allow forward dealings unofficially with the restriction that speculative purchases precede sales. This is apparently intended to provide facilities for dealings without encouraging " short " sales. Let us hope that there is no foundation for the reports. For if the authorities allow forward dealings unofficially, they would be doing another wrong to the trading public whose interests they serve. It will virtually amount to putting the seal of approval on kerb dealings. It would be improper to allow forward dealings if the authorities are unwilling to take the responsibility for publishing the quotations in their daily official list. The public has a right to know the rates at which brokers are transacting their business. Yet another serious difficulty that is likely to arise is the legality of such business; disputes are bound to be plentiful.

Need the authorities be reminded that they cannot arrest the major trend which is now definitely clownward, and it will be folly on their part to continue artificial restrictions on trading under the mistaken notion that a particular price level for shares is better than another. They should direct their efforts to improve the market mechanism and to organise and disseminate information useful to the investing public.

The steel industry is doing fairly well and the performance of the Tata Steel Company is particularly encouraging. Tata Steel output of finished steel in the year to March 1952 is 799,000 tons against 784,000 tons in the previous year. In view of increased output and the rise in retention prices last year, an increase in dividends is quite possible. And it can he argued that Steel shares are an attractive buy at the present levels.

But the bear cycle on the Stock Exchange is now an established fact and buying in a bear market is inadvisable. Only by subscribing to the theory that all stocks fall together, can serious losses be avoided in a bear market. Those who cling, in a bear phase, to some " pets " in the mistaken notion that their particular issue can escape the effects of wholesale liquidation, will do so at their, cost.

There are no indications yet that the major phase in the bear cycle has been halted and that an intermediate corrective phase is about to start soon. The termination of the major phase, in all but the last half cycle in a bear market, is a " selling climax ".

The following table shows movements in the index numbers of variable yield Industrials prepared by the Reserve Bank of India:

	1949 Low	Pre-Korea June 1950	1951 High	1951 Low	March 22, 1952
Bombay ..	117.5	131.4	146.7	129.7	127.2
Calcutta ..	101.9	108.3	127.8	107.5	100.6
Madras ..	131.6	141.8	169.4	152.8	144.8

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Company Notes

Indian Aluminium Doubles Profits

THE Indian Aluminium Co, Limited more than doubled its profits during the year ending September 30, 1951 ewer the previous year. The net profit for the year, after providing Rs 8 lakhs for income-tax, amounts to Rs 13.64 lakhs. In the balance sheet for the year, a sum of Rs 11 lakhs received under the agreement reached for the assessment of income-tax for the year ending September 30, 1948, has been transferred to the General Reserves.

The upward trend in sales noticed in the previous year continued during the year under review, and sales went up from Rs 102.43 lakhs to Rs 120.62 lakhs. The directors report that " Ingot production at Alupuram was not sufficient to maintain the increased production at the Belur Rolling Mills and, in order to meet tire short-fall and to safeguard future requirements in tin' face of world shortage of aluminium, ingot to the value of Rs 38 lakhs was purchased from abroad." The stocks of aluminium at the close of accounts wen.[1] above the normal level on account of these purchases.

The directors are confident of their ability to meet the country's present requirements from the output *of* the company's works, including the newly acquired factory at Kalwa in the Bombay State. The company has installed diesel electric generators to meet, the power shortage' in the Bombay State. This is expected to meet the difference between the plant's demand for power and the rationed supply.

The Draft Five-Year Plan, in its outline for the development of the aluminium industry, has fixed the target of production at 20,000 tons per year by 1955-56 from the. 1950-51 level of 3,600 tons. After this target is reached, it is expected that the industry will be in a position to use aluminium for other purposes than the manufacture of utensils.

The improved results have enabled the company to declare a higher dividend of Rs 5 per share, free of income-tax, as against the maiden dividend of Rs 3-8 per share in the previous year.

The Titaghur Paper Mill Co. Ltd.

The production of paper, which had gone up in trie previous half year, registered a further increase during the half year ending September 30., 1951. The pulp requirements of both the mills of the company were met in full from indigenous raw material. The profits for the half year amount to Rs 12 lakhs, after providing Rs 19.73 lakhs for taxation and Rs 8 lakhs for depreciation, and setting aside Rs 2 lakhs for General Reserve, transferring Rs 2 lakhs to Reserve for Labour Welfare, Rs 9 lakhs to Reserve for Plant Replacement and Development and Rs 1 lakh to Dividend Equalisation Reserve. The dividend on ' A ' and ' B ' ordinary shares has been maintained at annas 12 per share *plus* a bonus of annas 4 per share.

The cost of production of paper went up because the cost of almost all materials, stores, etc., had gone up. The prices of paper for the civil market were raised by 6 pies per lb. in March 1951 to meet the rising cost of production. The Government, however, refused the request of the industry for an increase in the prices of supplies made to them.

Sales of paper increased from Rs 241.56 lakhs in the previous half year to Rs 256.20 lakhs, while stocks rose from Rs 6.89 lakhs to Rs 9.65 lakhs, The rise in stocks was chiefly due to the difficulty of securing railway wagons in view of restrictions on booking to various parts of the country. The sales would have been still higher, if the mills had obtained the full wagon requirements.

The Gross Block of Rs 463.61 lakhs stands depreciated at Rs 194.26 lakhs. The Current

Assets at Rs 221 lakhs is much above the Current Liabilities at Rs 115.85 lakhs.

The company completed the sixth stage of the Renovation Programme in the half year under review. Some of its benefits are reflected in increased production, self-sufficiency of the mills in the production of pulp and in the production of coated paper. A further programme of renovations, replacements and improvements has been embarked upon.

The Bengal Coal Co., Ltd.

The accounts for the half-year ending 31st October 1951 of the Bengal Coal Co. Ltd. shows a profit of Rs 15.3 lakhs, after providing Rs 7.5 lakhs for Depreciation and Rs 12.25 lakhs for Taxation and Cesses and transferring Rs 3 lakhs to General Reserve and Rs 2 lakhs to Reserve for Bad and Doubtful Debts.

The trading results for the half year show a slight fall in raisings and increase in the despatches. Raisings have fallen from 9,75,632 tons in the previous half-year to 9,69,231 tons while despatches, including purchased coal, have appreciated from 10,82,673 tons to 12,03,916 tons. The other important features of the balance sheet are an increase of Rs 20 lakhs in loans and in book debts of the same amount. The increase in loans is explained by the Chairman in his annual speech as a reflection of an increase in shipment in the last twelve months. The Net Block stands at Rs 166.6 lakhs. Additions during the half-year to the Block Assets amounts to Rs 16 lakhs on account of the development of the new Girimint and Chinakuri collieries.

The present position of this primary industry is the excess of production over the demands. The production have increased from 26m. tons in 1946 to 32m. tons in 1950, and to over 34m. tons in 1951.

Bombay Potteries & Tiles Ltd.

Disappointing trading results are disclosed in the balance sheet of the Bombay Potteries & Tiles Ltd. for the year ended 30th September 1951, The company incurred a loss of Rs 23,701 for the year under review, after providing for Depreciation Rs 1.66 lakhs as against a profit of Rs 31,620 and Depreciation of Rs 23,175 in the previous year. This increased provision for depreciation is explained by the directors as a normal one who point out in their report that "further depreciation of about Rs 4,71,000 as special depreciation may be permissible which would be allowed from future profits."

Though the Kurla unit of the company worked throughout the year and the quality of goods produced also compared very favourably with imported goods, total production had to be curtailed considerably during the year as the market was saturated with goods. The production of sanitary ware and glazed tiles was affected by the slump in building activity and by the Government policy of allowing large imports of similar manufactures. The position can improve only if the representation made by the directors for restricting the issue of import licences for sanitary ware and glazed tiles receives favourable consideration from the Government.

The Steel Situation

The Hon. Minister for Works, Production and Supply announced in New Delhi that Government were considering the installation of a pig iron plant with a capacity of 3,50,000 tons per year, to meet the demands of the fast expanding engineering industry in the country. This will be over and above the increased production of pig iron by Tatas and Scob, with the active help of the Government.

The Government of India are also negotiating with a firm in Sheffield for setting up a big alloy steel plant at an expense of £6 million (Rs 8 crores, as they have not approved of the installation of a pilot alloy steel plant proposed by the Government of Orissa in the State at a cost of Rs 20 lakhs.

It is reported that a new plant proposed to be set up by the Mysore Iron and Steel Works with an annual capacity of 1000 tons of special steels, is expected to come into operation in about two years. The Tariff Board has recommended that: Government should give all possible help and encouragement to this unit in bringing the proposed plant in operation as early as possible. One of the other recommendations of the Tariff Board, all of which have been accepted by Government, is that the question of evolving a long term plan for expanding the special steel industry through the co-operation of rerolling mills bavins; electric are furnaces should receive the attention of Government.

The Board has also recommended that the present system of voluntary price control should be terminated and that the industry should be left free to make suitable adjustments in its selling prices according to the changes in its overall costs of production.

Representations.have been made to Government asking for (1) increase in the price of cast iron scrap on the basis of revised price of pig iron; and (2) addition of breaking charges of Rs 20-25 to the price to be charged to foundries for ingot mould scrap supplied *in* broken condition.

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Iron and steel prices have risen in the UK, and are likely to rise in the USA.

The actual UK f.o.b. export quotations for 17-20 gauge sheets at the increased prices are as follows:

	£ per ton
Black sheets	65-10-0
Galv. Corr. Sheets	84-10-0

These prices are higher by £20 a ton than the official minimum quotations.

From 7th March the British minimum export quotations for re-rolled steel products have been increased by £4 4$. 6d. to £49 16s. 6d. per ton f.o.b. UK port. This makes the British minimum bar prices higher than those currently quoted by the Belgians and French for the dollar markets or by the Germans and Japanese,

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In the USA, some types of steel would be decontrolled soon. Steel producers expect that they will be permitted to raise their prices on an average from $2 to $5 a ton under an order which the US Government is to issue shortly.

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In spite of increased selling pressure, export policy of the Belgian Government is to divert a part: of the exports presently made to EPU countries to dollar areas. Towards that end the export; tax on sales to dollar areas is likely to be abolished, a certain part of the dollar receipts for Belgian exporters would be freed and the withhold of the proceeds of the sales to EPU countries increased.

For the current year a Japanese export ceiling of 40^000 tons of semis and primary steel products has been fixed for the sterling area. Japan has lifted the ban on the export of 109,000. tons of steel to the UK.