) Others	12.37	2.61	15.45	0.04	0.06	0.06
(*b*) U.S.A.						
(1) Loans	—	91.72	210.84	749.50	1,415.98	1,553.09
(2) U.S. Export Import Bank	—	—	25.41	101.30	153.24	147.53
(3) P.L. 480	—	—	77.88	528.36	877.60	1,026.30
(*c*) U.S.S.R.	—	—	57.48	243.47	364.90	367.76
(*d*) Canada	—	—	14.07	17.95	38.12	53.49
(*e*) Federal Republic of Germany	—	—	103.19	206.25	345.61	346.32
(*f*) Japan	—	—	9.93	62.29	122.09	140.44
(*g*) International Bank for Reconstruction and Development	19.66	19.30	140.19	179.77	274.02	273.78
(*h*) International Development Association	—	—	—	171.09	416.05	537.31
(*i*) Other Countries (Including miscellaneous)	—	—	—	67.19	134.16	453.87
Total B	**32.03**	**113.63**	**760.96**	**2,590.62**	**4,623.55****	**5,413.12**
C. Total Public Debt I (A+B)	**2,054.33**	**2,442.39**	**4,735.51**	**8,005.49**	**10,837.37**	**11,722.73**
II. Other Liabilities						
A. Unfunded Debt						
(*a*) Small Savings Schemes (including Annuity Certificates)	336.87	575.77	973.44	1,541.99	1,666.99	1,796.99
(*b*) Other Unfunded Debt	111.15	182.98	551.37	1,221.59	1,268.29	1,481.13
Total A	**448.02**	**758.75**	**1,524.81**	**2,763.58**	**2,935.28**	**3,278.12**
B. Reserve Funds and Deposits						
(*a*) Bearing Interest	260.85	188.96	142.19	275.03	240.80	259.62
(*b*) Not bearing Interest	102.20	120.97	141.73	285.02	341.82	347.13
Total B	**363.05**	**309.93**	**283.92**	**560.05**	**582.62**	**606.75**
C. Total Other Liabilities II(A+B)	**811.07**	**1,068.68**	**1,808.73**	**3,323.63**	**3,517.90**	**3,884.87**
III. Total Debt & Liabilities (IC+IIC)	**2,865.40**	**3,511.07**	**6,544.24**	**11,329.12**	**14,355.27**	**15,607.60**
Amount due from Pakistan on account of her share of pre-partition debt (approx.)	—300.00	—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**	**11,029.12**	**14,055.27**	**15,307.60**

ADVANCED BY THE GOVERNMENT OF INDIA

(In crores of rupees)

	As at the end of					
	1950-51	1955-56	1960-61	1965-66	1966-67 (Revised)	1967-68 (Budget)†
	1	2	3	4	5	6
I. Capital Outlay						
A. Outlay on Departmental Undertakings						
(*a*) Railways	817.93	959.87	1,512.57	2,672.02	2,847.15	3,008.90
(*b*) Posts & Telegraphs	49.98	89.26	139.99	264.98	292.58	321.26
(*c*) Atomic Energy Development	—	0.56	15.34	68.55	125.13	160.46
(*d*) Mints	1.95	3.09	4.13	4.44	4.65	5.08
(*e*) Others*	24.87	11.52	10.60	19.99	24.15	36.52
Total A	**894.73**	**1,064.30**	**1,682.63**	**3,029.98**	**3,293.66**	**3,532.22**
B. Investments in Autonomous Corporations Companies, etc.						
(*a*) **Government Companies and Corporations**						
(1) Hindustan Steel	—	0.04	300.00	528.00	528.00	533.00
(2) Oil and Natural Gas Commission	—	—	17.10	106.12	112.50	113.96
(3) Heavy Engineering Corporation	—	—	6.65	88.95	85.75	85.75
(4) National Coal Development Corporation	—	—	26.98	61.06	75.07	85.92
(5) Damodar Valley Corporation	4.86	22.66	36.67	57.51	60.15	61.04
(6) Air Corporations	—	12.24	35.40	48.76	48.76	48.76
(7) Fertilizer Corporation of India	—	17.04	39.64	51.50	57.90	64.60
(8) Heavy Electricals	—	—	22.91	50.00	50.00	50.00
(9) Neyveli Lignite Corporation	—	—	48.29	79.42	79.42	79.42
(10) Bokaro Steel	—	—	—	19.80	37.99	107.99
(11) Indian Oil Corporation	—	—	6.90	65.29	69.69	69.69
(12) Bharat Heavy Electricals	—	—	—	46.61	61.69	65.00
(13) Others*	4.57	17.83	51.29	140.44	194.99	256.28
Total	**9.43**	**69.81**	**591.83**	**1,343.46**	**1,461.91**	**1,621.41**
(*b*) **Financial Institutions**						
(1) International Monetary Fund	201.00	201.00	296.28	353.18	527.05	527.05
(2) International Bank for Reconstruction and Development	36.93	36.93	36.93	36.93	56.73	56.73
(3) International Development Association	—	—	4.42	19.22	29.16	29.16
(4) Reserve Bank of India	11.12	11.12	11.12	5.93	5.93	5.93
(5) Life Insurance Corporation	—	—	5.00	5.00	5.00	5.00
(6) International Finance Corporation	—	—	2.11	2.11	2.11	2.11
(7) Asian Development Bank	—	—	—	—	6.98	13.96
(8) Others*	1.00	1.09	2.09	1.86	1.86	2.06
Total	**250.05**	**250.14**	**357.95**	**424.23**	**634.82**	**642.00**
(*c*) **Other Companies, Corporations etc.**	**0.25**	**0.80**	**9.97**	**30.13**	**30.58**	**31.93**
Total B (*a*+*b*+*c*)	**259.73**	**320.75**	**959.75**	**1,797.82**	**2,127.31**	**2,295.34**
C. Other Capital Outlay						
(*a*) Defence Services	260.93	314.43	454.34	874.13	989.09	1,112.97
(*b*) Others*	72.62	166.73	493.49	882.73	1,206.12	1,455.34
Total C	**333.55**	**481.16**	**947.83**	**1,756.86**	**2,195.21**	**2,568.31**
Total Capital Outlay I (A+B+C)	**1,488.01**	**1,866.21**	**3,590.21**	**6,584.66**	**7,616.18**	**8,395.87**
II. Loans Advanced by the Government of India						
(*a*) State Governments	195.58	819.39	1,909.63	3,970.57	4,600.42	4,976.54
(*b*) Union Territory Governments	—	13.36§	—	40.61	56.62	76.75
(*c*) Foreign Governments	0.01	0.11	29.17	27.65	41.32	54.81
(*d*) Government Servants	0.51	4.15	5.32	11.63	14.45	16.46
(*e*) Other Parties	24.58	105.88	590.36	1,329.11	1,696.10	1,972.75
Total Loans Advanced by the Government of India	**220.68**	**942.89**	**2,534.48**	**5,379.57**	**6,408.91**	**7,097.31**
Total Capital Outlay and Loans Advanced (I+II)	**1,708.69**	**2,809.10**	**6,124.69**	**11,964.23**	**14,025.09**	**15,493.18**
Excess (—) or Shortfall(+) of Debt and Liabilities over Capital Outlay and Loans Advanced	**—856.71**	**—401.97**	**—119.55**	**+935.11**	**—30.18**	**+185.58**

@ Excludes a sum of Rs. 20.62 crores representing unexpired liability for British Government 5 per cent War Loan 1929-47, the liability for which remains suspended. * Residual. § Erstwhile Part C States.

† Data relate to Interim Budget presented on March 20, 1967. The final Budget presented to the *Lok Sabha* on May 25, 1967 assumes additional Rs. 30 crores on Foreign Aid account and lesser loan (by Rs. 2.6 crores) by the Railways from General Revenues ; the additional disbursements relate to the assistance to States for Plan purposes (Rs. 55 crores), Roads, Shipping & Ports (Rs. 14 crores), Bokaro Steel (Rs. 5 crores), Oil exploration and refining (Rs. 6 crores), Atomic Energy and Posts & Telegraphs (Rs. 3 crores each).

** The outstanding foreign loans (other than P.L. 480 Loans) have been worked out after writing up the balances as on June 6, 1966 by 57.5 per cent consequent on the change in the par value of the Indian rupee.

STATEMENT 60—DEBT POSITION OF THE GOVERNMENT OF INDIA

(In crores of rupees)

End of March	Rupee loans (*a*)	*Percentage to Col. 9*	Treasury bills	*Percentage to Col. 9*	Small savings (*b*)	*Percentage to Col. 9*	Other obligations (*c*)*	*Percentage to Col. 9*	**Total internal debt**	*Percentage increase (+) or decrease (—) over the previous year*	**External Debt** Dollar loans	**External Debt** **Total**	**Total Debt**
	1	2	3	4	5	6	7	8	9	10	11	12	13
1951 ..	1,438.46	*58.2*	364.75(*d*)	*14.8*	336.20	*13.6*	330.12	*13.4*	**2,469.53**	*+2.1*	19.66	**32.03**	**2,501.56**
1956 ..	1,508.67	*48.9*	595.31(*d*)	*19.3*	580.04	*18.8*	398.73	*12.9*	**3,082.75**	*+8.1*	111.02	**113.63**	**3,196.38**
1961 ..	2,571.33(*e*)	*46.8*	1,106.30	*20.1*	982.37	*17.9*	834.14(*f*)	*15.2*	**5,494.14**	*+6.8*	468.39	**760.96**	**6,255.10**
1962 ..	2,688.45(*e*)	*45.8*	1,174.98	*20.0*	1,069.20	*18.2*	931.38(*f*)	*15.9*	**5,864.01**	*+6.7*	650.95	**1,110.55**	**6,974.56**
1963 ..	2,840.94(*e*)	*44.9*	1,299.55	*20.6*	1,144.11	*18.1*	1,035.81(*f*)	*16.4*	**6,320.41**	*+7.8*	869.46	**1,379.03**(*g*)	**7,699.44**
1964 ..	3,113.92(*e*)	*45.0*	1,381.95	*20.0*	1,270.56	*18.4*	1,154.58(*f*)	*16.7*	**6,921.01**	*+9.5*	1,145.89	**1,809.08**(*g*)	**8,730.09**
1965 ..	3,267.53(*e*)	*44.0*	1,443.52	*19.4*	1,398.56	*18.8*	1,322.37(*f*)	*17.8*	**7,431.98**	*+7.4*	1,452.84	**2,192.23**(*g*)	**9,624.21**
1966 ..	3,424.92(*e*)	*41.9*	1,611.82	*19.7*	1,549.33	*19.0*	1,579.82(*f*)	*19.3*	**8,165.89**	*+9.9*	1,748.02	**2,590.62**(*g*)	**10,756.51**
1967 ..	3,556.76(*e*)	*38.9*	1,919.55	*21.0*	1,676.10	*18.3*	1,982.19(*f*)	*21.7*	**9,134.60**	*+11.9*	3,175.01	**4,623.55**(*g*)(*h*)	**13,758.15**

(*a*) Figures from 1957 include Hyderabad State loans, the liability of which was taken over by the Central Governmet under Section 82(1) of the States Reorganisation Act, 1956 ; the figures from 1961 to 1965 include those of Five-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*) Figures have been revised based on the data available in the latest returns received from the Accountant General, Post and Telegraphs, Simla. (*c*) Including (1) unclaimed balances of old loans which have ceased to bear interest from the date of discharge, (2) balances of special loans, (3) balances of State Provident Funds and other accounts such as General Family Pension Fund, the Hindu Family Annuity Fund, the Postal Insurance and Life Annuity Fund, etc.. (4) unclaimed balances in respect of Three-Year Interest-free Defence Bonds and Five-Year Interest-free Prize Bonds and (5) outstandings of Compulsory Deposits and Income-tax Annuity Deposits. (*d*) Including Treasury Deposit receipts. (*e*) Includes further issues of Rs. 300 crores created in July 1958, Rs. 150 crores in December 1959, Rs. 50 crores each in January 1961, February 1962 and December 1962, Rs. 75 crores in January 1964 and Rs. 50 crores each in January 1965, February 1966 and February 1967. (*f*) Includes investment of Rs. 240 crores, Rs. 300 crores, Rs. 355 crores, Rs. 408 crores, Rs. 441 crores Rs. 561 crores and Rs. 535 crores of U. S. Government Counterpart Deposit Funds in 'Special Securities' for the years 1961, 1962, 1963, 1964, 1965, 1966 and 1967 respectively. (*g*) Includes outstandings of the 'Defence Certificates' which are being issued in foreign countries. (*h*) The outstanding foreign loans (other than P.L. 480 Loans) have been worked out after writing up the balances as on June 6, 1966 by 57.5 per cent consequent on the change in the par value of the Indian rupee.

* Excludes outstandings of 'Reserve Funds and Deposits'.

STATEMENT 61—MATURITY PATTERN OF THE GOVERNMENT OF INDIA RUPEE LOANS(*a*)

(In 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(*e*)	*30.6*	711.51	*25.0*	1,001.91(*c*)(*d*)	*35.3*	**2,840.94**(*c*)(*d*)(*e*)
1964	257.84	*8.3*	558.45(*e*)	*17.9*	1,245.28	*40.0*	1,052.34(*c*)(*d*)	*33.8*	**3,113.92**(*c*)(*d*)(*e*)
1965	257.84	*7.9*	625.84(*e*)	*19.2*	1,127.71	*34.5*	1,256.14(*c*)(*d*)	*38.4*	**3,267.53**(*c*)(*d*)(*e*)
1966	257.84	*7.5*	765.28(*e*)(*f*)	*22.3*	1,015.77	*29.7*	1,386.03(*d*)	*40.5*	**3,424.92**(*d*)(*e*)(*f*)
1967	257.84	*7.2*	858.49(*e*)(*f*)	*24.1*	916.35	*25.8*	1,524.08(*d*)	*42.9*	**3,556.76**(*d*)(*e*)(*f*

Note : The statement excludes outstandings in respect of National Defence Gold Bonds (A and B series), 1980.

(*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, 1966 and 1967. (*b*) Figures are actuals as available with the Reserve Bank of India and differ from those in Statement 59 which are revised estimates for all years. (*c*) Including 5 year Interest-Free Prize Bonds issued from April 1960. (*d*) Including Premium Prize Bonds, 1963 and Premium Prize Bonds, 1964 issued from January 1963 and January 1964 respectively. (*e*) Including 7 per cent Gold Bonds, 1977 issued from November 12, 1962. (*f*) Including 7 per cent Gold Bonds, 1980 issued from March 2, 1965.

STATEMENT 62—DEBT POSITION OF STATES*

(In lakhs of rupees)

	At the end of								
	1951-52	1955-56	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67(*b*)
	1	2	3	4	5	6	7	8	9
I. Public debt									
(i) Permanent debt	133,71	264,48	493,12(*c*)	569,53(*c*)	653,22	648,60	721,60	823,75	917,16
(ii) Floating debt	15,66	8,20	41,75	50,27	24,68	40,91	70,29	194,76	143,36
(iii) Loans from Central Government	238,54	876,07	2,015,81	2,314,24	2,676,97(*d*)	3,111,79(*d*)	3,558,74(*d*)	4,094,63(*d*)	4,840,88(*d*)
(iv) Other debt (*a*)	—	—	51,57	63,60	77,34	96,89	116,85	156,39	178,35
II. Unfunded debt	57,37	83,19	134,93	150,01	162,71	183,42	203,17	232,12	260,37
III. Gross Total Debt	**445,28**	**1,231,94**	**2,737,17**	**3,147,65**	**3,594,92**	**4,081,61**	**4,670,66**	**5,501,64**	**6,340,12**

Note : The figures in this statement are based on actual returns furnished by the States. 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 and Kashmir from 1957-58.

(*a*) Includes Loans from National Agricultural Credit (Long-Term Operations) Fund of the Reserve Bank of India, National Co-operative Development Corporation, Khadi and Village Industries Commission, Employees' State Insurance Corporation, Central Warehousing Corporation, Life Insurance Corporation, State Bank of India, etc. (*b*) Data relate to Revised Estimates for all the States except Assam and Jammu and Kashmir for which they are based on Budget papers. (*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.

* Excluding Nagaland.

STATEMENT 63—SMALL SAVINGS

Year / Month	CURRENT INVESTMENTS—									
	Post Office Savings Bank Deposits (*a*)				15-Year Annuity Certificates(*b*)		Cumulative Time Deposits(*c*)		12-Year National Defence Certificates(*d*)	
	Gross receipts	Repay-ments	Net receipts	Out-stand-ings	Net receipts	Out-stand-ings	Net receipts	Out-stand-ings	Net receipts	Out-stand-ings
	1	2	3	4	5	6	7	8	9	10
1. 1950-51	100,73	84,05	16,69	187,28						
2. 1955-56	157,33	120,85	36,48	298,47	41	95				
3. 1960-61	236,88	191,78	45,10	440,78	47	3,38	1,82	2,63		
4. 1961-62	250,52	214,95	35,55	476,33	25	3,63	3,24	5,87		
5. 1962-63	244,85	238,20	6,65	482,98	20	3,83	5,36	11,23	53,59	53,59
6. 1963-64	264,27	225,08	39,19	522,17	7	3,90	8,21	19,44	106,46	160,05
7. 1964-65	293,68	251,12	42,56	564,73	—3	3,87	7,46	26,90	99,54	259,59
8. 1965-66	378,53	289,84	88,69	653,42	—17	3,70	9,77	36,67	73,51	333,10
9. 1966-67*	378,07	325,05	53,02	706,44	—29	3,41	15,06	51,73	82,15	415,25
10. March 1966 ..	65,48	28,39	37,09	653,42	—3	3,70	1,17	36,67	9,21	333,10
11. April „ ..	29,36	31,37	—2,01	651,41	—1	3,69	79	37,46	4,58	337,68
12. May „ ..	28,53	31,21	—2,68	648,73	—2	3,67	99	38,45	4,06	341,74
13. June „ ..	31,90	29,42	2,48	651,21	—2	3,65	98	39,43	4,84	346,58
14. July „ ..	33,44	25,68	7,76	658,97	—1	3,64	1,10	40,53	7,30	353,88
15. August „ ..	30,43	25,03	5,40	664,37	—3	3,61	1,07	41,60	5,72	359,60
16. September „ ..	27,00	26,13	87	665,24	—1	3,60	1,07	42,67	4,04	363,64
17. October „ ..	27,07	26,50	57	665,81	—2	3,58	1,03	43,70	5,93	369,57
18. November „ ..	27,11	25,07	2,04	667,85	—3	3,55	1,04	44,74	5,06	374,63
19. December „ ..	29,93	28,19	1,74	669,59	—4	3,51	1,17	45,91	5,19	379,82
20. January 1967 ..	29,41	28,68	73	670,32	—3	3,48	1,02	46,93	5,93	385,75
21. February „ ..	28,37	26,84	1,53	671,85	—5	3,43	1,01	47,94	4,72	390,47
22. March* „ ..	55,52	20,93	34,59	706,44	—2	3,41	3,79	51,73	24,78	415,25

Note : (1) Outstandings relate to end of period and include Indian Union's share of pre-partition liabilities and repayments 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.

(*a*) Including Dead Savings Bank Account ; Receipts and outstandings include interest credited to depositors' account from time to time. (*b*) Relates to first series issued from July 1954 to December 1957 and to second series issued from January 1958 ; Outstandings include both the series. (*c*) Includes Five-year, Ten-year and Fifteen-year Cumulative 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*) Issued from June 1, 1965. (*g*) Includes Twelve-

(ANNUAL AND MONTHLY)

(In lakhs of rupees)

EXISTING SERIES				OLD SERIES (DISCHARGES) OUTSTANDINGS AS AT THE END OF THE PERIOD						TOTAL		
4½% 10-Year Defence Deposit Certificates (*e*)		10-Year National Savings Certificates (First issue) (*f*)		National Savings Certificates (*g*)	10-Year National Plan Certificates (*h*)	Post Office Cash and Defence Savings Certificates (*i*)	10-Year Treasury Savings Deposit Certificates		12-Year National Plan Savings Certificates (*l*)	Net receipts	Outstandings	
Net receipts	Outstandings	Net receipts	Outstandings				3½% (*j*)	4% (*k*)				
11	12	13	14	15	16	17	18	19	20	21	22	
				123,25		20,36	5,31			33,89	336,20	*1*
				219,08	16,38	3,91	41,25			66,97	580,04	*2*
				152,43	18,84	1,43	38,80	37,34	286,74	104,98	982,37	*3*
				135,63	17,91	1,02	27,50	53,35	347,96	86,83	1,069,20	*4*
8,56	8,56			117,56	16,91	82	20,38	60,70	367,55	74,91	1,144,11	*5*
20,57	29,13			100,02	15,97	74	14,47	60,08	344,59	126,45	1,270,56	*6*
20,19	49,32			82,72	12,20	73	9,98	59,17	329,35	128,00	1,398,56	*7*
10,58	59,90	18,11	18,11	63,70	6,84	74	6,04	57,12	309,99	150,77	1,549,33	*8*
7,54	67,44	18,35	36,46	42,73	1,69	72	2,82	55,35	292,06	126,77	1,676,10	*9*
53	59,90	2,70	18,11	63,70	6,84	74	6,04	57,12	309,99	45,38	1,549,33	*10*
58	60,48	1,46	19,57	62,10	6,43	72	5,78	57,01	308,62	1,62	1,550,95	*11*
44	60,92	1,38	20,95	60,96	6,07	72	5,52	56,84	307,33	95	1,551,90	*12*
81	61,73	1,54	22,49	59,77	5,65	72	5,30	56,72	305,90	7,25	1,559,15	*13*
53	62,26	1,68	24,17	58,40	5,23	72	5,00	56,58	304,40	14,63	1,573,78	*14*
53	62,79	1,39	25,56	57,12	4,84	71	4,70	56,44	302,97	10,53	1,584,31	*15*
52	63,31	1,23	26,79	55,17	4,46	71	4,47	56,31	301,38	3,44	1,587,75	*16*
60	63,91	1,10	27,89	53,66	4,11	71	4,09	56,02	301,06	6,36	1,594,11	*17*
68	64,59	1,22	29,11	52,22	3,73	72	3,58	55,91	299,72	6,24	1,600,35	*18*
55	65,14	1,30	30,41	50,64	3,35	71	3,32	55,77	298,19	6,01	1,606,36	*19*
79	65,93	1,17	31,58	49,38	3,00	69	3,16	55,55	296,95	6,36	1,612,72	*20*
91	66,84	94	32,52	48,09	2,70	68	3,01	55,44	295,77	6,02	1,618,74	*21*
60	67,44	3,94	36,46	42,73	1,69	72	2,82	55,35	292,06	57,36	1,676,10	*22*

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. (*h*) Issued from May 10, 1954 to May 30, 1957. (*i*) Includes Defence Savings Bank Deposits upto 1954-55. (*j*) Issued from February 1, 1951 to May 31, 1957. (*k*) Issued from June 1, 1957 and discontinued from November 10, 1962. (*l*) Issued from June 1, 1957 and discontinued from November 15, 1962.

* Figures are provisional ; constituent items, therefore, do not necessarily add up to the totals. The latest data available, are also provisional.

Source : Accountant General, Posts and Telegraphs.

STATEMENT 64—MARKET BORROWINGS OF THE GOVERNMENT OF INDIA AND STATE GOVERNMENTS, 1966-67

Description of loan	Amount of issue* (Rs. crores)	Period of maturity (No. of years)	Issue price (Rs.)	Redemption yield at issue price (Per cent)	Amount subscribed (Rs. crores)	Subscriptions accepted (Rs. crores)				Amount repayable in cash in respect of maturing loans (Rs. crores)	Net borrowings (Rs. crores) (6-10)
						Cash	Conversion		Total		
							Description of loan	Amount			
	1	2	3	4	5	6	7	8	9	10	11
1960-61											
Central Government	**175.00**				**196.47**	**121.84**		**74.63**	**196.47**	**38.79**	**+ 83.05**
State Governments	**75.00**				**85.47**	**73.28**		**6.44**	**79.71**	**6.56**	**+ 66.72**
Total	**250.00**				**281.94**	**195.12**		**81.07**	**276.18**	**45.35**	**+149.77**
1961-62											
Central Government	**193.59**				**205.85**	**108.54**		**97.31**	**205.85**	**42.56**	**+ 65.98**
State Governments	**80.00**				**92.17**	**82.04**		**5.01**	**87.06**	**7.87**	**+ 74.17**
Total	**273.59**				**298.03**	**190.58**		**102.33**	**292.91**	**50.44**	**+140.14**
1962-63											
Central Government	**250.00**				**261.07**	**107.41**		**153.66**	**261.07**	**30.29**	**+ 77.12**
State Governments	**93.50**				**109.03**	**95.93**		**4.73**	**100.67**	**10.93**	**+ 85.00**
Total	**343.50**				**370.10**	**203.34**		**158.39**	**361.74**	**41.22**	**+162.12**
1963-64											
Central and State Governments (Combined)	**225.00**				**369.27**	**211.25**		**158.02**	**369.27**	**63.99**	**+147.26**
1964-65											
Central Government	**150.00**				**295.51**	**153.72**		**141.79**	**295.51**	**51.30**	**+102.42**
State Governments	**100.00**				**109.95**	**101.82**		**3.88**	**105.69**	**17.13**	**+ 84.69**
Total	**250.00**				**405.46**	**255.54**		**145.67**	**401.20**	**68.43**	**+187.11**

1965-66											
Central Government	**250.00**				**278.56**	**151.99**		**126.57**	**278.56**	**47.73**	**+104.26**
State Governments	**101.00**				**106.52**	**106.52**		—	**106.52**	—	**+106.52**
Total	**351.00**				**385.08**	**258.51**		**126.57**	**385.08**	**47.73**	**+210.78**
1966-67											
Central Government											
4½% Loan 1971 (Re-issue)	260.00	5	99.25	4.67	167.26	86.45	3½% Bonds 1966	80.82	**167.26**	**46.87**	**+ 79.89**
5½% Loan 1991		25	99.00	5.57	108.03	40.31	3% Funding Loan 1966-68	67.73	**108.03**		
Total of Central Government	**260.00**				**275.29**	**126.76**		**148.55**	**275.29**	**46.87**	**+ 79.89**
State Governments											
5½% Andhra Pradesh S.D. Loan 1978	7.50	12	98.00	5.73	9.11	9.11			**9.11**		
5½% Assam Loan 1978	3.00	12	98.00	5.73	3.00	3.00			**3.00**		
5½% Bihar S.D. Loan 1978	4.00	12	98.00	5.73	4.05	4.05			**4.05**		
5½% Gujarat S.D. Loan 1978	7.00	12	99.00	5.62	7.71	7.71			**7.71**		
5½% Kerala S.D. Loan 1978	4.00	12	98.00	5.73	4.28	4.28			**4.28**		
5½% Madhya Pradesh S.D. Loan 1978	5.00	12	98.00	5.73	5.12	5.12			**5.12**		
5½% Madras S.D. Loan 1978	13.00	12	98.50	5.67	13.24	13.24			**13.24**		
5½% Maharashtra S.D. Loan 1978	15.00	12	99.00	5.62	15.36	15.36			**15.36**	**1.34**	**+ 96.77**
5½% Mysore S.D. Loan 1978	4.00	12	98.00	5.73	4.13	4.13			**4.13**		
5½% Orissa Government Loan 1978	6.00	12	98.00	5.73	6.22	6.22			**6.22**		
5½% Punjab Loan 1978	4.00	12	98.00	5.73	4.01	4.01			**4.01**		
5½% Rajasthan S.D. Loan 1978	5.00	12	98.00	5.73	5.01	5.01			**5.01**		
5½% Uttar Pradesh S.D. Loan 1978	10.00	12	98.50	5.67	11.07	10.85	3% U.P. Loan 1961-66	0.22	**11.07**		
5½% West Bengal Loan 1978	6.00	12	98.50	5.67	6.02	6.02			**6.02**		
Total of State Governments	**93.50**				**98.33**	**98.11**		**0.22**	**98.33**	**1.34**	**+ 96.77**
Total of Central and State Governments	**353.50**				**373.62**	**224.87**		**148.77**	**373.62**	**48.21**	**+176.66**

Note: (1) Figures in columns 5, 6, 9 and 11 have been revised to include the receipts from Prize Bonds for each of the years from 1960-61 to 1964-65. (2) The statement excludes (i) National Defence Gold Bonds, 1980 (A and B series) which were on sale between October, 1965 and May, 1966 fetched contributions of 136,98,992 gms. of gold. (ii) Special issues of the value of Rs. 50 crores created in February 1967 against cancellation of *Ad hoc* Treasury Bills of equal amount and held in the Reserve Bank of India S.G.L. Account as part of the Banks Investments Account, and (iii) issues and repayments of Assam State Acquisition Zamindaris Act, 1951 Compensation Bonds, 2½% U.P. Zamindari Abolition Compensation Bonds, U.P. Zamindari Abolition Rehabilitation Grant Bonds, 2½% Rajasthan Jagir Resumption Compensation and Rehabilitation Grant Bonds, 2½%Rajasthan Zamindari and Biswedari Abolition Compensation Bonds, 2½% Rajasthan Jagir Resumption Compensation and Additional Rehabilitation Bonds, 2½% Bihar Zamindari Abolition Compensation Bonds, 2¾% Mysore Inams Abolition and Compensation Bonds and 3% Bombay Land Tenure Abolition Acts Compensation Bonds, (Maharashtra, Gujarat and Mysore), and only issues of West Bengal Estates Acquisition Compensation Bonds, Janmikaram Payment (Abolition) Bonds, Kerala, Madras Land Reforms (Fixation of ceiling on land) Act, 1961, 3% Maharashtra Agriculture Land (Ceiling on holdings) Act, 1961 Compensation Bonds and the Hyderabad (Abolition of cash grants) Act, 1952 Compensation Bonds and only repayments in respect of 3% Bombay Land Tenure Abolition Acts Compensation Bonds (former State of Bombay) and 3¼% U.P. Encumbered Estates Act Bonds ; the total issues and repayments of these bonds during 1966-67 amounting to Rs. 3.37 crores and Rs. 5.51 crores respectively.

*Inclusive of conversions.

STATEMENT 65—CENTRAL AND STATE GOVERNMENT LOANS (OUTSTANDINGS AS ON MARCH 31, 1967)

(In thousands of rupees)

		Amount outstanding
Central Government Loans		
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
4¼ %	National Defence Loan, 1968	10,43,20
3½ %	Bonds, 1969	1,90,85,42
4 %	Loan, 1969	2,02,93,68
4 %	Loan, 1970	1,78,24,46
3 %	First Development Loan, 1970-75	1,15,05,82
4½ %	Loan, 1971	3,32,00,53
4 %	Loan, 1972	1,54,70,47
4¼ %	National Defence Bonds, 1972	28,22,34
4¾ %	National Defence Loan, 1972	17,16,34
4 %	Loan, 1973	94,51,44
4 %	Loan, 1973 (*Ad-hoc* issue)	3,00,00,00
4¼ %	Loan, 1973	1,59,08,07
3¾ %	Loan, 1974	1,36,63,53
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	1,40,26,47
5½ %	Loan, 1990	1,36,16,14
5½ %	Loan, 1991	1,07,97,66
4 %	Hyderabad Development Loan, 1967	2,12,46
4 %	Hyderabad Development Loan, 1968	2,18,02
2¾ %	Hyderabad Loan, 1974	4,40,00
2¾ %	Hyderabad Loan, 1975	6,85,71
3 %	Conversion Loan, 1986 or later	2,48,90,58
3 %	Non-terminable Loan, 1896-97	8,93,33
7 %	Gold Bonds, 1977@	8,61,79
7 %	Gold Bonds, 1980	3,25,54
	Premium Prize Bonds, 1963	5,83,57
	Premium Prize Bonds, 1964	3,36,63
		35,56,76,43
Loans not bearing interest		
	Central Government Loans*	23,97,13
	Hyderabad Loans	63,56
	TOTAL	**35,81,37,12**
State Government Loans		
ANDHRA PRADESH		
4 %	Andhra State Development Loan, 1967	5,00,16
4 %	Andhra State Development Loan, 1968	6,56,15
4 %	Andhra State Development Loan, 1969	9,85,51
4¼ %	Andhra State Development Loan, 1970	5,48,92
4 %	Andhra State Development Loan, 1971	6,57,75
4¼ %	Andhra State Development Loan, 1972	11,01,81
4½ %	Andhra State Development Loan, 1974	10,99,84
4¾ %	Andhra State Development Loan, 1976	12,04,23
5½ %	Andhra Pradesh State Development Loan, 1977	9,33,44
5½ %	Andhra Pradesh State Development Loan, 1978	8,22,89
	TOTAL	**85,10,70**

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 State Reorganization Act. The outstanding balances of Hyderabad Loans 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. (3) The statement excludes National Defence Gold Bonds, 1980, A and B series, the total contributions being 63,45,526 gms. and 34,53,293 gms. respectively of gold for the two series, amounting to Rs. 340 lakhs and Rs. 185 lakhs respectively, valued at the rate of Rs. 53.58 per 10 gms.

*Includes outstanding in respect of 5-Year Interest-Free Prize Bonds. @ Prior to April 1, 1965 the rate of interest was 6½ per cent per annum.

STATEMENT 65—CENTRAL AND STATE GOVERNMENT LOANS (*Contd.*) (OUTSTANDINGS AS ON MARCH 31, 1967)

(In thousands of rupees)

State Government Loans—(*Contd.*)

		Amount outstanding
ASSAM		
4 %	Assam Loan, 1971	2,76,40
4½ %	Assam Loan, 1974	3,01,83
4¾ %	Assam Loan, 1976	3,11,91
5¼ %	Assam Loan, 1977	3,13,52
5½ %	Assam Loan, 1978	3,00,01
	Assam State Acquisition of Zamindaris Act, 1951, Compensation Bonds	4,36
	TOTAL	**15,08,03**
BIHAR		
2½ %	Bihar Z.A.C. Bonds	14,22,77
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	4,36,02
5¼ %	Bihar State Development Loan, 1977	4,40,25
5½ %	Bihar State Development Loan, 1978	4,03,64
		47,75,07
	Loans not bearing interest	18,37
	TOTAL	**47,93,44**
GUJARAT		
4 %	Gujarat State Development Loan, 1969	4,99,78
4¼ %	Gujarat State Development Loan, 1972	5,61,07
4½ %	Gujarat State Development Loan, 1974	6,15,45
4¾ %	Gujarat State Development Loan, 1976	7,64,56
3 %	Bombay Land Tenure Abolition Acts, (Gujarat) Compensation Bonds	62,01
5¼ %	Gujarat State Development Loan, 1977	7,59,89
5½ %	Gujarat State Development Loan, 1978	7,70,47
	TOTAL	**40,33,23**
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	4,44,92
5¼ %	Kerala State Development Loan, 1977	4,24,85
5½ %	Kerala State Development Loan, 1978	4,17,11
	Janmikaram Payment (Abolition) Bonds	51
		35,24,63
	Loans not bearing interest	3,67
	TOTAL	**35,28,30**
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	2,21,34
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	5,24,20
5¼ %	Madhya Pradesh State Development Loan, 1977	4,86,21
5½ %	Madhya Pradesh State Development Loan, 1978	5,02,85
		42,23,19
	Loans not bearing interest	3,22
	TOTAL	**42,26,41**

STATEMENT 65—CENTRAL AND STATE GOVERNMENT LOANS (*Contd.*) (OUTSTANDINGS AS ON MARCH 31, 1967)

(In thousands of rupees)

State Government Loans—(*Contd.*)		Amount outstanding
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	14,32,96
5¼%	Madras State Development Loan, 1977	14,44,80
5½%	Madras Loan, 1978	13,27,05
	Madras Land Reforms Act, 1961, Compensation Bonds	4,93
		1,16,59,54
	Loans not bearing interest	28,44
	TOTAL	**1,16,87,98**
MAHARASHTRA		
3 %	Maharashtra Agricultural Lands (Ceiling on holding) Act, 1961 Compensation Bonds	1,53
4 %	Bombay State Development Loan, 1967	9,41,35
4 %	Maharashtra State Development Loan, 1969	10,81,92
4¼%	Bombay State Development Loan, 1969	6,28,89
4¼%	Bombay State Development Loan, 1970	6,42,42
4 %	Bombay State Development Loan, 1970	7,70,10
4¼%	Bombay State Development Loan, 1971	4,16,78
4 %	Bombay State Development Loan, 1971	6,47,62
4¼%	Maharashtra State Development Loan, 1972	10,61,26
4½%	Maharashtra State Development Loan, 1974	13,44,25
4¾%	Maharashtra State Development Loan, 1976	15,01,25
4 %	Saurashtra State Development Loan, 1967	3,45,38
4 %	Saurashtra State Development Loan, 1968	2,42,40
3 %	Porbandar Water Project Loan, 1950-75	35,00
3 %	Bombay Land Tenure Abolition Acts, Compensation Bonds (Bombay)	1,16,28
3 %	Bombay Land Tenure Abolition Acts, Compensation Bonds (Maharashtra)	44,50
5¼%	Maharashtra State Development Loan, 1977	16,38,12
5½%	Maharashtra State Development Loan, 1978	15,36,13
		1,29,95,18
	Loans not bearing interest	18,20
	TOTAL	**1,30,13,38**
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	7,54,18
4½%	Mysore State Development Loan, 1974	6,59,08
4¾%	Mysore State Development Loan, 1976	7,01,13
3 %	Bombay Land Tenure Abolition Acts, Compensation Bonds (Mysore)	7,36
2½%	Mysore I.A.C. Bonds	13,73
5¼%	Mysore State Development Loan, 1977	5,29,77
5½%	Mysore State Development Loan ,1978	4,13,12
		57,11,59
	Loans not bearing interest	10,56
	TOTAL	**57,22,15**
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	7,71,63
4¾%	Orissa Government Loan, 1976	8,76,05
5¼%	Orissa Loan, 1977	8,36,91
5½%	Orissa Government Loan, 1978	6,20,64
	TOTAL	**51,55,60**

STATEMENT 65—CENTRAL AND STATE GOVERNMENT LOANS (*Concld.*) (OUTSTANDINGS AS ON MARCH 31, 1967)

(In thousands of rupees)

State Government Loans—(*Concld.*)		Amount outstanding
PUNJAB		
4 %	Punjab Government Loan, 1968	2,03,86
4 %	Punjab Government Loan, 1971	2,18,87
4½ %	Punjab State Development Loan, 1972	3,13,03
4½ %	Punjab Loan, 1974	3,64,88
5½ %	Punjab Loan, 1977	5,10,82
5½ %	Punjab Loan, 1978	4,01,66
	TOTAL	**20,13,12**
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
4½ %	Rajasthan State Development Loan, 1972	4,49,20
4½ %	Rajasthan State Development Loan, 1974	4,94,74
4¾ %	Rajasthan State Development Loan, 1976	5,24,20
2½ %	Rajasthan Zamindari and Biswedari Abolition Compensation Bonds	39,03
2½ %	Rajasthan Jagir Resumption Compensation and Rehabilitation Bonds	11,28,50
2½ %	Rajasthan J.R.A.R. Bonds	2,42,96
5½ %	Rajasthan State Development Loan, 1977	5,13,91
5½ %	Rajasthan State Development Loan, 1978	5,03,27
	TOTAL	**53,83,32**
UTTAR PRADESH		
4 %	Uttar Pradesh State Development Loan, 1967	8,47,60
4 %	Uttar Pradesh State Development Loan, 1968	7,77,47
4 %	Uttar Pradesh State Development Loan, 1969	7,30,82
4¼ %	Uttar Pradesh State Development Loan, 1970	7,26,14
4 %	Uttar Pradesh State Development Loan, 1971	8,18,35
4½ %	Uttar Pradesh State Development Loan, 1972	6,15,01
4½ %	Uttar Pradesh State Development Loan, 1974	9,24,10
4¾ %	Uttar Pradesh State Development Loan, 1976	10,91,50
3½ %	U. P. E. E. Act Bonds	42,61
2½ %	U. P. Z. A. Compensation Bonds†	43,29,35
2½ %	U. P. Z. A. C. R. G. Bonds	33,08,50
5½ %	Uttar Pradesh State Development Loan, 1977	10,87,22
5½ %	Uttar Pradesh State Development Loan, 1978	10,95,00
		1,63,93,67
	Loans not bearing interest	30,47
	TOTAL	**1,64,24,14**
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
4½ %	West Bengal State Development Loan, 1972	7,30,71
4½ %	West Bengal Loan, 1974	7,03,28
4¾ %	West Bengal Loan, 1976	7,00,09
5½ %	West Bengal Loan, 1977	7,04,91
	West Bengal Estates Acquisition Compensation Bonds	25,80
5½ %	West Bengal Loan, 1978	6,01,27
		69,21,75
	Loans not bearing interest	1,76
	TOTAL	**69,23,51**
TOTAL OF ALL STATES		
	Loans bearing interest	**9,28,08,62**
	Loans not bearing interest	1,14,69
	TOTAL	**9,29,23,31**

†Includes Uttar Pradesh Land Ceiling Compensation Bonds and Uttar Pradesh Urban Area Zamindari Abolition Compensation Bonds.

STATEMENT 66—GOVERNMENT OF INDIA TREASURY BILLS (WEEKLY), 1966-67

(In lakhs of rupees)

Week ended	Transactions with the Public					Sold in favour of Reserve Bank	Sales to State Governments and approved bodies	Total amount outstanding at the end of the period
	Sales of Treasury Bills on Tap		Amount discharged	Amount outstanding at the end of the period	*Rate of discount for tap sales (Per cent per annum)*			
	Against maturing Treasury bills	Against cash						
	1	2	3	4	5	6	7	8
1966								
April 1, ...	—	6,18	4,90	82,01	3.5	200,00	6,79	1,617,58
„ 8, ...	—	3,72	12,89	72,84	3.5	170,00	22,62	1,617,48
„ 15, ...	—	8,68	1,55	79,96	3.5	322,90	2,79	1,625,87
„ 22, ...	—	18,87	17,96	80,87	3.5	248,69	14,00	1,709,54
„ 29, ...	—	17,70	5,41	93,16	3.5	15,00	8,15	1,720,74
May 6, ...	8	4,13	8,19	89,18	3.5	165,00	88	1,738,43
„ 13, ...	1	2,29	3,87	87,62	3.5	280,00	13,05	1,766,69
„ 20, ...	—	16,00	7,00	96,62	3.5	—	13,91	1,761,80
„ 27, ...	—	17,04	4,29	109,39	3.5	36,82	38,58	1,826,40
June 3, ...	—	8,08	5,94	111,52	3.5	—	4,88	1,830,09
„ 10, ...	—	6,50	3,68	114,35	3.5	—	58	1,832,37
„ 17, ...	—	28,31	2,96	139,70	3.5	55,00	26,15	1,885,15
„ 24, ...	—	32,56	2,10	170,16	3.5	90,00	16,02	1,921,98
July 1, ...	—	22,44	6,17	186,43	3.5	290,00	14,30	2,035,76
„ 8, ...	—	33,65	3,72	216,35	3.5	170,00	4,58	2,047,65
„ 15, ...	9	15,24	8,68	223,00	3.5	322,90	34,34	2,085,84
„ 22, ...	—	29,29	18,87	233,42	3.5	213,69	42,88	2,090,14
„ 29, ...	—	15,87	17,70	231,60	3.5	15,00	31,74	2,111,90
August 5, ...	3	4,87	4,22	232,28	3.5	145,00	36,05	2,127,76
„ 12, ...	—	10,10	2,30	240,09	3.5	260,00	46,20	2,148,71
„ 19, ...	—	10,12	16,01	234,19	3.5	—	45,60	2,104,51
„ 26, ...	—	34,59	17,05	251,74	3.5	1,82	51,19	2,039,66
September 2, ...	—	10,27	8,08	253,92	3.5	—	11,94	2,048,91
„ 9, ...	—	10,40	6,50	257,82	3.5	—	2,73	2,054,96
„ 16, ...	—	11,82	28,31	241,33	3.5	—	63,96	2,046,28
„ 23, ...	—	25,65	32,56	234,42	3.5	—	52,01	2,075,36
„ 30, ...	—	21,49	22,44	233,47	3.5	240,00	17,90	1,958,01
October 7, ...	—	27,38	33,65	227,20	3.5	85,00	33,16	1,955,31
„ 14, ...	6	14,66	15,32	226,60	3.5	297,90	22,66	1,943,03
„ 21, ...	—	23,26	31,59	218,26	3.5	243,69	16,16	1,937,97
„ 28, ...	—	18,76	13,57	223,45	3.5	15,00	31,86	1,943,27
November 4, ...	—	9,93	4,90	228,48	3.5	145,00	22,62	1,934,87
„ 11, ...	—	7,77	10,10	226,14	3.5	300,00	36,69	1,963,03
„ 18, ...	—	11,76	10,11	227,79	3.5	20,00	24,71	1,963,79
„ 25, ...	—	20,79	34,59	213,99	3.5	1,82	45,90	1,944,70
December 2, ...	—	9,64	10,27	213,37	3.5	—	14,07	1,946,21
„ 9, ...	33	3,74	10,40	207,04	3.5	—	18,36	1,925,51
„ 16, ...	7	3,52	11,82	198,81	3.5	—	34,32	1,887,64
„ 23, ...	9	3,48	25,65	176,73	3.5	10,00	13,93	1,837,48
„ 30, ...	—	7,07	26,89	156,90	3.5	255,00	4,96	1,841,72
1967								
January 6, ...	10	17,51	21,98	152,54	3.5	90,00	33,74	1,850,94
„ 13, ...	32	4,05	14,72	142,19	3.5	352,90	9,49	1,882,42
„ 20, ...	65	9,77	23,26	129,35	3.5	288,69	44,82	1,943,24
„ 27, ...	58	4,24	18,76	115,42	3.5	25,00	25,39	1,932,84
February 3, ...	10	3,08	9,93	108,67	3.5	95,00	23,62	1,877,10
„ 10, ...	33	5,65	7,77	106,88	3.5	355,00	27,62	1,921,23
„ 17, ...	2	5,26	11,76	100,40	3.5	20,00	16,83	1,906,87
„ 24, ...	7	6,11	20,79	85,79	3.5	26,82	6,58	1,877,94
March 3, ...	15	4,69	9,64	80,98	3.5	—	6,94	1,866,00
„ 10, ...	20	3,44	4,06	80,55	3.5	—	50	1,847,71
„ 17, ...	27	84	3,59	78,07	3.5	—	1,46	1,812,36
„ 24, ...	—	1,72	3,57	76,23	3.5	10,00	16,88	1,813,47
„ 31, ...	—	4,52	7,07	73,68	3.5	335,00	37,58	1,919,55

STATEMENT 67—GOVERNMENT OF INDIA TREASURY BILLS (ANNUAL AND MONTHLY)

(In lakhs of rupees)

Period	Transactions with the Public									Sold in favour of Reserve Bank of India(*c*)	Sales to State Governments and approved bodies	Total Amount outstanding at the end of the period (*d*)(*e*)
	Amount offered	Amount tendered	Amount sold by tender	Sales of Intermediate Treasury bills	SALES OF TREASURY BILLS ON TAP: Against maturing Treasury bills	SALES OF TREASURY BILLS ON TAP: Against cash	**Total Sales(*a*)** (3+4+5+6)	Amount discharged	*Average rate of discount for auction sales (per cent per annum)*(*b*)			
	1	2	3	4	5	6	7	8	9	10	11	12
1950-51										1,394,35		358,02
1955-56	55,50	86,25	55,50				**55,50**	54,50	*2.52*	1,994,09		595,25
1960-61	100,00	108,74	100,00	15,72			**115,72**	112,82	*2.65*	4,532,92		1,106,30
1961-62	96,00	100,16	96,00	35,59			**131,59**	131,93	*2.58*	4,270,22		1,174,98
1962-63	96,00	107,45	96,00	68,06			**164,06**	163,19	*2.42*	4,798,97		1,299,55
1963-64	100,00	111,56	100,00	122,22			**222,22**	220,38	*2.35*	5,248,72		1,381,95
1964-65	96,00	130,94	96,00	217,11			**313,11**	307,68	*2.72*	5,833,45		1,443,52
1965-66	28,00	28,45	28,00	50,86	47	343,18	**422,51**	284,52	*3.50*	5,205,86	734,12	1,611,82
1966-67					3,58	652,56	**656,14**	664,21	*3.50*	6,013,65	1,193,39	1,919,55
March 1966					—	17,37	**17,37**	15,66	*3.50*	315,00	43,81	1,611,82
April „					—	50,34	**50,34**	39,18	*3.50*	756,59	53,22	1,718,11
May „					10	42,10	**42,19**	25,60	*3.50*	481,82	68,02	1,827,76
June „					—	85,40	**85,40**	16,97	*3.50*	400,00	53,74	1,991,33
July „					9	104,91	**105,00**	49,34	*3.50*	756,59	123,97	2,117,74
August „					4	66,87	**66,91**	45,93	*3.50*	406,82	185,13	2,048,54
September „					—	70,31	**70,31**	91,41	*3.50*	240,00	138,45	1,958,01
October „					6	87,58	**87,64**	96,26	*3.50*	641,59	103,99	1,940,84
November „					—	53,99	**53,99**	66,91	*3.50*	466,82	141,10	1,943,90
December „					49	20,18	**20,67**	75,71	*3.50*	265,00	74,30	1,841,72
January 1967					1,65	35,77	**37,42**	84,84	*3.50*	756,59	127,65	1,934,83
February „					52	22,20	**22,72**	50,01	*3.50*	496,82	63,54	1,870,99
March „					62	12,92	**13,54**	22,06	*3.50*	345,00	60,26	1,919,55

Note : Sale of Treasury bills to the public was 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. Sale of Treasury bills by weekly auctions and of intermediate Treasury bills is discontinued with effect from July 12, 1965. Thereafter they are sold on tap throughout the week.

(*a*) Total sales relate to weekly auction sales and sales of intermediate Treasury bills upto the week ended July 9, 1965, to intermediate Treasury bills and sales on tap for the week ended July 16, 1965, and to sales on tap thereafter. (*b*) Relates to rate of discount for sales on tap from the week ended July 16, 1965. (*c*) Including creation/renewal of *ad hoc* Treasury bills and sales to State Governments and approved bodies upto July 9, 1965. (*d*) 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 hoc* 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, Rs. 1,142.41 crores at the end of 1964-65, Rs. 1,388.41 crores at the end of 1965-66 and Rs. 1594.41 crores at the end of 1966-67. (*e*) 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, Rs. 50 crores each in January 1965 and February 1966, and Rs. 50 crores in January 1967.

STATEMENT 68—INDIA'S OVERALL BALANCE OF PAYMENTS, 1966 (PRELIMINARY)

A. CURRENT ACCOUNT

(In crores of rupees)

Item	January-March 1966			April-June 1966			July-September 1966			October-December 1966			January-December 1966		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1. Merchandise (*a*)															
A. Private	190.0	95.6	*+94.4*	200.0	145.4	*+54.6*	276.0	178.5	*+97.5*	301.3	185.9	*+115.4*	967.3	605.4	*+361.9*
B. Government ..	—	187.9	*—187.9*	—	254.7	*—254.7*	—	302.2	*—302.2*	—	301.2	*—301.2*	—	1046.0	*—1046.0*
2. Non-monetary gold movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign Travel (*b*) ..	0.3	1.8	*—1.5*	0.3	3.9	*—3.6*	0.5	3.6	*—3.1*	0.6	2.9	*—2.3*	1.7	12.2	*—10.5*
4. Transportation (*c*) ..	13.5	6.7	*+6.8*	15.8	7.2	*+8.6*	20.2	11.4	*+8.8*	21.5	13.3	*+8.2*	71.0	38.6	*+32.4*
5. Insurance (*c*)	6.0	0.9	*+5.1*	2.0	1.0	*+1.0*	2.3	1.5	*+0.8*	3.5	1.4	*+2.1*	13.8	4.8	*+9.0*
6. Investment Income (*d*)	3.2	32.5	*—29.3*	3.5	42.3	*—38.8*	5.2	48.1	*—42.9*	4.5	54.7	*—50.2*	16.4	177.6	*—161.2*
7. Government, not included elsewhere (*e*)	31.2	3.8	*+27.4*	26.4	4.7	*+21.7*	34.2	6.3	*+27.9*	20.2	5.8	*+14.4*	112.0	20.6	*+91.4*
8. Miscellaneous (*f*) ..	13.5	12.6	*+0.9*	8.6	13.2	*—4.6*	11.6	15.7	*—4.1*	14.3	23.3	*—9.0*	48.0	64.8	*—16.8*
9. Transfer Payments															
(*i*) Official (*g*) ..	62.5	1.9	*+60.6*	4.0	0.1	*+3.9*	3.2	0.8	*+2.4*	4.6	13.2@	*—8.6*	74.3	16.0	*+58.3*
(*ii*) Private (*h*) ..	43.3	3.6	*+39.7*	30.9	5.7	*+25.2*	25.6	4.8	*+20.8*	19.3	4.7	*+14.6*	119.1	18.8	*+100.3*
10. **Total Current Transactions**	**363.5**	**347.3**	*+16.2*	**291.5**	**478.2**	*—186.7*	**378.8**	**572.9**	*—194.1*	**389.8**	**606.4**	*—216.6*	**1423.6**	**2004.8**	*—581.2*
Errors and Omissions			*—14.2*			*+42.3*			*+15.9*			*—11.0*			*+33.0*

(*a*) Exports *f.o.b.* ; imports *c.i.f.* *b*) Data for credits are incomplete. (*c*) Credits cover estimated amounts for reimbursements of freight and insurance paid in advance by exporters and disbursements of foreign ships in Indian ports etc. and debits include operating expenses abroad of Indian steamship and airline companies, surplus earnings remitted by foreign shipping and airline companies and some freight and insurance payments. (*d*) Credits include interest on investment of the Reserve Bank of India and debits cover remittances of profits, dividends and interest accruing to foreigners including interest and commitment charges on borrowings from the I.M.F. (*e*) Credits include diplomatic expenditure of foreign governments in India including the U.S. Embassy expenditure in India from the rupee proceeds of sales of U.S. surplus agricultural commodities under P.L. 480 agreements. Debits represent disbursements of the Government mainly for the upkeep of its organisations abroad. (*f*) Covers credits and debits on account of miscellaneous services such as technicians and agency services etc. (*g*) Credits represent contra entries for imports financed by aid received under Colombo Plan, P.L. 480 assistance programme and Indo-American Technical Co-operation Agreement, and cash grants mainly from Ford Foundation. In addition, the item also covers receipts and payments of pensions on Government account and contribution to international organisations. (*h*) Comprises unilateral transfers like maintenance remittances, receipts of missionaries, remittances of savings, migrants' transfers etc., and in addition receipts and payments of pensions, retirement benefits etc. on private account. @ Includes Rs. 13.0 crores paid to the I.B.R.D. as India's contribution to the Indus Basin Development Fund under the terms of the Indus Water Treaty signed on September 19, 1960.

STATEMENT 68—INDIA'S OVERALL BALANCE OF PAYMENTS, 1966 (PRELIMINARY)

B. CAPITAL ACCOUNT

Net Credit (+), Net Debit (—)

(In crores of rupees)

Item	January-March 1966			April-June 1966			July-September 1966			October-December 1966			January-December 1966		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
I. Private (*a*)	**14.5**	**13.9**	*+0.6*	**15.1**	**12.0**	*+3.1*	**13.4**	**15.9**	*—2.5*	**18.6**	**13.1**	*+5.5*	**61.6**	**54.9**	*+6.7*
1. Long-term ..	10.3	12.6	*—2.3*	13.8	7.3	*+6.5*	12.0	15.2	*—3.2*	14.9	10.3	*+4.6*	51.0	45.4	*+5.6*
2. Short-term ..	4.2	1.3	*+2.9*	1.3	4.7	*—3.4*	1.4	0.7	*+0.7*	3.7	2.8	*+0.9*	10.6	9.5	*+1.1*
II. Banking (*b*)	**4.4**	**14.4**	*—10.0*	**12.5**	**28.3**	*—15.8*	**10.2**	**8.2**	*+2.0*	**14.9**	**31.8**	*—16.9*	**42.0**	**82.7**	*—40.7*
III. Official (*c*)	**255.6**	**248.2**	*+7.4*	**259.0**	**101.9**	*+157.1*	**308.0**	**129.3**	*+178.7*	**315.1**	**76.1**	*+239.0*	**1137.7**	**555.5**	*+582.2*
1. Loans (*d*) ..	126.3	35.7	*+90.6*	187.1	—	*+187.1*	118.2	37.5	*+80.7*	144.5	—	*+144.5*	576.1	73.2	*+502.9*
2. Amortisation (*e*) ..	—	19.9	*—19.9*	0.8	21.9	*—21.1*	—	39.1	*—39.1*	1.0	35.0	*—34.0*	1.8	115.9	*—114.1*
3. Miscellaneous (*f*)	89.3	140.1	*—50.8*	71.1	13.7	*+57.4*	77.9	29.3	*+48.6*	110.0	18.5	*+91.5*	348.3	201.6	*+146.7*
4. Reserves (*g*) ..	40.0	52.5	*—12.5*	—	66.3	*—66.3*	111.9	23.4	*+88.5*	59.6	22.6	*+37.0*	211.5	164.8	*+46.7*
IV. Total Capital and Monetary Gold ..	**274.5**	**276.5**	*—2.0*	**286.6**	**142.2**	*+144.4*	**331.6**	**153.4**	*+178.2*	**348.6**	**121.0**	*+227.6*	**1241.3**	**693.1**	*+548.2*

(*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 loans and credits obtained by the official sector from the I.B.R.D., I.D.A. and foreign governments as well as rupee loans out of P.L. 480 and P.L. 665 counterpart funds and drawings from the I.M.F. The entries on the debits side relate to the repurchase of rupees from the I.M.F. (*e*) Debits comprise repayment of loans from the I.B.R.D., I.D.A. and from foreign governments ; credits represent repayments of loan extended to Burma in 1957. (*f*) Covers capital receipts and payments on official account other than loans and amortisation transactions, for example, changes in P.L. 480 and P.L. 665 balances and the rupee liabilities of the R.B.I. to non-resident official and semi-official institutions including rupee balances held with the R.B.I. by the East European countries under payments agreements, technical credit advances to and repayments thereof by the East European countries and transactions with Kuwait and Bahrain consequent to the withdrawal of Indian currency from these two countries. (*g*) Represents changes in the foreign exchange assets of the R.B.I. and government and the gold holdings of the former.

STATEMENT 69—INDIA'S BALANCE OF PAYMENTS, 1966 (PRELIMINARY)

CURRENT ACCOUNT : REGION-WISE

STERLING AREA

(In crores of rupees)

Item	January-March 1966			April-June 1966			July-September 1966			October-December 1966			January-December 1966		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1. Merchandise*															
(a) Private	58.4	25.8	*+32.6*	64.2	32.4	*+31.8*	85.5	45.4	*+40.1*	102.1	44.3	*+57.8*	310.2	147.9	*+162.3*
(b) Government ..	—	29.1	*—29.1*	—	42.6	*—42.6*	—	55.7	*—55.7*	—	40.8	*—40.8*	—	168.2	*—168.2*
2. Non-Monetary Gold Movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign Travel	0.1	0.5	*— 0.4*	0.1	0.9	*— 0.8*	0.1	1.0	*— 0.9*	0.2	0.9	*— 0.7*	0.5	3.3	*— 2.8*
4. Transportation	5.4	1.5	*+ 3.9*	7.4	1.7	*+ 5.7*	7.9	2.5	*+ 5.4*	8.4	3.6	*+ 4.8*	29.1	9.3	*+ 19.8*
5. Insurance	2.3	0.5	*+ 1.8*	1.2	0.5	*+ 0.7*	1.2	1.1	*+ 0.1*	2.0	1.0	*+ 1.0*	6.7	3.1	*+ 3.6*
6. Investment Income ..	2.2	5.8	*— 3.6*	2.5	11.9	*— 9.4*	3.2	11.5	*— 8.3*	2.3	17.2	*—14.9*	10.2	46.4	*— 36.2*
7. Government, not included elsewhere	1.5	1.5	—	1.7	1.4	*+ 0.3*	1.3	2.5	*— 1.2*	1.3	2.2	*— 0.9*	5.8	7.6	*— 1.8*
8. Miscellaneous	8.8	5.4	*+ 3.4*	6.0	5.9	*+ 0.1*	7.1	5.5	*+ 1.6*	9.7	12.1	*— 2.4*	31.6	28.9	*+ 2.7*
9. Transfer payments ..															
(i) Official	0.2	—	*+ 0.2*	—	—	—	—	0.2	*— 0.2*	—	0.1	*— 0.1*	0.2	0.3	*— 0.1*
(ii) Private	31.2	2.4	*+28.8*	12.6	4.1	*+8.5*	8.4	2.9	*+ 5.5*	8.4	3.1	*+5.3*	60·6	12.5	*+ 48.1*
10. **Total Current Transactions**	**110.1**	**72.5**	*+37.6*	**95.7**	**101.4**	*— 5.7*	**114.7**	**128.3**	*—13.6*	**134.4**	**125.3**	*+ 9.1*	**454.9**	**427.5**	*+ 27.4*

* Exports f.o.b. ; Imports c.i.f.

STATEMENT 69—INDIA'S BALANCE OF PAYMENTS, 1966 (PRELIMINARY)—(*Contd.*)

CURRENT ACCOUNT : REGION-WISE

DOLLAR AREA

(In crores of rupees)

Item	January-March 1966			April-June 1966			July-September 1966			October-December 1966			January-December 1966		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1. **Merchandise***															
(*a*) Private	40.1	22.5	*+17.6*	47.7	32.1	*+15.6*	65.2	36.4	*+28.8*	63.1	31.0	*+ 32.1*	216.1	122.0	*+94.1*
(*b*) Government ..	—	91.7	*—91.7*	—	117.5	*—117.5*	—	137.6	*—137.6*	—	135.6	*—135.6*	—	482.4	*—482.4*
2. Non-monetary Gold Movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign Travel ..	0.2	0.8	*— 0.6*	0.2	0.7	*— 0.5*	0.3	1.4	*— 1.1*	0.4	0.8	*— 0.4*	1.1	3.7	*— 2.6*
4. Transportation ..	2.1	1.8	*+ 0.3*	2.7	2.3	*+ 0.4*	4.4	3.6	*+ 0.8*	4.9	4.4	*+ 0.5*	14.1	12.1	*+ 2.0*
5. Insurance	3.0	0.2	*+ 2.8*	0.2	0.3	*— 0.1*	0.2	0.3	*— 0.1*	0.4	0.2	*+ 0.2*	3.8	1.0	*+ 2.8*
6. Investment Income ..	0.7	11.4	*—10.7*	0.5	18.0	*—17.5*	1.3	17.0	*—15.7*	1.4	21.2	*—19.8*	3.9	67.6	*—63.7*
7. Government, not included elsewhere ..	28.0	0.8	*+27.2*	22.9	0.8	*+22.1*	32.7	1.2	*+31.5*	16.8	1.4	*+15.4*	100.4	4.2	*+96.2*
8. Miscellaneous	2.5	2.0	*+ 0.5*	1.7	2.3	*— 0.6*	2.4	3.4	*— 1.0*	2.2	2.4	*— 0.2*	8.8	10.1	*— 1.3*
9. Transfer payments															
(*i*) Official	62.2	—	*+62.2*	4.0	—	*+ 4.0*	3.2	—	*+ 3.2*	4.6	—	*+ 4.6*	74.0	—	*+74.0*
(*ii*) Private	10.4	0.3	*+10.1*	16.4	0.5	*+15.9*	15.5	0.7	*+14.8*	8.4	0.5	*+ 7.9*	50.7	2.0	*+48.7*
10. **Total Current Transactions**	**149.2**	**131.5**	**+17.7**	**96.3**	**174.5**	**—78.2**	**125.2**	**201.6**	**—76.4**	**102.2**	**197.5**	**—95.3**	**472.9**	**705.1**	**—232.2**

* Exports f.o.b. ; Imports c.i.f.

STATEMENT 69—INDIA'S BALANCE OF PAYMENTS, 1966 (PRELIMINARY)—(*Contd.*)

CURRENT ACCOUNT : REGION-WISE

O.E.C.D. COUNTRIES

(In crores of rupees)

Item	January-March 1966			April-June 1966			July-September 1966			October-December 1966			January-December 1966		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1. Merchandise*															
(*a*) Private	16.5	15.9	+ *0.6*	17.3	23.0	— *5.7*	29.4	34.5	— *5.1*	27.2	40.8	—*13.6*	90.4	114.2	— *23.8*
(*b*) Government ..	—	21.2	—*21.2*	—	31.8	—*31.8*	—	36.3	—*36.3*	—	39.5	—*39.5*	—	128.8	—*128.8*
2. Non-monetary Gold Movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign Travel	—	0.3	— *0.3*	—	0.6	— *0.6*	—	0.8	— *0.8*	—	0.5	— *0.5*	—	2.2	— *2.2*
4. Transportation ..	0.9	2.2	— *1.3*	0.9	2.0	— *1.1*	1.6	3.4	— *1.8*	1.6	3.4	— *1.8*	5.0	11.0	— *6.0*
5. Insurance	0.1	0.1	—	0.1	0.2	— *0.1*	0.2	0.1	+ *0.1*	0.2	0.1	+ *0.1*	0.6	0.5	+ *0.1*
6. Investment Income ..	0.1	3.7	— *3.6*	0.2	6.3	— *6.1*	0.3	6.3	—*6.0*	0.3	6.9	— *6.6*	0.9	23.2	—*22.3*
7. Government, not included elsewhere ..	0.4	0.5	— *0.1*	0.2	0.5	— *0.3*	— 1.0	0.8	— *1.8*	0.9	1.0	— *0.1*	0.5	2.8	— *2.3*
8. Miscellaneous	1.0	2.2	— *1.2*	1.2	2.0	— *0.8*	1.4	3.2	— *1·8*	1.5	4.4	— *2.9*	5.1	11.8	— *6.7*
9. Transfer Payments															
(*i*) Official	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(*ii*) Private	0.8	0.6	+ *0.2*	1.3	0.7	+ *0.6*	1.4	0.8	+ *0.6*	2.0	0.6	+ *1.4*	5.5	2.7	+ *2.8*
10. **Total Current Transactions**	**19.8**	**46.7**	**—26.9**	**21.2**	**67.1**	**—45.9**	**33.3**	**86.2**	**—52.9**	**33.7**	**97.2**	**—63.5**	**108.0**	**297.2**	**—189.2**

* Exports f.o.b. ; Imports c.i.f.

STATEMENT 69—INDIA'S BALANCE OF PAYMENTS, 1966 (PRELIMINARY)—(*Contd.*)

CURRENT ACCOUNT : REGION-WISE

REST OF NON-STERLING AREA

(In crores of rupees)

Item	January-March 1966			April-June 1966			July-September 1966			October-December 1966			January-December 1966		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1. Merchandise*															
(*a*) Private	75.0	31.5	*+43.5*	70.8	58.0	*+12.8*	95.8	62.2	*+33.6*	109.0	69.8	*+39.2*	350.6	221.5	*+129.1*
(*b*) Government ..	—	46.0	*—46.0*	—	62.8	*—62.8*	—	72.7	*—72.7*	—	85.3	*—85.3*	—	266.8	*—266.8*
2. Non-monetary Gold Movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign Travel ..	—	0.1	*— 0.1*	—	1.7	*— 1.7*	0.1	0.3	*— 0.2*	—	0.7	*— 0.7*	0.1	2.8	*— 2.7*
4. Transportation ..	5.1	1.1	*+ 4.0*	4.8	1.2	*+ 3.6*	6.3	1.9	*+ 4.4*	6.6	1.8	*+ 4.8*	22.8	6.0	*+16.8*
5. Insurance	0.6	0.1	*+ 0.5*	0.6	0.1	*+ 0.5*	0.7	0.1	*+ 0.6*	0.9	0.1	*+ 0.8*	2.8	0.4	*+ 2.4*
6. Investment Income ..	0.3	5.5	*— 5.2*	0.2	0.5	*— 0.3*	0.4	3.1	*— 2.7*	0.5	2.1	*— 1.6*	1.4	11.2	*— 9.8*
7. Government, not included elsewhere ..	1.2	0.8	*+ 0.4*	0.8	2.0	*— 1.2*	1.2	1.7	*— 0.5*	1.2	1.2	—	4.4	5.7	*— 1.3*
8. Miscellaneous	1.2	3.0	*— 1.8*	— 0.1	3.1	*— 3.2*	0.7	3.5	*— 2.8*	0.9	4.4	*— 3.5*	2.7	14.0	*— 11.3*
9. Transfer Payments															
(*i*) Official	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(*ii*) Private	0.8	0.3	*+ 0.5*	0.6	0.4	*+ 0.2*	0.3	0.4	*— 0.1*	0.5	0.5	—	2.2	1.6	*+ 0.6*
10. **Total Current Transactions**	**84.2**	**88.4**	**— 4.2**	**77.7**	**129.8**	**—52.1**	**105.5**	**145.9**	**—40.4**	**119.6**	**165.9**	**—46.3**	**387.0**	**530.0**	**—143.0**

* Exports f.o.b. ; Imports c.i.f.

STATEMENT 69—INDIA'S BALANCE OF PAYMENTS, 1966 (PRELIMINARY)—(*Concld.*)

CURRENT ACCOUNT : REGION-WISE

INTERNATIONAL INSTITUTIONS

(In crores of rupees)

Item	January-March 1966			April-June 1966			July-September 1966			October-December 1966			January-December 1966		
	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*	Credits	Debits	*Net*
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1. Merchandise															
(*a*) Private	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
(*b*) Government ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2. Non-monetary Gold Movement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3. Foreign Travel ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4. Transportation ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5. Insurance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6. Investment Income ..	—	6.3	*—6.3*	—	5.6	*— 5.6*	—	10.2	*—10.2*	—	7.3	*— 7.3*	—	29.4	*—29.4*
7. Government, not included elsewhere ..	0.1	0.1	—	0.8	—	*+ 0.8*	—	—	—	—	0.1	*— 0.1*	0.9	0.2	*+ 0.7*
8. Miscellaneous ..	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9. Transfer Payments															
(*i*) Official	—	1.9	*—1.9*	—	—	—	—	0.6	*— 0.6*	—	13.1	*—13.1*	—	15.6	*—15.6*
(*ii*) Private	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10. Total Current Transactions	**0.1**	**8.3**	**—8·2**	**0.8**	**5.6**	**— 4.8**	—	**10.8**	**—10.8**	—	**20.5**	**—20.5**	**0.9**	**45.2**	**—44.3**

STATEMENT 70—INDIA'S FOREIGN EXCHANGE RESERVES

(In lakhs of rupees)

End of	Assets(*a*)	Movement (Increase + Decrease —)
	1	2
1950-51	1029,15	+28,55
1955-56 (*b*)	902,35	+10,47
1960-61 (*b*)	303,61	—59,25
1961-62 (*b*) (*c*)	297,31	— 6,30
1962-63 (*c*)	295,10	— 2,21
1963-64 (*b*)	305,81	+10,71
1964-65 (*b*)(*c*)	249,68	—56,13
1965-66 (*b*)(*c*)	297,98	+48,30
1966-67 (*b*)(*c*)	478,44	+180,46
March 1966 (*b*) (*c*)	297,98	+ 6,17
April „ (*c*)	385,46	+87,48
May „	379,29	— 6,17
June „	581,17	+201,88
July „(*b*)	510,59	—70,58
August „	494,86	—15,73
September „	492,69	— 2,17
October „	472,75	—19,94
November „	454,25	—18,50
December „	455,77	+ 1,52
January 1967	445,15	—10,62
February „	466,26	+21,11
March „(*b*)	478,44	+12,18

(*a*) Comprise (i) Gold coin and bullion held by the Reserve Bank of India, (ii) Foreign assets of the Reserve Bank of India and (iii) Government balances held abroad. Gold holdings of the Reserve Bank amounted to 7.1 million ounces till January 7, 1965, 7.4 million ounces till January 21, 1965, 7.7 million ounces till February 18, 1965, 8.0 million ounces till February 27, 1966 and 7.0 million ounces thereafter. Gold has been valued at Rs. 53.58 per 10 grams upto May 1966 and at Rs. 84.39 per 10 grams thereafter, following the change in the par value of the rupee; but in the Bank's Weekly Statement of Affairs, gold was valued at the statutory rate of Rs. 18.21 per 10 grams upto October 5, 1956 and at Rs. 53.58 per 10 grams thereafter, as provided under Section 33 of the Reserve Bank of India (Amendment) Act, 1956.

(*b*) After providing for repayments to the I.M.F. of Rs. 7,10 lakhs in 1955-56, Rs. 10,71 lakhs in 1960-61, Rs. 60,70 lakhs in 1961-62, Rs. 23,80 lakhs in 1963-64, Rs. 47,61 lakhs in 1964-65, Rs. 35,71 lakhs in March 1966 and in 1965-66, Rs. 37,50 lakhs in July 1966, Rs. 5,59 lakhs in March 1967 and Rs. 43,09 lakhs in 1966-67.

(*c*) Include borrowings from the I.M.F. of Rs. 119,05 lakhs in 1961-62, Rs. 11,90 lakhs in 1962-63, Rs. 47,62 lakhs in 1964-65, Rs. 17,86 lakhs in March 1966, Rs. 65,46 lakhs in 1965-66 and Rs. 89,29 lakhs in April 1966 and 1966-67.

STATEMENT 71—INDIA'S FOREIGN TRADE

(In lakhs of rupees)

Year/Month	Merchandise			Treasure (Gold)		
	Imports (—)	Exports (+)	**Balance of trade**	Imports (—)	Exports (+)	**Balance of trade**
	1	2	3	4	5	6
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	1,222,85	793,24	—**429,61**	90	—	— **90**
1964-65	1,349,03	816,30	—**532,73**	69	—	— **69**
1965-66	1,410,13	805,66	—**604,47**	37	—	— **37**
1966-67	260,55	127,71	—**132,84**			
	1,607,80	967,22	—**640,58**			
March 1966	172,29	77,84	— **94,45**	4	—	— **4**
April „	109,57	62,68	— **46,89**	2	—	— **2**
May „	150,98	65,03	— **85,95**	2	—	— **2**
June „	118,25	75,29	— **42,96**	2	—	— **2**
July† „	142,72	76,66	— **66,06**			
August† „	141,19	107,20	— **33,99**			
September† „	190,55	97,41	— **93,14**			
October† „	153,26	111,86	— **41,40**			
November† „	143,33	89,85	— **53,48**			
December† „	161,40	104,53	— **56,87**			
January† 1967	146,36	103,51	— **42,85**			
February† „	153,33	89,06	— **64,27**			
March† „	234,56	115,10	—**119,46**			

Note: Total sea, air and land trade, on private and Government accounts, excluding trade with Sikkim, Bhutan and Tibet. 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 are included. Direct transit trade, transhipment trade, ships stores and passengers' baggage are excluded. The data on merchandise trade iinclude silver (other than current coins) notes and coins withdrawn from circulation or not yet issued, indirect transit trade and trade by parcel post. Exports include re-exports and exports by letter post. Imports include dutiable articles by letter post and defence stores and exclude certain consignments of foodgrains and stores on Government account awaiting adjustment. Imports and exports are based on general system of recording; imports are on *c.i.f.* basis and exports on *f.o.b.* basis inclusive of export duty. Indian rupee was devalued on June 6, 1966. Data from June 1966 onwards are not comparable with those for the earlier period.

† Provisional.

Source: *Monthly Statistics of the Foreign Trade of India* and the suppl ements thereto and Monthly Press Notes issued by the Department of Commercial Intelligence and Statistics.

STATEMENT 72—DIRECTION OF INDIA'S FOREIGN TRADE

(In lakhs of rupees)

Year/Quarter	ALL COUNTRIES			AFRICA								
				TOTAL			UNITED ARAB REPUBLIC			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	70,68	48,99	—21,70	16,42	13,41	— 3,01	54,26	35,58	—18,68
1961-62	1,090,06	660,34	—429,72	64,09	56,28	— 7,80	12,04	12,92	+ 87	52,04	43,37	— 8,66
1962-63	1,131,48	685,48	—445,99	56,31	49,75	— 6,56	9,77	13,05	+ 3,27	46,54	36,70	— 9,84
1963-64	1,222,85	793,24	—429,61	50,77	46,36	— 4,41	15,25	12,54	— 2,71	35,52	33,81	— 1,71
1964-65	1,349,03	816,30	—532,73	65,81	46,23	—19,58	17,35	14,24	— 3,12	48,46	32,00	—16,46
1965-66	1,408,53	805,64	—602,89	55,82	61,84	+ 6,02	19,96	27,06	+ 7,10	35,86	34,78	— 1,08
1966-67	227,06	127,53	— 99,53	11,24	8,81	— 2,42	3,80	3,12	— 68	7,44	5,69	— 1,74
	1,673,88	966,47	—707,40	77,16	63,10	—14,06	18,77	21,87	+ 3,11	58,40	41,23	—17,17
April-June 1965 ..	343,40	186,93	—156,48	16,49	14,39	— 2,10	4,34	7,10	+ 2,77	12,15	7,29	— 4,86
July-September „ ..	357,76	200,14	157,62	9,00	12,56	+ 3,56	1,13	5,06	+ 3,94	7,87	7,49	— 38
October-December „	345,78	214,00	—131,78	9,00	20,23	+11,23	1,99	8,34	+ 6,35	7,01	11,89	+ 4.88
January-March 1966 ..	361,58	204,57	—157,01	21,33	14,66	— 6,66	12,50	6,55	— 5,95	8,82	8,11	— 71
April-May „ ..	227,06	127,53	— 99,53	11,24	8,81	— 2,42	3,80	3,12	— 68	7,44	5,69	— 1,74
June „ ..	117,82	75,28	— 42,54	6,36	4,92	— 1,45	30	1,84	+ 1,54	6,07	3,08	— 2,99
July-September „ ..	495,62	281,18	—214,44	21,52	14,37	— 7,15	1,37	2,29	+ 92	20,15	12,07	— 8,07
October-December „ ..	459,92	305,95	—153,98	11,49	23,39	+11,91	1,83	9,49	+ 7,66	9,66	13,90	+ 4,24
January-March 1967 ..	600,51	304,07	—296,44	37,79	20,43	—17,36	15,27	8,25	—7,02	22,53	12,18	—10,35

Year/Quarter	NORTH AMERICA									LATIN AMERICA			OTHER AMERICAN COUNTRIES		
	TOTAL			CANADA			U.S.A.								
	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	347,41	120,15	—227,27	19,86	17,62	— 2,24	327,56	102,53	—225,03	1,75	16,78	+15,04	3,02	1,32	— 1 70
1961-62	274,09	133,34	—140,75	18,55	17,60	— 94	255,54	115,74	—139,80	3,18	15,22	+12,04	2,32	1,42	— 90
1962-63	363,71	136,52	—227,19	16,87	22,19	+ 5,32	346,84	114,33	—232,51	1,74	16,94	+15,21	2,12	3,22	+ 1,09
1963-64	473,94	151,08	—322,86	23,97	21,19	— 2,78	449,97	129,89	—320,08	1,27	19,08	+17,81	36	1,66	+ 1,30
1964-65	536,99	164,34	—372,65	26,52	17,46	— 9,06	510,48	146,89	—363,59	4,69	14,63	+ 9,95	7	1,64	+ 1,57
1965-66	565,35	168,04	—397,32	30,52	20,29	—10,24	534,83	147,75	—387,08	3,35	10,46	+ 7,11	1	1,61	+ 1,60
1966-67	89,66	29,68	— 59,99	3,69	3,81	+ 11	85,97	25,87	— 60,10	39	44	+ 5	—	22	+ 21
	699,29	204,32	—494,98	85,09	24,98	—60,10	614,21	179,33	—434,88	14,75	9,25	— 5,50	58	2,08	+ 1,50
April-June 1965 ..	135,35	42,38	— 92,97	4,43	5,43	+ 1,00	130,91	36,95	— 93,97	1,18	3,87	+ 2,68	—	35	+ 35
July-September „ ..	147,98	43,22	—104,76	8,85	4,94	— 3,91	139,13	38,28	—100,85	1,24	3,00	+ 1,76	—	43	+ 43
October-December „ ..	126,73	41,10	— 85,63	4,41	5,48	+ 1,07	122,32	35,63	— 86,70	60	2,52	+ 1,92	—	46	+ 46
January-March 1966 ..	155,29	41,34	—113,96	12,83	4,44	— 8,39	142,46	36,90	—105,57	32	1,07	+ 74	—	37	+ 37
April-May „ ..	89,66	29,68	— 59,99	3,69	3,81	+ 11	85,97	25,87	— 60,10	39	44	+ 5	—	22	+ 21
June „ ..	40,53	15,68	— 24,85	1,64	1,70	+ 6	38,89	13,98	— 24,91	4	73	+ 69	1	10	+ 10
July-September „ ..	220,42	67,36	—153,06	34,71	8,65	—26,06	185,71	58,71	—127,00	4,00	3,11	— 89	—	68	+ 68
October-December „ ..	184,68	63,51	—121,16	17,79	7,24	—10,55	166,89	56,27	—110,61	2,64	3,35	+ 71	47	90	+ 42
January-March 1967 ..	253,66	57,77	—195,90	30,95	7,40	—23,55	222,72	50,37	—172,35	8,07	2,06	— 6,01	10	40	+ 30

STATEMENT 72—DIRECTION OF INDIA'S FOREIGN TRADE—(*Contd.*)

(In lakhs of rupees)

Year/Quarter	E. C. A. F. E. COUNTRIES (INCLUDING CHINA)														
	TOTAL			AUSTRALIA			JAPAN			MALAYSIA(*a*)			OTHERS		
	Imports (—)	Exports (+)	Balance	Imports (—)	Exports (+)	Balance	Imports (—)	Exports (+)	Balance	Imports (—)	Exports (+)	Balance	Imports (—)	Exports (+)	Balance
	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42
1960-61	**179,35**	**142,72**	**—36,63**	17,79	22,39	+ 4,60	60,78	35,27	—25,51	23,94	13,27	—10,68	76,84	71,80	— 5,04
1961-62	**192,92**	**136,58**	**—56,34**	24,17	15,95	— 8,22	59,45	40,54	—18,91	21,91	15,24	— 6,67	87,38	64,84	—22,54
1962-63	**199,80**	**128,33**	**—71,47**	24,28	18,71	— 5,57	64,86	33,42	—31,44	18,82	16,13	— 2,69	91,84	60,07	—31,77
1963-64	**189,18**	**185,02**	**— 4,15**	17,92	17,65	— 28	65,87	58,85	— 7,02	17,43	30,38	+12,95	87,95	78,15	— 9,80
1964-65	**202,12**	**176,89**	**—25,23**	24,65	19,99	— 4,66	78,19	60,90	—17,30	14,28	15,07	+ 79	84,99	80,93	— 4,06
1965-66	**219,40**	**158,97**	**—60,43**	24,18	17,54	— 6,63	79,33	57,12	—22,22	12,77	12,66	— 11	103,12	71,65	—31,47
1966-67	**38,04**	**26,06**	**—11,98**	4,82	2,62	— 2,20	14,04	10,70	— 3,33	1,59	1,70	+ 12	17,60	11,03	— 6,57
	274,16	**202,16**	**—72,00**	45,80	22,00	—23,81	85,70	90,59	+ 4,89	10,01	7,80	— 2,20	132,65	81,77	—50,88
April-June 1965..	**60,51**	**37,05**	**—23,47**	6,32	4,76	— 1,56	21,06	12,56	— 8,49	4,07	3,22	— 85	29,06	16,50	—12,56
July-September „ ..	**56,24**	**37,33**	**—18,91**	7,72	3,75	— 3,97	21,60	12,92	— 8,68	4,09	2,91	— 1,18	22,84	17,75	— 5,08
October-December „ ..	**48,06**	**38,29**	**— 9,77**	3,81	5,24	+ 1,43	19,60	12,51	— 7,09	1,97	3,14	+ 1,17	22,68	17,40	— 5,28
January-March 1966	**54,59**	**46,30**	**— 8,29**	6,33	3,79	— 2,54	17,08	19,12	+ 2,05	2,64	3,39	+ 75	28,55	20,00	— 8,55
April-May „ ..	**38,04**	**26,06**	**—11,98**	4,82	2,62	— 2,20	14,04	10,70	— 3,33	1,59	1,70	+ 12	17,60	11,03	— 6,57
June „ ..	**26,58**	**13,42**	**—13,17**	89	72	— 17	10,50	6,00	— 4,50	78	55	— 23	14,41	6,15	— 8,27
July-September „ ..	**71,78**	**55,32**	**—16,46**	8,20	5,57	— 2,63	26,36	23,22	— 3,14	2,22	2,86	+ 63	35,00	23,67	—11,32
October-December „ ..	**85,23**	**61,04**	**—24,19**	6,89	7,60	+ 71	23,03	25,02	+ 1,99	4,49	2,17	— 2,32	50,81	26,24	—24,58
January-March 1967 ..	**90,57**	**72,38**	**—18,18**	29,82	8,10	—21,72	25,81	36,34	+10,54	2,51	2,22	— 29	32,43	25,71	— 6,71

Year/Quarter	OTHER ASIAN AND OCEANIAN COUNTRIES AND ANTARCTIC AND ARCTIC REGIONS			EAST EUROPEAN COUNTRIES											
				TOTAL			CZECHOSLOVAKIA			U.S.S.R.			OTHERS		
	Imports (—)	Exports (+)	Balance	Imports (—)	Exports (+)	Balance	Imports (—)	Exports (+)	Balance	Imports (—)	Exports (+)	Balance	Imports (—)	Exports (+)	Balance
	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57
1960-61	**27,35**	**22,95**	**— 4,40**	**44,31**	**49,56**	**+ 5,25**	8,76	7,30	— 1,46	15,87	28,81	+12,94	19,68	13,45	— 6,23
1961-62	**33,28**	**24,84**	**— 8,44**	**87,62**	**63,80**	**—23,83**	15,02	8,10	— 6,92	39,94	32,20	— 7,74	32,66	23,49	— 9,16
1962-63	**24,86**	**23,65**	**— 1,21**	**110,11**	**92,36**	**—17,75**	19,71	11,24	— 8,47	58,64	38,25	—20,39	31,77	42,88	+11,11
1963-64	**32,03**	**29,98**	**— 2,05**	**129,26**	**108,91**	**—20,34**	17,33	16,16	— 1,17	68,46	52,10	—16,36	43,46	40,65	— 2,82
1964-65	**23,42**	**26,91**	**+ 3,49**	**144,99**	**143,88**	**— 1,11**	19,83	15,92	— 3,91	78,78	77,92	— 85	46,38	50,03	+ 3,65
1965-66	**15,86**	**28,89**	**+13,03**	**156,68**	**156,58**	**— 10**	21,15	15,83	— 5,32	83,17	92,99	+ 9,82	52,36	47,76	— 4,60
1966-67	**1,90**	**4,29**	**+ 2,40**	**32,67**	**28,06**	**— 4,61**	5,17	3,42	— 1,75	17,22	14,84	— 2,38	10,27	9,80	— 47
	15,37	**34,78**	**+19,41**	**176,28**	**183,03**	**+ 6,75**	25,35	23,19	— 2,17	84,93	101,48	+16,55	66,00	58,36	— 7,63
April-June 1965..	**5,09**	**6,47**	**+ 1,39**	**33,37**	**37,24**	**+ 3,86**	4,67	4,24	— 43	18,09	19,52	+ 1,43	10,61	13,48	+ 2,86
July-September „ ..	**7,22**	**6,66**	**— 56**	**36,64**	**36,35**	**— 29**	5,52	2,71	— 2,81	17,97	23,59	+ 5,62	13,14	10,05	— 3,09
October-December „ ..	**1,58**	**7,45**	**+ 5,88**	**44,06**	**38,70**	**— 5,36**	5,15	3,69	— 1,46	26,47	23,96	— 2,51	12,44	11,05	— 1,39
January-March 1966..	**1,98**	**8,30**	**+ 6,32**	**42,61**	**44,29**	**+ 1,68**	5,82	5,20	— 61	20,64	25,92	+ 5,28	16,16	13,17	— 2,99
April-May „	**1,90**	**4,29**	**+ 2,40**	**32,67**	**28,06**	**— 4,61**	5,17	3,42	— 1,75	17,22	14,84	— 2,38	10,27	9,80	— 47
June „ ..	**58**	**2,92**	**+ 2,33**	**11,69**	**19,18**	**+ 7,50**	2,35	1,02	— 1,33	5,65	14,83	+ 9,18	3,69	3,33	— 35
July-September „ ..	**4,75**	**9,01**	**+ 4,26**	**45,75**	**49,37**	**+ 3,62**	6,45	5,86	— 59	17,58	27,92	+10,34	21,73	15,59	— 6,14
October-December „ ..	**5,42**	**11,41**	**+ 5,99**	**51,62**	**51,94**	**+ 33**	7,79	7,03	— 76	27,96	26,02	— 1,94	15,87	18,90	+ 3,03
January-March 1967 ..	**4,61**	**11,44**	**+ 6,83**	**67,22**	**62,53**	**— 4,68**	8,76	9,27	+ 51	33,75	32,72	— 1,03	24,71	20,54	— 4,17

STATEMENT 72—DIRECTION OF INDIA'S FOREIGN TRADE (*Concld.*)

(In lakhs of rupees)

Year/Quarter	EUROPEAN COMMON MARKET COUNTRIES											
	TOTAL			FEDERAL REPUBLIC OF GERMANY			ITALY			OTHERS		
	Imports (—)	Exports (+)	Balance	Imports (—)	Exports (+)	Balance	Imports (—)	Exports (+)	Balance	Imports (—)	Exports (+)	Balance
	58	59	60	61	62	63	64	65	66	67	68	69
1960-61	**195,89**	**51,75**	**—144,13**	122,52	19,87	—102,65	25,97	9,27	—16,69	47,40	22,61	—24,79
1961-62	**191,15**	**51,82**	**—139,33**	122,88	20,63	—102,25	26,33	9,16	—17,17	41,93	22,03	—19,91
1962-63	**158,05**	**48,82**	**—109,22**	98,66	16,27	— 82,39	22,21	9,57	—12,64	37,18	22,99	—14,20
1963-64	**141,01**	**62,19**	**— 78,82**	90,46	20,15	— 70,31	17,42	11,34	— 6,08	33,14	30,70	— 2,44
1964-65	**172,44**	**57,02**	**—115,42**	109,34	17,69	— 91,64	22,62	10,04	—12,58	40,48	29,29	—11,19
1965-66	**206,39**	**55,29**	**—151,10**	137,15	18,16	—118,99	19,86	8,46	—11,41	49,38	28,68	—20,70
1966-67	**28,00**	**9,24**	**— 18,76**	16,69	2,99	— 13,70	2,96	1,52	— 1,44	8,35	4,74	— 3,61
	243,85	**74,88**	**—168,96**	135,07	21,39	—113,67	33,07	13,10	—19,97	75,71	40,39	—35,32
April-June 1965 ..	**43,07**	**12,73**	**— 30,33**	28,51	4,33	— 24,17	4,58	1,85	— 2,73	9,97	6,55	— 3,43
July-September „ ..	**52,31**	**13,97**	**— 38,34**	32,61	4,61	—28,00	5,92	1,68	— 4,24	13,78	7,68	— 6,10
October-December „ ..	**68,30**	**14,87**	**— 53,43**	50,37	4,82	— 45,55	4,90	2,45	— 2,45	13,03	7,60	— 5,43
January-March 1966 ..	**42,71**	**13,72**	**— 28,99**	25,67	4,40	— 21,27	4,46	2,48	— 1,98	12,58	6,85	— 5,74
April-May „ ..	**28,00**	**9,24**	**— 18,76**	16,69	2,99	— 13,70	2,96	1,52	— 1,44	8,35	4,74	— 3,61
June „ ..	**17,07**	**6,10**	**— 10,97**	8,70	2,00	— 6,70	1,27	70	— 57	7,11	3,40	— 3,71
July-September „ ..	**72,89**	**26,77**	**— 46,12**	38,10	8,46	— 29,64	10,69	4,42	— 6,28	24,10	13,90	—10,21
October-December „ ..	**72,45**	**23,07**	**— 49,38**	39,43	6,66	— 32,77	10,83	4,07	— 6,77	22,18	12,34	— 9,84
January-March 1967 ..	**81,43**	**18,94**	**— 62,49**	48,84	4,28	— 44,56	10,28	3,91	— 6,36	22,32	10,75	—11,56

Year/Quarter	EUROPEAN FREE TRADE AREA COUNTRIES									OTHER EUROPEAN COUNTRIES		
	TOTAL			U.K.			OTHERS					
	Imports (—)	Exports (+)	Balance	Imports (—)	Exports (+)	Balance	Imports (—)	Exports (+)	Balance	Imports (—)	Exports (+)	Balance
	70	71	72	73	74	75	76	77	78	79	80	81
1960-61	**247,50**	**178,47**	**— 69,03**	217,15	172,48	— 44,68	30,35	5,99	—24,36	**4,35**	**9,63**	**+ 5,28**
1961-62	**236,10**	**167,97**	**— 68,13**	200,15	160,94	— 39,21	35,95	7,04	—28,92	**5,30**	**9,08**	**+ 3,78**
1962-63	**211,85**	**170,85**	**— 40,99**	185,56	163,22	— 22,34	26,29	7,63	—18,66	**2,93**	**15,03**	**+12,10**
1963-64	**202,19**	**175,53**	**— 26,67**	171,46	163,67	— 7,79	30,73	11,86	—18,87	**2,85**	**13,43**	**+10,59**
1964-65	**194,69**	**177,34**	**— 17,35**	163,65	167,30	+ 3,65	31,04	10,04	—21,00	**3,81**	**7,41**	**+ 3,60**
1965-66	**182,59**	**155,66**	**— 26,93**	150,09	145,71	— 4,38	32,50	9,96	—22,55	**3,07**	**8,30**	**+ 5,23**
1966-67	**24,92**	**20,03**	**— 4,89**	19,63	18,22	— 1,42	5,28	1,81	— 3,47	**25**	**70**	**+ 45**
	168,33	**184,28**	**+ 15,95**	132,58	173,73	+ 41,15	35,75	10,55	—25,19	**4,11**	**8,59**	**+ 4,48**
April-June 1965 ..	**47,46**	**31,64**	**— 15,82**	40,83	29,25	— 11,57	6,63	2,39	— 4,25	**89**	**80**	**— 8**
July-September „ ..	**46,26**	**44,12**	**— 2,14**	38,72	41,11	+ 2,39	7,53	3,00	— 4,53	**88**	**2,51**	**+ 1,64**
October-December „ ..	**46,78**	**47,28**	**+ 50**	37,14	45,08	+ 7,94	9,64	2,20	— 7,44	**66**	**3,09**	**+ 2,43**
January-March 1966 ..	**42,10**	**32,62**	**— 9,47**	33,40	30,26	— 3,14	8,69	2,36	— 6,33	**64**	**1,89**	**+ 1,25**
April-May „ ..	**24,92**	**20,03**	**— 4,89**	19,63	18,22	— 1,42	5,28	1,81	— 3,47	**25**	**70**	**+ 45**
June „ ..	**14,74**	**11,76**	**— 2,99**	12,17	11,04	— 1,12	2,57	71	— 1,86	**21**	**48**	**+ 27**
July-September „ ..	**51,39**	**53,06**	**+ 1,67**	39,26	49,63	+ 10,37	12,13	3,43	— 8,70	**3,11**	**2,13**	**— 98**
October-December „ ..	**45,31**	**64,10**	**+ 18,79**	35,08	60,29	+ 25,21	10,23	3,81	— 6,42	**62**	**3,23**	**+ 2,61**
January-March 1967 ..	**56,88**	**55,37**	**— 1,52**	46,07	52,76	+ 6,69	10,81	2,60	— 8,21	**18**	**2,75**	**+ 2,57**

Note : The scope and coverage of the statement are the same as those for statement 71. 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 according to different economic regions. Total figures shown in this statement may not agree with those in statement 71 which takes into account of recent revisions for which complete details are not available. Revision 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 from April 1963. Indian rupee was devalued on June 6, 1966 ; data from June 1966 onwards are not comparable with those for the earlier period.

(*a*) Relate to Malaya and Singapore upto 1964-65, to Malaysia including Singapore for 1965-66 and to Malaysia excluding Singapore for 1966-67.

Source : *Monthly Statistics of the Foreign Trade of India*, issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 73—EXPORTS OF TEA (BLACK) TO PRINCIPAL COUNTRIES

(In lakhs of rupees)

Country	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67 April-May	1966-67 June-March
	1	2	3	4	5	6	7	8
Africa								
U.A.R.	7,17	8,59	8,89	9,64	6,90	7,82	2,23	9,66
Sudan	2,66	3,15	2,20	1,81	1,56	1,46	80	3,67
North America								
Canada	4,42	3,71	3,50	3,19	3,45	2,16	18	3,25
U.S.A.	5,27	6,34	6,33	5,76	5,28	3,38	25	6,21
Latin America								
Chile	34	35	18	5	5	3	2	4
E.C.A.F.E. Countries								
Afghanistan	87	79	1,06	1,28	1,27	1,50	53	2,18
Australia	1,05	1,23	2,45	1,92	2,75	1,88	12	4,23
Iran	3,23	2,62	3,78	2,10	1,81	2,51	11	2,43
New Zealand	36	28	32	20	27	17	1	48
Other Asian and Oceanian Countries and Antarctic and Arctic Regions								
Bahrein	27	22	15	16	20	21	3	22
Iraq	1,14	1,30	1,26	1,44	63	1,02	8	1,02
Jordan	37	58	26	46	63	54	8	86
Kuwait	46	54	45	47	26	31	2	37
Qatar and Trucial Oman	53	61	38	45	79	97	17	1,32
East European Countries								
Bulgaria	—	7	—	16	43	15	1	27
Czechoslovakia	—	5	10	67	29	22	23	28
German Democratic Republic	2	12	14	19	35	37	3	1,45
Poland	—	11	45	69	43	88	2	1,01
U.S.S.R.	7,95	8,70	10,62	10,72	15,42	12,36	86	15,49
European Common Market Countries								
Federal Republic of Germany	1,31	1,14	1,32	1,26	1,66	1,31	15	1,22
Netherlands	80	95	1,84	1,79	1,85	1,52	16	2,36
European Free Trade Area Countries								
U.K.	77,53	73,36	75,64	70,38	72,70	55,28	1,60	80,42
Other European Countries								
Irish Republic	4,07	3,47	4,59	4,32	3,09	3,98	13	4,27
Turkey	1,53	2,19	1,22	43	—	3	—	2
Other Countries	1,26	93	1,09	2,68	1,44	2,62	30	3,98
Total	**122,61**	**121,40**	**128,22**	**122,22**	**123,51**	**102,68**	**8,12**	**146,71**

Note : Indian rupee was devalued on June 6, 1966. Data from June 1966 onwards are not comparable with those for the earlier period.

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 CASHEW KERNEL TO PRINCIPAL COUNTRIES

(In lakhs of rupees)

Country	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	
							April-May	June-March
	1	2	3	4	5	6	7	8
North America								
Canada	69	74	60	69	94	90	15	1,14
U.S.A.	12,54	10,55	10,87	11,93	14,67	14,74	2,54	16,89
E. C. A. F. E. Countries								
Australia	60	65	68	72	1,07	82	11	1,39
Japan	8	11	15	19	28	27	3	44
Hongkong	15	18	15	18	23	24	2	50
East European Countries								
German Democratic Republic	20	70	1,51	1,23	1,52	1,32	23	1,59
U.S.S.R.	2,25	2,79	2,14	3,38	6,89	6,34	2,15	10,66
European Common Market Countries								
Federal Republic of Germany	35	44	44	55	30	30	3	32
France	3	6	22	12	23	23	2	32
Netherlands	11	19	22	19	28	27	3	36
European Free Trade Area Countries								
U.K.	1,34	1,26	94	1,07	1,74	1,23	17	2,24
Other Countries	57	50	1,44	1,16	88	74	14	1,29
Total	**18,91**	**18,17**	**19,36**	**21,41**	**29,03**	**27,40**	**5,62**	**37,14**

Note : Indian rupee was devalued on June 6, 1966. Data from June 1966 onwards are not comparable with those for the earlier period.

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 TOBACCO (UNMANUFACTURED) TO PRINCIPAL COUNTRIES

(In lakhs of rupees)

Country	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	
							April-May	June March
	1	2	3	4	5	6	7	8
Africa								
U.A.R.	25	—	8	—	27	39	8	11
E. C. A. F. E. Countries								
Japan	—	12	11	54	1,18	39	48	41
Malaysia (*a*)	35	58	36	50	34	43	3	24
Nepal	—	—	—	—	36	15	3	15
Other Asian and Oceanian Countries and Antarctic and Arctic Regions								
Aden	49	51	35	50	70	76	5	69
East European Countries								
U.S.S.R.	68	1,10	3,32	4,86	8,62	5,79	30	1,57
German Democratic Republic	—	1	1,18	72	58	57	—	91
Yugoslavia	—	2	99	1,34	47	—	—	12
Poland	—	27	34	1,03	5	9	—	—
European Common Market Countries								
Belgium	31	33	34	46	37	44	—	72
Netherlands	24	26	29	35	23	29	3	16
European Free Trade Area Countries								
U.K.	10,87	9,85	9,62	9,75	9,90	9,36	4,15	7,12
Other Countries	1,42	99	1,01	96	1,06	92	17	1,07
Total (*b*)	**14,61**	**14,04**	**17,99**	**21,01**	**24,13**	**19,58**	**5,32**	**13,27**

Note : Indian rupee was devalued on June 6, 1966. Data from June 1966 onwards are not comparable with those for the earlier period.

(*a*) Relate to Malaya and Singapore upto 1964-65, to Malaysia including Singapore for 1965-66 and to Malaysia excluding Singapore for 1966-67. (*b*) Total figures in this statement may not tally with those for this item shown in Statement 80—"India's Exports of Principal Commodities", as the latter takes into account the revisions carried out by the D.G.C.I. & S.

Source: Monthly Statistics of the Foreign Trade of India issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 76—EXPORTS OF JUTE GOODS (BAGS AND CLOTH) TO PRINCIPAL COUNTRIES

(In lakhs of rupees)

Country	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	
							April-May	June-March
	1	2	3	4	5	6	7	8
Africa				**Gunny Bags**				
U.A.R.	4,32	1,97	2,05	1,48	5,60	11,39	6	5,62
Kenya	66	78	54	37	61	47	7	64
Other East African countries (*a*)	58	72	24	14	44	31	1	7
Nigeria	1,73	3,65	3,25	50	1,37	38	9	43
Sudan	1,40	3,47	2,50	2,44	2,04	2,34	—	4,35
Tanzania (*b*)	34	42	66	39	30	43	3	8
Rhodesia						26	—	—
Malawi	37(*c*)	1,25(*c*)	58(*c*)	18(*c*)	1,22(*c*)	—	—	5
Zambia						18	—	10
North America								
U.S.A.	4,82	7,33	4,84	4,85	5,77	8,02	1,28	3,64
Latin America								
Chile	1,05	1,40	1,05	1,06	91	1,06	2	1,09
Cuba	7,13	4,73	3,21	3,91	1,65	29	—	—
Peru	1,40	81	1,14	66	93	98	—	2,16
E.C.A.F.E. Countries								
Burma	77	1,22	99	20	2,83	82	—	—
Cambodia	77	94	83	78	1,85	91	—	19
Hongkong	60	13	3	3	4	17	—	4
Indonesia	1,24	3,37	3,23	1,69	11	40	2	91
Iran	5	18	31	27	60	9	—	34
Philippines	64	22	17	26	27	9	1	5
Thailand	2,34	1,60	1,05	21	1,43	—	—	—
Australia	9,11	5,30	5,08	3,86	5,84	4,39	67	3,65
New Zealand	1,81	2,22	1,33	1,50	1,37	2,09	52	1,44
Other Asian and Oceanian Countries and Antarctic and Arctic Regions								
Iraq	7	23	30	8	25	34	—	1
East European Countries								
Czechoslovakia	—	42	48	34	58	63	4	2,04
U.S.S.R.	2,09	4,00	3,65	7,87	13,76	19,19	3,49	18,18
European Common Market Countries								
Federal Republic of Germany	71	72	64	1,25	43	77	1	65
Belgium	1,17	96	57	41	42	42	4	70
Netherlands	38	30	99	85	23	31	1	26
European Free Trade Area Countries								
U.K.	2,00	2,07	1,15	1,23	1,55	73	9	44
Other European Countries								
Turkey	38	12	1,14	60	19	19	1	—
Other Countries	9,37	10,37	9,35	9,96	7,14	8,80	1,39	10,59
Total (*d*)	**57,30**	**60,90**	**51,35**	**47,37**	**59,73**	**66,45**	**7,86**	**57,72**
Africa				**Gunny Cloth**				
Rhodesia						28	—	—
Malawi	38	41	38	36	45	—	—	5
Zambia						7	11	38
U.A.R.	62	97	71	40	51	1,07	—	38
North America								
Canada	7,42	7,65	8,94	9,53	8,31	9,96	2,03	12,82
U.S.A.	39,74	43,94	55,56	60,36	60,93	63,69	11,73	89,80
Latin America								
Argentina	4,34	4,77	8,38	9,86	7,29	4,08	5	1,77
Uruguay	34	44	75	59	1,00	84	10	63
E.C.A.F.E. Countries								
Australia	3,18	3,11	3,68	3,82	3,90	4,47	95	6,69
New Zealand	84	69	72	84	80	1,02	21	1,38
Iran	52	64	87	70	65	1,02	22	1,85
East European Countries								
Czechoslovakia	7	55	32	49	81	74	15	1,93
Hungary	43	74	41	15	40	12	1	26
U.S.S.R.	1,58	1,66	1,89	3,88	4,07	6,23	86	6,69
Yugoslavia	17	95	57	13	47	50	15	58
European Common Market Countries								
Federal Republic of Germany	1,74	1,59	86	58	28	32	6	35
European Free Trade Area Countries								
U.K.	6,22	4,86	5,80	5,29	5,16	6,85	37	6,20
Other European Countries								
Turkey	95	1,10	2,56	1,31	85	79	2	4
Other Countries	5,53	5,28	8,14	7,16	5,94	6,87	1,06	8,19
Total (*d*)	**74,07**	**79,35**	**100,54**	**105,45**	**101,82**	**108,92**	**18,08**	**139,99**

Note : Indian Rupee was devalued on June 6, 1966. Data from June 1966 onwards are not comparable with those for the earlier period. (*a*) Data upto1964-65 relate to Mozambique. (*b*) Figures upto 1965-66 relate to Tanganyika only. (*c*) Relating to Rhodesia and Niasaland Federation. (*d*) Total figures in this statement may not tally with figures for the item 'Jute manufactures' shown in Statement 80—'India's Exports of Principal Commodities' owing to slight difference in coverage. *Source : Monthly Statistics of the Foreign Trade of India* issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 77—EXPORTS OF SUGAR (*a*) TO PRINCIPAL COUNTRIES

(In lakhs of rupees)

Country	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	
							April-May	June-March
	1	2	3	4	5	6	7	8
North America								
Canada	—	54	4,76	3,03	34	1,37	55	77
U.S.A.	—	10,97	4,06	10,34	6,08	4,52	2,02	2,31
E.C.A.F.E. Countries ..								
Ceylon	67	8	53	21	17	19	3	15
Hongkong	—	—	58	—	66	11	—	14
Japan	15	28	1,33	4,65	4,64	6	—	60
South Vietnam ..	—	—	34	92	1,39	27	—	32
Nepal	—	—	—	—	57	54	4	15
Malaysia (*b*)	1,75	2,84	3,17	5,69	1,21	1,42	65	1,61
Other Asian and Oceanian Countries and Antarctic and Arctic Regions								
Aden	36	1	30	—	—	1	—	1
European Common Market Countries								
Italy	—	—	—	—	1,37	—	—	—
European Free Trade Area Countries								
U.K.	3	—	91	64	1,77	3,08	1,35	1,38
Other Countries ..	38	62	2,05	1,39	1	92	13	3,19
Total (*c*)	**3,34**	**15,34**	**18,03**	**26,87**	**18,21**	**12,49**	**4,77**	**10,63**

Note: Indian Rupee was devalued on June 6, 1966. Data from June 1966 onwards are not comparable with those for the earlier period.

(*a*) Comprises refined and unrefined beet sugar and cane, inedible and edible molasses and other sugars and syrups not elsewhere stated. (*b*) Relate to Malaya and Singapore upto 1964-65, to Malaysia including Singapore for 1965-66 and to Malaysia excluding Singapore for 1966-67. (*c*) Total figures in this statement may not tally with those for this item shown in Statement 80—'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 78—EXPORTS OF OILCAKES TO PRINCIPAL COUNTRIES

(In lakhs of rupees)

Country	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	
							April-May	June-March
	1	2	3	4	5	6	7	8
E.C.A.F.E. Countries ..								
Japan ..	—	14	41	2,67	1,16	54	2	3,89
East European Countries ..								
Bulgaria	—	12	1	45	62	42	43	64
Czechoslovakia ..	9	9	1,31	2,81	4,41	3,54	1,27	4,18
German Democratic Republic	63	1,13	1,94	2,85	4,43	4,22	70	2,98
Hungary	1	1,46	3,74	3,95	4,22	3,15	1,30	4,24
Poland	1,32	84	3,59	3,88	5,91	4,47	91	5,72
U.S.S.R.	—	—	—	17	1,66	3,02	15	65
Yugoslavia	29	28	1,36	1,74	2,46	76	13	63
European Common Market Countries								
France	—	1	81	42	43	—	—	21
Federal Republic of Germany	76	58	1,48	91	65	80	18	1,20
European Free Trade Area Countries								
U.K.	10,77	12,27	15,84	13,37	13,10	12,96	1,17	14,20
Other Countries	43	39	1,30	2,15	71	76	7	2,02
Total	**14,30**	**17,32**	**31,79**	**35,37**	**39,76**	**34,64**	**6,33**	**40,56**

Note : Indian Rupee was devalued on June 6, 1966. Data from June 1966 onwards are not comparable with those for the earlier period.

Source : *Monthly Statistics of the Foreign Trade of India* issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 79—EXPORTS OF COTTON PIECEGOODS TO PRINCIPAL COUNTRIES

(In lakhs of rupees)

Country	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	
							April-May	June-March
	1	2	3	4	5	6	7	8
Africa								
Kenya	2,40	2,44	2,07	1,58	1,45	1,71	34	1,56
Nigeria	1,64	1,05	72	73	1,01	1,61	31	1,50
Sudan	4,25	2,72	2,95	1,65	1,22	2,01	28	3,02
Tanzania (*a*)	1,37	1,67	1,19	1,21	1,30	2,56	28	1,70
North America								
Canada	1,45	1,66	1,68	1,58	1,15	1,67	39	2,03
U. S. A.	1,73	1,35	6,04	3,46	8,15	6,30	91	7,70
E. C. A. F. E. Countries								
Afghanistan	2,16	1,15	1,73	1,39	1,56	1,40	31	79
Burma	1,47	72	91	81	9	31	9	4
Ceylon	3,04	3,11	1,67	3,88	2,08	1,42	39	1,99
Indonesia	1,02	2,00	25	11	88	—	—	2
Australia	4,45	2,61	3,19	2,85	2,66	1,99	26	2,02
New Zealand	1,20	1,13	1,43	1,50	1,35	1,50	20	1,33
Malaysia (*b*)	3,85	3,35	2,64	3,41	2,29	2,09	27	1,36
Other Asian and Oceanian Countries and Antarctic and Arctic Regions								
Aden	2,25	2,24	1,47	1,37	1,66	1,66	17	1,51
East European Countries								
U. S. S. R.		3	22	16	1,09	4,39	52	3,66
European Common Market Countries								
France	—	3	21	70	65	23	8	25
Netherlands	55	21	7	2	6	21	3	6
Federal Republic of Germany ..	49	28	30	42	35	90	6	52
European Free Trade Area Countries								
U. K.	15,27	11,42	11,03	15,40	15,22	13,43	2,41	13,03
Other Countries	8,77	9,06	6,44	7,00	8,91	16,63	2,32	15,12
Total (*c*) ..	**57,36**	**48,23**	**46,21**	**49,23**	**52,83**	**62,01**	**9,62**	**59,21**

Note : Indian rupee was devalued on June 6, 1966. Data from June 1966 onwards are not comparable with those for the earlier period.

(*a*) Figures upto 1965-66 relate to Tanganyika only. (*b*) Relate to Malaya and Singapore upto 1964-65, to Malaysia including Singapore for 1965-66 and to Malaysia excluding Singapore for 1966-67. (*c*) Total figures in this statement will not tally with the figures for the item 'Cotton Textiles' shown in Statement 80—'India's Exports of Principal Commodities' owing to slight differences in coverage.

Source : *Monthly Statistics of the Foreign Trade of India* issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 80—INDIA'S EXPORTS (*a*)

	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 1965 to March 1966
		1	2	3	4	5	6
I.	**Food**	198,05	214,02	233,95	249,87	261,27	240,74
	1. Cashew kernel	18,91	18,17	19,36	21,41	29,03	27,40
	2. Coffee	7,22	9,02	7,61	8,31	13,42	12,94
	3. Tea (Black)	122,61	121,40	128,22	122,22	123,51	102,68
	4. Spices (*b*)	16,62	17,51	13,79	16,02	16,73	23,09
	5. Oilcakes	14,30	17,32	31,79	35,37	39,76	34,64
	6. Sugar (*c*)	3,28	15,33	17,93	27,10	21,43	11,19
	7. Others	15,11	15,27	15,26	19,45	17,40	28,80
II.	**Beverages and Tobacco**	15,77	14,99	18,88	22,52	25,78	21,69
	1. Tobacco unmanufactured	14,61	14,05	18,00	21,09	24,38	19,58
	2. Others	1,16	94	88	1,43	1,40	2,11
III.	**Crude Materials, Inedible except fuels**	112,06	118,38	111,08	131,98	137,47	135,04
	1. Hides & skins (raw)	9,46	8,22	10,71	9,60	9,05	9,55
	2. Wool & other animal hair	7,72	9,20	6,64	7,61	9,00	7,46
	3. Cotton (raw and waste)	11,56	20,35	17,04	16,84	14,22	13,09
	4. Mica	10,15	9,66	10,36	9,20	9,74	11,27
	5. Iron ore (including concentrates)	17,03	17,41	19,83	36,40	37,39	39,36
	6. Manganese ore (including concentrates)	14,06	10,44	7,88	8,26	13,13	11,05
	7. Lac	6,32	4,61	4,80	4,62	3,94	4,27
	8. Others	35,76	38,49	33,82	39,46	41,00	39,00
IV.	**Mineral Fuels, Lubricants and Related Materials**	7,41	5,90	6,48	9,76	12,29	9,31
V.	**Animal and Vegetable oils and Fats**	9,80	6,49	13,65	20,60	7,38	4,55
	1. Vegetable oils	8,54	5,82	13,10	19,93	7,05	4,09
	2. Others	1,26	67	56	68	34	46
VI.	**Chemicals**	7,19	7,82	7,84	6,92	10,26	11,10
VII.	**Manufactured Goods**	263,34	269,78	266,69	319,38	326,73	343,26
	1. Leather and leather manufactures	24,97	24,45	22,63	26,38	27,35	28,21
	2. Cotton textiles	57,55	48,26	46,21	54,34	64,16	63,29
	3. Jute Manufactures (*d*)	135,15	144,79	155,66	157,42	168,45	182,84
	4. Woollen carpets and rugs	4,79	4,28	4,33	5,26	5,37	4,52
	5. Art silk manufactures	3,94	7,42	8,33	10,43	6,45	1,27
	6. Cement	64	90	28	67	30	41
	7. Iron and steel	9,76	9,68	2,28	3,61	10,34	12,39
	8. Others	29,97	33,30	30,51	65,24	44,32	50,32
VIII.	**Machinery and Transport Equipment** (*e*)	7,19	4,74	6,47	7,06	9,17	11,19
	Total Exports (*f*)	642,32	660,34	685,48	793,24	816,30	805,64

Note : The scope and coverage of the statement are the same as those for Statement 71. Total figures shown in this statement may not agree with those in Statement 71, which takes account of recent revisions for which complete details are not available. Exports of Goa, Daman and Diu are included from April 1963. From April 1965, data are based on the Revised Indian Trade Classification.

@ Indian rupee was devalued on June 6, 1966. Data from June 1966 onwards are not comparable with those for the earlier period.

OF PRINCIPAL COMMODITIES

(In lakhs of rupees)

April-May 1966	June 1966@ to March 1967	April-June 1965	July-Sept. 1965	Oct.-Dec. 1965	Jan.-March 1966	April-May 1966	June 1966 @	July-Sept.- 1966	Oct.- Dec. 1966	Jan.-- March 1967
7	8	9	10	11	12	13	14	15	16	17
33,33	**303,98**	**47,01**	**64,63**	**70,44**	**58,66**	**33,33**	**18,86**	**88,73**	**103,32**	**93,08**
5,62	**37,14**	7,52	6,82	6,91	6,15	5,62	3,15	12,63	10,08	11,27
2,46	**12,08**	3,66	4,79	1,87	2,61	2,46	47	5,85	2,65	3,10
8,12	**146,71**	6,84	33,81	39,00	23,03	8,12	7,41	37,62	60,02	41,66
2,71	**25,25**	5,00	3,86	5,60	8,62	2,71	1,29	6,88	7,36	9,72
6,33	**40,56**	9,08	6,05	8,71	10,80	6,33	3,14	12,01	10,75	14,65
4,77	**10,63**	6,63	1,52	53	2,51	4,77	97	4,84	2,80	2,02
3,33	**31,62**	8,27	7,77	7,82	4,93	3,33	2,42	8,90	9,65	10,65
5,48	**14,17**	**10,51**	**5,34**	**3,02**	**2,81**	**5,48**	**2,66**	**2,91**	**4,63**	**3,97**
5,32	**13,27**	10,09	4,89	2,65	1,94	5,32	2,44	2,60	4,42	3,80
16	**90**	42	45	37	87	16	21	30	21	18
23,45	**172,18**	**32,60**	**30,20**	**32,41**	**39,82**	**23,45**	**14,17**	**47,81**	**47,93**	**62,27**
1,31	**14,08**	2,34	2,07	2,28	2,86	1,31	1,82	4,12	2,61	5,52
90	**6,65**	1,80	1,73	1,61	2,31	90	94	2,69	1,33	1,70
2,09	**14,24**	4,33	3,61	2,50	2,65	2,09	1,05	5,16	2,15	5,88
1,48	**11,97**	2,76	2,89	2,62	3,00	1,48	70	3,33	4,32	3,62
8,14	**56,95**	8,64	7,67	10,84	12,21	8,14	3,38	12,63	19,01	21,93
2,06	**11,12**	2,42	2,30	2,77	3,56	2,06	1,21	3,62	2,50	3,79
37	**5,09**	81	1,10	1,17	1,19	37	45	1,50	1,49	1,64
7,09	**52,08**	9,50	8,83	8,63	12,04	7,09	4,62	14,75	14,52	18,19
1,50	**10,30**	**2,17**	**2,03**	**2,17**	**2,95**	**1,50**	**64**	**3,42**	**2,78**	**3,46**
54	**2,25**	**1,74**	**1,42**	**77**	**62**	**54**	**25**	**68**	**70**	**61**
51	**2,06**	1,63	1,23	70	53	51	24	61	66	55
3	**19**	11	18	7	10	3	1	7	4	6
1,71	**12,30**	**2,52**	**2,41**	**3,02**	**3,15**	**1,71**	**1,35**	**3,32**	**3,86**	**3,77**
56,24	**407,58**	**81,55**	**84,47**	**91,15**	**86,08**	**56,24**	**32,97**	**121,51**	**129,46**	**123,63**
6,77	**51,32**	7,17	6,22	6,98	7,84	6,77	4,33	17,28	16,20	13,51
9,85	**61,57**	15,95	12,84	18,48	16,01	9,85	4,93	16,98	18,10	21,56
27,12	**208,38**	41,51	49,37	48,37	43,59	27,12	17,31	63,41	65,27	62,40
81	**6,78**	1,00	1,02	1,35	1,16	81	49	1,68	2,54	2,06
24	**52**	32	32	28	36	24	17	19	15	1
4	**14**	10	5	14	11	4	1	6	3	3
2,14	**22,20**	3,52	2,53	2,66	3,68	2,14	99	3,87	7,66	9,69
9,27	**56,66**	11,98	12,11	12,89	13,33	9,27	4,75	18,04	19,51	14,37
1,78	**13,50**	**2,66**	**3,00**	**2,91**	**2,62**	**1,78**	**1,84**	**3,86**	**4,25**	**3,55**
127,53	**966,47**	**186,93**	**200,14**	**214,00**	**204,57**	**127,53**	**75,28**	**281,18**	**305,95**	**304,07**

(*a*) Including 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, Rs. 6,72 lakhs in 1964-65, Rs. 10,85 lakhs in 1965-66, Rs. 1,63 lakhs in April-May 1966 and Rs. 10,00 lakhs in June 1966 to March 1967. (*c*) Values of raw sugar for the years 1964-65, 1965-66 and 1966-67 are based on the provisional declarations made by the exporter *viz.*, The Indian Sugar Mills Association to the Customs at the time of exports, instead of the average of Daily London Prices as in previous years. (*d*) Includes yarn and thread. (*e*) Of these, selected engineering goods (sewing machines, electric fans, diesel engines, dry batteries and bicyles) amounted to Rs. 1,79 lakhs in 1960-61, Rs. 2,04 lakhs in 1961-62, Rs. 2,20 lakhs in 1962-63, Rs. 2,29 lakhs in 1963-64, Rs. 3,77 lakhs in 1964-65, Rs. 4,40 lakhs in 1965-66, Rs. 70 lakhs in April-May 1966 and Rs. 4,52 lakhs in June 1966-March 1967. (*f*) Include miscellaneous commodities but exclude value of articles under reference (1966-67).

Source : Monthly Statistics of the Foreign Trade of India issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 81—INDIA'S IMPORTS OF

Commodity	April 1960-March 1961	April 1961-March 1962	April 1962-March 1963	April 1963-March 1964	April 1964-March 1965	April 1965-March 1966
	1	2	3	4	5	6
I. Food	**214,06**	**147,07**	**179,41**	**214,40**	**322,72**	**354,08**
1. Cereals and Cereal Preparations	**181,38**	**116,90**	**144,26**	**179,60**	**282,14**	**322,00**
(i) Wheat	153,20	93,87	113,09	134,84	241,92	264,74
(ii) Rice	22,44	18,73	27,01	37,50	40,17	41,90
(iii) Others	5,74	4,30	4,16	7,26	..	15,36
2. Cashewnuts	9,61	6,70	9,12	10,93	16,44	15,06
3. Spices	1,83	1,67	1,77	73	43	60
4. Others	21,24	21,80	24,26	23,14	23,71	16,42
II. Beverages and Tobacco	79	1,65	1,66	1,11	77	56
1. Tobacco unmanufactured	23	1,14	1,37	83	39	2
III. Crude Materials, Inedible except Fuels	**155,36**	**129,89**	**127,20**	**124,45**	**128,34**	**123,09**
1. Hides and skins (raw)	2,47	2,24	2,76	3,36	3,12	2,36
2. Copra	11,63	9,42	9,97	8,79	6,44	6,26
3. Crude rubber	10,78	10,10	10,23	9,75	5,43	4,90
4. Cotton raw other than linters	81,74	62,66	56,92	48,98	58,08	46,20
5. Jute raw including cuttings and waste	7,64	6,27	3,35	2,06	7,33	9,16
6. Wool raw and other animal hair	10,41	12,18	12,15	15,72	9,64	5,12
7. Others	30,69	27,02	31,83	35,79	38,30	49,10
IV. Mineral Fuels, Lubricants and Related Materials	**69,52**	**95,86**	**87,97**	**104,49**	**68,67**	**68,42**
1. Petroleum crude and partly refined (*a*)	17,36	42,36	30,15	46,17	27,23	34,87
2. Kerosene	22,80	27,91	32,33	25,38	41,33	33,35
3. Other petroleum products	29,27	25,38	25,18	32,84		
4. Others	9	21	30	10	12	20
V. Animal and Vegetable Oils and Fats	**4,60**	**8,62**	**5,63**	**4,87**	**5,62**	**13,62**
VI. Chemicals	**85,70**	**89,76**	**100,52**	**95,88**	**94,54**	**104,98**
1. Chemical elements & compounds	39,34	35,59	38,07	32,11	34,04	35,86
2. Dyeing, tanning & colouring materials	12,91	14,46	12,15	8,04	9,22	6,58
3. Medicinal and pharmaceutical products	10,50	11,30	9,28	8,64	8,21	8,73
4. Fertilizers, manufactured	9,61	12,22	26,73	34,52	28,96	38,97
5. Others	13,34	16,19	14,29	12,57	14,12	14,84
VII. Manufactured Goods	**234,16**	**221,16**	**203,95**	**200,41**	**218,58**	**216,33**
1. Paper and Paper Boards & Manufactures Thereof	**12,10**	**15,95**	**13,64**	**12,55**	**13,15**	**13,48**
(i) Newsprint	5,95	9,71	7,63	6,93	7,40	6,18
2. Art silk yarn & thread	13,65	12,82	12,88	10,45	12,72	4,95
3. Iron and steel	122,54	107,81	89,01	93,15	104,96	97,94
4. Non-ferrous metals	47,31	49,46	55,14	55,06	57,92	68,45
5. Metal manufactures	22,94	17,95	20,94	15,82	16,99	18,17
6. Others	15,62	17,17	12,34	13,38	12,83	13,32
VIII. Machinery and Transport Equipment	**332,98**	**367,52**	**387,38**	**436,98**	**477,74**	**492,14**
1. Machinery other than electric	203,37	236,99	250,55	281,12	313,05	333,80
2. Electric machinery, apparatus & appliances	57,22	65,91	64,78	84,80	91,22	87,80
3. Transport Equipment	72,39	64,62	72,05	71,06	73,47	70,55
(i) Railway vehicles	25,37	15,50	27,07	27,17	23,25	24,98
(ii) Others	47,02	49,12	44,99	43,89	50,22	45,56
IX. Miscellaneous Manufactured Articles	**17,40**	**21,69**	**30,73**	**33,54**	**22,70**	**18,69**
GRAND TOTAL (*b*)	**1,121,62**	**1,090,06**	**1,131,48**	**1,222,85**	**1,349,03**	**1,408,53**

Note : The scope and coverage of the statement are the same as those for Statement 71. Total figures shown in this statement may not agree with those in Statement 71 which takes account of recent revisions for which complete details are not available. Details of imports into Goa, Daman and Diu are included from April 1963. From April 1965 data are based on the Revised Indian Trade Classification. The data on the imports of foodgrains for 1964-65, 1965-66 and 1966-67 are as furnished by the Department of Food and do not strictly conform to the specified commodity descriptions of the Revised Indian Trade Classification.

PRINCIPAL COMMODITIES

(In lakhs of rupees)

April-May 1966	June 1966 to March 1967@	April-June 1965	July-Sept. 1965	Oct.-Dec. 1965	Jan.-March 1966	April-May 1966	June 1966@	July-Sept. 1966	Oct.-Dec. 1966	Jan.-March 1967
7	8	9	10	11	12	13	14	15	16	17
73,78	**545,18**	**84,93**	**76,39**	**69,56**	**123,21**	**73,78**	**27,04**	**175,33**	**134,99**	**207,82**
64,41	**507,98**	**76,35**	**70,04**	**62,14**	**113,47**	**64,41**	**23,51**	**165,83**	**126,71**	**191,94**
44,76	**340,46**	62,33	47,33	52,49	102,59	44,76	14,93	123,32	82,67	119,53
8,28	**67,30**	11,26	17,23	8,12	5,29	8,28	4,14	21,36	22,98	18,82
11,38	**100,22**	2,76	5,48	1,53	5,59	11,38	4,43	21,15	21,05	53,58
2,95	**18,30**	2,65	3,07	3,74	5,61	2,95	74	4,37	3,98	9,21
6	**23**	21	10	12	18	6	2	3	11	7
6,36	**18,66**	5,71	3,18	3,57	3,95	6,36	2,77	5,09	4,19	6,61
3	**48**	**13**	**26**	**7**	**10**	**3**	**1**	**8**	**7**	**32**
—	**24**	—	—	—	2	—	—	—	—	24
18,90	**174,32**	**33,59**	**33,39**	**22,30**	**33,81**	**18,90**	**16,17**	**39,46**	**55,48**	**63,20**
18	**1,50**	1,08	52	37	39	18	14	38	39	59
62	**3,22**	98	1,82	2,02	1,44	62	25	37	1,54	1,07
41	**11,05**	1,97	1,99	62	32	41	27	1,93	3,96	4,89
6,00	**50,43**	13,78	14,06	4,45	13,91	6,00	5,03	12,18	5,00	28,22
20	**20,25**	4,49	2,27	2,03	37	20	2,72	5,80	11,14	59
53	**10,96**	2,12	1,59	62	80	53	39	2,68	3,27	4,61
10,96	**76,89**	9,16	11,15	12,20	16,59	10,96	7,36	16,13	30,17	23,23
6,92	**54,78**	**19,25**	**18,42**	**13,81**	**16,94**	**6,92**	**6,74**	**19,09**	**14,67**	**14,29**
2,86	**33,49**	11,64	6,95	5,46	10,82	2,86	3,54	12,97	8,18	8,81
4,06	**21,10**	7,58	11,45	8,27	6,04	4,06	3,20	6,05	6,39	5,46
—	**19**	3	1	8	7	—	—	7	9	2
96	**13,28**	**3,12**	**7,41**	**2,54**	**54**	**96**	58	**1,54**	**3,89**	**7,28**
17,50	**167,83**	**25,65**	**27,36**	**30,18**	**21,79**	**17,50**	**13,84**	**52,61**	**48,19**	**53,19**
4,66	**46,87**	9,84	10,11	8,98	6,93	4,66	2,41	12,97	12,63	18,85
95	**7,40**	1,91	1,90	1,51	1,25	95	58	1,47	2,41	2,93
1,58	**14,92**	2,15	2,42	2,57	1,60	1,58	1,76	3,50	3,43	6,23
8,06	**75,54**	8,49	8,57	13,44	8,47	8,06	7,89	27,01	23,63	17,01
2,25	**23,10**	3,26	4,36	3,68	3,54	2,25	1,19	7,66	6,09	8,17
25,21	**206,85**	**55,30**	**65,36**	**55,37**	**40,29**	**25,21**	**11,36**	**47,76**	**64,15**	**83,58**
2,04	**18,27**	**3,00**	**3,35**	**3,50**	**3,63**	**2,04**	**99**	**4,54**	**4,88**	**7,86**
1,03	**10,75**	1,35	1,72	1,31	1,80	1,03	19	2,62	3,17	4,76
91	**5,41**	1,63	1,45	90	97	91	46	1,10	1,73	2,11
11,71	**78,85**	22,88	28,62	27,48	18,96	11,71	5,45	20,65	22,75	29,99
6,61	**75,11**	20,80	23,85	14,35	9,45	6,61	2,78	13,95	26,51	31,87
2,18	**13,69**	3,57	4,59	5,64	4,37	2,18	1,00	3,70	3,49	5,49
1,76	**15,53**	3,42	3,49	3,50	2,91	1,76	66	3,81	4,80	6,25
71,83	**456,89**	**114,40**	**120,91**	**141,43**	**115,40**	**71,83**	**38,91**	**139,55**	**120,94**	**157,50**
52,20	**325,21**	76,59	78,40	100,31	78,50	52,20	28,51	102,46	85,74	108,50
13,69	**81,26**	21,13	21,55	23,86	21,26	13,69	6,62	23,38	22,75	28,51
5,93	**50,43**	16,68	20,96	17,26	15,64	5,93	3,77	13,71	12,45	20,49
1,73	**13,14**	5,13	9,01	4,76	6,07	1,73	1,12	2,57	2,95	6,49
4,20	**37,29**	11,55	11,95	12,50	9,57	4,20	2,65	11,14	9,50	14,00
2,91	**18,77**	**4,96**	**5,02**	**4,72**	**4,00**	**2,91**	**1,11**	**5,75**	**4,90**	**7,01**
227,06	**1,673,88**	**343,40**	**357,76**	**345,78**	**361,58**	**227,06**	**117,82**	**495,62**	**459,92**	**600,51**

@ Indian rupee was devalued on June 6, 1966. Data from June 1966 onwards are not comparable with those for the earlier period.

(*a*) Excluding natural gasolene from April 1965. (*b*) Includes 'Miscellaneous Transactions and Commodities' and excludes value of articles under reference for the period 1966-67.

Source : Monthly Statistics of the Foreign Trade of India issued by the Department of Commercial Intelligence and Statistics, Government of India.

STATEMENT 82—INDEX NUMBERS OF EXPORTS

(1958 = 100)

	Commodity	UNIT VALUE							VOLUME						
		1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67*	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67*
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
I.	**Food**	**106**	**102**	**101**	**106**	**106**	**111**	**167**	**97**	**109**	**121**	**122**	**128**	**113**	**114**
	1. Fish and fish preparations	101	91	121	123	125	155	282	79	74	58	80	94	73	109
	2. Fruits and vegetables	108	109	101	107	130	128	219	114	111	126	131	134	123	118
	3. Coffee	77	67	83	77	95	101	133	131	187	128	150	197	178	151
	4. Tea and mate	104	100	99	90	99	98	143	87	90	96	91	92	86	90
	5. Spices	149	125	111	120	141	177	257	126	159	141	149	135	148	135
	6. Oilseed cake	108	113	121	123	103	139	203	178	206	353	386	518	335	321
II.	**Beverages and Tobacco**	**114**	**112**	**97**	**109**	**100**	**112**	**147**	**85**	**82**	**119**	**122**	**158**	**119**	**64**
III.	**Crude Materials, Inedible except Fuels**	**103**	**104**	**103**	**89**	**87**	**87**	**125**	**106**	**111**	**105**	**142**	**152**	**150**	**160**
	7. Hides and skins, undressed	143	127	126	128	126	112	231	95	95	119	107	98	120	113
	8. Wool and other animal hair	105	104	106	113	115	104	135	79	95	67	70	83	75	62
	9. Raw cotton, other than linters	109	111	99	98	102	126	165	50	85	81	81	68	54	52
	10. Cotton, waste		116	109	99	96	88	119		86	74	79	63	51	55
	11. Crude minerals excluding coal, petroleum, etc.	100	99	98	98	105	107	167	108	105	108	96	99	108	90
	12. Metalliferous ores and metal scrap	92	96	89	71	69	68	102	140	125	118	237	275	288	308
	13. Animal and vegetable crude materials	103	104	115	113	120	133	174	116	113	95	104	104	103	119
IV.	**Mineral Fuels and Lubricants, etc.**	**93**	**92**	**84**	**83**	**99**	**100**	**170**	**82**	**66**	**85**	**96**	**128**	**96**	**88**
	14. Coal and coke	96	90	87	90	115	137	203	62	48	58	45	68	37	21
V.	**Animal and Vegetable Oils and Fats**	**96**	**92**	**91**	**91**	**118**	**138**	**217**	**124**	**86**	**183**	**272**	**76**	**40**	**16**
VI.	**Chemicals**	**172**	**204**	**175**	**157**	**130**	**152**	**262**	**94**	**87**	**102**	**94**	**170**	**171**	**136**
VII.	**Manufactured Goods Classified Chiefly by Materials**	**118**	**118**	**114**	**113**	**119**	**129**	**209**	**102**	**105**	**109**	**121**	**126**	**122**	**108**
	15. Leather and manufactures thereof	121	113	110	114	112	115	203	112	123	112	126	133	134	169
	16. Textile yarn and thread	114	132	132	125	128	126	177	82	88	96	111	93	99	92
	17. Cotton fabrics of standard type	115	114	109	112	123	103	156	108	91	92	95	102	132	103
	18. Fabrics of jute	130	136	139	138	138	154	247	97	99	123	130	126	121	117
	19. Fabrics of synthetic fibre and spun glass	32	27	33	36	34	30	36	187	269	334	383	251	213	92
	20. Bags and sacks for packing	131	143	120	112	123	148	229	104	101	101	101	115	108	74
	21. Floor covering	107	121	125	122	124	133	205	97	79	77	93	93	76	85
VIII.	**Machinery and Transport Equipment**	**91**	**88**	**74**	**90**	**77**	**73**	**73**	**239**	**263**	**351**	**358**	**655**	**845**	**1266**
IX.	**Miscellaneous Manufactured Articles**	**109**	**104**	**101**	**124**	**126**	**136**	**193**	**126**	**115**	**130**	**168**	**170**	**187**	**177**
	GENERAL	**110**	**109**	**106**	**105**	**107**	**113**	**169**	**100**	**105**	**112**	**126**	**132**	**124**	**119**
	TERMS OF TRADE	**115**	**111**	**113**	**108**	**108**	**109**	**113**	**128**	**115**	**117**	**107**	**111**	**124**	**125**

* These indices are based on the averages of the index numbers for the ten months from June 1966 to March 1967. Consequent to devaluation of Indian rupee on June 6, 1966, the figures for April and May 1966 have not been taken into account as they are not comparable with the post-devaluation figures.

Source : Department of Commercial Intelligence and Statistics.

STATEMENT 83—INDEX NUMBERS OF IMPORTS

(1958 = 100)

Commodity	UNIT VALUE							VOLUME						
	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67*	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67*
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
I Food	**95**	**90**	**88**	**88**	**100**	**94**	**140**	**104**	**79**	**97**	**104**	**139**	**203**	**231**
1. Dairy products, eggs and honey	80	58	62	47	57	61	104	106	225	201	251	261	170	181
2. Cereals and cereal preparations	91	91	87	88	99	93	137	107	71	90	99	141	223	261
3. Fruits and vegetables	127	114	117	128	135	146	224	92	73	89	83	110	89	79
II. Beverages and Tobacco	**98**	**104**	**114**	**127**	**118**	**93**	**143**	**41**	**77**	**74**	**43**	**33**	**31**	**22**
III. Crude Materials, Inedible except Fuels	**90**	**94**	**93**	**96**	**110**	**122**	**188**	**123**	**172**	**170**	**159**	**142**	**124**	**138**
4. Copra	110	99	103	97	99	125	135	101	91	93	87	62	48	27
5. Wool and other animal hair	93	91	92	93	117	95	149	101	121	119	153	74	49	79
6. Raw cotton other than linters	82	89	88	96	110	117	162	326	230	211	167	173	129	120
7. Crude fertilisers	91	92	96	91	95	144	176	154	173	187	219	248	182	288
IV. Mineral Fuels and Lubricants, etc.	**96**	**99**	**86**	**81**	**78**	**75**	**100**	**95**	**128**	**135**	**170**	**116**	**120**	**92**
8. Petroleum crude, etc.	89	80	83	77	77	75	91	63	146	100	166	98	128	130
9. Petroleum products	100	124	88	85	79	76	..	124	108	165	173	132	111	..
V. Animal and Vegetable Oils and Fats	**98**	**95**	**86**	**89**	**97**	**112**	**148**	**107**	**204**	**149**	**124**	**132**	**312**	**251**
VI. Chemicals	**91**	**82**	**63**	**55**	**57**	**62**	**89**	**145**	**166**	**244**	**246**	**244**	**259**	**367**
10. Chemical elements and compounds	95	86	80	74	77	85	113	144	144	166	152	159	148	174
11. Dyeing, tanning and colouring materials	103	100	109	86	77	86	130	143	165	127	107	137	87	77
12. Fertilisers manufactured	72	58	43	40	40	52	79	180	250	772	837	773	911	1506
VII. Manufactured Goods classified chiefly by Materials	**101**	**100**	**98**	**98**	**98**	**103**	**163**	**122**	**114**	**109**	**107**	**121**	**112**	**82**
13. Paper, paper board, etc.	95	92	95	88	88	92	137	150	206	170	163	180	176	196
14. Textile yarn and thread	93	83	72	65	62	48	54	111	115	130	118	148	89	88
15. Iron and steel	96	98	94	94	90	94	163	128	106	94	98	122	106	59
16. Copper	133	124	128	137	157	212	416	122	139	146	144	115	116	77
17. Aluminium	99	98	89	78	97	97	144	129	135	197	136	124	108	175
18. Zinc	126	108	101	115	158	160	223	119	112	146	140	117	131	83
19. Manufactures of metals	118	120	144	138	126	149	225	90	73	67	59	68	63	39
VIII. Machinery and Transport Equipment	**98**	**105**	**111**	**128**	**118**	**135**	**216**	**134**	**134**	**135**	**133**	**161**	**146**	**103**
20. Machinery other than electric	99	105	107	127	116	136	228	145	158	165	156	195	175	124
21. Electric machinery, etc.	93	152	141	191	207	143	232	123	85	90	89	87	124	98
22. Transport equipment	98	90	116	108	106	128	165	119	101	91	95	107	92	64
IX. Miscellaneous Manufactured Articles	**96**	**104**	**101**	**101**	**113**	**122**	**157**	**102**	**114**	**146**	**206**	**115**	**90**	**87**
GENERAL	**96**	**98**	**94**	**97**	**99**	**104**	**150**	**128**	**121**	**131**	**135**	**146**	**154**	**149**

* These indices are based on the averages of the index numbers for the ten months from June 1966 to March 1967. Consequent to devaluation of Indian rupee on June 6, 1966, the figures for April and May 1966 have not been taken into account as they are not comparable with the post-devaluation figures.

Source : Department of Commercial Intelligence and Statistics.

STATEMENT 84—EXTERNAL ASSISTANCE : AUTHORISED AND UTILISED

(Crores of Rupees)

Source of Assistance	Authorisations			Utilisations			Aid undisbursed as at the end of Third Plan	Authorisations during 1966-67@	Utilisations during 1966-67@	Aid undisbursed as at the end of March 1967*
	Upto the end of First Plan	During Second Plan	During Third Plan	Upto the end of First Plan	During Second Plan	During Third Plan				
	1	2	3	4	5	6	7	8	9	10
I. Loans										
A. Repayable in Foreign Currencies										
1. From International Institutions										
(1) I.B.R.D.	57.2	260.8	144.4	33.8	222.8	123.4	82.4	22.5 (—)	24.5 (2.3)	126.6
(2) I. D. A.	—	—	278.0	—	—	200.6	77.4	229.5 (—)	128.5 (10.9)	216.7
2. From Foreign Countries										
(1) Austria	—	—	8.5	—	—	4.7	3.8	3.5 (—)	3.5 (0.3)	5.7
(2) Belgium	—	—	11.4	—	—	4.9	6.5	— (—)	— (—)	10.3
(3) Canada	—	15.7	31.0	—	15.7	11.5	19.5	40.7 (0.9)	11.2 (1.2)	60.0
(4) Denmark	—	—	1.4	—	—	—	1.4	2.1 (2.1)	2.1 (0.3)	3.2
(5) France	—	—	57.1	—	—	21.0	36.1	12.8 (—)	2.0 (—)	67.7
(6) Germany (West) ..	—	134.1	308.1	—	119.9	219.8	102.5	45.0 (—)	61.3 (4.1)	143.0
(7) Italy	—	—	80.9	—	—	11.7	69.2	25.5 (—)	0.1 (0.1)	134.5
(8) Japan	—	26.8	138.1	—	16.0	88.2	60.7	33.7 (—)	26.7 (6.0)	99.1
(9) Netherlands	—	—	21.9	—	—	9.5	12.4	6.3 (0.9)	6.2 (0.6)	19.7
(10) Sweden	—	—	2.2	—	—	—	2.2	3.5 (—)	1.5 (—)	5.5
(11) Switzerland	—	6.5	16.3	—	—	6.0	16.8	— (—)	7.0 (1.1)	18.9
(12) United Kingdom ..	—	122.7	242.0	—	121.9	170.5	72.3	57.7 (29.3)	88.2 (4.0)	97.9
(13) United States of America										
(*a*) Wheat loan of 1951	90.3	—	—	90.3	—	—	—	— (—)	— (—)	—
(*b*) Eximbank loans for machinery and equipment	—	102.6**	90.2	—	30.9	130.5	31.4	9.6 (—)	31.4 (4.9)	24.9
(*c*) U.S. banks' loans to Air India	—	5.9	17.5	—	5.9	9.7	7.8	— (—)	11.2 (1.5)	—
(*d*) Boeing Company's loans to Air India..	—	—	2.5	—	—	1.2	1.3	— (—)	2.1 (—)	—
(*e*) A. I. D. loans ..	—	—	679.2	—	—	498.1	181.1	185.1 (72.6)	165.5 (20.8)	334.6
(14) Czechoslovakia	—	23.1†	40.0	—	—	12.6	50.5	— (—)	12.6 (0.8)	66.4
(15) Poland	—	14.3	27.0	—	—	11.3	30.0	— (—)	0.9 (0.1)	46.2
(16) U. S. S. R.	64.7	319.1	100.5	—	74.8	207.2	202.3	258.4 (—)	33.6 (4.4)	540.8
(17) Yugoslavia	—	19.0†	2.4	—	—	9.7	11.7	60.0 (—)	4.4 (2.1)	72.9
(18) Hungary	—	—	—	—	—	—	—	25.0 (—)	— (—)	25.0
Total A	**212.2**	**1050.6**	**2300.6**	**124.1**	**607.9**	**1752.1**	**1079.3**	**1020.9 (105.8)**	**624.5 (65.5)**	**2119.6**

B. Repayable in Rupees ..												
1. Denmark	—	—	1.0	—	—	0.6	0.4	—	(—)	0.5	(0.1)	0.1
2. U. S. A.												
(*a*) D. L. F./A. I. D. loans ..	—	193.8	48.6	—	76.9	147.4	18.1	24·7	(—)	8.7	(1.6)	43.7
(*b*) Asian Economic Development Fund Credit for Orissa Iron Ore Project	—	8.8	—	—	—	8.4	0.4	—	(—)	0.2	(—)	0.2
(*c*) T. C. A. Loans ..	14.6	27.6	—	2.3	39.9	—	—	—	(—)	—	(—)	—
Total B	**14.6**	**230.2**	**49.6**	**2.3**	**116.8**	**156.4**	**18·9**	**24.7**	**(—)**	**9.4**	**(1.7)**	**44.0**
Total I (A+B)††	**226.8**	**1280.8**	**2350.2**	**126.4**	**724.7**	**1908.5**	**1098.2**	**1045.6**	**(105.8)**	**633.9**	**(67.2)**	**2163.6**
II. Grants												
1. Colombo Plan Countries												
(*a*) Australia	11.1	2.2	12.4	5.2	7.4	7.0	6.1	—	(—)	—	(—)	9.4
(*b*) Canada	32.3	57.1	85.0	19.7	60.3	54.4	40.0	57.7	(—)	66.5	(3.1)	52.6
(*c*) New Zealand	1.7	1.7	0.8	0.3	2.9	0.6	0.4	—	(—)	—	(—)	0.7
(*d*) United Kingdom ..	0.4	0.4	1.0	—	0.4	0.8	0.6	—	(—)	0.1	(—)	0.8
2. Germany (West)	—	2.1	0.5	—	0.6	1.9	0.1	—	(—)	—	(—)	0.1
3. Norway	0.7	1.9	2.6	0.7	1.9	2.6	—	—	(—)	—	(—)	—
4. U. S. A. @@	91.8	54.5	21.8	44.3	85.6	31.1	7.1	3.9	(0.8)	4.4	(0.6)	10.9
5. U.S.S.R.	—	1.2	3.8	—	1.2	3.8	—	—	(—)	—	(—)	—
Total II††	**138.0**	**121.1**	**127.9**	**70.2**	**160.3**	**102.2**	**54.3**	**61.6**	**(0.8)**	**71.0**	**(3.7)**	**74.5**
III. Other Assistance ..												
1. P. L. 480 imports	—	1113.0	450.6	—	515.5	853.0	107.6†††	306.8	(149.3)	324.0	(62.1)	202.5
2. P. L. 665 imports	16.9	15.0	—	5.1	26.8	—	—	—	(—)	—	(—)	—
3. Third country currency assistance from the U.S.A. ..	—	2.7	—	—	2.5	0.2	—	—	(—)	—	(—)	—
Total III	**16.9**	**1130.7**	**450.6**	**5.1**	**544.8**	**853.2**	**107.6**	**306.8**	**(149.3)**	**324.0**	**(62.1)**	**202.5**
Grand Total (I+II+III) ..	**381.7**	**2532.6**	**2928.7**	**201.7**	**1429.8**	**2863.9**	**1260.1**	**1414.0**	**(255.9)**	**1028.9**	**(133.0)**	**2440.6**

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.

@ Figures for April 1 to June 5, 1966 are expressed in rupees at the pre-devaluation rate of exchange and for the subsequent period at the post-devaluation rate of exchange. Figures in brackets represent amounts authorised/utilised during the pre-devaluation period.

* Undisbursed balance as at the end of June 5, 1966 has been raised by 57.5 per cent to take into account the change in the par value of the Indian rupee effected on June 6, 1966.

** Of this, Rs. 23.8 crores are earmarked for the projects included in the Third Plan. † Earmarked for the projects included in the Third Plan.

†† Exclude loans and grants received by Government of India out of P. L. 480 (Title I) and P. L. 665 funds.

@@ Exclude 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.

††† The old P.L. 480 agreements having expired and taking into account rupees which were not deposited in respect of them due to non-imports etc., the value of undisbursed amount as at the end of March 1966 has been reduced by Rs. 87.5 crores to Rs. 107.6 crores.

STATEMENT 85—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS

(Crores of Rupees)

Purpose	Sector	Authorisations			Utilisations			Aid undisbursed as at the end of Third Plan	Authorisations during 1966-67@	Utilisations during 1966-67@	Aid undisbursed as at the end of March 1967*
		Upto the end of First Plan	During Second Plan	During Third Plan	Upto the end of First Plan	During Second Plan	During Third Plan				
1		2	3	4	5	6	7	8	9	10	11
I. Transport and Communications (including Railways)											
1. I.B.R.D. ..											
(*a*) Railways—I	Public	15.6	—	—	15.6	—	—	—	—	—	—
(*b*) Railways—II	,,	—	42.9	—	—	42.9	—	—	—	—	—
(*c*) Railways—III	,,	—	40.5	—	—	40.5	—	—	—	—	—
(*d*) Railways—IV	,,	—	23.8	—	—	23.8	—	—	—	—	—
(*e*) Railways—V	,,	—	33.3	—	—	6.9	26.4	—	—	—	—
(*f*) Railways—VI	,,	—	—	23.8	—	—	23.8	—	—	—	—
(*g*) Air India	,,	—	2.7	—	—	2.7	—	—	—	—	—
2. I.D.A.											
(*a*) Railways—VII	Public	—	—	32.1	—	—	32.1	—	—	—	—
(*b*) Railways—VIII	,,	—	—	29.5	—	—	29.5	—	—	—	—
(*c*) Road Project	,,	—	—	28.6	—	—	24.6	4.0	—	3.1 (1.4)	2.0
(*d*) Expansion of P.T.T. Services—I	,,	—	—	20.0	—	—	17.0	3.0	—	4.1 (0.2)	0.6
(*e*) Expansion of P.T.T. Services—II	,,	—	—	15.7	—	—	9.7	6.0	—	8.8 (1.2)	—
(*f*) Railways—IX	,,	—	—	—	—	—	—	—	51.0 (—)	19.8 (—)	31.2
3. D.L.F./A.I.D.											
(*a*) Railways—I	Public	—	14.3	—	—	12.6	1.7	—	—	—	—
(*b*) Railways—II	,,	—	16.7	—	—	16.7	—	—	—	—	—
(*c*) Railways—III	,,	—	23.8	—	—	—	22.5	1.3	—	0.8 (0.2)	1.3
(*d*) Railways—IV	,,	—	—	20.5	—	—	20.4	0.1	—	0.1 (—)	0.1
(*e*) Railways—V	,,	—	—	7.6	—	—	6.5	1.1	—	0.9 (—)	0.8
(*f*) Railways—VI	,,	—	—	3.4	—	—	2.7	0.7	—	0.8 (0.2)	0.3
(*g*) Railways—VII	,,	—	—	1.8	—	—	—	1.8	—	—	2.8
(*h*) Road Transport	Private	—	6.2	—	—	0.4	5.8	—	—	—	—
4. U.S. Eximbank											
(*a*) Diesel Loco Works—I	Public	—	—	9.0	—	—	8.5	0.5	—	0.4 (0.1)	0.3
(*b*) Diesel Loco Works—II	,,	—	—	8.1	—	—	7.3	0.8	—	0.4 (0.1)	0.8
(*c*) Diesel Loco Works—III	,,	—	—	—	—	—	—	—	9.6 (—)	2.0 (—)	7.6
(*d*) Air India	,,	—	—	6.8	—	—	6.8	—	—	—	—

5. U.S. Banks' Loans to Air India	Public	—	5.9	17.5	—	5.9	9.7	7.8	—	11.2 (1.5)	—
6. Boeing Company's Loans to Air India	Public	—	—	2.5	—	—	1.2	1.3	—	2.1 (—)	—
7. Canada											
(*a*) Diesel Locos for Railways	Public	—	—	3.4	—	—	3.4	—	—	—	—
(*b*) Wind Tunnel Project	,,	—	—	1.9	—	—	1.2	0.7	—	0.4 (0.1)	0.5
(*c*) Diesel Locos for Calcutta Port	,,	—	—	—	—	—	—	—	0.9 (0.9)	1.1 (—)	0.4
(*d*) Diesel Locos for Railways	,,	—	—	—	—	—		—	4.9 (—)	—	4.9
Total—I		**15.6**	**210.1**	**232.2**	**15.6**	**152.4**	**260.8**	**29.1**	**66.4 (0.9)**	**56.0 (5.0)**	**53.6**
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	—	—	—	—	—
(*c*) D.V.C.—III	,,	—	10.5	—	—	8.7	1.8	—	—	—	—
(*d*) Trombay—I	Private	6.6	—	—	2.0	4.1	0.4	0.1	—	—	—
(*e*) Trombay—II	,,	—	4.6	—	—	4.3	0.3	—	—	—	—
(*f*) Koyna	Public	—	8.9	—	—	4.4	4.5	—	—	—	—
(*g*) Kothagudem Power—II	,,	—	—	6.7	—	—	2.5	4.2	—	2.7 (0.1)	3.9
(*h*) Power Transmission	,,	—	—	33.3	—	—	—	33.3	—	3.5 (—)	49.1
2. I.D.A.											
(*a*) D.V.C.—IV	Public	—	—	8.8	—	—	5.7	3.1	—	1.5 (0.3)	3.3
(*b*) Koyna Power	,,	—	—	8.3	—	—	4.3	4.0	—	1.3 (—)	5.0
(*c*) Kothagudem Power	,,	—	—	9.5	—	—	6.4	3.1	—	2.0 (—)	2.9
(*d*) Beas Project	,,	—	—	—	—	—	—	—	17.3 (—)	3.0 (—)	14.3
3. D.L.F./A.I.D.											
(*a*) Power Development	Public	—	4.8	—	—	4.8	—	—	—	—	—
(*b*) Chandrapura—I	,,	—	14.3	—	—	—	12.6	1.7	—	0.4 (0.1)	2.3
(*c*) Sharavathi—I	,,	—	4.0	—	—	—	3.1	0.9	—	0.2 (—)	1.3
(*d*) Barauni	,,	—	1.9	—	—	—	1.7	0.2	—	—	0.2
(*e*) Durgapur	,,	—	9.5	—	—	—	7.7	1.8	—	—	2.9
(*f*) Ahmedabad Electricity Company	Private	—	1.8	—	—	—	1.8	—	—	—	—
(*g*) Kanpur	Public	—	0.7	—	—	—	0.7	—	—	—	—
(*h*) Barapani	,,	—	1.2	—	—	—	0.9	0.3	—	0.1 (0.1)	0.5
(*i*) Talcher	,,	—	—	15.7	—	—	10.4	5.3	—	2.5 (0.7)	5.5
(*j*) Birsinghpur	,,	—	—	4.0	—	—	2.5	1.5	—	1.1 (—)	1.4
(*k*) Sharavathi—II	,,	—	—	8.8	—	—	5.8	3.0	—	0.9 (—)	3.7
(*l*) Cambay Power	,,	—	—	16.0	—	—	15.2	0.8	—	—	1.3
(*m*) Bandel Power	,,	—	—	18.1	—	—	15.8	2.3	—	0.3 (0.1)	3.3

STATEMENT 85—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS—(*Contd.*)

(Crores of Rupees)

Purpose	Sector	Authorisations			Utilisations			Aid undisbursed as at the end of Third Plan	Authorisations during 1966-67@	Utilisations during 1966-67@	Aid undisbursed as at the end of March 1967*
		Upto the end of First Plan	During Second Plan	During Third Plan	Upto the end of First Plan	During Second Plan	During Third Plan				
	1	2	3	4	5	6	7	8	9	10	11
(*n*) Pambakakki	Public	—	—	9.6	—	—	8.2	1.4	—	0.5 (0.1)	1.8
(*o*) Trombay Power	Private	—	—	8.5	—	—	7.8	0.7	—	0.6 (0.1)	0.5
(*p*) Delhi Power	Public	—	—	7.6	—	—	2.8	4.8	—	4.2 (0.5)	3.1
(*q*) Satpura Power	,,	—	—	12.0	—	—	5.5	6.5	—	1.9 (1.1)	6.7
(*r*) Ramagundam	,,	—	—	3.9	—	—	0.7	3.2	—	1.6 (0.3)	3.3
(*s*) Chandrapura—II	,,	—	—	7.6	—	—	3.7	3.9	—	1.7 (0.2)	4.4
(*t*) Tarapur Nuclear Power	,,	—	—	38.1	—	—	14.0	24.1	—	18.0 (3.2)	18.0
(*u*) Sharavathi—III	,,	—	—	1.5	—	—	—	1.5	—	0.2 (—)	2.2
(*v*) Dhuvaran Power	,,	—	—	—	—	—	—	—	15.4 (15.4)	—	24.2
(*w*) Durgapur—II	,,	—	—	—	—	—	—	—	7.9 (7.9)	—	12.4
(*x*) Beas Project	,,	—	—	—	—	—	—	—	24.7 (—)	1.6 (—)	23.1
4. Canada											
(*a*) Ranapratap Sagar Hydro-Electric Project	Public	—	—	3.5	—	—	3.2	0.3	—	0.3 (—)	0.2
(*b*) Candu Atomic Power Project	,,	—	—	16.3	—	—	1.7	14.6	—	6.7 (0.6)	15.9
(*c*) Kotah Hydro-Electric Project	,,	—	—	3.5	—	—	0.4	3.1	—	1.9 (0.3)	2.8
(*d*) Rajasthan Atomic Power Project—II	,,	—	—	—	—	—	—	—	26.7 (—)	—	26.7
Total—II		**19.6**	**62.2**	**241.3**	**12.0**	**29.3**	**152.1**	**129.7**	**92.0 (23.3)**	**58.7 (7.8)**	**246.2**
III. Steel and Steel Projects											
1. I.B.R.D.											
(*a*) I.I.S. Co.—I	Private	13.9	—	—	2.8	11.1	—	—	—	—	—
(*b*) I.I.S. Co.—II	,,	—	9.5	—	—	8.3	1.2	—	—	—	—
(*c*) I.I.S. Co.—III	,,	—	—	9.3	—	—	2.3	7.0	—	3.2 (0.3)	7.7
(*d*) T.I.S. Co.—I	,,	—	35.7	—	—	35.7	—	—	—	—	—
(*e*) T.I.S. Co.—II	,,	—	15.5	—	—	15.5	—	—	—	—	—
(*f*) I.I.S. Co.—IV	,,	—	—	—	—	—	—	—	22.5 (—)	—	22.5
2. U.S.S.R.											
(*a*) Bhilai	Public	64.7	—	—	—	64.5	0.2	—	—	—	—
(*b*) Bokaro	,,	—	—	100.5	—	—	—	100.5	8.4 (—)	4.0 (—)	162.7
3. West Germany											
(*a*) Rourkela	Public	—	75.5	—	—	61.3	13.3	0.9	—	—	1.5

(*b*) Rourkela Expansion (DM 400 million)	„	—	—	47.6	—	—	33.2	14.4	—	8.4 (0.6)	14.0
(*c*) Rourkela Services (DM 56 million)	„	—	—	6.7	—	—	4.5	2.2	—	1.1 (0.1)	2.3
(*d*) Mysore Alloy Steel (DM 60 million)	„	—	—	7.1	—	—	1.6	5.5	—	4.6 (1.3)	3.4
(*e*) Rourkela Expansion (DM 14 million)	„	—	—	1.7	—	—	—	1.7	—	—	2.7
4. D.L.F./A.I.D.											
(a) Steel loan—I	Public	—	8.5	—	—	7.4	1.1	—	—	—	—
(b) Steel loan—II	Pub./Prvt.	—	10.4	—	—	9.2	1.2	—	—	—	—
(c) Steel loan—III	„	—	9.3	—	—	5.6	3.6	0.1	—	—	—
(d) Steel loan—IV	„	—	11.9	—	—	—	11.9	—	—	—	—
5. U.K.											
(*a*) Lazard Bros' Credit (Durgapur)	Public	—	15.4	—	—	15.4	—	—	—	—	—
(*b*) Credit of June 1958 (Durgapur)	„	—	20.0	—	—	20.0	—	—	—	—	—
(*c*) Credit of May 1962 (Durgapur Extension)	„	—	—	29.3	—	—	15.6	13.7	—	4.4 (0.8)	16.8
(*d*) Credit of April 1963 (Steel)	Pub./Prvt.	—	—	4.7	—	—	4.3	0.4	—	0.4 (—)	0.3
6. Canada Amco Furnace for Durgapur Steel Project	Public	—	—	0.9	—	—	0.4	0.5	—	0.5 (0.1)	0.2
Total—III		**78.6**	**211.7**	**207.8**	**2.8**	**254.0**	**94.4**	**146.9**	**30.9 (—)**	**26.6 (3.2)**	**234.1**
IV. Orissa Iron Ore Project											
(1) U.S.A.	Public	—	8.8	—	—	—	8.4	0.4	—	0.2 (—)	0.2
(2) Japan	„	—	3.8	—	—	—	2.0	1.8	—	0.9 (—)	1.9
Total—IV		—	**12.6**	—	—	—	**10.4**	**2.2**	—	**1.1 (—)**	**2.1**
V. Ports Development											
1. I.B.R.D.											
(*a*) Calcutta Port—I and II	Public	—	13.8	10.0	—	4.8	13.7	5.3	—	4.1 (0.4)	4.1
(*b*) Madras Port	„	—	5.0	—	—	2.0	2.8	0.2	—	0.4 (—)	—
2. I.D.A.											
Bombay Port	„	—	—	8.6	—	—	1.6	7.0	—	2.4 (0.9)	8.1
Total—V		—	**18.8**	**18.6**	—	**6.8**	**18.1**	**12.5**	—	**6.9 (1.3)**	**12.2**

STATEMENT 85—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS—(*Contd.*)

(Crores of Rupees)

Purpose	Sector	Authorisations			Utilisations			Aid undisbursed as at the end of Third Plan	Authorisations during 1966-67@	Utilisations during 1966-67@	Aid undisbursed as at the end of March 1967*
		Upto the end of First Plan	During Second Plan	During Third Plan	Upto the end of First Plan	During Second Plan	During Third Plan				
1		2	3	4	5	6	7	8	9	10	11
VI. Industrial Development											
1. I.B.R.D.											
(*a*) I.C.I.C.I.—I	Private	4.7	—	—	—	3.7	1.0	—	—	—	—
(*b*) I.C.I.C.I.—II	,,	—	4.6	—	—	0.4	4.2	—	—	—	—
(*c*) I.C.I.C.I.—III	,,	—	9.5	—	—	—	8.9	0.6	—	0.3 (—)	0.5
(*d*) I.C.I.C.I.—IV	,,	—	—	9.5	—	—	7.9	1.6	—	1.3 (0.2)	1.1
(*e*) I.C.I.C.I.—V	,,	—	—	14.3	—	—	8.0	6.3	—	5.6 (1.0)	3.7
(*f*) I.C.I.C.I.—VI	,,	—	—	23.8	—	—	0.2	23.6	—	3.0 (0.3)	34.0
(*g*) Development of Coal Industry	,,	—	—	13.7	—	—	13.5	0.2	—	0.4 (—)	—
2. I.D.A.											
(*a*) Industrial Imports Credit—I	Pub./Prvt.	—	—	42.9	—	—	42.6	0.3	—	0.3 (0.3)	—
(*b*) Industrial Imports Credit—II	,,	—	—	47.6	—	—	7.4	40.2	—	58.3 (6.4)	1.4
(*c*) Industrial Imports Credit—III	,,	—	—	—	—	—	—	—	112.5 (—)	19.8 (—)	92.7
(*d*) Industrial Imports Credit—IV	,,	—	—	—	—	—	—	—	48.7 (—)	—	48.7
3. U.K.											
(*a*) Credit of December 1958	Pub./Prvt.	—	38.0	—	—	38.0	—	—	—	—	—
(*b*) Credit of June 1959 (Oil-pipeline)	Public	—	4.0	—	—	3.2	0.8	—	—	—	—
(*c*) General Credit of November 1959	Pub./Prvt.	—	25.3	—	—	25.3	—	—	—	—	—
(*d*) General Credit of August 1960	,,	—	13.3	—	—	13.3	—	—	—	—	—
(*e*) General Credit of December 1960	,,	—	6.7	—	—	6.7	—	—	—	—	—
(*f*) General Credit of May 1961	,,	—	—	13.3	—	—	13.3	—	—	—	—
(*g*) Credit of May 1961 (Third Plan)	,,	—	—	40.0	—	—	37.3	2.7	—	1.9 (0.5)	1.9
(*h*) General Credit of November 1961	,,	—	—	6.7	—	—	6.7	—	—	—	—
(*i*) General Credit of May 1962	,,	—	—	13.3	—	—	10.4	2.9	—	2.7 (0.3)	1.8
(*j*) General Credit of September 1962	,,	—	—	6.7	—	—	6.7	—	—	—	—

(*k*) Credit of September 1962 (Third Plan)	Pub./Prvt.	—	—	17.3	—	—	9.8	7.5	—	5.0 (0.4)	6.6
(*l*) General Credit of August 1963	,,	—	—	13.3	—	—	13.3	—	—	—	—
(*m*) General Credit of October 1963 (Kipping Loan—I)	Private	—	—	5.3	—	—	2.2	3.1	—	1.2 (0.2)	3.6
(*n*) General Credit of March 1964	Pub./Prvt.	—	—	6.7	—	—	6.7	—	—	—	—
(*o*) Credit of March 1964 (Bhopal)	Public	—	—	3.3	—	—	1.3	2.0	—	2.4 (0.4)	0.5
(*p*) Credit of March 1964 (Third Plan)	Pub./Prvt.	—	—	6.7	—	—	1.7	5.0	—	2.3 (0.2)	5.5
(*q*) General Credit of July 1964	,,	—	—	13.3	—	—	13.3	—	—	—	—
(*r*) Second Credit of September 1964 (Third Plan)	,,	—	—	2.0	—	—	—	2.0	—	1.6 (—)	1.5
(*s*) Third Credit of September 1964 (Third Plan)	,,	—	—	2.0	—	—	—	2.0	—	0.6 (—)	2·6
(*t*) Fourth Credit of September 1964 (Third Plan)	,,	—	—	1.4	—	—	—	1.4	—	0.5 (—)	1.6
(*u*) Fifth Credit of September 1964 (Third Plan)	,,	—	—	1.7	—	—	0.4	1.3	—	0.6 (0.1)	1.4
(*v*) Sixth Credit of September 1964 (Third Plan)	,,	—	—	4.3	—	—	—	4.3	—	1.2 (—)	5.6
(*w*) Credit of September 1964 (Bhopal —II)	Public	—	—	2.7	—	—	0.2	2.5	—	1.8 (0.2)	1.9
(*x*) General Credit of September 1964 (Kipping Loan–II)	Private	—	—	5.3	—	—	—	5.3	—	1.1 (0.2)	7.2
(*y*) General Credit of January 1965	Pub./Prvt.	—	—	6.7	—	—	6.2	0.5	—	0.4 (—)	0.3
(*z*) Credit of January 1965 (Third Plan)	Public	—	—	0.7	—	—	0.2	0.5	—	—	0.7
(*aa*) General Credit of June 1965	Pub./Prvt.	—	—	6.7	—	—	6.7	—	—	—	—
(*ab*) General Credit of October 1965	,,	—	—	13.3	—	—	13.3	—	—	—	—
(*ac*) General Credit of December 1965 (Kipping Loan —III)	Private	—	—	5.3	—	—	0.1	5.2	—	2.6 (0.1)	5.6
(*ad*) Credit of April 1966 (Bhopal)	Public	—	—	—	—	—	—	—	6.5 (6.5)	0.3 (—)	9.9
(*ae*) Credit of April 1966 (Sindri Fertilizer)	,,	—	—	—	—	—	—	—	0.2 (0.2)	—	0.3

STATEMENT 85—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS—(*Contd.*)

(Crores of Rupees)

Purpose	Sector	Authorisations			Utilisations			Aid undisbursed as at the end of Third Plan	Authorisations during 1966-67@	Utilisations during 1966-67@	Aid undisbursed as at the end of March 1967*
		Upto the end of First Plan	During Second Plan	During Third Plan	Upto the end of First Plan	During Second Plan	During Third Plan				
1	2	3	4	5	6	7	8	9	10	11	
(*af*) General Credit of May 1966	Pub./Prvt.	—	—	—	—	—	—	—	13.3 (13.3)	21.0 (—)	—
(*ag*) Credit of May 1966 (Bhopal)	Public	—	—	—	—	—	—	—	4.0 (4.0)	—	6.3
(*ah*) Credit of May1966 (Kipping Loan-IV)	Private	—	—	—	—	—	—	—	5.3 (5.3)	—	8.4
(*ai*) Second Non-Project Credit of December 1966$	Public	—	—	—	—	—	—	—	10.8 (—)	10.8 (—)	—
4. West Germany											
(*a*) D.M. 168 million credit of January 1959	Pub./Prvt.	—	19.0	—	—	19.0	—	—	—	—	—
(*b*) D.M. 125.1 million credit of May 1960	,,	—	14.2	—	—	14.2	—	—	—	—	—
(*c*) D.M. 125.1 million credit of November 1960	,,	—	14.2	—	—	14.2	—	—	—	—	—
(*d*) D.M. 100 million credit of April 1961	,,	—	—	11.9	—	—	11.9	—	—	—	—
(*e*) D.M. 170 million credit of September 1961	,,	—	—	20.2	—	—	20.2	—	—	—	—
(*f*) D.M. 100 million credit of June 1962	,,	—	—	11.9	—	—	11.9	—	—	—	—
(*g*) D.M. 314 million credit of December 1962†	,,	—	—	37.4	—	—	35.7	1.7	—	1.6 (0.3)	0.9
(*h*) D.M. 262.6 million credit of November 1963†	,,	—	—	31.3	—	—	14.9	16.4	—	20.3 (0.6)	5.0
(*i*) D.M. 290 million credit of September 1964†	,,	—	—	34.5	—	—	6.0	28.5	—	19.5 (0.7)	25.1
(*j*) D.M. 250 million credit of December 1965†	,,	—	—	29.8	—	—	—	29.8	—	3.5 (0.5)	43.1
(*k*) D.M. 240 million credit of February 1967	,,	—	—	—	—	—	—	—	45.0 (—)	—	45.0

5. U.S.S.R.											
(*a*) Industrial Enterprises	Public	—	59.5	—	—	8.1	36.4	15.0	—	0.7 (0.1)	22.9
(*b*) Barauni Oil Refinery	,,	—	11.9	—	—	0.4	10.9	0.6	—	0.4 (0.1)	0.5
(*c*) Drugs Credit	,,	—	9.5	—	—	—	9.4	0.1	—	—	0.1
(*d*) Credit for Third Plan—I	,,	—	178.6**	—	—	1.8	131.8	45.0	—	11.7 (2.8)	57.6
(*e*) Credit for Third Plan—II	,,	—	59.6**	—	—	—	18.5	41.1	—	16.8 (1.4)	47.0
(*f*) Credit for Fourth Plan	,,	—	—	—	—	—	—	—	250.0 (—)	—	250.0
6. U.S.A.											
(*i*) **D.L.F./A.I.D.**											
(*a*) Automobile, Jute and Cement Industry	Pub./Prvt.	—	16.6	—	—	15.1	1.5	—	—	—	—
(*b*) Machinery and Capital Equipment—I	Private	—	7.1	—	—	5.1	2.0	—	—	—	—
(*c*) Machinery and Capital Equipment—II	,,	—	11.9	—	—	—	11.9	—	—	—	—
(*d*) Trombay Fertilizer Project	,,	—	14.3	—	—	—	13.6	0.7	—	0.6 (0.3)	0.2
(*e*) I.F.C.—I	,,	—	4.6	—	—	—	4.6	—	—	—	—
(*f*) I.C.I.C.I.	,,	—	—	2.4	—	—	1.7	0.7	—	0.6 (0.2)	0.4
(*g*) Non-ferrous metals	Pub./Prvt.	—	—	9.5	—	—	9.5	—	—	—	—
(*h*) N.S.I.C.	Private	—	—	4.8	—	—	4.2	0.6	—	—0.1 (—)	0.9
(*i*) Patherdih Coal Washery	Public	—	—	2.0	—	—	1.7	0.3	—	—	0.5
(*j*) Premier Automobiles—I	Private	—	—	3.4	—	—	3.4	—	—	—	—
(*k*) Premier Automobiles—II	,,	—	—	1.4	—	—	1.4	—	—	—	—
(*l*) Non-project imports—I	Pub./Prvt.	—	—	95.2	—	—	95.1	0.1	—	—0.1 (—)	0.3
(*m*) I.F.C.—II	Private	—	—	9.5	—	—	2.4	7.1	—	4.2 (0.5)	6.8
(*n*) Hindustan Motors	,,	—	—	7.5	—	—	7.0	0.5	—	0.7 (0.1)	—
(*o*) Napco Bevel Gear	,,	—	—	1.1	—	—	1.1	—	—	—	—
(*p*) D.C.M.Tyre Cord	,,	—	—	4.7	—	—	3.7	1.0	—	0.2 (—)	1.3
(*q*) Telco—I	,,	—	—	6.5	—	—	6.4	0.1	—	0.1 (—)	—
(*r*) Non-project imports—II	Pub./Prvt.	—	—	114.3	—	—	114.2	0.1	—	—0.8 (—)	0.9
(*s*) Central Ropeway 'F' Project	Public	—	—	3.7	—	—	3.0	0.7	—	0.3 (—)	0.7
(*t*) Dugda Coal Washery	,,	—	—	2.4	—	—	2.1	0.3	—	0.1 (—)	0.4

STATEMENT 85—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS—(*Contd.*)

(Crores of Rupees)

Purpose	Sector	Authorisations			Utilisations			Aid undisbursed as at the end of Third Plan	Authorisations during 1966-67@	Utilisations during 1966-67@	Aid undisbursed as at the end of March 1967*
		Upto the end of First Plan	During Second Plan	During Third Plan	Upto the end of First Plan	During Second Plan	During Third Plan				
	1	2	3	4	5	6	7	8	9	10	11
(*u*) National Engineering Industries	Private	—	—	2.0	—	—	—	2.0	—	0.3 (—)	2.9
(*v*) Non-project imports—III	Pub./Prvt.	—	—	107.1	—	—	94.6	12.5	—	14.5 (7.6)	0.8
(*w*) Non-project imports—IV	,,	—	—	23.8	—	—	20.4	3.4	—	4.4 (0.2)	0.9
(*x*) Telco—II	Private	—	—	5.6	—	—	1.8	3.8	—	2.2 (0.8)	3.4
(*y*) Trombay Methanol Fertilizer	,,	—	—	3.7	—	—	2.9	0.8	—	0.5 (0.1)	0.8
(*z*) Consultancy Services	Pub./Prvt.	—	—	1.0	—	—	0.1	0.9	—	—	1.4
(*aa*) I.F.C.—III	Private	—	—	4.8	—	—	—	4.8	—	—	7.5
(*ab*) Hindustan Motors—II	,,	—	—	11.0	—	—	—	11.0	—	6.1 (—)	11.1
(*ac*) Hindustan Motors—III	,,	—	—	1.4	—	—	0.1	1.3	—	1.2 (—)	1.7
(*ad*) Non-project imports—V	Pub./Prvt.	—	—	90.5	—	—	34.0	56.5	—	35.0 (2.2)	52.6
(*ae*) Non-project imports—VI	,,	—	—	—	—	—	—	—	47.6 (47.6)	32.1 (—)	42.9
(*af*) Non-project imports—VII	,,	—	—	—	—	—	—	—	112.5 (—)	3.7 (—)	108.8
(*ag*) Operational Hard—rock	Public	—	—	—	—	—	—	—	1.7 (1.7)	—	2.6
(*ii*) **Eximbank loans**	Pub./Prvt.	—	102.6@@	66.3	—	30.9	107.9	30.1	—	28.6 (4.7)	16.2
(*iii*) **T.C.A. loans (excluding P.L. 665)**	Public	14.6	27.6	—	2.3	39.9	—	—	—	—	—
7. **Japan**											
(*a*) Credit of 18 billion yen (February 1958)	Pub./Prvt.	—	23.0	—	—	16.0	7.0	—	—	—	—
(*b*) Credit of 34.2 billion yen as amended in May 1963	,,	—	—	45.2	—	—	45.1	0.1	—	—	0.2
(*c*) Suppliers' credit for Textile Machinery (1962)	Private	—	—	4.8	—	—	4.8	—	—	—	—

(*d*) Credit of 23.4 billion yen (October 1963)	Pub./Prvt.	—	—	30.9	—	—	21.0	9.9	—	7.6 (2.8)	6.4
(*e*) Credit of 21.6 billion yen (September 1964)	„	—	—	28.6	—	—	6.3	22.3	—	9.3 (2.7)	24.3
(*f*) Credit of 21.6 billion yen (June 1965)	„	—	—	28.6	—	—	2.0	26.6	—	8.9 (0.5)	32.6
(*g*) Credit of 15.2 billion yen (December 1966)$	„		—	—	—	—	—	—	32.0 (—)	—	32.0
8. France											
(*a*) Credit of $ 30 million (Third Plan—I)	Pub./Prvt.	—	—	14.3	—	—			—		
(*b*) Credit of $ 20 million (Third Plan—II)	„	—	—	9.5	—	—	20.9	21.9	—	1.2 (—)	7.9
(*c*) Credit of $ 20 million (Third Plan—III)	„	—	—	9.5	—	—			—		
(*d*) Credit of $ 20 million (Third Plan—IV)	„	—	—	9.5	—	—			—	0.8 (—)	24.7
(*e*) Credit of $ 10 million to I.F.C.	Private	—	—	4.8	—	—	0.1	4.7	—	—	7.3
(*f*) Credit of $ 20 million (Third Plan—V)	Pub./Prvt.	—	—	9.5	—	—	—	9.5	—	—	15.0
(*g*) Credit of $ 17.0 million	„	—	—	—	—	—	—	—	12.8 (—)	—	12.8
9. Italy											
(*a*) E.N.I. Credit of $ 45 million	Pub./Prvt.	—	—	21.4	—	—	8.0	13.4	—	—	21.2
(*b*) Montecatini Credit for Aluminium Plant	„	—	—	3.8	—	—	3.7	0.1	—	0.1 (0.1)	—
(*c*) Suppliers' Credit of $ 45 million	„	—	—	21.4	—	—	—	21.4	—	—	33.8
(*d*) Suppliers' Credit of $ 36 million	„	—	—	17.2	—	—	—	17.2	—	—	27.0
(*e*) Suppliers' Credit of $ 36 million	„	—	—	17.1	—	—	—	17.1	—	—	27.0
(*f*) Suppliers' Credit of $ 32 million	„	—	—	—	—	—	—	—	24.0 (—)	—	24.0
10. Czechoslovakia											
(*a*) First credit of November 1959	Public	—	23.1**	—	—	—	12.6	10.5	—	5.0 (0.5)	11.2
(*b*) Second credit of May 1964	Pub./Prvt.	—	—	40.0	—	—	—	40.0	—	7.6 (0.3)	55.2

STATEMENT 85—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS—(*Contd.*)

(Crores of Rupees)

Purpose	Sector	Authorisations			Utilisations			Aid undisbursed as at the end of Third Plan	Authorisations during 1966-67@	Utilisations during 1966-67@	Aid undisbursed as at the end of March 1967*
		Upto the end of First Plan	During Second Plan	During Third Plan	Upto the end of First Plan	During Second Plan	During Third Plan				
	1	2	3	4	5	6	7	8	9	10	11
11. Yugoslavia											
(*a*) Credit for capital goods—I	Pub./Prvt.	—	19.0**	2.4	—	—	9.7	11.7	—	4.4 (2.1)	12.9
(*b*) Credit for capital goods—II	„	—	—	—	—	—	—	—	60.0 (—)	—	60.0
12. Poland											
(*a*) Credit for Third Plan—I	Pub./Prvt.	—	14.3	1.0	—	—	10.9	4.4	—	0.8 (0.1)	6.0
(*b*) Credit for Third Plan—II	Public	—	—	15.5	—	—	0.4	15.1	—	0.1 (—)	23.7
(*c*) Credit for Third Plan—III	„	—	—	10.5	—	—	—	10.5	—	—	16.5
13. Switzerland											
(*a*) Credit for Third Plan—I	Pub./Prvt.	—	6.5	—	—	—	3.0	3.5	—		
(*b*) Credit for Third Plan—II	„	—	—	8.7	—	—	3.0	5.7	—	7.0 (1.1)	18.9
(*c*) Credit for Third Plan—III	„	—	—	7.6	—	—	—	7.6	—		
14. Canada											
(*a*) Indian Aluminium Co. Extension—I	Private	—	—	0.4	—	—	0.4	—	—	—	—
(*b*) Indian Aluminium Co. Extension—II	„	—	—	0.4	—	—	0.3	0.1	—	0.1 (—)	0.2
(*c*) Credit for Industrial Raw Materials etc.	Pub./Prvt.	—	—	—	—	—	—	—	8.2 (—)	—	8.2
(*d*) Binani Zinc Smelter	Private	—	—	0.7	—	—	0.5	0.2	—	0.2 (0.1)	—

15. Austria											
(*a*) Credit for Capital Goods—I	Pub./Prvt.	—	—	2.4	—	—	2.3	0.1	—	—	0.2
(*b*) Credit for Capital Goods—II	,,	—	—	1.8	—	—	1.3	0.5	—	0.4 (0.1)	0.2
(*c*) Credit for Capital Goods—III	,,	—	—	1.9	—	—	1.1	0.8	—	0.4 (0.1)	0.8
(*d*) Suppliers' Credit	,,	—	—	0.5	—	—	—	0.5	—	—	0.8
(*e*) Credit for Capital Goods—IV	,,	—	—	1.9	—	—	—	1.9	—	2.3 (0.1)	0.6
(*f*) Credit for Capital Goods—V$	,,	—	—	—	—	—	—	—	2.8 (—)	0.1 (—)	2.7
16. Belgium											
(*a*) Suppliers' Credit—I	Pub./Prvt.	—	—	4.8	—	—	4.8	—	—	—	—
(*b*) Suppliers' Credit—II	,,	—	—	4.7	—	—	0.1	4.6	—	—	7.3
(*c*) Suppliers' Credit—III	,,	—	—	1.9	—	—	—	1.9	—	—	3.0
17. Netherlands											
(*a*) General Purpose Loan	Pub./Prvt.	—	—	14.5	—	—	9.5	5.0	—	6.2 (0.6)	1.3
(*b*) Financial (Export) Credit	,,	—	—	7.4	—	—	—	7.4	—	—	11.6
(*c*) Second General Purpose Loan	,,	—	—	—	—	—	—	—	5.4 (—)	—	5.4
(*d*) Suppliers' Credit	,,	—	—	—	—	—	—	—	0.9 (0.9)	—	1.4
18. Denmark											
(*a*) First Credit	Pub./Prvt.	—	—	1.0	—	—	0.6	0.4	—	0.5 (0.1)	0.1
(*b*) Second Credit	,,	—	—	1.4	—	—	—	1.4	—	0.9 (0.3)	1.1
19. Sweden											
(*a*) First Credit	Pub./Prvt.	—	—	2.2	—	—	—	2.2	—	1.3 (—)	2.2
(*b*) Second Credit	,,	—	—	—	—	—	—	—	3.5 (—)	0.2 (—)	3.3
20. Hungary											
(*a*) Credit for import of capital goods	Pub./Prvt.	—	—	—	—	—	—	—	12.5 (—)	—	12.5
(*b*) Suppliers' Credit	,,	—	—	—	—	—	—	—	12.5 (—)	—	12.5
Total—VI		**19.3**	**738.5**	**1522.1**	**2.3**	**255.3**	**1283.6**	**738.7**	**832.7 (79.5)**	**421.3 (45.6)**	**1,594.5**
VII. Agricultural Development											
(i) I.B.R.D. loan for Agriculture	Public	3.4	—	—	3.4	—	—	—	—	—	—

STATEMENT 85—PURPOSE-WISE DISTRIBUTION OF FOREIGN LOANS/CREDITS—(*Concld.*)

(Crores of Rupees)

Purpose	Sector	Authorisations			Utilisations			Aid undisbursed as at the end of Third Plan	Authorisations during 1966-67@	Utilisations during 1966-67@	Aid undisbursed as at the end of March 1967*
		Upto the end of First Plan	During Second Plan	During Third Plan	Upto the end of First Plan	During Second Plan	During Third Plan				
	1	2	3	4	5	6	7	8	9	10	11
(ii) I.D.A.											
(a) U.P. Tube-wells	Public	—	—	2.9	—	—	2.9	—	—	—	—
(b) Salandi Irrigation	,,	—	—	3.8	—	—	0.8	3.0	—	—	4.8
(c) Shetrunji Irrigation	,,	—	—	1.6	—	—	1.6	—	—	—	—
(d) Punjab Drainage	,,	—	—	4.8	—	—	4.4	0.4	—	0.5 (0.1)	—
(e) Sone Irrigation	,,	—	—	7.1	—	—	5.5	1.6	—	2.2 (0.1)	0.4
(f) Purna Irrigation	,,	—	—	6.2	—	—	4.5	1.7	—	1.4 (—)	1.3
(iii) U.K. Food Emergency Loan of February 1966	Pub./Prvt.	—	—	10.0	—	—	—	10.0	—	7.8 (0.6)	7.6
(iv) West German Fertilizer Loan of DM 12 million (March 1966)	,,	—	—	1.4	—	—	—	1.4	—	2.3 (—)	—
(v) A.I.D. Fertilizer Loan of February 1966	,,	—	—	23.8	—	—	2.8	21.0	—	30.0 (3.5)	1.1
(vi) Italian Fertilizer Loan of August 1966	Public	—	—	—	—	—	—	—	1.5 (—)	—	1.5
Total—VII		**3.4**	—	**61.6**	**3.4**	—	**22.5**	**39.1**	**1.5** (—)	**44.2** (4.3)	**16.7**
VIII. Wheat loans											
1. U.S.A.	Public	90.3	—	—	90.3	—	—	—	—	—	—
2. Canada	,,	—	15.7	—	—	15.7	—	—	—	—	—
3. Danish Food Assistance Loan	,,	—	—	—	—	—	—	—	2.1 (2.1)	1.2 (—)	2.1
Total—VIII		**90.3**	**15.7**	—	**90.3**	**15.7**	—	—	**2.1 (2.1)**	**1.2** (—)	**2.1**
GRAND TOTAL		**226.8**	**1269.6**	**2283.6**	**126.4**	**713.5**	**1841.9**	**1098.2**	**1025.6 (105.8)**	**616.0 (67.2)**	**2161.5**

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, DM 90 million (Rs. 10.7 crores) of Januay 1965 and DM 93.6 million (Rs. 11.1 crores) of June, 1965 authorised for the purpose of meeting repayment liabilities arising out of Rourkela credit have been excluded. Similarly amounts of Rs. 17.6 crores, Rs. 1.7 crores and Rs. 0.7 crore authorised in 1966-67 by U.K., Japan and Austria, respectively, for meeting debt service liabilities have been excluded.

@ Figures for April 1 to June 5, 1966 are expressed in rupees at the pre-devaluation rate of exchange and for the subsequent period at the post-devaluation rate of exchange. Figures in brackets represent amounts authorised/utilised during the pre-devaluation period.

* Undisbursed balance as at the end of June 5, 1966 has been raised by 57.5 per cent to take into account the change in the par value of the Indian rupee effected on June 6, 1966.

§ Excluding amounts authorised for meeting debt service liabilities.

† Excluding (a) credits, shown under item III, "Steel and steel Projects" and item VII. "Agricultural Development," and (b) refinancing credits.

** Earmarked for the projects included in the Third Plan.

@@ Of this, Rs. 23.8 crores are earmarked for the projects included in the Third Plan

STATEMENT 86—STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA (*a*)

Year/Month	Purchases (*b*)		Sales (*c*)		Net Purchases(+)/Sales(—)	
	(£000's)	(Rs. lakhs) (*d*)	(£ 000's)	(Rs. lakhs) (*d*)	(£ 000's)	(Rs. lakhs) (*d*)
	1	2	3	4	5	6
1950-51	218,049	290,73	88,822	118,53	+129,227	+172,20
1955-56	107,245	143,01	68,404	91,29	+ 38,841	+ 51,72
1960-61	31,310	41,74	62,112	82,88	— 30,802	— 41,14
1961-62	38,509	51,35	78,874	105,26	— 40,365	— 53,91
1962-63	58,345	77,79	73,746	98,42	— 15,401	— 20,63
1963-64	71,363	95,15	22,034	29,41	+ 49,329	+ 65,74
1964-65	41,180	54,91	68,627	91,59	— 27,447	— 36,68
1965-66	122,183	162,91	81,972	109,41	+ 40,211	+ 53,50
1966-67	125,893	247,60	84,494	143,45	+41,398	+104,15
March 1966	27,429	36,57	2,626	3,50	+ 24,803	+ 33,07
April „	6,873	9,16	2,499	3,33	+ 4,374	+ 5,83
May „	10,686	14,25	4,977	6,65	+ 5,709	+ 7,60
June „	14,770	28,57	8,780	11,92	+ 5,990	+ 16,65
July „	9,094	18,63	5,669	8,11	+ 3,425	+ 10,52
August „	6,623	13,62	6,838	10,11	— 215	+ 3,51
September „	12,229	25,68	8,379	12,68	+ 3,850	+ 13,00
October „	4,324	8,96	11,305	22,20	— 6,981	— 13,24
November „	7,345	15,42	6,933	11,61	+ 412	+ 3,81
December „	20,729	43,53	17,978	34,68	+ 2,750	+ 8,85
January 1967	11,717	24,61	6,856	14,40	+ 4,861	+ 10,21
February „	9,060	19,03	1,631	2,91	+ 7,429	+ 16,12
March „	12,443	26,13	2,649	4,83	+ 9,794	+ 21,30

(*a*) Cover only the transactions with the authorised dealers in India. (*b*) Cover spot purchases and purchases against forward purchase contracts. (*c*) Cover spot sales and deliveries against forward sale contracts. (*d*) Consequent on the change in the par value of the rupee from June 6, 1966, the figures from June 1966 onwards are not comparable with those for the back period.

STATEMENT 87—EXPORT DUTIES IMPOSED SUBSEQUENT TO THE DEVALUATION OF THE RUPEE—(JUNE 6, 1966)

Item	Rate of Duty Imposed on June 6, 1966	Subsequent Changes	Revised Rate of Duty	Effective Date
1. Jute Manufactures				
(*a*) Hessian (other than carpet backing and jute specialities)	Rs. 900 per tonne	Reduced to	Rs. 750 per tonne	May 25, 1967
(*b*) Sacking (cloth, bags, twist, yarn, rope and twine)	Rs. 600 per tonne	Reduced to	Rs. 450 per tonne	May 25, 1967
(*c*) Cotton bagging	Rs. 600 per tonne	Reduced to	Rs. 200 per tonne	February 11, 1967
(*d*) Carpet backing and jute specialities	Rs. 900 per tonne	Reduced to	Rs. 600 per tonne	May 25, 1967
(*e*) All other descriptions not otherwise specified	Rs. 600 per tonne	(*i*) Duty on teased fibre made out of old bags and cuttings, jute caddies and jute waste changed to *ad valorem* basis from July 11, 1966 with retrospective effect.	20 per cent *ad valorem*	June 6, 1966
		(*ii*) Duty on jute rags changed to *ad valorem* basis from June 23, 1966 with retrospective effect.	20 per cent *ad valorem*	June 6, 1966
		(*iii*) Duty on jute string cuttings changed to *ad valorem* basis from November 23, 1966 with retrospective effect.	20 per cent *ad valorem*	June 6, 1966
2. Tea	Rs. 2 per kg.	(*a*) Changed to value-slab basis		
		(*i*) Tea, value of which does not exceed Rs. 4 per kg.	80 paise per kg.	November 11, 1966
		(*ii*) Tea, value of which exceeds Rs. 4 per kg. but does not exceed Rs. 8 per kg.	80 paise per kg. plus 10 paise per kg. for every increase of 50 paise or part thereof in value in excess of Rs. 4 per kg.	,,
		(*iii*) Tea, value of which exceeds Rs. 8 per kg. but does not exceed Rs. 12 per kg.	Rs. 1.60 per kg. plus 15 paise per kg. for every increase of 50 paise or part thereof per kg. in value in excess of Rs. 8 per kg.	,,
		(*iv*) Tea, value of which exceeds Rs. 12 per kg.	Rs. 3 per kg.	,,

2. Tea (*Contd.*)		(*b*) The duty was further changed to :		
		(*i*) Tea, the value of which does not exceed Rs. 8 per kg.	20 per cent *ad valorem* reduced by 24 paise per kg.	May 26, 1967
		(*ii*) Tea, the value of which exceeds Rs. 8 per kg. but does not exceed Rs. 10 per kg.	21 per cent *ad valorem* reduced by 24 paise per kg.	,,
		(*iii*) Tea, the value of which exceeds Rs. 10 per kg.	22½ per cent *ad valorem* reduced by 24 paise per kg. or Rs. 2.76 per kg. whichever is less	,,
3. Coffee	50 paise per kg.	No change	—	—
4. Black pepper	Rs. 1.25 per kg.	(*i*) Duty on light black pepper reduced to	90 paise per kg.	February 3, 1967
		(*ii*) Duty on pin head black pepper reduced to	50 paise per kg.	February 3, 1967
		(*iii*) Duty on other varieties unchanged		
5. Tobacco unmanufactured	75 paise per kg.	Changed to *ad valorem* basis from June 23, 1966 with retrospective effect.	20 per cent *ad valorem*	June 6, 1966
6. Raw wool	Re. 1 per kg.	(*i*) Changed to *ad valorem* basis	20 per cent *ad valorem*	August 17, 1966
		(*ii*) Reduced to	10 per cent *ad valorem*	May 9, 1967
7. Raw cotton	Rs. 1000 per metric tonne on all varieties	(*i*) Duty on Assam/Comilla cotton, yellow pickings and zoda cotton, pickings and sweepings reduced from June 15, 1966 with retrospective effect	Rs. 750 per metric tonne	June 6, 1966
		Further reduced to	Rs. 550 per metric tonne	October 14, 1966
		(*ii*) Duty on Bengal Deshi reduced to	Rs. 700 per metric tonne	October 14, 1966
		(*iii*) Duty on cotton linters changed to *ad valorem* basis	25 per cent *ad valorem*	,,
		(*iv*) Duty on other varieties unchanged	—	—
8. Cotton waste	30 paise per kg.	(*i*) Changed to *ad valorem* basis	40 per cent *ad valorem*	June 15, 1966
		(*ii*) Duty on soft cotton waste reduced to	25 per cent *ad valorem*	August 17, 1966
9. Mica	50 paise per kg.	(*i*) Changed to *ad valorem* basis	40 per cent *ad valorem*	June 15, 1966
		(*ii*) Micanite exempted from July 12, 1966 with retrospective effect.		June 6, 1966
10. Hides and skins and leather, tanned and untanned, all varieties excluding leather manufactures	10 per cent *ad valorem*	No change	—	—

STATEMENT 87—EXPORT DUTIES IMPOSED SUBSEQUENT TO THE DEVALUATION OF THE RUPEE—(JUNE 6, 1966)—(*concld.*)

Item	Rate of Duty Imposed on June 6, 1966	Subsequent Changes	Revised Rate of Duty	Effective Date
11. Coir and coir manufactures	10 per cent *ad valorem*	(*i*) Duty on coir fibre and coir yarn raised to	25 per cent *ad valorem*	July 15, 1966
		(*ii*) Duty on other coir manufactures unchanged		
12. Oil cakes				
(*a*) De-oiled groundnut oil cake	Rs. 125 per tonne	No change	—	—
(*b*) De-oiled groundnut meal (solvent extracted variety containing less than one per cent oil)	Rs. 125 per tonne	No change	—	—
13. Manganese ore				
(*a*) Manganese ore of 10 per cent or more manganese content	Rs. 20 per tonne@	Duty on manganese ore of 10 per cent or more but not more than 48 per cent manganese content reduced to	Rs. 12.50 per tonne	May 25, 1967
(*b*) Manganese ore of less than 10 per cent manganese content.	Rs. 10 per tonne@	Reduced to	Rs. 7 per tonne	July 24, 1967
14. Manganese dioxide	20 per cent *ad valorem*@	—	—	—
15. Iron ore				
(*a*) Lumpy iron ore	Rs. 10 per tonne@	Changed to		
		(*i*) Lumpy iron ore having more than 62 per cent of iron content	Rs. 10.50 per tonne	July 24, 1967
		(*ii*) Lumpy iron ore having 60 per cent or more but less than 62 per cent of iron content	Rs. 9 per tonne	,,
		(*iii*) Lumpy iron ore having less than 60 per cent of iron content	Rs. 7.50 per tonne	,,
(*b*) Iron ore fines (including blue dust)	Rs. 5 per tonne@	Reduced to	Rs. 4 per tonne	May 25, 1967
		Duty on iron ore fines (including blue dust) where the iron content is less than 62 per cent further reduced to	Rs. 3 per tonne	July 24, 1967
16. Sillimanite	20 per cent *ad valorem*@	—	—	—
17. Steatite (talc)	20 per cent *ad valorem*@	—	—	—
18. Kyanite	Rs. 40 per tonne@	—	—	—
19. Chrome concentrates	Rs. 15 per tonne@	—	—	—

Note : The only dutiable item prior to devaluation was mercury on which the rate of duty was Rs. 300 per flask of 34.02 kgs. effective October 8, 1952. However, exports of mercury were banned with effect from February 7, 1966.

@ The duties on these items were initially imposed on August 2, 1966.

STATEMENT 88—INLAND AND FOREIGN BILLS PURCHASED AND DISCOUNTED BY SCHEDULED COMMERCIAL BANKS

(Amount in crores of rupees)

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 ..	80	86.70	56.95	**143.65**	33.09	11.87	0.42	**45.38**	**189.03**
1962 ..	80	89.32	68.12	**157.44**	39.86	14.06	1.34	**55.26**	**212.70**
1963 ..	79	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**
1965 ..	76	140.97	69.65	**210.62**	50.05	15.66	1.71	**67.42**	**278.04**
1966 ..	76	183.07	75.33	**258.40**	82.75	29.15	5.90	**117.80**	**376.20**
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**
1965									
March ..	76	143.57	117.39	**260.96**	52.37	20.20	1.72	**74.29**	**335.25**
June ..	76	129.74	82.69	**212.43**	48.79	24.88	1.30	**74.97**	**287.40**
September ..	76	106.38	31.48	**137.86**	47.89	22.16	1.37	**71.42**	**209.28**
December ..	76	140.97	69.65	**210.62**	50.05	15.66	1.71	**67.42**	**278.04**
1966									
March ..	76	154.83	114.74	**269.57**	53.21	16.68	2.83	**72.72**	**342.29**
June ..	76	142.41	113.09	**255.50**	63.20	17.94	3.11	**84.25**	**339.75**
September ..	76	148.83	62.86	**211.69**	90.78	18.40	3.47	**112.65**	**324.34**
December ..	76	183.07	75.33	**258.40**	82.75	29.15	5.90	**117.80**	**376.20**

Note : The data for the years 1955 and 1960 are based on quarterly returns on Form XI and thereafter on Form XIII (monthly) upto June 1965. The subsequent data are based on Form XII (monthly) which was earlier numbered as Form XIII.

STATEMENT 89—TOTAL NOTES AND COINS ISSUED (DENOMINATION-WISE)

(In lakhs of rupees)

End of March	Small coins	*Percentage to total*	One rupee			*Percentage to total*	Rs. 2	*Percentage to total*	Rs. 5	*Percentage to total*	Rs. 10	*Percentage to total*	Rs. 100	*Percentage to total*	Rs. 1000 (*a*)	*Percentage to total*	Rs. 5000 (*a*)	*Percentage to total*	Rs. 10000 (*a*)	*Percentage to total*	**Total**
			Notes	Coins	**Total**																
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
1956 ..	65,87	*3.9*	74,95	62,21	**137,16**	*8.1*	31,92	*1.9*	176,76	*10.5*	609,88	*36.2*	591,00	*35.1*	55,17	*3.3*	9,78	*0.6*	6,28	*0.4*	**1,683,81**
1961 ..	71,08	*3.2*	113,43	43,13	**156,55**	*7.0*	37,83	*1.7*	203,40	*9.1*	814,40	*36.5*	864,73	*38.8*	54,31	*2.4*	16,18	*0.7*	12,09	*0.5*	**2,230,58**
1962 ..	78,36	*3.3*	122,98	42,17	**165,15**	*7.0*	37,38	*1.6*	201,71	*8.6*	840,42	*35.8*	932,91	*39.7*	62,82	*2.7*	21,73	*0.9*	10,09	*0.4*	**2,350,57**
1963 ..	84,41	*3.4*	129,24	41,92	**171,17**	*6.8*	37,65	*1.5*	212,80	*8.5*	936,79	*37.3*	999,51	*39.8*	48,95	*1.9*	12,44	*0.5*	8,02	*0.3*	**2,511,74**
1964 ..	90,30	*3.3*	142,01	41,54	**183,55**	*6.7*	38,00	*1.4*	229,16	*8.3*	1,030,82	*37.4*	1,109,33	*40.3*	50,29	*1.8*	14,34	*0.5*	8,85	*0.3*	**2,754,63**
1965 ..	97,44	*3.3*	152,79	41,54	**194,33**	*6.6*	49,10	*1.7*	271,18	*9.2*	1,256,57	*42.7*	1,000,61	*34.0*	39,79	*1.4*	23,22	*0.8*	8,07	*0.3*	**2,940,31**
1966 ..	105,51	*3.3*	157,01	41,90	**198,90**	*6.2*	43,19	*1.3*	253,42	*7.9*	1,254,93	*39.2*	1,276,19	*39.9*	45,70	*1.4*	17,76	*0.6*	6,02	*0.2*	**3,201,62**
1967 ..	112,51	*3.3*	172,48	42,04	**214,52**	*6.3*	41,76	*1.2*	262,44	*7.7*	1,310,34	*38.6*	1,372,40	*40.4*	54,13	*1.6*	20,01	*0.6*	6,24	*0.2*	**3,394,35**

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*) Relating to the new high denomination notes issued from April 1954.

STATEMENT 90—MOVEMENTS IN CIRCULATION OF INDIA SMALL COINS (DENOMINATION-WISE)

[**Absorption (+) or Return (−)**]

(In thousands of rupees)

Year	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**
1965-66 ..	+34,84	+18,57	− 4,72	−10,54	−1,75	− 9	—	—	+1,82,62	+1,81,81	+1,66,99	+ 99,82	+56,80	+49,18	+32,11	**+8,05,64**
1966-67 ..	− 4,70	+ 1,45	− 3,61	− 5,02	−1,22	− 1	—	—	+1,66,54	+1,71,42	+1,70,15	+ 20,49	+95,03	+63,89	+25,33	**+6,99,74**

(*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 91—MOVEMENTS IN CIRCULATION OF INDIA SMALL COINS (METAL-WISE)

[**Absorption (+) or Return (—)**]

(In lakhs of rupees)

	1950-51	1955-56	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
	1	2	3	4	5	6	7	8	9
I. Quaternary Silver									
Half Rupee	—1,51	—61	—10	— 4	— 3	— 2	— 2	—	—
Quarter Rupee	—1,34	—48	—23	— 2	— 2	— 1	— 1	—	—
Total	**—2,85**	**—1,09**	**—33**	**— 6**	**— 5**	**— 3**	**— 3**	**—**	**— 1**
II. Pure Nickel									
Half Rupee	+50	+96	+18	— 6	—45	—60	+ 9	+35	— 4
Quarter Rupee	+41	+1,09	+ 2	+ 8	—24	—30	+ 2	+19	+ 2
Fifty Paise/Naye Paise ..			+71	+2,03	+2,36	+2,20	+1,75	+1,83	+1,67
Twenty-five Paise/Naye Paise			+2,85	+2,47	+1,83	+1,88	+1,74	+1,82	+1,71
Total	**+91**	**+2,05**	**+3,76**	**+4,52**	**+3,50**	**+3,18**	**+3,61**	**+4,18**	**+3,35**
III. Cupro-Nickel									
Quarter Rupee	— 4	— 2	— 2	—	—	—	—	—	—
Ten Paise/Naye Paise ..			+1,89	+1,85	+1,52	+1,66	+1,70	+1,67	+1,70
Five Paise/Naye Paise ..			+1,18	+1,06	+94	+1,09	+1,08	+1,00	+20
Total	**— 4**	**— 2**	**+3,05**	**+2,91**	**+2,46**	**+2,75**	**+2,78**	**+2,67**	**+1,91**
IV. Cupro-Nickel/Nickel-Brass									
Two Anna	—60	+12	—3,41	—54	—19	—12	— 8	— 5	— 4
One Anna	—66	+24	—1,00	—43	—57	—1,13	—34	—11	— 5
Half Anna	— 4	+ 7	—47	—10	— 6	— 5	— 3	— 2	— 1
Total	**—1,30**	**+43**	**—4,88**	**—1,07**	**—82**	**—1,30**	**—45**	**—18**	**—10**
V. Cupro-Nickel/Aluminium									
Two Paise/Naye Paise ..			+69	+52	+52	+72	+55	+49	+64
VI. Copper/Bronze									
Single Pice	+ 8	+10	— 2	— 1	— 2	— 4	— 1	—	—
Half Pice	—	—	—	—	—	—	—	—	—
Pie	—	—	—	—	—	—	—	—	—
Total	**+ 8**	**+10**	**— 2**	**— 1**	**— 2**	**— 4**	**— 1**	**—**	**—**
VII. Bronze/Nickel-Brass/Aluminium									
One Paisa/Naya Paisa ..			+62	+57	+57	+61	+49	+32	+25
VIII. Aluminium									
Three Paise							+22	+57	+95
IX. Total Small Coins (*a*) ..	**—3,20**	**+1,47**	**+2,88**	**+7,38**	**+6,16**	**+5,90**	**+7,15**	**+8,06**	**+7,00**

(*a*) Including negligible amounts of standard silver small coins returned from circulation.

STATEMENT 92—LOST, DESTROYED AND MUTILATED NOTES, 1966-67

	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	—	—	—	3,200
Half notes	—	—	—	—
Mutilated notes :				
Registered (Denominations above Rs. 100) ..	112	178	2,30,000	2,27,000
Unregistered (Denominations of Re. 1 to Rs. 100)	1,57,236	13,93,147	1,16,18,227	1,06,05,123
Government of India new one rupee notes ..		17,23,112	17,04,832	15,09,666

(*a*) Includes amount paid during 1966-67 in respect of claims admitted in previous years.

STATEMENT 93—NOTE FORGERIES (*a*)

Year	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**
1965-66 ..	288	518	679	901	285	**2,672**(*b*)	**42,279**(*b*)
1966-67 ..	383	652	1,245	717	234	**3,233**(*c*)	**40,482**(*c*)

(*a*) Relates to notes received during the year. (*b*) Includes one forged note of Rs. 50 received at Kanpur.
(*c*) Includes two forged notes of Rs. 1,000 each received at Calcutta.

STATEMENT 94—MINTAGE OF INDIA RUPEES AND SMALL COINS

(In lakhs of rupees)

	Rupee Coins			Small Coins			
	Bombay	Alipore	**Total**	Bombay	Hyderabad	Alipore	**Total**
	1	2	3	4	5	6	7
1950-51	2,80	—	**2,80**	1,08	—	5	**1,12**
1955-56	—	—	—	5	—	2,55	**2,60**
1960-61	—	—	—	2,20	20	3,22	**5,63**
1961-62	—	2	**2**	3,55	43	4,80	**8,77**
1962-63	—	33	**33**	4,38	50	5,37	**10,25**
1963-64	—	—	—	4,24	51	4,79	**9,54**
1964-65	1,00*	1,00*	**2,00***	3,54@	41	4,60@	**8,55@**
1965-66	—	—	—	4,56	74	7,10@	**12,40@**
1966-67	—	—	—	3,04@	69	4,11@	**7,85@**

* Pure Nickel Jawaharlal Nehru Commemorative decimal rupee coins. @ Including Jawaharlal Nehru Commemorative 50 Paise Coins.

STATEMENT 95—MINTAGE OF INDIA SMALL COINS BY DENOMINATIONS, 1966-67

(Figures in thousands)

Denomination	Bombay		Hyderabad		Alipore		**Total**	
	Number	Value (Rs.)	Number	Value (Rs.)	Number	Value (Rs.)	Number	Value (Rs.)
	1	2	3	4	5	6	7	8
Pure Nickel 50 Paise/Naye Paise	8,524*	42,62*	—	—	5,478†	27,39†	**14,002**	**70,01**
Pure Nickel 25 Paise/Naye Paise	24,888	62,22	—	—	30,600	76,50	**55,488**	**1,38,72**
Cupro-Nickel 10 Paise/Naye Paise	78,670	78,67	38,270	38,27	168,975	1,68,98	**285,915**	**2,85,92**
Cupro-Nickel/Aluminium Magnesium Alloy 5 Paise/ Naye Paise	52,420	26,21	—	—	70,815	35,41	**123,235**	**61,62**
Aluminium 3 Paise	144,550	43,36	31,320	9,40	174,455	52,34	**350,325**	**1,05,10**
Cupro-Nickel/Aluminium Magnesium Alloy 2 Paise/ Naye Paise	200,730	40,15	—	—	165,625	33,12	**366,355**	**73,27**
Nickel Brass/Bronze/Aluminium Magnesium Alloy 1 Paisa/Naya Paisa	109,830	10,98	214,180	21,42	176,630	17,66	**500,640**	**50,06**
Total	**619,612**	**304,21**	**283,770**	**69,08**	**792,578**	**411,40**	**1,695,960**	**7,84,70**

* Inclusive of Jawaharlal Nehru Commemorative Coins. † Relates to Jawaharlal Nehru Commemorative coins only.

STATEMENT 96—WITHDRAWAL OF SILVER, CUPRO-NICKEL, COPPER AND ALUMINIUM COINS, 1966-67

(In rupees)

	Amount withdrawn
I. Uncurrent Coin	
Silver Rupees	
Standard Silver Rupee Coins*	8,846.00
Silver Rupee Coins (Queen Victoria, 1845)	24.00
Other uncurrent rupee coin (Shroff marked, soldered, etc.)	176.00
Whole Rupees@	51,710.00
Small Silver Coins	
Silver ½ Rupees	47·00
Silver ¼ Rupees	28·25
Silver ⅛ Rupees	9·50
Nickel and Nickel-Alloy Coins	
Cupro-Nickel -/8/- pieces	11.00
Cupro-Nickel -/4/- pieces	24,487.75
Cupro-Nickel -/2/- pieces (*a*) (*b*)	4,97,680.62
Cupro-Nickel -/1/- pieces (*a*) (*c*)	13,45,953.71
Cupro-Nickel -/½/- pieces (*a*) (*b*)	1,42,389.99
Copper and Bronze Coins	
Single Pice (*c*)	23,465.06
Pie Pieces (*d*)	2.20
Ashoka Washer type Single Pice	5.12
Total of Uncurrent Coin	**20,94,836.20**
II. Current Coin	
Quaternary Silver Coins	
Quaternary Whole Rupees	20,87,265·00
Quaternary Half Rupees	9,18,005.25
Quaternary Quarter Rupees	7,36,237.50
Nickel, Nickel-Alloy and Aluminium Coins	
Nickel Rupees	2,00,583.00
Nickel ½ Rupees	2,17,770.00
Nickel ¼ Rupees	3,12,271.75
Pure Nickel 50 Paise/Naye Paise	1,06,103.50
Pure Nickel 25 Paise/Naya Paise	1,71,917.00
Cupro-Nickel 10 Paise/Naye Paise	96,910.09
Cupro-Nickel 5 Paise/Naye Paise	79,79,508.81
Cupro-Nickel 2 Paise/Naye Paise	4,52,657.31
Nickel-Brass 1 Paisa	4,965.25
Aluminium 3 Paise	660.06
Aluminium 2 Paise	750.00
Copper and Bronze Coins	
1 Paisa/Naya Paisa	5,901.00
Total of Current Coin	**1,32,91,505.52**

(*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.

* Include coins of other denominations.

@ Include silver rupee coins and rupee coins of other metallic compositions.

STATEMENT 97—NUMBER OF COUNTERFEIT COINS CUT AT TREASURIES AND RAILWAY STATIONS

	1950-51	1955-56	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67
	1	2	3	4	5	6	7	8	9
Silver Coins									
Rupee	9,200	5,056	2,060	1,480	558	687	455	358	246
Half Rupee	8,252	4,214	2,403	1,542	671	385	194	192	247
Quarter Rupee ..	13,642	4,871	2,515	992	667	373	482	307	433
One-eighth Rupee ..	4	—	—	—	—	—	—	—	—
Total	**31,098**	**14,141**	**6,978**	**4,014**	**1,896**	**1,445**	**1,131**	**857**	**926**
Nickel, Copper & Aluminium coins									
Rupee	4,429	3,637	2,060	2,981	2,778	1,612	559	414	269
Half Rupee	12,886	5,438	10,626	14,103	12,396	7,301	5,804	3,771	894
Quarter Rupee ..	23,073	8,010	11,071	4,302	4,261	3,503	4,150	1,481	727
Two Anna	1,70,327	1,24,845	1,83,667	47,835	37,098	26,268	19,142	10,257	2,322
One Anna	23,820	8,430	40,787	9,696	9,635	22,274	8,868	868	1,247
Half Anna	1,771	1,158	12,824	1,173	1,098	805	202	55	68
Single Pice	—	—	10	20	675	—	—	—	—
Decimal Rupee ..									1
Fifty Naye Paise/Paise..			15	1,102	1,979	2,629	3,485	7,230	482
Twenty-five Naye Paise/Paise			580	761	1,983	1,765	2,195	2,246	453
Ten Naye Paise/Paise..			160	97	676	241	153	153	78
Five Naye Paise/Paise			14	9	101	6	48	27	14
Three Paise								5	3
Two Naye Paise/Paise			—	2	32	15	1	3	5
One Naya Paisa/Paisa			17	10	146	—	—	1	—
Total	**2,36,306**	**1,51,518**	**2,61,831**	**82,091**	**72,858**	**66,419**	**44,607**	**26,511**	**6,563**

STATEMENT 98—DESCRIPTION OF COINS IN ACTIVE CIRCULATION AT THE END OF MARCH 1967

Denomination	Gross weight	Composition (Proportion of Metals)	Diameter	Edge	Shape
	1	2	3	4	5
Quaternary Alloy Rupee (*a*) ..	180 Grains	Silver 50 per cent and rest base metal	1.2″	Milled and security edged	Round coin
,, ,, Half Rupee (*a*) ..	90 ,,	,,	0.95″	,,	,,
,, ,, Quarter Rupee (*a*) ..	45 ,,	,,	0.75″	,,	,,
Pure Nickel Rupee ..	180 ,,	Nickel 100 per cent	1.1″	,,	,,
,, ,, Half Rupee ..	90 ,,	,,	0.95″	Milled	,,
,, ,, Quarter Rupee ..	45 ,,	,,	0.75″	,,	,,
Cupro-Nickel Four Anna (*a*) ..	105 ,,	75 per cent Copper and 25 per cent Nickel	0.925″ Across flats 1.000″ Across corners	Plain	Scalloped coin
DECIMAL COINS					
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 (*a*)	4.00 ,,	,,	22 ,,	,,	Square coin with rounded corners
,, ,, Two Paise/Naye Paise (*a*)	3.00 ,,	,,	18 ,,	,,	Scalloped coin
Aluminium Three Paise ..	1.25 ,,	Aluminium with 3.5 to 4 per cent Magnesium	19.55 Millimetres Across flats 22.00 Millimetres Across corners	,,	Hexagonal shape with rounded corners
Aluminium Two Paise ..	1.00 ,,	,,	20.00 Millimetres (Outer)		Scalloped coin
Aluminium One Paisa ..	0.75 ,,	,,	17.00 Millimetres Between opposite corners 14.70 Accros flats	,,	Square coin with rounded corners
Bronze One Naya Paisa ..	1.50 ,,	97 per cent Copper, 2½ per cent Zinc and 1/2 per cent Tin	16 Millimetres	,,	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 Millimetres	,,	,,

(*a*) The issue of these coins has been discontinued.

INDEX

A

	Page
Advances of scheduled banks	13-14
Advances against cotton	12, 16, 65
Advances against foodgrains—control on	15, 64
Advances against oilseeds	45
Advances against paddy and rice	64
Advances against seasonal commodities	14
Advances against sugar and gur	14
Advances against vanaspati and vegetable oils	45, 64
Advances against wheat and other Foodgrains	64
Advances rates—State Bank of India	61
Agricultural Credit Corporation	65
Agricultural Credit Stabilisation Fund	71
Agricultural Credit Societies	66
Agricultural Prices Commission	11, 37, 38, 43
Agricultural Refinance Corporation	77
Aid India Consortium—Assistance from	30, 31, 33
All India Rural Credit Review Committee	69
Annuity Deposits Scheme	103, 104, 117
Asian Development Bank	22

B

	Page
Balance of payments	1, 24-33
Balance of payments—Capital Transaction	27
Balance of payments—Current Account	28
Balance of payments—exports	27
Balance of payments—external assistance	30, 112
Balance of payments—foreign investment policy	28
Balance of payments—imports	26
Balance of payments—invisibles	27
Balance of payments—overall trends	24
Balance of payments—regional trends	28
Banking Regulation Act	70
Banking trends	13, 14
Banks borrowings from the Reserve Bank	14
Bank credit to Government	13
Banks' credit to private sector	13
Bank's deposits	14
Banks' investments in Government Securities	14
Banks' liquidity ratio	18
Banking Companies Act	66
Banking Laws (Application to Co-operative Societies), enacted	66-70
Bhoothlingam Committee Interim Report	105
Bill Market Scheme,	17
Blank Transfers of Shares, restrictions	84
Board of Trade—activities of	125
Bonus Issues	85
Borrowings from Reserve Bank by co-operative banks	71
Budgets—State Governments	106, 112
Budgets—Union Government	98-106
Budgetary position—overall	98

C

	Page
Call money rate	15-16
Capital accounts—balance of payments	27
Capital goods industries, production	8, 54
Capital issues	84
Capital issues, foreign participations	84
Capital issues under Exemption Order	85
Capital Issues Control—Relaxation of	20, 85

C—(*Contd.*)

	Page
Capital expenditure, Union Government	99, 100
,, ,, State Governments	109
Castorseed production	44
Cement Allocation and Co-ordinating Organisation	52
Cardamom Board—Setting up of	125
Cement production	51
Cement—prices	52
Central Government loans, floatation of	19
Central Government loans, yields on	19, 81
Central Warehousing Corporation	80
Cereals—production and prices	35
Coal Exports	48
Coal prices upward revision of	48
Coal prices—study Group	84
Coal production	48
Coffee Development Plan	44
Coffee exports	44
Coffee production	43
Coffee Pool	44
Coins—circulation of	132
Coins—counterfeit	133
Coins—withdrawal	133
Company Legislation	95
Companies' Amendment Act	96
Commonwealth Sugar Agreement	131
Consultative Committee for Manganese Ore	50
Comsumers Co-operatives	79
Consumer goods industries production	8
Consumer Price Index (Working Class)	6
Co-operatives—issue of debentures	75
Co-operative Credit, institutional development	69-80
Co-operative Credit, trends in	71
Co-operative marketing	74
Co-operatives, financial assistance from Reserve Bank	71
Co-operative Registrars' Conference	69
Co-operative sugar factories	77
Corporation Tax	101, 102
Cotton, consumption by mills	40
Cotton exports	27, 39, 40
Cotton imports	11, 39
Cotton policy	40
Cotton prices	3, 40, 41
Cotton production	6, 39
Cotton textiles—imposition of control	61
Cotton textile—exports	27, 61
Cotton textiles production	59
Cotton textiles prices	5, 61
Cotton textiles stocks	60
Council for Gem Jewellary—Setting up of	125
Counter part funds	33, 102, 103
Counterfeit coins	133
Credit controls	64-66
Credit Guarantee scheme for Financing Small Industries	74, 93
Credit Policy	17, 18
Commercial Crops Production	1
Central Reserve Depots	10
Cotton—Ban on Movement	41
Co-operative Societies—Banking Regulation Rules, 1961	71
Central Assistance to States	110
Compulsary Closure of Cotton Mills	56
Customs duties	101
Cummulative Time Deposits	116
Coffee Board	44

Page

D

Debentures issued by co-operatives .. 75
Debt position, State Governments 117-119
Debt position, Union Government 112
Decimal Coins 131
Decontrol of cement 52
Defence Deposit Certificates 107
Defence Outlays 99
Deficits Budgetary 1, 98, 107
Deposits—control on acceptance by non-banking companies 67
Deposits of co-operatives, insurance of .. 1
Deposit Insurance Corporation—Working of 67, 68, 70
Deposit liabilities of scheduled banks .. 16, 18
Deposits at Post Office Savings Bank .. 115
Devaluation of the Indian Rupee 5, 14, 17, 19, 22, 24, 26
Development expenditure of States 109
Development expenditure of Union Government 100
Direct taxes—Union Government 105
Dollar area—India's deficit with 28

E

Electrical Engineering industries 55
Equities Market 19
Estate Duty 132
Essential Commodities Ordinance 9
Exchange control developments 123
Exchange Rate—Downward Revision .. 2
Excise duties 23, 101
Expenditure, State Governments 107, 108
Expenditure, Union Government 98, 99
Export Credit and Guarantee Corporation 68
Export Credit Guarantee 68
Exports 26, 27
Export Production Finance Guarantee .. 68
Export Inspection Council of India 51
Export Quality Control and Inspection measures 53
Export of coffee 23, 44
Export of cotton 27, 39
Export of cotton textiles 27, 61
Export of groundnuts 45
Export of iron ore 27, 49
Export of jute 41
Export of jute manufactures 27, 56
Export of manganese ore 27, 50
Export of mica 51
Export of oilseeds 45
Export of sugar 46
Export of tea 27, 43
Export of tobacco 27, 47
Export of vegetable oils 45
Export of woollen textiles 26, 62
External assistance 30-33, 112, 113, 130
External borrowings 112, 113
European Free Trade Association .. 130
External Loans 30
Export Bill Credit Programme 17
Export of Silver (unauthorised) 20
Export Control Order 1962 41
Export Promotion Programme 45
Exports of Coal 48
Exports Engineering Goods 56
Export Incentives 1, 53
Export of Capital Goods 56

Page

F

Fair Price Shops 11, 34
Finance Bill 105, 141
Financing of small-scale industries .. 92, 93
Finished Steel 53
First Medium-Term Economic Programme .. 130
Food Corporation of India 17, 35, 65
Food for peace Act. 31
Foodgrains distribution 34, 37
Foodgrains—Fourth Five-Year Plan Target— 136, 137, 138
Foodgrains imports 1, 10
Foodgrains measures to check price rise .. 1
Foodgrains Policy Committee 35
Foodgrains—output 1, 6
Foodgrains—price trends 34, 35
Foodgrains—procurements 34, 37, 38
Futures trading in oilseeds 45
Foreign Exchange Assets of the Banking System 13
Foreign Exchange Regulation, Act 116
Foreign Exchange Reserves 2, 23, 24-25
Foreign Investment Policy 2, 28
Foreign loans 112, 113
Forward trading in—Jute 43
Forward market Commission 45

G

Gajendragadkar Commission Report .. 120
General Agreement on Trade and Tariff .. 131
Geneva conference on Trade and Development 138
Gift Tax 144
Gilt-edged market 81
Gold Bonds 117
Gold and Silver 20, 21
Gold Bonds, National Defence 1980 .. 117
Gold Control Bill 20
Gold Control Scheme 20
Gold prices 20
Government (Central) Assistance to State .. 99
Government budget 98
Government imports 26
Government indebtedness to the banking System 1
Government loans, floatation 119
Government of India, resources 101
Government securities, investment in by scheduled banks 16, 17
Government securities prices 19
Govenrment net Currency liabilities to public 13
Green Form 125
Groundnut—control on advances against 45
Groundnut—Exports 45
Groundnut—ban on forward trading .. 45
Groundnut production 7, 44
Groundnut prices 5, 45
Guarantee scheme for financing small scale industries 93

H

Hand-loom Weavers Co-operative Societies 73
Heavy Mechanical Engineering Industries 54
High Yielding Varieties Programme .. 11, 72

Page

I

IBRD—assistance from 33
IBRD Loan to Automobile Industry .. 130, 22
IBRD—Transaction with 22, 33
IDA—assistance from 103, 22
IDA—Transaction with 22-23
IMF—loans from 2, 103, 24
IMF—transaction with 22, 24, 25, 26
Imports 26, 22
Import duties 24
Imports of cotton 11, 39
Imports of foodgrains, ... 1, 10, 34
Imports of jute 1, 41
Imports of rice 37
Imports of steel 26
Imports of soyabean oil 11, 45
Imports of wheat 38
Imports of wool 62
Imports on Government account .. 26
Import liberalization 26
Imports on private account 26
Import policy 126
Income-tax 104
Income-tax Annuty Deposits 143
Indian Investment abroad 28, 30
Indian Institute of Foreign Trade 125
Indirect taxes 105
Industrial co-operatives, assistance from Industrial Finance Corporation 77
Industrial Credit and Investment Corporation 90
Industrial Development Bank of India .. 86
Industrial Finance—Institutions providing .. 73-81
Industrial Finance Corporation of India .. 77, 89
Industrial output 7
Industrial production 7
Industrial raw materials—prices of 2, 3
Industrial Securities Market .. .. ..
Industries (Development and Regulation Act.— 12, 61
Industries, protection to 128
Integrated Oilseeds Development Scheme .. 44, 45
Inter bank call money rate 16
Interim Margins 19
Intermediate goods production 8
International Coffee Agreement 44
Intensive Agricultural District Programme .. 73
Interest rates 18
Invisibles 27
International Coffee Council 130
Informal Group on Institutional arrangements for Agricultural Credit 69
Iron and steel (see under steel) .. ..
Iron ore, production, exports etc. 49-50

J

Jowar prices and output 3
Jowar, price support 11
Jute goods—exports 56
Jute goods prices 5, 57
Jute goods production 7, 41
Jute raw—Voluntary cut in Consumption by Mills 5, 42
Jute raw—exports 41
Jute raw—imports 41
Jute raw—prices 3, 5, 41, 42
Jute raw—production 7, 41
Jute raw—quotas for purchases by mills .. 42

Page

J—(*Contd.*)

Jute raw—regulation of forward trading in 43
Jute 41-43
Jute (Licensing and control order 1961) .. 43
Jute Textiles 56, 57

L

Land revenues (See appendix No. 3) ..
Linseed oil—prices of 5, 45
Liquidity position of Banks 15
Liquor and Tobacco and Fuel Power, etc.—prices of 5
Loans—State Governments 19
Loans—Union Government 19

M

Managing Agency Enquiry Committee .. 96
Managing Agency System 19
Manganese ore, production, exports 50
Manufactures, prices etc. 5
Market borrowings, Central Government 114
Market borrowings, State Governments .. 119
Marketing (Co-operative) 24
Mathur Committee on import, export control recommendations 127
Metallurgical industries 54, 55, 56
Mica, production, exports, prices 51, 50
Minting of small coins 132
Minerals and Metal Trading Corporation .. 49, 126, 50
Money market 15
Money Rates 64
Money Supply 12
Money Supply—casual factors 13, 14
Monopoly Procurement of Paddy 10
Motor vehicle Tax (See appendix 3) .. ..
Manganese ore—consultation committee .. 50
Monopolics and Trade practices commission 19

N

National Agricultural Credit (Long-term Operations) Fund 76
National Agricultural Credit (Stabilisation) Fund 75
National Co-operative Development Corporation 78
National Defence Certificates 115-116
National Defence Fund 117
National Defence Gold Bonds 1960 .. 117
National Defence Remittance Scheme 17, 24, 27, 28
National Food Budget 36
National Income trends in 63
National Industrial Development Corporation 92
National Minerals Development Corporation 49
National Plan Bonds 114
National Resources Committee of the Planning commission 50

Page

N—(*Contd*)

National Small Industries Corporation .. 2, 94, 95
National Saving Centre Advisory Board .. 117
National Small Savings Certificate 116
Net Liquidity ratios 18
New Issue Markets, trends in 84
Non-Banking Companies—control on acceptance of deposits by 67
Non-Banking Companies Department, Working of 67
Non-tax revenue 102
National seeds Corporation—New-Delhi .. 65
Note Circulation 131
Note Forgeries 132
Notes, lost, destroyed and mutilated .. 132
Notes—New issues 132

O

O.E.C.D.—deficit with 27-28
Oilseeds 44-46
Oilseeds—advances against 45
Oilseeds—control on forward trading .. 45
Oilseeds—exports 45
Oilseeds—package programme for production 44
Oilseeds—price, trends 45
Oilseeds—production 7, 44
Open General Licence 41
Open market operations 19, 81
Other cereals 38, 39
Outlays—State Governments 108-109
Outlays—Union Government 99
Output 6-9
Output and price situation 2-9, 34-63

P

Package Programme for Cotton 39
Paddy and rice fixation of support price .. 11
Paper and paper board—production and prices 62
P. L. 480 11, 19, 22, 27, 28, 30, 31, 33, 38, 45, 98, 102
P. L. 665 Funds 19, 31
Pig Iron and Ferro alloys 52-53
Pig Iron—Production, exports etc. 52
Pilot Scheme 35
Post Office Savings Bank deposits 115
Pressure on Prices, factors contributing to .. 9-10
Price Control 9, 10, 11
Prices—Consumer 6, 9
,, General 2-6
,, Wholesale 2-6
Price Policy 9-12
Price Increase for Cement 52
,, ,, ,, Coal 48
,, ,, ,, Sugarcane 47
,, ,, ,, Wheat 38
Prices, Agricultural Commodities 3-5
,, Bajra 3
,, Cement 52
,, Cereals 35
,, Chemicals 5
,, Coal 48
,, Coir yarn 5
,, Cotton (raw) 3, 40, 41

Page

P—(*Contd.*)

Prices, Cotton textiles 5, 61
,, Equities 82
,, Edible oil 4
,, Food articles 2, 3
,, Groundnuts 5
,, Intermediate Products 5
,, Industrial raw materials 2, 3
,, Jowar 3
,, Jute (raw) 3, 5, 42
,, Jute goods 5, 57
,, Linseed Oil 5, 45
,, Liquor, Tobacco, Fuel and Power 5
,, Manganese ore 50
,, Manufactures 5
,, Mica 51
,, Oilseeds 3, 45
,, Paper and paper board 63
,, Pulses 35, 39
,, Rice 3, 36
,, Rubber manufactures .. 57-58
,, Steel 53
,, Sugar 47
,, Tobacco 5, 47
,, Wheat 3, 37
,, Woollen textiles 5, 62
Price support for jowar 11, 38
,, ,, ,, wheat 11, 38
Procurement—Monopoly 34
Procurement and purchase of foodgrains by Government 10,34, 37,38
Production—Agricultural commodities .. 6, 7, 34
,, Automobiles 54
,, Capital goods 8, 54
,, Castorseeds 44
,, Cement 51
,, Cereals 6
,, Chemicals 58
,, Coal 48
,, Coffee 43
,, Commercial Crops 1
,, Consumer goods 8
,, Cotton (raw) 6, 7, 39
,, Cotton textiles 59
,, Fertilisers 59
,, Finished Steel 53
,, Food articles 1, 2, 7, 34
,, Groundnut 7, 44
,, Industrial 7
,, Iron Ore 49
,, Jute (raw) 7, 41
,, Jute textiles 56
,, Manganese ore 50
,, Metallurgical industries .. 53
,, Mica 50, 51
,, Oilseeds 7, 44
,, Paper and paper board .. 62
,, Pig-iron and ferro allys .. 52
,, Pulses 6, 7, 35, 39
,, Rice 6, 7, 36
,, Rubber manufactures 57
,, Steel 53
,, Sugar 7, 46, 58
,, Sugarcane 7
,, Tea 43
,, Tobacco 47
,, Wheat 6, 7, 37
,, Wollen Textiles 67

P—(*Contd.*)	Page
Public debt Union Government	112
,, ,, State Governments	110-111
Pulses, output and prices	7, 35 39
,, ,, Control on movement	39

R

Railway Convention Committee 1965, Constitution of	120
Railway Finances	119-122
Railway Funds	121
Railway Plan	122
Rationing Statutory	2, 35
Rediscounting of bills, scheme for	88
Reserve Bank of India Act, amendment to	60, 71
Reserve Bank of India—Bank Rate	18
Reserve Bank of India borrowings by scheduled banks	14,16, 17,18
Reserve Bank Credit to Government	13
Reserve Bank of India financial accommodation to co-operatives	71
Reserve Bank of India financing of Small Scale Industries	93
Reserve Bank holdings of Treasury bills	14, 114
Reserve Bank—loans to State Financial Corporation	91
Reserve Bank of India open market operation	19, 81
Reserve Bank—Overdrafts by States	21-22
Resources, State Government	109-112
Resources, Union Government	101
Retirement of Indian Currency from Gulf States	132
Revolving Foreign Exchange Credit for Exporters	68
Rice	36-37
Rice —control on advances against	64
,, Imports	37
,, Output	37
,, Prices	3, 36
,, Procurement	10, 37
,, Zone	37
Rubber manufactures production and prices	
Exports	57, 58
Rural debentures	13
Rural Immovable Property Tax	
Rupee Coin—circulation of	131
Rupee debt	113
Rupee Export Bills, Re-finance at the Bank Rate	17

S

Sales Tax (See appendix 3)	
Savings Mobilisation Board	108
Scarce Industrial Materials Control Order 1965—repealing of	9
Scheduled Commercial Banks borrowing from the Reserve Bank of India	16, 17, 18
,, ,, deposits	14, 16, 18
,, ,, interest rates	18
,, ,, Investment in Government Securities	16, 17

S—(*Contd.*)	Page
Security Deposits Accounts	115
Security Market	19-20
Selective credit controls	64-66
Share market, regulatory measures	84
Share prices	19, 82
Shares—yield on	83
Silver prices	20, 21
Silver production	58
Small Coins—Circulation of	113
Small Coins—issue of New Five Paise Coins	132
Small Industries Corporations	93
Small Savings	115
Small Scale Industries financing of	93-95
Small Scale Industries, Credit Guarantee Scheme for	93
Special Development Fund	103
Standing Advisory Committee on Rural and Co-operative Credit	69
State Bank of India, assistance to co-operative sector	78
Study Group on Coal Prices	84
State Ministers' Conference	69
State Government Overdrafts	
State Bank of India, assistance to small scale industries	94
State Co-operative Banks	72
State Financial Corporations—working of	89, 90
States Assistance from the Centre	99
State Governments, budgets	106-112
State Governments, budgets	98, 104, 137, 139
State Governments—debt position	117, 119
State Governments expenditure	107-108
State Governments Loans	19, 119
State Governments—Overdraft	98, 106
State Governments, resources	109, 112
State Governments, tax peoposals	107
State Governments, holding of Treasury bills	115
State Industrial Development Corporations	91, 92
State Trading Corporation	11, 21, 125
State Warehousing Corporations	80
Stele distribution, control	53
Steel Imports	51
,, Price	53
Steel—price-control	53
,, Production	53
,, establishment of plants	53
Sterling Area—balance of payments position with	28
Sugar	46, 47
,, control on distribution	46, 47
,, exports of	46
,, production	46
,, ,, in the Co-operative Sector	77
,, ,, measures to raise	46
,, ,, prices	47
Sugarcane production	7
Sugarcane price increase allowed	12
Supplementary Central Budget	98
Surplus	98

T

Takavi Loans Channelling through Co-operatives	69
Tariff Commission	128
Tariff policy	124-128
Tax Credit Scheme for exports of Jute	57

Page

T—(*Contd.*)

Tax Credit Certificate 124
Tax revenue—State Governments 107
Taxation Corporation 104
„ Direct 105
„ Indirect 105
„ personal 95, 96, 97, 130-132
Taxation proposals—state governments .. 107
Taxation proposals—Union Government .. 117
Tea 43
Tea exports 27, 43
Tea Garden Finance 93
Tea Plantation Finance Scheme 43
Tea production 43
Tobacco exports 27, 47
Tobacco, liquor, price, trends 47
Tobacco production 47
Tokyo Declaration 130
Trade agreements 129, 131
„ policy 124
Treasury bills 17, 114
Treasury bills, rate of discount 61

U

U.N. Conference on Trade and Development 129
Unit Trust of India 92
Union Government Budget 1966-67 .. 19, 98-106
Interim 20, 21
Union Government, public debt 112-117
U.S. aid 31
U.S.S.R., Trade agreement with 11, 129

Page

V

Vegetable Oils—controls on advances against 45

W

Wheat 37
Wheat—control on advance against .. 64
„ imports 138
„ prices 3, 37
„ price support for 38
„ production 7, 37, 61
„ Purchase under P.L. 480 Agreement 38
„ Zonal System 37
Wholesale prices 1
Woollen Textiles, ... 61, 62
Working Group on Intensive Agricultural District Programme 73

Y

Yields on Central Government loans .. 19
„ Government Securities 19, 81
„ Industrial Securities 83, 84
„ Preference Shares 24

Z

Zonal System for distribution of wheat .. 37
Zone for rice 37

Printed by Rev. Theodore A. Pereira at The Examiner Press, 35, Dalal Street, Bombay, and Published by Shri P. V. Ranganathan, Director of Publications and Press Relations, for the Reserve Bank of India, Bombay.