

attempted without regard to monetary stability and the necessity of readiness on the part of the administrators to meet with sound and practical policies any distortions that may arise in the economy are rightly emphasised.

### Canara Bank's 51st Year

WE have now received the 51st Annual Report of The Canara Bank Ltd together with the Balance Sheet as at 31st December 1956. Readers will remember that this bank celebrated its Golden Jubilee late last year. A child of the Swadeshi Movement, this institution has continuously gained strength and it today occupies an important place in Indian banking—particularly in that sector of it which caters to the needs of the small man in areas

where other banking facility is denied to him.

The Balance Sheet of the Canara Bank as at 31-12-56 shows a satisfactory position. With a paid-up capital of Rs 29 lakhs and reserves of Rs 32 lakhs, the Bank had deposits of over Rs 14 crores—almost doubling in the last five years. The investments of the Bank, mainly in securities of the Central and State Governments and other trustee securities, amount to over Rs 5 crores, advances absorb another Rs 7.7 crores of its resources and here too the last 3-4 years have seen rapid increases. Of these advances, it is seen from the Schedule of Particulars required by the Banking Companies Act of 1949 that 82.41 per cent are debts for which the Bank is fully secured and 10.74 per cent

are debts for which it holds no security other than the debtors' personal surety. This latter figure is about the same as for other banks of similar size. Thus it stood at 7.60 and 8.32 per cent for the Travancore Bank and the Bank of Indore respectively whose total advances last year were Rs 2.63 crores and Rs 4.81 crores respectively. For the giants in Indian banking, however, like the Bank of India and the State Bank of India, this percentage was as low as 2.36 and 0.88 respectively last year.

With a growing volume of business, profits have shown a rise from year to year, and the dividend is now 10 per cent, against 9 per cent which was steadily paid for many years.

### Around Bombay Markets

## Bonus Shares Galore

Thursday, Morning

DURING this week interest was naturally focussed on the so-called lame-duck budget, and the chances of some relief to excise duty on cloth imposed at the end of August last. On the prospects of some such relaxation, the stock market presented a firm front on the eve of the Budget.

Following the reports of a chain of bonus proposals and higher dividends by some of leading textile units, for instance, the Mafatlal Group, textile shares were very much in the forefront. Standard Mill (Mafatlal unit) shares recorded a sharp rise from Rs 455 to Rs 480 while New Shorrock jumped from Rs 850 to Rs 940. Subject to the sanction of the Central Government, Standard Mill has proposed a bonus issue of one share for every four held, while New Shorrock is expected to come out with a bonus issue of one share for every three, and Shorrock one for every two, held. In addition, Standard has proposed an extra bonus of Rs 2-8-0 per share, apart from maintaining the dividend at Rs 20. The working results of the Mafatlal Group of mills make interesting reading. While Standard Mills have recorded a bumper gross profit of Rs 1.11 crores, New Shorrock's profits improved from Rs 32.57

lakhs to Rs 62.3 lakhs. Sassoon Spinning reports a profit of Rs 39.9 lakhs as against Rs 17.7 lakhs while Mafatlal Fine has made a net profit of Rs 43.17 lakhs as against Rs 28.08 lakhs last year. Swan and Gold Mohur Mills have also maintained their dividends, and these shares remained firm.

In sympathy with the general buoyancy in textiles, other sections also tended to rule firm. Tata Steel and Indian Iron responded to the sustained activity in other counters.

In the miscellaneous section, Scindias received renewed attention for the greater part of the week. The inspiration for the rally in Scindias appear to have been derived from the immediate prospects of bonus shares. There are also suggestions in market circles that, instead of a bonus issue, the Board of Directors might decide to raise the face value of the shares from Rs 20 to Rs 25.

### In Brief

The Budget session recorded a general set-back in values all round as there was no tax relief. However, on the following day, several shares in the textile section and elsewhere succumbed to heavy bull liquidation on apprehensions of

heavy taxation in the next budget in May.

Finlay Mills announced dividend unchanged at Rs 20 per share for the year to December 1956. The shares moved up from Rs 305 to Rs 320 and closed at Rs 314.

Swan Mills declared a dividend of Rs 25 per share for the year 1956, the same as last year. Shares are quoting at Rs 417-8.

Gold Mohur Mills also maintained dividend unchanged at Rs 15. Business was done in these shares at Rs 200.

Following lower profits of Rs 19.14 lakhs for the year 1956, as against Rs 21.72 in 1955, Gokak Mills have reduced dividends to Rs 13 per share from Rs 15.

Shivrajpur Syndicate has decided to maintain the dividend and bonus for the year to November 1956 at Rs 5 and Rs 3, respectively making in all Rs 8 per share. Its shares have of late been moving between Rs 90 and Rs 95, the latest quotation being Rs 92-8.

### Cotton

#### Control Order Breached

IN a short week of four days' trading, cotton futures continued to be buoyant, Jarilla March registering a gain of Rs 23 to Rs 785. The other contracts also were equally firm. Jarilla May was up by