

9 JAN 1937

THE COMMERCIAL REVIEW

PUBLISHED MONTHLY BY

THE ALLEPPEY CHAMBER OF COMMERCE

Vol. II. Nos. 23 & 24]

[Nov., - Dec., 1936.

NOTE.—Opinions expressed in The Commercial Review are not necessarily those of The Alleppey Chamber of Commerce, unless so stated.

Contributors of articles are requested to send their matter in typescript.

INDUSTRIES AND PROTECTION

WE publish elsewhere in this issue certain extracts from the Presidential Address of Sir H. P. Mody at the Annual Session of the Indian Employers' Federation recently held in Calcutta, which deserve the careful consideration of all interested in the industrial advancement of India. The future prosperity of India is bound up in no small measure with further industrialisation of the country. Every one is agreed on this question. But it is only in the process there is difference of opinion. How far indigenous industries should be protected, what all industries should be allowed the benefit of the Government's protective policy and to what length of time protection should be extended to Indian industries are the questions that have to be tackled. Protection now granted to Indian industries are based on the principles laid down by the Fiscal Commission.

As it is, smaller and minor industries do not stand to gain anything by this protective policy. From the Viceroy's speech at the Federation of Indian

Chambers of Commerce, it is evident that the Government of India are not over-anxious to extend protection to smaller industries.

As regards major industries also the principles laid down by the Fiscal Commission have to be revised and rendered more liberal in their application if India is to move along with the times.

Doubtless, there is some truth in the statement that protection without proper discrimination might bring about bad effects. But that cannot be an argument always to waive protection to deserving industries whether smaller or bigger.

The opinion among industrial circles is for enlarging the scope of protection. The Government's view point however appears to be different. Whatever it might be it is well that the Government of India and the industrialists of the land study the question of protection in detail with all its implications and evolve a scheme for suitably revising the present protective policy so as to satisfy the needs of the country.

Notes & Comments

BANKING IN THE WEST

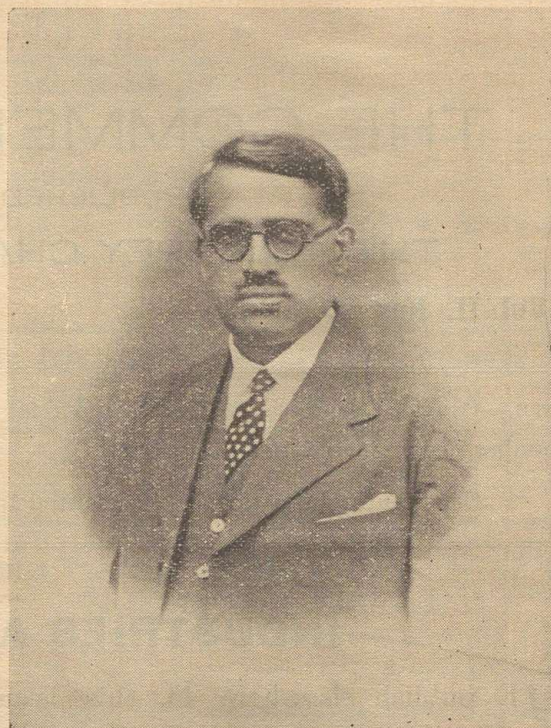
Mr. K. M. Eapen M.A., B.L., Secretary of the Travancore National Bank Ltd., Alleppey, returned to Alleppey recently after an extensive European tour. He left for England in September last with a view to study conditions of Banking in the western countries.

He visited several major Banking institutions in England and also met prominent industrialists and businessmen.

From what he has seen and studied in the west, he is of opinion that thoroughness, grasp of details and a knowledge relating to every department of activity pertaining to commerce and industry are the outstanding features of Banking in the west, which contribute to the greatness and success of Banks there.

As regards the industrial progress of India he believes that a judicious and honest combination of British and Indian interests will considerably improve the industrial and commercial conditions in India. He is also of opinion that more capital is needed in India and the British should be induced to come to the aid. It is also understood that he had interviewed representatives of great financial trusts in England who had promised to come to India and open some new concerns.

There is no doubt that India has to learn many good lessons from the west especially in the field of commerce and industry. The experience gained by Mr. Eapen in England will, it can confidently be hoped, enable him to do more useful service to the country.



Mr. K. M. Eapen, M.A., B.L.,

Secretary of the Travancore National Bank Ltd., Alleppey, who recently returned after an extensive continental tour.

INTERNATIONAL CHAMBER OF COMMERCE.

Commerce Programme

THE following recommendations of the Council of the International Chamber of Commerce which are considered necessary for the establishment of better international relations in trade and commerce are extracted below for the information of our readers :-

1. The conclusion of multilateral agreements, open to "all comers," stimulating international trade.

2. Pending the development of a situation favourable to such negotiations, the conclusion of bilateral treaties consciously used as an instrument for the demobilisation of trade barriers.

3. The deliberate inclusion in all such treaties of the most-favoured-nation clause as means to realise that purpose.

4. The general use of the most-favoured-nation clause in its unconditional form with a possible exception in the case of countries which even after the restoration of more orderly currency conditions would continue to practise discriminatory quotas or foreign exchange regulations (see also No. 10).

5. The establishment of an international centre which shall compile indices for measuring the comparative incidence of protection in the various countries, in order to encourage the reduction of excessive barriers to trade.

6. The abolition, preferably by multilateral agreement, of import quotas, as soon as the way to a definite recovery of world trade has been paved by appropriate monetary and other measures.

7. An acceleration of this process by the substitution of "tariff" quotas for "import" quotas during a transitory period.

8. An orientation of commercial policy towards a limitation of the use of import quotas to purposes of temporary expediency, thus facilitating the establishment of a time-limit for their removal.

9. The application to the quota system of a "fair play code," as laid down by the International Chamber of Commerce.

10. The conclusion of regional and restricted collective pacts as long as the purpose and results thereof are the increase of trade and the appeasement of nations.

11. The progressive establishment of the correct relation of national currencies which no longer represent a fair parity, taking into account the position of balance of payments, relative costs and prices, and the domestic debt struc-

ture. Such an adjustment should be encouraged by an assurance, on lines established by the international accord of September 26th, 1936, given by countries in a financially strong position to countries contemplating devaluation.

12. A joint declaration on monetary policy by the leading world powers covering the following points:

(a) The avoidance of currency depreciation as an instrument of international trade competition;

(b) the preservation and extension of the stability of rates if once adjusted to the necessities of the situation of each particular country;

(c) the elimination of seasonal variations in the value of currencies; &

(d) recognition of the desirability from transition to a more permanent regime without undue delay.

13. The progressive abolition of exchange and clearing regimes in the measure that it has been possible to solve the problems of international indebtedness, to resume international lending, and to restrain uncontrolled flights of capital (e.g. by standstill agreements).

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SIR. H. P. MODY ON GOVERNMENT'S PROTECTIVE POLICY

Sir Homy P. Mody presiding over the fourth Annual Meeting of the Indian Employers' Federation said that the present protective policy of the Government of India did not at all help the minor industries of the country while the protection afforded to large-scale organised industries was not adequate.

"As regards the major industries" he continued "the question arises whether the principles laid down by the Fiscal Commission do not require to be revised and rendered more liberal in their application when the whole world is moving

towards a policy of intense economic self-sufficiency and there are no portents on the horizon indicating a return to pre-War conceptions of international trade, or normalcy, to use a horrid new coinage."

Referring to the recent speech of H. E. The Viceroy with regard to the question of protection which runs as follows, "Whether under a communist regime in Russia, a totalitarian dictatorship in Germany, Italy or Poland or a political democracy in France, the United States, through the British Commonwealth and in Scandinavia, Governments are everywhere, to a greater or less degree, taking over responsibilities for directing the economic activities of the individuals that compose the national State", Sir H. P. Mody asked whether the Government of India, confronted as they were with a new world situation, and with the lessons of other countries before them were applying their minds to the question of the policy they should pursue towards Indian industrial development. He also pointed out how in Great Britain important industries such as steel, coal, textiles, electric power, transport, animal husbandry and agriculture had had to reorganise themselves under the guidance and influence, more or less of Government, and in some cases legislation had been foreshadowed, if private efforts failed to achieve the objective. In the United States, the most radical experiments were being tried out, and an insistent demand was being put forward in Japan for a more direct control of industry.

It is hoped that the Government of India and the leaders will study the question in all its implications and strive in union to bring about a healthy change in the Government's policy so as to ensure the speedy industrialisation of India.

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LABOUR LEGISLATION

Regarding Labour Legislation Sir H. P. Mody said: "The Trades Disputes Amendment Bill is before the country for its opinion..... In view of later developments, the Federation felt that both the Trade Disputes and the Trade Union Acts ought to be suitably amended if industrial peace was to be assured. Government have undertaken, however, only a part of the reform which is called for, and the Bill now before us aims principally at the prevention and control of industrial disputes and the establishment of conciliation machinery. In a measure like this, different considerations must apply to different provinces in matters of detail but there are certain general features with regard to which there should be unanimity of opinion."

In conclusion, Sir H. P. Mody said: "I have always deprecated excessive intervention on the part of the State in the domain of labour legislation; too often burdens are imposed which the industries concerned are unable to bear in the present stage of their development. I am equally strongly, however, an advocate of every measure, voluntarily undertaken, calculated to ease the burden of life and improve the lot of the poor and the oppressed, and I hope that employers in this country will pay increasing attention to the amelioration of the conditions of work of the labour engaged in their establishments."

The Government of Travancore have also introduced new legislations similar to the Factory Acts of British India. Travancore which is forging ahead in the industrial march must needs provide suitable legislation both for safeguarding the interests of employers and for ameliorating the conditions of labour in the State if real prosperity is to be

assured. It has to be remembered that, however, more depends on the mutual co-operation and goodwill between the employer and the employed than on the mere passing of a labour legislation.

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SYSTEM OF FREIGHTS AND RATES

Indian Railways

The Indian Merchants Chamber, Bombay, in a memorandum submitted to the Railway Enquiry Committee strongly criticises the Railway policy, particularly with regard to the system of freights and rates, in the following terms.

"It was an extremely unscientific system formulated without due regard to the development of trade, commerce, industry and agriculture of the country. The criticism is several times made,—and not without justification—that the Railways in India have been constructed and are being administered more from a military point of view than from the point of view of trade and industries. Not only that, but the general policy of freights and rates was also more or less dictated by considerations which appear more or less crudely to have obsessed the Railway Authorities, viz., what they were principally concerned with was the export trade in raw materials and the import trade of manufactured articles. This is an inheritance from the *laissez faire* policy which prevailed in this country for a long time, and also shows the influence of the British interests which held predominant voice in the affairs of the Indian Railways at the time. The utter neglect of the internal trade and of agriculture has largely brought about the nemesis of the Railway income not keeping up with the Railway expenditure, as also of the Road competition which found a fertile ground for its development

because of the neglect shown by the Railways towards this branch of their natural and legitimate activity."

It has been pointed out time and again in these columns that the Railway policy in India is, when compared with the administration of Railways in foreign countries, highly defective. No greater handicap to India's internal trade can be imagined than an unsympathetic railway policy. Can it be hoped that the Railway Enquiry Committee will realise the true significance of the representations made by practical businessmen?

Steamer Freights

Just like the internal trade, the external trade of India is subjected to a defective system of freights and rates adopted by the Conference Lines of Steamers. To add to it there is the deferred rebate system which deprives the shipper from taking advantage of any cheaper freight rate offered by any other competitive line of steamers.

The observation of the Ceylon Industries Commission, in this connection, deserves special mention. "The subject of transport facilities both internal and external is one deserving the closest attention, as it is of paramount importance in the development of industries. As regards shipping, owing to the policy of the Homeward Conference Lines giving deferred rebates of 10%, the freight charges are kept generally higher than those from other countries. In South Africa and the United States, the principle of deferred rebates has been declared illegal."

Unless and until the development of the country's trade and industries is given preference to other considerations and both the internal and external transport facilities are properly regulated

there seems to be no very great prospect for a healthier change in the existing conditions. It has to be borne in mind that a broader outlook and a closer identification with the view points of the Indian merchants could alone bring about a satisfactory solution to the problem of transport, both internal and external.

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INDIAN IMMIGRATION INTO CEYLON

Some salient extracts from the evidences given by the Ceylon Indian Association before the Jackson Committee are reproduced below which will demonstrate in very clear terms the shallowness of the complaint of Ceylon against Indian immigration into that island.

“Ceylon is part of India and Sinhalese and Tamils are therefore Indians.....In two instances in the past, the India Government had recognised the connection of Ceylon with India; in 1847, when they specifically excluded Ceylon from the Act of 1839 prohibiting Indians of foreign countries, and in 1920 during the rice crisis when a deputation from Ceylon urged before the Viceroy that Ceylon should be treated neither as a foreign country nor even on a par with other British possessions, such as the Strait Settlements, South Africa, Fiji, etc. On this plea alone, Ceylon received special concessions in respect of rice supplies.”

“Whatever restriction on immigration was imposed it would strike a blow at the tea and rubber industries which had brought so much prosperity to the island and lead to a great disorganisation of trade.”

“Owing to complete absence of any reliable statistics showing the extent and

cause of unemployment, the superficial observers and political agitators have rushed to the conclusion that it is the influx of Indian workers which has created unemployment in Ceylon..... India is a convenient reservoir on which Ceylon can draw at will for its labour.The cure to unemployment is trade recovery and trade recovery will be retarded rather than hastened by the restriction of immigration which, in fact, is nothing less than the curtailment of freedom of movement of potential producers and consumers whom Ceylon needs.”

“...What British capital and industry have achieved in Ceylon is through the instrumentality of Indian labour. If the vast tracts of the dry zone—those form three-fifths of the Island—which are still undeveloped are ever to be developed and cultivated, it must largely be by Indian labour. What the Indian has done to other lands, he will do with equal if not greater success and zeal, because this island has so many and closer ties with India. It is absurd to speak of restriction of immigration, when so much land lies undeveloped and it is unwise to attempt to place restrictions on trade by which alone capital would be brought for development of these lands. Sinhalese politicians know this and for this reason they entertain the notion of a compromise by which they could pick and choose what Indians they would admit and what they would exclude. If there is one policy whereon India is agreed, it is to root out the idea that India is a nation of ‘coolies’. On no account will India consent to send to Ceylon estate labourers and latrine coolies and keep back traders and other workers. Not long ago, India stopped immigration to Malaya. Today Malaya is taking steps to welcome the

Indians and to make them settle permanently in Malaya on the land. Ceylon would be well advised to do so in her own interests. If Indians are invited to settle in Ceylon as colonists, Sinhalese villagers would learn much from them, emulating their industry, initiative and grit and become better fitted to develop the island. In this way, as in former times, India and Ceylon would combine to work for the welfare of both lands and to greater happiness, contentment and standing of both peoples."

The Harbour Engineers, and the port authorities and other responsible persons and bodies in their evidences before the Jackson Committee strongly deprecate the idea of restricting Indian Immigration into Ceylon especially on commercial and economic grounds. The necessity of Indian workmen for the proper conduct of the industries of Ceylon cannot be over-estimated. From the trend of evidences before the Committee one can surely hope that Ceylon will soon realise its mistake in trying to restrict Indian immigration into the Island.

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COMMERCE AS A PROFESSION

There is a general feeling among the educated middle class that a commercial career is not a suitable profession for the university man. How such a feeling is fallacious and how commerce as a career constitutes one of the noblest professions for the graduate were clearly elucidated by Sir Purushothamdas Thakurdas in his recent Convocation Address at Lucknow. The following extracts from his address give a true picture of the dignity and usefulness of a career in commerce. These remarks deserve the careful consideration of not only the university student but also of all those engaged in

business, and interested in the commercial, industrial and economic development of the country.

"I have no doubt that commerce in India is sadly in need of men equipped with the training and the culture which normally go with degrees of B.A., B.Sc., etc.....One of the questions which have perplexed both the Government and the leaders of the non-official world during the last few years had been what was called 'Unemployment of the Middle Classes.' One can realise that in the last five years owing to continued world-wide depression in trade, this problem has been further accentuated. A commercial career was not really a prosaic calling. The market prices, in their broader sense, are great instruments of social control and co-ordination.....You need not, therefore, look upon a commercial career as a mundane matter merely of rupees, annas and pies, of hard-headed money-lenders and stone-wall banks.....Specialisation in the marketing of goods and services is what commerce requires, and that such work alone could effectively bring the educated man in touch with rural life and establish an ennobling contact between the two. Under the present conditions of life in India, the contact with the rural part which doctors or lawyers may establish is at best of a professional type; similar also were the relations established by a social worker in the rural areas. But the contact of the man of commerce is more vital because it touches directly the pocket and daily work of the rural population. And in view of this, the educated man doing such commercial work has unlimited opportunities for raising the level of our rural population economically, and influencing it socially. At a time when the problem of rural uplift is in the forefront and is receiving the attention of

both the government and the public, it is pertinent to realise that adoption of the commercial career by university men is one of the most direct and effective ways of establishing normal contact with the Indian village with a view to bring about such uplift."

".....Integrity, industry, perseverance and enterprise are the four fundamental qualities necessary for the commercial career. Other qualities are also required, for example, tact, resourcefulness, personality, capacity to think for oneself, courage to shoulder responsibility at the right time, clear thinking, a will to face facts and quick decision."

"With these qualifications, coupled with the comparatively broader outlook and the decidedly better capacity of the graduate to express himself clearly will stand every graduate with the correct outlook in good stead to make his mark in the sphere of work handled by him in the world of business." Referring to the scope in the commercial sphere for the employment of the several thousands of graduates turned out every year by the various Universities Sir P. Thakurdas says; "If there is scope for a graduate in any sphere, it is in the commercial and industrial sphere. The import and the export trade of the country is of the order of one hundred crores of rupees a year and the internal trade of the country is at a modest estimate from ten to fifteen times that figure in a year."

".....In this connection, it may be, interesting to note that since the fillip given to the Sugar Industry in 1932, that industry has absorbed a large number of graduates and undergraduates in the technical work involved—about 2,000 scientific men—to say nothing of the 10,000 young men engaged in the technical work on administrative side. If one

industry can do so much for the educated youths of India, it does not require many words from any one to say how much can be obtained in this direction."

".....Taking our own history, we find that the British came to India primarily to trade, and gradually, while trading, they found themselves masters of the country. And wherever the British made efforts to expand their trade, they succeeded in establishing either colonies or dependancies. Besides, it is now recognised beyond question that the one thing that binds together the British Empire today and can effectively maintain the Empire is commerce."

An American film producer was selecting a chief for his scenario staff. The producer insisted that the successful applicant must be a college graduate. He looked with favour upon one applicant, and asked if he had had a college education. The answer was in the affirmative.

"Show me your diplomas," demanded the producer.

The applicant tried to explain that it was not customary for college graduates to carry diplomas around with them.

"Well, then," demanded the producer with a slight sneer, "say me a big word."

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THE ANNUAL GENERAL MEETING OF THE CHAMBER

Proceedings of the Fourth Annual General Meeting of the Alleppey Chamber of Commerce, Alleppey, held on Friday the 18th December, 1936 at 3.30 P.M.

Mr. S. Krishna Iyer B.A., B.L., President of the Chamber presided.

The Hony. Secretary Mr. M. L. Janardana Pillay, M.L.A., read the notice convening the meeting after welcoming the members in a short speech.

The President then delivered the following presidential address :-

GENTLEMEN,

At our last Annual Meeting (on the 19th September, 1935) I observed, that trade within the Empire had turned the corner, and that the upward swing had begun. The latest report of the League of Nations shows, that wholesale prices have improved in 27 out of the 35 countries, of which it has statistical information. The gold value of world trade has for the first time since 1929, shown an increase, even though only near 2%. The general devaluation of currencies in western countries and the Anglo-French American currency stabilisation, has placed European and American trade on a better footing. In India, railway earnings have definitely improved. New industrial and plantation floatations are finding easy response, both in and outside Travancore, a sure sign of optimism and returning confidence in business. Member Banks' deposits in the Reserve Bank of India, show larger withdrawals. The country has got reconciled to the comparatively lower prices and has readjusted itself to altered conditions. In Travancore too, the position has definitely

improved. From 1105 M.E. imports have been declining. The year 1110 M.E. however marks an increase of over a crore and a half of rupees. Amongst commercial crops, tea, though on account of international restriction, still holds first place. Rubber has picked up. Cardamoms (due probably to shortage of crop) have touched a new record (Rs. 55 a thulam of 21 lbs). Ginger continues its improvement. Coconuts though with fluctuations have advanced to over Rs. 40 per thousand. Pepper which had come down to the record low price of Rs. 85 per candy, shows signs of slow awakening. Rice is steady. Cashewnuts show larger exports and better prices. The coir mats and matting industry shows improved figures. There has been considerable revival in building construction with better demand for bricks and tiles.

On the whole, I am happy to be able to report that the dark days of depression are over and that we are well on the upswing towards better economic conditions. But war clouds are gathering in the sky and expansion programmes have to slow down.

EXTERNAL TRADE

Coming to the subject of external trade, complete figures are not yet available for the year 1111 M.E. The year 1110 M.E. (1934-35) marks an improvement in external trade by Rs. 2,21,04,350, the total value coming to Rs. 16,29,17,762.

Exports. Coconuts and coconut-oil, coir yarn and mats register a small increase while copra and mattings show an

appreciable decline. As already observed, pepper and ginger register steep declines, pepper from 51,523 cwts. to 28,719 cwts. and ginger from 94,748 cwts. to 42,387 cwts. The fall in ginger is immaterial, as ginger is an annual and after the rise in prices last year, has improved considerably. Cardamoms have been almost still during the past three years. Cashew-nuts show a marked advance from 66,797 to 92,036 cwts. Arecanuts show slight improvement.

Imports. Import returns, however, show surprising figures. From 1105 M.E. to 1109 M.E. imports declined by Rs. 3,06,94,792 while 1110 M.E. shows an improvement from 1109 M.E. by Rs. 1,62,35,223. Rice and paddy show an increase of over a crore and twenty lakhs of rupees, and compared with 1108 almost a cent per cent. increase. This marked difference might be attributed to failure of crops, increased consumption consequent on restarting of work in Rubber Estates, dumping of cheap rice and increasing of purchasing power. It has to be noted that there was no such failure of crops as to account for such a phenomenal increase. The import of piece-goods and textiles has come down from Rs. 1,68,52,470 in 1105 M.E. to Rs. 82,84,021 in 1109 M.E. and Rs. 67,79,401 in 1110 M.E. One is unable to account for such a fall, specially when there has been no appreciable increase in home production. Tobacco shows an increase of over 11 lakhs, an index of higher purchasing power. The increase in the visible balance of trade by Rs. 46,15,204 has to be attributed to a certain extent to the official tariff value being higher than the actuals.

PRODUCE

Tea. In spite of restriction demand has not overtaken production. We have lost

ground in Germany. Germany insists on the Indian exporter of tea buying three times its value of German goods. France gets its supply from French Indo-China which has not joined the restriction scheme. Russian imports have declined. In spite of the Tea Cess Committee (now the International Tea Market Expansion Board) spending £50,000 annually, for a number of years, on tea propaganda in America, the intake does not show improvement. Consumption in India has, however, progressed, much more than in other countries. The Indian Cess Act has been amended so as to enable an increase of the rate of cess, as also of the number of Indians on the Committee. Indian planting interests in South India (mainly Travancorean) have been ignored. A representation has been made to the Government on this subject.

Rubber. World stocks have gone down and prices have advanced. Though separate quotas have been allotted to Burma and India, Burma is now allowed to export to India without a certificate of origin. It has thus a double advantage, and to that extent S. India, i.e., Travancore, is a loser. Till separation of Burma from India (1937) nothing can be done. This Chamber has made a representation on the subject. The opening of the Dunlop Factory at Calcutta, to be soon followed up by Good-Year, assures a sure market for all S. Indian Rubber. It is worthy of note that Kottayam is now the centre of the rubber trade in India.

Cashewnuts. Cashewnuts have become an important article of commerce (92,036 cwts. worth Rs. 41,73,812 in 1110 M.E.) and Travancore nuts are better appreciated and command the best price in America. As the supply was limited, Indian merchants on the

S. W. Coast began to import from East Africa to such an extent that prices have fallen to profitless proportions. A representation has recently been made to the Government of India for a protective import duty on African nuts.

Pepper. Of all the commercial crops of Travancore pepper has been the hardest hit. Pepper was known as 'the money of Malabar.' If we except the boom days, of Rs. 600 a candy, during and following the War, for decades, prices have been round about Rs. 200 per candy. It has recently reached the record low price of Rs. 85. The quantity exported too has gone down by about 40% in 1110. Possibly, stocks have been held up in expectation of better prices. Climatic conditions too, have been unfavourable both last year and this. If pepper growing ceases to be remunerative and less care and attention paid towards upkeep, large acreages may go out of production. Pepper, though sometimes regarded as a perennial, is short-lived, and after deterioration does not respond to cultivation like coconuts and other crops. Malabar including Travancore had almost a monopoly of pepper. Under recent estimates Travancore produces about 12,000 tons, Malabar including Cochin about 6,000 tons and Lampong (Dutch East Indies and Malaya) over 30,000 tons a year. The World's production is estimated at between fifty to sixty thousand tons a year. Owing to adverse conditions, this season's crop is estimated at about half of the normal. Till recently America was our best market. America has practically ceased to import our pepper. London doesn't seem to have cleared all the stock accumulated during the attempted corner of 1934. The outlook is gloomy. Lampong white pepper too does not appear to be in a much

better position. Recently Bombay imported some white Lampong from Singapore at nominal prices. The export duty levied by the Government at Rs. 10 a candy when prices were high, is a burden that the industry is now unable to bear. It behoves the pepper industry to organise itself as other producing industries have been doing. I trust Government would be ready to help the industry by suspending or reducing the export duty and utilising a portion as a cess for expanding the market.

Coconuts. Prices have improved, owing mainly to shortage of crop consequent on adverse seasons and neglect of cultivation following low prices. I have discussed the politico-economic position at length last year and pleaded for a fixed import duty of about Rs. 100 a ton of copra. In course, I observed, that there must be a closer liaison between the Travancore Government and the Commerce Department of the Government of India. So long as our import tariff is to be based on that of the Government of India, we are entitled to claim a voice in its councils. In Federation lies an easy solution of the problem. There is no fixity or steadiness in British Indian tariffs. Often they are but pawns in the game of the Empire. It is heartening to note that the Commerce Member who once regarded the coconut tariff as a settled fact has been good enough to take up the matter for further consideration. Mr. Metha, the Chief Executive Officer and Vice President of the Imperial Council of Agricultural Research, recently visited Travancore to study the problem on the spot. But no change need be hoped for, so long as Travancore continues to levy an export duty, at the same time asking British India for an enhanced import

duty. The suggestion of bottling coconut milk and finding a market in N. India is almost humorous and cuts at the root of the trouble, as no ripe nuts or copra or oil will be left when the tender nuts are cropped for their milk. Instead of leaving the matter to non-official agency, the Government might take up the matter direct and if possible initiate a joint official representation with Madras and Cochin. It may be worth-while to recall that the import duty on Ceylon copra was lowered in the interest of Bombay and Karachi oil crushing and cotton mills.

All other efforts failing, it may be legitimate to consider a wide educative propaganda to induce the people of Kerala to forego the luxury of Jaffna tobacco and Bombay Mill cloth.

The Ottawa Agreement has been terminated and Ceylon has approached British India for a bilateral agreement. In considering concessions to Ceylon, it may be usefully borne in mind that Ceylon has been carrying on anti-Indian and anti-Malayali propaganda, that Indian settlers are being discriminated against, circulars issued even against the appointment of Indians as teachers, that prohibitive duties have been imposed against Indian (Travancorean) live-stock, eggs, ghee, butter, and vegetables, that Ceylon is dependent on India for its development and prosperity, that the Jaffna province of Ceylon is dependent on Travancore as the chief market for its tobacco, and that in case of discrimination Ceylon stands to lose by retaliation.

In this connection let me venture to reiterate the need for a separate Department of Commerce and an informed Board of Trade for Travancore. Commerce is too important a subject to be relegated to the Excise Commissioner. His hands

are more than full with his legitimate duties, and the Department cannot be expected to keep in touch with the realities of Commerce.

AGRICULTURAL DEBT RELIEF BILL

The A.D.R. Bill has been passed by Assembly and Council; nevertheless as it has not yet received Royal assent, I venture to re-state the position and issue a last appeal, hoping against hope, that the calamity to the State might yet be averted. On the need for agricultural relief there cannot be two opinions. The recent depression has hit agriculture and especially primary produce very hard. It is a world phenomenon. It looms large in India, and to us, in Travancore, as agriculture is our main occupation. America has been tackling the problem in its characteristically large and varied way. In India attempts at agricultural relief have been in way for a number of years. It started with the Deccan Agriculturists' Relief Act of 1879. In the Punjab a Land Alienation Act was passed in 1900, providing against alienation of agricultural lands, to non-agricultural classes like the village money-lenders. Results have not justified relief by mere legislation. The Deccan Act was found unworkable and has been a dead letter. The Punjab Act resulted in higher interest and the creation of a new class of agriculturist-money-lenders. The other provincial enactments are too recent for comment from results. The recent C.P. Acts, however, are stated to have resulted in the replacement of loans on the security of land, by out-right sales.

Travancore stands on an entirely different footing from the rest of India. Here there has been no non-agriculturist money-lending class. There have been laws against excessive interest, compound

interest and accumulation of interest for over a hundred years. The Travancore agriculturist is comparatively well-informed and better educated and never at the mercy of the money-lender.

Agricultural indebtedness is not a post-War phenomenon. It has been a normal evil for generations. It is impossible of eradication by mere legislation. It is an economic malady to be treated by economic methods. The debts of one individual or class, are the assets of another. Relief of debt by reduction or writing off of loans, means the reduction or destruction of so much of assets. In Travancore, debtors and creditors are both agriculturists. If the State is to hold the balance even between all its subjects i.e., if the State is to be fair, just and impartial, it cannot think of benefiting its debtor subjects at the expense of its creditor subjects. The proposals of the A.D.R. Bill are based on relieving the debtor at the expense of the creditor. It has served to create an atmosphere of hostility between debtor and creditor, easily leading to a dead-lock.

The Bill as passed, teems with objectionable features. These have been discussed on different occasions. What we are more nearly concerned with, are, the wide sweep of the terms 'agriculturist' and 'debt' so as to include anybody and any debt, and the obstacles placed against realisation of debts. An autocratic One-Man-Conciliation-Board, not bound by any law or time limit, such as the Bill contemplates, can paralyse the works of the ordinary courts of the land. Decrees may be reviewed, settled accounts reopened, time for payment extended to 12 years. *Secured debts are placed on the same footing as unsecured debts.* Provision has been made for enquiry into the staying power of creditors. Despite overwhelm-

ing debts, a fourth of the property of the debtor may be left free to him.

Objections have been taken and protests made by all Chambers of Commerce and Trade Associations as well as the Hon'ble High Court. Our Ex-Dewan, Sir M. Habiullah, in one of his early speeches said: "Nothing that may be done should unsettle that sound proposition that an essential of agriculture is credit. Whatever the country and whatever the tenure, the fact always remains that the agriculturist must borrow. And no relief measure could be said to have been wisely conceived which in any way affects this power of the agriculturists to borrow." Look at that picture and then on this—a sad commentary on the good intentions of statesmen. And, the donouement,—the extinction of all internal credit, agricultural and non-agricultural in the State.

From the date of the Royal Moratorium Proclamation, rendered more acute by a High Court circular putting elogs on the execution of agricultural and non-agricultural decree debts alike, the credit of the agriculturist, and by conduction, general credit has suffered. Neighbourly loans on bonds and on landed security through which the agriculturist was getting credit for his operations, have ceased to be. Chitties, another source of credit, have almost ceased to function. Hypothecation bonds to secure new loans, have shrunk to near non-existence. Money is being hoarded, either at home or in Government Savings Banks, or invested in Government bonds both here and outside. Government Savings Banks have drawn huge deposits. How the Government earns enough or anything to pay the interest is a mystery. Money that should be in circulation and serve useful activities within the State, gets frozen, or stagnant or drifts outside. I am referring

only to internal credit, that is credit between individuals, firms, or private corporations and not to the credit of the State. I am emphasising the distinction as I came across an unconscious mix-up of the two ideas, even in the columns of such an authority as the Indian Finance. *The only legitimate way of relieving agricultural indebtedness is by helping the agriculturist to pay off his debts.* If paid in cash or by Government bonds, or on Government-secured land mortgage bonds, agricultural debts can be reduced to less than 75% of the present figure.

OTHER TOPICS OF INTEREST

Cochin Harbour. The Cochin Harbour has entered on the fourth or final stage of its development. The foundation stone of the fourth stage works was laid on the 5th November and naturally its completion might be expected in the course of a year and a half.

Neendakara Harbour. The proposal of the Travancore Government to open an experimental harbour at Neendakara is a matter of very great moment. In the days of the early Portuguese and Dutch settlements, there were thriving ports round our back-waters. It may not be visionary to imagine the possibility of future trade development justifying modern steamers calling at these ports.

Sri Chithira Bleaching Mills. Another matter of great importance to Travancore industry, is the Sri Chithira Bleaching Mills inaugurated by the Sassoons at Alwaye, the foundation stone of which was laid recently by the Dewan. In the industrial world, Sassoon is a name to conjure by. One noteworthy point, made by the Dewan in the course of his speech, was that these rayon works are not to be conducted on modern factory lines, but on cottage industry lines, a departure

which, if successful, would open a new chapter in industrial economy.

Sri Chithira Exhibition. Reference has to be made to the Sri Chithira Exhibition, and the Economic Conference, at Trivandrum, the former surpassing all prior attempts in Travancore and even the Dassara Exhibition in Mysore.

Factory and Trade Union Bills. Mr. M.L. Janardana Pillay, Secretary of the Alleppey Chamber of Commerce had been co-opted as a member of the Sri Mulam Assembly for Bills connected with Trade Unions and Factories. This Chamber has to record its high appreciation of the work done by Mr. Janardana Pillay as also by Mr. K. C. Karunakaran of the Travancore Chamber of Commerce.

Companies. There has been a marked increase in the number of companies registered during the year. Two of them are plantation companies with a capital of six lakhs of rupees. The ready response made by the investing public is a matter of gratification. Bombay has issued a warning to investors against speculating on an expectation of a rise in prices soon after allotment. With the history of some earlier plantation companies before us, let me hope that the confidence of the public will be justified by the future work of the companies.

Banks. In this connection, I would refer to the idea of the Dewan to open a Central Bank or a Bank of Banks to co-ordinate the activities of banks in the State. For furthering commercial and industrial activity there is no better incentive than cheap money. The ordinary rate of interest obtaining in Travancore hovers round 9 and 12%. The ruling rates in Bombay are 2%; the Reserve Bank rate and our Savings Bank rate are 3%. Why should not Travancore business be enabled to get money at 3 or 3½%? I

may, also point out here, how England enlisted the co-operation of the existing banks, to organise agricultural credit, making the member banks responsible for long-term credit to agriculture.

Rubber Factory. Regarding the Rubber Factory at Trivandrum it was observed in the course of an article contributed to the Birthday Number of the Commercial Review that "under altered conditions it may yet fulfil expectations." It is heartening to note in a recent speech of the Dewan that, as the experimental stage of the Factory is over, Government is arranging to hand it over to private enterprise. The latest report shows that the arrangement has been completed and the factory handed over to a private party.

Trade Agent. At our Annual Meeting last year it was suggested that it would be very helpful that if the Travancore Trade Agent at Bombay, publish periodical reports of his work and progress. He has been developing a market for Coco-nuts in the Western Presidency, for which we are beholden to him. All the more need for publication to enable the Travancore trader to follow up the lead.

Mats & Matting Industry. I observed, last year, that the mats and matting industry of Alleppey was in a sad plight due to unhealthy competition. I am informed that the position is no better. Most of you are interested in the mats and matting industry. Let me appeal to you to organise your industry on the basis of mutual co-operation. Why not pool your resources and have a Joint Marketing Board like the cement industry? Why not one central institution, combine or trust, each factory taking shares proportionate to its out-put? You can invite the European concerns also to join the scheme.

Temple Entry. The Temple Entry Proclamation, which has engendered stormy out-bursts of acclamation from all quarters, is of interest to business as well, in that, it has stilled social unrest and possible up-heavals, arouses the self-respect of labour, and instils a new sense of responsibility.

New Dewan. The public utterances of the new Dewan, and his experience and knowledge of economic conditions in and out-side India, have aroused great expectations. In almost every pronouncement, there is some reference to the industrial and economic advancement of Travancore. His central idea seems to be, to demonstrate to the world the heights to which an Indian State can rise under an enlightened ruler and a dynamic go-ahead administration. On behalf of this Chamber I have great pleasure in tendering him our hearty support and co-operation.

Chamber Magazine. The Commercial Review is completing its second year. It has passed through a difficult period. Messrs. N. Aiyadorai Pillay and C. Gopala Menon have been good enough to take over the financial responsibility and relieve the Chamber. Under the new management the Review has been improving. I feel it my duty to record our thanks to these gentlemen for their timely help.

Acknowledgements. My acknowledgements are due in no small measure to our Vice-President, Mr. C. Krishna Menon, who has made it easy for me to absent myself from my post, our Secretary, Mr. M. L. Janardana Pillay—the live wire of this Chamber—to Mr. A. V. Thomas, the Joint Secretary who has managed to spare us his time among multifarious activities and to the staff, who have made a successful year possible.

I may also mention the cordial relations that have always subsisted between the Travancore Chamber of Commerce and ourselves though in certain matters the view-points of the Indian and the European are bound to be different.

The Secretary then read the Annual Report appended below :-

FOURTH ANNUAL REPORT OF THE ALLEPPEY CHAMBER OF COMMERCE

Members

The number of members at the beginning of the year was 22 and at the close of the year the number remained same. One member resigned during the year and in that place there was one new admission.

Meetings

The number of committee meetings held during the year under report was 7 while the number of monthly and general meetings held was 9. The attendance at meetings was generally fair.

Important subjects dealt with

Outstanding matters of importance which came up for the consideration of the Chamber during the year under report were ;

1. Labour Legislation, &
2. Shipping difficulties at the Alleppey Port and the problem of remeasurement of cargo at destination and adjustment of freight.

The Government of Travancore introduced a new measure of legislation in the Legislature on the lines of the British Indian Factory Legislation. The question was carefully considered by this Chamber and a representation was made to Government explaining the actual conditions of labour at Alleppey and in Travancore generally and expressing the readiness of this Chamber to co-operate with the Government in bringing into force a suitable

legislation. A Sub-Committee was appointed by the Travancore Chamber of Commerce in this connection to which members of this Chamber were also co-opted and a joint statement of both the Chambers was submitted to the Dewan.

It was also represented to Government to elect a member of this Chamber to represent the interests of the employers in the Legislature during the discussions in connection with the Labour Bills introduced by Government. The Government were pleased to nominate the Secretary of this Chamber to represent the interests of employers in the Legislature. The Joint Sub-Committee also authorised me to place before the Assembly the decisions arrived at by the said Sub-Committee. The Trade Union Bill has been passed and I am glad to say that all the suggestions of the Sub-Committee were accepted. Mr. K. C. Karunakaran, Secretary of the Travancore Chamber of Commerce also strongly supported my views.

The next question of great importance which came up for the consideration of the Chamber was the inclusion by the Steamship Companies of a new clause in the Bills of Lading authorising remeasurement at destination of cargo especially coir mats and matting shipped from the Alleppey port and adjustment of freights at the other end. This was considered to be a serious menace to the shipping trade of Alleppey and the Chamber took up the question in earnest and immediately cabled to the Steamship owners representing the harmful effects of such a procedure and also issued an elaborate statement dealing with the question in detail and showing how the proposed method was likely to bring disastrous results to the mats and matting industry of this country. Copies of the statement were sent to the Government, Legislative

Assembly members, Steamship Companies and their agents and to all traders and shippers and also to the Government of India and the members of the Indian Legislative Assembly. As a result of all these, the Steamship Companies have decided to introduce a system of weighment of cargo from 1st February, 1937. In the opinion of many shippers this system also has got its defects and one note-worthy feature is the exclusion of coir yarn from the operation of the new system of weighment. This is likely to create an invidious distinction and discrimination and it is feared that it will indirectly affect the coir mats and matting industry also. It remains to be seen how this system is going to work. Suitable action should be taken by this Chamber in due course.

The improvement of the port of Alleppey, the extension of the pier, etc., also engaged the attention of the Chamber. The original suggestions were once again reiterated and Government were requested to expedite the necessary improvements of the port. The pier was extended and the bigger scheme of providing the port with a boat-basin, dredger, etc., has been taken up by Government. The dredger has already come and other works will, it is hoped, be soon taken up.

There was a complaint that boats laden with mats and matting cargo were detained long at the Arukutty and Veluthully Chowkeys. The matter was taken up with the Excise Commissioner who was pleased to issue necessary instructions to the Chowkeys to expedite the checking of mats and matting cargo boats as they are not dutiable goods.

OFFICE AND LIBRARY

A rotary duplicator was purchased at a cost of Rs. 185-8-0 to facilitate the work of statistical preparations. A valuable

addition to the Chamber library was made by the purchase of a set of the 20th Century Business Practice at a cost of Rs. 115.

ACCOUNTS

A statement of the Income and Expenditure of the Chamber during the year under report together with the Balance Sheet is appended. The income of the Chamber has not been enough to carry on the multifarious activities including the monthly publication of the journal. I must thankfully admit that the members have been very liberally contributing substantial amounts. However, the position has not improved much and the Chamber owed the State Aided Bank Rs. 916-0-4 at the close of the year.

CHAMBER PUBLICATION

On May 16, 1936 a resolution was passed as follows: "Resolved that the proposals of Messrs. N. Aiyadorai Pillay and C. Gopala Menon be accepted and that the publication of the Review be proceeded with."; and accordingly Messrs. Aiyadorai Pillai and Gopala Menon are conducting the journal taking up all the financial responsibilities, giving the Chamber at the same time all the privileges of owning the magazine. Although I am still carrying on the duties of the Editor, I must avail myself of this opportunity to record the thanks of the Chamber for the splendid efforts the above gentlemen are taking to produce such an excellent publication, especially the Special Birthday Number. I must also express my great indebtedness to Mr. S. Krishna Iyer, our Chairman for the constant and never-failing advice and financial help for the Review. I am also greatly indebted to Mr. C. Krishna Menon M. A., our Vice-Chairman, for the constant help rendered

to me and all the members for the un-failing courtesy and sincere co-operation of all of them.

There are certain resolutions before you today which deserve your very kind consideration and I trust they will meet with your approval. With those alterations in the rules, I sincerely hope that the coming year will be productive of still more beneficial results.

The accounts and the report were unanimously adopted by the meeting.

The following gentlemen were then unanimously elected as office bearers and committee members for the next year.

Messrs.

S. Krishna Iyer B. A., B. L., (Chairman.)

C. Krishna Menon M. A.,
(Vice-Chairman.)

M. L. Janardana Pillay (Secretary.)

A. V. Thomas (Joint Secretary.)

Committee Members

Messrs. T. R. Subramania Iyer.

N. Sankara Mannar B. A.

R. A. Krishna Iyer.

Khatwo Khimji.

"It was resolved that the quorum for committee meetings be fixed at 3 instead of 5 so as to facilitate the work of the committee."

"The quorum for monthly and general meetings was also reduced to 5 from 7."

"Resolved to enlist a class of 'Associate Members' on a monthly fee of Re. 1/- only and without any admission fee. Associate members will have all privileges of ordinary members with the exception of the power of voting at meetings."

The president exhorted the members present to exert their influence to enrol as many associate members as possible. The members present expressed their readiness and promised to do their best.

"Mr. K. I. Eapen was appointed as auditor for the next year."

"Resolved unanimously to present an address of welcome to the Dewan, Sir C. P. Ramaswamy Aiyar during his impending visit to Alleppey."

The meeting terminated at 6 P. M.

THE TRIVANDRUM PERMANENT FUND, LTD.

(ESTABLISHED 1899.)

Head Office: **TRIVANDRUM.**

Branches: CHALAI (Trivandrum), NAGERCOIL, THUCKALAY AND SHENCOTTAH.

Authorised Capital—Rs. 13,80,000

Subscribed Capital—Rs. 8,91,939

SHARES { 10,000 A Class of Rupees 84 each
12,000 B Class of Rupees 45 each

payable by monthly instalments of Re. 1/- each. Share Capital subscribed by Share-holders repaid after 84 or 45 months respectively with interest calculated at 6 1/4 per cent., per annum.

ALL KINDS OF BANKING BUSINESS UNDERTAKEN.

T. MUTTEIYA PILLAI,

Secretary.

For particulars apply to :-

His Highness's Birthday Celebrations in Bombay : Trade Agent's Speech

This is the second time that I am having the privilege of being able to celebrate in Bombay the Birthday of His Highness the Maharaja of Travancore.I have the pleasure of reading to this distinguished gathering a message given to me by Sachivothama Sir C. P. Ramaswami Aiyar, the Dewan of Travancore. He writes to me:-

"I am very glad that you have arranged for this Dinner in connection with the Birthday celebrations of His Highness the Maharaja of Travancore and that the Dinner is taking place under the Presidency of Hon. Sir Robert Bell."

"His Highness, as you know, likes Bombay greatly and the centre of activities of the Trade Agency, which His Highness's Government has established, is appropriately in the commercial capital of India."

"The celebrations of His Highness's Birthday are of special significance and moment this year for the reason that by an unparalleled act of courage and universal humanitarian sympathy, he has ameliorated the conditions and restored the self-respect of the submerged millions of India."

"I wish the function all success."

I am grateful to Sir Ramaswami Aiyar for his kind message.

Travancore has been so much in the public eye all over India during the last two months, that I feel it is hardly necessary for me to give any detailed review of the progress made by Travancore since we met last year.

Things have moved with dramatic rapidity and considering the events of the past few days, one cannot but say that the

age of miracle has not passed, that even today 36 years after the 20th Century has started, a miracle, has happened and in being responsible for this miracle, as an instrument of God, His Highness has by one stroke of his pen, which has called forth all the inner strength, courage, sense of justice and love that God in His Mercy grants to His beloved children, has established himself as one of the greatest Rulers of India and can bear comparison with Asoka on one hand and Ramanuja on the other. His Highness has taken the initiative in removing an age long custom, which meant inequality of treatment between man and man and consequent injustice to millions of our unfortunately placed Hindu population.

The enthusiastic reception given to this action of the Maharaja cannot but gladden his heart. Mr. Rajagopalacharier feels "delirious joy," Mr. Vallabhai Patel believes this to be the beginning of an epoch making social revolution. I had the privilege of knowing to some extent what was passing behind the scene for the last eight months and more in regard to finding a correct solution of this problem and I can assert without any fear of contradiction that the action taken by His Highness is not that of a man in a hurry. All points of view were considered, all shades of opinion were consulted and after weighing deeply the pros and cons of the subject, not in a spirit of defiance to orthodox opinion, but taking it along with him, His Highness has been able to make his influence felt, not merely in Travancore, but all over India. What he has done is not in the spirit of a challenge to the rest of India, but only as a

lead given, which all India would do well to follow and which I may say it can easily follow, because of the initiative taken by His Highness.

But the solution of this problem is not the only important matter that I have to speak about today.

We in Travancore have taken another step forward in regard to the industrial development. Last year, Bombay came to be connected with Travancore through its Air Service with the House of Tatas. This year, the Birthday celebrations of His Highness began with the laying of the Foundation Stone at the hands of the Dewan of Travancore of the Sri Chitra Mill—named after His Highness—in Alwaye (North Travancore), whose agents are Messrs. E. D. Sassoon & Co., Ltd.

Early this year, Sir Victor Sassoon and our friend Mr. Stones flew to Travancore and had about 4 hours talk with Their Highnesses The Maharaja and the Maharani of Travancore. Sir C. P. Ramaswami Aiyar in his speech at the Foundation Stone Ceremony said how His Highness and his illustrious mother talked to Sir Victor and Mr. Stones and persuaded them to extend their industrial activities to Travancore. It is not realised except by a very very few that the industrial activity now started by Sir Victor Sassoon will lead to what I may call a revolutionary change in the industries of India just as His Highness's Temple Entry Proclamation means a revolutionary change in the social and religious problems of India.

The activities of the Sassoons will be in regard to the bleaching, dyeing and weaving works and also the rayon (artificial silk) weaving industry. The rayon weaving plant will be a novelty for India and will follow the lines so capably developed in Japan, where there

are more than 11,000 domestic factories dotted all over the country. Sassoons will instal plants for both power and handlooms and they propose to develop a series of such plants spread all over the State, so that the creation of an industrial city with slums and the evil effects of slums and of big factories will be avoided and the worker will be employed in his own village. Neither Sir Victor nor the Dewan is a believer in mass factory production. It is unsuitable for India, whose aptitude and traditions are for cottage industries. These small domestic industries would also mean the avoidance of conflict between capital and labour.

If this artificial silk industry develops on the lines suggested by the Sassoons and with the full co-operation of the State, I make bold to say that a time may soon come when the needs of India for artificial silk would be completely satisfied by Travancore and it will not be necessary to import a single yard of artificial silk from foreign country, either from the East or the West.

The story of the achievements of the year cannot be complete without mentioning that in a very short time Travancore will be able to place on a big commercial scale in the Indian market the best quality of China Clay, for which Mr. Stones has already given a good certificate.

Equally important has been the establishment of the Government Rubber Factory for the manufacture of rubber articles. Today we can have in Travancore any article manufactured from rubber—from motor car tubes, cycle tyres and tubes, hose, matting, electric table lamps, surgical tube, gloves etc. etc.

To this list of industrial activity there are possibilities of adding almost immediately, one more. I am referring to the manufacture of paper.

It is rather surprising that whilst Travancore is making such headway, that it should have been referred in a recent interview as "Far off Ancient Travancore." Far off? No, it is certainly not far off. When you can have your morning breakfast in Trivandrum and your early afternoon tea in Bombay on the same day, certainly you cannot call that place far off. It takes 24 hours to go from Bombay to Delhi, 36 hours from Bombay to Calcutta, 20 (by air) and 27 (by train) hours from Bombay to Madras, but one can get from Bombay to Trivandrum in less than 8 hours.

Then "Ancient," yes, certainly, but with all the glories of ancient India incorporated into a modern State. To call it ancient does not mean that it is filthy or governed in a happy-go-lucky fashion. Travancore boasts of two Chambers of Legislature with wide powers. It has over 120 daily newspapers and periodicals.

Having had the privilege of knowing His Highness the Maharaja personally for the last 4½ years, I would like to say a few words about him. Young in body verily, but not in soul, he has no axe of his own to grind. He has the advantage of having no personal ambition, but he works like a man of ambition, not for his own gain, but for the welfare and well-being of his subjects. Out of the total revenue of the State of about 2 crores and a half, his Privy Purse is only under 11 lakhs and out of this sum too, he distributes big amounts in helping to relieve agricultural distress.

He has had the good fortune of having a happy domestic life. Surrounded, helped, guided by his illustrious mother, he has gone forth into the world with one purpose in mind and that is to help, raise the status, position and conditions of his subjects.

He does not believe in having the reputation of a "Fine Shot." He does not believe in killing. He does not believe in having photographs taken with one foot on a dead tiger. He believes on the con-

trary in the preservation of game and not in its senseless destruction.

Sir C. P. Ramaswami Aiyar has referred in his message which I have just read, to the Maharaja's liking for Bombay. I am speaking from personal knowledge, when I say that of all the places in India, His Highness likes Bombay the best. Four years ago His Highness spent more than a fortnight here. He went round with me from eight in the morning till mid-day regularly for a week and visited schools, hospitals, Children's Homes, asked searching questions and he told me that he wanted to study these problems thoroughly, so that he could do work on a similar scale in Travancore. The immediate result of his visit to Miss Davis Umarkhadi Children's Home was the establishment of a Children's Home in Trivandrum financed mainly from His Highness's Privy Purse.

When for reasons of health, our old and respected friend Sir Mohamad Habibullah, whom I am glad to welcome here today, resigned his high office as Dewan of Travancore, it was no easy task for His Highness to find a successor. But with the far-sightedness and long vision with which His Highness at his early age gifted, he found the right man at once.

The appointment of Sir C. P. Ramaswami Aiyar, whom it has been my great fortune and privilege to know and work with since the glorious days of the Home Rule Movement, was another act of statesmanship and wisdom on the part of His Highness, which has been rightly welcomed by the press of all sections and shades of opinion. The "Times of India" and the "Bombay Chronicle" in Bombay, the "Statesman" and the "Hindustan Times" in Calcutta and Delhi, the "Hindu" and the "Madras Mail" in Madras, the "Malayala Rajyam" and the

"Manorama" and other leading newspapers in Travancore have acclaimed with one voice the appointment of Sir C. P. as Dewan.

An administrator of such great experience, it is difficult to find. A man with quick grasp, of quick decision, of great driving force, Montagu called him "very, very, very, clever." That was 19 years ago. To this "very, very, very, clever" of Montagu should be added very, very, very, perfect and very, very, very, brilliant. To say all this is hardly enough in describing Sir Ramaswami Aiyar. It is an education to know him and to know him is to respect him. Very few have that capacity and gift of giving that friendship, true and great and unselfish friendship, noble, dignified and balanced friendship, which Sir Ramaswami has. His sense of consideration for others who work with and under him is unique and those who know him closely, as I know, can have nothing, but the highest respect and trust and affection for him. He inspires confidence in his colleagues not only for himself, but in themselves and he does not believe in having blind and mechanical obedience. He has brought new life to Travancore. Travancore is all alert and active since the new regime began. I was in Travancore for the last three weeks and saw some of the work that he was doing, working on an average 18 hours a day. During the one month that he has been in office he has appointed a Committee of Departmental Heads of Government to consider the taking over of the transport services—road bus and backwater steamers—for passengers and cargo traffic. He has plans for utilising the huge Pallivasal Electric Power, which will shortly be available in the State, for running electric trollies and when he has formulated an

idea in his mind, that idea will bear fruit and will be given practical shape within a short time. He has also appointed a Store Purchase Committee, the result of which will be great economy in purchases for the requirements of the State. In his reply to a deputation of Bankers and merchants of Travancore the new Dewan said: "It is Government's desire to co-operate with all existing organisations to create a big financial apex organisation. On another occasion and more comprehensively I shall have to deal with that scheme." This is an indication of another big scheme which formulating in the ever-active, alert and enthusiastic, matter-of-fact mind of the Dewan and before long it will see the light of day.

What has happened during this first month of office of the New Dewan is but an earnest of what he will achieve during the coming months. The close co-operation between the singleness of purpose and the firm determination of the Maharaja and the Dewan will bring about a new heaven-on-earth for Travancore and Travancore will always be ready under the wise guardianship to pull its full weight and contribute its share for the well-being of our motherland.

Sir Ramaswami Aiyar's wise and statesmanlike advice made it possible for His Highness to issue the proclamation in regard to the Temple Entry. To say this is in no way to detract from the credit due to His Highness and to His Highness's Mother, Her Highness Maharani Setu Parvatibai, who has always been a source of inspiration to the young Maharaja.

Ladies and Gentlemen, I thank you very much again for having responded to my invitation to be present here to celebrate the auspicious occasion of His Highness's 25th Birthday and I am sure

you would like me to send a full report of today's proceedings to His Highness and to convey to him the greetings and best

wishes of this gathering of leading men and women, official, non-official, Indian and European of Bombay.

Insurance Made Interesting

By T. R. Krishna Iyer, B.A., B.L.,

Secretary, Asian Assurance Co., of Bombay, Ernakulum.

NOT infrequently has it been remarked that India's comparative poverty is responsible for the tardy progress which insurance makes in this country. The remark, though not without foundation, hardly represents the entire truth, for, the real reason is to be found in the unfortunate fact that India has comparatively little insurance conscience. By insurance conscience I mean that mentality which sets a premium on those habits of thrift and economy that are born out of a desire to provide for those who are dependent on us. The average Indian, be he Hindu or Moslem, Parsi or Christian, allows himself to be controlled by what is usually known as fatalism and even in matters of considerable moment he willingly submits himself to all that happens as inevitable. This submission to government by fate naturally leads to inaction.

And what is Insurance? The Dry-as-Dust Dictionary would call it "a system designed to provide a capital as compensation against loss by accident or premature death in return for comparatively small payments known as premiums." A few minutes' thought would, however, convince us that in our daily life we invoke the aid of insurance almost incessantly. We use an umbrella or rain-coat, for we know that the sun and the rain are certainties from whose ravages

we have to protect ourselves. We eat and drink, because we are afraid of the evils which starvation may bring about. In other words, every one of our actions, strictly speaking, is marked by a desire to safeguard ourselves effectively against various forms of sure risks.

In exactly the same way, life insurance aims at annihilating the destructive effects of old age and death. Old age is sure to incapacitate every human being unless he meets with an untimely end, and death is an absolute certainty, though the time of its visitation is unknown.

Being therefore a formidable weapon against the onslaughts of these monsters, an Insurance policy should be among the most valued possessions of every man who takes a woman to wife. Marital relations create a sacred debt, the discharge of which must be the prime consideration of every one of us. All other obligations are but secondary and are incurred purely with the object of wiping off the first. Says the late President Wilson "The man who does not provide for his dependents and who has no care for the days not dawned, has no adequate conception of human life. We are in this world to provide not for ourselves but for others."

But what of those who are rich and to whom Insurance is not of any avail? The answer is to be found in the simple fact that the rich man's contribution, at any rate a large portion of it, is sure to save

many a helpless woman whose husband dies prematurely, or to educate a poor boy or girl whose father meets with an untimely end. Even the most materialists among us will unhesitatingly admit that the man who rolls in wealth without any thought of his afflicted neighbour is little better than the beasts that perish. Life Insurance, as was observed by Mr. K.B. Madhava of the Mysore University, is an unconscious charity and a social service to the less fortunate and short-lived families.

As a form of investment, Insurance is becoming increasingly popular. It is a common place criticism that investment in a Life Office is bound to be a loss in case the assured lives to see the maturity of his policy, and that the premiums, if invested in a Bank, will fetch considerable profit in the same length of time. In theory, this specious reasoning is almost flawless, but as a practical proposition it is unsound. So long as human nature is what it is, and so long as there is easy access to your deposits, there will ever be a tendency to draw on them. In other words, money when placed in a Bank will soon vanish. This is a world of fleeting pleasures where there are many temptations luring you to a path of extravagance. Bind yourself to a system of saving which has a punitive sanction of forfeiture, and your way to financial success is assured. And the only institution calculated to achieve this end is Insurance. Coupled with this, there is provision against risk in life, and hence Insurance is familiarly known as 'Banking with common sense.'

And what shall be our attitude towards the person who makes you the proud possessor of a Life policy? It should be nothing short of unmingled respect.

Insurance Agency, is not a mere occupation but is among the noblest of professions. The doctor may be unable to save the bread winner of the family, and all others can only console, but the Insurance Agent has the supreme satisfaction of having brought about a contract whose proceeds keep alive the earning capacity of the deceased. President Coolidge points out that in these days of push and rustle "no better medium of protecting one's own family can be thought of than Insurance."

The origin of this interesting institution should have synchronised with man's first realisation of the necessity to provide for his wife and children; but in early days people seem to have been more concerned with their properties. The system of Life Insurance had its origin in Marine Insurance. In times gone by, when merchants sent their cargo by ships to distant lands, the vessels were often subject to capture by Moorish and Turkish pirates. In such cases, the merchants had to pay ransom to secure their release. It therefore became customary in those days to pay an agreed premium to certain individuals known as underwriters, who guaranteed payment of ransom in the event of capture. Thus arose Marine Insurance. This practice, in course of time, led to the insuring of the lives, first of mariners and then of other persons, wherein the underwriters agreed to pay a fixed sum if the person should die in one year. The document embodying the contract was known as policy, and the rate of premium was 5% of the sum assured.

The earliest known under-writer is one Richard Chandler who started business in 1574. But, unfortunately, no record of his activities is available, as all documents connected with his business were

destroyed in the Great Fire of 1666. The earliest recorded life policy stands in the name of one Mr. Gybbons. The sum assured was £383-6-8 which was to be paid to his creditors in case death occurred within 12 months from the date of the policy which was started on 18th June, 1583. Gybbons died on 29th May, 1584 and the underwriter Mr. Chandler refused to pay the claim amount. The matter was ultimately taken to a court of law where Gybbons' creditors got a decree in their favour.

Life Insurance was for a long time mainly intended for the protection of policy holder's creditors, and until the year 1622 no mention is made of insurance as a provision for wife and children. For nearly a century and a half after various associations were started many of which proved abortive. The first Life Office to transact business on a scientific scale was the Equitable of England which was started in 1760. In another century there were in England more than 100 Life Offices whose aggregate premium income was about ten million pounds.

In India, strangely enough, the idea of making provision for the wife and children seems to have existed even during the Vedic period and more definitely about 295 B.C., i.e., from the inception of the Mauryan period. In KAUTILYA'S ARTHA SASTRA, Chapter II, para 152, it is stated that the bridegroom or his party was to make an endowment to the bride before marriage, besides jewellery. This endowment, which is known as VRITTI, is intended to stand the wife and children in good stead in case of the husband's death or desertion. This custom was enforced by law and thus a compulsory provision was

made for the widow and the orphan from the very inception of the family.

Later, during the early stages of the Moghul rule, societies or Sangoms were started with the sanction of the State to guarantee compensation in case of failure of crops or famine on payment of premiums equivalent to $2\frac{1}{2}\%$ of the annual yield. Thus the crops were insured till the advent of the British rule. These societies ceased to exist when the new rulers began to interfere with the village administration.

Madras Presidency has the unique honour of having brought into existence the first Major Indian Insurance Co. It was started in 1849 in Tinnevely. Other provinces followed suit and we have at present several Insurance companies working in various parts of India.

But the progress so far made is insignificant as compared with other countries. This is indeed surprising when it is remembered that India has far greater possibilities for Insurance than many other countries. Her natural resources are plenty. She has iron, coal, and other mines of precious metals which can produce materials far in excess of her requirements. With the exception of China, her output of tea is the greatest in the world. She has the sole monopoly of jute and she can export gold to the value of several crores of rupees. In the international market she has a favourable balance of trade, that is to say, her exports are larger in value than her imports.

Under such conditions, it is a travesty to indulge in the remark that she is comparatively poor for purposes of insurance. Let India divest herself of her fatalism and she is on the sure road to prosperity and contentment.

Industrial Future of Travancore

By K. B. Nair, B. A.,

Manager, The Trivandrum Permanent Fund Ltd.

THE beginning of the rule of His Highness The Maharaja marks an important epoch in the industrial and economic history of Travancore. What rapid strides the State has made in industrial activity within the short period of the last five years, is well-known.

The Government of Travancore have signified their willingness to extend their unstinted support to private enterprise. Cheap capital is available in India and can be easily attracted to Travancore. What the State needs at present is an efficient organisation to harness the various forces at work so as to obtain the maximum productivity of the State. Industrial and commercial progress depend mainly on sound finance and cheap money conditions at home. The credit mechanism of the State has therefore to be expanded and organised and the cheap capital available should be centralised. This can be best done through the establishment of a Central Banking Institution, which alone can effectively control the credit system and maintain the stability of the money market.

It is found that two factors have mainly contributed to the supremacy of the highly industrialised countries like England and the United States. The first is a Central Bank which functions in close co-operation with the Government and controls and directs the credit machinery. The second is a Department of Commerce *assisted by private bodies* which supplies all necessary information and statistics relating to foreign markets and trade. The industrial supremacy of

Great Britain is, in no small measure, due to the activities of the Bank of England which, acting as the Central Bank, regulated the supply of, and demand for currency, by a wise manipulation of the 'Bank Rate' and by resorting to what is technically known as the 'Open Market Policy' of the Bank of England. The Bank is able to achieve this result by virtue of its position and influence as a 'Bankers' Bank' and 'Banker to the State'. The Board of Trade, the Institute of Export and other non-official bodies supply the necessary information to manufacturers regarding foreign markets and trade statistics. The Government of India following the same example have established the Reserve Bank of India and enlarged the scope and activities of the Department of Commerce.

Travancore can, no doubt, boast of quite a large number of Banks, but the people do not appear to have fully appreciated the value of sound banking. The reason is not far to seek. Most indigenous banks are not up to the mark in the matter of management and service to the public mainly on account of a deplorable lack of practical training and close theoretical study of the subject of banking in all its aspects. To earn profits appears to be their primary concern. A large portion of their advances does not go to finance industry or commerce. Big sums are invested in long-term loans on immovable properties, thereby preventing the free circulation of capital and giving rise to numerous litigations. These banks, consequently, get into financial trouble. Nor do the people of Travancore, well-known for their litigious

instincts, care to repay the loans in time. The result is usually a financial breakdown and the banks have to bear the brunt of this situation. They also lose credit and public confidence—the only foundations on which joint-stock enterprise can thrive.

A Central Bank for Travancore, specially constituted to suit the needs of Travancore and its trade and industry, is a supreme necessity. Such an institution with the credit of the State at its back, would be able to command the cash reserves of the country, attract foreign capital and divert the same towards the industrial and economic development of the State. It can also act as a feeder to other credit institutions and bring about advantageous variations in the rates of interest as are warranted by the conditions of the money-market and the needs of trade and industry. It will thus be able to influence and control the money-market with advantage to the country. The automatic regulation of the rates of interest, by the Central Bank will gradually blot out the usurious rates of interest from the land.

In a newly developing country like Travancore, where modern methods and principles of Central Banking operations are little known, the problem is not an easy one. The State will have to undertake the initial conduct and educate public opinion by demonstrating the advantages of a central institution for the control and co-ordination of credit. The administrative machinery of most Governments is not suited to undertake and manage business enterprises, nor can it establish a direct relationship with the individual trader or agriculturist or firms. It can provide the necessary stimulus and protection only through an expert credit organisation set up by Government for

the purpose. The policy of absolute non-intervention by Governments in industrial activities is a thing of the past and has to be replaced by a conscious and deliberate national economic planning.

The first step in this planning is to pool the liquid financial resources of the country, and this can be done most effectively only through a Central Bank. The industrial future of Travancore depends largely on the extent to which the Central Bank will be enabled to lend its credit and reputation to the advantage of the trader and of large-scale production in general.

How such a Central Bank for Travancore could be started and carried on, the special needs for such an institution and the specific functions it will have to perform within the State, the policy it will have to adopt in regard to our industries and the nature of its relations with the Government are questions which deserve the serious consideration of all interested in the economic progress of the State.

It can be confidently hoped that the Government of Travancore having before them a policy of industrial regeneration for the State will bestow their very careful thoughts on this important question of the establishment at a very early date of a Central Banking institution for Travancore. (28-11-1936)

The doctor finished examining his patient and turned to him and said: "The trouble with you, my man, is aene."

"Ackney?" asked the man, looking puzzled. "That's funny. I ain't never been near the place."

Gold Exports from India

(By DR. P. J. THOMAS)

IN spite of several earnest efforts to throw light on the subject of gold exports, many persons still honestly believe that the efflux of gold has seriously undermined our national economy. Some of them are, no doubt dominated by 'Bullionist' ideas which are ingrained in human nature, but all are not of this category. They cannot understand why India should allow her gold to flow out while many other countries prohibit the export of the yellow metal.

It must be mentioned, at the outset, that in the matter of gold, India occupies a position very different from that of other countries. Nearly the whole of the gold supply in England or America is in the vaults of the Central Bank. In the U.S.A., there was a rush for the private hoarding of gold and currency after 1930, and the resulting panic led to drastic measures by Government for attracting hoarded gold to the Federal Reserve System. The recent action of Morgenthau must be viewed in the light of these developments. Let it be understood that the U.S. measures are for saving the central reserves, which form the security for national currency and credit.

India's Gold Stock

The position of gold in India is different. The great bulk of our gold stock is hoarded in houses and temples or displayed as jewels and ornaments. From time immemorial, India has been absorbing precious metals. The large trade that India had with Rome and other countries in bygone days was not a barter of goods for goods but an exchange of goods for gold. The Roman ships came with gold and went back laden with valuable spices and muslins. Now and then gold did go out,

but the usual movement has been inward. During the depression of 1825-50, when India's external trade underwent a revolution, some gold flowed out; but since 1850, imports have steadily increased year after year and India absorbed fairly large proportions of the world's gold production. According to Joseph Kitchen's estimates, between 1890 and 1929, the proportion was 16 per cent and between 1920 and 1929 it was as high as 25 per cent. During the same period, the rest of the world absorbed only 26 per cent and 21 per cent respectively for non-monetary purposes. The total stock of gold in India now must be enormous; it cannot be less than that of America. If the possession of gold is enough for wealth India must be the richest country to-day. But is she? If not, why?

Why Gold was Exported

When the depression started in 1929, the demand for India's staples abroad fell heavily and the prices also slumped violently. Only one commodity, gold, retained its value, and the price of it rose after the abandonment of gold standard by England and India. The depreciation of the rupee meant a premium on gold, and to avail themselves of the high world price of gold many persons sent it abroad. If the exchange had been lowered to 16 pence, the price of gold would have been higher and the inducement to export greater. It is therefore wrong to attribute gold exports to the "high" ratio; nor is it right to say that gold was exported with a view to maintaining exchange, seeing the export was done by private individuals in their own interests, and not by Government. No doubt, it has been helpful in sustaining exchange, but the export of

any other commodity would have had the same effect.

Most people connect gold exports with rural distress. That there was rural distress when prices suddenly fell is beyond doubt. It is also true that many people who had no money to meet their dues had to sell their gold. Thus distress can explain the large sales of gold in the rural parts and can also explain the copious flow of gold from rural parts to cities, but it cannot explain its exportation. Nor could distress have been prevented by forbidding the export of gold; on the other hand, such a step might have increased it. Those who were in distress would in any case have sold their gold to those who had the means to buy it; only they would have got less value for it. People in distress must part with something for paying their dues. Which should they have preferred to sell—their cattle and fields, which gave income, or barren metal, which gave no income or only a psychic income, and which was the only commodity which would fetch a high price? Is it not true that in order to save their more productive assets, needy persons parted with a rather unproductive asset at an unexpectedly high price?

Gold from Reserves and from Hoards

It has been shown above that India's gold exports stand in an altogether different category from the outflow of gold from the central reserves of a country. Both the cause of gold export and its result have been different. A few points of comparison will make this clear; (i) The outflow of gold from currency reserves generally arises from a weakening exchange; but as shown above, this was not the case with India's gold exports, (ii) The outflow of gold from currency reserves results in a contraction of currency; on the other hand, India's gold

exports have led to an expansion of currency. (iii) When currency reserves lose gold, discount rate is generally raised; but in the case of India, gold exports have been largely responsible for lowering the discount rate. (iv) When a Central Bank loses gold, a lowering of the exchange would generally stop it. In England devaluation arrested the gold outflow; but in India, as has already been shown, devaluation was the cause of it.

India, A Mining Country ?

It may be asked, at this stage, is India then like South Africa, a mining country? Yes, there is some analogy between the gold exports from South Africa and from India. As is well known, it is not the cost of production that determines the value of gold; rather, it is the value of gold that determines which mines are to be worked and which not. Thus, a rise in value extends the margin of profitable mining; more mines would be worked and existing ones exploited more intensively. Something like this happened when India opened its hoards in the latter half of 1931. By March 1932, the price of gold rose by 25 per cent and gold worth about Rs. 60 crores was exported. It is as if a new mine was opened in the country. Gold exports continued and reached such large dimensions, because the price of the metal rose, tempting new sellers to the market. It was like the rise in the value of gold extending the margin of profitable mining. In the case of the opening of the hoards, however, little time need elapse between the rise in price and the increased quantity coming to the market.

But this analogy need not be pushed too far. There are important differences. Gold is Nature's gift in South Africa; India's gold is mostly purchased from abroad by paying value, although, of

course, the prices received were about 50 per cent more than the prices paid. India's supply is limited, but S. Africa's is not easily exhausted. However, let it be noted that S. Africa's gold supplies are not inexhaustible; nor is India's stock so very limited, seeing that the process of accumulation has been going on from the dawn of history and that the net imports during the thirty years, 1900-1929, are worth not less than Rs. 800 crores. And we have so far exported only gold worth about 300 crores.

Results of Gold Exports

Now, what have been the effects of these gold exports? Normally, India meets her dues abroad by exporting merchandise, and even during the last five years, she had an average annual merchandise balance of Rs. 25 crores. But this was not enough to meet her total dues abroad (which, excluding private investments in sterling, averaged about Rs. 63 crores in recent years). Gold exports filled the void, and thereby not only was the strain on our public finances relieved, but the country was enabled to maintain its consumption and to increase its productive power by the necessary imports of machinery and other capital goods. Thus a striking industrial expansion was possible in a time of dire depression. The large increase in bank deposits and post office cash certificates, and the doubling of the income of insurance companies, in spite of a severe depression, must be largely attributed to the same cause. Could barren metal be used to better advantage?

Some persons doubt the propriety of having relied on gold exports to perform such a task. But they have to remember that it was a necessary result of India's hoarding habit. Had India utilised her usual favourable trade balances wisely,

had our people invested their earnings in more productive assets, the abnormal situation that arose by the world crisis could have been met in other ways. But India has preferred to invest her savings in barren metal, and naturally that metal had to be taken out and sold; and fortunately, it was the one commodity that fetched high prices. A country which habitually imports gold as a commodity cannot regard exports of such gold as an exchange transaction.

What Imports?

It has just been stated that gold exports have maintained the import of machinery and other production goods. This has been questioned and some have claimed that the imports sustained by gold exports were luxuries and consumption goods. A reference to published trade statistics will show that although imports of most goods diminished since 1929-30, a recovery set in after 1932-33, and that this is much more noteworthy in the case of production goods than of consumption goods. Thus, while machinery and mill work has come up to 87 per cent of the level of the pre-depression quinquennium, hardware 63 per cent, chemicals 111 per cent and dyes 113 per cent in 1935-36, we find that cotton piece-goods were only 33 per cent, sugar 12 per cent, and motor cars, the chief consumption item which has been maintained, have only increased to 74 per cent of the pre-depression level. The same tendency has been more pronounced during the last seven months of the current year.

Recent Trends

Those who are anxious about the future of our export trade and the exhaustion of gold stock may find some consolation in the recent trends in our foreign trade and the steady decline of

gold exports. The world's gold position has also notably improved. Five years ago, it was feared that gold was becoming scarce, but to-day, the prospect of large gold supplies is in sight and so cautious a person as Sir Montague Norman has hazarded the view that in future the superabundance of gold rather than its deficiency will add to his perplexities. In the light of this there is little reason for blaming Government for not following the advice of some that it should purchase the gold coming out of the hoards. With the growing gold supplies outside, and with our expanding trade balances, is it not possible that the

gold flow will become inward rather than outward? But here we have to carefully consider the advisability of continuing our traditional policy of converting a good part of our trade balances into idle gold hoards. The country is now taking a large step forward in industrial development. The banking habit has already begun to develop. At such a juncture, we must utilise our trade balances for more useful purposes than importing barren metal. Nay, we must go further and devise a line of action by which our hoarded wealth may be utilised for increasing the purchasing power and raising the standard of living of the country.

Alleppey Port

Steamer Movements — Oct.,-Nov., 1936.

| Date | Name of Vessel | Tonnage | Coming from | Bound for |
|------------|--------------------|---------|-------------|---------------------|
| 2-10-1936 | S.S. Indira | 278 | Bombay | Bombay & Karachi |
| 4-10-1936 | „ Sophie Marie | 677 | „ | „ „ |
| 5-10-1936 | „ Lalitha | 283 | „ | Bombay |
| 5-10-1936 | „ Haresfield | 3212 | Rangoon | Bombay |
| 9-10-1936 | „ Jalapadma | 2326 | „ | „ |
| 9-10-1936 | „ Clan Macbeth | 4647 | Glasgow | Trivandrum |
| 9-10-1936 | „ Nizam | 3334 | Bombay | Calcutta |
| 10-10-1936 | „ Victoria Marie | 882 | „ | Bombay |
| 12-10-1936 | „ Serlino | 2646 | Dunkirk | London, Etc. |
| 13-10-1936 | M.V. Hopecrest | 3106 | Bombay | Pacific Coast Ports |
| 14-10-1936 | S.S. Janaki | 530 | Karachi | Bombay & Karachi |
| 14-10-1936 | „ Garleeta | 3204 | Calcutta | Karachi |
| 14-10-1936 | „ Clan Macquaire | 4007 | Galle | London Etc. |
| 14-10-1936 | „ Kohinoor | 3240 | Bombay | Java |
| 16-10-1936 | „ Lalitha | 283 | Bombay | Bombay |
| 17-10-1936 | „ Favorit | 1652 | Rangoon | Calicut |
| 18-10-1936 | „ Nawab | 3424 | Calcutta | Bombay |
| 19-10-1936 | M. V. Marin Lanndo | 3139 | Naples | Italian Ports |
| 19-10-1936 | S.S. Rhexenor | 5004 | Hongkong | U. S. A. Ports |
| 21-10-1936 | „ Pandit | 3199 | Rangoon | Karachi |
| 22-10-1936 | „ Gwina | 3228 | Karachi | Rangoon |
| 22-10-1936 | „ Clan Mackenzite | 4119 | Galle | London & Liverpool |
| 23-10-1936 | „ Haideri | 912 | Karachi | Bombay & Karachi |
| 23-10-1936 | „ Oostcapalle | 348 | Bombay | Bombay |
| 24-10-1936 | „ Haresfield | 3132 | Bombay | Rangoon |
| 25-10-1936 | „ Golconda | 3203 | Rangoon | Bombay |

ALLEPPEY PORT (*Continued.*)**Steamer Movements—Oct.,-Nov., 1936.**

| Date | Name of Vessel | Tonnage | Coming from | Bound for |
|------------|------------------|---------|-------------|------------------------|
| 26-10-1936 | „ Tunni | 724 | Karachi | Bombay |
| 29-10-1936 | „ Victoria Marie | 882 | Bombay | Bombay & Karachi |
| 30-10-1936 | „ Hashemi | 298 | Bombay | Bombay |
| 31-10-1936 | „ Clan Macvicar | 3621 | Bombay | London Etc. |
| 31-10-1936 | „ Ormora | 2978 | Bassien | Bombay |
| 31-10-1936 | „ Sophie Marie | 677 | Karachi | Bombay |
| 1-11-1936 | „ Burk | 2178 | Rangoon | Porebunder |
| 1-11-1936 | „ Lalitha | 283 | Bombay | Bombay |
| 5-11-1936 | „ Warina | 1874 | Rangoon | Cochin |
| 5-11-1936 | „ Hesperia | 2379 | Glasgow | Trivandrum |
| 5-11-1936 | „ Oostcapalle | 348 | Bombay | Bombay |
| 7-11-1839 | „ Subadar | 3397 | Moulmein | Karachi |
| 8-11-1936 | „ Goalpara | 3216 | Calcutta | Karachi |
| 8-11-1936 | „ Kiolo | 2030 | Marmagoa | Liverpool & London Etc |
| 10-11-1936 | „ Hashemi | 298 | Bombay | Karachi |
| 10-11-1936 | „ Garmula | 3234 | Bombay | Calicut |
| 11-11-1936 | „ Janaki | 530 | Cochin | London |
| 11-11-1936 | „ City of Derby | 4190 | Junglar | London Etc. |
| 13-11-1936 | „ Sophie Marie | 677 | Bombay | Bombay |
| 14-11-1936 | „ Jalavihar | 3381 | Bassien | Bombay |
| 14-11-1936 | „ Gharindo | 3212 | Rangoon | Bombay & Karachi |
| 15-11-1936 | „ Nijkerk | 3619 | Hamburg | Australian Ports |
| 17-11-1936 | „ Victoria Marie | 882 | Karachi | Bombay & Karachi |
| 17-11-1936 | „ Haideri | 912 | Karachi | Bombay & Karachi |
| 17-11-1936 | „ Clan Mackeller | 4038 | Bevia | London & Antwerp |
| 18-11-1936 | M.V. Cortellazo | 3061 | Calcutta | Italian Ports |
| 18-11-1936 | S.S. Pasha | 3196 | Calcutta | Bombay |
| 19-11-1936 | „ Cambay Star | 320 | Bombay | Bambay |
| 20-11-1936 | „ Indira | 278 | Bombay | Bombay |
| 20-11-1936 | „ Noeshera | 4875 | Trivandrum | Bombay |
| 22-11-1936 | „ Oostcapalle | 348 | Bombay | Bombay |
| 22-11-1936 | M.V. Kola Ageng | 4618 | Basra | Pacific Ports |
| 23-11-1936 | S.S. Jala Duta | 3089 | Bombay | Calcutta |
| 23-11-1936 | „ Lalitha | 283 | Bombay | Bombay |
| 25-11-1936 | „ Jalajyote | 2698 | Rangoon | Bombay |
| 26-11-1936 | „ Sophie Marie | 677 | Bombay | Bombay & Karachi |
| 26-11-1936 | „ Clan Mathesa | 3453 | Marmagoa | London Etc. |
| 29-11-1936 | „ Rancee | 3143 | Rangoon | Navalakhi |
| 30-11-1936 | „ Haresfield | 3228 | Bombay | Calcutta |

SOUTH INDIAN BANKS

| NAMES | Paid-up Capital | Faid-up per share | Market Quotation | Reserve and other Funds | Dividend per cent 1935 | Dividend per cent 1936 |
|---|-----------------|-----------------------|---------------------|----------------------------|---------------------------|---------------------------|
| | Rs. | Rs. | | Rs. | | |
| Bangalore Bank ... | 6,00,000 | 10 | 5 | 1,44,102 | | |
| Bank of Hindustan ... | 10,00,000 | 50 | 30 $\frac{3}{4}$ | 32,070 | 3 | |
| Bank of India ... | 1,00,00,000 | 50 (p) | 142 | 1,05,00,000 | 11 | 5 $\frac{1}{2}$ |
| Bank of Mysore ... | 20,00,000 | 100 | 302 $\frac{1}{2}$ | 27,33,308 | 14 | 7 $\frac{1}{2}$ |
| Central Bank of India ... | 1,68,13,200 | 25 (p) | 35 $\frac{1}{2}$ | 79,38,740 | 6 $\frac{3}{4}$ | |
| Chartered Bank of India, Australia and China ... | £3,000,000 | £5 | £16 | £30,00,000 | 14 | 7 $\frac{1}{2}$ |
| Imperial Bank of India ... | 5,62,50,000 | { 500 | { 1,583 | 5,50,00,000 | 12 | 6 $\frac{1}{2}$ |
| | | 125 (p) | 389 $\frac{1}{2}$ | | | |
| Indian Bank ... | { 10,00,000 | 50 | 142 $\frac{1}{2}$ | 16,56,995 | 15 | 6 $\frac{1}{2}$ |
| | 2,79,280 | 10 | 29 $\frac{1}{2}$ | | 15 | 6 $\frac{1}{2}$ |
| | 6,25,000 | 100 | 120 | | | |
| Indo-Commercial Bank ... | 2,50,000 | { 50-25 (p) | 29 $\frac{1}{4}$ | 27,000 | 6 | 3 $\frac{1}{2}$ |
| | 2,18,750 | 50-35 (p) | 42 $\frac{1}{4}$ | | | |
| Mercantile Bank of India ... | { £375,000 | A £12 $\frac{1}{2}$ | { £32 $\frac{1}{2}$ | £10,75,000 | 12 | 6 $\frac{1}{2}$ |
| | £375,000 | B £12 $\frac{1}{2}$ | £32 $\frac{1}{2}$ | | 12 | 6 $\frac{1}{2}$ |
| | £300,000 | C £5 | £15 $\frac{3}{8}$ | | 12 | 6 $\frac{1}{2}$ |
| National Bank of India ... | £2,000,000 | £12 $\frac{1}{2}$ (p) | £47 $\frac{3}{8}$ | £22,00,000 | 18 | 9 $\frac{1}{2}$ |
| P & O. Banking Corporation ... | £2,594,160 | £10 | £10 $\frac{1}{4}$ | £1,80,000 | 5 | 5 |
| Reserve Bank of India ... | 5,00,00,000 | 100 | 138 $\frac{1}{4}$ | 5,00,00,000 | 2 $\frac{3}{8}$ † | |
| Quilon Bank Ltd. ... | 11,50,000 | 25 (p) | 27 $\frac{1}{2}$ | 1,30,000 | 9 | |
| State-Aided Bank of Travancore. ... | 7,83,265 | 25 | 15 | 3,62,661 | | |
| Travancore National Bank Ltd. ... | 11,07,829 | { 50 | { 55 | 2,50,000 | 9 | |
| | | 20 | ... | | | |

p-Partly paid

† First half year

x = Ex dividend

† Dividend for nine months

§ Jubilee Bonus 8 As. per share

SOUTH INDIAN TEA AND RUBBER COMPANIES

| Names | Managing Agents | Paid-up Capital Rs. | Paid-up per Share Rs. | Market quota- tion Rs. | Acreage under crop | DIVIDEND PER CENT | | | |
|--|-------------------------------|---------------------------|-----------------------------|---------------------------------|--------------------------|-------------------|------|------|------|
| | | | | | | 1933 | 1934 | 1935 | 1936 |
| Coonnoor Estates Tea Co. ... | S. I. P. Agency Ltd. ... | 2,00,000 | 10 | 4 | 274 | Nil | Nil | | |
| Devashola Tea ... | S. I. P. Agency Ltd. ... | 6,00,000 | 10 | 7½ | 335 | Nil | 4 | | |
| High-land Produce ... | A. V. Thomas & Co., Ltd. ... | 2,00,000 | 10 | 21 | 315 | 15 | 15 | 17½ | 7½ |
| Do. ... | 8% Debentures 1940 ... | 50,000 | 100 | 112½ | ... | ... | ... | | |
| Kalasa Tea & Produce Co., Ltd. ... | Peirce Leslie & Co., Ltd. ... | 2,95,584 | 15 | 1½ | 551 | Nil | Nil | Nil | Nil |
| Do. ... | 6% Conv. Debentures ... | 1,99,000 | 100 | ... | ... | ... | ... | | |
| Nilgiri Neerugundi ... | Peirce Leslie & Co., Ltd. ... | 1,08,538 | 2 | 2 | ... | Nil | Nil | Nil | Nil |
| Do. ... | 7% Cumulative Preference ... | 1,50,000 | 75 | 69½ | 329 | 7 | 3½ | | |
| Do. ... | 7½% Debentures ... | 2,00,000 | 100 | 116½ | ... | ... | 15 | | |
| Peermade Tea Co., Ltd. ... | Aspinwall & Co., Ltd. ... | 8,50,000 | 10 | 24½ | ... | 17½ | 15 | 15 | |
| Do. ... | 6% Cumulative Preference ... | 1,50,000 | 100 | 105 | 1,557 | 6 | 6 | 6 | |
| Do. ... | 8½% Debentures ... | 65,000 | 100 | 110 | ... | ... | ... | | |
| Peria Karamalai Tea ... | Peirce Leslie & Co., Ltd. ... | 8,28,975 | 15 | 33 | 1,927 | ... | 17½ | 5† | 7½ |
| United Nilgiris Tea ... | T. Stanes & Co., Ltd. ... | 6,85,400 | 100 | 80 | 1,383½ | 4 | 5 | | |
| Do. ... | 7% Debentures 1936 ... | 1,49,700 | ... | 112 | ... | ... | ... | | |
| Do. ... | 7% Debentures 1944 ... | 2,66,800 | 15 | ... | ... | ... | ... | | |
| Vellamalai Tea ... | Peirce Leslie & Co. ... | 9,90,000 | 15 | 7¼ | 1,039 | Nil | Nil | Nil | |
| Do. ... | 7% Debentures ... | 4,54,600 | 100 | 107 | ... | ... | ... | | |
| Cochin Malabar Estates Ltd. ... | Peirce Leslie & Co., Ltd. ... | 4,79,171 | 3-2½ p. | 7½ | 3,593 | ... | ... | ... | |
| Do. ... | 7% Cumulative Preference ... | 1,13,300 | 50 | ... | ... | ... | ... | ... | |
| Do. ... | 8% Debenture ... | 1,17,300 | 100 | ... | ... | ... | ... | ... | |
| Malankara Rubber & Produce Co., Ltd. ... | P. Kurian John ... | 4,50,000 | 30 | ... | 1,445 | ... | ... | ... | 10 |
| Thirumbadi Rubber Co., Ltd. ... | Peirce Leslie & Co., Ltd. ... | 2,75,000 | 10 | 17½ | 767 | ... | Nil | Nil | |
| Do. ... | 1% Debenture ... | 30,100 | 100 | ... | ... | ... | ... | ... | |
| Velliamattam Rubber Co., Ltd. ... | A. V. Thomas & Co., Ltd. ... | 40,000 | 10 | 37½ | 542 | ... | ... | ... | |

† Dividend for nine months

ALLEPPEY PORT

Foreign Export Statement—October—November, 1936.

| Places to which Exported | Coir Yarn | | Coir Mats | | Coir Mattings | | Coir Rugs, Carpets, etc. | | Fibre Mats and Matting | | Rubber | |
|-----------------------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|-----------------------------|--------------|---------------------------|--------------|------------------|--------------|
| | Quantity cwts. | Value Rs. | Quantity cwts. | Value Rs. | Quantity cwts. | Value Rs. | Quantity cwts. | Value Rs. | Quantity cwts. | Value Rs. | Quantity lbs. | Value Rs. |
| United Kingdom | 16,606 | 1,59,861 | 24,147 | 4,22,507 | 7,954 | 1,94,087 | 30,336 | 7,64,554 | 186 | 5,075 | 1,69,321 | 90,657 |
| Australia | 2,364 | 22,914 | 2,186 | 51,365 | 3,814 | 1,22,679 | 269 | 8,937 | 50 | 1,100 | | |
| U. S. A. | 1,695 | 16,950 | 827 | 12,762 | 625 | 18,525 | 437 | 14,570 | 110 | 3,230 | 2,53,915 | 94,498 |
| Germany | 10,872 | 1,06,507 | | | | | 421 | 6,635 | | | 1,33,392 | 50,022 |
| Newzealand | | | 254 | 5,855 | 269 | 7,987 | 79 | 2,670 | | | | |
| St. Settlements | | | 41 | 840 | 43 | 1,400 | | | | | | |
| Norway | 285 | 2,900 | | | | | | | | | | |
| Egypt | | | 39 | 780 | | | | | | | | |
| Sweden | 120 | 1,200 | 344 | 6,130 | 23 | 465 | | | | | | |
| Belgium | 2,103 | 21,105 | | | 22 | 750 | | | | | | |
| Ceylon | 3,000 | 30,000 | 70 | 2,075 | 387 | 12,910 | | | 33 | 660 | 1,04,395 | |
| Holland | 2,100 | 23,050 | 84 | 840 | 277 | 4,625 | | | | | | 32,819 |
| France | 357 | 3,695 | | | | | | | | | | |
| Portugal | 195 | 2,000 | | | | | | | | | | |
| Africa | 648 | 6,560 | 342 | 15,933 | 920 | 30,535 | 198 | 6,465 | 5 | 150 | | |
| Sicily | | | 19 | 280 | 46 | 2,600 | | | | | | |
| Japan | 159 | 1,590 | | | | | | | | | | |
| Br. Columbia | 200 | 6,000 | | | | | | | | | | |
| Asia Minor | | | 69 | 861 | 599 | 16,175 | | | | | | |
| China | 15 | 150 | | | | | | | | | | |
| Italy | 3,660 | 43,180 | | | | | | | | | | |
| Palestine | | | 59 | 1,435 | | | | | | | | |
| Finland | | | | | 4 | 150 | | | | | | |
| Polland | 450 | 5,000 | | | | | | | | | | |
| Spain | | | 25 | 345 | | | 4 | 150 | | | | |
| Malta | | | 24 | 388 | 105 | 3,526 | 21 | 700 | | | | |
| Kenya Colony | | | 19 | 360 | 3 | 60 | | | | | | |
| Aden | | | | | 1 | 44 | | | | | | |
| Canada | | | | | | | 77 | 1,980 | | | | |
| TOTAL ... | 44,829 | 4,52,662 | 29,049 | 5,22,756 | 15,092 | 4,16,518 | 31,842 | 8,06,601 | 384 | 10,215 | 6,61,023 | 2,67,996 |

Foreign Export Statement (Concluded)

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THE COMMERCIAL REVIEW

Nov., - Dec., 1936.

| Places to which Exported | Tea | | Cashewnuts | | Spices | | Minerals | | Textiles | | Miscellaneous | |
|-----------------------------|-----------------|--------------|------------------|--------------|-------------------|--------------|-------------------|--------------|----------|--------------|---------------|--------------|
| | Quantity lbs | Value Rs. | Quantity lbs. | Value Rs. | Quantity cwts. | Value Rs. | Quantity Tons. | Value Rs. | Quantity | Value Rs. | | Value Rs. |
| United Kingdom | 3,07,710 | 1,61,571 | 28,340 | 13,750 | 100 | 1,600 | 2 | 400 | | 200 | | 475 |
| Australia | 990 | 495 | 48,731 | 24,424 | | | | | | 13,572 | | 112 |
| U. S. A. | | | 43,092 | 21,550 | 200 | 6,000 | | | | 15,030 | | |
| Germany | | | | | | | 90 | 11,800 | | | | |
| Newzealand | | | 15,664 | 7,965 | | | | | | 460 | | |
| St. Settlements | | | | | | | | | | | | |
| Norway | | | | | | | | | | | | |
| Egypt | | | | | | | | | | | | |
| Sweden | | | | | | | | | | | | |
| Belgium | | | | | | | 50 | 7,010 | | | | |
| Ceylon | | | | | | | | | | | | |
| Holland | | | 2,500 | 1,250 | | | | | | | | |
| France | | | | | | | 230 | 32,000 | | | | |
| Portugal | | | | | | | | | | | | |
| Africa | | | 1,000 | 750 | | | | | | 1,350 | | |
| Sicily | | | | | | | | | | | | |
| Japan | | | | | | | | | | | | |
| Br. Columbia | | | | | | | | | | | | |
| Asia Minor | | | | | | | | | | | | |
| China | | | | | | | | | | | | 445 |
| Italy | | | | | | | | | | | | |
| Palestine | | | | | | | | | | | | |
| Finland | | | | | | | | | | | | |
| Polland | | | | | | | | | | | | |
| Spain | | | | | | | | | | | | |
| Malta | | | | | | | | | | | | |
| Kenya Colony | | | | | | | | | | | | |
| Aden | | | | | | | | | | | | |
| Canada | | | | | | | | | | | | 1200 |
| TOTAL ... | 3,08,700 | 1,62,066 | 1,39,327 | 69,689 | 300 | 7,600 | 372 | 51,210 | | 30,612 | | 2,232 |

TRADE INDEX

Ramu Bros.,

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Prop: T. R. SUBRAMANIA IYER, Alleppey.

Abbamia Hajee Kassam Sait,

Cutlery, Stationery, Hardware, Glassware, Earthenware, Fancy Goods, Ammunition & General Merchant, New Bazaar, Alleppey.

M. K. Govindan & Co.,

Agents for THE NAVARATNA PRODUCTS,
Tana Road, Alleppey.

Ahmed Ibrahim Bros.,

Piece-goods & Umbrella Merchants,
Near Iron Bridge,
Alleppey.

P.T.K. Thillaichidambara Nadar & Bros.,)

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TRADE INDEX



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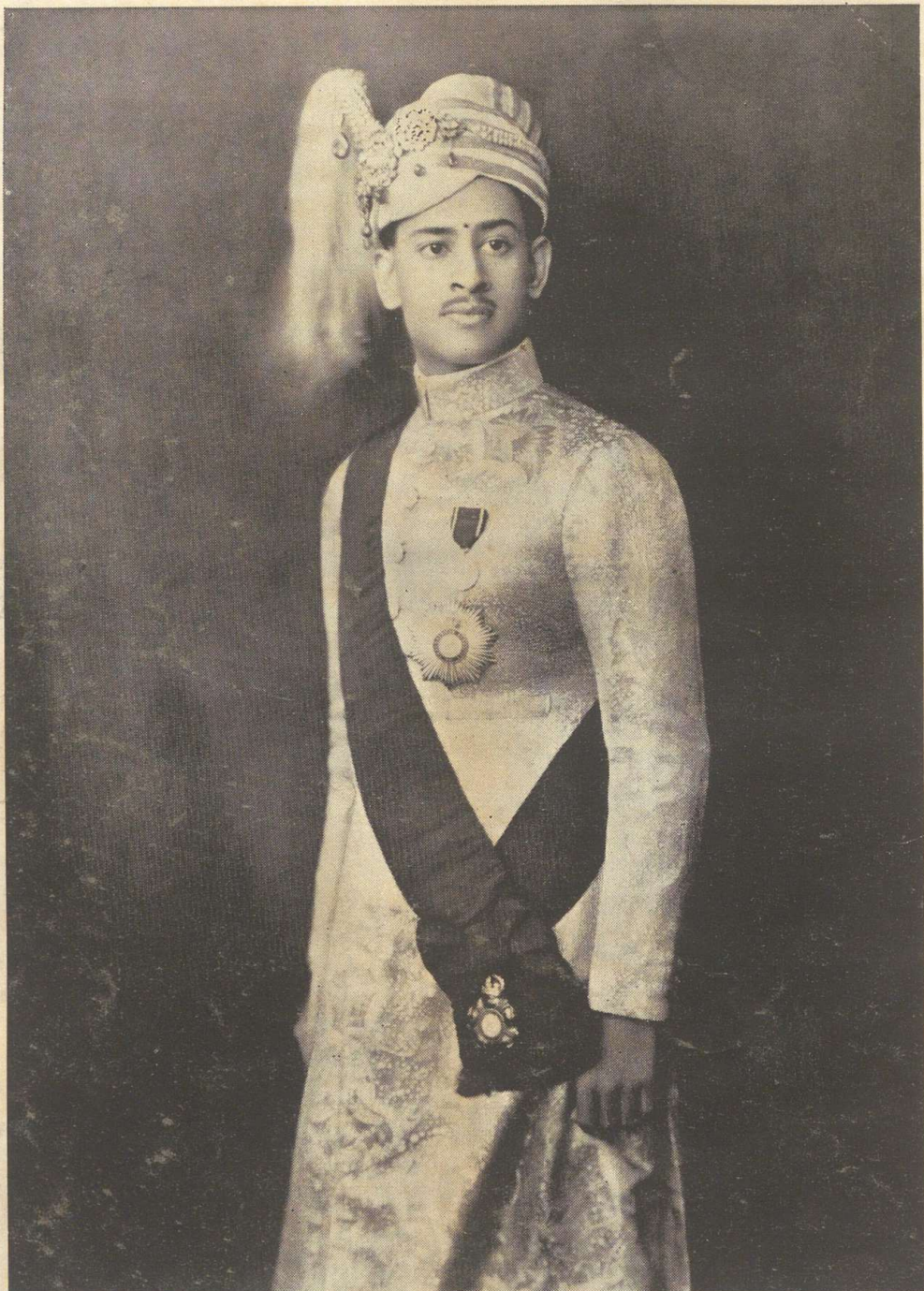
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*His Gracious Highness Sri Rama Varma, G.C.I.E.,
Maharaja of Travancore.*



Birthday Greetings.

WITH feelings of profound devotion and sincere loyalty do we respectfully offer our felicitations to His Gracious Highness The Maharaja on this happy occasion of his 24th Birthday. The universal rejoicings throughout the length and breadth of Travancore are clear manifestations of the deep love of the people for their kind Ruler. His Highness's charming personality, suavity of manners, affable disposition, broad out-look and enlightened views, combined with an untiring zeal for the welfare of the country have all endeared him to his subjects beyond measure.

LET us on this occasion recall what His Highness said at the opening of the Trivandrum Rubber Factory.

AN efficient administration, an enlightened public opinion and liberal political institutions are the prime conditions of civilised life..... the health and strength of the people, their earning capacity and their general standard of comfort form the permanent bulwark of national prosperity."

MY Government will always be glad to lend their unstinted support to factory industries and large-scale production. Let me assure you that the development of cottage industries will be pursued with increased vigour as that alone can give employment to the bulk of my subjects."

THE Pallivasal Hydro-Electric Scheme, the water-supply schemes for Trivandrum, Alleppey, Nagercoil, Quilon and Shencottah, the opening up of the road route to the High Ranges by the construction of the Neriambangalam Bridge, the starting of the Rubber Factory and the Ceramic and Clay Refining Factories, the Town Planning Scheme for Trivandrum and the inauguration of the State Art Gallery are some of the outstanding features of the development of the State during the last few years of His Highness's beneficent rule. The rapid strides Travancore has been making in recent years towards an all round progress are in no small measure due to the very keen interest taken in the development of the State by Her Highness The Maharani, the enlightened and illustrious mother of His Highness The Maharaja.

WE wish His Highness all happiness on this auspicious occasion and pray Almighty to bless him with long life and health to rule over this land of plenty and prosperity.



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Second paragraph of handwritten text, continuing the narrative.

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*His Highness Prince Marthanda Varma,
Elaya Maharaja of Travancore.*



Modern Travancore

By Sir C. P. Ramaswamy Iyer, K.C.I.E.

ISOLATED by the towering mass of the

Western Ghats, hidden away in a confusion of bays and creeks, hills, dense forests and groves of coconut palm and situate in the southernmost corner of India, Travancore has not, till recently, attracted the attention that it deserves by reason of its wonderful and varied scenery and its cultural and political individuality; but thanks to the energetic and progressive policy of the present Ruler attention is being more and more focussed on the State and increasing numbers of tourists testify to its appeal. There is not much difference in area between Baroda and Travancore, but Travancore has more than double the population of Baroda and about fifty per cent more by way of population than either Kashmere or Gwalior and yet the average annual revenue of Gwalior, Kashmere, Baroda and Travancore are roughly the same. Mysore is about 25 per cent more populous than Travancore and its revenue 40 per cent more. Comparing these figures, it is easily perceived that the subjects of Travancore are much more lightly taxed than that of any of the other great Indian States. The great density of the population of Travancore will be appreciated by realising that out of 7,700 sq. miles about half are covered by forest or backwater. The congestion of population, it has been argued, is a handicap; but on the other hand, it must be remembered that the people are traditionally industrious and have a great aptitude for arts and crafts and are, from highest to lowest very simple in their habits. In spite of the present depression the various industries connected with coconut are still one of the main sources of agricultural wealth but other

crops of an important character are pepper, ginger, arecanut, jack-fruit and tapioca as well as pine-apple and other fruits the possibilities of which have to be adequately explored. There is also a great future for sugar-cane. Travancore is one of the most important units on the Indian Continent in the matter of rubber and tea production. Various cottage industries have, for centuries, obtained a firm foothold in the country and cotton weaving and coir making, wood and ivory carving, screwpine work and carpentry are well known for their artistic excellence throughout the world; and, during recent years, the enterprising fisher community has, under the farsighted supervision of philanthropic agencies developed the lace industry which has acquired a name for delicacy and durability. The kaolin deposits of Travancore are some of the finest in existence and it is hoped that the making of China clay and porcelain products will soon be one of the recognised and prosperous industries.

The forest resources comprise big blocks growing timber trees like teak, blackwood, ebony, sandalwood and cardamom are some of the varieties of indigenous products of the country. In addition, there is an almost unlimited extent of softwood and reeds that can yield an abundance of pulp whose use in the matter of the manufacture of paper and cardboard and various other modern industrial products like artificial silk are being widely recognised. From the hilly nature of the country and the dense vegetation that encompasses it and the very heavy rainfall the arable area is confined to terraces along the valleys and some irrigated portions in the south and the reclamations from the back-

water in the north. The forests, in fact, cover a third of the whole area.

One of the special features of the country is the series of wide back-waters which form the cheapest possible route for traffic from Cochin to Trivandrum. There are navigable canals along the entire littoral and innumerable streams and rivers flowing westward to the sea. Properly dredged and deepened, these water-ways will be many times cheaper than any rail or road transport specially for heavy traffic and if motor tugs are introduced, Travancore need not suffer from comparison with any modern State in the matter of transport facilities. Even at present, out of the total trade, 26 per cent is carried by sea and 45 percent by back-water.

The fisheries of Travancore are already an item of considerable importance and the export of fish and fish products amounts in value to about 25 lakhs and a well directed extension of the existing programme for the education of fishermen and the spread of co-operation amongst them can easily lead to the rapid expansion of the industry. Poultry-farming and especially bee-keeping in the State have attracted outside attention and Marthandam which carries on an intensive programme of rural reconstruction is one of the recognised centres of All-India importance.

So far, I have been dealing with the question of the natural resources of the State, but what might have been an obstacle to industrial progress is the fact that although there are big deposits of monazite, ilmenite and graphite and certain other minerals, there is little or no coal and no material oil obtainable within the State. There is however ample compensation for this disadvantage in the existence of a number of sources of easily available hydro-electric power, and the

Pallivasal Hydro-Electric scheme initiated by the present Maharajah which will be in full operation in the course of a few months is expected to result in the inauguration of industrial projects like Bleaching, Paper and Rubber Factories and of a number of textile and other industries, big and small, which could become paying propositions if cheap power becomes available.

It is well known that Travancore is a participant in the Cochin Harbour scheme and has other ports of its own; and the future of Travancore is, in fact, bound up with its trade and commerce the total value of which is much over 16 crores per year. It must not be forgotten that judging by recorded history, for over 2000 years some of the ports in Travancore have had dealings with the commercial nations of the East and West beginning with China to whom she perhaps owes some of her architectural practices and fishing appurtenances and coming down to the great European trading corporations with one of whom, the English East India Company, she entered into an unshaken political alliance over a hundred and fifty years ago.

Far outweighing even the value of the natural resources of the country, imposing as they are, are the character and the potentialities of the people of the land. Thanks to a century old system of liberal State encouragement and owing to the fact that the State spends over 20 per cent of its revenues on education and thanks also to the non-existence of the purdah system and the absolute equality of status between men and women in the political, social and educational spheres, Travancore admittedly stands in the forefront in the matter not only of men's but of women's education. The State possesses eight colleges affiliated to the



*Her Gracious Highness Maharani Sethu Parvathi Bai,
Mother of His Highness the Maharaja.*



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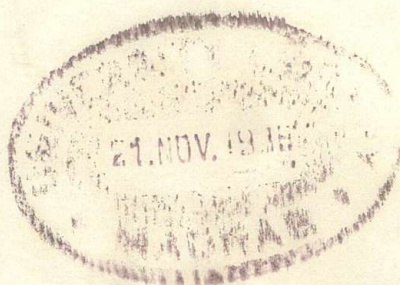
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Her Highness Princess Karthigai Thirunal,
Sister of H. H. The Maharaja.

REPRODUCED BY KIND PERMISSION.



Madras University. Not less than 13 per cent of the population are attending schools in Travancore and there is a school for every two square miles in the State. These figures are so much higher than those of any part of British India that there is really no comparison between the progress of Education in Travancore and even progressive Indian Provinces.

The spread of literacy in the country will be best realised when it is pointed out that there are nearly 120 Periodicals and Newspapers—published within the State in English and Malayalam.

The rapid growth of education and the desire of girls as well as boys to attain economic independence have however led to a phenomenal increase in middle-class unemployment both amongst men and women and recent social legislation in the State has led by inevitable processes to a fragmentation of holdings. The result is that much more acutely than in almost any part of British India there is prevalent a keen economic struggle and competition amongst the educated groups. Travancore is not a land of capitalists but of peasant proprietors and small industrialists and tradesmen who have been very hard hit by the present agricultural depression and the setback in the export trade in coconut products as well as in pepper and other spices and the slump in rubber. What is needed to enable Travancore to make the utmost use of her opportunities is an overhauling of the system of education and a carefully designed economic planning which, will, without reproducing the evil effects of the factory system, industrialise the State and not only give secondary occupations to the families of land holders and agriculturists but also open fresh and useful careers to the

middle-class unemployed. His Highness the present Maharaja who belongs to one of the oldest Ruling houses in India does not propose to rest on his historic laurels but determined to put Travancore in its proper place on the Indian map and he has the great advantage of ruling over a people who possess great cultural and artistic traditions and whose intellectual standards are very high and whose enterprise is proverbial. The subjects of Travancore are to be found occupying good positions in various spheres all over India and in many other countries.

Travancore instituted a Legislative Council nearly fifty years ago and His Highness initiated four years ago a bicameral legislature in which both men and women take part and which possesses a very large budgetary control and extensive powers of discussion and interpellations. The Franchise has recently been lowered and adjusted so as to enable all communities to be represented in the Legislature. He has also instituted a Public Service Commission to deal with the question of recruitment to the Public Services with a view to equalise opportunities for all aspirants. Fortunately, the standards of education are so high in the State that this can be done without lowering efficiency.

The tradition of religious toleration is one of the glories of the State and Muslims and Christians belonging to dozens of sects have found uninterrupted hospitality and encouragement during many centuries and it would be true to say that there is no part of India and very few parts of the world where there are more temples, churches and other places of worship to the square mile than in Travancore.

The credit of the State is very high in the money market as was evidenced by

the striking success of the recent loan of fifty lakhs for Hydro—Electric purposes which was subscribed more than five times over in a few minutes after opening of the subscription list. Apart from productive assets, the State possesses ample reserves in the shape of fluid securities and it is noticeable that a very small amount (less than five per cent of the revenues) is taken by His Highness and His Family for their privy purse.

But “man does not live by bread alone” and I cannot conclude without adverting to the creditable literary and poetical output in Malayalam, which is a very apt instrument for the expression

of humour and irony as well as of graver moods, and without referring to the widespread musical talent in fostering which the members of the Royal Family have, for generations, taken an active personal part, one Maharaja (Swathi Thirunal) being, in fact, a renowned poet and a composer, respected wherever music is honoured, in the South of India. By starting the Palace and State Art Galleries, by the help given to the rediscovery and preservation of old frescoes and other art treasures of the past, and by their trained appreciation of music, the present Ruler and his mother have begun what is hoped, will be a true cultural renaissance. (*A.P.J.*)

Travancore, The Land of Prosperity

By S. Krishna Iyer B.A., B.L.

I

TRAVANCORE is a land of infinite potentialities. The name itself is an anglicised version of *Sreevalumgode*, abode of the *goddess of prosperity*. It has a long seaboard, and a number of inter-connecting lagoons, that wait the touch of modern enterprise to evolve ports, inland harbours, coastal (and ocean) shipping, extensive fisheries, shank, pearl-shell and oyster culture. A line of roads and bridges along the coast and along the inner shore of the lagoons, connecting the interior with the west-bound roads and water-ways, would further open up the State. Cape Comorin with the Leapuram Bay, within walking distance, might develop into a tourist and pilgrim and health centre. Varkalay, the Janardhanam of Hindustan, might be easily improved into another similar resort, at small investment. Nature has bestowed its

favours in abundance;—the High Ranges on the east rising to Mt. Anamudi (about 9000 ft.,) the highest peak in South India, gradually sloping down to the sea, a wealth of forests, plateaus, valleys, levels, inland seas, swamps, perennial streams, rivers and a rainfall ranging up to 250 inches in the hills, rich soils of different characteristics suited to different crops.

II

Travancore is a land of plenty. For an area of over 7000 square miles, of which more than a third is reserve forest and water, it has a population of over five millions, comparatively one of the densest in India. There is no destitution. The vagrant element on the roads mostly come from beyond the Ghats. The annual revenue is near 2½ crores of rupees. Land tax is light. The Maharaja draws only about seven lakhs of rupees from the State, the rest being utilised for public purposes.

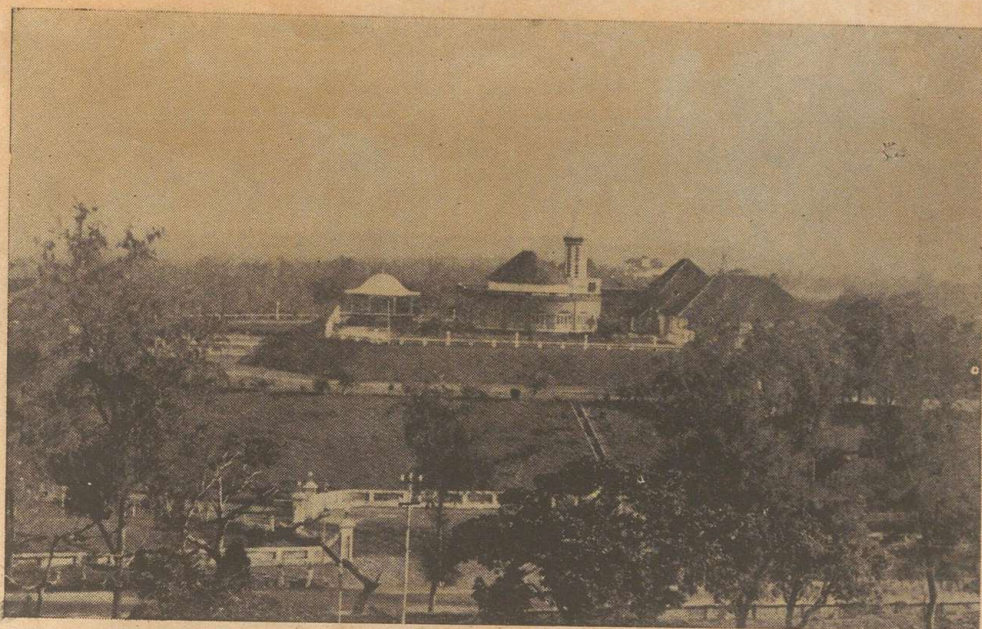


Sir C. P. Ramaswamy Iyer, K.C.I.E.,
Dewan of Travancore



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An Artistic Residence in Travancore.



A Lake Scene in Travancore.



An Inland Scene in North Travancore.



A Coconut Farm.

III

The staple food crop is rice. Though maize and a number of other cereals are grown in different parts, the main subsidiary is tapioca, of which the State grows more than the rest of India. The chief commercial crop is still the coconut, of which it cultivates over half a million acres. Its monopoly of pepper "the money of Malabar" is gone, though the present production comes to about a third of the world's supply. It grows more ginger than the rest of India. It has about 55,000 acres in Cardamoms and the acreage goes on increasing. In arecanuts, it lags behind Cochin in intensive cultivation, though the total out-put is higher.

Western enterprise introduced the cultivation of tea over sixty years ago, and now Travancore has an acreage of about 77,000, the share of the Travancorean being about 10%. It has about 1,00,000 acres in rubber. Here, the share of the Travancorean is higher. Sugar-cane thrives in the alluvial soil along-side the rivers. South Travancore supplies Parry's sugar plant with jaggery.

Of plantains and bananas, Travancore has dozens of varieties. With help and care, it can take the place of West Indies in the London Market. Pipless pineapples weighing anything like ten pounds are easily grown. Jack fruit goes a begging. Mangoes, in spite of systematic destruction for Hindu funerals, can't find enough buyers. Cashewnut once growing wild, in barren sand and hill alike, finds export to the tune of about 30 lakhs of rupees. It is worthy of note that in the export market Travancore nuts are reckoned the best. The other producing areas are South Kanara, Goa, Cochin, Malabar and East Africa. The supply is now unequal to the demand. Roasted

Anjilli nuts might make a good addition to the export trade with America.

For oil it has coconut, maravatti, laurel, gingelly, lemon-grass, fish and quite a number of unexploited varieties.

Of root crops, Travancore grows quite a number, like tapioca, yam, Chena, Chemboo, Koorka, Nanakilango, Cheeni (sweet potato) and now potatoes.

Of beans and peas there are imported and indigenous varieties.

For cotton and tobacco, alone, Travancore is dependent on outside sources of supply. Though these too can be grown, it will be uneconomical.

In agriculture Travancore is ahead of the rest of India.

IV

Of timber, it has an unlimited quantity and variety from royal teak, black-wood, sandal and rosewood to humble (soft) cotton wood (Elavoo) and vengotta. Even the latter, treated by the Ascue process might fill a big gap in world needs. Gums, resins, wax, honey and other minor produce have yet to be fully exploited.

V

Fisheries:- The inland waters teem with fish. The long sea-board maintains a large population of fishermen. It has been observed that with its wealth of waters alone, Travancore need never be afraid of famine or starvation.

VI

For cattle raising there is ample scope in the miles and miles of grassy hills in the uplands.

VII

For sport there is the Periyar Lake region—the paradise of sportsmen. Elephants, tigers, leopards, bisons, deer, monkeys abound in the jungles and tablelands.

VIII

For scenic beauty, there is no better place in India. The chain of lagoons from Trivandrum to Munambham bordered by feathery palms, the rocks and hills and bluffs and canyons and the virgin forests of the highlands, make a display second to none.

IX

In minerals, the State is poor—"silver and gold" it has none; neither other precious metals. Its graphite mines have gone out of production. Its mica remains unexploited. Limestone, it has in several places, but uncared for on account of the abundance of shell-lime. Monozite and ilmenite are the chief valuable minerals. Its peat and lignite beds are of little commercial value now. Against all this Travancore has plenty of white coal, water-falls, and reservoirs and ample scope for impounding and discharging any quantity of water. It has just made a start with the Pallivasal Hydro-Electric Works with a possible development of over 30,000 kilowatts. But these can be supplemented with several thirty thousands if there be a demand.

X

In industries, it has to make long leeway. In coir, mats and mattings it has a virtual world monopoly. Its wood and ivory carvings have an established reputation. Outside of these, it has only a few languishing oil mills, a few tile works, a paper mill, an ancient cotton mill, a sugar factory that refuses to hold up its head and a recently started rubber factory which under altered conditions may yet fulfil expectations. One is frequently asked "what can be done"? "With enterprise and capital anything can be achieved." It has plenty of cheap labour, cheap electric power in prospect, abundance of raw materials and a market of 350,000,000

souls at its door. Travancore consumes cement enough to justify a factory. The white sands on the beach invite a glass factory; the white clay-beds, a ceramic factory. These sands and white shell lime are suited for sandlime bricks. Rubber deserves better treatment to produce tyres, tubes, floorings, bricks, shoes, macintoshes. Chemical and electrical industries and the manufacture of essences and tinctures from the abundant indigenous material have a bright future.

Plantain, tapioca, bananas, arrow root, all call for manufacture into flour. Fruit culture and canning, fish culture and canning, soap making, twine and cordage from unexploited fibres like pineapple leaf and plantain sheaths, wood-oil from the forests, paints and varnishes from indigenous resins and gum, tanning extracts from bark, pulp from bamboos and etas, mats, pouches and bags from the screwpine, manure and oil from fish, etc., can be easily developed as cottage industries.

XI

In point of education, Travancore holds first rank with about 4,000 schools, 8 colleges, 75 high schools, 150 printing establishments and about 125 newspapers and journals. Travancoreans hold high places outside Travancore. There are Travancoreans all over India, in Africa, in Ceylon and Malaya, in America, in almost all European countries.

XII

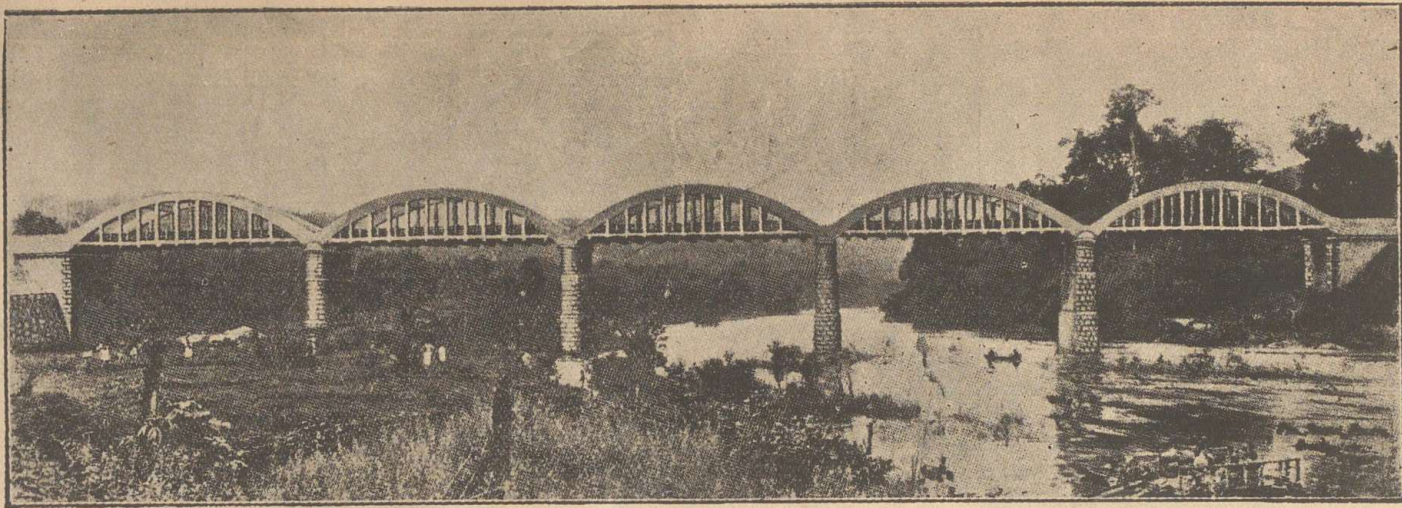
Trivandrum, the capital of Travancore, is the terminus of the Tata Air-ways and is within seven hours flight from Bombay by air-plane. The State has four open sea ports, and a share in the Cochin Harbour that promises to be one of the best in India.



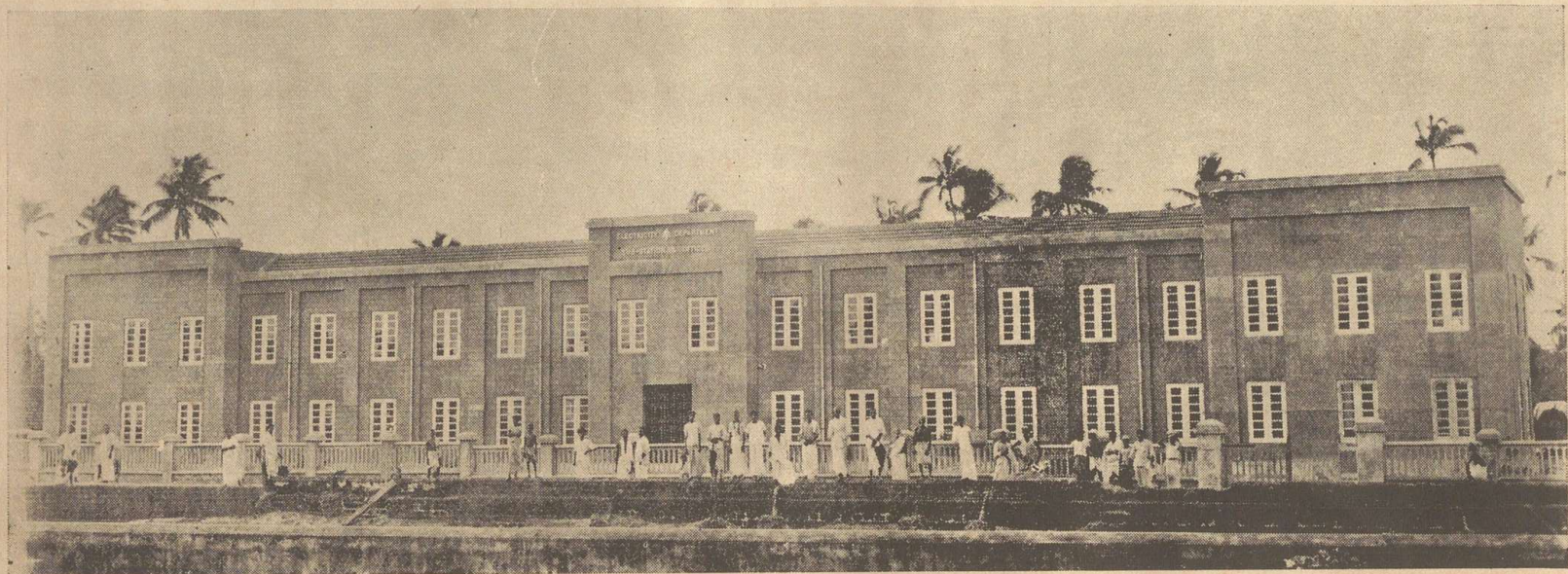
A Canal View in Central Travancore.



A View of The Commercial Canal, Alleppey.



The Neriamangalam Bridge.



Electric Sub-Station, Alleppey.

XIII

The number of companies registered in Travancore is over a thousand. Travancore leads in branch banking. The big three have spread their branches far and wide. It is said that like the desert Cactus, they are able to draw sustenance from the barrenest of soils.

XIV

Travancore has a very well maintained system of roads and waterways that with a little care and attention might turn out to be one of the best assets of the State.

XV

Travancore lives mostly in detached houses. Yet in the matter of security of

person and property, Travancore can give points to the rest of the world.

XVI

All this wealth and prospects and attendant cares and responsibilities have fallen to an enlightened ruler who is just completing his 24th year. By name, Sree Padmanabha Dasa (servant of God) and tradition, the Travancore rulers have dedicated themselves to the service of the State. And with the motto of the royal house, "*Dharma* (duty-righteousness) *Our Family Deity*," and now with a live statesman at the helm, Travancore has every reason to expect the unfolding of a glorious future. (16-10-1936)

The Pallivasal Hydro-Electric Project

PROGRESS IN CONSTRUCTION

By

K. P. P. Menon, B. A., B. Sc., (Hons.) Lond.
M. I. E. E., A. M. I., (Mech. E.) M. I. E. Ind.,
Electrical Engineer to the Government of
Travancore.

THE work in connection with this Project was started towards the latter half of 1933 and during the last three years, considerable progress has been made in its execution. The present programme of construction is for the development of 9,000 K.W., from the falls in the Mudrapuzha river which is a tributary of the Periyar. The total head available is 1,990 ft. which is distributed over a distance of about 3 miles of the river course.

A Diversion Weir with collapsible shutters will be constructed at Munnar and water from the Mudrapuzha river will be diverted through an open channel of a length of about 1,500 ft., and led into a tunnel bored through the Nagamalai ridge. The design and details

of construction of the headworks have already been settled and the actual construction is expected to be started immediately. The tunnel is roughly over 10,200 ft. in length and 9' x 8' section. The excavation of the tunnel is already completed, and portions of the tunnel where the ground is found unsatisfactory are being lined with concrete. The lining work is necessarily slow and difficult and it will take another six months before it is completed. At the tunnel exit, which is about 4 miles by the road from Munnar, water is let down to the power house by means of 2 penstock lines each 7,447 ft., in length laid side by side carried on suitable supports and anchored at frequent intervals. The diameter of the pipes varies from 30" at top to 22" at bottom when it enters the power house. Of these 7,447 ft. of penstock line, 7,100 ft. have already been erected. There is only the last section of 300 and odd ft. remaining to be done. From the penstocks, the water is

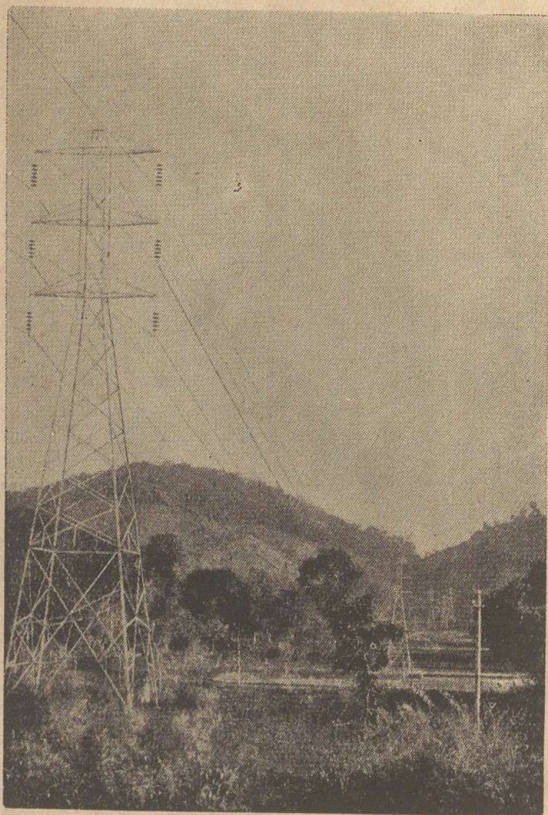
admitted to two pelton wheels each generating 6,000 H.P. at a net head of 1,890 ft. Each pelton wheel is coupled to an alternator of 4,500 K.W. capacity, generating at 11,000 volts. 3 phase 50 cycles. At present, 2 sets are installed and their erection is complete. Proposals are also under consideration for the installation of a third set which can be worked from the existing penstock. This machine will be a standby. The generating voltage is then stepped up to 66,000 volts by means of 2 transformers of 5,000 KVA each with necessary switch-gear which are all of the outdoor type and operated from the control room located inside the power house. The control pannel embodies the latest practice in remote control, protection and safety devices. Arrangements are made in the power house for distributing power in the neighbouring tea estates at 11,000 volts. Power is transmitted to the plains through a double circuit transmission line carried on steel towers. The first portion of the line cuts across the mountains from Pallivasal to Neriya-mangalam and enters the Kotha-mangalam substation where the line bifurcates, one going to Alwaye a distance of 20 miles and the other going to Pallam a distance of 35 miles. At Alwaye, another station is located where the voltage will be stepped down to 11,000 for distribution in the neighbouring area over a range of 15 to 20 miles. These 11,000 volts distribution lines are carried on teakwood poles supplied by the Forest Department after suitable treatment to prevent deterioration by white ants, insects or dry rot. The third 66 kv substation is located at Pallam where arrangements are incorporated for extending the lines at a future date to Kundara and Peermade. At Alleppey

the supply will be received at 33 kv where it will be stepped down to 11,000 volts and distributed by underground cables to 3 substations, one located at the market, the other at Chungam, and the third near the Chamber of Commerce building.

In addition to the main network described above, subsidiary 11 kv lines will cover Shertallai, Changanacherry, Thiruvella, Kottayam, Mudikal, Alwaye and other places. Materials in connection with this distribution have already been received, and the line construction will be taken up shortly. At a future date it is proposed to extend the supply as far as Peermade for distribution to the different tea estates there.

The main 66 kv transmission lines described above have all been completed. The 66 kv substation installations are also approaching completion. Some of the 11 kv substation work is also completed. The work in connection with the town distribution and the supply in the rural areas will be the next item of programme. These are expected to be started early in November and completed before April next year (1937).

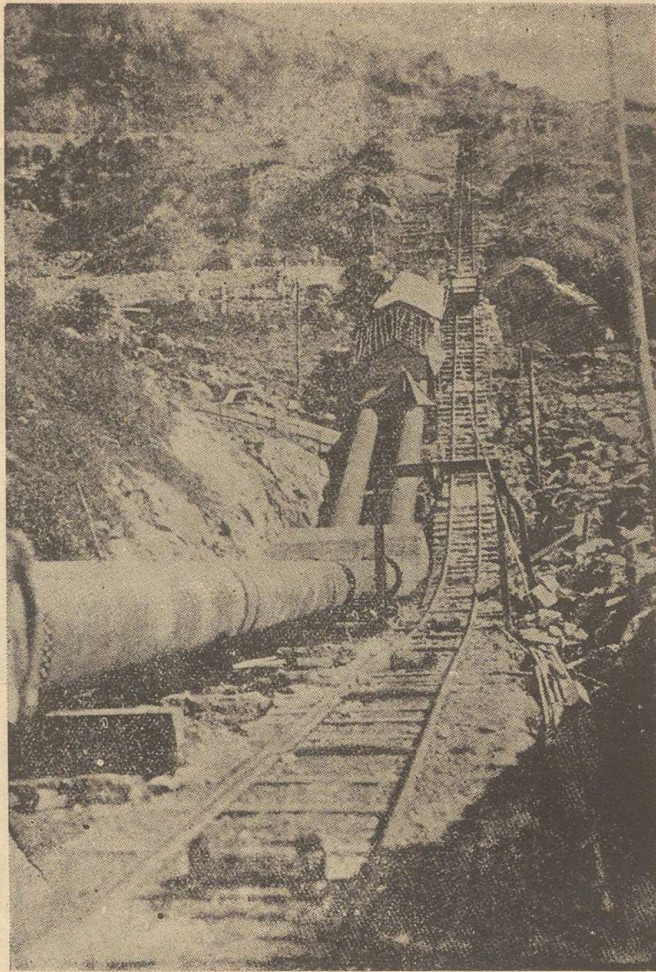
When the Scheme is inaugurated, it is anticipated that supply will be made available at all the important consuming centres in North and Central Travancore, and it will be the policy of the department to extend the network to places not included in the present programme provided the consumption in such places will justify the extension. The details of tariff for the supply of energy for various purposes are now being carefully considered by the department; and in view of the comparatively low capital expenditure on this Project, it is expected that power will be available at all these centres at rates not higher than



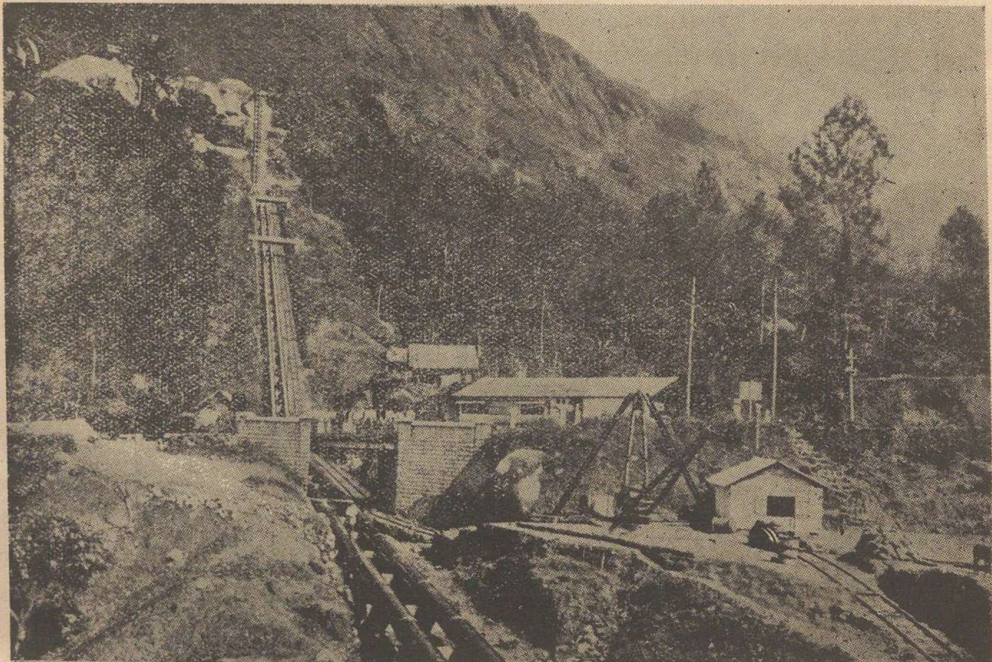
66 K. V. Transmission Line (Plains Section)
(P. H. E. Project)



Tunnel Inlet
(P. H. E. Project)



Penstock Erection in Progress — From Bend No. 1 upto Forebay.
(P. H. E. Project)



Penstock — Section from Forebay to Bend 3. (P. H. E. Project)

what is charged by the Madras Government under the Pykara system. The Pykara tariff is one of the lowest in India and it is therefore expected that with the inauguration of supply, all the industries in Alleppey and other places will take advantage of the cheap power and effect considerable economy in their operations. The success of the Project depends, to a large extent, upon the ready response from the consumers and it is earnestly hoped that all the industrialists in Alleppey and other places will follow a very progressive policy in this matter and change over to electric drive as soon as the supply becomes available.

By doing so, they will be utilising the natural resources of the State to the fullest extent possible and thus contribute towards the prosperity of the country.

The Department will very shortly organise a Commercial Branch to deal with all enquiries received from prospective consumers and will be in a position to furnish them with estimates of cost for changing over to electric drive and also of annual operating costs.

The expenditure so far incurred on the Project is Rs. 58½ lakhs and it is expected that there will be a further expenditure of about Rs. 30 lakhs before the works are completed.

Travancore's Opportunity

By

**Professor P. J. Thomas, D. Phil. Oxon.,
Madras.**

I AM glad to learn that you are bringing out a Special Number on the occasion of H. H. the Maharaja's birthday. I take this opportunity to make an appeal for a concerted effort towards the industrial development of the State.

The thorniest problem facing Travancore to-day is unemployment, especially among the educated classes. The only way of tackling this problem successfully is by increasing industrial occupations in the country. No doubt an improvement of rural life will greatly help, but Travancore with its teeming population cannot depend solely, or even mainly on agriculture.

Travancore is cut out for industrial pre-eminence in India. It has abundant natural resources, and its people are highly industrious and enterprising. That an ample supply of capital is available at low rates of interest is clear from the success of the recent loan. A steady

supply of cheap power is now assured by the development of hydro-electric resources. The means of communication in the State are excellent, and by utilizing the waterways of the coast-strip, inland transport can be made easy, regular and cheap. In most Western countries the factor which impedes industrial progress to-day is the lack of markets; but for Travancore the largest potential market in the world is at her door. India with its population of about 370 millions is a wide enough market for the products of Travancore, and if only efforts will be made to tap it by appointing trade agents and carrying on active propaganda, Travancore goods can find a ready sale within this vast sub-continent. Even foreign markets have a fairly keen demand for the distinctive products of Travancore. We have to watch the trend of trade all the world over, and take opportunities by the forelock.

Travancore has not so far utilized these great opportunities to any great extent. Industrial leadership has not

been adequate, and, till lately, the State has not actively supported industrial efforts. H. H. the Maharaja has graciously signified his intention to pursue a more active economic policy, and the new Dewan, Sir C. P. Ramaswami Aiyar, is engaged in formulating a suitable plan for carrying out the intentions of His Highness. Sir Ramaswami Aiyar possesses great powers of initiative and originality, and he is thoroughly conversant with the needs of Travancore and the right mode of meeting these needs. If adequate co-operation is forthcoming, Travancore will soon be able to rise to a much higher level of economic development and Travancoreans will have ample openings for lucrative employment within the State.

In the initial stages, the State will have directly to organise and manage industrial establishments, at least in certain basic industries. State efforts at industrial management have not been efficient in many countries, *and there is no doubt that the ordinary administrative machinery of most governments is not suited to carry out business enterprises. Industry must be managed on strictly business principles, and therefore an expert organisation under the aegis of the State must be set up for the planning, execution, and continual supervision of industrial establishments. An active co-operation between Government and private agencies is necessary, and above all Government must be free from political worries.* After a time, private enterprise is bound to arise in a land like Travancore, and the State may be able to withdraw from the industrial field.

The *conditio sine qua non* for the pursuit of an active economic policy by the State to-day in Travancore is a much greater co-operation between Government and the people. The communal bickerings in the State have caused great injury to the fair name of Travancore and have greatly worried all well-wishers of this great land. Lately recruitment to the public services has been brought under proper regulation and a sensible scheme for the reform of the electoral system has been devised. *Internal political wrangles must now cease* and all Travancoreans must actively co-operate with His Highness's Government in pushing through a plan of economic development and in securing for Travancore a suitable place in the coming Federation of India.

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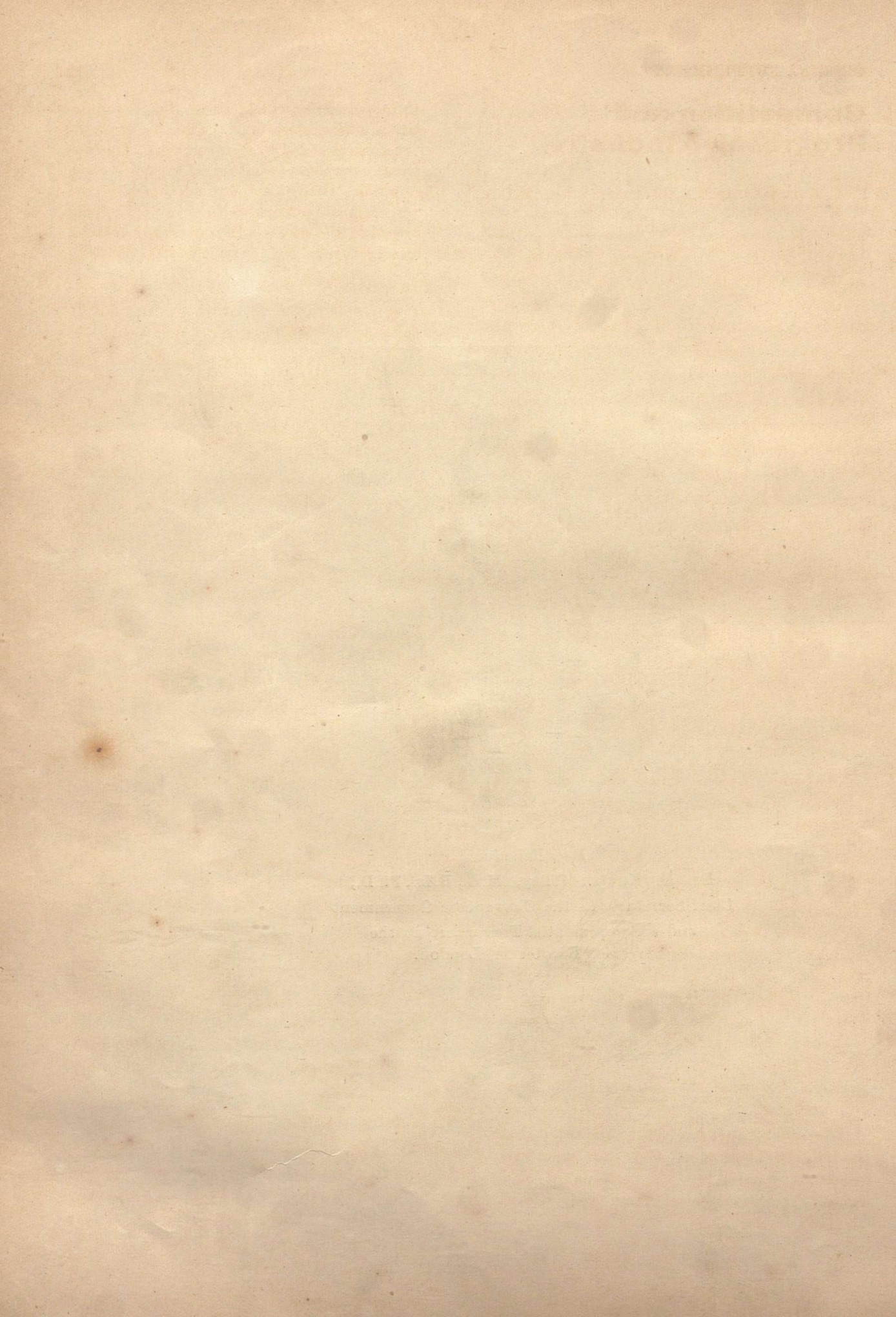
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Rao Bahadur
Dr. N. Kunjan Pillay, M.A., B.Sc., Ph.D.,
Chief Secretary to the Travancore Government
and who represented Travancore at the
Wembly Exhibition, London.



Competition and Progressive Industry

By

K. C. Karunakaran B.A., B. Com. (Birm), M.L.A.



The idea of 'competition' has undergone several mutations. It is correlated with progress and the importation of ethical principles has changed its aspect from one of self-aggrandizement into a beneficent motive power for further development. Industrialization of new countries after the Great War does not necessarily involve the ruin of the old nor even unhealthy competition, as, with the industrialization of the new countries, the shape of the trade between the old and the new countries assumes a change. Recognition of this change will explain the apparent phenomenon of competition between the old and the new countries.

"We must not jump to the conclusion that the industrialization of the new countries necessarily injures the old, considered as a whole. As a matter of fact, apart from

those industries which are in direct competition, other interests in the great metropolitan centres stand to gain by every development, even manufacturing, which takes place overseas. Orthodox political economy did not hesitate to teach us this, and England herself in the nineteenth century proved it by experience." (ANDRE SIEGFRIED.)

The existence of competition in localised or world-wide industrial undertakings—either owned and controlled by individuals or groups of individuals—is being attacked severely by 'agitators' belonging to various schools of economic thought. The nationalisation or socialisation of industries, particularly the so called 'Key Industries,' has a special charm for this group of economic thinkers and they advance the view that the elimination of competition in industry will solve many economic problems and ills that face the world to-day.

'Competition' came into existence as soon as man began his economic activities—however smallest or humblest they were—in one form or other. During all these centuries, 'competition' had been a potent factor in man's craving to improve his economic position in every direction. Even to-day 'competition' plays such an all important part in the well developed economic organisation that it is known as the 'Life blood of business.'

It is quite unfair to condemn 'competition' without an unbiassed examination of the development of the idea and the shape it has taken in its application to business in modern times and the purpose it serves in the industries of to-day. In this article, an attempt is made with this end in view.

In a general sense, competition is easily defined. The essential nature of competition, in the strictly economic sense, has been described by the American

Economist, Walker. Competition, he says, signifies the operation of individual self-interest among the buyers and sellers of any article in any market. It implies that each man is acting for himself solely, in exchange, to get the most he can from others, and to give the least he must himself. Competition is naturally opposed to combination in any form, to custom, and to sentiment, even though these, particularly the two latter, in actual business have always played an important part.

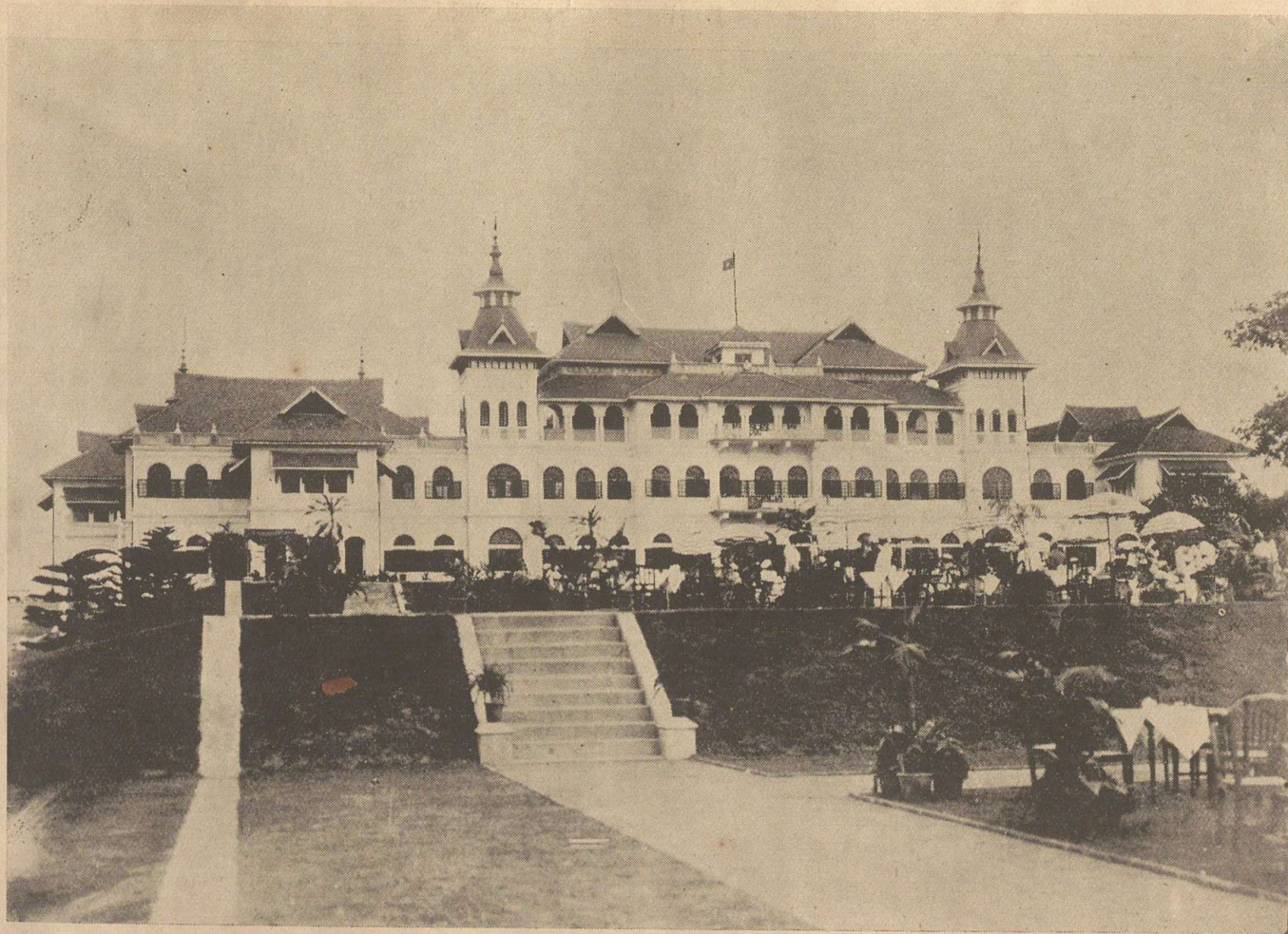
The possibility of pure and unalloyed competition, wholly unrestrained, uncontrolled and unregulated is a thing of the past. It does exist in many varied forms and manifestation, but it has been profoundly affected by the introduction of ethical and immoral considerations, many of which have acquired the force and status of Law. The last quarter of the nineteenth and the beginning of the twentieth centuries saw the springing up into existence of some other great forces—co-operation and combination, the formation of Trusts in the United States and Kartels in Germany and the vast international conglomerations—which pushed the original conception of competition into the background or transformed it beyond recognition. The questions that face us to-day are: What is the real essence and purpose of competition in industry to-day? What part, if any, does it seem to play in the future? Can it be reconciled and fit in with the new changes and new forces, or is it being transformed out of existence?

No doubt there is much difference of opinion and confusion of thought on these questions due to the divergent views held by the various schools of thought in regard to industry itself and its proper place in the general scheme of things. The socia-

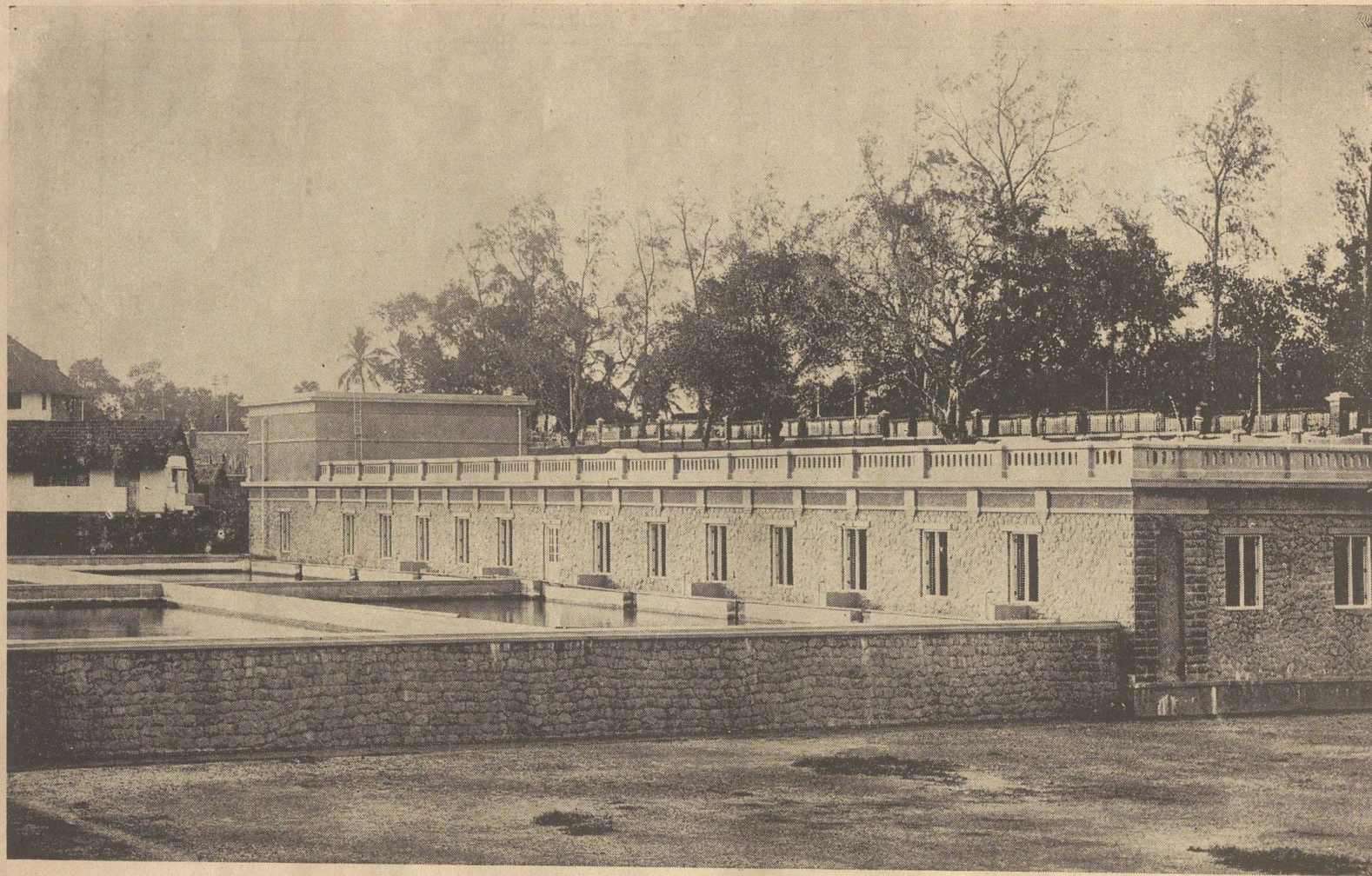
list attitude towards competition will certainly be very different from that of the individualist; and again, those who disbelieve in industrialism altogether will, no doubt, have the utmost loathing and hatred for competition, the most powerful instrument of progress. It has, therefore, become necessary to make a philosophical distinction, and decide whether we believe in progress or not. We can safely take for granted that progress with all its errors and evils and mistaken and misguided ideals, is desirable and indeed inevitable and that it can be made subservient to the highest intellectual and moral interests and activities of mankind. It will be shown that competition can play a vital and increasingly nobler part in that progress.

In regard to the attitude of the socialists towards competition, it is of interest to recall what John Stuart Mill has said in condemnation thereof:—

“I utterly dissent from the most conspicuous and vehement part of their teaching, their declamations against competition. With moral conceptions in many respects far ahead of the existing arrangements of society, they have in general way confusedand one of their greatest errors, as I conceive, is to charge upon competition all the economical evils which at present exist. They forget that wherever competition is not, monopoly is; and that monopoly in all its forms is the taxation of the industrious for the support of indolence, if not of plunder.....Instead of looking upon competition as the baneful and anti-social principle which it is held to be by the generality of socialists, I conceive that, even in the present state of society and industry, every restriction of it is an evil, and every extension of it, even if for the time injuriously affecting some class of labourers, is always an ultimate good. To be protected against competition is to be protected in idleness, in mental dullness; to be saved the necessity of being as active and intelligent as other people.”



Kowdiyar Palace, Trivandrum.



Filter Beds, Trivandrum Water Works.

This condemnation of the socialistic attitude is, no doubt, far too sweeping and commits serious blunders of its own. Every restriction of competition is not, of course, necessarily an evil; nor is every extension thereof an ultimate good; nor is every form of monopoly always evil. The fact of the matter is that neither Mill nor the socialists have found the real truth. Both competition and monopoly require proper regulation and control, when both may be highly beneficial. It is not by any means certain that unrestrained monopoly is a greater social evil than unrestrained competition, though strangely enough, free competition had been held by some, for example, the framers of American anti-trust legislation, to be sacrosanct and above reproach, whilst monopoly has been anathematized as everything that is bad. Under the latter misguided view the whole basis of patent law, among other things, is thoroughly wrong and unsound.

Competition in its natural sense means the struggle for existence, resulting in the survival of the fittest. It dominates biology and the theory of evolution. The economists accepted at least for a time Herbert Spencer's Evolutionary Doctrine as applied to social phenomena almost in its entirety and it was left to Huxley to point out the necessity of imposing necessary checks to the full force of competition by the social frame work within which it acts. "Social progress", says Huxley, "means a checking of the cosmic process (of ruthless competition and struggle) at every step, and the substitution for it of another which may be called the ethical process; the end of which is not the survival of those who may happen to be the fittest in respect of all the conditions which exist (environment) but of those who are

ethically the best." Thus an ethical aspect has been introduced into the problem.

The French Economist, Prof. Gide tells us that when each individual is at liberty to take the action he considers the most advantageous for himself, whether as regards the choice of an employment or the disposal of his goods, we are living under the regime of competition. This is too wide an interpretation of competition and robbery with violence, piracy, or fraud and cunning are not excluded. It is therefore clear that competition must keep within the law. We are no longer believers in the blind uncontrolled evolution of society. Slavery has been abolished; piracy does not now figure in honourable competition; the labour of children is condemned; the hours of work of adult men and women have been reduced. The plane of competition has been raised to loftier heights, and much has been left behind and below in the process. Piracy and all that it means, the arbitrament of force and cunning, has fallen outside of and below that rising plane, and has been replaced by other mighty forces working strongly for social betterment. Of these forces, co-operation, or the enlargement of the competitive group, is among the greatest.

It would appear at first sight that increasing co-operation means decreasing competition; but this is perhaps a superficial misconception. We notice co-operation—a certain amount of mutual agreement and help—even among the members of groups in the animal kingdom; in fact, this has been in existence from the beginning of things. What has really happened in modern times is the enlargement of competitive groups or communities with the formation of larger groups or communities. The great and

profound influence of these new formations on political, economical, social, scientific and the like is one of the outstanding characteristics of modern society.

As far as human affairs are concerned, these groups or communities are assuming larger proportions of an international nature. This is a stern fact we see every day in our economic relationships. Consider, for example, the formation and working of Trade Unions. Do we not see in a Trade Union of workers in any one industry that the supreme idea of co-operation is not necessarily opposed to or mutually destructive of competition? In most of the Trade Unions, we notice that in one important direction, competition is retained, namely, in the terms of admission to the Union. In the old Trade Guilds, membership of a Guild was a guarantee of a standard of character and workmanship and it is admittedly in the best and highest interests of the Union or Guild to maintain such a standard.

It is only possible to refer here to Trusts, Kartels or Combines and its effects on competition. A complete monopoly is very difficult to achieve and if achieved, it is the primary duty of the State to interfere and control it. It is beyond doubt that the nature and form of such State interference and control bristle with great practical difficulties. The best way to get out of these difficulties is for us to fervently hope that these Combines or Trade Associations will in their own interests, put service to the public before exploitation and exercise control so far as possible from within rather than imposed from outside. Here again the competitive principle may be applied in the selection of the right man to control the destinies of a group, and perhaps also by the imposition of certain

well known and well defined standards and conditions of membership. This will also apply to the great co-operative movement in all its manifold forms and activities.

"A country is mature or even old when its population and its equipment have been developed beyond the resources of its territory; it is young so long as its resources are greater than its needs. The remark so often heard in new Continents, 'We are a country of infinite possibilities', plainly expresses their conviction that the future still lies ahead. From this conception the whole system of complimentary trade has arisen, in which the abundance of the one is absorbed by the deficiency of another. Neither Customs Tariffs nor planned economy can overcome what is basic in such relationship." (**Andre Siegfried**).

One outstanding feature of the 'young' countries in the post-war period is the brisk stride they make towards the development of various industries. The problem for the 'old' and fully industrialized countries like those in Western Europe, is how far they are going to fare in that coming competition with these 'young' countries. In answer to this, let me again quote Andre Siegfried.

"As soon as a colony begins to be industrial, it affords a very profitable investment for European capital. So, though apparently we are face to face with a revolt, it is often the capitalists of the Old World who are making money out of it".

"European industry also profits, for the demand is created for equipment, machinery, and spare parts, which obviously can only come from the most highly developed countries of the world, i.e. practically only from Europe and the United States. Along with the machines go the men to install them, both engineers and foremen. Thus, instead of exporting the finished article itself, the most highly developed nations tend to export either tools or technical men. In the long run, as the purchasing power of the former customer increases, he will probably

import as much as he did before, perhaps even more. It will now be the other European industries, however, those producing the finest qualities, that will benefit by this increased overseas demand".

It is now being increasingly realised even by the most powerful combine, that industry and trade are healthiest and most flourishing when built up, not

on selfish aggrandisement but on service, good quality and moderate prices; and those groups are 'fittest to survive', who take their firm stand on these adamant foundations. Competition of the right kind is still the mainspring of progress, but it is constantly rising to higher levels, and implies worthy struggle for the things that matter.

Industrial Competition between the East and the West

By Dr. P. P. Pillai.

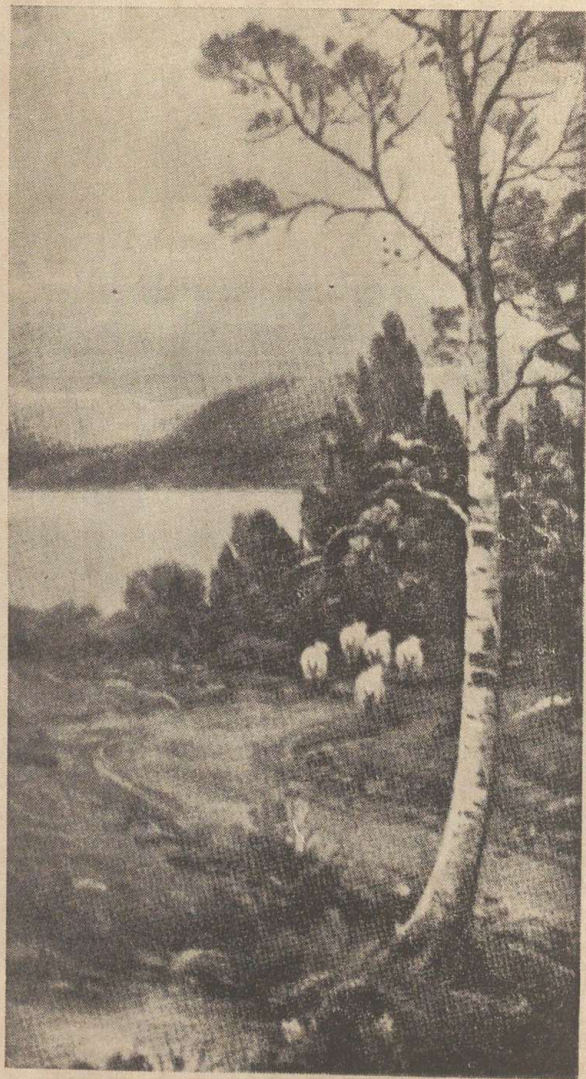
ONE of the most noticeable changes in the world's economic structure during recent years has been the wider dissemination of industrial and manufacturing activities. The more or less monopolistic position which Europe enjoyed in this respect before the War is now being seriously threatened by the growing industrialisation of several non-European countries, both in America and in Asia. The East is rapidly transforming itself, and the developments that are now taking place in many of the leading Oriental countries are not unlike the long process of industrialisation which characterised the evolution of Europe in the course of the last century. It cannot be denied that the industrialisation of those countries which, till recently, were only producing food stuffs and raw materials is bound to provoke considerable disturbance of the old economic balance and to necessitate extensive readjustments. The introduction of automatic and semi-automatic machinery in industry is certain to lead to the starting of industries even in those countries which have had no previous industrial experience. To-day there are few countries which could not

satisfy their own requirements in textiles, cement, soap and many other articles of common consumption. With the spread of the doctrine of national self-sufficiency, it is now becoming a matter of pride for most countries to increase the range of their production, irrespective of any consideration as to whether this new production is on a strictly economic basis or not. In addition, the commercial policy pursued by several countries as an antidote to the Depression has been to curtail imports from abroad in order to preserve their balance of payments; and this, naturally enough, has given a further impetus to national manufactures.

An immediate consequence of this change has been considerable social dislocation and the creation of several new problems of great complexity. For one thing, it gives rise to competition between the newly industrialised countries and the older ones, as well as between the newly industrialised countries themselves. Nevertheless, it would be a mistake to suppose that the process is necessarily detrimental in its effects. For, as it has been found in the past, industrialisation gradually leads to an improvement in the general standard of living, through

the production of new wealth and the development of new resources. Experience has shown that industrialisation increases rather than diminishes a country's need for its neighbour's products. The best customers of the industrialised nations are not the agriculturist countries, but their industrial competitors. In 1931, for example, 67% of the total exports of so highly industrialised a country as Switzerland went to the nine leading industrial countries of Europe. Of Great Britain's exports to Europe in 1929, about 72% were taken by industrial countries. Similarly 73% of Germany's European exports in 1929 were absorbed by industrial Europe, and only the balance by agricultural Europe. This may seem absurd, something like the members of a community earning a living by taking in each other's washing, but a moment's reflection will show that industrialisation, and the production of new wealth which it implies, create needs for all kinds of luxuries and semi-luxuries which a purely agricultural community cannot afford. We are therefore justified in concluding that in the long run the spread of industry to the other continents will benefit rather than injure the old manufacturing countries of Europe and North America. A recent publication issued under the auspices of the Royal Institute of International Affairs brings out this point very clearly. The volume is entitled "Eastern Industrialisation and its effect on the West," and Prof. Gregory of the London University, who contributes a concluding chapter is emphatic that the increasing industrialisation of the East will by no means destroy industrial activity in the West. The East has vast potential consuming power which might more than counterbalance its growing productive capacity, if the standard of life rises.

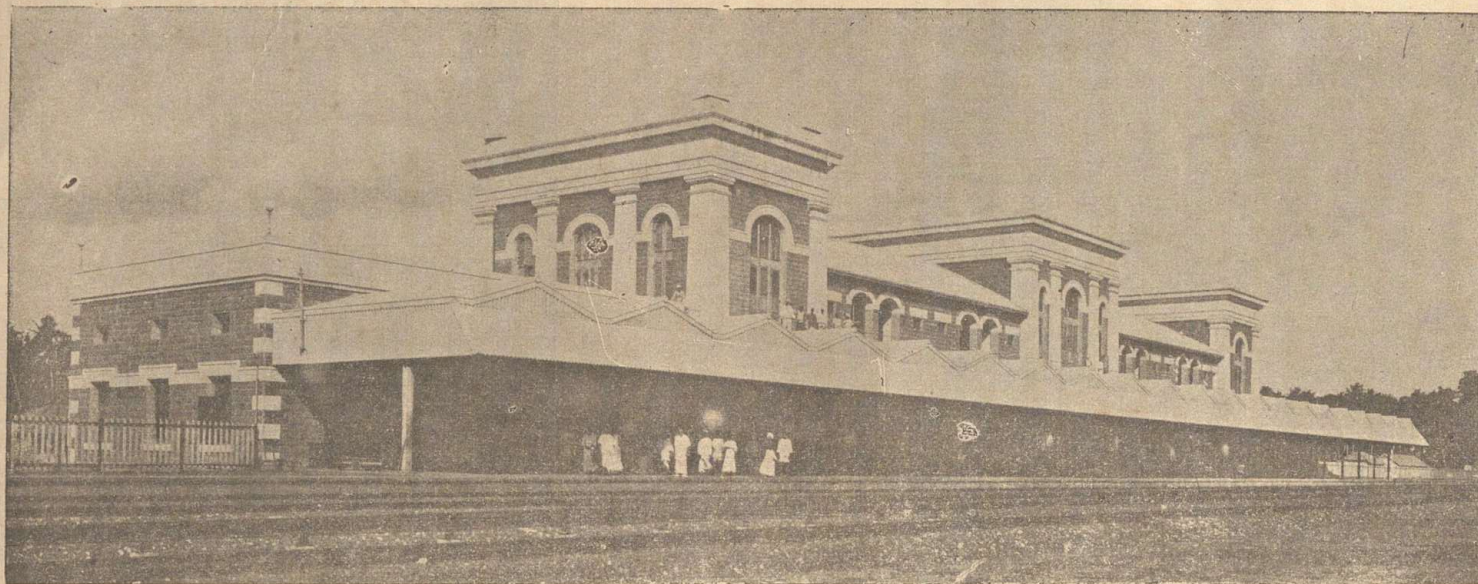
Also, as its industries grow, they will have to depend upon the West for capital, and upon other parts of the world for raw material; and this, along with the rising standard of living, will render competition with the West less acute. Moreover, the remarkable expansion of the textile industry in Japan and other Eastern countries and its severe effects on the West have tended to create a wrong impression. History teaches us that when any industry in an old area is superseded by the rise of the same industry in a new area, the former can either develop on new lines or create altogether new activities. Japan, besides being an increasing customer for raw materials from abroad, particularly from the British Empire, has her own problems. In certain large-scale industries natural limitations may arise, preventing her from being able to sell at extremely low prices. The country has to face the internal conflict between agriculture and commerce, and a rising standard of living which may prove a brake on industrial expansion and competitive export power. Already Japan seems to realise these difficulties and has been for some time concentrating on small-scale enterprises; perhaps her future will lie in that direction. As regards India, a similar development may be expected. As the authors of this book observe, "Industrial progress in India depends fundamentally upon increasing the home market by a gradual rise in the standard of life." It is difficult to say that there is any immediate prospect of the rapid growth of large-scale manufactures in the country, but here also, as in Japan, small-scale industries are likely to show a speedier growth. Already, public attention is being more and more focussed on the development of small industries, and it is interesting to note



A Beauty Spot in Travancore.



A Valley Scene.



Central Railway Station, Thampanoor, Trivandrum.

that on the 16th April, 1936, the Legislative Assembly adopted a Resolution sponsored by 33 non-official members, praying the Government to take definite and effective steps to extend the policy of protection to the small enterprises and cottage industries of the country.

It is no surprise that the I.L.O., which stands for orderly progress in human affairs and the prevention of human misery and suffering, should devote considerable attention to economic developments of this character. With the wider diffusion of industries, the social problems arising from it are also spreading to all quarters of the globe, and since industrial evils, like industry itself, are international in character, the mission of the International Labour Office is now becoming truly universal. One of its preoccupations in the near future will, therefore, be to ensure that the human misery and suffering which constituted one of the dark spots in the early history of industrialisation in western countries are prevented as far as possible in the new countries, where industries are now springing up. The I.L.O.'s efforts to improve labour conditions in the new industrial areas of Asia and South America are already bearing rich fruit, and it may be taken for granted that the new conditions created in these continents by the economic evolution of our times will be watched with sympathy and understanding by this World Organisation.

There are also other considerations which necessitate that the I.L.O. should take an increasing interest in the problems created by the geographical redistribution of industry. For, though the wider diffusion of industry will prove an undoubted gain to all concerned, this gain can be reaped only after a certain period of readjustment. It is this long

and painful process of readjustment through which we are now passing, and one of its features is a definite increase in unemployment. When factories are set up in Bombay or Tokyo which supply the needs formerly met by Hamburg or New York, it is clear that some degree of unemployment is liable to be created in the latter cities. This unemployment may be transient and temporary, or, on the other hand, it may be permanent if the disappearance of an old market involves the suppression of a branch of production. In the latter case, the men who are thrown out of their jobs in Hamburg or in New York, especially if they are middle-aged, will find it difficult to learn some new trade and be compelled to tear up their roots and move on to some new district where their labour may be wanted. It is true that in course of time the children of these men thus thrown out of their jobs may be able to supply India and Japan with some other kinds of commodities, motor cars or wireless sets, for example, instead of cotton piece-goods, but this will be little consolation to the middle-aged men who have lost their living. In judging the long-range effects of economic changes, their immediate effects on the individual are too often ignored. The unemployment created by the structural changes now taking place is a reality, and there is room for the fear that its extent is likely to become greater if the natural process of industrial development is hastened by artificial stimulants prompted by nationalistic considerations.

The short-range effect of these new economic changes therefore, is to produce some dislocations and embitterments, and to precipitate a battle between higher and lower standards of living. One of the slogans invented during this battle

of standards is the slogan of "social dumping." In the older industrial countries, the workers have succeeded, after much struggle and suffering, in winning for themselves a certain standard of living, but in the newer industrial countries the workers are accustomed to a much lower standard of existence; nor are they sufficiently well-organised to demand and obtain a higher level. Competition from these latter countries, it is feared, would lead to a deterioration of the higher standards already established in the older countries. To cite a familiar case, the United States tariff has been constantly defended by American workers' organisations on the ground that it protects their higher standard of living against European competition based on inferior standards. A similar demand for protection may now be heard in several other parts of the world. Even in India, we have had at least one instance of the Government imposing a discriminatory tariff on goods produced by low wages and under worse conditions of work. When the Tariff (Cotton Yarn Amendment) Act of 1927 was introduced in the Indian Legislative Assembly it was specifically stated that its object was to put off from the Indian market every pound of yarn manufactured under less favourable working conditions than in India. It is obvious, however, that such proposals must be exceedingly difficult of application. So many variable elements go to determine wages and labour costs that it is exceedingly difficult to prove a charge of social dumping. There has never been complete parity in wages and conditions of employment as between the countries competing in the world's markets, nor is such parity a necessary condition of international exchanges of goods. At the same time, if the disparity

becomes so wide as to accelerate the natural redistribution of industrial activity, it is not unlikely that the demand for protection on the ground of comparative labour costs and conditions will become more insistent. The International Labour Organisation has already done much to create minimum standards through the gradual application of its conventions, and nowhere have they produced more striking results than in some of the newly industrialised countries. The application of these Conventions in these countries has probably marked a greater advance in social conditions than in most of the European countries. But the expansion of the world's industrial activity will probably bring the problems of competitive conditions into still greater prominence in the near future. This will entail a corresponding expansion of the activities of such international organisations as the I.L.O. For, enquiries of this character, the object of which is to ascertain the fair competitive prices of goods entering the international market, have perforce to travel beyond questions of hours of work and wages, and to take due account of all the important elements involved in production and distribution.

A Yorkshire farmer was asked to attend the funeral of his neighbour's third wife, and as he had attended the funerals of the first two, his own wife was surprised when he informed her that he had refused the invitation.

On being pressed for a reason he said, with hesitation: "Well, you see, lass, it makes a chap feel a bit awkward to be always accepting other folk's civilities when he never has anything of the sort to ask 'em back to."

Economic Potentialities of Travancore

By Rao Bahadur C. Gopal Menon.

AT the present moment there is not a happier subject about Travancore which occurs to me than a review of her economic wealth. For one thing, there is change of Dewanship: Sir C.P. Ramaswamy Iyer with a long record of administrative and other experience both in the Government of Madras and the Central Government as well as in certain other Indian States, endowed with a correct perception and vision of things and a balanced judgment, has taken over the reins of office. For another thing, the prolonged economic depression which has been paralysing international trade is not expected to last much longer and every country should make amends for the lost time by recapturing old markets. There is also the fact that Indian States are on the threshold of the Federal Constitution and in the future comity of Provinces and States the scope for fuller participation of each in plumbing the home market both for agricultural and industrial products is infinitely widened.

PHYSICAL FEATURES

The picturesque State of Travancore is nominally 7,625 square miles in area but the populated area is under 5,000 square miles having a high density of population of about 1,019 to the square mile. For an agricultural State of such high density the capital income must of course be pathetically small. But Travancore has a comparatively long sea-board with extensive backwaters, and a multitude of rivers and canals. No part of the country is more than 75 miles from the sea and that was the very feature which made Greeks such a great sea-faring nation in

ancient times. Most part of the State get an average rainfall of 100 to 250 inches in a year. The Periyar, the Pamba, the Kulakada, the Muvattupuzha, the Karamana and the Kuzithura are among the numerous rivers and mountain torrents which fertilise the country. The High Ranges, the Cardamom Hills, Peermade, Devicolam, and Ponmudi Hills, are only a few of the mountains which traverse the country in offshoots from the mighty Western Ghats. The undulating surface and the multiplicity of streams have been a standing puzzle to the road Engineer and the result is that there are less than 3,500 miles of main roads and only about 1,000 miles of village roads in the country. The canals are 240 miles in length. Nature has endowed Travancore with a magnificent backwater, river and canal system so that one can travel by boat nearly 200 miles right from Trivandrum to Tirur in British Malabar. There is no more powerful agency in any country for keeping down cost of transport to the barest minimum. Now that all the year-round, shipping facilities are being provided at Cochin, it is up to the Governments of Travancore and Cochin to systematize water transport along the coast in joint stock enterprise on adequate scale. It would then be possible to capture a great deal of the overland trade with Ceylon. It might even be possible with the co-operation of the South Indian Railway to divert a portion of the large transshipment trade of Colombo if the Travancore section of about 95 miles of Railway and the water transport system suitably feed the Cochin Harbour. A Railway connection between Ernakulam and Quilon has been long contemplated but in view of the

competition of boats and motor vehicles it cannot be made a paying proposition.

AGRICULTURAL PRODUCTION

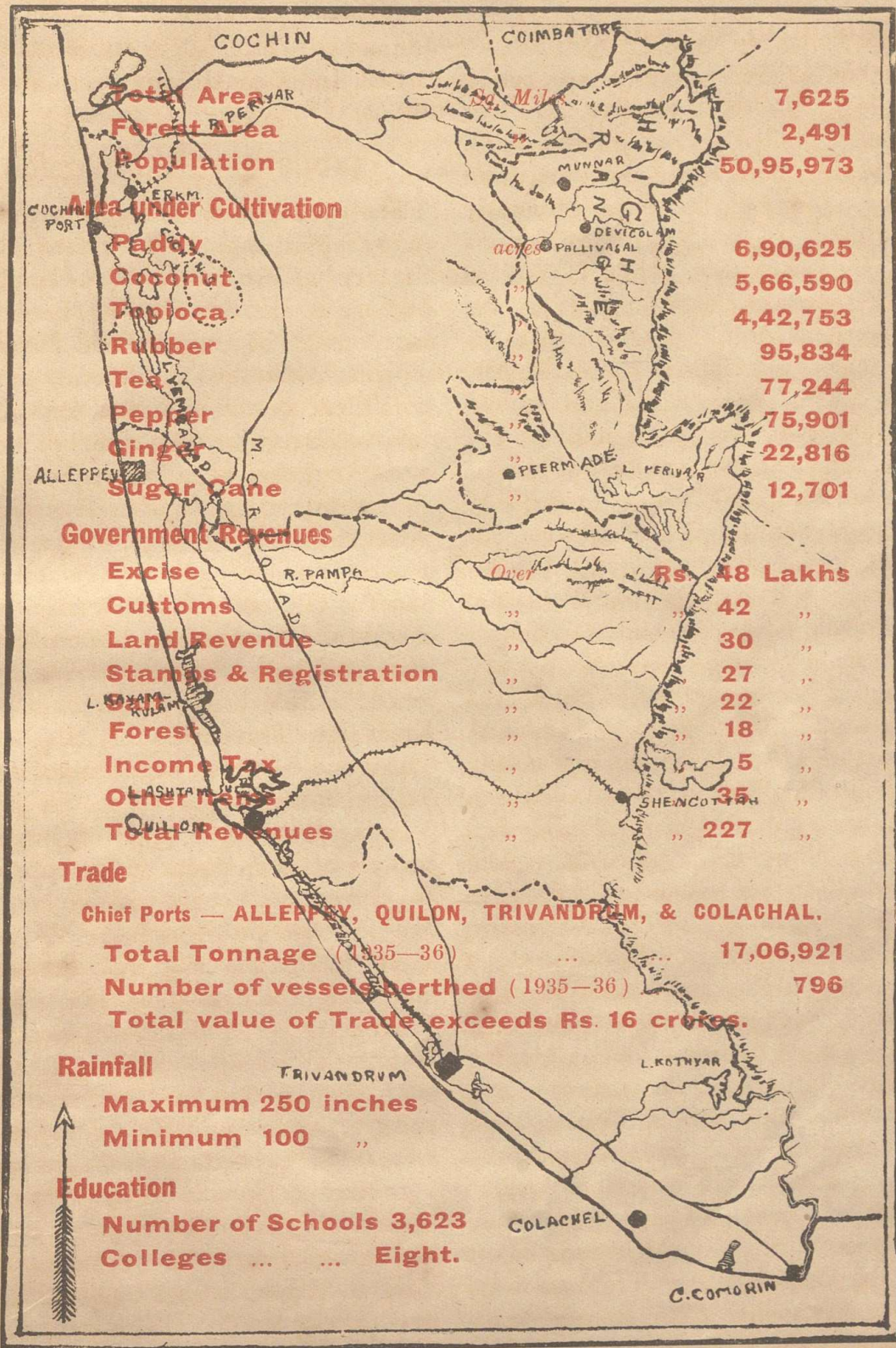
The chief food crops grown are paddy and tapioca. Pulses and spices are also grown on a limited scale. But the bulk of the wealth of the State is derived from coconuts, and pepper which eminently suit the soil. Tea, coffee, and rubber are among the plantation products and a potential source of elastic income is the vast quantities of hill produce such as honey, spices, wax, gums, barks, timber, bamboo, ivory, reptile skins and so on. The chief difficulty in handling hill produce and plantation products at present on a commercial scale is the inadequacy of transport facilities. There is scope for more extensive introduction of the ropeway system and perhaps the Pallivasal scheme would render the tramway a more paying agency. One pathetic feature about the agricultural production of the State is the insufficiency of food supplies. A population of 51 lakhs of rice eating habit, depending for about 6 to 8 months in the year upon imported rice and paddy and upon root crops to supplement locally grown paddy in the remaining months of the year is of course far from satisfactory; but the hilly character of the country sets a serious limit upon more extensive cultivation of paddy and the Government are known to do their best for encouraging intensive cultivation. Travancore is a market for paddy which Malabar and Tinnevely could woo more successfully if the cost of transport were more favourable. It is a great pity that with those rice districts in the neighbourhood it should be necessary for Travancore to indent upon supplies from Burma, Indo-China and Siam. Another pathetic gap in agricultural production is tobacco

which has also become one of the necessities of life to an Indian population, and Travancore is a regular purchaser of Jaffna tobacco. It is a trade which British India could very well annex to itself.

INDUSTRIAL PRODUCTION

Travancore is still far from putting on an industrial aspect. An infant Rubber Factory in Chackai, a modest Card Board Factory in Punalur or two languishing match plants at Mudickal and Thenmalay cannot provide the subsidiary occupation which half a crore of agricultural population would require. The coir fibre industry is of course seen scattered up and down the country and there are a few fair-sized plants too but the bulk of it is carried on in the humble cottages on miserable wages. The entire export trade is practically in the hands of a few companies and what reaches the primary producer in the best of times is precious little. A Trade Agent for Travancore in the United States and Germany ought to be able to quadruple the present outlet. Oil pressing is eminently possible on a very large scale because of cheap labour and transportation but Government ought to give some attention to the proper refining of the oil to suit foreign markets and to organize marketing through their official agent. Travancore is the place for a great many varieties of cottage products like mats, cloth, fibre, curios, fruit preserves, wood and ivory work and so on *but suitable financing of products and efficient marketing must be provided by Government.* With such a magnificent system of rivers and canals it would have been the easiest thing to develop a large timber trade even in coastwise traffic. With such a large sea-board and backwaters area it is a great disappointment that the State is

TRAVANCORE AT A GLANCE



still far from being self-sufficient in salt supplies: the home production being about 7½ lakhs maunds and supplies from Tinnevely and Bombay being together 4½ lakhs maunds.

TRADE

The external trade of Travancore consists of about Rs. 8.4 crores in exports and Rs. 7.9 crores in imports. Normally there is a fair favourable balance of trade of about Rs. 1 crore. The bulk of the trade consisting of 88 per cent is with British India. *I daresay that the growth of Cochin might further diminish the external trade of Travancore unless Government take special steps to safeguard it.*

A serious obstacle to the improvement of the export trade is the dependence of Government on export duties to the extent of nearly Rs. 21 lakhs while the collection from import duties is only about Rs. 7 lakhs. There is a 5 per cent export duty on many products like copra, coconut, coir, punnac, arecanuts, coconut oil,

hides and skins, ginger, tamarind, turmeric, etc. There are similar duties on wood, pepper, jaggery, etc. The expansion of the export trade would be in direct ratio to the reduction of these export duties especially as they are articles entering into international trade under competitive conditions. It would have been some excuse if as in the case of the Nizam's Dominions it had led to some industrial stimulus within the country but that it is not so evident.

In conclusion, I must say that with such vast agricultural and industrial resources, with large electric supply, developing, with vast material resources like ilmenite graphite, monozite, zircon, mica, etc., with many alternate facilities for transport, and with a Government so identifying themselves with the welfare and daily life of the people, it should be perfectly easy for Travancore to rank among the first class Indian States in trade, commerce, agriculture and industries.

Travancore and Trade Agencies

By M. R. Narayana Pillai,

BARRISTER-AT-LAW, TRIVANDRUM.

THE recent broadcast address on "TRAVANCORE" by Sir C. P. Ramaswamy Iyer from Bombay, has indeed been an eye-opener to many who are interested in the industrial and commercial welfare of the State. No doubt, these periodical attempts at publicity have their own effect on the world outside, but one often regrets the absence of a central agency for such publicity work. We have to attract the attention of foreign markets to our commercial potentialities in order to find continued

employment for the working classes in the State. There are various kinds of cottage industries which, if encouraged, would help to relieve the rural population of much of their want and misery. Native genius is being curbed for want of scope. The country artisan's capacity to construct useful and interesting articles is unlimited, and if he only realises that there are markets where he can convert the products of his skill into ready cash, how happy he would be. It must be admitted here that the taste of the urban population of Travancore in the collection of curios and ornamental articles, is

not of a high order. The village artisan must look for markets for his wares elsewhere. It would be an immense encouragement to him if the Government would organise local agencies for the purchase of all such articles as could be sold in foreign markets. Villagers may even be given small advances of money by the Government for the initial outlay in making these articles, such as the purchase of materials, etc. This will soon open out the villages and make way for the rays of civilisation to brighten up the gloomy rural homes.

Every Dominion has a High Commissioner in London, who acts as the Chief Agent for supplying information relating to the trade and commerce of his Dominion. Having been born and brought up as a citizen of the Dominion, he knows the nature of the Dominion products which require foreign markets, and equally well he knows what his Dominion's needs from outside are. He is the medium for the exchange of all commercial intelligence, or a kind of liaison officer. If Travancore has such an agency in London which is one of the largest commercial centres of the world, the benefits the State will derive cannot be emphasised too strongly. The Chambers of Commerce in Travancore have been, for some time past, passing resolutions at their annual convocations urging

the necessity for the appointment of Trade Agents in Europe and America. But somehow or other, the matter does not appear to have been sufficiently stressed, or the Government has not been moved with enough force in that direction. The volume of the foreign trade of Travancore certainly warrants the establishment of Trade Agencies outside India. Indigenous industries will thereby receive a new impetus. The State will be represented more adequately in the markets of the world. The country gets publicity. Trade improves and general prosperity results.

With a Sovereign whose natural genius, coupled with the experience gained from foreign travel and an intimate knowledge of conditions outside, has already enabled him to map out an advanced scheme for the development of his State, Travancoreans can legitimately hope for the due fulfilment of all their cherished ambitions. With the passing of every year we are afforded opportunities of witnessing new phases of life in the State. And in Sir C. P. Ramaswamy Iyer, His Highness's new Dewan, we have an able and far-seeing administrator whose first care it will be to minister to the commercial requirements of the State. Let us, therefore, hope that before the year passes out, Trade Agency in London will be an accomplished fact.



I. M. Ambrose & Sons.

EXPERT TAILORS & OUTFITTERS.
KOTTAYAM, TRAVANCORE.

The Trade of Travancore

By M. L. Janardana Pillay.

THE figures relating to the trade of Travancore afford a very interesting study. The value of the total trade of the State for 1934-35 is reckoned at sixteen crores of rupees of which 88.12% is with British India and the balance 11.88% represents our overseas trade. Among overseas customers Great Britain stands first, buying as much as 5.23% of the exports of the State. Next comes America with 1.58%, while all the other countries including Ceylon absorb the remaining 5.07%.

Thus for all practical purposes British India is the most important market for Travancore. The chief articles of export to British India are coconut and its products, namely, Copra, Coconutoil, Punnac, Pepper, Ginger, Cardamoms and other spices. Coir manufactured goods, tea, rubber, pepper, cashew and minerals form the main articles of export to overseas. Fish and fish-products also form an important item of export.

It has however to be pointed out that our trade is capable of still greater development. Absence of proper knowledge about markets and want of special training are great handicaps.

Travancore with its unlimited potentialities of natural resources has to adapt herself to modern conditions if she desires to improve her commerce. It is a happy augury that the Government of Travancore have begun to evince real interest in industrial and commercial matters. A beginning has no doubt been made but a sustained and sound industrial policy is needed to ensure good and lasting results. In this endeavour industrialists and businessmen in the country should also co-operate with the Government.

The immediate requirement is the establishment of a Department of Commerce whose main function should be to supply all necessary information and statistics relating to conditions of trade in foreign countries and markets and also to protect our fiscal and financial interests in those countries through proper channels.

In England, the Central Market Board is finding markets for the producers. The State Export Credit Guarantee Department is helping oversea exports to be financed by Banks, by issuing guarantee insurance policies which are negotiable. Recently the Institute of Export also has been brought into existence. The chief objects and aims of this Institute are stated to be to bring about a more general recognition among manufacturers and the public, of the paramount importance of export trade and of the real urgency of raising the general standard of export practice; to provide a body of specialists to set the necessary standard of export training and also to provide facilities for obtaining information and guidance on export matters. It is also aimed to protect the interests and improve the status of those engaged in British export trade, to exercise supervision over members of the profession and to hold conferences and meetings for the discussion of export trade in all its phases and to collect and publish information, commercial and statistical, and to initiate and maintain investigation and research into the best means and methods of export practice.

The complaint against manufacturers even in England, is that they are not sufficiently export-minded. The exporters are said to be mostly inclined to struggle along independently. Conditions in Tra-

vancore and in British India are decidedly worse and call for the immediate attention of the Government and the commercial community. In several foreign countries 'trade guilds' have been developed with Government patronage and support for improving the export trade. The need for the establishment of some such central organisation is urgent. There should also be more co-operation between this department of Government and all the trade organisations in the country. The joint efforts of Government departments and the trade organisations are essential for the improvement of the trade of the country.

The development of Travancore ports is another important matter which should engage the immediate and earnest attention of the Government of Travancore. No doubt, they are now interesting themselves in this direction and have sanctioned the construction of a boat basin at the Alleppey Port and have also provided the port with a dredger. Yet these are not enough. The progress in this direction is rather very slow and is not commensurate with the requirements of modern conditions of commerce.

A special Harbour Engineer having jurisdiction over the whole State and possessing expert technical qualifications ought to be appointed and entrusted with this important work of the development of all the Ports in the State.

Income from customs is one of the main sources of Government revenues and this income will be increasing year after year only if ports are properly developed and adequate facilities are provided for import and export trade. The prosperity of the State is in no small measure due to the improvement of its seaborne trade. The customs revenue which was only Rs.7,53,634 in 1081 M. E. (1907-08) has nearly quadrupled itself in 1105 (1929-30)

the year preceding the depression, the actual amount being Rs. 28,06,683. There has been a steady decline after 1105 M.E. as will be seen from the following figures as a result of depression:

| 1105 M.E. | 1106 M.E. | 1107 M.E. |
|--------------|--------------|----------------|
| Rs.28,06,683 | Rs.28,19,811 | Rs.21,57,524 |
| 1108 M.E. | 1109 M.E. | 1110 M.E. |
| Rs.22,31,338 | Rs.24,41,596 | Rs. 20,72,731. |

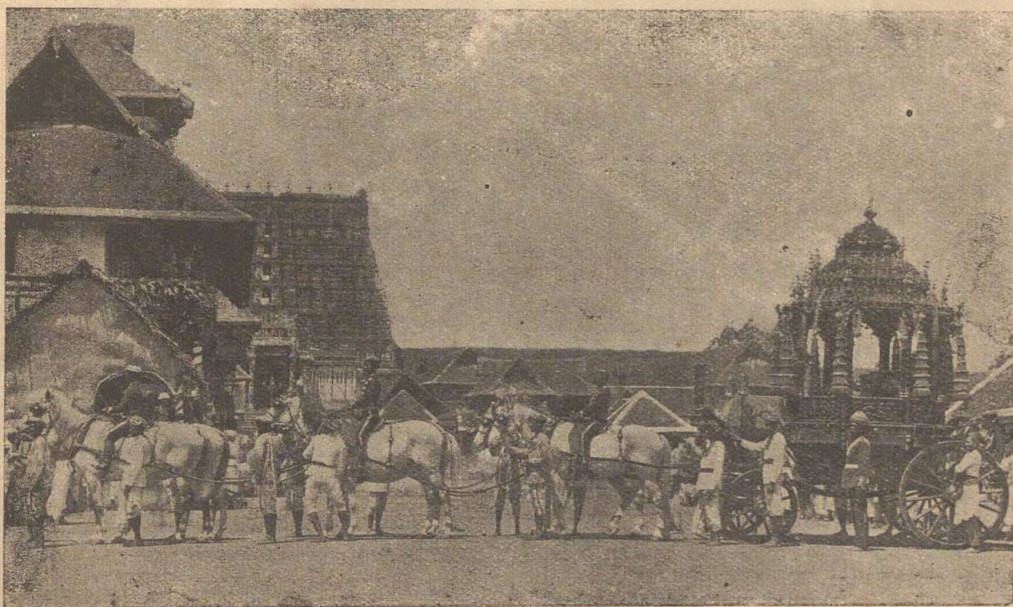
These figures show clearly how important the trade of the country is to the State, from the standpoints of Government revenue as well as of the general economic welfare of the people. It has been repeatedly pointed out that the terms of the interportal convention are unfair to this State. It is necessary that the Government of Travancore should ascertain the total customs duty collected in British India and claim for Travancore, the *per capita* proportion.

The question of unemployment is more or less a common evil to all countries. But countries not industrially developed feel the brunt of it in a greater degree. The increase in the population of a country without a proportionate rise in the income naturally gives rise to unemployment. The real solution lies only in increasing the scope and extent of its commerce and industries. As far as Travancore is concerned the rapid increase in the population of the country from about Rs.29,52,157 in 1901 to nearly Rs.51 lakhs in 1931 without a comparative increase in the industrial production has been very greatly responsible for the present unemployment. It is only by the inauguration of a wisely planned and carefully directed policy of industrialisation of the State that a solution could be found for this serious problem.

Travancore is not a land of rich financiers. No great industrial undertaking



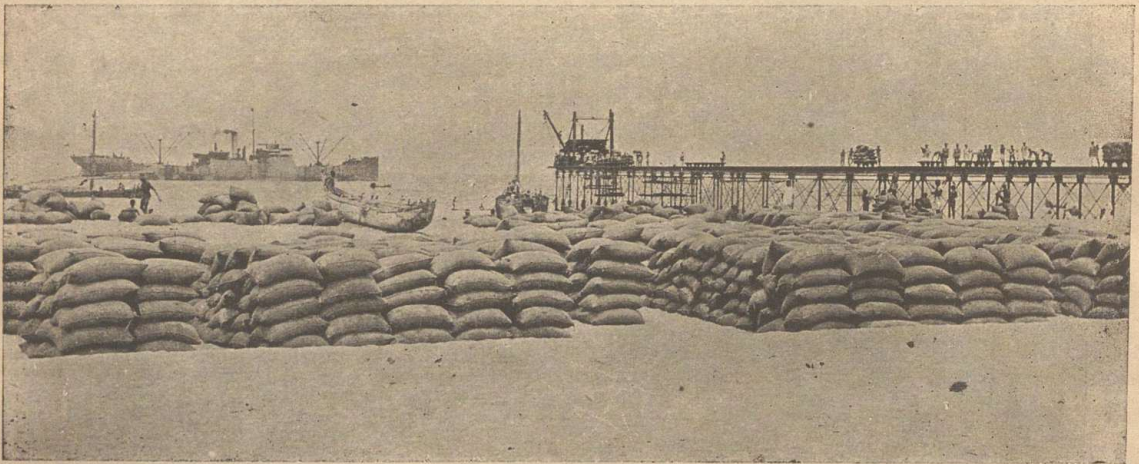
Temple of Sri Padmanabha, Trivandrum.



A Procession.



Public Offices, Trivandrum.



A side view of the Alleppey Port.

can therefore be launched forth solely by private persons without sufficient State aid and the development in the initial stages of modern industries must form part of the activities of Government. Such aids may be by State guarantees or subsidies or industrial loans as is done in progressive countries like the Dominion of Canada, Australia, France, Italy, Germany and Japan. All this will be possible only if Government create an Export Department specially for this purpose and continue sustained work on right lines. It has been proved beyond doubt that sound banking conditions and cheap money are quite essential for bringing into existence and fostering large-scale economic enterprises in any country. The prosperity of western countries is very largely due to the working of first class banks among commercial institutions and the interest charged is amazingly low. To-day when the rate of interest all over British India on fixed deposits is only between $1\frac{1}{2}$ and 2%, banks in Travancore are generally charging between 8 and $10\frac{1}{2}$ % even on approved trade bills backed up by first class securities. In India, the industrial production per head is only Rs. 20 as against Rs. 158 in Japan, Rs. 410 in U.K., Rs. 470 in Canada and Rs. 720 in U.S.A. When it is observed that the bank deposits per head in India is Rs. 7 as against Rs. 700 in U.K. and Rs. 250 in Japan and that the Savings Bank deposit per head is Rs. 2 in India as against Rs. 270 in U.K., Rs. 90 in Japan, and Rs. 125 in France, the cause for our industrial backwardness is clear. Banking institutions are only just establishing themselves in this country. There is at present in India one bank for about 4,40,000 persons as against one bank for every 3,500 persons in U.K.

If, therefore, there is genuine desire in the minds of the people and the Government that our industries and commerce should develop further, there should be a larger number of first class banks in this country who could afford to finance satisfactory and sound business enterprises at very low rates of interest. The Government of Travancore should also use this opportunity to extend the scope and activities of their Life Insurance Branch and open agencies all over India. This will enable them to possess large financial resources which will necessarily be available for investment in Travancore at very cheap rate of interest. Some examples of how progressive Governments elsewhere help industry and commerce are mentioned below.

The Government of Great Britain has given direct assistance to industries in various ways such as levying anti-dumping duties, and investing public funds in national enterprises. The Cunard Steamship Co., The British Dyestuffs Co., and the Home Grown Sugar Co., are all typical examples of industries in which public funds are liberally invested on low rates of interest. The British Industries Fairs in London and Birmingham are regular annual functions under Government aegis. A yearly grant is being made to the Empire Marketing Board, London, and it amounts to nearly £300,000. The Trade Facilities Act and the Export Credit Insurance Scheme promulgated by the Government of Great Britain are all designed to assist the industries and trade of the United Kingdom. The Government in Britain have also subsidised shipping to the extent of over two million pounds in order to protect their coastal shipping industry from foreign competition.

The Dominion of Canada has built up its iron and steel industries by granting large bounties running over a number of years, in addition to tariff protection.

It is also essential that the State Aid to Industries Regulation of Travancore should be amended, making it possible for the Board to grant larger loans than Rs. 5,000 as this sum is too inadequate to meet the needs of large industries. No doubt, Government have powers to grant larger loans, but as a rule such loan applications are considerably delayed and often do not reach the industries in time.

The income of Japan from her manufacturing industries which was only Rs. 206 crores in 1914 rose to the fabulous figure of Rs. 937 crores in 1925. The total value of the trade of Japan in 1880 was only a little over five crores of rupees, while in 1934—35 it was over 320 crores of rupees. All this is due to the remarkable Government support extended to industries. Grant of bounties, special concessions, free technical advices and all other helps conducive to the success of the industry are always available. Industries are set up, fostered and built up by Government and then handed over to public companies. Unfair competitions from foreign countries are boldly met and defeated by Government subsidies. Recently the German Trade Commissioner visited Travancore. He very clearly stated that Germany is not prepared to buy coir mats and mattings, because she herself is engaged in that industry and that she only requires Travancore coir yarn. The duty on imports of coir mats and mattings into Germany is about 200% *ad valorem* while coir yarn is allowed to be imported only under the barter system but on a nominal import duty. The Government of Italy have

forbidden the import of coir mats and mattings into that country while Travancore coir yarn is largely imported for her industry of coir floor coverings. This must convince the authorities that we have to develop our own industries and utilise all our raw materials in our own country.

The appointment by Great Britain and other countries of more and more trade commissioners in all parts of the world, the publicity work and propaganda carried on by trade organisations and Chambers of Commerce, and the encouragement and support extended by Governments to Chambers of Commerce are all factors which deserve the serious consideration of any country which aspires to improve her production, distribution and export. Industries and commerce ought to be given the first place in the country's programme. With a view to eliminate internal competition between manufacturers and thereby increase the standard of export practice Germany has been recently embarking on a policy of merger by which all manufacturing concerns of a particular line are merged into one unit and every factory is allowed the opportunity of specialising in one or two items. Thus the quality of the finished product is always ensured and competition is easily eliminated. All the factories sell their products to the Central Sales Organisation which takes all the responsibility for advertising and selling the products of all the industries included in the merger. The risks of realisation of value of exported goods are covered either by Financial Credit Corporations or by State Guarantee Insurances. This scheme deserves special consideration, especially in the case of the coir yarn, and coir mats and matting industries which are

practically a monopoly for Travancore. In India also, the Cement Industry has recently taken advantage of this policy of 'merger.' Attempts are being made to consolidate a 'Sugar merger' also.

It is earnestly hoped that the proposals outlined above will receive the immediate and sympathetic attention of Govern-

ment in order to improve the commerce and industry of this State which are already beginning to show signs of remarkable progress under the watchful care and guidance of a Sovereign whose only aim in life is to secure the happiness, contentment and prosperity of his subjects.

Notes & Comments

MEASUREMENT OF CARGO AT THE ALLEPPEY PORT

WE publish below a report from the proceedings of a Special Meeting of the Landing and Shipping Fees Committee, Alleppey, to which we draw the attention of our readers. In the Statement issued by The Alleppey Chamber of Commerce with regard to the system of measurement of cargo at the Alleppey and Cochin ports, it was clearly pointed out that export of coir yarn bales was a monopoly of the European Firms, that any system introduced at the Port for assessing freight on coir mats and mattings, should, in fairness, include coir yarn bales also so as to avoid any unfair discrimination against Indians, and that the methods followed at the ports of Alleppey and Cochin should be the same.

This point of view was entirely overlooked by the Steamship companies when the new proposal was made to introduce weightment system in place of the existing system of measurement. Exempting coir yarn bales from the new system of weightment, while mats and mattings are to be weighed for the purposes of assessing freight, will certainly be unfair to the trade as a whole.

We heartily congratulate Mr. K. C. Karunakaran on the able stand he put up on behalf of the Indian shippers and we

trust a more reasonable and fair attitude will be taken up by the Steamship Companies and their Agents in regard to this important matter.

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Report of the Meeting of the Alleppey Landing and Shipping Fees Committee

Read letter No. 121 dated 30th October, 1936, from the Travancore Chamber of Commerce, Alleppey, suggesting that as the cost of removing, and re-installing the Customs Weigh-Bridge at the site proposed is found to be disproportionately high, it would be more advantageous if four portable light-weight platform scales, each of 10 cwts. capacity, be located at the T-Heads of the old Pier where check-measurements are now effected, and requesting that the necessary sanction be obtained therefor.

Mr. K. C. Karunakaran raised the following objection:—

When the original proposition came up before this Committee on 3rd July, 1936, one of the Members of the Committee — Mr. M. L. Janardanan Pillay — raised the question of bringing under the newly proposed system of weightment all measurement cargo including Coir-yarn bales for the assessment of freight. The question was not pushed further then, as at that time Coir-yarn pressing was exclusively monopolised by European Firms, and

there was not even a remote idea of Indian Shippers getting into this line of business. Thereupon the Committee agreed to request Government to allow the Travancore Chamber of Commerce the use of the Customs Weigh-Bridge and to shift the same from its present position on to the land-end of the Pier. But during the last fortnight the exclusive monopolistic position of the Coir-yarn pressing business by the European Firms has taken an un-expected turn, as an influential Indian group have decided to purchase the Firm of Messrs. Geo. Brunton & Son, Cochin, which have three Coir-yarn Presses one of which would be installed at Alleppey; and as a result of which the Indians with the pressing facility now afforded will take up Coir-yarn business on an intensive and extensive scale. Hence Mr. K. C. Karunakaran suggested at the Meeting that all classes of cargo now shipped under measurement should be brought under the system of weightment that is sought to be introduced. He added that the proposal to introduce weight basis for the assessment of freight was with a view to bringing about uniformity so as to place alike without any discrimination whatsoever, both European and Indian Shippers at Cochin and Alleppey. But the exclusion of Coir-yarn in bales from the weightment basis and retaining measurement basis for that commodity was unfair, and would be interpreted as a definite case of discrimination. He also reminded the Committee of the position taken up by the Alleppey Chamber of Commerce in their latest memorial in regard to the exemption afforded to Coir-yarn bales from check-measurement.

On these grounds Mr. K. C. Karunakaran dissented from the proposition that was placed before the Committee.

Mr. P. S. Mohammed, President, the

Municipal Council, Alleppey, and Mr. T.H. Cameron, Principal Port Officer, Travancore, supported Mr. K. C. Karunakaran. The proposition before the Committee was put to the vote and declared lost.

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COCHIN HARBOUR ADVISORY COMMITTEE

We are very happy to learn that Mr. K.C. Karunakaran B.A., B.Com., has been nominated to the New Cochin Harbour Advisory Committee. Mr. Karunakaran is the only non-official who has been nominated by a Government as the representatives of the Madras and Cochin Governments are all officials. We congratulate the Travancore Durbar on the wisdom of their choice. It can be confidently hoped that Travancore will be benefited by his services.

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INDO-GERMAN TRADE

Prospects of Development

IN the first quarter of 1936, German imports from India amounted to RM. 35,800,000.—against which exports for the Indian market reached a figure of RM. 35,500,000.—Compared with the same period in the preceding year, when imports of Indian goods to Germany amounted to RM. 26,300,000.—as against exports of German products to India amounting to roughly RM. 26,700,000.—the exchange of merchandise between the two countries has increased on both sides of the trade-balance by about RM. 9,000,000—or 33½ per cent. As Germany's total imports in the first quarter of 1936 amounted to RM. 1,053,000,000.—or RM. 63,000,000.—less than the corresponding imports in the first quarter of the previous year, it will be seen that India's

participation in the total German import trade has become more important.

Indian exports to Germany consist almost entirely of raw materials and food-stuffs, and in the first quarter of 1936, there were only RM. 1,980,000.—of ready made goods. The total German imports in this category of merchandise showed a slight decrease, however, as compared with the previous year, so that as far as the import of unfinished goods is concerned, the position of India as supplier of raw materials has improved. Whereas Germany's total imports in food-stuffs, raw materials, and half-finished goods were nearly RM.—12,000,000.—less than in the first quarter of 1935, her imports from India showed an increase of about RM. 7,000,000.—

As Germany was able to reap great export-trade advantages from the progressive industrialisation of India, the German market was in a position to absorb Indian export products to an extent considerably greater than before. Germany is mainly interested in the export of complete installations, machines, etc., etc. Germany has never held the view that the industrialisation of a raw material country like India constitutes a danger for the selling prospects of her industrial products. On the contrary, experience has shown that to cover the requirements of an industrialised country, it is always necessary to supply spare-parts and make replacement deliveries, and therefore the German export trade welcomes this development, which offers far more scope for an increase in exports than goods exported for consumption. The production industries of Germany are at all times in a position to deliver the necessary machines, iron and steel materials, electro-technical products, and other articles for export. The German motor-car industry is able to satisfy the

brisk demand for small cars, both as regards quantity and quality and in all branches of industrial activity, co-operation between Indian importers and German exporters can contribute towards making the country accessible for the supply of German products. India's retreat from the Ottawa Agreement, as from September 1st, 1936, should give the Indian import trade greater scope than before for covering their import requirements in non-British countries. Imports of Indian goods to Germany will rise in proportion to the increase of German goods exported to India. In this connection business deals concluded on a compensation (bartering) basis are of particular importance, and conditions are extremely favourable for their success. Although the official German foreign trade statistics for the first six months of 1936 do not show how the over-seas trade is divided up according to the different countries, a comparison of the most important categories of goods imported indicates that the trade development between Germany and India, as registered in the first three months of the year, will be maintained. In the first half-year of 1935, the most important goods imported from India had a value of only RM. 61,500,000.—

A glance at the list of German imports from India, divided up according to the various classes of merchandise, shows that many changes have taken place, as compared with the preceding year. For instance, imports of shelled peanuts have gone up $2\frac{1}{2}$ times (RM. 7,100,000 to RM. 17,400,000.—) Imports of raw cotton increased by more than RM. 1,000,000.— and jute imports amounted to RM. 2,500,000.—In linseed, there was an increase of RM. 1,000,000.—Dried Ox-hides went up to the extent of about RM. 1,000,000. Tea imports also increased,

though with a smaller margin. More or less important increases were also noted in the import of goatskins (increase of RM. 377,000.—) and rape seed (RM.433,000.). The increase in the imported quantities of these goods was indeed so great that, despite the better selling possibilities on the Indian market, the amount could not be set off by German exports to India. Owing to the lack of "Devisen" (foreign currency), Germany was consequently obliged to cut down a number of Indian export goods. Thus, the imports of rice had to be reduced by half (RM.4,400,000.—to RM.2,100,000—) and raw tin from RM. 894,000.—to RM.425,000. It is worthy of note that this diminution in imports applied also to the various kinds of ore, and particularly to Wolfram ore (which dropped from RM.784,00. to RM.385,000.—) and Manganese ore, which went back still more, viz: from RM. 901,000.—to RM.471,000. On the other hand, the drop in Copper only amounted to RM. 74,000.— These figures reveal certain tendencies in the development of trade. Rice and minerals were almost exclusively the products affected by the cutting-down of imports, whereas oleaginous fruits (peanuts, linseed and rape-seed), hide, skins and tea were the main items in an increasing import demand. On the whole, this division into the various categories tallies with the development of Germany's entire import trade. Pea-nuts, linseed and rape-seed on the one side; jute, hides and tea on the other side are on the plus side of the import list, whereas raw tin and manganese ore are on the minus side. Copper ore and rice show a deviating tendency and are on the increase as compared with other imports from India. As against these goods, there are other products from India where the import figures have

risen. For instance, the total cotton imports to Germany sank from RM.131,000,000.—to RM. 119,000,000.—, whereas Indian exports of cotton to Germany rose from a bare RM.10,000,000.—to something over RM. 11,000,000.—

India is quite able to increase the sale of goods on the German market even in the class of goods affected by the cut in imports, for Germany did not decide on this policy from motives of "self-sufficiency" but purely through lack of foreign currency. The ideal solution would be represented by a mutual exchange between the two countries, whereby Germany would cover her entire requirements by taking the traditional Indian export goods, in exchange for which India would place orders in Germany of a similar amount. When the extent of the overseas trade is determined by the requirements of two countries exchanging goods with each other one of them incorporating the type of modern industry whereas the other is in process of industrialisation, there is scope for trade development for decades to come. (*Amrita Bazar Patrika*)

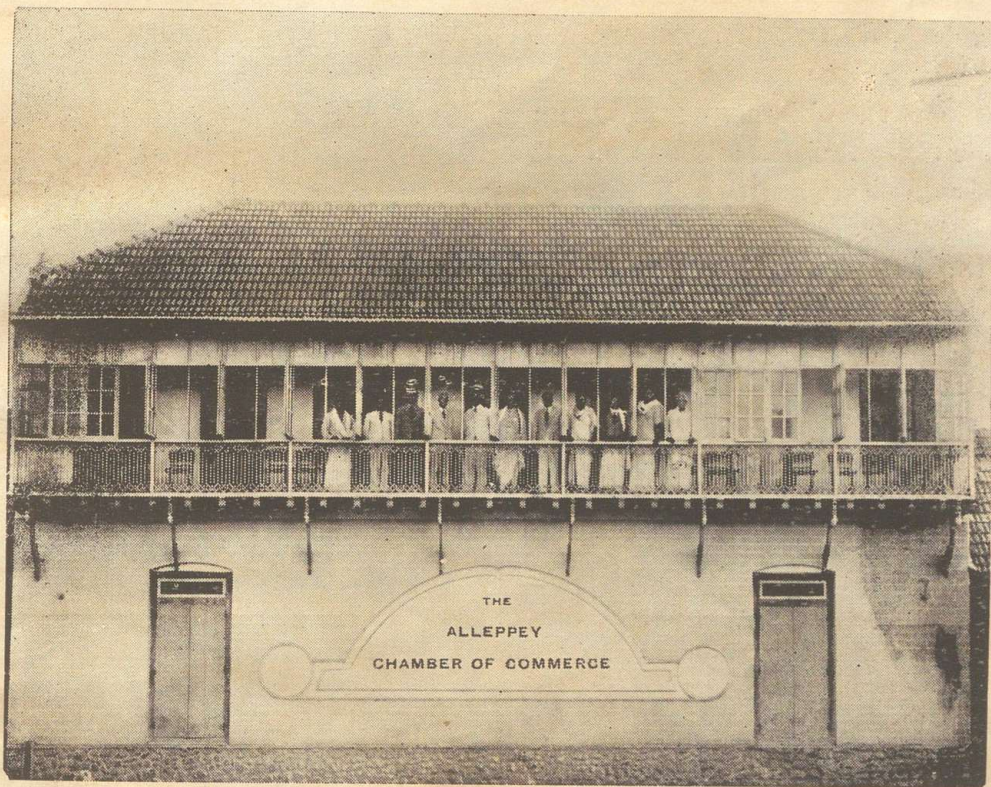
(*R.M. Reich Marks*)

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We had published in the October number of the Review the views expressed by the German Trade Commissioner who visited Alleppey, early last month. This statement only confirms the inclinations of Germany to Barter-Trade.

THE COMMERCIAL REVIEW

THE IDEAL MAGAZINE OF SOUTH INDIA



OFFICE BUILDINGS, ALLEPPEY.

Industrial Policy of Travancore

SRI CHITRA MILLS, ALWAYE

IN laying the foundation stone to the new Chitra Mills at Alwaye Sir C. P. Ramaswamy Iyer, Dewan of Travancore said :—

Although when the first discussions took place with reference to fixing a day for this function, it was not appreciated that this day marked exactly the 5th anniversary of the investiture of His Highness Sri Chithra Tirunal; yet it was perhaps in the fitness of things that providentially the day that was fixed coincided with the fifth anniversary..... When the history of modern Travancore comes to be written, and written with the full appreciation of what passed behind the scenes as well as what is manifested outside, this I make bold to say that the name of His Highness Sri Chithra Thirunal will go down as an embodiment of the ideals of his people..... I shall take this occasion to outline what may be termed the industrial policy of the Travancore State.

STATE INDUSTRIAL POLICY

“Now let us consider the possibility of Travancore. There are other industrial units in India and elsewhere. Industrial development in other countries generally coincided with the Development of coal industry, iron industry and textile industry. In fact it may be, what is called the iron age. Technically the age started with the growth of Manchester some 100 or 150 years ago and was also marked by the tremendous stimulus of coal and iron resources of England and the harnessing of the energies of the people to develop those two and finally the textile industry, the history of which I shall not mention here. Iron, cotton and coal

were the foundations and fundamentals of recent industrial growth. Now Travancore has no coal resources. Travancore has very little iron resources. The climate of Travancore, the lie of the land in Travancore, is not such as to be able to help cotton production on a large scale. Therefore at first sight it may appear difficult to have any great industrial development for Travancore. Travancore possesses what has been described in America as white coal, that is to say, the resources of river and stream. Perennial streams advantageously placed enable Travancore at comparatively small cost to develop electric power by hydro-electric enterprises.

MATERIAL RESOURCES

The first of those enterprises, I hope, is a link in a chain. The first of those enterprises has been initiated from the Pallivasal Scheme. It will bring to city and town and to cottage cheap power in abundant measure. And the furnishing of cheap power is the beginning of our industrial growth. Side by side with that, Travancore has illimitable forest resources. Wood pulp and soft woods in our country, the bamboos and the reeds, give us enough material for the foundation of a brisk and active rayon industry. These forest resources will be utilised for purposes of effecting an adequate substitute for the cotton textile growth which has made the prosperity of England and the United States and Germany. That is one possibility. The mineral possibilities of Travancore are only insufficiently exploited. China clay exists in abundant measure. And the supply of China clay for the textile growth of the country all over India will be, I think, one of the features of Travancore in a very short time. Now, in addition to the forest and the mineral resources, there are trends helping us. It comes from the people of the country. We have the advantage of having an alert and intelligent population adaptable easily to new ideas and

educated in the wise and discerning policy of the predecessors of His Highness. With such a population, there is nothing that you cannot do, if you have, discipline and organisation.

FOREIGN CAPITAL

"..... A couple of days ago a newspaper criticised me for introducing foreign capital and foreign enterprise here. If the introduction of foreign capital into a country stifles local enterprise, it would be mischievous, but if local capital was not educated enough or too shy to give the necessary lead to industrial enterprise, then who could avoid the possibility of foreign capital being harnessed for the development of the country. It is from this point of view that His Highness has approached this problem. Till now, the rayon industry is threatening the whole world. Other countries in the world are striving to protect themselves. Japan, 25 years ago, was regarded as an infant industrial country, but it had prospered by foreign capital. She obtained foreign capital and the help of foreign leaders of industry. So shall we do likewise and my answer to the criticism is this, that so long as India is not able to industrially stand on her own legs, we should welcome assistance from any quarter, assistance given with a generous desire to help the country.

GOVERNMENT CONTROL

Very recently, the Travancore Government have indicated their policy in regard to co-ordination of transport. With an efficient system of transport and of the facilities given for trade and commerce and a system of transport created and controlled by the State, the prosperity of the country is assured. This policy rightly pursued, with the resources at our disposal, would enable us to bring Travancore to the forefront. The policy of control would not throw obstacles in the way of private enterprise. Beyond this, the less the State interfered in the

industrial and commercial enterprises the better. The Government must give demonstrations and establish model institutions for industrial development and when the people had learnt the lessons to learn, the State must allow private enterprise to succeed by allowing it full scope. This is the policy of the Government. Let us hope that in the fullness of time, Providence helping us, the Travancore State would be industrially self-sufficient and progressive without sacrificing that comfort and those amenities pertaining to village life. Let us all combine politics as well as minds. **There is something bigger and higher than politics and that is the regeneration of this country and let us work together for it and endeavour to get every success."**

For once in the history of Travancore the Head of the Administration has made a clear pronouncement on the industrial policy of the Government.

The views and ideals outlined in the future industrial policy of the Government as set forth by the Dewan are really commendable, and we have no hesitation in fully supporting the views of the Dewan in the matter of Government control of and interference in private enterprises. The policy of initiating and fostering new industries and then leaving their fuller development to the people themselves is decidedly a wise one. This policy has met with unique success in other advanced countries.

Regarding the inflow of foreign capital into Travancore, the Dewan's reply to the critics strikes us to be very appropriate and sound, and we have no doubt that foreign capital should be encouraged *so long as the investment proves to be of advantage to our country.*

We are very happy to note the several observations of the Dewan in regard to the industrial regeneration of Travancore and we heartily congratulate him on the splendid lead he is giving to the country. We trust that the observations of the Dewan will be carefully studied and inwardly digested by every citizen of the State.

**Comparative Statement of the quantity & value of the Exports of Travancore
from 1105 M. E. (1929—30) to 1110 M. E. (1934—35)**

| Name of Article | Unit | 1105 M. E. (1929—30) | | 1106 M. E. (1930—31) | | 1107 M. E. (1931—32) | |
|------------------------|-------|------------------------|---------------------|------------------------|--------------------|------------------------|--------------------|
| | | Quantity | Value Rs. | Quantity | Value Rs. | Quantity | Value Rs. |
| Coconuts | nos. | 2,34,31,585 | 14,54,998 | 1,88,21,821 | 13,32,620 | 2,25,81,209 | 10,84,022 |
| Coconut oil | cwts. | 5,43,739 | 81,56,131 | 6,20,991 | 92,04,225 | 4,52,957 | 54,35,493 |
| Copra | " | 3,37,171 | 67,43,419 | 3,86,157 | 76,72,404 | 2,61,091 | 41,77,461 |
| Punnac | " | 3,01,679 | 15,08,398 | 3,00,200 | 15,01,002 | 2,27,620 | 11,38,008 |
| Coir Yarn | " | 7,34,813 | 1,10,20,526 | 5,99,692 | 88,94,540 | 5,82,397 | 69,79,088 |
| " Fibre | " | 4,732 | 47,372 | 4,591 | 44,377 | 5,134 | 51,053 |
| Palmyra fibre | " | 12,677 | 2,77,376 | 15,234 | 2,66,607 | 15,340 | 2,63,897 |
| Coir Mats | " | 1,76,069 | 41,90,803 | 1,73,390 | 40,08,926 | 1,75,650 | 42,17,130 |
| " Mattings | yds. | 42,99,637 | 39,13,429 | 37,49,358 | 37,05,093 | 44,84,944 | 44,32,690 |
| C. Rugs, Carpets, etc. | " | 10,08,607 | 9,92,210 | 6,12,828 | 5,71,946 | 9,80,375 | 8,99,450 |
| Rubber | lbs. | 1,01,85,818 | 51,21,879 | 96,65,452 | 34,94,453 | 31,63,023 | 8,54,007 |
| Rubber goods | " | | 18,189 | | 2,031 | | 51,982 |
| Tea | " | 2,85,92,661 | 2,72,61,412 | 2,76,66,202 | 2,21,61,508 | 3,11,60,451 | 1,75,99,003 |
| Pepper | cds. | 43,887 | 1,79,82,774 | 48,650 | 94,91,857 | 32,501 | 62,45,919 |
| Ginger | cwts. | 75,910 | 27,98,713 | 1,05,939 | 38,67,991 | 1,02,153 | 25,00,199 |
| Turmeric | " | 20,167 | 2,61,125 | 17,558 | 2,46,455 | 21,705 | 2,08,521 |
| Cardamoms | " | 14,949 | 25,85,776 | 14,801 | 24,33,195 | 7,277 | 8,62,171 |
| Jaggery | " | 82,329 | 8,40,986 | 1,11,157 | 11,26,957 | 1,34,099 | 13,51,265 |
| Cashewnuts | " | 25,153 | 7,49,314 | 26,469 | 7,68,718 | 47,272 | 11,11,424 |
| Fish & Prawns | " | 2,62,182 | 39,93,457 | 2,43,667 | 31,42,568 | 2,29,523 | 29,49,175 |
| Tiles & Bricks | nos. | 82,23,758 | 2,91,605 | 78,60,353 | 2,96,368 | 88,35,148 | 2,83,478 |
| Arecanuts | cds. | 10,475 | 18,88,650 | 8,615 | 14,81,754 | 7,393 | 10,88,497 |
| Matches | | | 2,30,410 | | 3,59,162 | | 4,63,572 |
| Monozite | cwts. | 10,000 | 85,000 | 51,300 | 4,00,550 | 39,580 | 3,55,000 |
| Ilmenite | " | 3,90,200 | 4,19,430 | 6,77,652 | 6,95,845 | 9,17,030 | 9,26,300 |
| Zircon sand | " | 28,500 | 89,004 | 11,184 | 30,551 | 7,000 | 21,000 |
| Vegetables | | | 2,58,918 | | 3,19,224 | | 3,26,033 |
| Other Articles | | | 96,57,735 | | 89,94,688 | | 82,50,315 |
| Total | | | 11,28,39,039 | | 9,65,15,615 | | 7,51,16,153 |

Export Statement (Concluded)

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| Name of Article | Unit | 1108 M. E. (1932—33) | | 1109 M. E. (1933—34) | | 1110 M. E. (1934—35) | |
|------------------------|-------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| | | Quantity | Value Rs. | Quantity | Value Rs. | Quantity | Value Rs. |
| Coconuts | nos. | 2,11,60,543 | 10,15,758 | 2,23,56,236 | 4,80,090 | 2,66,22,851 | 7,95,488 |
| Coconut oil | cwts. | 4,84,217 | 74,10,602 | 5,81,758 | 58,12,912 | 6,11,190 | 75,98,457 |
| Copra | " | 3,00,321 | 48,05,141 | 3,19,464 | 21,55,539 | 3,17,254 | 25,38,301 |
| Punnac | " | 2,47,663 | 12,29,898 | 2,72,395 | 6,75,042 | 2,77,935 | 8,75,681 |
| Coir Yarn | " | 5,49,325 | 65,69,451 | 6,49,060 | 70,08,513 | 7,00,685 | 67,42,341 |
| " Fibre | " | 4,967 | 46,518 | 6,100 | 38,115 | 5,648 | 35,119 |
| Palmyra fibre | " | 12,329 | 2,12,299 | 15,037 | 2,67,022 | 17,923 | 2,94,795 |
| Coir Mats | " | 2,96,017 | 36,94,504 | 1,86,198 | 36,65,293 | 1,95,578 | 35,00,953 |
| " Mattings | yds. | 35,10,363 | 33,46,480 | 46,70,832 | 35,95,409 | 41,05,952 | 37,33,223 |
| C. Rugs, Carpets, etc. | " | 34,72,918 | 34,35,649 | 36,50,768 | 28,98,377 | 32,08,781 | 25,52,334 |
| Rubber | lbs. | 15,75,543 | 3,69,142 | 72,81,997 | 17,29,258 | 1,37,01,590 | 34,95,398 |
| Rubber goods | " | | 67,401 | | 21,459 | | 42,190 |
| Tea | " | 3,04,50,525 | 1,75,28,909 | 2,90,66,987 | 2,10,57,768 | 2,93,69,311 | 2,03,02,069 |
| Pepper | cds. | 42,587 | 68,05,443 | 51,523 | 70,89,627 | 28,719 | 39,63,639 |
| Ginger | cwts. | 97,259 | 23,46,309 | 94,748 | 9,90,747 | 42,387 | 8,87,453 |
| Turmeric | " | 24,409 | 2,32,425 | 18,654 | 1,31,836 | 13,513 | 1,22,069 |
| Cardamoms | " | 13,628 | 14,81,646 | 14,006 | 14,74,569 | 13,597 | 17,14,637 |
| Jaggery | " | 72,314 | 7,64,223 | 42,218 | 4,94,159 | 1,64,667 | 13,69,402 |
| Cashewnuts | " | 54,076 | 16,62,565 | 66,797 | 24,92,102 | 92,036 | 41,73,812 |
| Fish & Prawns | " | 1,62,091 | 20,27,728 | 2,03,069 | 18,71,452 | 2,54,509 | 23,97,924 |
| Tiles & Bricks | nos. | 1,16,05,262 | 3,94,580 | 1,27,21,286 | 4,33,649 | 1,32,27,840 | 4,21,135 |
| Arecanuts | cds. | 10,586 | 18,19,256 | 9,323 | 10,81,476 | 11,669 | 11,89,937 |
| Matches | | | 2,05,422 | | 1,78,619 | | 3,55,290 |
| Monozite | cwts. | 18,181 | 1,52,641 | 27,380 | 2,31,940 | 44,540 | 3,66,120 |
| Ilmenite | " | 7,64,020 | 7,71,630 | 1,47,697 | 12,48,138 | 22,69,360 | 24,12,673 |
| Zircon sand | " | 17,240 | 56,761 | 13,718 | 48,040 | 5,860 | 24,304 |
| Vegetables | | | 7,03,535 | | 2,53,353 | | 3,40,508 |
| Other Articles | | | 79,53,038 | | 1,04,72,352 | | 1,15,21,231 |
| Total | | | 7,71,08,954 | | 7,78,97,356 | | 8,37,66,483 |

**Comparative Statement of Imports into Travancore from
1105—1110 M. E. (1929—30 to 1934—35)**

| Name of articles | 1105—M. E. 1929—30 | 1106—M. E. 1930—31 | 1107—M. E. 1931—32 | 1108—M. E. 1932—33 | 1109—M. E. 1933—34 | 1110—M. E. 1934—35 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Value Rs. | Value Rs. | Value Rs. | Value Rs. | Value Rs. | Value Rs. |
| Rice and paddy | 3,18,01,568 | 2,47,33,055 | 2,16,57,683 | 1,83,40,660 | 2,00,18,628 | 3,81,99,568 |
| Cotton Piecegoods, } Textiles, etc. } | 1,68,52,470 | 92,26,915 | 90,80,953 | 97,40,519 | 83,84,021 | 67,79,401 |
| Tobacco and its } preparations } | 94,29,271 | 1,13,28,601 | 91,06,911 | 96,52,053 | 54,13,322 | 65,37,628 |
| Wines and Spirits | 5,70,437 | 5,34,237 | 4,89,171 | 4,27,589 | 5,00,242 | 3,74,816 |
| Chemicals, drugs, } Medicines, etc. } | 9,03,694 | 10,71,802 | 4,34,399 | 5,36,005 | 4,73,818 | 9,52,490 |
| Dyes, paints & colours | 9,65,021 | 1,27,568 | 1,97,276 | 1,74,714 | 2,13,460 | 2,58,626 |
| Hardware, Metals } & Machinery } | 41,89,704 | 28,04,539 | 28,26,116 | 41,31,838 | 37,80,143 | 38,79,233 |
| Paper, Stationery } and Printing } | 7,41,520 | 9,46,519 | 6,09,498 | 8,69,063 | 6,84,798 | 9,89,350 |
| Materials } | | | | | | |
| Kerosene, Petrol } and other oils } | 93,71,753 | 1,16,93,440 | 75,18,402 | 84,01,267 | 90,33,901 | 82,59,035 |
| Cement | 4,58,917 | 3,79,532 | 216,572 | 2,77,082 | 2,40,798 | 3,40,360 |
| Other Articles | 1,83,26,393 | 1,37,12,671 | 1,27,92,823 | 1,18,49,472 | 1,42,02,925 | 1,25,80,772 |
| Total | 9,36,10,748 | 7,65,58,879 | 6,49,29,804 | 6,43,99,262 | 6,29,16,056 | 7,91,51,279 |

Comparative Statement showing the chief exports from the Port of Alleppey during the years
from 1107 M. E. to 1111 M. E. (1931—32 to 1935—36)

| Name of Article | Unit | 1107—M. E. 1931—32 | 1108—M. E. 1932—33 | 1109—M. E. 1933—34 | 1110—M. E. 1934—35 | 1111—M. E. 1935—36 |
|-----------------|--------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Coconuts | Nos. | 13,81,102 | 8,14,182 | 15,93,140 | 1,44,934 | 21,03,664 |
| Copra | cwts | 1,89,612 | 2,50,558 | 2,69,590 | 2,33,794 | 2,38,313 |
| Coconut oil | " | 4,990 | 19,557 | 18,623 | 31,599 | 148 |
| Poonac | " | 45,017 | 39,295 | 16,927 | 14,437 | Nil |
| Coir Yarn | " | 3,19,973 | 2,83,759 | 2,72,797 | 2,35,717 | 2,16,234 |
| " Mats | " | 1,62,696 | 2,67,162 | 1,39,369 | 1,44,778 | 1,45,198 |
| " Mattings | yds. | 50,13,285 | 63,25,671 | 65,65,772 | 65,24,061 | 67,58,777 |
| Pepper | cwts. | 1,16,348 | 1,51,821 | 1,71,045 | 95,968 | 1,29,487 |
| Ginger | " | 70,871 | 59,562 | 58,277 | 26,269 | 24,703 |
| Turmeric Bulb | " | 1,372 | 2,419 | 1,294 | 2,821 | 367 |
| Turmeric Finger | cwts. | 13,815 | 14,303 | 11,621 | 6,566 | 11,760 |
| Tea | lbs. | 10,31,118 | 11,57,890 | 2,23,271 | 2,83,985 | 10,20,228 |
| Rubber | " | 12,11,189 | 6,50,676 | 14,85,416 | 28,92,585 | 47,96,961 |
| Cashewnuts | cwts. | 17,091 | 20,046 | 16,738 | 19,690 | 12,757 |
| Fish & Prawns | " | 28,186 | 11,922 | 12,386 | 17,843 | 11,516 |
| Monozone | " | 380 | 680 | 1,260 | 4,000 | 840 |
| Ilmenite | " | Nil | 21,000 | 19,959 | 17,038 | 17,162 |
| Zircon | " | Nil | Nil | 693 | 540 | 3,200 |
| Timber | c. ft. | 8,666 | 6,856 | 29,736 | 21,315 | 5,225 |

**Comparative Statement of Chief Imports into the Alleppey Port during the years
1107 M. E. to 1111 M. E. (1931—32 to 1935—36)**

| Name of Article | 1107—M. E. 1931—32 | 1108—M. E. 1932—33 | 1109—M. E. 1933—34 | 1110—M. E. 1934—35 | 1111—M. E. 1935—36 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Rs. | Rs. | Rs. | Rs. | Rs. |
| Rice and Paddy | 28,59,856 | 23,28,096 | 20,73,355 | 27,63,478 | 22,56,336 |
| C. P. Goods and other Textiles | 50,90,726 | 40,18,171 | 35,38,326 | 36,30,422 | 31,23,539 |
| Hardware, Metals and Machinery | 4,36,144 | 4,65,441 | 5,90,956 | 12,16,507 | 22,86,681 |
| Paper, Stationery & Printing Materials | 2,75,986 | 1,50,440 | 87,030 | 82,612 | 67,875 |
| Drugs, Chemicals & Medicines | 1,19,114 | 1,29,136 | 1,68,794 | 1,76,165 | 1,38,062 |
| Dyes, Paints and Colours | 1,87,055 | 82,784 | 1,71,009 | 1,31,059 | 1,63,916 |
| Tobacco and its Preparations | 4,24,125 | 5,32,446 | 3,50,696 | 1,34,097 | 2,54,326 |
| Kerosene, Petrol and other Oils | 27,858 | 33,491 | 15,976 | 17,115 | 43,127 |
| Wines and Spirits | 44,342 | 36,111 | 38,438 | 72,601 | 76,576 |
| Cement | 43,388 | 18,762 | 34,468 | 23,065 | 291 |

SOUTH INDIAN BANKS

| NAMES | Paid-up Capital | Paid-up Per Share | Market Quotation | Reserve and other Funds | Dividend per cent 1935 | Dividend per cent 1936 |
|--|-----------------|-------------------|------------------|-------------------------|------------------------|------------------------|
| | Rs. | Rs. | Rs. | Rs. | | |
| Bangalore Bank ... | 6,00,000 | 10 | 5 | 1,44,102 | | |
| Bank of Hindustan ... | 10,00,000 | 50 | 29½ | 32,070 | 3 | |
| Bank of India ... | 1,00,00,000 | 50 (p) | 129 | 1,05,00,000 | 11 | 5† |
| Bank of Mysore ... | 20,00,000 | 100 | 284 | 27,33,308 | 14 | 7† |
| Central Bank of India ... | 1 68,13,20 | 25 (p) | 34½ | 79,48,740 | 6§ | |
| Chartered Bank of India, Australia and China | £3,000,000 | £5 | £15¼ | £3,000,000 | 14 | 7† |
| Imperial Bank of India ... | 5,62,50,000 | { 500 | { 1,582 | | | |
| | 10,00,000 | { 125 (p) | { 388 | 5,50,00,000 | 12 | 6† |
| Indian Bank ... | 2,79,280 | 50 | 139½ | | 15 | 6† |
| | 6,25,000 | 10 | 29¼ | 16,56,995 | 16 | 6† |
| | 2,50,000 | 100 | 118 | | | |
| Indo-Commercial Bank ... | 2,18,650 | { 50-25p. | 28¼ | 27,000 | 6 | 3† |
| | £375,000 | { 50-35p. | 42¼ | | | |
| Mercantile Bank of India ... | { £375,000 | A £12½ | { £31¾x | £1,075,000 | 12 | 6† |
| | £300,000 | B £12½ | { £31¾x | | 12 | 6† |
| National Bank of India ... | £2,000,000 | C £5 | { £14¾x | | 12 | 6† |
| P. & O. Banking Corporation ... | £2,594,160 | £12½ (p) | £46¾ | £2,200,000 | 18 | 9† |
| Reserve Bank of India ... | 5,00,00,000 | £10 | £10¼ | £180,000 | 5 | 5 |
| Quilon Bank Ltd. ... | 11,50,000 | 100 | 138¼ | 5,00,00,000 | 5½† | |
| State-Aided Bank of Travancore ... | 7,88,265 | 25 (p) | 27¾ | 1,30,000 | 9 | |
| | | 25 | 14¼ | 3,62,661 | | |
| Travancore National Bank Ltd. ... | 11,07,829 | { 50 | { 54¾ | 2,50,000 | 9 | |
| | | 20 | ... | | | |

p-Partly paid

† First half year

x = Ex dividend

† Dividend for nine months

§ Jubilee Bonus 8 As. per share

SOUTH INDIAN TEA AND RUBBER COMPANIES

| Names | Managing Agents | Paid-up Capital Rs. | Paid-up per Share Rs. | Market quotation Rs. | Acreage under crop | DIVIDEND PER CENT | | | |
|--|-------------------------------|---------------------|-----------------------|----------------------|--------------------|-------------------|------|------|------|
| | | | | | | 1933 | 1934 | 1935 | 1936 |
| Coonoor Estates Tea Co. ... | S. I. P. Agency Ltd., ... | 2,00,000 | 10 | 4 | 274 | Nil | Nil | | |
| Devashola Tea ... | S. I. P. Agency Ltd., ... | 6,00,000 | 10 | 7½ | 335 | Nil | 4 | | |
| Highland Produce Co., Ltd. ... | A. V. Thomas & Co., Ltd. ... | 2,00,000 | 10 | 14¾ | 315 | 15 | 15 | 17½ | 7½ |
| Do. ... | 8% Debentures 1940 ... | 50,000 | 100 | 112½ | ... | ... | ... | ... | ... |
| Kalasa Tea & Produce Co., Ltd. ... | Peirce Leslie & Co., Ltd. ... | 6,00,000 | 15 | 1½ | 551 | Nil | Nil | Nil | Nil |
| Do. ... | 8% Conv. Debentures ... | 1,99,000 | 100 | ... | ... | ... | ... | ... | ... |
| Nilgiri Neerugundi ... | Peirce Leslie & Co., Ltd. ... | 1,08,538 | 2 | 1½ | ... | Nil | Nil | | |
| Do. ... | 7% Cumulative Preference ... | 1,50,000 | 75 | 69¼ | 329 | 7 | 8½ | | |
| Do. ... | 7½% Debentures ... | 2,00,000 | 100 | 107 | ... | ... | 15 | | |
| Peermade Tea Co., Ltd. ... | Aspinwall & Co., Ltd. ... | 8,50,000 | 10 | 24½ | ... | 17½ | 15 | 15 | |
| Do. ... | 6% Cumulative Preference ... | 1,50,000 | 100 | 105 | 1,557 | 6 | 6 | 6 | |
| Do. ... | 8½% Debentures ... | 65,000 | 100 | 110 | ... | ... | ... | ... | ... |
| Peria Karamalai Tea ... | Peirce Leslie & Co., Ltd. ... | 8,28,975 | 15 | 31½ | 1,927 | ... | 17½ | 5† | 7½ |
| United Nilgiris Tea ... | T. Stanes & Co., Ltd. ... | 6,85,400 | 100 | 80 | 1,383½ | 4 | 5 | | |
| Do. ... | 7% Debentures 1936 ... | 1,49,700 | ... | 112 | ... | ... | ... | ... | ... |
| Do. ... | 7% Debentures 1944 ... | 2,66,800 | 15 | ... | ... | ... | ... | ... | ... |
| Vellamalai Tea ... | Peirce Leslie & Co. ... | 9,90,000 | 15 | 7¼ | 1,039 | Nil | Nil | Nil | |
| Do. ... | 7% Debentures ... | 4,54,600 | 100 | 107 | ... | ... | ... | ... | ... |
| Cochin Malabar Estates Ltd. ... | Peirce Leslie & Co., Ltd. ... | 4,79,17 1 | 3-2⅜ p | 5¼ | 3,593 | ... | ... | ... | ... |
| Do. ... | 7% Cumulative Preference ... | 1,13,300 | 50 | 48 | ... | ... | ... | ... | ... |
| Do. ... | 8% Debenture ... | 1,17,300 | 100 | 135 | ... | ... | ... | ... | ... |
| Malankara Rubber & Produce Co., Ltd. ... | P. Kurian John ... | 4,50,000 | 30 | 48 | 1,445 | ... | ... | ... | 10 |
| Thrumbadi Rubber Co., Ltd. ... | Peirce Leslie & Co., Ltd. ... | 2,75,000 | 10 | 11 | 767 | ... | Nil | ... | ... |
| Do. ... | 1% Debenture ... | 30,100 | 100 | ... | ... | ... | ... | Nil | ... |
| Velliamattam Rubber Co., Ltd. ... | A. V. Thomas & Co., Ltd. ... | 40,000 | 10 | 27½ | 542 | ... | ... | ... | ... |

† Dividend for nine months

Exports of Coir Yarn from Alleppey and Cochin to Indian Ports.

Exports from Cochin (In cwts.)

| | Burma | Calcutta | Bombay | Other Indian Ports | Total. |
|---------|--------|----------|--------|--------------------|---------|
| 1933—34 | 50,643 | 58,151 | 63,506 | 30,450 | 202,750 |
| 1934—35 | 56,220 | 76,260 | 78,040 | 35,460 | 245,980 |
| 1935—36 | 61,743 | 72,289 | 61,700 | 38,961 | 234,686 |

Exports from Alleppey (In cwts.)

| | | | | | |
|---------|--------|--------|-------|-------|--------|
| 1933—34 | 15,501 | 52,169 | 895 | 1,019 | 69,584 |
| 1934—35 | 18,226 | 32,506 | 2,270 | 1,440 | 54,442 |
| 1935—36 | 5,335 | 14,419 | 1,662 | 153 | 21,569 |

Exports, Absorption, United Kingdom Stocks and Average Annual Price of Tea Sold in London Auctions 1922-35.

| Year. | Exports. | Absorption Million lbs. | U. K. Stocks. 31st. July | Average London price. Pence per lb. |
|-------|----------|----------------------------|-----------------------------|---|
| 1922 | 702 | 751 | 153 | 15.1 |
| 1923 | 778 | 770 | 113 | 18.7 |
| 1924 | 830 | 792 | 119 | 19.8 |
| 1925 | 827 | 823 | 162 | 18.1 |
| 1926 | 862 | 852 | 147 | 19.3 |
| 1927 | 907 | 860 | 137 | 19.0 |
| 1928 | 920 | 908 | 171 | 16.7 |
| 1929 | 963 | 913 | 203 | 16.3 |
| 1930 | 896 | 902 | 218 | 15.2 |
| 1931 | 905 | 901 | 222 | 12.2 |
| 1932 | 933 | 890 | 212 | 9.5 |
| 1933 | 849 | 866 | 254 | 11.7 |
| 1934 | 863 | 854 | 232 | 13.3 |
| 1935 | 841 | 873 | 238 | 12.9 |

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