$$\text{Total Assets} \quad \frac{\text{Rs. } 3{,}388+2{,}280}{\text{Rs. } 9{,}487} = 59.7\%$$

can be rather confusing to any lay reader, as the figures represent $\frac{\text{Creditors Funds}}{\text{Total Assets}}$ for 1974 and 1975, respectively, as per the figures provided in the example. Further, in the figure 1 'Cash Flows through a Business' (p 104) the box showing, 'purchase of capital stock' with an arrow implying an inflow of cash is incorrect in that it is 'sale of capital stock' which result in inflow of cash ; not to mention the confusion due to terminology for most of the ordinary Indian readers.

The index and bibliography (ofcourse, without any details of either the publisher or the place or year of publication) at the end definitely adds to the value of the book.

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Stipulation and Exercise of Convertibility Options by Financial Institutions. U. K. Srivastava and N. M. Oza. New Delhi, Wiley Eastern Ltd. pp 159. Rs. 75.00.

One of the virtues of Debt financing, according to standard text books on Financial Management, is that it does not dilute the 'control' of existing shareholders. The stipulation of convertibility clause by Financial Institutions has diluted this virtue of debt financing, though to a limited extent, in the Indian Corporate Sector. Ever since its stipulation by the Financial Institutions, the convertibility clause has come under considerable criticism, especially from the Private Corporate Sector. It is looked upon by the Private Corporate Sector as a surreptitious means of gaining control by the government. Financial Institutions, on the other hand, consider it as a means of sharing the gains from the Projects in which they have a larger financial stake than the promoters themselves. In any case considerable controversy has arisen around the Convertibility Clause. Any serious study in this controversial area is welcome at this stage when many of the loans sanctioned earlier will soon come for conversion.

The present work by Srivastava and Oza is a study "designed to analyse their (Financial Institutions') experience with respect to (i) stipulation of convertibility options, (ii) decision criteria used for the exercise of options and related problems, and (iii) suggest alternative decision criteria which can incorporate risk and uncertainty involved in decisions to convert or not to convert in case of profitable and loss incurring companies at the time of decision-making". The core part of the book is contained in Chapters 3 and 4 consisting of about seventeen pages. Six case studies have been presented to highlight current practices of taking conversion option decisions by the Financial Institutions. Details given in the Appendices and tables presented in the text indicate the pains taken by the authors to pull requisite information from the records of Financial Institutions.

The decision to opt for conversion or not will arise a couple of years after the implementation of the project. In the case of units that are running in losses a detailed analysis of the alternative is not really required. Invariably the Institutions do not exercise the option. In the case of profitably run units the Institutions have to take a decision in regard to conversion. The present practice in this regard, as explained by the Authors, is comparing the present values of net cash flows arising out of the options to 'convert' and 'not to convert' and choosing the one with a higher present value. Conceptual difficulties will crop up in comparing the two alternatives. Variables in the non-conversion alternative can be estimated with near certainty. Variables in the conversion alternative like dividends during the holding period and share price at the end of the holding period cannot be estimated so easily and with such precision as in the case of non-conversion alternative. The Author, therefore, have recommended the use of 'Certainty Equivalent' approach to the conversion alternative as this approach would incorporate the risk features associated with the alternative. In the main the certainty Equivalent approach amounts to calculating the Expected values of the dividend and share price variables. The Authors have described the procedure for deriving the probability distributions of 'dividend' and 'share price' variables based on the experience of comparable companies in respect of these variables. The approach recommended by the authors is theoritically more sound than the one currently followed by the Financial Institutions. One, however, wonders why the authors have not recommended the calculation of standard deviation also.

The authors have succeeded to a great extent in describing the present practices followed by the Financial Institutions in regard to Conversion options. The treatment at many places is rather cursory. The authors could have explained the issues more elaborately by increasing the text and reducing the number of cases. The study is confined only to the point of view of the Financial Institutions. A chapter on the viewpoint of borrowing companies in respect of Convertibility Clause would have widened the scope and enhanced the usefulness of the book considerably. In view of the difficulties involved in the choice of comparable companies the approach recommended by the authors may remain confined to the covers of the book, at least for some time to come.

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TRIBAL DEVELOPMENT : The Concept and the frame. B. D. Sharma. New Delhi, Prachi Prakasan, 1978. pp. 219. Rs. 36.00

During the recent years there is a growing interest among the academicians, planners and development administrators in the problem of tribal development in India. Studies on tribes and tribal areas in different part of the country reveal that there are significant differences among the tribal groups, their customs, social organisation and levels of techno-economic development. The problem of tribal development thus entails a complex process and involves different approaches and strategies to suit to particular contexts. In this sense it provides both a challenge and an opportunity to the researchers, planners and administratives. The present volume written by a development administrator is an welcome contribution to the existing literature on the subject.

The present volume has eight papers dealing with the conceptual frame, economic development of backward regions, forests and tribal economy, industrial complexes and their tribal hinterlands, development of small