

Dec 1974

Eastern Hemlock

1974, Dec 19

01.63, N-23



JL
Xm 2, N52
N74.63.23
93820

483

eastern ECONOMIST

DEC. 6, 1974
Vol. 63 No. 23
Rupees 2.00

P

R.R. NO. 842/74

**FAITH
PEOPLE
FUTURE
GROWTH
INVESTMENT
DEVELOPMENT
PROGRESS
COMMUNITY
PLANNING
WELFARE**



**VT
NT
SS
TY
NG**

GWALIOR COUP!

It's a take-over of the fashion scene

Gwalior Suiting has taken over the fashion scene. It's a 'bye to yesterday's fashion and fabrics. A refreshing departure from the old ways. The new, exciting life of Gwalior Suiting is here. It's the height of fashion power. With its kaleidoscopic colours, extraordinary weaves and patterns.



JL
Xm 2, N42
N74.62.22

Facing food facts

It is clear now that the government of India is depending upon fairly large imports of wheat to tide over the food shortage this year. How substantial this dependence will be would depend considerably on the size of the next *rabi* harvest. Meanwhile the government is showing commendable energy in procuring food from abroad. The European Economic Community as well as its member-countries individually, the United States, Canada, Australia and Sweden are the main sources of these imports, some of which are in the form of aid and some more are on concessional terms, while the balance is bought on a commercial basis. There is no need for the country or even for its government to be ashamed of this. On the contrary, both may take pride in the fact that every effort is being made to alleviate hunger, ward off starvation and prevent famine deaths in the scarred city areas of eastern India. When a community or its government gives high priority to the saving of the lives of its citizens, it is behaving precisely as any civilized society ought to. There is no room here for prestige or prejudice.

At the same time there is wisdom in the Food minister's view that no useful purpose will be served by trading in pessimism regarding the food situation. While it is certainly necessary that the country should be aware of the difficulties it faces, the administration of an effective food policy will be hampered rather than helped if a crisis of confidence is prompted or provoked. It is undoubtedly the case that there is some withholding of grain by farmers. It is also true that the trade too is sitting on stocks to some extent. Equally important is the fact that at least the more well-to-do consumers are being tempted to buy more than they may strictly need for immediate consumption. In these circumstances it is right that the government should firmly resist scare-mongering and that its spokesmen conduct themselves publicly in a way which reassures the people that there is no likelihood of the situation getting out of hand.

It is of course overwhelmingly important that, at the same time, the government machinery should not only work but should be seen to be working efficiently in provisioning the scarcity-stricken areas of the country, while maintaining food distribution in other regions in reasonably good order. Here the central government by itself cannot be expected to do all. Sincere cooperation from the state governments is absolutely essential. They should realize that the minimum needs of the worst-affected areas can be met only if restraint is exercised in indenting on the centre for the requirements of the public in other parts of the country. It is sad but true that the sense of national responsibility has not always been in evidence. On the contrary, there have been cases of bilateral deals being struck between the governments of the deficit states and those of surplus states for the supply of foodgrains by the latter to the former over the head of the central government. There was a time when such transactions would have been effectively discouraged. Unfortunately, the lax administration of the nation's food affairs in recent years has allowed these chaotic tendencies to emerge and develop. This is the present Food minister seems to realize that this rot cannot be allowed to grow. This is a good sign.

Mr Jagjivan Ram also seems to be attaching importance to avoiding further increases in procurement prices. This policy will be fair to the farmers only if the government also sees to it that open market prices are not unreasonably in excess of procurement prices. The food trade is rightly against the state taking over distribution at the wholesale level. It must realize that there will always be political pressure on the government to enforce state-trading so long as the normal trade channels fail to ensure the availability of foodgrains in the open market at reasonable prices. It is obvious that the food problem is just not going to go away. It is therefore all the more necessary that farmers, traders, state governments and the centre should take a long view of their respective responsibilities and sit down to work out a relatively stable policy for distribution and prices. It is only in this manner that food policy could be rescued from

eastern ECONOMIST

DECEMBER 6, 1974

Facing Food Facts	1001
LIC and Servicing of Policyholders	1002
Steel Puzzles	1004
Adequate Credit for Exporters?	1005
From the Capital's Corridors	1007
Points of View	
Changing Face of Chambal Command Area — J. S. Sisodia	1009
Window on the World	
Here and There in Western Europe: III — V. Balasubramanian	1015
Working Towards International Standards — Josselyn Hennessy	1020
Oil Politics Coming to Boil — E.B. Brook	1025
Trade Winds	
Indo-GDR Panel; Indo-Czech Agreement; India-Sudan Co-operation; Agreement with Egypt; New Delhi-Bonn Pact; Copper Forum; National Seeds Corporation; Government to Encourage Small Units; RBI Concessions to Foreign Firms; Set-up for Steel Units; EPI Builds Stadium; Exports Look Up; Coir Exports; Names in the News	1026-1029
Company Affairs	
Technical Rally; Scindia Steam; Dempo Steamship; Tata Chemicals; Escorts; Indian Explosives; Oudh Sugar Mills; IPCO Packaging; News and Notes; New Issues; Dividends; Licences and Letters of Intent	1030-1044
Chairman's Speech	
Premier Tyres Ltd.	1045
Records and Statistics	
Strengthening Public Distribution System	1047

the uninformed or irresponsible pressures of hand-to-mouth politics.

At the same time, however sound the government's food pricing and distribution arrangements may be, the prices of foodgrains are bound to remain relatively high. The days of one rupee-a kilo of wheat or rice are gone for ever. As a matter of fact, to the extent that some of the surplus states are endeavouring to step up the export of superior qualities of foodgrains, particularly rice, the domestic consumer is bound to be hit in his pocket. This has been very much the case for instance in Delhi in recent weeks. Given the need for improving the nation's export earnings, particularly for the purpose of enabling it to pay for the commercial imports of foodgrains, export of better qualities of rice or, perhaps, wheat cannot be wholly objected to. Nevertheless, in view of the fact that such exports do contribute to boosting the general level of prices of foodgrains within the country, there is good reason for the government to be circumspect.

Since the government must necessarily attempt to cover the cost of commercial food imports as much as possible by securing additional revenues from exports, a search must continue relentlessly for possibilities of increasing exports. Currently, given the high prices of sugar in world markets, the country could earn as much as Rs 130 crores if it could manage to export about 100,000 tonnes more of sugar. The government has since taken the sensible step of offering fiscal and other incentives for higher sugar production. It should also explore the merits of a suggestion that has been made to it for substituting in the sugar ration a certain quantity of *khandsari*. Since *khandsari* of the good quality is nearly as good as sugar of inferior quality, this substitution may not call for any excessive sacrifice on the part of domestic consumers of rationed sugar. If *khandsari* could be brought into the public distribution system in this manner, additional quantities of sugar could be saved for export. Whereas there are strict limitations on raising the level of sugar production in the country in the short period, the high prices available for sugar in world markets at the present time will have to be taken advantage

of by our country in the immediate present. Consequently, the possibility of conserving sugar for export by inducting *khandsari* into the channels of controlled distribution deserves to be considered seriously.

The Indo-Pakistan trade agreement could lead to some useful developments. Although the Pakistan government, for reasons of its own, has been queuing for food aid, it is possible that Pakistan itself may be able to sell some quantities of foodgrains to this country. The scope for this trade should be explored by New Delhi. Again, India should be able to import appreciable quantities of raw cotton from Pakistan. It is to be hoped that these import possibilities are not frustrated by any short-sighted raw cotton lobby in our country. India's export trade in cotton textiles is suffering because of buy-

ers' markets abroad. It is therefore very desirable that our competitive capacity should be strengthened by all possible means. This would mean, among other things, an ample supply of raw cotton for our textile mills at prices which would give a competitive edge to our export trade. The restraining of raw cotton prices, moreover, would be a powerful aid to the government's price policy in general and more particularly to the regulation of the prices of farm commodities, including foodgrains and oilseeds. The trade agreement provides for trade balances to be settled in convertible currencies. It would however be to the common benefit of both countries if a rough balance is aimed at as high a level of trading as possible so that there may be substantial exchange of such goods as the import or export of which in large quantities could be of help to the respective economies.

rates would be reduced in the light of the general improvement in the mortality experience of the people and particularly of the insured public. Also, there was a steep fall in overhead costs after the nationalisation of the private insurance companies which should have been reflected in reduced premium rates. The reason advanced by Mr K.R. Puri, chairman of the LIC for not lowering down the premium rates was the increasing operational costs because of the sharp rise in prices and wages. This was hardly convincing because the rate of rise in new business was much higher than the rate of rise in the wage bill. It was understandable that the bonus rates after 1971 could not be increased because of the heavy mortality strain of the Indo-Pakistan war of 1971. Surely, there was strong case for a reduction in premium rates and it was necessary for the chairman of the LIC to take measures for meeting this long-standing demand of the public.

Also, the expenses ratio of the LIC had risen once again. In 1971-72, it stood at 14.36 per cent but it dropped to 13.72 per cent in 1972-73. In the year under report, it had once again risen to 14.99 per cent mostly because of the increase in dearness allowance to the

employees. As the new business of the LIC had been increasing at a fast pace, it was expected that the expense ratio would continue to drop but this had not happened. Surely, there was need to keep a close watch on the expenses of the LIC.

There is no doubt that the present chairman of the LIC has shown better understanding about its affairs than his predecessors who were either bureaucrats or bankers. Having come up slowly from within the organisation, he has exhibited increased awareness about the problems facing it. His success in increasing the volume of business year after year is praiseworthy but unless service to policyholders is also improved, the LIC will continue to be bracketed with the majority of the inefficient public sector undertakings. Hardly a day passes when policyholders do not express their anguish through the columns of newspapers regarding the poor service doled out to them by various branches of the LIC.

In his statement at the 220th meeting of the board of governors of the LIC held in Bombay on November 9, 1974 Mr Puri conceded that the nature of the corporation's services to the clients was an important factor in assessing its achievement. It was in this connection that he stated that the corporation had been adopting measures to improve its services to policyholders. He specifically mentioned settlement of claims, prompt payment of loans, adjustment of deposits and decentralisation of additional functions to branches "for carrying the services to the door of the policyholders".

In this connection, it is necessary to underline the need to revamp the machinery associated with the appointment of agents. Although new rules have been framed with the approval of the central government so as to have an effective agency force yet, unfortunately, they are not being strictly followed for one reason or the other. Consequently, the dead wood and *benami* agencies which should have been weeded out by now are still in existence. Even some new agency appointments are being made without keeping in view the spirit of these rules. No wonder that this is a source of great dis-

appointment to the professional as well as the new agents who wish to make selling of life insurance a career. Moreover, lakhs of rupees every year are being paid by the LIC as renewal commission to these *benami* agents who render no service to the policyholders.

Traditionally all life insurance companies have received considerable support and assistance from the professional insurance agents. In fact, some of the leading insurance agents in this country, although their number is very small, also have very efficient offices of their own which provide a number of facilities to policyholders insured through them. The LIC may fail to send its premium notices to the policyholders but the record of insurance agents are so well-kept that they invariably, through post as well as personal persuasion, urge the policyholders to pay their premiums within the grace period. The renewal commission paid to these established insurance agents is fully justified and, in fact this is the very objective of paying annual renewal commission to them. A serious attempt, therefore, should be made to reduce the number of *benami* agencies and encouragement should be given to the professional agents. It may affect the procurement of new business in the initial stages but in the long run it will definitely benefit both the policyholders by way of

good personalised service and the LIC by way of efficient and stable agency force.

There are many cases of the employees of the corporation having agencies in their own names. True that this is a legacy of past but it is high time that it is stopped because numerous malpractices continue to flow from it. An employee of the corporation who also holds an agency is half the time busy in new business and providing services to his clients while neglecting the office work entrusted to him. In the divisional offices particularly such employees are a source of irritation as well as nuisance as they tend to ignore the tasks assigned to them. It is suggested that such employees who have agencies in their own names should be transferred to branch offices where they may continue to underwrite business in favour of their own agencies but cannot afford to neglect the work allotted to them. At the same time the practice of giving new agencies to the members of the staff should be stopped forthwith.

In offices where housing loans are given and the persons working in that department also hold agencies in their own names or in the names of their close relations an attempt is made to coerce the loanees to take out fresh life insurance policies irrespective of the fact whether

Eastern Economist 30 Years Ago

Dec. 8, 1944

While the Government is engaged in laying down long-range plans, there is a serious danger that the short-range and immediate tasks may be so severely neglected as to jeopardize the success of the long-range plans themselves. Any long-range plan must depend essentially on the fullest mobilization of our savings which would be possible only if the existing productive facilities remain fully mobilized and efficient so that national income and saving capacity may be kept at the highest level. The immediate and urgent task is, therefore, undoubtedly to keep our existing productive facilities fully mobilized and at the highest pitch of efficiency. But the Government's wartime economic policy, so far as it has been reflected in action or inaction, has not been always cal-

culated to help the attainment of this primary immediate end.

The ponderous machinery of economic control which the Government has at last set up through a process of trial and not inconsiderable error, has sometimes operated cumbrously and has even countered the primary ends in view. Economic controls may either play a positive and expansionary role, or function as a restrictive force. In India, thanks to the controls, a wide range of industries have almost continuously found themselves inhibited and frustrated much short of their full productive potentialities due to a multiple bottleneck of fuel, raw materials, imported equipments, transport facilities, fiscal policy and general administrative incompetence.

they have the capacity to keep the policy alive or not. These persons are interested in their first year's commission which tantamounts to a bribe for the completion of the papers for the grant of loan for house-building. This is an evil which needs to be rooted out by transferring such persons from such sensitive sections in the LIC. In fact, staff working in such sensitive departments should be transferred every three years or so to other departments. This will help in job rotation and will also give them the experience about other departments resulting in the betterment of their prospects in the corporation.

One of the economy measures taken is to reduce further recruitment which again is not a healthy decision specially

in respect of certain departments whose workload has been on the increase. After a life has been ensured and the preliminaries have been completed, the burden of servicing the policy falls on the Policyholders Services (PHS) section. Every year the number of policies in this section grows by leaps and bounds. Surely inordinate increase in work-load in this section will result in reduced efficiency. The time has come when the LIC should endeavour to put more emphasis on service to policyholders instead of running after ever-increasing volume of new business. As a service organisation, it is its main function to give satisfactory service to its clients. If it fails in it, the staggering figures of new business and total business in force lose their significance altogether.

Steel puzzles

THE RECENT developments on the steel front have been so intriguing that the authorities have begun wondering what exactly is the level of consumption of different categories of steel and what is the extent of dependence on imports. The situation has vastly changed in recent months and open market prices for several types of Steel have declined by nearly 40 per cent and except for plates there is a lack of demand and even accumulation of stocks against firmly placed orders by industrial consumers. Attempts on the part of the Steel Authority of India to clear the congestion of stocks at the steel plants by expediting movement by railways have resulted only in a bulge in stocks elsewhere and it has become necessary to stagger imports apart from making strenuous efforts to step up exports of unwanted items. The mistake obviously lies in the union ministry's failure to anticipate easier availability of light structurals with the functioning of mini steel plants and of strip, skelp and other items with an improvement in the operating efficiency of the major steel units.

It has so happened that the anticipated increase in the availability of steel to seven million tonnes in 1974-75 from 5.67 million tonnes in 1973-74 has made all the difference though there should still be a

shortage of 12½ per cent if the estimate of firm demand of eight million tonnes is any guide. It was actually indicated by the Iron and Steel Controller sometime back that indents from consumers amounted to as much as 20 million tonnes making it difficult for the government to plan production and imports properly. There should not have been any deflation of demand to the extent witnessed recently if even 50 per cent of the earlier indents were intended to meet genuine needs. The improved availability is due to a bunching of imports which may amount to even 1.1 million tonnes if there is no postponement of deliveries. The orders placed in the current year are for 538,000 tonnes while unfulfilled contracts account for 512,000 tonnes. The mini-steel plants will be making a contribution of 840,000 tonnes and the major steel plants 5.04 million tonnes.

These estimates are likely to be realised as it was only recently indicated in Parliament that the targets fixed for the three public sector plants will be reached. The Jamshedpur plant of Tata Iron and Steel Company has been faring exceptionally well with better supplies of coal and iron ore. Indian Iron and Steel Company too has been functioning more efficiently. It must be, however, pointed out that the targets fixed for Bhilai, Rourkela and Durgapur units are not in any sense

ambitious. Actually the target for Bhilai has been fixed lower at 1.66 million tonnes of finished steel against the actual production of 1.68 million tonnes in 1973-74. The performance in the first six months has, of course, been satisfactory at 94,000 tonnes of ingots and with an improvement in the operations in the winter months, it can be expected that the record of 1.89 million tonnes in 1973-74 will be equalled. But the fact remains that there is under-utilisation of capacity. In respect of Rourkela, a higher target of 1.25 million tonnes of ingots has been fixed against the output of 1.08 million tonnes. It is, however, unlikely that this target will be reached as there is the shortage of power and the actual production in April-September was only 478,000 tonnes.

Durgapur, of course, has been acquitting itself creditably as the target of one million tonnes of ingots has been fixed against the actual production of 776,000 tonnes in 1973-74. It will be a difficult job to reach this target as the actual production in the first half-year ended September 30, 1974 was only 380,000 tonnes. Tata Iron and Steel has, of course, been making good progress with production of ingots in the first seven months rising to 959,000 tonnes from 872,000 tonnes and salable steel to 792,000 tonnes from 662,000 tonnes. Even IISCO has raised its output to 235,000 tonnes from 179,000 tonnes in the corresponding period in 1973-74 and aggregate production may be higher by 100,000 tonnes if all goes well.

The achievement of an output of a little over 4.1 million tonnes of ingots by three major plants of Hindustan Steel against 3.81 million tonnes in the previous year will, of course, be establishing new trends in steel production. But these units will still be operating at only 70 per cent of rated capacity and if the efficiency can be improved by another 10 per cent, it will be possible to raise the output by over half a million tonnes. As the Bokaro project also will commence rolling of its ingots from the middle of next year and mini steel plants can contribute easily one million tonnes with an easier power situation, there is no reason why imports cannot be cut to the bone. There will also have to be a change in the pattern of

production of the major units. As there are imbalances on account of the more important role played by mini-steel plants and the re-rollers there is wasteful use of valuable capacity. Except for flat products, there need not be any shortage though it is likely that there will be a pick up in consumption with a revival in economic activity and larger exports of engineering goods.

The latest developments have, therefore, come as an eye opener and there can be no denying the fact that huge sums have been wasted in importing unwanted steel at high prices. The position is such that attempts to raise exports have brought about a slump in world prices for bars, rods and other light structurals and heavy inventories will have to be maintained by SAIL and others for several months. The engineering units also are experiencing difficulty in lifting stocks on account of the credit squeeze and it is being reported that HSL has been obliged to effect supplies against 90 days bills. In these circumstances, it has to be examined how the engineering units can be helped to raise their output and meet domestic demands more promptly besides securing larger export orders. With a clear indication of what is the capacity for absorption of the home market, the union Steel ministry has to reorient its plans and eliminate as far as possible expenditure in foreign exchange on imports. Any further increase in domestic consumption can be met to a great extent by the major steel and mini-steel units and imports should be confined only to categories in short supply.

The assessment of steel needs of the country is, of course, in sharp contrast with the earlier fears of continuing shortage. The demand for steel products is undeniably elastic as it is conditioned to a great extent by the pace of implementation of plan schemes by the government. It will therefore be prudent to proceed on the assumption that the growth of steel consumption can be much higher with reorientation of economic policies and expeditious implementation of new and continuing schemes in the core sector. It is only stated that the requirements of the home market and for

export purposes can be met without much difficulty with the backlog of imports and a better use of steel-making capacity. The opportunity should also be utilised for streamlining the methods of distri-

bution and improving the capability of the existing units to reach much higher levels of output, if need be, with the elimination of bottlenecks and the installation of balancing equipment.

Adequate credit for exporters ?

IN HIS letter to the banks announcing the credit policy for the current busy season, Mr. S. Jagannathan, the governor of the Reserve Bank, stressed the need for ensuring the flow of adequate funds for export purposes. "There should be no slackening of our export efforts", he said, and emphasised that "the special requirements of export credit should continue to be accorded high priority". The governor observed that the policy of applying the concessionary rate of interest on export credit to periods not exceeding 90 days except in regard to post-shipment credit arising out of exports to the western hemisphere would continue. He explained that the objective of this measure was mainly to bring about a faster turn-round of funds. He also clarified that in exceptional cases where exporters faced unavoidable difficulties or delays in obtaining essential inputs or shipping space, the banks would show special consideration.

Though the banks are always supposed to give high priority to exports, in practice many industries, both traditional and non-traditional, continue to face difficulties in getting timely and adequate credit. In recent months many responsible industrial organisations, export promotion councils, and even state governments have brought to the notice of the government of India as well as the Reserve Bank specific instances where exports have suffered on account of the lack of sufficient credit. It is significant that even an industry of great importance to export promotion as tea has also complained about the inadequacy of credit.

The Consultative Committee of Plantation Associations said in a memorandum

a few weeks ago that the credit curbs did not take into account the seasonal character and the special features of the tea industry, or the size of the crop, the cost of inputs, the marketing conditions and other relevant factors. The committee also expressed the fear that, as a result of the credit restrictions, tea companies might be tempted to give more attention to local sales than to foreign markets. The jute, cotton textile, engineering, chemical and pharmaceutical industries have also been experiencing difficulties in getting export credit on competitive terms. It appears that, generally, banks have not been keen to lend money for export since they find it to be less remunerative than other lines of business. The Engineering Export Promotion Council said in a seminar held at Calcutta recently that the exporters in the eastern region had no participation in the grant of credit at higher level mainly because of the procedural problems and indifference of bankers to grant credit to exporters in the eastern region.

That the difficulties of the export industries in getting credit facilities are not at all exaggerated will be evident from the recommendations made recently by the panel set up by the Commerce ministry on this subject. The panel has estimated that credit of the order of Rs. 900 to Rs 1000 crores will be required during the current financial year to achieve the target of Rs 3000 crores of export earnings. The panel has suggested that in formulating the needs of the export sector, the credit against the deferred payment exports should not be taken into account. It has pointed out that the present interest rate of 11.5 per cent is excessive and that this should be lowered. It has also stressed the need for ensuring some stability in the interest rates for export credit. Other important recommendations of the panel are that exporters should be given the benefit of a uniform interest rate after the limit of

90 days, that for certain categories like engineering goods, chemicals and allied products and textiles the period of credit should be for 180 days, and that additional credit should be made available where shipping delays occur. The ministry of Finance and the ministry of Commerce should examine carefully the recommendations of the panel and see to it that the necessary modifications of the credit policy are brought about so that our exporters are able to avail themselves of the vast opportunities that at present exist in various parts of the world.

It will be recalled that the Export Policy Resolution of the government of India which was adopted in 1970 stressed the importance of export finance. It said that the provision of adequate and timely finance was "indispensable for both export production and export marketing". It assured that every effort would be made to expand and strengthen the facilities in the form of packing and post-shipment credit, which were being provided by the commercial banks with the support of the Reserve Bank of India and the Export Credit and Guarantee Corporation and place them on an internationally comparable basis. Further, the Export Policy Resolution stated that the nationalised banks would evolve "fresh programmes and new patterns" for their financial and technical services to the export community with a view to inducing entrepreneurs to expand and adopt their production and enable them to enter into enduring relationships with overseas importers and to offer them attractive terms and conditions. But it is clear from recent developments that the banks are yet to be fully geared to export promotion because of the shortage of funds with them and the reluctance of the Reserve Bank to provide sufficient refinance facilities for export credit.

Meanwhile, the Industrial Development Bank of India (IDBI) has claimed in its annual report for 1973-74 that it has been playing the role of an export bank. The report reveals that in the last ten years of its existence (July 1964 to June 1974), it has sanctioned export finance (excluding guarantees and special credit to

Bangladesh) of the order of Rs 86.6 crores, which formed 56 per cent of the value of term export orders financed by it under its export finance schemes. Of this assistance about 18 per cent (Rs 15.4 crores) was for the public sector agencies or companies. The export goods financed by it included steel rails and bars, railway wagons, transmission line towers, automobiles and spares, sugar mill machinery and diesel engines. However, most of the assistance is given only in respect of exports for three countries namely Iran (Rs. 23.76 crores mainly for transmission line towers and conductors), Yugoslavia (Rs. 17 crores for wagons) and A.R.E. (Rs. 10.66 crores for textile machinery). Although the sanctions of export assistance during the last ten years amounted to Rs. 113.4 crores, the actual utilisation was only Rs. 62.1 crores of which direct export loans amounted to Rs. 35.7 crores, refinance of export credit Rs. 24.6 crores, and guarantees executed Rs. 1.8 crores.

The report of the IDBI says that in the field of export finance it has "deepened its commitments in the provision of increasing export term credit needs which the commercial banks by themselves could not have met". It

refers to the facilities offered to the exporters of capital goods, for covering the cost of construction projects abroad, introduction of the buyers' credit scheme, and provision of export counselling and assistance to exporters in carrying out negotiations with importers in foreign countries. Despite these services rendered by the IDBI as well as by the commercial banks, it is felt in business circles that there is need for setting up an export/import bank. The Federation of Indian Chambers of Commerce and Industry and several other industrial and export organisations have also suggested that the establishment of such a separate institution for providing export finance is necessary. This question is now being examined by a committee set up by the union Commerce ministry. Whether the country actually needs an export/import bank at present or whether the existing banks and other institutions can themselves provide finance to exporters adequately and effectively may be debatable. But there is no doubt that unless exporters are able to secure sufficient credit facilities on competitive terms, it will be difficult for them to contribute their best to augment the country's earnings of foreign exchange.

FREE.....

YES, you can have two of the following Annual Numbers, FREE OF COST, if you mail to us the following order form duly filled in, upto December 31, 1974.

1. INDIA IN WORLD TRADE, Annual Number 1974, Price Rs. 15.00 and any one of the following :
2. WHITHER INDIA, Annual Number 1971, Price Rs. 10.00
3. THE CHALLENGE OF OUR OPPORTUNITIES Annual Number 1972, Price Rs. 10.00
4. SEVENTIES AGAINST SHORTAGES, Annual Number 1973 Price Rs. 10.00

Please enter my new subscription to EASTERN ECONOMIST for one year. Annual Subscription of (Inland) Rs. 100.00, (Foreign) £ 10 / \$ 25 is enclosed herewith.

Name.....

Address.....

.....

To

The Manager,
EASTERN ECONOMIST,
P. O. Box No. 34, New Delhi-110 001

FROM THE CAPITAL'S CORRIDORS

R. C. Ummat

Indo-Pakistan Trade • US Mining Mission • Fifth Plan

THE SIGNING of the Indo-Pakistan trade protocol here last week-end has importance not only from the point of view of restoring after nearly a decade the trade and economic relations between the two countries but also from the overall objective of normalising relations between them, in regard of which parleys have been going on for nearly a year now in pursuance of the Simla agreement between Mrs Indira Gandhi and Mr Z.A. Bhutto.

earlier scope

The protocol, a result of the high level talks at the official level, under the leaderships of Mr Y.T. Shah, Secretary of the Indian ministry of Commerce, and Mr Ejaz Ahmad Naik, Pakistan's Commerce secretary, envisages a series of steps during the next few weeks for restoring trade between the two countries, the first step being the lifting of the ban on this trade on December 7. The lifting of this ban is to be followed up this month itself by talks between the representatives of the two countries on the restoration of shipping services and initiation of preparations for opening up again the rail and road links. Next month in Islamabad is proposed to be signed a comprehensive trade agreement between the two countries. Mr Y.T. Shah will lead a delegation to the Pakistani capital for this purpose.

Some trade, however, is envisaged to be conducted even prior to the finalisation of the comprehensive agreement next month. The protocol includes a provision for this purpose. This trade will be on government-to-government account or through government-controlled agencies.

The resumption of trade on private account, however, is expected to take some time, even though the protocol does not rule it out even before the finalisation of the comprehensive agreement. This

is because the restoration of road, rail as well as shipping links between the two countries is yet to be negotiated. The start with trade on government-to-government basis or through the government-controlled agencies is considered an immediate feasibility. It is proposed to be conducted in foreign bottoms till the Indo-Pakistan shipping services are restored.

According to the protocol, the trade between the two countries is to be carried on in freely convertible currencies within the framework of the foreign exchange regulations in force from time to time in each country. The two countries will accord to each other the "most favoured nation" treatment in accordance with the provisions of the General Agreement on Trade and Tariffs (GATT).

maximum possible trade

The trade is not envisaged to be on a balanced basis. Both Mr Shah and Mr Naik stressed this point at a joint press conference which followed the signing of the protocol. The two countries, they observed, would endeavour to buy from each other whatever they could at internationally competitive prices. This could result in either country having a more favourable balance of trade which would be adjusted in freely convertible currencies. Although a good deal of discussion took place between the two delegations on this issue, it was pointed out by Mr Shah and endorsed by Mr Naik that the idea of having balanced trade was dropped because it was not considered conducive to the growth of substantial trade.

With a view to facilitating resumption of trade even before the comprehensive agreement is signed, the protocol lists several commodities which can be traded in immediately. These include cotton and cotton textiles, engineering goods, jute manufactures, iron ore, railway equip-

ment, rice and tea. The inclusion of iron ore in this list was cited by Mr Naik as an example of Pakistan's earnestness to trade with India. He pointed out that even though Pakistan would be having its first major steel manufacturing unit four to five years hence, it wanted to explore the possibilities of importing iron ore from India. Some imports of iron ore, therefore, had to be effected in the near future for the purposes of analysis.

liquidating stocks

The inclusion of cotton in the above list is understood to be of special significance for Pakistan because due to the current global recession in textile trade, large stocks of exportable cotton have piled up there.

The above list, obviously, will be expanded a great deal in the comprehensive agreement to be signed next month; it is considerably weighted in favour of exports from India. Otherwise also, the economic development that has taken place in the two countries in the last two decades should suggest that the two countries can profitably trade with each other in many more commodities. In fact, as a result of the separation of Bangladesh from Pakistan, Pakistan is understood to have sizeable surplus capacities in various industries, particularly those which used to cater for the requirements of East Pakistan which is now Bangladesh. Similarly, India is in a position to supply a large number of commodities to Pakistan not listed in the protocol. This holds out prospects for the trade between the two countries on a scale much larger than about Rs 10 crores in 1965-66 when the trade ties were snapped by Pakistan following the second Indo-Pakistan conflict in that year.

Significantly enough, the protocol does not contain any mention of rock salt and betel leaves and nuts in which the two countries used to have sizeable trade upto 1965-66. The omission of betel leaves and nuts from the list of commodities contained in the protocol, Mr Naik ex-

Changing face of Chambal command area

J. S. Sisodia

plained, had its genesis in the controversy raging in Pakistan over whether to allow the imports of these two items or not.

The protocol does not also make any mention of border trade between the two countries. The discussion on it was postponed because of the complex nature of this trade. It is likely to be held at Islamabad next month when the other issues relating to trade on private account would be taken up.

The following is the full text of the protocol signed last week-end:

Recalling the provisions of the Simla Agreement of 1972 to restore and normalise progressively relations between the two countries,

Reaffirming the desire of their respective governments for resumption of trade and cooperation in economic and other agreed fields,

Resolving to explore possibilities of establishing channels of trade on a mutually beneficial basis,

Realising the significant opportunities arising out of economic growth in the two countries, and

Desiring to develop and extend the commercial relations between their two countries on the basis of equality and mutual benefit,

The delegations of India and Pakistan, which met in New Delhi from 26 to 30 November, 1974, have agreed as follows:

(1) Necessary steps will be taken by both countries to lift the embargo on trade between the two countries with effect from December 7:

(2) Trade will be conducted on the basis of free convertible currency in accordance with the foreign exchange regulations in force from time to time in each country.

(3) Trade between the two countries will be on the basis of the most favoured nation treatment in accordance with the provisions and decisions of the GATT.

(4) To begin with, and unless otherwise agreed, trade will be conducted on government-to-government basis or through government-controlled trade corporations of the two countries, for which purposes representatives of the concerned organisations will meet from time to time.

In this connection, the immediate possibilities of commencing trade in the following commodities was noted:

Cotton, engineering goods, jute manufactures, iron-ore, railway equipment, rice, and tea.

(5) Keeping in view the importance of immediate restoration of direct shipping services between the two countries

for facilitating the movement of goods and trade, it was agreed that experts of the two countries should meet in December, 1974, to work out details in this regard. Likewise, discussions will be arranged at a mutually convenient time for the restoration of the rail links to serve mutual trade.

(6) A trade agreement will be concluded between India and Pakistan in the near future for which purpose a delegation from India will visit Pakistan in the first week of January, 1975.

This protocol will come into force on the date of signing.

* *

Considerable significance is being attached both in Indian and American circles to the deliberations of the high level US trade mission, comprising mining equipment manufacturers' and consultants, which is here currently to explore the possibilities not only of direct sales of American mining equipment but also the prospects of entering into joint ventures or arranging of production of this equipment by Indian parties under licensing arrangements. In view of the current energy crisis, both on the global and home fronts, any assistance for stepping up our mining production is welcome. If the output of coal, lignite or crude oil can be raised expeditiously through the use of better equipment, it will help in meeting more effectively our growing energy requirements. The increase in the output of other minerals, particularly non-ferrous ores, can assist in accelerating the process of industrialisation. If such ores as iron and manganese ores can be processed and then exported, the increase in their value can help in augmenting export earnings.

Very significantly, it was pointed out by the members of the US mission at a press conference here on Monday that the psychological barriers to US investments in India had been broken and the US investors were now again keen to invest in India. There was no inhibition on their part to participate in joint ventures with the public sector. The interest of the US investors in India had also grown recently because they had come to realise that this country was in a position to manufacture very sophisticated equipment and machinery. They felt that they could have fruitful joint manufacturing programmes here not only for catering for the domestic requirements but also export to other countries in which they would like to market their products. The US investors, it was further pointed out, now seemed to be better appreciative of India's rules and regulations governing foreign investments. They, however, would like to negotiate the terms and conditions of every joint venture proposal individually.

Another very significant observation made by the members of the mission at the press conference was that US businessmen would be willing to extend credits to enable Indian entrepreneurs to import equipment. These credit could be repaid either in the form of exports to the US of finished products that would be produced with the help of the imported equipment or out of the earnings from the resultant production which could be used locally or exported to third countries. The former arrangement could take the form of link deals and the latter that of deferred payments. It was also pointed out that the emphasis in Indo-American economic relations had now shifted from aid to trade. It was stressed that there was good scope for the exports of Indian engineering goods, particularly auto assemblies, castings and forgings to the United States.

The US mission as well stressed the importance of our switching over from exports of mineral ores to those of processed ores and finished products. The exports of processed minerals alone could earn for the country nearly ten times the foreign exchange earned at present. How the processing facilities were to be created, they however, stressed, was India's own concern. Some assistance, of course, could be available from abroad.

* *

Two conflicting statements have been made in the past few days about the fifth Plan. Addressing the copper forum here last week, while Mr. M.S. Pathak, a member of the Planning Commission, expressed the view that no modification was called for in the Plan, the union minister for Finance, Mr C. Subramaniam, is reported to have told pressmen in Calcutta that the "Plan was still in the draft stage and would have to be finalised". This presumably will have to be done taking into consideration the current constraints on the economy. In the light of the above, one wonders what the state of the Plan is.

The need for a modification in the roles of the public and private sectors during the next few years, however, is increasingly being felt in governmental circles here. Not only the union minister for Industry and Civil Supplies, Mr T.A. Pai, has been emphasising in the past few weeks the urgency of modifying the concept of the core sector of industry, but also faced with financial constraints and production lags, the union ministry of Finance is understood to be inclined to allow a greater scope for the private sector in stepping up industrial output. The MRTP Act, therefore, may be amended soon to assist the private sector to expand production in many areas.

MADHYA PRADESH is one of the richest states in the country as far as natural resources such as forests, minerals and water potential are concerned. The state possesses immense water potential in its mighty rivers, the Chambal, Betwa, Ken, Mahanadi, Wainganga, Narmada and Indravati. The percentage of irrigated area in the state is, however, only about 7.8 which is perhaps the lowest in the country. The Chambal — a tributary of the Yamuna — is a major river of the state and its potential had remained almost untapped till 1961 when irrigation from the Chambal project was started in 6,1030 acres.

extreme climate

The Chambal command area constitutes the tehsils of Bhind, Mehgaon and Gohad of Bhind district (the remaining Lahar tehsil has also been included here for the sake of better comparison) and Ambah, Morena, Jaura, Sabalgarh, Vijapur and Sheopur of Morena district. The area is sandwiched between the Chambal river on the west, and north-west and north and hilly forested areas towards the south consisting of Imalia, Meta, Balabia, Thatipura, Kulaith and Songhpur reserved forests. The command area narrows down as it goes towards Bhind district giving it the shape of an elephant trunk. The soil is broadly alluvial. The entire command area has an extreme climate.

The gross area under the Chambal command is 1.625 million acres. The culturable command area is 723,000 acres with 70 per cent irrigation intensity in Morena and 80 per cent in Bhind, the irrigable area proposed was 700,000 acres. The project was completed by the end of the third Plan and the total cost incurred was Rs 467 million.*

The main object of this article is to take stock of the changes that have taken place

Irrigation in Madhya Pradesh at a Glance: Government of Madhya Pradesh, Irrigation Dept., December 1970.

in the agricultural set-up of the Chambal command area of Madhya Pradesh since the commencement of the Chambal canal, due to the availability of irrigation facility. The impact of irrigation on agriculture may thus be analysed in terms of land utilization and cropping pattern, yield levels of principal crops and other related aspects. The data have been obtained from the directorate of Land Records, Madhya Pradesh.

(a) *Land use*: The first and foremost impact of irrigation is reflected through changes in the land utilization pattern of the Chambal command area after the release of water for irrigation purposes. Mainly because of assured water facility and therefore certainty of field crops, the intensity of land use has substantially increased as may be seen from Table I. This is indicated by the extent of culturable waste lands (which is only 6.98 per cent of the total geographical area of Chambal command area during the triennium ending 1971-72) and the area under fallows and pastures, i.e., another form of less intensive use (8.04 per cent).

land use classes

Further, these land use classes have shown a gradual reduction between two points of time. Permanent pastures and other grazing lands have been reduced considerably in Mehgaon tehsil from 25.03 per cent in the triennium beginning 1959-60 to 5.80 per cent in the triennium ending 1971-72. The land use class "miscellaneous tree crops and groves" has remained the same (0.09 per cent) in Bhind district in both the periods under review. The area under forests has slightly increased.

The intensity of land use is finally reflected through the extent of net sown area. The net sown area accounts for 44.67 per cent of the total geographical area of the region during the average period of 1969-72. The net area sown in the Chambal command area was 39.70 per cent in the triennium starting 1958-59. It varies from 10.86 per cent in Vijapur

tehsil to 79.71 per cent in Mehgaon tehsil. The net sown area accounts for 75.65 per cent of the total geographical area in Bhind district. The corresponding figure for Morena is only 32.86.

(b) *Cropping pattern*: The cropping pattern of Chambal command area has undergone substantial changes since the commencement of the Chambal canal. It has now become possible to raise new crops as compared to only a few drought resistant crops in the region. The present cropping pattern and the changes that have taken place therein are given in Table II. The most noticeable change has been in respect of lower, gram, wheat and total oilseeds. The proportions of gross cropped area devoted to jowar and gram in the region have gone down from 11.68 and 28.09 per cent respectively, in the triennium starting 1959-60 to 7.41 and 22.36 per cent respectively, in the average period of 1969-72. The importance of jowar has substantially declined in the tehsils of Ambah, Morena, Vijapur and Sheopur. In the case of gram, substantial decline in importance took place in Ambah, Morena, Jaura, Sabalgarh and Sheopur tehsils of Morena district. Likewise, bajra, maize, barley and tur have also shown a decline in their importance in the Chambal command area.

paddy cultivation

On the other hand, paddy is coming up gradually which is a new crop in the region. The proportions of the area devoted to wheat, oilseeds and commercial crops (sugarcane, all fruits and vegetables, condiments and spices, all fibres and all oilseed) had increased considerably from 15.85, 11.25 and 12.74 per cent, respectively, to 21.12, 19.09 and 20.16 per cent. The proportion of gross cropped area devoted to wheat, oilseeds and commercial crops increased substantially in nine out of the 10 tehsils of the Chambal command area. The entire area under maize has now been diverted to the cultivation of other crops. Thus the above analysis clearly suggests that the introduction of high value crops

POINTS OF VIEW

TABLE I

Changes in Land Use Pattern in Chambal Command Area

(In percentages)

Period/tehsil	Forest	Not available for cultivation			Other uncultivated land excluding fallow land			Fallow land			Net are sown	
		Land put to non-agri. use	Barren and unculturable land	Total pastures	Perma-nent tree crops and other grazing land	Misce-laneous waste and groves	Cultiva-vable	Total	Old fallow	Current fallow		Total
1	2	3	4	5	6	7	8	9	10	11	12	13
1959-62												
Gohad	1.07	5.20	5.64	10.84	7.71	0.03	5.77	13.51	0.68	0.59	1.27	73.31
Bhind	0.70	5.69	20.48	26.18	7.14	0.05	1.84	9.04	0.33	0.30	0.63	63.45
Mehgaon	—	4.45	7.77	12.22	25.03	0.08	3.09	28.20	0.25	0.38	0.62	58.98
Lahar	—	5.95	12.26	18.21	6.83	0.22	3.89	10.94	0.36	0.82	1.18	69.67
Bhind Distt.	0.44	5.32	12.06	17.38	11.81	0.09	3.49	15.40	0.39	0.50	0.89	65.89
Ambah	—	8.08	14.98	23.06	7.30	0.01	2.35	9.67	0.37	0.69	1.06	66.20
Morena	4.96	10.22	12.86	23.08	7.54	0.002	5.31	12.85	0.93	1.00	1.93	57.18
Jaura	12.58	6.47	22.89	29.36	9.93	0.007	8.57	18.51	0.70	0.69	1.39	38.10
Sabal garh	17.03	7.22	24.09	31.31	8.53	0.01	4.54	13.08	0.73	0.80	1.53	37.03
Vijaipur	42.67	3.77	22.14	25.91	6.03	0.002	16.58	22.61	0.73	0.63	1.36	7.53
Sheopur	39.33	4.18	10.56	14.74	6.48	0.73	15.92	23.13	0.69	1.15	1.84	20.96
Morena Distt.	27.33	5.64	17.23	22.87	7.23	0.24	11.62	19.09	0.70	0.83	1.53	29.18
Chambal Command Area												
	19.62	5.55	15.75	21.30	8.55	0.20	9.29	18.04	0.61	0.73	1.34	39.70
1969-72												
Gohad	0.09	5.89	3.32	9.21	6.96	0.02	2.24	9.22	0.70	0.36	1.06	79.52
Bhind	4.50	6.66	11.48	18.14	6.99	0.04	0.87	7.89	0.53	0.22	0.75	68.72
Mehgaon	—	6.05	5.34	11.39	5.80	0.04	1.76	7.60	0.65	0.65	1.30	79.71
Lahar	—	6.66	6.61	13.27	6.65	0.29	1.69	8.63	0.53	0.36	0.88	77.22
Bhind Distt.	1.62	6.35	7.07	13.43	6.64	0.09	1.58	8.31	0.60	0.38	0.98	75.65
Ambah	—	7.82	14.28	22.10	7.04	—	1.25	8.29	0.50	0.36	0.86	68.75
Morena	5.36	9.02	11.21	20.23	6.98	—	2.56	9.44	0.70	0.41	1.11	63.86
Jaura	13.88	6.13	25.08	31.21	5.64	—	6.84	12.18	0.41	0.63	0.84	41.59
Sabalgarh	17.08	7.71	23.40	31.11	8.34	—	2.72	11.66	0.78	0.75	2.37	39.38
Vijaipur	43.31	3.68	21.44	25.12	5.68	—	14.03	19.71	0.48	0.52	1.00	10.86
Sheepur	39.44	4.23	10.60	14.82	6.14	—	12.12	18.26	1.15	1.14	2.29	24.99
Morena Distt.	27.81	5.50	17.07	22.57	6.34	—	8.98	15.32	0.73	0.71	1.44	32.86
Chambal Command Area												
	20.58	5.74	14.31	20.05	6.43	0.03	6.93	13.39	0.69	0.62	1.31	44.67

POINTS OF VIEW

TABLE III

Irrigated Area and Cropping Intensity in Chambal Command Area

Tehsil/district	Proportion of gross irrigated area to gross cropped area		Intensity of cropping	
	1959-62	1969-72	1959-62	1969-72
Ambah	10.36	20.04	101.48	104.13
Morena	6.27	19.99	103.44	103.91
Jaura	4.18	23.67	105.61	110.42
Sabalgarh	7.97	34.39	113.23	125.02
Vijaipur	10.25	12.62	127.26	134.50
Sheopur	4.67	36.44	101.13	104.48
Morena District	5.07	25.38	105.81	110.52
Gohad	15.15	29.64	105.91	106.26
Bhind	4.45	12.39	100.78	100.53
Mehgaon	13.96	27.52	103.06	103.51
Lahar	2.18	11.88	100.29	100.24
Bhind District	10.19	20.10	102.44	102.53
Chambal Command Area	7.47	23.02	104.21	106.79

TABLE V

Cropwise Irrigated Area as Per Cent of Total Irrigated Area

Period/tehsil	Paddy	Wheat	Barley	Total cereals and millets	Total pulses	Total food grains	Total food crops
1959-62:							
Gohad	63.42	20.21	0.36	84.01	8.96	92.97	97.11
Bhind	0.01	37.91	6.53	44.44	42.32	86.77	90.62
Mehgaon	24.05	32.89	1.40	58.34	32.81	91.16	95.62
Lahar	0.15	30.70	8.11	38.98	35.57	74.55	93.97
Bhind District	31.38	29.33	2.68	63.38	26.48	89.86	94.81
Ambah	—	40.95	1.26	42.21	0.99	43.20	94.04
Morena	62.07	29.50	0.19	88.69	3.58	92.27	99.12
Jaura	0.90	45.47	0.95	47.20	2.34	49.66	99.11
Sabalgarh	0.02	49.33	0.41	49.76	9.67	59.42	99.40
Vijaipur	—	57.76	2.30	60.30	11.30	71.60	99.40
Sheopur	—	45.86	1.62	47.48	42.71	90.19	99.35
Morena District	13.57	44.07	1.02	58.70	13.93	72.63	99.21
Chambal Command Area	24.94	34.66	2.08	61.69	21.94	83.63	96.40
1969-72:							
Gohad	40.68	37.86	0.43	78.99	15.54	94.57	96.88
Bhind	0.05	47.20	3.88	51.15	33.70	84.84	86.36
Mehgaon	12.97	46.98	0.93	60.88	27.59	88.47	89.70
Lahar	0.19	50.68	4.17	50.04	36.93	91.97	93.79
Bhind District	19.22	44.17	1.71	65.11	25.50	90.60	92.36
Ambah	0.02	60.87	0.99	61.89	6.40	68.28	70.21
Morena	12.53	48.85	0.49	61.78	10.24	72.02	73.77
Jaura	0.03	43.96	0.37	44.36	15.73	60.09	64.40
Sabalgarh	0.72	47.16	0.23	48.11	25.11	73.22	78.58
Vijaipur	1.96	60.03	2.24	64.22	17.50	81.73	93.14
Sheopur	0.94	60.99	0.82	62.25	34.22	96.47	98.58
Morena District	1.80	54.01	0.67	56.49	21.96	78.44	81.97
Chambal Command Area	8.63	50.15	1.08	59.87	23.34	83.21	86.04

such as wheat, paddy and commercial crops had been made possible because of irrigation facilities. These crops cover more than 45 per cent of the total cropped area (average of 1969-70 to 1971-72).

It will be interesting to note that out of the 10 tehsils under study, only Sheopur tehsil witnessed an increasing trend in the importance of total pulses, total food grains and total food crops in the cropping pattern. The most striking feature in Table II is that in Sheopur tehsil the proportion of gross cropped area devoted to commercial crops has shown a substantial reduction.

(c) *Irrigation:* Very often multiple cropping is promoted by irrigation, as can be seen from Table III. The proportion of gross irrigated area to gross cropped area in the region during the period 1959-62 was found to be 7.47 per cent which for the triennium ending 1971-72 had increased to 23.02 per cent. The proportion of gross irrigated area to gross cropped area had increased very considerably in Sheopur, Sabalgarh, Jaura, Gohad, Mehgaon and Morena tehsils and to a moderate extent in the Lahar, Ambah and Bhind tehsils. The increase in irrigated area has been most pronounced in the Morena district.

canal irrigation

As regards sources of irrigation, the share of canal irrigation in the total irrigated area continued to increase in almost all the tehsils of the Chambal command with the exception of Bhind tehsil where canal irrigation showed its declining importance (Table IV). Tank and 'other irrigation' have lost heavily from 7.73 and 24.53 per cent, respectively, to 2.23 and 8.94 per cent, respectively. Tube-well as a new source of irrigation (which did not exist at the triennium beginning 1959-60) now claim 5.08 per cent of the total irrigated area.

The importance of canals and tube-wells, owing to the assured sources of irrigation provided by them, is much greater than the proportion of the area irrigated by them. Table V gives the share of each crop irrigated to total irrigated area under all crops. While wheat claimed 34.66 per cent and total pulses 21.94 per cent of the total irrigated area before the commencement of the canal, they now claim 50.15 and 23.34 per cent respectively, of the total irrigated area in the region. An opposite

TABLE II
Cropping Pattern in Chambal Command Area

Period/Tehsil	Paddy	Jowar	Bajra	Maize	Wheat	Barley	Cereal and millers	Gram	Tur	Total pulses	Total food-grains	Total food crops	Total Comm-ercial crops	Total oil seeds	Odder crops
1959-62															
Gohad	9.83	4.96	0.88	—	34.65	1.90	52.23	32.66	1.80	38.97	91.20	91.88	7.81	6.88	0.87
Bhind	0.01	9.98	18.58	*	8.41	11.76	48.73	25.86	9.44	38.65	87.38	87.82	12.10	11.54	0.15
Mehgaon	3.46	8.04	6.15	*	21.30	5.85	44.74	32.37	4.52	41.77	86.51	87.18	13.10	12.26	0.13
Lahar	0.01	11.42	14.62	*	7.78	11.11	45.08	33.94	8.96	45.26	90.34	80.84	9.34	8.48	0.29
Bhind Distt.	3.27	8.61	10.29	*	17.86	7.75	47.81	31.02	6.26	41.03	88.85	89.43	10.59	9.80	0.36
Ambah	—	15.35	19.98	*	4.68	5.66	45.68	29.89	8.22	41.26	86.94	87.53	12.17	11.18	0.06
Morena	4.13	10.29	17.51	*	14.09	2.28	48.30	29.32	7.64	40.92	89.22	89.73	9.78	8.63	0.09
Jaura	0.59	8.29	36.35	0.05	8.14	2.63	46.07	32.05	5.83	41.18	87.25	89.47	10.73	7.80	1.05
Sabalgarh	0.32	3.96	30.23	*	10.57	0.48	45.65	33.43	3.46	38.08	83.73	87.02	13.32	9.66	2.24
Vijapur	0.24	5.75	29.51	1.01	14.82	0.91	52.30	20.30	1.24	24.13	76.43	79.31	22.49	18.96	0.44
Sheopur	0.08	31.43	1.15	0.24	29.32	1.65	63.75	9.81	0.11	13.29	77.04	78.47	21.94	20.33	0.35
Morena Distt.	0.91	14.33	18.78	0.14	14.08	2.45	50.72	25.51	4.73	33.18	83.91	85.54	14.64	12.53	0.79
Chambal Command Area	1.58	11.68	14.81	0.07	15.85	4.93	49.36	28.09	5.45	36.81	86.22	87.26	12.74	11.25	0.59
1969-72															
Gohad	12.13	5.32	0.79	—	36.47	1.67	56.38	27.26	1.95	33.98	90.36	91.08	8.82	8.15	0.74
Bhind	0.01	6.83	19.03	—	12.07	10.51	48.47	25.49	7.20	36.79	85.26	85.47	14.61	14.31	0.13
Mehgaon	3.57	7.51	5.97	—	24.50	3.79	45.35	26.67	4.42	38.48	83.83	85.43	16.01	15.62	0.17
Lahar	0.03	9.78	14.31	—	14.40	6.53	45.05	34.06	7.85	44.63	89.68	89.92	10.16	9.88	0.16
Bhind Distt.	3.89	7.32	10.28	—	21.65	5.77	48.91	28.28	5.39	38.38	87.26	87.66	12.42	12.01	0.30
Ambah	*	5.31	13.88	*	18.14	2.44	39.80	13.99	8.00	26.52	66.32	66.71	32.98	32.46	0.70
Morena	2.87	3.51	14.08	—	18.04	0.56	39.06	13.96	7.15	25.25	64.31	64.68	35.03	33.93	0.66
Jaura	0.11	1.51	18.61	0.08	14.91	0.56	36.21	16.45	7.59	28.87	65.08	66.14	33.36	30.83	1.57
Sabalgarh	0.52	0.11	23.70	*	21.19	0.38	45.91	26.34	5.29	32.52	78.43	80.31	19.45	17.30	2.11
Vijapur	0.49	1.94	36.15	0.57	13.75	0.64	53.54	18.34	2.31	21.42	74.96	76.43	22.80	21.09	2.22
Sheopur	0.22	23.33	3.81	0.09	31.57	0.99	60.02	17.57	0.34	22.61	82.62	84.20	16.17	14.53	1.20
Morena Distt.	0.68	7.49	16.08	0.09	20.71	0.98	46.03	17.54	5.04	26.20	72.23	73.35	26.44	24.85	1.32
Chambal Command Area	2.12	7.41	13.48	0.05	21.12	3.13	47.32	22.36	5.20	31.66	78.98	79.77	20.16	19.09	0.86

* Less than 25 acres.

TABLE IV
Proportion of Area Irrigated by Different Sources in Chambal Command Area

Tehsil/District	Net area irrigated (in acres)		Percentage area irrigated by							
			Canals		Tanks		Wells		Others	
	1959-62	1969-72	1959-62	1969-72	1959-62	1969-72	Tubewells		1959-62	1969-72
							1959-62	1969-72	1959-62	1969-72
Ambah	1817	36613	—	59.52	4.84	—	—	35.07	94.06	4.90
Morena	9212	29237	47.81	65.79	34.65	10.56	—	0.96	16.14	22.10
Jaura	6610	42262	—	81.20	—	—	—	14.35	96.20	4.22
Sabalgarh	10684	54023	0.10	82.30	17.94	3.84	—	0.07	76.57	13.71
Vijapur	6994	13020	16.84	41.81	21.95	9.83	—	0.66	59.91	47.37
Sheopur	9180	88284	89.36	98.64	0.16	0.47	—	0.15	10.29	0.62
Morena Distt.	44497	263439	31.00	80.60	15.16	2.60	—	7.38	51.40	9.17
Gohad	28962	54950	85.45	88.71	8.84	4.48	—	—	4.82	1.92
Bhind	20495	29054	96.90	90.36	0.21	0.02	—	5.74	2.66	3.73
Mehgaon	24965	51248	94.08	89.19	0.35	0.14	—	—	5.40	10.38
Lahar	4081	24569	—	77.46	1.59	0.19	—	1.54	98.26	20.78
Bhind Distt.	75503	159821	86.74	87.43	3.51	1.62	—	1.28	9.30	8.55
Chambal Command Area	123000	423260	66.58	83.18	7.73	2.23	—	5.08	24.53	8.91

POINTS OF VIEW

trend is, however, discernible in other individual crops and groups of crops.

(d) *Yield rate of crops:* There is little evidence to show that the rate of outturn per acre of the important crops has gone up since the inception of the Chambal canal. Sesamum in Bhind and sugarcane in Morena have shown an increase in their yield of about 55 and 22 per cent, respectively, (Table VI).

improved efficiency

It may further be added that Bhind and Morena districts rank second and thirteenth in the Madhya Pradesh state as far as agricultural efficiency is concerned.* In Bhind district the agricultural efficiency improved by 5.78 points while in Morena district the agricultural efficiency declined by 8.61 points between 1955-56 and 1965-66. The linear rate of growth of agricultural efficiency in these two districts during this period shows a declining trend (by 2.55 and 2.93 per cent per annum respectively). Extension of irrigation is likely to increase the yield rate whereas extension of cultivation to marginal land is likely to decrease it.

(e) *Size of holdings:* The size-class distribution of land holding in this region exhibits all the characteristics associated with the agrarian structure in countries with heavy pressure of population on land. Thus the preponderance of small holdings continued in the region. It was more than 50 per cent during 1953-54; this increased to nearly 65 per cent during 1967-68 (Table VII). The area under small holdings also increased from 17.25 to 26.07 per cent in Morena and 15.05 to 24.89 per cent in Bhind. On the other hand, the corresponding figures for medium farms have decreased slightly while for big and large farms these figures appear to have declined significantly compared to 1953-54.

As may be seen from Table VIII, the average sizes of small, medium, big and large holdings have decreased more than two and a half times in the region compared to 1954-55. From the above data it may be concluded that the number of farming households has increased significantly resulting in the reduction of

* J. S. Sisodia : "Inter-district Variations, Changes and Trends in Agricultural Efficiency in Madhya Pradesh"; *Agricultural Situation in India*; Vol. xxv, No. 9; December 1970.

average size of holding in the Chambal command area.

From the foregoing analysis, it may be concluded that with the commencement of irrigation by the Chambal canal the intensity of land use has increased and new crops are being taken up by the farmers.

TABLE VI
Yield Rates of Principal Crops in Chambal Command Area (in lbs per acre)

Crop	Bhind		Morena	
	1959-62	1969-72	1959-62	1969-72
Rice	1127	947	1224	710
Wheat	910	874	783	679
Jowar	902	727	532	516
Maize	—	—	972	702
Gram	971	619	788	718
Tur	572	502	540	460
Sugarcane	2639	2134	2821	3450
Groundnut	—	—	989	591
Sesamum	165	255	199	168
Linseed	329	282	352	267

TABLE VII
Distribution of Number of Holdings and Area in Chambal Command Area (in percentages)

District/year	Size distribution, holdings and area							
	Small		Medium		Big		Large	
	H	A	H	A	H	A	H	A
Morena								
1953-54	53.46	17.25	35.63	42.35	10.26	32.45	0.65	7.75
1967-68	64.37	26.07	29.76	46.65	5.63	23.26	0.24	4.02
Bhind								
1953-54	50.77	15.05	35.77	40.32	17.78	38.26	0.68	6.37
1967-68	64.96	24.89	28.27	44.65	6.58	27.58	0.19	2.88

NOTE: The size-classes used are "small (up to 5 acres), medium (5 to 15 acres), big (15 to 30 acres) and large (30 acres and above)".
H=Holdings; A=Area.

TABLE VIII
Average Size of Holdings in Chambal Command Area (in acres)

Holding size group	Bhind		Morena	
	1954-55	1967-68	1954-55	1967-68
Small	5.68	2.03	5.70	2.13
Medium	21.64	8.38	21.15	8.38
Big	57.57	22.26	56.04	21.97
Large	177.76	77.76	210.15	87.89
Overall	19.19	5.31	17.71	5.29

Reflecting the changing times

Time was, when money was poured into buying advertising space in newspapers only on the basis of a nose count.

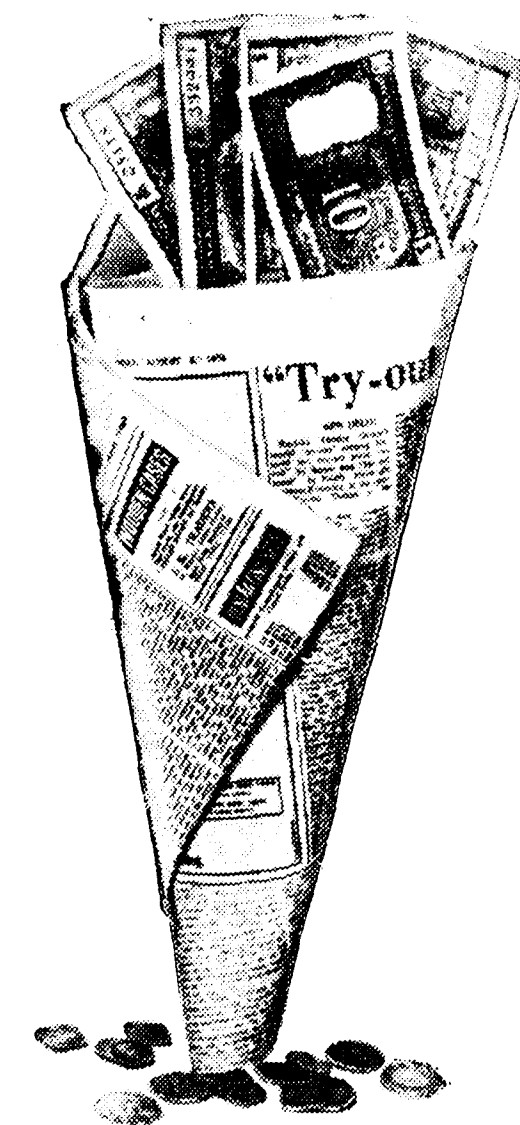
All that has changed with

THE ECONOMIC TIMES

ONLY THE ECONOMIC TIMES GIVES YOU TOP-BRACKET READERSHIP ALL THE WAY—GREAT VALUE FOR YOUR MONEY

The good old yardstick in the past, was the number of readers. Useful, but wasteful too, when you want your advertising message to get to only real prospects.

Readers of The Economic Times are people at the top—Directors, Executives, Managers, Professionals, Businessmen—the decision-makers. You can reach them only through THE ECONOMIC TIMES—India's leading financial daily.



GET MORE IMPACT WITH THE FRONT PAGE SOLUS POSITION—20 CMS.X 3 COLS.

And when you are talking to the people at the top, get maximum attention with the front page solus. It costs only 50% more, but gets you loads of extra exposure and prestige.

Put your advertising message where the money is—

THE ECONOMIC TIMES

—the only newspaper that gives you all-India coverage

For further details write to:

The Advertisement Manager, The Economic Times, Times of India Building,
Dadabhai Naoroji Road, Bombay 400 001
7 Bahadur Shah Zaffar Marg, New Delhi

Here and there in western Europe—III

V. Balasubramanian

- Brandt takes a hard look • An ambulance case • The forgotten south • Inflation Italian style • Strikes Italian style
- Has banking failed Britain? • Has Britain failed industry?
- Welsh farmers on the warpath • Brussels with a pinch of sugar • Our man in Rome

PEACE OF mind is one thing which western Europe does not know. Its political prospects are as distracting as are its economic problems. Although Britain's Foreign secretary, Mr James Callaghan, has lately been saying that getting out of the Community could be as traumatic an exercise for his country as getting into it was, it is clear that the Treaty of Rome may have to undergo a sea-change into something strange, even if not exactly rich, if Britain's membership of the Community is not to prove nasty, brutish and sharp. In the Federal Republic of Germany the hard reality of this situation has been recognized promptly enough and Mr Willy

Republic of Germany, France, the Benelux countries and possibly Denmark the commitments and obligations of the Common Market or the Treaty of Rome. Although the Brandt thesis has caused much disquiet and even some resentment in Brussels, it is difficult to see how a political re-structuring of the Community can be resisted without its fabric coming apart at the seams.

Already the "sick man" of the Community—Italy—has become an ambulance case. Recently the Community had to agree to launch a joint Community loan of up to £3 billion which would help

The communist presence or threat is more easily seen or felt because the communist party is openly a part of the constitutional milieu. In fact, quite a few observers have been forced to conclude that communist participation in a broad-spectrum political alliance may be the only means of maintaining at least for the time being a political order with any degree of constitutional legitimacy in the Italy of today. However, while the communists are visible and powerful, the anti-democratic forces of the right are no less real or threatening. One index of their growth and deadly purpose is provided by the statistics of kidnapping for ransom. It has been estimated that gangsters have wrung out more than £17 million from the victims or their families in the last two years, with a good part of this ill-gotten money going into the financing of right-wing subversive movements. Indeed, so frequent and spectacular have been these kidnappings that Italian families of conspicuous affluence are beginning to feel that they are in a state of siege.

* *

It is not to the rich alone that insecurity is becoming a frequent accident of regular living. Inflation, with its attendant evils of higher and yet higher prices and shortages of and speculation in essential commodities, is crossing the threshold of tolerance in a community which is simultaneously being harassed by closures and short-time in major industrial plants and industrial centres. This economic mess, naturally, provides fertile breeding ground for labour unrest, but it also generates a more general psychology of confrontation between the public on the one hand and the forces of law and order on the other. Subversive political forces and anti-social elements, generally, have not been slow to take advantage of this climate. One result is that the Carabinieri is very much in evidence on the streets almost through all hours of the day or night. Indeed, on the Sunday I was in Florence there were as many armed policemen on the look-out for trouble on the picturesque Piazza della Signoria as were tourists getting their fill of the tritons and naiads ornamenting the fountain of Neptune.

Visitors and citizens alike should per-

WINDOW ON THE WORLD

Brandt, with whom the Chancellor is reported to be in agreement, is now openly campaigning for the idea of the Community's survival in its enlarged dimensions being secured through the creation of a second-class membership for its three poorer members, viz, Italy, the United Kingdom and Ireland. The Brandt thesis that Brussels has got to come to terms with the truth that, just as its individual members may have its backward areas demanding privileged or concessional treatment of their economic problems and needs, the Community too has its backward constituents who cannot be expected or depended upon to share equally with the more affluent members, viz, the Federal

Italy—and Britain if it were interested—with balance of payments deficits. In addition Bonn has granted Italy a special loan of DM 2 billion on a bilateral basis in a bid to bail it out of its current foreign exchange crisis. It has been generally assumed that all this concern is prompted by a fear that if Italy is allowed to go under because of its current economic strains and sorrows, the country would turn to its communist party for rescue if not redemption. There is however an almost equal danger of civil strife as neo-fascist, right-wing movements make their own bid for power. In other words, it is not only the left-wing forces which will be waiting on the wings in Rome.

haps be grateful for this ubiquitous presence of the guardians of law. On the plane from Geneva to Rome I came across a report in the *Herald Tribune* from its Rome correspondent narrating the adventure, or rather misadventure, his wife and he had on a recent evening on the streets of the Italian capital which he described as "the city of a thousand thieves." The story was that as they were walking along a cobbled side-street, a yellow Fiat pulled up and a couple of young ruffians jumped out, snatched his wife's handbag and drove away.

inadmissible lapses

The report concluded with the wry admission that the woman was to blame for she had been guilty of two lapses which were inadmissible on Rome's streets these days. The first was that she was walking on the outside and the second was that, instead of keeping the handbag between the two of them, she was carrying it in her right hand. On landing at the Leonardo da Vinci airport I was unwise enough to buy myself a copy of the day's issue of *Daily American*. On its front page was a news item saying that a spokesman for the hotel trade in Rome had said that he was scared of the tourist traffic drying up if the city's rate of crime, petty or otherwise, did not decline or was not brought down. Hardly reassuring reading matter all this on one's arrival at a place where one was having to spend the better part of a week or longer.

In the event, I am happy to say that my acquaintance with Italian crime at any level remained hearsay; I did not even lose a pair of *chappals* in my Rome hotel. There were however countless minor irritations. For instance, at the end of any taxi ride, one found oneself being bullied or cajoled into paying much more than what the tariff indicated. Then there was the bank—one of the smaller ones—where I went to cash some travellers' cheques. On receiving far fewer liras than I thought I was entitled to, I asked for details. The teller looked at me, looked also at the travellers' cheques I had just given him, and then started paying out more liras, explaining, as he did so, that he had been under the impression that I had given him dollars and not pound sterling. It was not easy for me to believe this for, only moments earlier, I had seen him scrutinizing every detail of my travellers' cheques. In any case the mistake he claimed he had made was not the kind which a bank official would normally make. I readily concede of course that foreign visitors to any of our own cities may have much more to complain of along these lines but, Italy, after all, is in western

Europe and, moreover, I had seen Italy in its better days.

* *

Quite clearly, political instability and drift, when joined to economic decline or chaos, work havoc with the mores of any society. Unfortunately, Italy has its fill of these corrosive influences. Until some time ago it was possible to treat as a joke the alleged ability of the Italian people to get along without a government. If a joke it still is, it must be a very sick joke indeed. The country's main political party, the Christian Democrats, who have been providing it off and on with such government as it has had, are grossly faction-ridden. It would have been bad enough had this factionalism only to do with power or personalities. What has made it worse than what even factionalism has a right to be is that the party is so divided and deranged that it cannot function in terms of any effective economic or social policy. Confronted by the Scylla of the Communist party, (one of the two most powerful in western Europe) and the Charybdis of right extremist revivalism, the Christian Democrats have just not been able to consolidate themselves into a firm enough central position from which they could effectively guide the nation's political or socio-economic course.

step-motherly treatment

On the domestic front this failure has meant that Italy could not turn into a permanent gain its economic boom of the sixties which has turned out to be a miracle in more than one sense. In the external context, Italy's internal political weaknesses have considerably crippled its ability to take full advantage of its membership of the Community. It is not only in a geographical sense that the implementation of the Treaty of Rome has shifted to Brussels. Mr George Thomson, one of the EEC commissioners, recently pointed out that between 1954 and 1972, subsidies to Italy per head from the EEC and the European Coal and Steel Community came to a meagre 53 units of account against Holland's 93 and France's 160. As regards Community aid to farmers, although two-fifths of the EEC's farmers were Italian, they got less than a quarter of the price support money from the Farm Fund. When Italy borrowed from the European Investment Bank or from the Coal and Steel Community, it had to pay interest on nearly four-fifths of its loans at market rates whereas Holland got two-thirds of its money as soft loans or grants.

I have just referred to Italy's economic boom now becoming a historic

memory. Although nobody seemed to see it that way when it lasted, it is now clear that its economic miracle was essentially an accident of personalities. Thanks to a handful of great entrepreneurs who happened to preside over the destinies of great corporations in the public and the private sectors, Italy was able to go through a period of forced economic growth during which it could build up growth industries of multinational dimensions. Oil refining, automobiles, chemicals, synthetic textiles and the electrical industries were among the dynamic elements of this process. If Italy still has considerable basic economic potential of resources for recovery or even resurgence, it is entirely because much of this gain still endures although some of it is being dissipated.

* *

What, really, has gone wrong? At what point? And why? There is no simple or single answer to any of these questions but the Italian experience clearly shows that, just as a country cannot remain half-free and half-slave, it cannot also remain half-prosperous and half-poor. Italy's economic miracle has in fact been the economic miracle of northern Italy alone. The south, the boot of the peninsula, has, so to speak, been receiving only the boot, with many of its poor and the jobless—and there is nothing much else there—being literally booted out of the country into the labour-hungry and growth-greedy economies of Switzerland, and farther north-west. It is true that there has been also a movement of manpower within the country itself, again from the south but, this time, into the industrial centres of northern Italy, such as Milan. Even this internal shift of human resources has only helped to emphasize further the division of Italy itself into a prosperous north and a penurious south.

There are two saddening aspects to this redistribution of Italian manpower, whether nationally or internationally. The Napolitans and others from the south, who flooded the industrial centres of northern Italy for a livelihood, could manage to find very little more and have remained an underprivileged proletariat, economically vulnerable and socially inferior amidst native opulence Milan-style. For them their country's *la dolce vita* has always been a fable filmed on celluloid. Even those who have left the country itself in order to seek their fortunes abroad have largely been left rootless and with a future which is uncertain if not insecure. They have no doubt been enjoying higher standards of living on better wages in more secure employment in Switzerland, West Germany, Belgium and

Holland than they could have dreamt of in Italy, south or north. But, euphemistically described as "guest workers" in their countries of 'non-adoption', they have become increasingly vulnerable to adverse popular emotions as in Switzerland or the faintest intimations of recession in other West European economies to the north.

The second and even more unfortunate feature of the exodus of the Italians from the south has been the damage that has been caused in the process to the economy of the region. It is true that the migrants, whether they had left their homes temporarily or on a more permanent basis, have helped their own families and, in the case of migrants who have gone abroad, also their country's balance of payments, by sending money to the kith and kin they might have left behind. The present economic condition of southern Italy, however, is eloquent proof that a remittance economy may remain merely that. It seems that, over any but the shortest of short periods, the sending away of people, even if they are unskilled or semi-skilled workers, cannot but be harmful to the economic future of the local communities.

Had southern Italy been able to afford (or had provided) the investment and training needed to engage its people in building its own regional growth, the whole of Italy would have been in a much better political, economic and social shape than it is today. In any case many observers feel that the steady deterioration of Italy's agriculture, which is converting that country into a food-deficit economy, is not a little due to the neglect of the regional development of physical and human resources. In any case, today, when the 120 regions of the EEC are ranked for *per capita* income, jobs in industry, emigration and farm employment, it is Italy's south or *mezzogiorno* that stands at the bottom, even below Ireland.

* *

Seen in this context, Italy's current inflation is less a matter of monetary or fiscal mismanagement than of basic economic derangement. This inflation itself is of an order corresponding to the extent of this derangement. Around the middle of this year consumer prices in Italy showed an increase of 19 per cent over the preceding twelve months as against Britain's 17 per cent and West Germany's seven. Since then the pace of Italian inflation has been accelerating both absolutely and relatively to other EEC economies. In September, for instance, the cost of living went up by over three per cent, worse

perhaps then even the Indian rate of inflation. No wonder strikes have become normal.

However, with the unemployed numbering as near one million as makes no difference and even Fiat having to go on a short-working week, labour unions are in no position to enter into an actual trial of strength with employers. They have therefore adopted a novel way of 'striking' which, while causing maximum harassment to managements, would still avoid loss of wages or jobs. The *modus operandi* is to go on short-duration strikes frequently but not for more than a few hours at a time.

wild-cat strikes

Mr Jagjivan Ram, who was in Rome as the leader of the Indian delegation for the World Food Conference, narrated to me in his room at the Grand Hotel his experience of one such strike. He had planned to give a working dinner to the leader of the Bangladesh delegation the previous evening and he spoke to the hotel management about it earlier in the day. He was told that the hotel could make no firm commitment since the staff would be on strike during various periods in the course of the day, but the position could be reviewed around 6 p.m. At about that fateful hour Mr Jagjivan Ram began to wonder whether it would not be prudent to request the wives in the Indian Mission to prepare a few things to eat which could be brought to the hotel and served to his guests. However, he was saved the trouble as a triumphant hotel management came to him just in time to inform him that the staff had resumed work and the hotel would after all be able to provide the dinner. Mr K.B. Lall, our ambassador in Brussels, who had flown into Rome on the same day for consultations with the Indian delegation, was less fortunate. Arriving at lunch time he was told that a strike was on and that he would have to wait for his lunch till 3.30 p.m.

Given a national situation in which, according to some Italian observers, every one seems to be running away from responsibility, it would of course be pointless to pillory any particular economic or social class or group, but the fact remains that some one will have to accept responsibility sooner rather than later. Whichever administration may be in position in Rome at the time will have to render an account of the Italian economy at Brussels next month when the EEC is due to discuss the question of converting its emergency credits to that country into a medium-term loan.

It has been indicated that there

will be some talking-to particular with reference to disciplining Italy non-oil trade deficit as well as its public finance. As for the first prescription, Italy has already imposed severe restrictions on imports and it remains to be seen how much farther it can go in this direction without combating domestic inflation or disrupting its commercial relations with or obligations to the rest of the Community, and, as for the second, it is not going to be easy either to raise taxes in a country where people are protesting against increases in tram fares and electricity charges by insisting on paying at the old rates or to reduce public expenditure when in many places in the country the construction of school buildings is being stopped half-way through for lack of municipal funds or water supply is being contaminated by seeping drainage because civic bodies are not able to find enough money for the upkeep of public sanitation. But then, Brussels or no Brussels, Italy has no alternative to national discipline.

As it is, little of that discipline is presently to be seen. For instance, despite Italy's burdensome oil deficit, Rome's streets are crowded with automobile traffic at all hours and, on a Saturday morning, much as I would have liked to stroll some distance down the ancient Appian Way, I had to give up the attempt very early because of the rush of cars, big and small, along that narrow road on errands of week-end pleasure.

* *

Although, taking inflation rates as the basis, Mr Willy Brandt has proposed that Britain should be grouped with Italy and Ireland as the weaker members of the Community, a visitor to the United Kingdom cannot but be struck by the very real difference that there is between that country and Italy, whether as regards current living conditions or the capital base of the economy. For one thing, although more families may be eating meat less often in the week, it does not seem as if essential commodities over any wide range are getting out of the reach of the people. Real shortages are confined to sugar among commodities, and housing, particularly for young married couples.

As for the cost of living, accommodation is becoming more and more expensive, thanks to high interest rates on mortgages, expenditure on fuel is going up and prime cuts of beef have become a luxury. Nevertheless, mass spending on liquor, tobacco, travel within the country or even abroad, and

entertainment generally is running at high levels. It is possible however that expenditure on consumer durables is not being kept up and it is of course true that household savings are declining. Nevertheless, if one were determined to look for signs of Britain's economic distress, one must search for them behind and beyond the current living conditions of the British people which themselves may certainly be described as affluent on any reckoning.

In Britain, as elsewhere, there are as many views about the why and the wherefore of the economy as there are economists, whether professional or amateur. But there is general agreement at least on the point that Britain has been living with an accelerating rate of inflation which it will not be able to live with much longer. The continuance of this inflation will certainly end up in smashing the living standards of the people but, as I had suggested a little earlier, this particular effect of inflation is yet to be seen.

havoc of inflation

What has been witnessed for quite some time, however, is the havoc which inflation is causing to the capital base of the British economy. For years Britain has not been saving or investing enough in the rationalization, modernization and expansion of its industry and this lapse has been most conspicuous exactly where it could do and has done the greatest harm to Britain's export capacity or growth. The entry of foreign, particularly American, multinationals into British economy has been some compensation but the overall deficit in performance in this area of the British economy has still been serious.

At about this time last year when I had called at the headquarters of the Socialist Democratic Party at Bonn, I was told that perhaps the most important reason for Britain not investing enough in its industry was that the British banking system, by tradition, was unequal to the job. The argument was that the British banking system was concerned not so much with the financing of the creation of more and more physical assets in industry but with the making of what was described as book-keeping profits. I suggested that this picture was perhaps not quite fair since at least the very considerable earnings on account of the invisibles in Britain's balance of payments had to be ascribed to the manner in which British banking was helping London to function as a great international financial centre. While the German view of British banking may perhaps

be hypercritical, it seems to be largely true that, in the period during which inflation in the British economy has been gathering force and volume, a good deal of the resources of British banking has been finding its way into real estate or other property speculation and takeover bids.

It is possible, therefore, that there is a case for British banking to answer. I feel, all the same, that there is even a stronger case for the role of British taxation, particularly corporate taxation, to be scrutinized in this connection. Over the last 25 years or so Britain has been governed by the Conservatives for some time and Labour for the rest of the period. Whatever has been the political complexion of the government in power, British taxation has been steadily becoming more and more inhibitive of the real growth of Britain's industrial capital. Inflation has aided the process, but the primary responsibility has been that of fiscal policy. An economy which can grow only through a continuous improvement in the competitiveness of its export sector has been consistently denied the means of preserving and promoting this competitiveness. During a period when mass purchasing power has been rising steadily and the demand for imports has consequently been going up and up, the British economy has been criminally slow to discard obsolete or non-competitive industries and invest more at the growth points of the export sector.

Instead of employing creative imagination and energy in attempting the supremely important task of rationalizing and strengthening the industrial capital base and the industrial structure of that country, successive governments, whether Conservative or Labour, had been spending their time on qing-dong battles of nationalization, denationalization and renationalization of this industry or that, while the basic fiscal policy was relentlessly eating into the physical capital of the British industry.

In these circumstances neither the decline and fall of the pound sterling in the world's money markets, nor the recurring crisis in the British balance of payments were the unavoidable consequences of international economic forces or Britain's own real economic limitations. Britain's labour troubles, which are currently doing so much to aggravate its economic problems and difficulties, are best seen in this perspective. The welfare state, to the essence of which all the three major political parties in Britain are committed, has released and

energized a revolution of rising expectations. Given the active democracy of Britain and the political pull and muscle of its trade unions, these expectations have had to be implemented in one instalment after another large instalment. The indefinite continuance of this process is clearly conditioned by the ability of the British economy to maintain a corresponding rate of growth. As this condition has not been fulfilled, largely because of the steady erosion of the physical capital of British industry, especially in the export sector, the demand of the British working class that the size of the cake should keep growing, even as its share of the cake is also growing, is becoming more difficult to meet. The size of the cake has been growing but very slightly, and this means that the bid made by the working class to improve its living conditions and economic circumstances further is necessarily becoming more and more egalitarian in a political sense, thereby assuming the overtones of a class struggle.

The problem before the British economy is not whether it should have more socialism or less socialism in order to be able to survive and revive, but whether the government which happens to be in power at the time is able to frame and, with broad national support, implement an economic policy which could wipe out within the next five years the arrears of capital investment in industry accumulated over, say, the last fifteen years.

Britain has acquired unenviable notoriety for its industrial strife. It is perhaps less widely known that its farmers too are a restive community. When I was there last month, it was in fact a farmers' agitation which was capturing the headlines. Irate Welsh farmers, who had been helplessly watching livestock prices becoming uneconomic even as cattle feed was becoming more and more costlier and a fodder famine was developing, took to picketing the ports to block deliveries of Irish cattle. In the process there was clash with the police and there were charges and counter-charges of physical violence.

The British beef industry indeed is in a very curious situation. While farmers are sending cattle prematurely to slaughter and have even been butchering calves in hundreds and burying their carcasses because it has become ruinous to rear them, retail prices of beef continue to remain high. Several explanations, some simple and others rather sophisticated, have been offered for this market puzzle, but the plain fact seems

to be that the British beef industry could do with some nationalization. As it is, the butchers and the middlemen seem to be profiting if not profiteering at the expense of both farmers and consumers.

It cannot be that farmers are unaware of this market situation but they apparently feel that it may be easier to get immediate relief by exerting direct political pressure on the government. The picketing of imports of cattle from Ireland is part of these tactics. Since both Ireland and the United Kingdom are members of the Community, the British government, however, cannot ban the import of the Irish cattle even if it wants to. Besides, there is also an Anglo-Irish free trade agreement to be taken into account. Moreover, if the Irish find that their shipments of cattle are being interfered with, they could and probably would retaliate by agitating against the import of British goods into Ireland. It could therefore be assumed that the picketing of Irish cattle deliveries by Welsh farmers was essentially in the nature of a publicity stunt calculated to compel the British government to take notice of their genuine grievances.

This strategy has largely been successful. Nothing could be done immediately of course to bring down the prices of feed grains or fodder although the fodder famine itself is being relieved to some extent by the import of hay from Canada. The British government therefore has been forced against its wishes to provide its beef farmers with a floor price for their cattle during the period up to the end of January. This scheme will cost the exchequer £20 millions in the twelve weeks of its duration. The Agriculture minister, Mr Peart, had to obtain clearance from Brussels for this measure. As part of this deal the British government has also had to accept against its better judgment the limited introduction of intervention buying of beef, as a result of which some home-grown beef may be finding its way into intervention cold storage or canning plants during the next two months in spite of the fact that consumers are clamouring against high retail prices.

This flexibility shown by the Community in dealing with Britain's beef problem is not a casual attitude. With the talk of re-negotiation of Britain's entry into the Common Market so much in the air, Brussels evidently realizes that it is better to bend rather than break. Not that it feels that it is negotiating from a position of weakness; on the contrary, even while agreeing to the British beef price-support proposal, it has had the

satisfaction of seeing that the British government has swallowed the concept of market intervention buying in spite of London's declared objective of bringing about the ending in the Community of precisely this system, which is an integral part of the Common Agricultural Policy. Nevertheless, whether the Brandt thesis of a two-tier membership is finally accepted or not, Brussels has been realistic enough to recognize that Britain cannot be hustled into what has been described as the equal sharing of Community commitments and obligations.

barter with Brussels

Thus, in addition to his deal on beef Mr Peart has been able to strike a bargain in Brussels on Britain's import of Commonwealth sugar. The Community has agreed to allow access to 1.4 million tonnes of sugar from the developing countries in the Commonwealth "for an indefinite period" of between five and seven years. Guaranteed prices for this supply are to be negotiated within the prices applicable within the Community. This provision regarding prices has caused some dissatisfaction in Britain because it is taken to mean that the Community is not prepared to guarantee a price higher than that paid to European beet-producers. With world market prices ruling around £ 650 per tonne of sugar, it is considered unlikely that Britain will be able to procure its requirements of Commonwealth cane-sugar at or around £ 140 per tonne which is the price fixed for beet-sugar producers within the Community. All the same, Brussels' acceptance of the principle of access to Commonwealth sugar for an indefinite period does mark a concession to British opposition to the Common Agricultural Policy as well as to the British government's insistence on re-negotiating its terms of entry.

When therefore Britain sits down with the other eight for an EEC summit conference in Brussels next week, it can do so with the faith and in the hope that on such issues as Britain's contribution to the Community budget or the special fund for regional development, the stronger members of the Community may well be disposed to be open to argument. After all, as Mr Brandt has pointed out, the decision to offer Britain subsidies on sugar imports and the agreement to launch a joint Community loan of up to £ 300 millions which would help Italy—and Britain if it were interested—with balance of payments deficits and the proposed EEC regional development fund are all steps towards recognizing the differences in the economies of member-countries arising out of

the considerable variations in the rates of inflation.

For an Indian it is pleasing to note that despite Britain's domestic economic priorities, there are in the British government and indeed in the British political structure, cutting across party lines, powerful elements favouring liberal attitudes towards development aid. As is well known, the minister for Overseas Development, Mrs Judith Hart, played an effective role in persuading the Community to offer one million tonnes of wheat to India, partly on a grant basis. Again, both Britain and the Netherlands have been regularly raising their voices at Brussels in favour of the Community doing more rather than less for the developing countries.

In view of this it became rather noticeable when Mrs Hart and her country's delegation, which she headed, seemed content to remain on the wings at the Rome Food Conference. There was not only no British initiative either in terms of emergency food aid or in terms of a long-period world food security scheme; but the impression was created that the U.K. government had the feeling that Britain had done enough, at least for the time being. Incidentally, during the few days she was in Rome, Mrs Hart, however proved very accessible to the press corps and was frequently to be seen breaking bread or having a cup of tea with British journalists. Whatever reservations her prime minister may have about the British press or its motives towards him or his party, Mrs Hart herself seemed to be perfectly at ease with her country's fourth estate. Her press relations, in fact, were in refreshing contrast to the formal briefings conducted by the US delegation.

As for our own delegation's activity, or rather absence of activity, in this area, the less said the better. The brief which Mr Jagjivan Ram carried certainly deserved a better deal than what our embassy was able to get for him from the multinational press corps reporting on the Rome conference. Our Mission in Italy's capital seems merely to exist. Of the couple of chairs in the grimy visitors' room of the embassy, one has long forgotten what it is to have a bottom. As for the ambassador, Mr Apa Pant, the allegedly deputy leader of the Indian delegation, the conference saw even less of him than signs of the world food security which Rome was supposed to usher in. Even the Food secretary, Mr Juneja, remained a remote happening.

(To be concluded)

Working towards international standards

London

Jossleyn Hennessy

The Role of International Organisations

FOR MANY years governments have imposed national standards for health, safety and other social reasons. Industries and crafts have also cooperated to adopt standard measurements and components to facilitate production and repairs.

However, a real effort to achieve international standards is a relatively new development. So long as industries were concerned almost entirely with their domestic market, it mattered little to them if another country imposed different standards on their products. It became important only when potential exports could account for a large proportion of production; different national standards began to impede the growth of trade. Thus it is only in the past few years, following the vast increase of world trade in the sixties, that the majority of international standards have come into existence. The process received additional impetus from successive tariff reductions resulting from GATT negotiations, from demolition of tariff and quota barriers within such important regional groupings as the European Communities and the European Free Trade Area as well as from the growth of multinational corporations and the emergence of the consumer movement.

need for standards

To realise the need for international standards is, however, one thing; it is another to achieve them. Agreement can be obtained fairly easily regarding new high-technology products manufactured by a small number of companies in industrialised countries. Few people are involved and no large investment exists in machinery or stocks of components previously accumulated according to national regulations. When it comes to nuts and bolts, however, national resistance can become more stubborn and international agreement more difficult to achieve. Changing to metric threads, for example, from those measured in fractions of an inch involves re-tooling

whole industries, with "transition period" of up to twenty years.

Then there are the problems arising from mental attitudes. Administrators of national standards naturally tend to believe that their own practices are the best and their own standards the highest. They look with suspicion on foreign production and do not lightly give away the protection provided by a separate national regulations—and local industries are prone to the same point of view. In fact, their regulations, perhaps conceived to protect the public from dangerous or shoddy products, become non-tariff

barriers to trade. This type of barrier becomes most severe where it is concerned with the enforcement of standards of manufacture. To satisfy standards of this type, inspectors from importing countries must have almost unlimited rights to visit and inspect manufacturing plants in the exporting countries. Clearly such rights are given lightly and are expensive for the industry concerned; trade in those products may in practice be made impossible.

international cooperation

Consequently, political decisions must be sought and international obligations must be met. The traders of one country may complain to their government that another country, in which they wish to sell their goods, enforces different standards which are impeding their sales. At that point a broader international negotiation comes into the picture. Clearly, bilateral settlement between two countries would not go far; it is better if as many other countries as possible agree to adopt the same standards, so that trade can be freed from such restrictions over wide areas. For these reasons the creation of international standards requires not only technical negotiations, but also trade and economic negotiations, which means bringing in the international organisations concerned with those matters. The problem obviously arises in an acute form for customs unions or free trade areas, within which in principle all barriers to trade between the participating countries must be abolished. Hence the lively interest in the subject in

the European Communities and in the European Free Trade Association.

The latest issue of the *EFTA Bulletin* (1211, Geneva 20, Switzerland) reports the international effort towards common standards that is being made in all the main organisations involved.

specialised agencies

Note that, in addition to the organisations mentioned below, there are others covering some aspects of standardisation, either governmental (e.g. International Atomic Energy Agency, International Telecommunications Union) or industrial non-governmental (e.g. International Association of Aerospace Equipment Manufacturers, Organisme de Liaison des Industries Metalliques Europeennes).

The International Organisation for Standardisation (ISO) is the specialised agency for standardisation; its membership in 1973 included the national standards bodies of 72 countries. The work of evolving international standards is entrusted to technical committees, sub-committees and working groups—about 1,350 of them in 1973, involving the participation of more than 100,000 experts—and the secretaries of the committees are distributed among the member bodies of ISO. Coordination of their activities is carried out centrally by ISO, which employs people from 19 countries in its head office in Geneva.

Established in 1946, ISO has concentrated on the harmonisation of the hundreds of thousands of existing national standards and its activities have rapidly accelerated in the past decade. In fact, of the 2,300 ISO standards in existence in 1973, 60 per cent had been published in the previous four years. A further 3,000 drafts and proposals are now in the pipeline and the total of accepted standards is expected to double by 1977. It should be noted also that ISO standards were only "recommendations" up to the end of 1971. They now have a more definite status.

The ISO procedure for arriving at an international standard is thorough; it

begins with the circulation of a draft proposal for consideration by a technical committee. When agreement has been reached in the committee, the resulting draft international standard is circulated to all member bodies for voting. If 75 per cent of the votes are favourable, the draft goes to the ISO Council for final acceptance as an international standard. To take care of evolving technology and materials, all ISO standards are reviewed at least every five years.

ISO deals only with non-electric products (See below) and most of its standards are in the fields of chemicals (750 standards), mechanical engineering (660), non-metallic materials (630), agriculture (430) and metals (370). Transportation, information and building are also important sectors.

first venture

The International Electrotechnical Commission (IEC) was the first international organisation in the standards field and deals with all electrical products—a technology which, with electronics, has evolved with an astonishing rapidity throughout this century. Founded in 1906, the commission now has 41 member national committees: the headquarters, with a small secretariat, is in Geneva, in the same building as ISO.

The work of IEC is carried on in about 600 technical committees, sub-committees and working groups, using the expertise of tens of thousands of qualified professionals. Their work includes five main categories:

(1) Common means of expressions: vocabulary, graphical symbols for electric circuit diagrams, units and their associated letter symbols, electromagnetic theory.

(2) Standard methods of test of declaring performance: these enable the ready comparison of claims made regarding quality or performance, and lay down minimum requirements.

(3) Agreement regarding levels of quality and performance arrived at as the result of such standard test methods.

(4) Agreement on features affecting mechanical or electrical interchangeability or aimed at reducing the variety of models in order to obtain greater production runs.

(5) Safety of human life.

A given standardisation project may be limited to one of these aspects or may

be a combination of several. It is not uncommon for the first edition of a recommendation to confine itself to one aspect, additional aspects being dealt with in later editions.

The electrical sector plays an important part in international trade, amounting to more than \$20,000 million in 1973. The IEC is currently deciding on new standards at the rate of about two hundred a year.

The European Committee for Standardisation (CEN) and the European Committee for Electrotechnical Standardisation (CENELEC) — the first general in scope and the second operating in the electrical sector—are made up of the standards authorities of the countries of the EEC and of EFTA (except Luxembourg and Iceland) plus Spain. A main aim of CEN and CENELEC is to promote the implementation of ISO and IEC standards throughout western Europe. There is also an agreement whereby they will provide "European Standards" for reference in EEC directives.

The aim of the International Commission on Rules for Approval of Electrical Equipment (CEE-Arnhem) is to define safety conditions for electrical equipment in common use, in order to protect the public. The CEE also seeks to harmonise, so far as is possible, national safety regulations.

certification body

The CEE brings together the competent authorities of twenty two countries (i.e. those represented in CENELEC plus some eastern European countries). The organisation publishes specifications which express, as nearly as possible, the consensus of opinion of its members. To facilitate the approval of equipment, a "Certification Body" (CB) scheme operates through approved testing stations in member countries. Under this scheme a special certificate of compliance with the CEE regulations for electrical equipment, issued by the testing station of one other country, is then accepted by all member countries. In order to give users a simple means of recognising equipment which complies with the CEE specifications, a mark of conformity called the "E" mark has recently been adopted. It was brought into use at the end of 1973.

From the GATT (General Agreement on Trade and Trade) point of view, standards which present problems for traders are non-tariff barriers to trade. Consequently, GATT work in this field

is based on specific notifications received from contracting parties (i.e. the participating countries) on problems they face. Of about 800 notifications of non-tariff barriers, GATT has put together a list of about 150 concerned with standards and of these the Committee on Trade in Industrial Products has selected about twenty as being representative of the problem involved.

In the view of the committee, problems connected with standards can be grouped into four categories;

(1) The existence of divergencies in national standards.

(2) Measures for enforcement of standards.

(3) Quality assurance systems based on limited country participation.

(4) Ignorance on the part of exporters of technical regulations in the importing countries.

code of conduct

As a solution to the various problems which may arise, Working Group 3 of the committee has elaborated a draft "Code of Conduct on Preventing Technical Barriers to Trade". Significant differences of view on the draft remain to be negotiated, presumably in the framework of the forthcoming new round of multilateral comprehensive trade negotiations. The main objectives, however, are:

1. The Code would require adherents to use relevant international standards as a basis for their own, and to participate in all standards bodies preparing international standards. Governments working to produce new standards would make drafts available to other interested countries and allow reasonable time for comments. (Note: an arrangement of this type has already been in operation inside EFTA since 1964.) See standards work in EFTA in part II.)

2. The GATT code also proposes arrangements whereby importers would accept tests and inspections carried out in the exporting country. (This idea has also been translated into action by the EFTA countries over the past three years). Where such arrangements do not exist, imported goods should be tested in equally favourable conditions as domestically produced goods. Quality assurance systems should also be made the subject of international arrangements. Ignorance on the part of exporting countries could be avoided by the establishment of "enquiry points" equipped to answer all reasonable enquiries relating

to measures taken in the field of standards.

II

The preparation of inter-governmental agreements on standards has always been one of the main activities of the Economic Commission for Europe (ECE) which includes countries of eastern and western Europe in its membership. This has included the definition of standards on particular products and general co-operation on standardisation policies.

The "Geneva Protocol on Standardisation of Fruit and Vegetables" was drawn up in 1958; under this protocol, grading and quality standards covering nearly fifty products have been elaborated. These standards have been accepted in international trade by most ECE countries and some countries also apply them in domestic trade. In recent years attention has also been paid to standards on dry and dried fruit, fruit pulp, fruit juices and quick-frozen foods. Work on new standards is under way for eggs in shell and egg products, non-edible horticultural products, etc. The activity in that sector is carried out in close cooperation with the Codex Alimentarius Commission set up by the World Health Organisation (Geneva) and the Food and Agricultural Organisation (Rome).

uniform conditions

Under the auspices of the ECE, an agreement was concluded in 1958 on the "Adoption of Uniform Condition of Approval and Reciprocal Recognition of Approval for Motor Vehicle Equipment and Parts". About thirty regulations have been elaborated in the framework of this agreement and work is still in progress. The standards are generally based on road safety criteria and some of them aim specifically at protecting the environment from the emission of engine pollutants and from excessive noise.

Problems of standardisation for other products have also received attention. Work is at present being carried out in the following fields:

- (a) Housing, building and planning.
- (b) Timber: units of measurements, product definition, package sizes and grading rules.
- (c) Safety codes for gas pipelines and gas transmission stations.
- (d) Simplification of trade procedures.
- (e) Standards for computer hardware and software.
- (f) Electrical equipment and transmission systems.

(g) Standardised methods for studies of water management problems.

Since 1970, government officials responsible for standardisation policies have met every two years under the auspices of the ECE. This body has up to now made seven recommendations to ECE governments to promote the progress of international standardisation. In addition, a list of sectors and products requiring priority action on international standardisation has been established, with a special list comprising items of particular urgency.

The Organisation for Economic Co-operation and Development (OECD)—which brings in Australia, Canada, Japan, New Zealand and the United States as well as western Europe—aims not only at promoting the expansion and liberalisation of trade, but often has also as its main aims the search for solutions for a more orderly international market and for the acceptance of measures needed to adjust national economies to modern realities. In this regard, a part of the OECD activities has been devoted to standardisation and harmonisation, in particular with a view to avoiding distortion and discrimination in international competition. In several cases, OECD has chosen to confine itself to the adoption of a "resolution" or a "recommendation" and has left effective cooperation to individual member countries, so that there has been no necessity for any follow-up action. In other cases, such as export credits for ships or standards for agricultural products, OECD has established a number of arrangements, codes and schemes which are regularly reviewed.

regular examination

A recommendation adopted in 1962 required member states to examine regularly their administrative and technical trade regulations and remove, as far as possible, trade barriers contained in these regulations. In 1970, the Secretary-General of the OECD stated that the Trade Committee should re-examine the recommendation to see whether it could be adapted "to cover issues arising now or in the foreseeable future".

On pharmaceutical products a 1961 recommendation proposed harmonisation and simplification of registration procedures, while another recommendation in 1963 proposed harmonisation of the labelling of pharmaceutical specialities. Both these recommendations contained criteria for adoption of harmonised systems.

In the machinery sector, a recommen-

dation adopted in 1960 suggested bilateral acceptance of tests on welded gas cylinders. In 1965, two recommendations were adopted on the development of technical regulations for oil storage and distribution equipment, suggesting that member countries should sponsor greater international action on common standards. On tower cranes for building work the OECD has developed model safety regulations and a 1967 recommendation proposed that member countries adopt these regulations in their national legislation. The OECD has introduced standard codes for the testing tractor performance and tractor cabs and frames, which are now applied by all member countries (except Canada, the United States) and Yugoslavia.

elimination of barriers

The action of the European Economic Community (EEC) on standards, etc., was laid down in the "General Programme for the Elimination of Technical Barriers to Trade" of May 28, 1969. Referring to Article 100 of the Treaty of Rome, the EEC set up a programme for the progressive elimination of technical barriers to trade on a large number of products. This programme was divided into the following five parts:

(a) Council Resolution establishing a programme for the elimination of technical barriers to trade on a number of industrial products resulting from disparity between the laws, regulations or administrative provisions in member states. This programme was to be implemented by directives of the Council harmonising national regulations and a timetable was established in three phases, ending January 1, 1971.

(b) Council Resolution establishing a programme, also to be achieved by Council directives, for the elimination of technical barriers to trade on food products.

(c) Council Resolution concerning the adaptation, in the light of technical progress, of directives aimed at eliminating technical barriers to trade.

(d) Council Resolution concerning the reciprocal recognition of controls.

(e) Agreement on the maintenance of the status quo and on the provision of information to the commission.

Although the various parts of this programme have been in action since 1969, it was not possible to secure all the Council directives needed to meet the original timetable. Also, in recent years

the expansion of intra-Community trade, industrial development in certain sectors and the increasing importance of problems connected with the environment and the protection of human health have revealed the existence of significant technical barriers in a number of sectors other than those indicated in the resolution of 1969. The earlier programme was therefore supplemented by a Council Resolution of May, 1973, adding new sectors.

Then, in November, 1973, the European Commission put forward a detailed proposal, with precise timetables, which would enable the Council to adopt before the end of 1977 all proposals for directives bearing on the important technical barriers so far identified. This proposal, which formed part of a much larger programme for the implementation of the industrial policy of the Community, was adopted by the Council of Ministers in December, 1973.

the new timetable

The new timetable is divided into five phases, two in the year 1974 and one in each of the three following years. In the first half of 1974 directives were issued covering twenty foodstuffs and beverages; some vehicles and electrical standards; some measuring instruments; and a number of other items. Vehicle standards are the main element in the second phase of the programme, along with pressure vessels and measuring instruments. In 1975, vehicles again play a major part, along with "dangerous preparations", textiles and toys. The lists for 1977 and 1978 each contain a wide variety of products.

The harmonisation of standards, as such, is not part of the activities of the European Free Trade Association (EFTA) because all seven countries in the free trade area pursue this effort through their membership of other international bodies tackling the problem. However, EFTA is active (a) in seeking by means of its advance notification procedure on new standards, to minimise the creation of new technical barriers to trade within the Association, and (b) by means of "schemes for the mutual recognition of tests and inspections" in seeking to eliminate trade barriers arising from the tests and inspections required to verify that imported goods conform to the standards imposed by the importing country.

The cooperation of the EFTA countries in the field of technical barriers to trade began in 1964. Recognising the increasing importance of industrial standardisation within EFTA as tariffs were progressively eliminated, agreement was

reached whereby EFTA countries preparing new or revised compulsory standards were invited to notify one another and the EFTA secretariat in advance of the content of projected regulations. Notifications were to state the reference number of the international standard, if any, covering the same subject and whether the new standard would be identical. Any deviations or more severe requirements were to be explained and justified. Where no international standard existed, explanation was to be given for the necessity of the new standard, along with information on any intended action to propose such a new international standard to the competent international organisation.

Any comments by other EFTA governments on such notifications were normally to be made through their delegations to EFTA in Geneva. If desired, the matter could be raised for discussion in the EFTA Council, which in its turn could refer the question to an expert group.

This scheme has been used in different degrees by the EFTA countries. Up to end-October 1973, a total of 180 notifications had been received by the EFTA Secretariat. In October, the EFTA Council instructed the Committee of Trade Experts to evaluate the experience gained so far and to suggest any improvements in the procedure considered desirable. At the time of writing, the committee has discussed the matter at one meeting.

International trade may be hampered not only by different technical regulations or standards, but also by provisions for the testing and inspection of goods. Thus, it is often required that goods be tested by the authorities in the country of import. This requirement can be eased by arrangements whereby importing countries, while still insisting that their own standards be met, will accept the tests and inspections carried out to those specifications in the exporting country.

This is a path which EFTA has follo-

wed since 1959. Arrangements now exist for the mutual recognition of tests of certain electrical products, of pressure vessels of all types, of ships' safety and fire-fighting equipment, of gas appliances and of agricultural tractors. In addition, a convention is in operation providing for the Mutual Recognition of Inspections in respect of the manufacture of pharmaceutical products. This is different from the other schemes in that the entire process of manufacture is subject to rigorous inspection, and not simply the end-product. Another special case is the hallmarking of articles made from precious metals. The convention on hallmarking was the first international regulation of any kind in this field and established the first international hallmark, which can be applied by the assay authorities of each participating country.

Two features of all these schemes should be noted:

First, they need not be limited to products subject to government inspection; they can work equally well between non-governmental authorities responsible for applying the standards.

Secondly, since these schemes do not arise from the Stockholm Convention (the EFTA Treaty), all have provisions whereby their membership can include organisations in non-EFTA countries, which are competent for the administration of regulations regarding the testing, inspection and approval of goods covered by the schemes. In fact, the schemes have an existence of their own, independent of EFTA.

At the ministerial meeting of the EFTA Councils in November, 1973, it was decided to investigate the possibility of introducing new schemes for the mutual recognition of test results. In addition, various EFTA bodies were asked to consider in what ways cooperation with other international organisations in the field of standards might most fruitfully be brought about.

EASTERN ECONOMIST

ANNUAL SUBSCRIPTION

INLAND : Rs. 100

FOREIGN : £ 10-00 or \$ 25-00

Airmail & Advertisement Rates on Enquiry

Registered Office :

UCO Bank Building, Post Box 34
Parliament Street, NEW DELHI-1.

NATIONAL ENGINEERING INDUSTRIES LIMITED

JAIPUR

Manufacturers of :

BALL & ROLLER BEARINGS,
TAPERED ROLLER BEARINGS,
TRACTION MOTOR BEARINGS,
STEEL BALLS,
STEEL & ALLOY STEEL CASTINGS,
AND
AXLE BOXES FOR RAILWAY'S WAGONS,
LOCOS & COACHES.

Oil politics coming to boil E.B. Brook Vienna

RATHER MORE than a year ago world industries received the shock of sharply increased oil prices from the producers in the Arab countries and Iran. It has taken them all that time to work out a strategy, led by the USA and followed with various degrees of willingness by the western European states—except for France and Norway to—handle the situation. Inevitably, it has something of the character of a confrontation and has been accepted as such by the oil producers organised in OPEC whose General-Secretary, the Algerian Abderrahman Khene, has described the majority industrial states' strategy as "extraordinarily dangerous."

a political weapon

The Arabs are said to have commented that "petroleum is 90 per cent politics" and it is clear enough that the Arabs, without the Iranians and other non-Arab oil producers of west Africa and South America, are united in presenting a solid front to use the oil weapon to obtain concessions in the Arab-Israeli dispute. This is a side of the issue so far politely obscured but how long it will remain so now that the Algerian President of the UN General Assembly has limited Israeli speaking-time and given ample time for a speech by the Israelis' arch-enemy Mr Arafat remains to be seen. There is no doubt that the very considerable Jewish influence in the USA regarded not so much his speech but the fact that he was allowed to speak at all as a grave irritation for which they hold the Algerians particularly responsible. It might not be an exaggeration to attribute the militant tone of the US Secretary of State's address in Chicago on November 14 as, in part, a response to this irritation. In response OPEC, through its general-secretary, made it very clear that the formation of a 16-nation international energy agency within OECD was regarded as an unfriendly act.

Mr Khene remarked acidly that the USA, Britain and France between them spent more on armaments than all the OPEC states were able to earn as national product. The inclusion of France in his remark was a trifle unfair for France will have nothing to do with this 16-nation energy organisation and is striving for an oil summit meeting between oil-consuming and producing countries fairly soon. Norway, rich in oil, feels, it does not need the new US-led

venture and the French claim that none of the 16 States except the USA are really opposed to the French proposal. Greece, at odds with NATO, is also keeping out and Finland, with its close ties with the USSR, also keeps aloof. It is worth remarking that three European neutral states—Austria, Sweden and Switzerland—that generally try to avoid big power politics—joined the oil-sharing group after receiving assurances that it would not violate their neutrality. Austria, host-country to OPEC which moved to Vienna from Geneva about eight years ago, may be hoping to have a chance to play its usual role as an intermediary and Chancellor Kreisky has already spoken of an "institutionalized dialogue. But at the moment there is not much scope for an intermediary. For the second and much more widely acknowledged, aspect of the oil confrontation—the more intractable question of striking a fair balance between the cost of Arab and Iranian oil exports and the steadily rising cost of their imports, largely industrial, from oil-consuming states of high industrial development. This aspect is the more intractable because it hides divergences among oil-producing countries.

wide divergence

Between the Saudi Arabian attitude and that of Iran there is wide gulf and source of much open and even more not so open recrimination. The Saudis want to get the Israel issue out of the way partly because its continuance increases the activity and political power of Arab radicals to whom the Saudis are at least opposed as much as they are to the Israelis. Saudi Arabia, also, needs no more oil income. Iran has no interest in the Israel issue but is intensely interested in earning at least as much from its oil exports as it has to pay out to meet the ruinous western inflation which sends its import bills ever higher. Both sides see in the USA their major opponent, which is one reason why the shaky British and French currencies have enjoyed the benefit of Arab and Iranian investment and purchases which might have been expected to cross the Atlantic. The Venezuelans and Nigerians might be expected to have attitudes similar to Iran and the poorer oil producers—Egypt, Libya and Algeria—might one day stress Arab unity in seeking financial help from the wealthy Saudis. For this reason Saudi Arabia stands closer to the US attitudes than any other Arab state and the com-

ing OPEC session here is likely to see some explosive speaking.

Another aspect of high oil prices stems from the west's and especially the USA efforts since the early 1960s to seek and produce oil in areas under their control and preferably within their own territories. The huge cost of making new oil borings, often uselessly, in the USA and west Europe, in the seas near their shores and the expensive production of oil from shale have forced up oil and petrol prices to the industrial user, domestic consumer and foreign importer similarly to the rise caused by the Arab and Iranian oil price surge. The huge oil companies have not only doubled their outlays but also their profits in several cases and never less than by 40 per cent. These profits have enabled the concerns to take a major share in building atomic energy stations and to control a sizeable part of known uranium deposits and coal reserves.

Nervousness about the value of money has pushed the value of gold up to some 200 dollars per troy ounce. This does not reflect a rational estimate of the world economy or of the prospects of any individual national economy. The US dollar, and the franc (French) have suffered systematically and the West German Chancellor, Herr Schmidt—a politician rather prone to off-the-cuff remarks—added to the general feeling of insecurity by hinting that he saw no objection to an increase in the value of the mark in order to reduce his nation's huge trading surplus.

illusory strength

Germany's strength can lead to illusions. Unemployment is rising fairly sharply in a country acutely sensitive to worklessness and high prices. This helps to account for the fact that though the socialist-liberal coalition consistently produces good economic results in exports it has recently lost state elections in Bavaria and Hesse very largely because things nearer the German heart than sales abroad are not going so well. If and when the internal position in West Germany comes more nearly to resemble the situation in Britain or even Italy the money-exporting "guest-worker" will no longer be welcome and the "guest-workers" homelands, with German money stored, will no longer be able to buy German products. There is increasing threat to existing political institutions as strikes in France and some political debates in Britain have shown.

TRADE WINDS

India-GDR Panel

THE TALKS between Prime Minister Indira Gandhi and the Premier of the German Democratic Republic (GDR), Mr Horst Sindermann, and their aides ended with the signing of an agreement on the establishment of a permanent joint commission for economic scientific and technical cooperation between the two countries. This is the fourteenth such commission to be set up by this country with foreign countries, and will have under its prview relations in the field of industry, commerce, agriculture, shipping, electronics, science and technology planning and any other economic area mutually identified by the two sides. Efforts would be made by the two sides to accelerate the growth of trade between the two countries. The GDR is reported to have agreed to import non-traditional goods, especially engineering products from India. The joint commission is expected to review the economic relations between the two countries and explore new areas of cooperation at least once every year. The Indo-GDR trade, which is of the order of Rs 64 crores is expected to be doubled over the next five-year period. The agreement also is expected to boost industrial collaborations between the two countries.

Indo-Czech Agreement

The Indo-Czechoslovak protocol on economic, trade and technical cooperation was initiated recently by the two co-chairmen of Indo-Czechoslovak Joint Committee, Mr Ing. Andrej Barcak, Czech minister for Foreign Trade and Prof. D.P. Chattopadhyaya,

union minister of Commerce. The protocol was signed on December 4, 1974 in the presence of the Prime Minister of India and the Chairman of the Council of Ministers of the Czechoslovak Socialist Republic.

The growth of Indo-Czechoslovak trade and measures to increase it were discussed, taking into account the need of crucial commodities needed by both sides. It was argued that efforts should be made for the increase in export of non-traditional items from India to Czechoslovakia such as processed food products, products of manufacturing units set up with Czechoslovak assistance or collaboration, engineering products and a wide range of consumer goods. It was hoped that the credit extended under the Third Economic Agreement would be utilised expeditiously.

In the field of science and technology both sides drew up a concrete programme of cooperation for the period January 1975 to December 1976, in accordance with the agreement in this field signed in May, 1973. The programme envisages cooperation in beneficiation of low grade ferrous and non-ferrous ores, building sciences, industrial microbiology and industrial fermentation, welding and high pressure vessel technology, medical fields, natural and artificial fibre and fabric, leather research, macromolecular chemistry, application of cybernetics in planning and cooperation in the field of farm machinery. It was agreed that the programme of cooperation should be development oriented through undertaking projects

of applied nature and of relevance to both countries.

In the new field of electronics both sides held detailed discussions on the various possible areas of collaboration and trade in electronic items. It was decided to expand the scope of the existing agreement for the production of radar equipment, expand mutual trade in electronic components, pay special attention to collaboration in computer peripherals and consider utilisation by the Czechoslovak side of the facilities offered by the Santa Cruz Electronic Export Processing Zone.

In the field of industrial cooperation both sides recognised the need for diversifying scope of collaboration into new areas of sophisticated technology. Examination of possibilities of undertaking joint ventures in third countries was particularly discussed by both sides. Constructive and time bound recommendations were also made relating to fuller utilisation of capacity of Czechoslovak aided projects. The Indo-Czechoslovak Joint Committee was set up in 1966. Its fourth meeting was held in Prague in June last year. Its present meeting is the fifth one in the series.

India-Sudan Cooperation

India and Sudan signed recently two agreements on economic, scientific and technical cooperation and cultural exchanges which the Foreign ministers of the two countries said would open new vistas in their bilateral relations. The Sudanese President Gaftar Mohammed Nimeri and Prime Minister Indira Gandhi witnessed the signing ceremonies. Under this five-year agreement, renewable for another five years by tacit agreement of both sides, India would carry out feasibility studies for setting up in Sudan cement, textile and sugar plants and establish small-scale industries for manufacture of agricultural and other implements. India is also expected to supply sophisticated machinery to

Sudan on a deferred payment basis.

The second agreement on cultural exchanges envisages exchange of professors, grant of scholarships, and exchange of museum objects, bibliography and specialists in various fields, including radio, press and sports. The agreement provides for setting up a joint committee of the Indian and Sudanese officials which will meet periodically to draw up details for exchange of personnel.

Agreement with Egypt

A protocol for the exchange of materials, including seeds and implements for experimental purposes and information and documentation in agriculture was signed between the governments of India and the Arab Republic of Egypt, recently. This is in continuation of the protocol signed earlier in 1969, between the two countries, concerning technical and scientific cooperation in the field of agriculture. The protocol also envisages exchange of visits of high government officials and experts and grant of scholarships for training. Dr. M.S. Swaminathan, Director-General, Indian Council of Agricultural Research and Secretary to the government of India and Mr. M.A. Ghaffar, Director-General, Cotton Research Institute, Giza (Egypt) signed the protocol on behalf of their respective governments.

In the field of crop improvement, both countries will cooperate in evolving high yielding and high quality varieties and hybrids of field crops together with appropriate package of practices by utilising the materials of Arab Republic of Egypt and India. The crops covered include rice, wheat, sorghum, legumes, oilseed cotton, sugarcane, horticulture and fibre crops, as also land reclamation & rehabilitation, water management, solar energy, cow dung gas plant for energy and manure and agricultural implements. In the field of animal sciences and fish-

eries, collaboration is envisaged in vaccine production, disease investigation, fisheries, horse breeding, broiler production, and buffalo breeding. According to the protocol, the programme is to be implemented in 1974 and 1975.

New Delhi-Bonn Pact

India and West Germany signed an agreement on November 25 for scientific cooperation. Prof. K.H. Bechurts, Chairman of the Federation of Research Institutions, and Dr. Y. Nayudamma, Director-General of the Council of Scientific and Industrial Research, signed the agreement for West Germany and India, respectively. The agreement covers about 35 research projects in geo-sciences, materials research, coal technology, electronics, food processing technology and electrical, chemical, and mechanical engineering. The two countries will exchange non-classified information, scientists and technicians and assist in procuring scientific equipment. Prof. Bechurts said, "As West Germany was fairly advanced in coal technology it could assist India in developing coal mines scientifically." In electronics, joint research was planned for designing semi-conductors and integrated circuits.

Copper Forum

A Copper Forum, to discuss the production, availability and industry's problems related to the very important metal, copper, was held recently in New Delhi. The forum, first of its kind, effectively considered, the role of this metal vis-a-vis Indian industrial development and analysed the problems of primary metal production, copper semis industry and identified the areas where research and development efforts can be useful. The participation of over 350 delegates from all over India and few experts from abroad amply signified the importance of the meeting. In his inaugural address, Mr. M.S. Pathak, Member, Planning Commission, dwelt upon the steps

taken by the Planning Commission and other similar bodies towards country's self-sufficiency in vitally important minerals and metals. Emphasizing the necessity of science and technology for improving the industrial atmosphere and consequently the standard of living of people.

National Seeds Corporation

The National Seeds Corporation (NSC) achieved a turnover of Rs 831.80 lakhs during the year 1973-74, reflecting an increase of 15 per cent over the previous year's turnover. The pre-tax profits earned by NSC were to the tune of Rs 116.38 lakhs compared to Rs 84.28 lakhs in the previous year. The corporation has declared a dividend of five per cent.

For the current year, the NSC has taken up production and distribution of high quality seeds to meet increasing demands of the farmers. The targets for the current year, the first year of the fifth five-year Plan are 103,000 quintals for foundation seed and 782,000 quintals for certified seeds which exceed those originally envisaged for the final year of the fifth Plan. Last year production and distribution of foundation seeds and certified seeds touched the figure of 57,000 quintals and 307,000 quintals respectively. Advancement action is being taken to ensure that the achievement of these targets is not hampered by constraints in availability of finance, processing facilities etc.

The NSC is also to implement new schemes for building up a sound seed industry in the country, for which a sum of Rs 7 crores has been allocated in addition to a sum of Rs 4 crores provided by the Planning Commission for increasing the level of normal activities. One of the important schemes envisages the building up of buffer stocks of quality seeds. The other is aimed at stimulating the pro-

duction and supply of better vegetable seeds. The third scheme is intended to establish sound seed organisations at the various state/regional levels. The expertise of the National Seeds Corporation has also been made available to the developing countries for organising quality seed production agencies and setting up seed processing plants.

Government to Encourage Small Units

As a measure of assistance to the small-scale industry, the union government has decided to include 28 additional items for the exclusive purchase from this sector. The Directorate General of Supplies and Disposals will now purchase only from small industrial units these new items which include electrical appliances, fittings for sanitary plumbing, liquid soap, wax paper, wooden chairs, blotting paper and centrifugal pumps etc. The list of articles reserved for exclusive purchase from small-scale units consisted of 192 items. With the addition of 28 new articles, the list now contains 220 items. The items are: 1. Animal driven vehicles (civil requirements only) 2. Anklets web khaki 3. All badges, cloth embroidered and metals. 4. Attache cases 5. Bags ice head (civil requirements only) 6. Bandage cloth. 7. Barbed wire. 8. Basket cane 9. Belt leather and strips. 10. Belt leather. 11. Benzol Benzolate. 12. Blacksmith hearth 13. Boot polish. 14. Bone meal. 15. Boxes made of metal (civil requirements only). 16. Boxing boots. 17. Boots and shoes of all types excluding canvas shoes (civil requirements only) 18. Brass dampers 19. Brass padlocks. 20. Brief cases. 21. Brooms. 22. Buckles. 23. Brushes. 24. Button metal. 25. Cans (made up to G. I. sheets for milk and measuring) 26. Cash bags. 27. Caps cotton. 28. Caps woollen. 29. Caps waterproof. 30. Casing and capping. 31. Ceiling roses upto 15 amps. 32. Copper sulphate. 33. Centrifugal steel plate blowers. 34. Coir mattress and matting. 35. Chains

lashing. 36. Chappals and sandals. 37. Coir fibre and coir yarn. 38. Community receivers. 39. Cone & valves (for water fitting only). 40. Conduit pipes (metlic). 41. Cotton wool (non absorbent). 42. Cotton cord twine (other than defence). 43. Cotton hosiery (civil requirements only) 44. Crates wooden. 45. Cumblies. 46. Curtains mosquito (civil requirements only) 47. Distribution boards upto 15 amps. 48. Dusters cotton all types except the items required in khedi. 49. Dust bins (civil requirements only). 50. Dust shield leather. 51. Electric call balls. 52. Electric buzzers. 53. Electric soldering iron. 54. Eyelets. 55. Expanded metal. 56. Film spools and cans. 57. Film polythene. 58. Football boots. 59. French polish. 60. Garments (civil requirements only). 61. Gas mantles. 62. Gauze cloth. 63. Ghamellas (civil requirements only). 64. G. I. padlocks. 65. G. I. bath tubs. 66. G. I. buckets. 67. Glass ampoules. 68. Gauze surgical all types (civil requirements only) 69. Gun metal bushes. 70. Gun cases. 71. Graphite crucibles upto N-0.200. 72. Hand drawn carts of all types (civil requirements only) 73. Handles wooden and bamboo. 74. Hand lamps. 75. Hand numbering machine. 76. Hair passam wool 77. Hand gloves 78. Hand presses 79. Hide and country leather of all types (civil requirements only) 80. Horse & mule shoes 81. Hob nails 82. Holdalls. 83. Insecticides dust and sprayers (manual only) 84. Invalid wheeled chairs. 85. Keys wooden. 86. Kit bags. 87. Kodali. 88. Kullahs. 89. Lace leather. 90. Lint plain. 91. Lanterns posts and bodies. 92. Lathies 93. Lamp signal. 94. Latex foam sponge 95. Lamp holders 96. Leather bags. 97. Leather boxes (not army type) 98. Leather harness 99. Leather washers 100. Low cost radio (medium wave band community) 101. Metalcad switches 102. Mail bags (canvas dossoti and jute) 103. Manhole covers 104. Metal polish 105. Metric weights 106. Miniature bulbs (for torches only)

107. Nail trip heel rustless 108. Nail cutters 109. Newer (other than defence) 110. Ordinary banch vices 111. Paper conversion products 112. Paint remover 113. Pillows (cotton) 114. Ovens electric (domestic type) 115. Patient coats and Pyjamas 116. Plaster of paris 117. Postal lead seals 118. Piles fabric 119. Plugs 120. Pouches 121. Postal weighing scales 122. Quilts, razais (cotton) 123. Rags cotton (civil requirements only) 124. Railway platform drinking water trolleys (civil requirements only) 125. Razors 126. Rubber ballons 127. Safety matches (except for defence) 128. Scissors cutting (ordinary scissors) 129. Shoes laces 130. Sign boards painted 131. Shellac 132. Skin sheap all types (civil requirements only) 133. Skiboats and shoes 134. Sole leather (civil requirements only) 135. Soap washing or laundry soap (civil requirements only) 136. Sockets 137. Spiked boots 138. Steel racks 139. Steel stools 140. Steel trunks (civil requirements only) 141. Steekintte (civil requirements only) 142. Stone quarry and stone quarry rollers 143. Suit cases 144. Steel desks 145. Shelves steel 146. Silk ribbon 147. Street light fittings 141. Tack metallic 149. Tape cotton (civil requirements only) 150. Tarpaulins (civil requirements only) 151. Teak fabricated round blocks 152. Tontage (civil/military and salitah just for tontag) 153. Tin trays 154. Tip boots 155. Tent poles 156. Umbrellas 157. Utensils cooking (except stainless steel utensils & vessels) 158. Wooden halves 159. Wood wool 160. Wooden plugs 161. Wooden ammunition boxes 162. Wheel-barrows 163. Wicks cotton (civil requirements only) 164. Wire adjusting screws 165. Wooden packing cases of all sizes (civil requirments only) 166. Wire nails and horse shoe nails 167. Woolen hosiery (civil requirements only) 168. Pump hand 169. Wood screw (except ford fencer requirements) 170. Machine screws 171. Aluminium utensils 172. Drums and barrows 173. Oil stove (wick stoves only) 174. Snap-

fasteners (excluding 4 pes ones) 175. Domestic utensils other than aluminium & stainless steel 176. Rivets of all types (including bifurcated) (except for defence requirements) 177. Stappling machines 178. Rolling shutter 179. Beam scales (upto 30 kgs.) 180. Steel wool 181. Tin can unprinted upto

4 gallon capacity (other than can OTS) 182. Welded wire mesh 183. Grease nipples and grease guns 184. P.V.C. foot-wears 185. Spectacleframes 186. Polythene bags 187. Sodium Silicate 188. Tyres and tubes (cycles) 189. Palm Rosa oil 190. Iron clad switches (upto 30 MPH) 191. Surgical

gloves (except plastic) 192. Coir mattresses and cushions 193. Sanitary Plumbing Fittings:—1) Toilet shelf 2) Soap tray 3) Robe Hook 4) Towel rail 5) Toilet paper holder 6) Laboratory sink rail 7) Drain Board 8) Mosaic Wash basin 9) Wall Hung closet 10) Wall hung bidet 11) Taps 12) Stop

cock 13) Knob 14) Spout 15) Waste Bottle 16) Ball cock 17) Ball Mixer 18) Bath shower 194) Domestic Electric Appliances:—Toasters, Electric iron, Hot Plate, Electric Mixer and grinder, Juic extractor, Electric lighter, Electric oven 195. Soap soft (For civil requirements only) 196. Soap liquid (For civil requirements only) 197. Soap yellow (For civil requirements only) 198. Glue 199. Copper Napthenate 200. Plastic cans 201. Magnesium Sulphate 202. Battery charger Engine driven only (For civil indentors only) 203. Ammeters/Ohm meters 204. Automobiles Headlight, Tail light lamp assembly (Civil requirements only) 205. Wooden chairs 206. Tiles 207. Corrugated Board paper 208. Wax-paper 209. Gumtape 210. Toilet Rolls 211. Playing cards 212. Sanitary Towels 213. Blotting paper 214. Water Proof Papers 215. Transist-rised Insulation Testers 216. Stove ware Jars 217. Scientific laboratory glass wares (barring sophisticated items) like Beaker 218. Burettes, Pipettes, conical flask, Round flask, Measuring cylinder, Filter funnel, Regent Bottle 219. Squirrel cage, Induction Motors upto and including 10KW, 440 volts, 3 220. Centrifugal pumps-suction and delivery 150mm X 150 mm 221. Crucibles upto and including 31 kg. capacity.

to obtain the permission of the Reserve Bank to continue their trading, commercial or industrial activities in India which they have been carrying on since prior to January 1, 1974.

The exemption now granted is, however, applicable only in the case of the following categories of companies which have been granted licences after February 1970 under the Industries (Development and Regulation) Act, 1951: Companies engaged exclusively in the production of items specified in appendix I to the Industrial Licensing Policy, 1973; Export-oriented companies, the annual average ex-factory cost (excluding excise duty payable) of whose products exported during the last three years to places outside India (other than Nepal or Bhutan) is not less than 60 per cent of the total ex-factory cost of annual production. The companies so exempted are required to file a declaration with the Reserve Bank in the prescribed form before February 24, 1975.

Set-up for Steel Units

The three steel plants under Hindustan Steel Ltd are to be reconstituted as three separate companies with their own independent management. This will end the existence of Hindustan Steel Ltd as a sub-holding company under the Steel Authority of India Ltd (SAIL), but one of the three new companies will be named as Hindustan Steel Ltd. The three plants are located at Bhilai, Rourkela and Durgapur. This long-expected decision was announced recently by Mr M. M. Wadud Khan, Chairman of SAIL and Secretary in the union ministry of Steel and Mines. Mr Khan stated that this will be done in the next two or three months. The three new companies will have their independent boards of management for effective delegation of authority and development of corporate management

groups. SAIL will function as an over-all supervising and policy making body. Mr Khan said the targets of the fifth Plan for steel would not be affected by the present economic situation, and Bokaro's expansion from 1.7 million tonnes to 4.75 million tonnes and Bhilai's expansion from 2.5 million tonnes to 4 million tonnes would be pushed through without any financial constraints.

EPI Builds Stadium

Engineering Projects (India) Ltd a public sector unit has completed the indoor stadium project for New Delhi Municipal Committee on turn-key basis. The indoor stadium, the largest to be built in India, having a seating capacity for over 2,250 persons, was designed and constructed entirely by Indian engineers. EPI is fully organised to take up both in India and abroad large industrial projects on turn-key basis including project engineering, supply of plant and machinery, inspection and testing, civil works, erection and commissioning. EPI has in hand at present turn-key contracts of a total value of Rs 69 crores in India and projects valuing Rs 9 crores in Europe and the Middle-East.

Exports Look Up

"During the half year, April-September 1974, exports came to Rs 1518 crores or about 41.2 per cent higher as compared to Rs 1075 crores during the corresponding six months of last year. A few commodities such as sugar, basmati rice, cement, silver, naphtha and bitumen have substantially contributed to the increase in exports". This was disclosed by Mr. Y. T. Shah, Commerce Secretary, while presiding over the tenth annual general meeting of the Indian Institute of Foreign Trade, recently. Mr Shah felt confident that the original target of Rs 2600 crores for 1974-75 would be reached. He cautioned not to be complacent as slackening

trends had been noticed in certain important commodities such as textiles and marine products. On import side, the Commerce Secretary said that the cumulative figures for first six months of 1974-75 were Rs 1831 crores as against Rs 1112 crores during the same period last year, registering an increase of nearly 65 per cent. "This would show again that there is no room for complacency whatsoever as even after the additional export performance of this magnitude, the trade deficit for the first six months alone stands at Rs 312 crores", he added. "To a developing country such as ours, the international prices of oil, fertilisers, foodgrains and raw materials have imposed tremendous hardship and resulted in an adverse movement of balance of trade as also the terms of trade," he said.

Coir Exports

Exports of coir and coir products from this country have increased to Rs 6.60 crores during the first five months of 1974-75 from Rs 4.85 crores in the corresponding period of the preceeding year. In terms of quantity also, the increase was recorded at 161,665 quintals as against 146,892 quintals. Almost all the varieties of coir products recorded an increase during April to August 1974. However, the rise in export earnings from coir rugs and carpets was the sharpest, as the figure shot up to Rs 52.7 lakhs, during the first five months of this year from only Rs 20,726 during the corresponding period last year.

Names in the News

International Wool Secretariat has appointed Mr G. S. Ponda as its Director for India and neighbouring countries. Mr Ponda, a marketing man, thus becomes the first Indian to hold this position. Prior to joining the Wool Secretariat he headed the marketing activities of Cadbury-Fry for the last seven years.

11 YEARS OF TRIALS AND TRIUMPHS

NSC draws pla
quality product
NSC seeds
biggest
drive
NSC launches
boost seed
Top quality seeds
NSC

IN a bid to meet the growing demand for seed of high-yielding varieties of crops, the National Seeds Corporation (NSC) has launched a vigorous campaign to popularise its products. The NSC, established in 1963, has been successful in producing and distributing high-quality seeds to farmers across the country. This year, the NSC has launched a new drive to boost seed production and distribution, aiming to meet the needs of the growing population and the challenges of drought and other natural calamities.

The NSC has been instrumental in the development and distribution of high-quality seeds for various crops, including wheat, rice, and pulses. Its efforts have led to a significant increase in seed production and distribution, ensuring that farmers have access to the best quality seeds for their crops. The NSC has also been successful in popularising its products, making them more widely available to farmers across the country.

The NSC has been instrumental in the development and distribution of high-quality seeds for various crops, including wheat, rice, and pulses. Its efforts have led to a significant increase in seed production and distribution, ensuring that farmers have access to the best quality seeds for their crops. The NSC has also been successful in popularising its products, making them more widely available to farmers across the country.

Introduction of seed certification for the first time in India; popularising newest hybrids and varieties; multiplying seeds of earlier imported varieties; organising indigenous designing and production of modern seed processing and testing equipment; creating hard core of farmers capable of producing high quality seeds; providing extension, publicity and training services.

NATIONAL SEEDS CORPORATION LTD.
(A Government of India Undertaking)
4E, JHANDEWALAN EXTENSION,
RANI JHANSI ROAD,
NEW DELHI-110055.

NSC

IMPRESSIONS-NSC-1/74

COMPANY AFFAIRS

Technical Rally

THE STOCK market turned a little steadier last week. The market, it seems, has derived some comfort from Mr. J.R.D. Tata's remark in his annual statement to the shareholders of Tata Chemicals that the dividend curbs would be removed in the near future. In Bombay last week the driving force was provided by the satisfactory solution, for the present, of the settlement tangle in Scindia while elsewhere technical considerations rather than news were the dominant influences. Otherwise there was nothing worthwhile during the week to warrant a significant change in the outlook for equities. With various uncertainties clouding the economic horizon it is doubtful whether the market will be able to develop a decisive trend in the immediate future.

Dalal Street opened the week on a steady note and equities recorded handsome gains during the first four days on short covering and selective fresh buying but reacted mildly in the following day. At the week-end the market was dull and listless. Over the week, on balance, several equities recorded handsome gains. But for a feeble rally Lyons Range continued to remain subdued during last week. There was no selling pressure as such but prices moved within a narrow range. Selected shares registered marginal gains but trading as a whole was essentially dull and drab. Industrials and chemicals were to the fore during last week's trading on the Madras Stock Exchange. Industrials were in good demand though prices showed a slightly downward trend.

Scindia Steam

Scindia Steam Navigation

Company Ltd is persistently endeavouring to keep in check the operational costs, ensuring economy and introducing as far as feasible, innovations resulting from technological developments in cargo handling and ocean transportation. The company encourages adoption of unitisation as far as possible. In its India/UK-Continent Service, the company provided ships to lift full loads of palletised chests of tea from Calcutta. The company's vessels also lift palletised tea and rubber from Cochin and rubber from Malaysian ports and Singapore. Consideration is also being given to lift cotton piecegoods in pallets, to ensure economy and easy handling and to facilitate easy delivery of cargo. The ships acquired by the company in recent years are designed to carry containers. Containerisation with all its advantages has grown to be the major mode of carriage in the developed countries, such as the UK, Continent, USA, Canada, Japan and Australia. The company's vessels in India/USA Pacific route have been catering to containerised traffic between Singapore, Taiwan and Hong Kong and the Pacific coast ports since 1971-72. This facility can be extended to Indian ports as containerised traffic develops from India.

In its tramping sector, the dry cargo freight market had been good throughout the year ended June 30, 1974 and the company's bulk carriers have been fully employed. However, the freight rates in recent months have been on the decline with numerous combination carriers and tankers switching to dry cargo trade. Meanwhile company is going ahead full steam with its acquisition programme. It

has already taken delivery of 53,500 DWT bulk carrier "Jalvallah". Apart from the one bulk carrier from 75,000 DWT on order with M/s. Scott Lithgow Ltd., Port Glasgow, which now is expected to be delivered by about the last quarter of 1976, the company had also ordered with Hindustan Shipyard Ltd., two ships of 21,450 DWT each, to be delivered in 1976. In respect of these latter ships, it took considerable time to obtain government's permission and also clearance under the Monopolies and Restrictive Trade Practices Act. Meanwhile, the Hindustan Shipyard have asked for higher price and have also indicated longer delivery dates. The matter is under discussion with the yard.

As the government has fixed an ambitious target of 9.64 million GRT, including one million tons on order to be achieved by the end of fifth five year Plan, an all-out effort is called for making available of rupee and foreign exchange resources, facilities to raise rupee and foreign exchange loans on commercially viable basis and special developmental incentives. Hence the Chairman, Mr K.M.D. Thackersey in his annual statement to the shareholders of the company has pleaded for the retention of the development rebate on the ground that it was the greatest incentive to shipping industry to expand smoothly. The initial depreciation allowance proposed as an alternative to development rebate was not an adequate relief, he stressed. The development rebate, in the chairman's opinion, is the only answer to increase the shipping tonnage and also to achieve the

target fixed in the fifth five-year Plan.

Dempo Steamships

Dempo Steamships Ltd has fared extremely well during the 15-month period ended June 30, 1974, thanks to the boom in the freight market. The impressive performance during the year has enabled the directors to recommend an equity dividend of 12 per cent for 1973-74, the maximum permissible under the dividend ordinance as compared to eight per cent paid for the preceding year ended March, 31, 1973. Its gross freight and charter hire earnings touched an all-time high of Rs 10.35 crores during the 15-month period ended June 30, 1974 as compared to Rs 4.45 crores during the previous 12 months while its gross profit jumped to Rs 4.52 crores from Rs 67.65 lakhs in 1972-73. Out of the gross profit, the directors have appropriated a sum of Rs 1.36 crores to depreciation reserve as compared to Rs 1.01 crores while an amount of Rs 9 lakhs was transferred to the development rebate reserve as against no provision in the earlier year. The net profit after these allocations worked out to Rs 3.07 crores as compared to a net loss of Rs 33.29 lakhs in the previous year. Out of the disposable surplus, the directors have set apart a sum of Rs 2.94 crores towards general reserve as against no allotment in the previous year.

The two bulk carriers under construction, a 66,000 DWT carrier from Belgium valued at Rs 14 crores and a 21,500 DWT carrier valued at Rs 5.5 crores from Hindustan Shipyard, will be delivered in the first half of 1975. With these acquisitions the company's total tonnage will go up to about 214,200 DWT. It has further plans to double its tonnage in the current five-year plan.

Tata Chemicals

Tata Chemicals has been granted an industrial licence for the manufacture of the

process equipment required in a soda ash plant. Steps have already been initiated for such additions to the company's facilities as would ensure the company's capability for the implementation of this project. The company has also received an industrial licence for expansion of soda ash capacity from 360,000 tonnes to 500,000 tonnes and the work on this expansion programme is now well in hand. The company besides has received a letter of intent for the marginal expansion of the chlor-caustic plant in terms of caustic soda, by 4300 tonnes per year. The company further has received a letter of intent for the manufacture of 3600 tonnes per year of refined sodium bicarbonate. The company has also launched the Tata Energy Research Institute with an initial contribution of Rs one crore to develop and where possible provide alternative and cheaper sources of energy. The Institute has been registered as a Society at New Delhi.

Escorts

Escorts in collaboration with Compagnie Generale De Radiologie de Paris, one of the leading manufacturers of all types of medical X-ray electronics and surgical equipments, is promoting a new company styled 'CGR India Ltd', for manufacturing these equipments at the Santa Cruz Electronic Export Processing Zone. The paid-up capital of the new company will be Rs 80 lakhs of which 60 per cent will be subscribed by the French company and the balance of 40 per cent by Escorts. The products manufactured by the new company will be solely for exports and Escorts will be appointed its sole distributors.

Indian Explosives

The directors of Indian Explosives Limited have recommended a final equity dividend of 7 per cent for the year ended September 30, 1974. This together with the interim dividend declared ear-

lier makes a total of 12 per cent for the year which is the maximum permitted under the dividend Ordinance. In 1972-73, the company paid a total dividend of 17.5 per cent. The working results for 1973-74 show an all-round improvement, with sales jumping to Rs 71.47 crores from 39.43 crores and the pre-tax profit nearly trebling to Rs 9.77 crores from Rs 2.87 crores in 1972-73. The reserves and surplus has on September 30, 1974 stood as high as Rs 14.88 crores as against Rs 7.69 crores in the earlier year. The market improvement in the climate of industrial relations and the availability of power to the fertilizer factory have, by and large, been responsible for the company's encouraging performance during 1973-74. In 1972-73 its operations were affected by severe power cuts, labour unrest and the accident

in the Gomia explosives plant.

Oudh Sugar Mills

The directors of Oudh Sugar Mills Limited have proposed an equity dividend of 12 per cent for the year ended June 30, 1974 as against 28 per cent paid in the previous year. During 1973-74 the company crushed 50.65 lakh quintals of cane as against 40.66 lakh quintals in 1972-73, with a recovery of 9.41 per cent as compared to 9.90 per cent in 1972-73. Its production of power alcohol and spirit improved to 59.93 lakh litres from 51.64 lakh litres, as also its output of soap from 3249 tonnes to 4209 tonnes. Production of de-oiled cakes was also higher at 25,089 tonnes as against 24,520 tonnes while the output of vanaspati and oil and vegetable tallow declined

to 13,068 tonnes from 16,884 in 1972-73.

The company's operations during the year has resulted in a gross profit of Rs 127.00 lakhs as compared to Rs 182.82 lakhs in the preceding year. Out of the gross profit, the directors have appropriated a sum of Rs 25.29 lakhs to depreciation and development rebate reserve, Rs 30.70 lakhs to general reserve, Rs 62.00 lakhs to taxation reserve and Rs 0.30 lakh towards reserve for bad and doubtful debts as against Rs 25.92 lakhs Rs 45.00 lakhs, Rs 92.00 lakhs and Rs 0.08 lakh allocated respectively in the preceding year. This leaves a surplus of Rs 8.71 lakhs as compared to Rs 19.82 lakhs in 1972-73. The proposed equity dividend will absorb Rs 9.30 lakhs as against Rs 21.70 lakhs a year ago, while the preference dividend

HAVE YOU PAID YOUR ADVANCE TAX ?

December 15, 1974 is the last date for the payment of December instalment of Advance Tax.

Deposit your December instalment of Advance Tax now lest you miss due date in the rush of work.

Delay in payment of instalment of Advance Tax attracts penalty.

Do not forget to quote your permanent account number on the Challan.

FOR ASSISTANCE

Contact your assessing Income-Tax Officer or the Public Relations Officer of the Income-Tax Department.



Issued by:
THE DIRECTORATE OF INSPECTION (R.S.&P.)
Income-Tax Department
MAYUR BHAVAN
NEW DELHI.

dayp 74/348

will claim Rs 2.37 lakhs as compared to Rs 1.15 lakhs in the earlier year. In 1972-73 the preference dividend was for the period January 4, 1972—the date of allotment—to June 30, 1973. After adjustments the amount of Rs 0.08 lakh has been carried forward to the next year's accounts.

IPCO Packaging

IPCO Packging which raised Rs 35 lakhs from the public in February last, expects to commence production of kraft paper and duplex board by the middle of 1975. The cost of the company's project at Tarapur, with a capacity of 18 tonnes a day, has increased substantially from the original estimate of Rs 1.13 crores on account of rise in prices of land, building materials and machinery. Financial arrangements have been finalised to meet the over run in project cost. Meanwhile, the company has received a letter of intent to manufacture up to 50 tonnes of writing, printing, packing and industrial papers per day.

News and Notes

Bestobell India has received recently government's approval to its proposed collaboration arrangements with George Kent Ltd. of the UK. It is now negotiating with the government for its expansion programme. Steps are being taken to issue equity shares of Rs 25 lakhs by way of a rights issue to the Indian shareholders so as to reduce the foreign shareholding to 39 per cent.

New Issues

Scooters India which is setting up a project at Luknow for the manufacture of one lakh two-wheelers scooters and 30,000 three-wheeler scooters annually will entering the capital market shortly with a public issue of Rs 2.15 crores, all in equity shares of 10 each. The company has an authorised capital of Rs 5.50 crore in equity shares of Rs 10 each. Of the issued capital of Rs 5 crores, fully paid equity shares of Rs 2.04 crores have already been

taken up by the government of India, the promoters, which has acquired the entire plant from Innocenti, Milano of Italy, the manufacturers of Lambretta Scooter. The government of India has also agreed to take up further equity shares worth Rs 51 lakhs whereas equity capital to the tune of Rs 30 lakhs will be allotted to Innocenti. The project is nearing completion. Trial production of two-wheelers has already commenced. The company hopes to go into full commercial production in January, 1975. Trial production of three-wheeler is expected to start in August 1975. The project which is estimated to cost Rs 13.20 crores will be financed by the share capital of Rs 5 crores term loans from IDBI, IFC, LIC and IOB of 2.70 crores and term loans from the government of India of Rs 5.50 crores. Barring unforeseen circumstances the management hopes to declare a reasonable maiden dividend in 1976-77.

With a view to diluting foreign holdings and to raise resources for the implementation of its expansion programmes and also to finance its increased capital requirements,

British Paints (India) Limited proposes to issue 2,62,282 equity shares of Rs 10 each at par towards the end of December. Of this 97,395 shares will be offered to Indian shareholders in the ratio of one new share for every five shares held, 26,000 equity shares will be reserved for subscription in cash by directors and employees who are Indian nationals and the remaining 138,887 equity shares will be offered to the public for subscription at par. Barring unforeseen circumstances the directors are hopeful of declaring a handsome dividend on the enlarged capital. In 1973, the company announced an equity divided of 12.5 per cent but this had to be restricted to 6.25 per cent under the dividend ordinance.

Somani Ferro Alloys Limited is setting up a Rs 1.10 crore plant to manufacture carbon alloy and special steel with a capacity of 18,000 to

22,000 tonnes per annum at Kalyani, a notified backward area in West Bengal. To raise funds for the execution of this project the company will be entering the capital market shortly with a public issue of Rs 28.34 lakhs, comprising 1,98,400 equity shares of Rs 10 each and 8,500 preference shares of Rs 100 each at par. The entire public issue is underwritten. The capital cost of the project estimated at Rs 109.96 lakhs will be met by the share capital of Rs 41.56 lakhs, term loan of Rs 25 lakhs, deferred payment guarantee of Rs 38 lakhs and unsecured loan of Rs 5.40 lakhs. The company besides getting usual subsidies of the backward area is eligible to receive a capital subsidy of 15 per cent to the maximum of Rs 15 lakhs. The amount will act as a cushion for any possible escalation in project cost. According to present indications the plant is expected to go on stream by July next year. The management is confident of bagging sizable export orders for its products.

Gujarat Chem Distillers India Ltd., formerly Sardesai Bros.

Ltd., proposes to enter the capital market soon with a public issue of 15,000, (11 per cent.) cumulative redeemable preference shares of Rs 100 each. The proceeds of the issue will be utilised for financing partly the country's expansion programme. It proposes to put up an acetic acid plant with a capacity of 3,000 tonnes per year near its factory site at Bilimore in Gujarat. The company has already entered into an agreement with Messrs Indo-Berolina Industries (Pvt) Ltd. for the supply of know-how. The company has already spent about Rs 77 lakhs for diversification, expansion and modernisation. A further sum of over Rs 24 lakhs is proposed to be spent for the expansion of the existing capacities and for acquiring necessary services utilities for steam, power and refrigeration. Considering the long-term financial requirement, the company proposes to raise a further sum by the issue of 9,290 equity shares of Rs 100 each for the existing shareholders as rights shares in the ratio of one new share for five shares held.

Dividends

Name of the company	Year ended	(Per cent)	
		Equity dividend declared for	
		Current year	Previous year
Higher Dividend			
Gangappa Cables	June 30, 1974	12.0	Nil
Laxami Starch	March 31, 1974	12.0	10.0
Stanes Amalgamated Estates	June 30, 1974	8.0	Nil
Same Dividend			
Amrit Banaspati	March 31, 1974	Nil	Nil
Asian Paints	December 31, 1973	12.0	12.0
Cambodia Mills	December 31, 1973	Nil	Nil
Barium Chemicals	June 30, 1974	Nil	Nil
Reduced Dividend			
Mysore Cements	June 30, 1974	4.0	12.5
Kirlampudi Sugar Mills	June 30, 1974	6.0	8.0
Bisra Stone Lime	March 31, 1974	Nil	7.5
Vazir Sultan Tobacco Co.	September 30, 1974	12.0	25.0
Mysore Kirloskar	June 30, 1974	10.0	12.0

Licences and Letters of Intent

The following licences and letters of intent were issued under the Industries (Development and Regulation) Act 1951 during the weeks ended June 1 to June 29, 1974. The list contains the names and addresses of the licensees, articles of manufacture, types of licences—new undertaking (NU), new article (NA); substantial expansion (SE), carry on business (COB); Shiftings—and annual installed capacity. Details regarding licences and letters of intent revoked, cancelled or surrendered are also given.

Licences Issued

(During the Week ended June 1, 1974)

Metallurgical Industries (Non-Ferrous)

M/s Asian Paints (India) Ltd; 'Nirmal', 5th Floor, Nariman Point, Post Box No. 1946, Bombay-BR—(Bhandup-Maharashtra)—Wire Enamels—1,000 tonnes per annum.—(NA)

M/s Archana Investment Private Ltd; N-10, Kirtinagar, New Delhi—(Bahadurgarh-Haryana)—Copper and Brass Solids and Tubes—500 tonnes p.a.—(NU)

Electrical Equipment

Shri G.J. Desai, Examiner Press Building, Nagirdas Master Street, Bombay-1—(Nasik-Maharashtra)—Electric Lamp Caps.—E-22—50 mill. nos. p.a; E-27—20 mill. nos. p.a; E-40—2.5 mill. nos. p.a.—(NU)

M/s Standard Batteries Ltd; Oldham Division, 21/22, Alandur Road, Guindy, Madras-22—(Madras-Tamil Nadu)—Batteries for Miners Cap Lamps—1.62 lakh nos.—(COB)

Transportation (in Lakhs p.a.)

M/s Satellite Engg. Ltd; P.O. Maize Products, Kathwada, Ahmedabad—(Kathwada, Ahmedabad, Gujarat)—Pistons—6 nos. p.a; Pistons Rings—30 nos.; Gudgeon Pins—7 nos.—(NU)

M/s Laxmichand Bhagaji Ltd; 79, Apollo Street, Bombay—(Surat-Gujarat)—Transmission Gears, Differential Gears, Worm Gears, Gear Box Assemblies, Rear Axle Assemblies—1200 tonnes p.a.—(NU)

Chemicals (Other than Fertilizers)

M/s Atic Industries Ltd; P.O. Atul, Via: Bulsar, Western Railway—(Bulsar-Gujarat)—Vat Dyes—836 tonnes p.a.—(SE)

M/s Emmes Metals Pvt. Ltd; 147, Govt. Industrial Estate, Kandivili, Bombay-67—(Bombay-Maharashtra)—Fluxes—1 tonne p.a.—(COB)

M/s Colour Chem Ltd; Ravindra Annexe, Dinshaw Wachha Road, 194, Churchgate Reclamation, Bombay—(Maharashtra)—Bromamine Acid—40 tonnes p.a.—(COB)

Drugs & Pharmaceuticals

M/s Bengal Chemicals & Pharmaceuticals Works Ltd; 6-Ganesh Chamber Avenue, Calcutta-13—(Kanpur-U.P.)—Chloramphenicol Capsules B.P. Each Cap. containing 250 mg. and (b) 125 mg.—20 lakhs p.a; Tetracycline Cap. I.B. of 250 mg.—225 mg.—20 lakh cap.; Chloramphenicol & Streptomycin (Chloramphenicol 125 mg. and Streptomycin—125 mg.—20 lakhs—(NA)

Sugar

M/s Amaravathi Co-operative Sugar Mills, No. K-1570, Krishnapuram Post, Udamalpet Taluk, Coimbatore—(Krishnapuram, Coimbatore, Tamil Nadu)—Sugar—2,000 tonnes p.a.—(SE)

Fermentation Industries

M/s Premier Breweries Ltd; Kanjikode West, Palghat—

(Kanjikode West, Palghat, Kerala)—Bear—50,000 Hecto litres.—(COB)

M/s Arlem Breweries India Ltd; 'Chowgule House', Mormugao Harbour, Goa—(Goa)—Bear—50,000 Hecta litres.—(COB)

Food Processing Industries

M/s Raipur Flour Mills, Post Box No. 5, Raipur—(Raipur-Madhya Pradesh)—Wheat Products—30,000 tonnes p.a.—(SE)

M/s Konkan Fisheries (P) Ltd; Chowgule House, Mormugao Harbour, Goa—(Ratangiri-Maharashtra)—Frozen Shrimps—1,000 tonnes; Canned Shrimps—98 tonnes.—(COB)

Letters of Intent

(During the week ended June 1, 1974)

Metallurgical Industries (Ferrous)

Shri R. Ramourti, 23-Kamruddin Industrial Estate, Safaid Pool, Kurla-Andheri Road, Bombay—(Maharashtra)—High Tensile Machine Screws—2,000 tonnes p.a; Self-Tapping Screws—500 tonnes p.a.—(NU)

Electrical Equipment

M/s Philips India Ltd; Shivasagar Estate, Block-A, Dr. Annie Basant Road, Worli, Bombay—(Loni-Poona, Maharashtra)—Variable Gang Condensers—22,50,000 pcs. p.a.—(SE)

M/s Laxmi Industries, Props: Shri Laxmi Cotton Traders Pvt. Ltd; 10-Homi Modi Street, Forts, Bombay—(Gujarat)—Multilayer Dielectric Ceramic Condensers—10 nos. p.a.—(NU)

M/s Bush India Limited, Sukh Nagar, N. S. Pathak Marg, Bombay—(Thana-Maharashtra)—Electronic Calculators—(Hand Held)—50,000 nos. p.a.—(NA)

Shri M. S. Gopal, M/s Hifame Pvt. Ltd; Rajmahal Extension, Bangalore—(Mysore-Karnataka)—Multi Tubular Battery Retainer Bags—12.5 mill. metres. p.a.—(NU)

M/s Cutler Hammer India Ltd; 20/4, Mathura Road, Fari-dabad-11—(Ballabgarh, Gurgaon, Haryana)—Electronic Industrial Control Panels:—(a) 5.30 HP DC Drives; (b) 30-1250 HP DC Drives; (c) AC Drives and Crane Control; (d) Industrial Logics worth Rs. 1.00 crores; H.F. Pre-heaters—Rs. 15,00,000—(NA)

M/s Bharat Bijli Ltd; Tata Press Buildings, 414, Veer Savarkar Marg, Prabhadevi, Bombay—(Maharashtra)—Power/Special Purpose Transformers upto 132 KV with or without on Load Tap Changers—1,200 MVA.—(SE)

M/s Electronic Components, 23-A, Netaji Subhash Road, Calcutta-1—(Madhupur, Santhal Parganas, Bihar)—Integrated Mica Foils—30 tonnes; Products obtained from these foils used as electrical insulation viz; (a) High temperature micanite; (b) Commutator Micanite; (c) Hot Moulding Micanite & Rings; (d) Mica Foleum; (e) Flexible Micanite & insulating material; (f) Paper reinforced silk reinforced & Glass fabrics reinforced Mylar reinforced Mica Tapes total—200 metric tonnes.—(NU)

Transportation

Shri S.M. Dalmia, 6/31, Kaparvati Babla Road, Kanpur-2—(Unnao-Uttar Pradesh)—Automobile Brake Slack Adjusters—100,000 nos. p.a.—(NU)

M/s Parikh Engg. & Body Building Co. Ltd; Jamshedpur, Bihar—(Jamshedpur-Bihar)—Tipping Gears—5,000 nos. p.a.—(NU)

M/s Rane Brake Linings Ltd; Plot No. 30, Industrial Estate, Ambattur, P. B. No. 3, Madras—(Tamil Nadu)—Brake Linings and Clutch Facings—2,000 tonnes p.a.—(SE)

Industrial Machinery

Dr. B. B. Puri, 5-Hanuman Road, New Delhi-1—(Ballab-

garh-Haryana)—Ball Bearing—3 mill. nos.; Tapered Roller Bearings—1.5 mill. nos.; Cylinder Roller Bearings—0.5 mill. nos.—(NU)

Engineering Industries

Shri Subhash Chander Aggarwal, 26/64, Punjabi Bagh, New Delhi—(Malerkotla, Sangrur, Punjab)—Hand & Cutting Tools—5,000 tonnes p.a.—(NU)

Shri P. N. Handa, N-49, Panchshila Park, New Delhi-17—(Alwar-Rajasthan)—Hand & Cutting Tools—5,000 tonnes p.a.—(NU)

Shri H. P. Roy, 'White House', 91, Walkeshwar Road, Bombay-6—(Maharashtra)—Hand & Cutting Tools—5,000 tonnes p.a.—(NU)

Chemicals

M/s Hindustan Insecticides Ltd; New Delhi—(Thana-Maharashtra)—Malathion Technical—1,800 tonnes p.a.—(SE)

M/s Unichem Laboratories Ltd; 4, 5, 6, Jogeshwari Estate, Jogeshwari (West). Bombay—(Bombay-Maharashtra)—Maleic Anhydride—1,200 tonnes p.a.—(NA)

M/s The Travancore Electro-Chemical Industries Ltd; Chingavanam P. O., Kottayam—(Kottayam-Kerala)—Calcium Carbide—25,000 tonnes p.a.—(SE)

M/s East Anglia Plastics (India) Ltd; 3-Camac Street, Calcutta—(Gujarat)—Cellulose Acetate Sheets—175 tonnes p.a.—(NU)

M/s Consolidated Crop Protection (P) Ltd; Bombay-25—(Bombay-Maharashtra)—Ethion Technical and its formulations—120 tonnes.—(NU)

Dyestuffs

The Managing Director, U. P. State Industrial Development Corpn. Ltd; 117/420, G. T. Road, Kanpur—(Uttar Pradesh)—Vat Dyes—150 tonnes; Naphthols—250 tonnes; Fast Colour Bases—200 tonnes; Disperse Dyed—50 tonnes; Sulphur Black—50 tonnes.—(NU)

Textiles

M/s Bihar State Industrial Development Corpn. Ltd; Bandar Bagicha, Patna—(Bhagalpur-Bihar)—Processing of Cloth—30 million metres. p.a.—(NU)

Paper & Pulp

M/s Development Corpn of Konkan Ltd; Warden House, 5th Floor, Sir P. M. Road, Bombay—(Tarapore, Thana, Maharashtra)—8-Hydroxy-Quinoline—150 tonnes p.a.—(NU)

Shri R. P. Bhargava, C-48, South Extension, Part-II, New Delhi—(Bulandshahar—U.P.)—Electrical Insulation Paper—3,000 tonnes p.a.—(NU)

M/s Indian Dairy Corpn., Yaskamal Building, Baroda—(Gujarat)—Laminated Paper—7,000 tonnes.—(NU)

Shri Inder P. Chaudhrie, 'VIVEK', 45, The Mall, Delhi—(Jammu/Samba—J & K)—Softwood Sulphite Pulp & Bye-products thereof—5,000 tonnes.—(NU)

M/s Cellulose Products of India Ltd; P.O. Kathwada Maize Products, Distt: Ahmedabad—(Ramol-Gujarat)—Moulded Corrugated Boards—2,500 tonnes; Straw Board & Mill Board—2,500 tonnes; Duplex Board—4,000 tonnes; Draft Paper—2,000 tonnes.—(NU)

Food Processing Industries

Shri K. Sreenivasan, No. 48, Main Road, Madras-13—(Tiruchirappalli-Tamil Nadu)—Maize Products—30,000 tonnes.—(NU)

Shri R. V. Dongre, 'Quest End', 3rd Floor, 47, Cuffe

Parade, Bombay—(Nanded-Maharashtra)—Baby Food—2,500 tonnes; Milk Powder—500 tonnes.—(NU)

Leather & Leather Goods

M/s Banil Leather Corpn. 34, Wuthucattan Street, Periamet, Madras—(Saidapet Chingleput, Tamil Nadu)—Finished Leather from Skins—7 lakh nos. p.a.—(SE)

M/s Pioneer Leather Finish Pvt. Ltd; Jajmau, Kanpur—(Kanpu-U.P.)—Finished Leather from Skins—2 lakh nos. p.a.—(NU)

Shri M. L. Kotru, 7/62, South Patel Nagar, New Delhi—(Maharashtra)—Finished Leather from Skins—9 lakh nos. p.a.—(NU)

Timber Products

Shri Kantilal P. Patel, c/o Patel Babulal Pranalal & Bros. Rosewood Exporters, Post Box No. 1778, Cochin-16—(Hubli. Karnataka)—Decorative Veneers—5.16 mill. Square Metres p.a.—(NU)

M/s Anil Hardboards Ltd; Lakshmi Insurance Bldg; Sir P.M. Mehta Road, Bombay-1—(Bhandup, Bombay, Maharashtra)—Hard Board—25,000 tonnes.—(SE)

Changes in Names of Owners or Undertakings

(During the week ended June 1, 1974)

(Information pertains to particular licences only)

From M/s Indian Petrochemicals Corporation Ltd. to M/s Bongaigaon Refinery and Petrochemicals Limited.

Licences Issued

(During the week ended June 7, 1974)

Metallurgical Industries (Ferrous)

M/s Konkan Steel Pvt. Ltd., 11, Bank Street, Fort, Bombay-4000—(Chiplun-Maharashtra)—Mild Steel ingots—12,500 tonnes.—(COB)

M/s Rathi Mini Steel Ltd., 3A, Vandhna, 11, Tolstoy Marg, New Delhi-110001—(Tarapur-Maharashtra)—Mild Steel Ingots 24000 tonnes.—(COB)

M/s Baldev Steels Limited., A-71, Wazirpur Indl. Area, Delhi-110052—(Bahadurgarh-Haryana)—Mild Steel Ingots—18,000 tonnes.—(COB)

M/s Singh Electro Steel Limited., B.P.T. Plot No. 2 Victoria (Overbridge) Road, Mazagoan-Bombay-400010—Mild Steel Ingots—18000 tonnes.—(COB)

M/s Lachhman Wire Industries Ltd., Dighaghat Patna-11—(Patna-Bihar)—Mild Steel galvanised Wires—5000—tonnes.—(COB)

M/s Kashi Ispat (Pvt) Ltd., 75-A, Ravindra Puri Varanasi (U.P.)—(Bhagalpur-Bihar)—Mild Steel Ingots—9,000 tonnes.—(COB)

M/s Trident Metal Profiles Pvt. Ltd., 8, Bhagwan Mansion, Cinema Road, Bombay-20—(Thana-Maharashtra)—(i) High Carbon profiled wires—2400 tonnes; (ii) M. S. Flat wires Galvanised—1500 tonnes; (iii) M. S. Wires-Galvanised only—3300 tonnes.—(COB)

M/s Multi Steels (India) Ltd., Kanak Buldgs, 2nd Floor, 41, Chowringhee Road, Calcutta-700019—(Hyderabad-A.P.)—Mild Steel Ingots 18,000 tonnes.—(COB)

Metallurgical Industries (Non-Ferrous)

M/s Agarwal Metal Works Pvt. Ltd., Rewari, Haryana—(Rewari-Haryana)—Copper and Brass Sheets & circles—290 tonnes. Aluminium Sheets and coils. 310 tonnes. Highy polished zinc plates for Photo engraing. 60 tonnes.—(COB)

Electrical Equipment

M/s Rockwell India Ltd., 21, Reveline Street, Bombay-400001—(Surat-Gujarat)—Electric Fans—63,000 nos.—(COB)

Chemicals

M/s Excell Industries Ltd., 184-87, Swami Vivekanand Rd. Jogeshwari, Bombay—(Bombay-Maharashtra)—Alpha Naphthyl Acetic Acid—10 tonnes.—(NA)

M/s Manw Udyog Pvt. Ltd., Nunhai, Agra-6—(Agra-Uttar Pradesh)—Nylon Moulding Chips-450 tonnes.—(NU)

M/s Alkali & Chemical Corpn. of India Ltd., 18, Strand Road, Calcutta-1—(Rishra-Distt. Hoogly West Bengal)—Rubber Chemicals—6,000 tonnes. Diphenylamine—2,500 tonnes.—(SE)

Textiles

Shri Murari Lal Dalmia, 12, Lawrence Road, Amritsar—(Amritsar-Punjab)—Cotton Yarn—25,000 spindles.—(NU)

M/s Bachardas Spg. and Wvg. Mills Co. Ltd., Post Box No. 22, Raikhad, Ahmedabad—(Ahmedabad-Gujarat)—Cotton Cloth—601 looms.—(SE)

M/s Elgin Mills Co. Ltd., Civil Lines, P.B. No. 11, Kanpur, Unnao-Uttar Pradesh)—Cotton Yarn—12,000 spindles.—(NU)

M/s Mashino Textiles Private Limited., 3, Circular Road, Dehradun-U.P.—(Varanasi-Uttar Pradesh)—Cotton and staple fibre yarn—25,000 spindles.—(NU)

M/s Haryana State Indl. Dev. Corpn. No. 4 & 5, Sector, 17-A, Chandigarh—(Haryana)—Cotton Yarn—25,000 spindles.—(NU)

Paper and Pulp

Shri Nandlal Todi, P-15, India Exchange Place Extension, Calcutta-12 (W.B.)—(Madhya Pradesh)—Grey Board. Duplex Board. Packing & Wrapping Paper; Writing Paper—6,600 tonnes.—(NU)

M/s Bheka Paper Mfg. Co. Pvt. Ltd. 13, Gunbow Street, Fort, Bombay-1—(Nanjangud-Karnataka)—Item of Mfr. Annual Capacity, Duplex and other Board—4,500 tonnes; Kraft Paper—1,500 tonnes; Writing and Printing Paper—3,000 tonnes.—(NU)

M/s Cardboard Printing & Processing Industries Ltd., 4, Olive Row, Calcutta-(Alambakar-West Bengal)—Corrugated boards rolls, Boxes and components—705 tonnes.—(COB)

Sugar

Sh. J. T. Mahajan, M.L.A., M/s Yawal-Raver Taluka Coop. Sugar Factory, Faizpur, C/o D. M. Mahavidyalaya Faizpur, Distt. Jalgaon—(Jalgaon-Maharashtra)—Sugar—1250 tonnes.—(NU)

M/s Jai Bhavan Co-op Sugar Factory, Georai, Distt. Bhir, Maharashtra—(Bhir-Maharashtra)—Sugar—1250 tonnes.—(NU)

M/s Bhima Sahakari Sakhar Karkhana Ltd., At & Post Patas, Taluka Dhond, Distt. Poona (Mah.)—(Dhond-Maharashtra)—Sugar—1,250 tonnes.—(NU)

M/s The Punganur Co-op Sugar Factory Ltd., Purganur, Distt. Chittor, Andhra Pradesh—(Chittor-A.P.)—Sugar—1250 tonnes.—(NU)

Collector, Guntur, Chief Promotor, The Proposed Co-op Sugar Factory, Tenali-Repalle Area, Distt. Guntur, (A.P.)—(Tenali-A.P.)—Sugar—1,250 tonnes.—(NU)

M/s The Hindupur Co-op Sugars Ltd., Hindupur Taluku, Distt. Anantapur (A.P.)—(Anantapur A. P.)—Sugar—1,250 tonnes.—(NU)

Dr. B. V. Parameshwara Rao, Chief Promoter, The Divvela

Co-op Sugar Ltd., Dimili, Visaka Distt. Andhra Pradesh—(Vizag-Andhra Pradesh)—Sugar—1250 tonnes.—(NU)

M/s The Nizam Sugar Factory Limited., P. B. No. 1, Khairatabad, P. O., Hyderabad-A.P.—(Hyderabad-Andhra Pradesh)—Sugar—1250 tonnes.—(NU)

Vegetable Oils and Vanaspati

M/s Prabhat Solvent, Extraction Industries Pvt. Ltd., Manavadar, Gujarat—(Gujarat)—Cotton seed oil and its bye-products—2000 tonnes.(COB)

Rubber Goods

M/s Madras Rubber Factory Limited., Dirm Buildings, 175/1, Anna Salai, P. B. No. 3760, Madras—(Goa)—Camel Black/Tread Rubber-4,000 tonnes.—(NA)

Letters of Intent

(During the week ended June 7, 1974)

Metallurgical Industries (Ferrous)

M/s West Bengal Alloy Steels Ltd., 23-A, Netaji Subhas Road, P. B. No. 649, Calcutta—(Purlia-West Bengal)—A. Hot rolled and cold rolled steel strips 25,000 upto 250 mm. width, tonnes. High speed steel. Cobalt high speed steel Tool Steel Vanadium steel. 1% to 2% Tungsten steel. B. Hardened and tempered and polished strips. Carbon Steel. C. Hot rolled cold-drawn and centrelers ground wire rods. Carban Steel. Various other alloy steels having limited consumption.—(NU)

M/s Zaverchand & Gaekwad Pvt. Ltd., P. B. No. 95, Padra Road, Baroda—(Baroda-Gujarat)—High Pressure metallic Tubing—550 tonnes. Ordinary flexible metallic tubing—1250 tonnes.—(SE)

Shri I. John. Land End, 14th Floor, 29-D, Doongersoy Rd. Malabar Hills, Bombay—(Haryana)—Closed Die Forgings—6,000 tonnes.—(NU)

M/s National Steel and General Mills, Patel Marg, Ghaziabad—(Meerut-Uttar Pradesh)—Pipe fittings, such as Forged steel machines, Flanges, Discs, rings, (Carbon, alloy and stainless flanges)—3500 tonnes. Elbows, Tees, Crosses, Reducers Bends, Nipples—500 tonnes.—(NA)

Sh. H. K. Nathani, Akash Deep Building, 5, Lower Rowden St. Calcutta,—(Haryana)—Alloy Steel Castings—2,000 tonnes. Ni-Hard Castings—500 tonnes.—(NU)

Electrical Equipment

Sh J. P. Behani, G-2, Jamuna Path, Bani Park, Jaipur-6—(Aurangabad-Maharashtra)—Electrical Portable drill machines—30,000 nos Electrical hand Grinders.—2,000 nos. Electrical Portable Blowers—2,000 nos. Electrical Portable screw Drivers,

Shri Vipin B Khimji C/o M/s Rajan Khimji and Company., Western India House, Sir P.M. Road, Fort, Bombay—(Thana-Maharashtra)—H.T. Power Capacitors (up to 11 KV)—40,000 KVAR. L.T. Power Capacitors—15,000 KVAR. Electrolytic capacitors—2,00,000 Nos. Paper Capacitors—5,00,000 Nos.—(NU)

M/s General Trading Company, B2/B3, Govt. Indl. Estate, Moulali, Hyderabad—(Hyderabad-A.P.)—Tantalum Capacitors—10 Million Numbers.—(NA)

Shri J.A. Mehta, 195, Palaco Upper Orchards, Bangalore—(Bangalore-Karnataka)—H.T. Power Capacitors (upto 11 KV)—20,000 KVAR L. T. Power Capacitors—30,000 KVAR; Medium frequency power capacitors—15,000 KVAR.—(NU)

M/s Kerala State Electronics Development Corpn. Ltd., 1133 & 1134 Sisivilhar Trivendrum—(Kerala)—Piezo-electric crystals—120,000 Nos.—(NA)

Shri P. G. Shukla, Arjan Mahal, Marine Drive, 'C' Road,

Bombay-20—(Maharashtra)—Mechanical Shaft Seals.—1,00,000 Nos. (NU)

Transportation

Shri J. C. Nangia, 20, Union Park, Chamber, Bombay—(Daman-Goa)—Marine Propellers fixed blade and variable pitch (2.5 tonnes & above) 400 tonnes. Stern Gear Assembly—150 tonnes.—(NU)

Industrial Machinery

Sh. Dolatrai G. Desai, P.O. Kathodya Gujarat—(Gujarat)—Ball bearing—40 lakh Nos. Cylinder Roller bearing—5 lakh Nos. Tape roller bearings.—0.5 lakh Nos. Ball Bushings—0.5 lakh Nos.—(NU)

M/s Karnataka Ball Bearing Ltd., 195 Palace Upper Orchards, Bangalore—(Bangalore-Karnataka)—(i) Ball Bearing—30 lakh nos; (ii) Taper roller bearings—15 lakh nos; (iii) Cylinder roller bearings—5 lakh nos.—(NU)

M/s Repetition Parts Pvt. Ltd; L.B. Shastri Marg., Bhandup Bombay-78—(Aurangabad-Mah.)—(i) Gear & Worm Hobs & Grand Thread—2,000 Nos; (ii) Form Relieved Ground Guage Milling Cutters—1000 Nos; (iii) Misc. non-standard tools like separation splng thread millings cutters—15 lakh Nos.—(NU) Chippers, hammers, nut runners, Valve grinders & honning machines.—2,500 nos.—(NU)

Commercial, Office & Household Equipment

M/s American Refrigeration Co. Ltd., 13/C, Russel St. Calcutta-16—(Calcutta-West Bengal)—Water Coolers-5000 Nos.—(SE)

M/s Simac Group (India) Pvt. Ltd., 5/7. Sidupra Indl. Estate, Goregaon (West), Bombay—(Bombay-Maharashtra)—Double Bed Knitting machine and Rib Knitting Attachment—15,000 sets each—(NU)

Industrial Instruments

M/s Cutler Hammer India Ltd., 24/4, Mathura Road, Faridabad-II-(Gurgaon-Haryana)—Automatic weighing & batching equipment-100 Nos.—(NA)

Chemicals

M/s Tulue-Chem Industries Pvt. Ltd., Dayanand Bldg. Sayaji Ganj, Baroda-(Baroda-Gujarat)—Resorcinol-240 tonnes—(SE)

Sh. G. Murugesan, L.T.M. C/o. The Tuticorin Spng. Mills Ltd., Post Box No. 59, 105, Palayamoottai Road, Tuticorin-3 (Tamil Nadu) (Tirunelveli, Tamil Nadu)—Sulphuric Acid—33,000 tonnes—(NU)

M/s Continental Sales & Service, 3-E/13, Jhandewalan Extn. Link Road, New Delhi—(Patiala-Punjab)—Sulphuric Acid—16,500 tonnes—(NU)

M/s Hindustan Copper Ltd. Industry House, 10, Camac Street, Calcutta—(Khetri-Rajasthan)—Sodium Tripolyphosphate—20,000 tonnes—(NA)

M/s Tata Fison Industries Ltd., 21, Ravelin Street, Bombay—(Thana-Maharashtra)—Dimethoate Technical—1000 tonnes—(SE)

M/s Bharat Pulverising Mills Pvt. Limited., Div. Basic Minerals & Chemicals Co. Hexamer House, 23, Sayani Road, Bombay—(Thana-Maharashtra)—Phenthoate Technical—600 tonnes—(NU)

M/s Unichem Laboratories Ltd., 4, 5, 6, Jogeshwari Estates Bombay—(Maharashtra)—D. Propoxyphene HCL—6 tonnes—(NA)

M/s Agromora Limited. Mysore Road, Bangalore-26—

(Bangalore-Karnataka)—Pesticidal Formulations based on Ethepon—40 Kilo Litres—(NA).

M/s New Chemi Industries Pvt. Ltd. (Ashok Nagar. Cross Road No. 1. Kandivlee (East). Bombay—(Nandesari-Banda (Gujarat)—Nitrocellulose—1000 tonnes—(NU)

Drugs & Pharmaceuticals

M/s Themis Chemicals Ltd. Plot No. 69, Vapi Industrial Area. Vapi Gujarat—(Vapi-Gujarat)—Methyl Dope-12 tonnes—(NA)

M/s Pidichem Private Ltd., Mafatlal House, Backbay Reclamation, Bombay-400022—(Maharashtra)—Carbazole Dioxazine Violet Pigments—24 tonnes—(NU)

M/s Duphar Interfran Ltd. F/5, Sivsagar Estate, Dr. Annie Besant Road, Bombay-18—(Maharashtra)—Isoxuprine Hydrochloride—500 Kg. (NA)

M/s Indian Drugs & Pharmaceuticals Ltd., Rishikesh, P.O. Vir Bhadra, Rishikesh—(Uttar Pradesh)—Capsules—7 mill. Nos. Formulations of Ampicillin Corresponding to Ampicilling—2.5 tonnes in terms of bulk drug—(NA)

Textiles

M/s Kothari (Madras) Ltd., Kothari Textile Mills No. 2 Kothari Buildings, 20, Nungambakkam, High Road, Madras—Cotton Cloth—300 imported looms—(SE)

Sh. Krishnarajendra Mills Ltd., Bangalore Road, Mysore—Automatic Looms of indigenous make 100 Nos.; Terry Towel Looms (Imported) 12 Nos; Canvas Looms (Imported) 12 Nos—(SE)

M/s Swadeshi Cotton Mills Co. Ltd., P.B. No. 19. Mudaliarpct, Pondicherry—(Pondicherry)—Cotton Cloth-782 looms—(SE)

M/s Kohinoor Mills Co. Ltd. Naigaum Cross Road, Dadar, Bombay-14—(Maharashtra)—Cotton Cloth and canvas—1750 Looms—(SE)

M/s Jagatjit Cotton Textiles Mills Ltd., Thapar House, 124, Janpath, New Delhi—(Punjab)—Cotton Cloth—1240 Looms—(SE)

M/s Bihar State Indl. Dev. Corpn. Ltd., Bundar Beghicha, Patna-I—(Forbesganj, Distt. Purnea (Patna)—Cement bags and sacking cloth—16,000 tonnes—(NU)

M/s Kothari (Madras) Ltd., Kothari Building, 20, Nungamalakkom, High Road, Madras—(Andhra Pradesh)—Cotton Cloth—300 Looms—(SE)

Food Processing Industries

M/s Jammu & Kashmir Industries Ltd., Srinagar—Anantnag-Jammu & Kashmir)—Apple Products—10,000 tonnes—(NE)

Shri Chaman Lal. Aligarh Road, Hathras (U.P.)—Uttar Pradesh)—Maize Products—30,000 tonnes—(NU)

Shri A. Kumar, I-70, Kirti Nagar, New Deihi—(Gwalior-Madhya Pradesh)—Maize Products—30,000 tonnes—(NU)

Sh. Sushil Kumar Agarwal C/o M/s Agarwal Automobile Bhagwan Ganj, Sagar (M.)—(Bina-Madhya Pradesh)—Maize Products—30,000 tonnes—(NU)

Shri G. S. Brar, Kothi No. 67, Sector 8-A, Chandigarh—(Jagraon-Punjab)—Maize Products—30,000 tonnes—(NU)

M/s Mahabir Flour Mills, 18, B-1, D.B. Gupta Road, Karol Bagh. New Delhi—(Bulandshahar-U.P.)—Maite Products—30,000 tonnes—(NU)

Sh. Natha Singh Inder Singh, Muni-Ki-Reti, Tehri Garhwal, U.P. Tehrigarhwal U.P.)—Maize Products—30,000 tonnes—(NU)

M/s Assam Agro Industries Development Corporation Ltd.,

Ulubari. Guhati-7—(Assam)—Canned Fruit & Vegetable Products—5750 tonnes—(NU)

Shri Natha Singh, I, Gole Market, Rishikesh (U.P.)—Halwani-Uttar Pradesh)—Maize Products—30,000 tonnes—(NU)

Sh. K. Venkataswarulu. Kumar Food Products, Post Box 18, Guntukal-2 (A.P.)—Gooty-Andhra Pradesh)—Maize Products—30,000 tonnes—(NU)

M/s Assam Indl. Dev. Corpn. Ltd., Kannachal Road, Silpukhuri, Guhati—(Assam)—Maize Products—15,250 tonnes—(NU)

Sh. Pentapati Pulla Rao, C/o, Sh. L. Ganga Raju, Polavaram, West Godavari Distt. Andhra Pradesh. (Visakapatnam-A.P.)—Shrimp—700 tonnes; Tuna Labster & Sardine—400 tonnes—(NU)

M/s Haryana Maize Products, 401, Akash Deep, Barakhamba Road, New Delhi—(Hissar-Haryana)—Maize Products—30,000 tonnes—(NU)

Shri Satish Kumar, S/o Sh. Mittarpal Agarwal, The Mall, Opp. S.D.M. House, (Karnal-Haryana)—Maize Products—30,000 tonnes—(NU)

M/s Ganpati Maize Mills 117-A, Kund Villa, Ranjit Nagar Colony, Bharatpur-Rajasthan—(Bharatpur-Rajasthan)—Maize Products—30,000 tonnes—(NU)

M/s Mysore State Agro-Industries Corpn. Ltd. Hebbai, Bangalore-24—(Paichur-Karnataka)—Protein from Cotton seed—20,000 tonnes—Protein from groundnuts—10,000 tonnes—(NU)

M/s Northern Enterprises Corpn. Ltd., 2, Narindra Place, Parliament Street, New Delhi—(Gurgaon-Haryana)—High Protein Nutro Biscuits and other varieties—3,000 tonnes—(NU)

Vegetable Oils and Vanaspati

M/s Polisetty Somasundram Private Limited, P.B. No. 99, Guntur (A.P.)—Chirala, Andhra Pradesh)—Castor Oil and its bye-products—15,000 tonnes—(NU)

M/s Maddi Lakshmiah & Co. Pvt. Ltd., Post Box No. 18, Guntur (A.P.)—Chirala—(A.P.)—Castor Oil and its bye-products—15,000 tonnes—(NU)

M/s Jayant Oil Mills Pvt. Ltd., Uppal, Hyderabad (A.P.) (Hyderabad-A.P.)—Castor Oil and its bye-products—20,000 tonnes—(NU)

Shri G. Kannappan, (M/s Sri Gobind Oil Mills) 32, Arts College Road, Coimbatore-Tamilnadu—(Coimbatore—Tamil Nadu)—Cotton seed Oil and its bye-products—24,000 tonnes—(NU)

Leather & Leather Goods

Sh. P. Velayudhan, 2-D, Sami Mudali Street, Pariamet, Madras—(Chingleput-Tamilnadu)—Finished Leather from skins—3 lakh nos. (NU)

Glue & Gelatin

M/s Punjab State Indl. Dev. Corpn. Ltd., Chandigarh—(Sangrur-Punjab)—Gelatine 7,000 tonnes; Cal. Phosphat (bye-products) 8,000 tonnes; Greese 240 tonnes—(NU)

Glass

M/s National Glass Insulators Vallabh Vidhya Nagar, Gujarat—(Anakaleshwar—Gujarat)—Glass Insulators—5,000 (NU)

Ceramics

M/s Haryana Refraetories Pvt. Ltd., S-318, Panchshilla Park. New Delhi—(Santhal Pargana-Bihar)—Castable Refrac-

tories all types upto 99% Alumina—5000 tonnes; Plastic Refractories of all types upto 90% Alumina and Basic compositions—3,000 tonnes; Air setting cements Ramming Masses etc.—2,800 tonnes; High Alumia Bricks—7,500 tonnes—(NU)

Timber Products

Shri G. Sivaraman, 55/1, Ballygune, Circular Road, Calcutta—(West Bengal)—Particle Boards made out of jute sticks—9,000 tonnes—(NU)

Industrial Machinery

M/s Giovanola Binny Ltd., Penstock Factory Road, Pallaruthy, Cochin—(Cochin—Kerala)—Pulp and Paper making machinery—6,000 tonnes—(NA)

Licences Revoked or Surrendered

(Information pertains to particular licences only)
(During the week ended June, 1974)

M/s Voltas Ltd., Ballard Estate, Bombay-1—Otto Frames & other Agricultural Implements. (Cancelled)

Letters of Intent Revoked, Cancelled or Withdrawn

(During the week ended June 7, 1974)
(Information pertains to particular letters of intent only)
Shri Mohan M. Shah, Worli, Bombay-18 (Andhra Pradesh)—Electric Typewriters—(Cancelled)

Licences Issued

(During the week ended June 15, 1974)

Metallurgical Industries

M/s Partap Steel Rolling Mills Pvt. Ltd., Plot No. 4, Sector-4, 21/3 Mathura Road, Ballabhararh.—(Ballabhararh-Haryana)—Mild Steel Ingots—21,500 tonnes—(COB)

M/s Rathl Ispat Ltd., F. 7-A, Hauz Khas Enclave, New Delhi.—(Ghaziabad-U.P.)—Mild Steel Ingots—40,000 tonnes—(COB)

M/s Parasratika Commercial Co. (P) Ltd., 135, Canning Street, Calcutta.—(West Bengal)—Steel Standard Wire Fencing Wire—1000 tonnes—(ES)—Steel Wire Hope—1000 tonnes—(NA)

M/s Indoswe Engineers Pvt. Ltd., 5, Bund Garden Road, Poona.—(Poona-Maharashtra)—Copper and Copper alloys Pipes & tubes (ordinary)—400 tonnes.—(NA)

Chemicals (other than Fertilisers)

M/s Goa Pesticides (P) Ltd., Goa.—(Marguga-Goa)—Endrin Aldrin Hindane—86 tonnes—(COB)

M/s Mettur Chemical & Indl. Corpn. Ltd., Salem Distt. Tamilnadu.—(Mettur Dam-Tamil Nadu)—Caustic Soda—52,700 tonnes—(SE)

Dyestuffs

M/s Indian Dyestuff Industries Ltd. Mafatla Centre Nariman Point, Bombay-1 (BR)—(Thana-Maharashtra)—Dyes for Arcylic Fibres—200 tonnes.—(NA)

Textiles

M/s The Aurangabad Mills Ltd. Aurangabad District, (Maharashtra) - (Aurangabad-Maharashtra)—Cotton Yarn—21,000 spindles Cotton Cloth—300 looms tonns;—(SE)

M/s Annamalai Cotton Mills Private Limited, Gajjelnai-kenoatty, P.O. Salem Taluk, Salem District, Tamilnadu.—(Salem Distt.-Tamilnadu)—Cotton Yarn—12,500 spindles—(SE)

M/s The Ichalkaranji Co-op Spinning Mills Ltd., Ichalkaranji, Hawa Mahal Bunglow Road, Ichalkaranji, Distt. Kolha-

pur. (Maharashtra)—(Kolhapur Disst. Maharashtra)—Cotton Yarn—25,000 spindles—(NU)

Paper & Pulp

Shri Arun Kumar Khemka, 4-Govt. Place North (9th Floor) Calcutta-1 (West Bengal)—(Bankura Distt. W. Bengal)—Kraft Paper—10,000 tonnes—(NU)

Sugar

M/s L.H. Sugar Factories & Oil Mills (P) Ltd., Kashipur, Nainital, Uttar Pradesh—(Nainital-Uttar Pradesh)—Sugar—2,500 tonnes—(SE)

Leather & Leather Goods

M/s N.M. Zacksiah & Co. 4, V.V. Koil Street, Madras.—(Ambuthur. North Arcot Distt. Tamilnadu)—Finished leather from cow and buffalow hides 81,000 Nos. Finished leather from goat & sheep skins—4,500 Nos—(COB)

Letters of Intent

(During the week ended June 15, 1974)

Metallurgical Industries (Ferrous)

M/s The Punjab State Indl. Dev. Corpn. Sector-17-A Chandigarh—(Ludhiana-Punjab)—Mild Steel/High Carbon/Low Alloy Cold Rolled Steel Strips—10,000 tonnes—(NU)

Shri O.P. Kajaria, 19 Ballygunge Park, Calcutta-19 —(Tara-pur-Maharashtra)—Alloy Steel Castings—500 tonnes—(NU)

M/s Vijayashree Commercial (Private) Ltd., 4, India Exchange Place, Calcutta-1.—(Howrah-West Bengal)—Steel forgings including endeavors flanges and throwers—2,400 tonnes—(NU)

M/s Anil Steel Industries Ltd., 25, Ganesh Chandra Avenue, Calcutta-13.—(Jaipur-Rajasthan)—Mild Steel/High Carbon/Low Alloy Cold Rolled Steel Strips—10,000 tonnes—(NU)

Transportation

M/s The Bihar State Indl. Dev. Corpn. Ltd., Bandar Bagicha, Patna-1.—(Bihar)—Scooters—30,000 Nos.—(NU)

M/s Automobile Products of India Limited, L.B. Shastri Marg, Bhandup, Bombay-78-NB—(Bhandup-Bombay-Mah.)—Three-wheelers—15,000 Nos.—(SE)

Industrial Machinery

M/s Lakshmi Machine Works Ltd., Perianaickonpalayam S.R.K.V. Post, Coimbatore—(Coimbatore-Tamilnadu)—Com-bors 120 Nos.—(SE)

Chemicals (Other than Fertilisers)

M/s Devidayal (Sales) Pvt. Ltd., Gupta Mills Estate, Reay Road, Bombay-10—(Bombay-Maharashtra)—Dimethoate Tec-haical—250 tonnes—(NA)

M/s Hard Castic & Waud Mfg. Co. Limited, Alice Building, Dr. Dadabhai Naoroji Rd., Bombay.—(Maharashtra)—Powder Paint—200 tonnes—(NA)

Shri M.L. Bhagat, 718/1, Block 'P' New Alipore Calcutta-53 —(West Bengal)—Tartaric Acid—600 tonnes—(NU)

M/s Sudarshan Chemical Industries (P) Ltd., Sangem Bri-dge, 162, Wellesley Road, Poona-1—(Poona-Maharashtra)—Pearl Essences—120 tonnes—(NA)

Shri Jayant Dalal, 12, Balvadera Court, 148, Maharishi Karve Rd. Bombay-20—(Bareilly-U.P.)—Cresols-2,000 tonnes Cresols Derivatives—50 tonnes—(NU)

The Managing Director M/s The Kerala Minerals & Metals Limited, Quilon (Kerala)—(Quilon Distt. Kerala)—Titanium Dioxide—48,000 tonnes—(NA)

M/s East Anglia Plastics (India) Ltd., 3, Camac Street, Cal-cutta-16—(Tara-pur-Maharashtra)—Dimethyle Formamide—2,250 tonnes—(NU)

M/s Delhi Cloth & Gen. Mills Co. Ltd., Naaz Bldg, Jhan-dewalan New Delhi-55—(Delhi)—Sodium Tripoly-phosphate—20,000 tonnes; Sodium Hexameta Phosphate—2000 tonnes; Other Sodium Phosphate—5,000 tonnes.—(NA)

Drugs and Pharmaceuticals

M/s Chemical Indl. & Pharmaceuticals Laboratories Ltd., 289, Bellases Road, Byculla-Bombay.—(Maharashtra)—Metro-nidazole—12 tonnes—(NA)

M/s Hoechst Pharmaceuticals Ltd., Dugal House, Backbay Reclamation, Post Box No. 11123, Bombay-20—(Maharashtra)—Glybenclamide—200 Kgs Phenylene dilsouthio-Cyanate—3.5 tonnes Sodium Salt of N-4 Methyl benzene Sulfonyle Carbamine acid-methedy-ethylester—2 tonnes Piperidine Ethyl Chloride HCl.—1 tonne—(NA)

Textiles

Shri Madhusudan Mansukhlal Sanghavi, M/s Industrial Fastners, 41, Jupiter Apartment, Anneaty Road, Bombay-26—(Dadra and Nagar Havelli)—Cotton Narrow Tapes—7.5 million meters—(NU)

Paper & Pulp

Shri O.P. Goel, 35, Nizamuddin East, New Delhi-13—(Madhya Pradesh)—Wrapping & Packing papers—3,300 tonnes —(NU)

M/s Andhra Pradesh Indl. Dev. Corpn. Ltd., B-1-74, Fateh Maidan Rd, Post Box No. 13 Hyderabad-4 (Warangal Distt. A.P.)—Rayon Grade Pulp—26,250 tonnes.(NU)

Shri O.N. Chopra, E-437, Greater Kailash-II New Delhi-48 (Bulandshahr-Uttar Pradesh)—Corrugating medium—5,000 tonnes—(NU)

Shri G.P. Goyal 3/5, Asaf Ali Rd., New Delhi—(Himachal Pradesh)—Wrapping & Packing paper—3,300 tonnes—(NU)

M/s S.B.B.P. Kajaria 48, Biplabi Rash Behari Basu Road, Calcutta-1—(Nadla-West Bengal)—Corrugated Medium—5,000 tonnes—(NU)

Vegetable Oils & Vanaspati

Shri Ved Prakash Agarwal, 169, Golf Links, New Delhi-3—(Maharashtra)—Cotton seed edible oil by expellor process and by solvent extraction process—30,000 tonnes.—(NU)

Cement and Gypsum Products

M/s Birla Jute Mfg. Company Limited, UCO Bank Building, 4th Floor, Parliament Street, New Delhi—(Patratu-Bihar)—Cement clinker—3,50,000 tonnes—(NU)

Licences Issued

(During the week ended June 22, 1974)

Metallurgical Industries (Ferrous)

M/s Dewan Chand Steel Ltd., 24, Bara Khamba Road, New Delhi—(Alwar-Rajasthan)—Mild Steel Ingots Electrode quality carbon steels. Forgings quality carbon steels, Cold heading quality carbon steels Hardening and Tempering quality carbon steels Carbon, Carbon-Manganese and Silico Manganese qualities of spring steels. Carbon Tools Steels. Case Harden-ing quality carbon steels. Free cutting quality carbon sulphur steels-Combined capacity of—10,500 tonnes.—(COB)

M/s Eutectice Welding Alloys of India Ltd., Savie Vihar Road, P.B. No. 8983, Powai,—(Powai-Bombay-Mah.)—Low Temperature welding Electrodes & Welding Rods.—1.33 run-ning Meters; Welding Torches & Accessories—6,000 Nos; Fluxes—2 tonnes; Low Temperature Welding-Alloys (Powders) —100 Kgs.—(COB)

M/s The Mysore Kirloskar Ltd., P.O. Yantrapur, Harihar. (Distt. Dharwar-Karnataka)—Cast Iron Castings—1,660 tonnes. (COB)

M/s Ishwar Industries Ltd., P.O. Ishwar Nagar, New Delhi.

—(Jabalpur-Madhya Pradeah)—Mild Steel Ingots. Electrode quality carbon steels. Forging quality carbon steels Cold head-ing quality carbon steels. Hardening and Tempering quality carbon steels. Carbon, Carbon Manganese & Silico Munga-nese. qualities of spring steels Carbon Tool Steels. Case Hardening quality carbon steels. Free cutting quality carbon sulphur steels—9,000 tonnes.—(COB)

Maj. Gen. Rajinder Singh Sparrow Doaba Iron & Steel Co. (Pvt) Ltd., G.T. Road, Jullundur City.—(Hoshiarpur Distt Punjab) —Mild steel ingots. Electrode quality carbon steels. Forging quality carbon steels. Cold heading quality carbon steels. Hardening and Tempering quality carbon steels. Car-bon, Carbon-Manganese & Silico Manganese qualities of spring steels. Carbon Tool Steel. Case Hardening quality carbon steels. Free cutting quality carbon sulphur steels—9,000 tonnes.—(COB)

Shri Narender Kumar Jain, (M/s Prabhat Steels Pvt. Ltd.,) 190 Civil Lines (North) Muzaffarnagar.—(Kota-Rajasthan—Mild Steel Ingots. Electrode quality carbon steels. Forging quality carbon steels. Cold heading quality carbon steels. Hardening and tempering quality carbon steels. Carbon Car-bon-Manganese and Silico Manganese qualities of spring steels. Carbon Tool Steel. Case Hardening quality carbon steels. Free cutting quality carbon sulphur steels.—9,000 tonnes.—(COB)

M/s Deepak Insulated Cable Corpn. Ltd., 4th Floor. 1-Vidhana Veedhi, Bangalore-1—(Bangalore-Karnataka)—Wind-ing Wires 42 SWG and thinner—50 tonnes.—(NA)

Electrical Equipment

Shri Vijay Krishan, E-44, Greater Kailash, New Delhi-48—(Distt. Bulandshahr-U.P.)—Electrolytic Capacitors—5 million Nos.—(NU)

Shri Krishna Kumar Bhargawa, 10/14 Shamset Street, Bombay-2—(Bangalore-Karnataka)—Taper Recorder Mecha-nism/Deck—1,00,000 Nos.—(NU)

M/s Andrew Yule & Co. Ltd., Yule House, 8, Clive Row, Calcutta Road.—(Calcutta-West Bengal)—Distribution Boards (including small board boxes—2,364 Nos. p. a; Motor Control Centre Panels—191 Nos. p.a; Metering Kiosks—34 Nos. p.a.—(COB)

Industrial Machinery

M/s Voltas Limited., 19, Graham Road, Ballard Estate, Bombay-1 —(Bombay-Maharashtra)—Centrifugal Packaged Chillers—20 Nos. Refrigeration equipment for transport—100. Nos. Plate Freezers.—30 Nos.—(NA)

M/s Hercules Hoists Ltd., Minerva Indl. Estate, L.B. Shastri Marg, Mulund (West), Bombay.—(Bombay-Maharashtra)—Chain Pulley Blocks—2,200 Nos. Electric Hoists—500 nos. Irolleys (Travelling) 1,200 nos. Ratchet Hoists—90 nos. (COB)

Machine Tools

M/s Veljan Hydrair Pvt. Ltd., Balanagar, Hyderabad-37—(Vijawada-Andhra Pradesh)—Hydraulic Equipment such as pumps, Motors, Valves, Filtration systems, Fluid connecting systems, Actuating machanisms, Intensifiers accumulators servo machanisms Fluid sealing systems—1 crore only—(NU)

Engineering Industry

M/s Centron Industrial Alliance Limited., Indl. Assurance Bldg., Church Gate, Bombay.—(Aurangabad Distt. Mah.)—Safety Razor Blades—250 million Nos.—(SE)

Chemicals

M/s Industrial Oxygen Co. (P) Ltd., 38, (A) Vadgaon Sheri, off Nagar Road, Poona-14 —(Ghaziabad-Uttar Pradesh)—Oxygen

Gases—10,00,000 cubic metres; Acetylene Gases—1,00,000 cubic metres—(NU)

Sh. Naveen Chand Swiney, D-3/66, Safdarjung Enclave, New Delhi.—(Ghaziabad-Uttar Pradesh)—Oxygen Gas—0.45 mill. cub. Metres; Acetylene Gas—0.10 mill. cub. metres—(NU)

M/s Standard Mills Co. Ltd., Chemical Division, Mafatlal House, Backbay Reclamation, Bombay-20 —(Thana-Maharashtra)—Hydrogen gas—232.50 mill. cub.metres.—(NA)

M/s Kusum Products Ltd., Rishra, Hooghly District, West Bengal —(Rishra-Hooghly Distt. West Bengal)—Synthetic Deter-gents—10,000 tonnes.—(SE)

M/s Bayer (India) Ltd., Express Towers, Nariman Point Bombay-1 (B.R.)—(Thana-Maharashtra)—Rubber Chemicals—6665 tonnes. and 2460 tonnes as intermediate—(SE)

M/s Basant Plasto Chemicals (P) Ltd., C-142, Industrial Area No. 1, Bulandshahar Road, Ghaziabad-(U.P.)—(Ghazia-bad-U.P.)—Lead Stabiliser—200 tonnes; Liquid Barium Cad-mium—400 tonnes; Barium Cadmium Zinc Complex Stabilisers 300 tonnes; Solid Barium Cadmium Complex Stablizers—100 tonnes—(NU)

M/s Amar Dye-Chem. Ltd., Rang Udyan, Sitladevi Temple Road, Mahim, Bombay-16—(Bombay-Maharashtra)—Rubber Chemicals—2400 tonnes. (NU)

Drugs and Pharmaceuticals

M/s Unichem Laboratories Ltd., 4-6 Jogeshwari Estate Jogeshwari (West) Bombay.—(Bombay-Maharashtra)—1-Ephe-drine Hydrochloride including its formulations (tablets & Syrup) of 1-Ephedrine Hydrochloride—50 tonnes.—(NA)

M/s Merck Sharp and Dohme of India Ltd., New India Centre, 17, Cooperage, Bombay-1—(Bhandup-Maharashtra)—Mintezol Suspension—20,000 tonnes.—(NA)

M/s Indian Petrochemicals Corporation Ltd., P. O. Jawahar Nagar, District Baroda.—(Baroda Distt. Gujarat)—Ethylene Glycol—20,000 T.P.A: Polyethylene Glycol—2,400 tonnes p.a: Purified Ethylene Oxide—5000 tonnes p.a.—(NA)

M/s Orient Pharma (P) Ltd., 3, Cathedral Road, Madras-56—(Madras-Tamil Nadu)—A. Tablets Ossopan Binirec Pank-reen Aminophylline Sulphadimidine etc—53.38 lakhs: Capsules Orietoin Yollamycin 5.9 lakhs; Injections Epidosin Robuden UD Robuden UV etc—6.7 lakhs—(COB)

Textiles

Sh. Bal Krishan Single Prop. National Agencies Sheerawala Gate, Patiala (Punjab)—(Patiala-Punjab)—Cotton Yarn—25,000 spindles.—(NU)

Sugar

M/s The Nandyal Co-op. Sugars Ltd., Nandyal Distt. Kur-nol Andhra Pradesh—Nandyal Distt. Kurnool Andhra Pradesh)—Sugar—1250 tonnes cane crushing capacity per day.—(NU)

Letters of Intent

(During the week endend June 22, 1974)

Metallurgical Industries (Ferrous)

Sh. L.N. Mittal, 24, Alipur Road, Calcutta-27—(Haryana)—Cast Steel Solid Rolls—1,500 tonnes; Cast Iron Solid Rolls—1,500 tonnes; Cast Iron Hollow Rolls—2,000 tonnes.—(NU)

Sh. N.K. Mukherjee 7, Wellsely Place Calcutta.—(West Bengal)—High Tensile Fastners—30,000 tonnes.—(NU)

Electrical Equipment

M/s Cutler Hammer India Ltd., 20/4 Muthura Road, Farida bad-II—Distt. Gurgaon-Haryana)—Lifting Magnets—200 nos; Master Controllers—500 nos.—(NU)

Sh. Shiv Devinder Singh 1, Nehal Bagh, Patiala-Punjab—

(Patiala-Punjab)—Metal Oxide Film Resistors and Carbon Film Resistors—30 million nos.—(NU)

Sh. V. Ramaswamy, 17, Veerannan St. Tiruvallur (Post) Chingleput Distt.—(Vellor-Tamilnadu)—Metal Oxide Film-Resistors—5 million nos. Metal Film Resistors—3 million nos. Carbon Film Resistors—4 million nos. Carbon Track Potentiometers—1 million nos.—(NU)

Shri Y. K. Agarwal, Lal-Bazar, P.O. Jharia (Bihar)—(Bihar)—Potentiometers for entertainment field—1 mill. nos; Miniature Wire Wound trimming potentiometers (Commercial)—0.5 lakhs; Miniature Wire Wound trimming potentiometers (Military)—0.5 lakhs.—(NU)

Sh. Suresh S. Mahajan Hybrids. 35, Narvang Peddar Rd. Bombay-26—(EPZ-Santa Cruz)—Thin Film hybrid micer-circuits—196,300 nos.—(NU)

Transportation

Managing-Director, M/s J.M.A. Industries (Pvt) Ltd., N-17, Panch Shila Park, New Delhi—(Gurgaon-Haryana)—Head Lamp—2.5 lakh nos.—(SE)

Shri Surjit Singh Sahni, W-65, Greater Kailash, New Delhi —(Ballabgarh-Haryana)—Commutators—0.6 million nos.—(NU)

M/s Avery Cycle Ind. (P) Ltd., G. T. Road, Miller Ganj, Ludhiana—(Chandigarh)—Bicycle Rims—1.8 million nos.—(SE)

Industrial Machinery

M/s Cutler Hammer India Ltd., 20/4, Mathura Road, Faridabad-II—(Gurgaon-Haryana)—Newspaper Control & Batching equipment 20 nos.—(NA)

M/s R.M.T. Drill (P) Ltd., Private Indl. Estate, Industrial Estate Post, Coimbatore-21—(Coimbatore-Tamilnadu)—Water weill rigs & Blast Hole Rigs—100 Nos. Accessories for both type of Drills—Rs 250 lakhs; Allied products—Rs 250 lakhs—(NA)

Shri Davinder Singh, K-30, Jangpura Extn. New Delhi—(Haryana)—Loose Rollers—5 lakh nos. Rollar Bushes—25 lakh nos. Needle Roller Bearings—2.5 lakh nos.—(NU)

Chemicals

M/s HICO Products Pvt. Ltd., 771, Mogal Lane, Mahim, Bombay-16—(Thana-Maharashtra)—Alkyl Phenols—600 tonnes Anti-oxidants—600 tonnes.(NA)

M/s Hindustan Copper Ltd., Industry House, 10, Camac Street, Calcutta-17—(Khetri Nagar-Rajasthan)—Synthetic Cryolite—7,000 tonnes Active Silica (by product)—2200 tonnes.—(NA)

M/s Chemicoat Ltd., Kalali Road, Atladara P. O. Baroda District—(Baroda-Gujarat)—Metallised Film and Metallic Yarn—200 tonnes.—(SE)

M/s Garware Plastics Pvt. Ltd., 50A, Central Salsette Road, Eastren Express Highway, Ville Parle, Bombay—(Maharashtra)—Metalised Film and Metallic Yarn—100 tonnes.—(NA)

M/s Sasme Co-op. Society Ltd., Surat-Gujarat—(Surat-Gujarat)—Metallic Yarn and Metallised Film—200 tonnes.—(NU)

M/s Chandi Prasad Bhartia 23/24, Radha Bazar St. Calcutta-1—(West Bengal)—Rigid Polyurethane Foam laminates—1.5 million sq. metres.—(NU)

M/s Bihar State Indl. Dev. Corpn. Ltd., Punaichak, Patna—(Bihar)—Soda Ash—66,000 tonnes. Ammonium Chloride—66,000 tonnes.—(NA)

M/s Travancore Chemicals & Mfg. Co. Ltd., Post Box No. 19 Kalamassari Alwaye-4—(Mettur Dam, Distt. Salem Tamil-

nadu)—Barium Carbonate—3,000 tonnes. Sodium Sulphide (by-product)—1,600 tonnes. Barium Nitrate (New Article)—(SE)

Drugs & Pharmaceuticals

M/s Chemical Industrial & Pharmaceutical Labs. Ltd., 289, Bellasis Rd. Byculla-Bombay-8—(Maharashtra)—Diazepan-700 Kgs.—(NA)

M/s Themie Chemicals Ltd., Vapi Indl. Esate Vapi-Gujarat,—(Vapi-Gujarat)—Chloroquin Diphosphate—48 tonnes.—(NA)

M/s Themis Chemicals Ltd., Vapi Indl. Area, Vapi-Gujarat —(Gujarat)—Prothionamide—2 tonnes Ethionamide—8 tonnes. Practolol—5 tonnes.—(NA)

Textiles

M/s Kothari (Madras) Ltd., "Kothari Buildings" 20, Nungambakkam High Rd. Madras-34—(Coimbatore-Tamilnadu)—Knitted Fabrics—4 warp knitting machines (to be worked on Cotton Yarn—(NA)

M/s The Ahmedabad Cotton Mfg. Co. Ltd., Outside Sarangpur Gate, Ahmedabad-2—(Ahmedabad-Gujarat)—Knitted Fabrics—4 warp knitting machines (to be worked on Cotton Yarn only)—(NA)

M/s The Rustom Jehangir Vakil Mills Co. Ltd., Post Box No. 131 Dudheshwar Road, Ahmedabad-1—(Ahmedabad-Gujarat)—Knitted Fabrics—4 warp knitting machines (to be worked on Cotton-Yarn and man made fibre)—(SE)

Managing Director, The Meghalaya Indl. Dev. Corpn. Ltd., Meghalaya addl. Sectt. Bldg. Room No. 33, Shillong-1—(Meghalaya)—Jute Sacking—14,304 tonnes.—(NA)

Shri Sorab Mehta, Brach Candy House, Warden Road, Bombay-26—(Goa)—Cotton Jean Cloth—32,800 spindles. Cotton Denim Cloth—528 looms—(NU)

M/s Assam Indl. Dev. Corpn. Ltd., Road Transport Bldg. Shillong—(Darrang-Assam)—Sacking & Hessian—12,500 tonnes.—(NU)

Paper & Pulp

Shri Ramesh Kumar Biharilal Maheswari, Plot No. 394, G.I.D.C. Indl. Township, Silvassa Road, Distt. Bulsar, Vapi—(Balaghat. Bilaspur Madhya Pradesh)—Writing & Printing paper—30,000 tonnes. Kraft paper & Boards—10,000 tonnes.—(NU)

Change in Names of Owners or Undertakings

(During the week ended June 22, 1974)

(Information pertains to particular licences only)

From Madras Wire Products to Madras Wire Products Ltd.,

From M/s Cochin State Power & Light Corpn. Ltd.—to M/s KAR Valves Ltd.

Letters of Intent Revoked, Cancelled or Withdrawn

(During the week ended June 22, 1974)

(Information pertains to particular letters of intent only)

M/s Super Tubes (P) Ltd., D-20, Connaught Place, New Delhi-1—Calcium Carbide. (cancelled)

Sh. B. N. Bhaskar, Chairman, The Ishwar Industries Ltd., Ishwar Nagar, N. Delhi—(Rajasthan)—Cement. (Lapsed)

Sh. V. T. Magadi, The Nagargali Cement Company Ltd., Vidyanagar, Hubli-21 (Karnataka)—(Karnataka)—Portland Cement. (Lapsed)

M/s Ashoka Cement Ltd., Dalmianagar, (Bihar)—(West Bengal)—Portland blast furnace slag cement. (Lapsed)

Licences Issued

(During the week ended June 29, 1974)

Metallurgical Industries (Ferrous)

M/s Indian Tube Mills & Metal Industries (P) Ltd., 126, Narayan Dhuru Street, Bombay-3—(Vikhroli-Maharashtra)—Bright Bars—18,000 tonnes.—(SE)

M/s R. Sen & Company Metal Division, 13, Camac Street, Calcutta.—(24 Parganas-W. Bengal)—Ferro Titanium, Ferro Molybdenum, Fe-Sizr Ferro Tungsten, Ferro Vanadium, Ferro Boron Lc. Fe Mn.—130 tonnes.—(COB)

M/s Electric Control Gear (P) Ltd., Metal Devision. New Cotton Mills No. 1 Compound, Kankaria Rd. Ahmedabad.—(Ahmedabad-Gujarat)—Ferro Titanium, Ferro Molybdenum, Fe Sizr, Ferro Tungsten, Ferro Vanadium, Ferro Boron Lc Fe-Mn.—210 tonnes—(COB)

Administrative Officer, M/s Sakhti Pipes Ltd., Plot No. 6 Poes Garden Madras-86—(Pollachi-Tamilnadu)—Cast Iron Spun Pipes—50,000 tonnes—(SE)

M/s Poysha Indl. Co. Ltd., Traicon House Dr. E. Moses Road, Bombay-1—(West Bengal)—CTS Cans, General line Containers and Closures Plain and Lithographed—30 million Nos.—(NU)

M/s Poysha Indl. Co. Ltd., Tiecion House Dr. E. Moses Road, Bombay-11 BC.—(Tamilnadu)—OTS Cans, General Line Containers and Closures Plain and Lithographed—30 Million Nos.—(NU)

M/s Mehra Ferro Alloys Kashmir Road, P.O. Verka Amritsar (Punjab)—(Verka-Amritsar-Punjab)—Ferro Titanium Ferro Molybdenum Fe Sizr Ferro Tungsten Ferro Vanadium Ferro Boron Lc Fe-Mn—200 tonnes—(COB)

Sh. R.N. Khanna, 11, Shiv Sadan Marine Drive, Bombay-20—(Ratlam-Madhya Pradesh)—M.S. Ingots. Electrode quality carbon steels; Forging quality carbon steels; Cold heading quality carbon steels. Hardening and Tempering quality carbon steels, Carbon, Carbon-Manganese & Silico Manganese qualities of springsteels; Carbon Tool Steels; Case Hardening quality carbon steels; Free cutting quality carbon sulphur steels—18,000 tonnes—(COB)

M/s Saurashtra Steel Industries Limited, 97-A 2nd wine, Daurkhana-Bombay—(Limpdi, Distt Surendernagar-Gujarat)—18,000 tonnes—(COB)

M/s Ram Kishan Ispat Ltd., 32/34, Ashok Chambers, Bombay-9—(Kolaba-Maharashtra)—18,000 tonnes (COB)

M/s Ellora Steels Ltd., 176, Savitri Nagar, New Delhi-17—(Aurangabad-Maharashtra)—M.S. Ingots Electrode quality carbon steels Forging quality carbon steels; Cold heading quality bon steels Forging quality carbon steels; Cold heading quality carbon steels. Hardening and tempering quality carbon steels; Carbon, Carbon-Manganese and Silico Manganese and qualities of spring steels; Carbon tool steels; Case Hardening quality carbon steels; Free cutting quality carbon sulphur steels;—7,000 tonnes.—(COB)

M/s Hind Re-rolling Industries, Industrial Estase, Sanat Nagar, Hyderabad (A.P.)—(Hyderabad-Andhra Pradesh)—M.S. Ingots; Electrode quality carbon steels; Forgings quality carbon steels; Cold heading quality carbon steels; Hardening and tempering quality carbon steels; Carbon, Carbon-Manganese and Silico-manganese qualities of spring steels; Free cutting tools steels; Case hardening quality carbon steels; Free cutting quality carbon sulphur steels;—18,000 tonnes.—(COB)

M/s Jalgaon-Steels Pvt. Ltd., P.B. No. 63 153, Palan-Peth, Jalgaon (Maharashtra)—(Jalgaon-Maharashtra)—M.S. Ingots; Electrode quality carbon steels; Forgings-quality carbon steels; Electrode quality carbon steels; Hardening & tempering Cold heading quality carbon steels; Carbon, carbon-manganese and silico quality carbon steels;

manganese qualities of springs steels; Carbon tools steels; Case hardending quality carbon steels; Free cutting quality carbon sulphur steels—9,000 tonnes.—(COB)

Metallurgical Industries (Non-Ferrous)

M/s Jayant Metal Mfg. Co., 16-Sayani Road. Bombay-25—(Bombay-Maharashtra)Braided Copper Wires/Strips—90 tonnes.—(NA)

Prime Movers

M/s Kirloskar Kisan Equipment Ltd., Karve Road, Kothrud Poona-29—(Poona-Maharashtra)—Petrol Engines (upto 300 cc)—50,000 Nos. Flywheel Magnetos 50,000 Nos.—(COB)

Electrical Equipment

M/s Shyam Electricals Pvt. Ltd., Haji Adam Mansion. Homji Street, Bombay-1.—(Bombay-Maharashtra)—Power & Distribution Transformers upto 5,000 KVA/33 KV—1,03,500 KVA. Special Purpose Transformers-such as Furnace Auto & Welding Transformers—500 KVA. Welding Rectifiers upto 600 amps.—200 KV. Air Break Switches 50 Nos. (i) Current Transformers; (ii) Potential Transformers upto 1500 V/150 V.—15 nos.—(COB)

M/s Metal Lamp Caps India (P) Ltd., 2, Murphy Road, Post Bag No. 876, Ulsoor, Bangalore-8—(Bangalore-Karnataka)—Standard Boyonet Caps 85. million nos. Caps for Miniature Lamps-20 Million nos. Caps for Fluro scent lamps—15 million Nos.—(SE)

Mechanical & Engineering

M/s Garware Plastics Pvt. Ltd., 50-A, Central Salesette Road, Western Express-Highway Rd, Ville Parle (East) Bombay-57—(Bombay-Maharashtra)—Metallised Films from PVC & Cellulose Acetate—200 tonnes.—(NA)

Chemicals

M/s Sahyadri Dyestuffs & Chemicals Pvt. Ltd. Mafetlal House, Backbay Reclamation, Bombay-20—(Bombay-Maharashtra)—Dyes for Acrylic Fibre—100 tonnes.—(NA)

M/s Mindia Chemicals Ltd. Vakerold House, 11, Sprott Road, Ballard Estate, Post Box No. 133. Bombay-1—(Thana-Maharashtra)—Rubber Chemicals—3,3000 tonnes. Intermediates—3,400 tonnes.—(NU)

M/s Rathi Gases Ltd., 3-A Vandhna, 11, Tolstoy Marg, New Delhi.—(Ghaziabad-Uttar Pradesh)—Oxygen Gas—0.9 million cubic metres Dissolved Acetylene Gas—0.2 million cubic metres —(COB)

M/s Rajasthan State Indl. & Min. Dev. Corpn. Ltd., 100, Jawahar Lal Nehru Marg, Jaipur, (Raj)—(Kota-Rajasthan)—Calcium Carbide—14,850 tonnes.—(NU)

M/s Hico Products Pvt. Ltd., Mogal Lane, P.N. No. 6467, Mahin Bombay-16—(Thana-Maharashtra)—Fatty Alcohol Chlorides—160 tonnes. Fatty amines—25 tonnes. Amine Oxides —100 tonnes (NA)

Textiles

Sh. G.D. Jhunjhuwala, Gulab Niwas, M.I. Road, Jaipur-1 (Alwar-Rajasthan)—Cotton Yarn—25,000 Spindles.—(NU)

M/s Madhya Pradesh State Textiles Corpn. 35, Civil-Lines, Bhopal (M.P.)—(Madhya Pradesh)—Cotton Yarn—25,000 Spindles.—(NU)

M/s Mohini Mills Ltd., 22, Biplabi Rasbehari Basu Road, (Canning Street) Calcutta-4—(Calcutta-West Bengal)—Cotton Cloth—586 looms—(SE)

M/s Saurashtra Co-op Spng. Mills Ltd., Limbdi, Distt. Surendernagar, Gujarat.—(Gujarat)—Cotton Yarn—35,000 spindles.—(SE)

M/s Madhya Pradesh State Textile Corpn. 35, Civil Lines,

Bhopal (M.P.)—(Madhya Pradesh)—Cotton Yarn—25,000 Spindles.—(NU)

M/s Madhya Pradesh State Textile Corpn, 35, Civil-Lines, Bhopal (M.P.)—(Madhya Pradesh)—Cotton Yarn—25,000 Spindles.—(NU)

The Managing Director, National Textile Corpn. (Gaya Cotton & Jute Mills Unit), Chhotki, Nawadoh, Gaya Bihar.—(Gaya-Bihar)—Cotton Yarn—19,884 Spindles. Cotton Cloth—536 looms.—(NU)

M/s Sree Akkamamba Textiles Ltd., Post Box No. 9 Venkatapuram, Tanuku-A.P.—(Tanuku, Distt. West Godavari-Andhra Pradesh)—Cotton Cloth—300 looms of indigenous make.—(NA)

M/s Modella Woolens Ltd., 4-C, Vulcan Insurance Buldg, Veer Nariman Road, Bombay-20—(Thana-Maharashtra)—Shoddy Blankets—300 looms.—(SE)

M/s Modella Textile Industries Pvt. Ltd., 4-C, Vulcan Insurance Bldg, Veer Nariman Road, Bombay-20—(Thana-Maharashtra)—Shoddy Blankets—12 indigenous looms.—(NU)

Sugar

M/s The Nizam Sugar Factory Ltd., Post Box No. 1 Khairatabad.—Hyderabad (A.P.)—(Kadam Adilabad Distt. Andhra Pradesh)—Sugar—125 tonnes cane crushing capacity per day.—(NU)

Fermentation Industries

Sh. K.R. Natarajan, Pioneer Breweries Ltd., 8-A, Venkatesa Colony, Pollachi, Coimbatore Tamilnadu—(Dharampuri Distt. Tamilnadu)—Beer—50,000 B.L.—(COB)

M/s N. Munuswamy Mudaliar & R-Prabhu 'Sunder Mahal' 28, Jeypore Nagar, Madras.—(Chingleput Distt. Tamilnadu)—Beer—30,000 H.L.—(COB)

Food Processing Industries

Sh. Warana Sahakari Dudh Ut-padak Prakriya Sangh Ltd., Warananagar Tehashil Panhala Distt. Kolhapur—(Kolhapur-Maharashtra)—Skim/Whole Milk Powder—2,000 tonnes.—(NU)

Rubber Goods

M/s India Cable Co. Ltd. 9, Hare Street, Calcutta-1.—(Tatanagar-Bihar)—Rerubberisation of industrial rolls—400 pieces. Insulating sheeting & semi-conducting repairing tapes—32 tonnes. Platen Shells for types writers—50,000 nos.—(NA)

Cement and Gypsum Products

M/s Andhra Cement Co. Ltd., 38, Mount Road, Madras-6—(Vijayawada, Distt. Krishna Andhra Pradesh)—Pozzolana Cement—1.0 lakh tonnes.—(SE)

M/s The Andhra Cement Co. Ltd., 38, Mount Road, Madras—(Benakailu, Distt. Khammam-Andhra Pradesh)—Portland Cement—6.6 lakh tonnes.—(SE)

M/s Assam Asbestos Ltd., C/o Duflating Tea Estate P.O. Titabar (Jorhat) Assam—(Gauhati-Assam)—Asbestos cement sheets and moulded articles—36,000 tonnes; Asbestos cement pipes (non-pressure variety)—24,000 tonnes.—(NU)

Letters of Intent

(During the week ended June 29, 1974)

Metallurgical Industries (Ferrous)

M/s Indian Cable Co. Ltd., 9, Hare Street, Calcutta-1—(Jamshedpur-Bihar)—Finer Gauges of Enamelled wires (42 SWG & thinner)—50 tonnes.—(SE)

M/s Lalit Industries Plot No. 20, Sector No. 2 Kendla Free Trade Zone Gandhidham-Kutch, Gujarat—(Kandla-Gujarat)—

Stainless Steel utensils, Hospital, Canteen and Industrial equipment, Table ware and Cutlery—800 tonnes.—(NU)

Mr. Balwant Singh K. Chhabra, B. K. Chhabra Compound Bulsrai Colony Rd. Vakola Bridge, Santacruz (East) Bombay-55—(Kandla-Gujarat)—Plain Nuts—45 million nos.; Self-Locking Nuts—26.7 million nos.—(NU)

M/s Agricultural Discs (India) Ltd., United Bank of India Bldg, 3rd Floor, Sir P. Mehta Road, Bombay—(Maharashtra)—Hot (cross) rolled sheets (average 5 mm thick and 480 to 700 mm width)—10,000 tonnes.—(NU)

M/s Bharat Pulverising Mills (P) Ltd., "Hexamar House" Sayani Road, Parel, Bombay-25—(Bombay-Maharashtra)—Ferro Vanadium, Ferro Molybdenum and Ferro Tungsten—200 tonnes; Chromium metal—50 tonnes Chromium manganese master alloys—50 tonnes.—(NU)

M/s Utkal Ferro Alloys, 4, Khairu Place Calcutta-13—(Sundernagar-Orissa)—Ferro Vanadium Ferro Molybdenum Ferro Tungsten—300 tonnes.—(NU)

M/s Este Auto Castings (P) Ltd., 6, Manekeswari Street, Kilpauk, Madras—(North Arcot-Tamilnadu)—S.G. Iron Castings—2,400 tonnes.—(NU)

M/s S.B.B.P. Kajaria, 48, Biplabi Rash Behari Road, P.B. No. 929, Calcutta-1—(Nadia-West Bengal)—Steel Castings—2,000 tonnes.—(NU)

M/s Byferd Ltd., M-5, N.D.S.E., Part-II Ring Road, New Delhi-49—(Patna-Bihar)—High duty Iron castings—9,000 tonnes; Malleable Iron castings—3,000 tonnes.—(NU)

M/s Semiecon Pvt. Ltd., Kakad Chambers, 5th Floor, 132, Dr. Annie Beasant Rd, Worli-Bombay-18—(Karnataka)—Steel & Alloy Castings—600 tonnes.—(NU)

M/s Mysore Iron & Steel Ltd., Bhadravati (Mysore)—(Bhadravati-Karnataka)—Wire Rods—60,000 tonnes.—(NA)

M/s Ram Krishan Metal Works (Bombay), C-33, Wagley Indl. Estate, Thana (Maharashtra)—(Thana-Manarashtra)—Forged steel machined flanges, rings, discs and tube sheets—3,600 tonnes; Pipe fittings (elbows, tees, Crosses/Reducers etc.)—500 tonnes.—(NA)

M/s Choksi Tubes Co. (P) Ltd., Yusuf Buldg. 2nd Floor, 43, MG Road, Fort, Bombay—(Maharashtra)—Stainless Steel Tubes of smaller capacity of the following sizes 9 mm to 1.0 mm O.D. X0.7 mm to 0.9 mm 65 mm to 300 mm O.D. X2 mm to 12.7 mm—within existing licensed capacity of 840 tonnes per annum.—(SE)

M/s Guest Keen Williams Ltd., 3-A, Shakespeare Sarani, Calcutta-16—(Bangalore-Karnataka)—Modified Loose Jaws—40 lakh nos.—(SE)

Electrical Equipment

M/s Andhra Pradesh Indl. Dev. Corpn. Ltd., B-I 17, Fateh Maidan Road, P.B. No. 13, Hyderabad-A.P.—(Andhra Pradesh)—Power Transformers upto 132-KVA—1,000 M.V.A.—(NU)

M/s Prabhat Electronics 195, Palace Upper Orchards Bangalore-6—(Bangalore-Karnataka)—Carbon Film Resistors—36 million nos.—(NU)

Shri R. M. Shah, 3-B, Suresh Colony Swami Vivekanand Rd, Vile Parle-Bombay—(Aurangabad-Maharashtra)—Mica Motors—1 lakh nos.—(NU)

M/s Jaydeep Electronics 195, Sankey Road, Upper Palace Orchards, Bangalore-6—(Bangalore-Karnataka)—Micro-Motors—1 lakh nos.—(NU)

Sh. D.V.S. Raju, C/o Elico Pvt. Ltd., B-17, Industrial Estate Sanantnagar-Hyderabad. (Hyderabad-Andhra Pradesh)—Professional Grade Switches—2 million nos.—(NU)

M/s Andhra Pradesh State Indl. Corpn Hyderabad-(A.P.)—

Rayalseema District Andhra Pradesh)—GLS Lamps—7.5 million nos.—(NU)

M/s West Bengal Indl. Dev. Corpn. 23-A, Netaji Subhas Rd, Calcutta—(West-Bengal)—Hard and Soft Ferrites—50 tonnes.—(NU)

Sh. M.D. Nambiar, Dir, M/s Dynamic Electronics (India) P Ltd., 171, Cambridge Road, Layout, Ulsoor, Bangalore—Karnataka)—H.T. Power Capacitors upto 33 KV—50,000 KVAR LT Power Capacitors—30,000 KVAR Medium Frequency Capacitors—20,000 KVAR.—(NU)

Sh. S. Krishnamurthy Director, M/s Shreeshyala Electronics (P) Ltd., Shreeshyala Co-op Indl. Estate, Shreeshyala, Nanakpura Road—Bangalore-11—(Mangalore-Karnataka)—Glass Epoxy Glass Polyester Paper Epoxy Shenolic Copper Clad and unclad laminates for Electronic Printed Wiring Boards—50,000 sq. meters.—(NU)

Sh. V.M. Seth, C/o Jagat Talkies Distributors, Chandni Chowk, P.O. Box No. 1038 Delhi.—(Bulandshahar-Uttar Pradesh)—Transistor Sockets—0.3 million nos; I.C. Sockets 0.2 million nos; Heat Dissipators 0.2 millions nos; Transistors & I.C. Mounting Pads—0.1 millions nos; Transistors & I.C. Bread Boards—0.01 million nos; Connectors (various types)—0.5 million nos; Illuminated Isotat Switches—0.1 million nos.—(NU)

M/s Bareilly Electricity Supply Co. Ltd., 19, R. N. Mukherjee Road, P.B. No. 2005 Calcutta-1—(Rai Bareilly-Uttar Pradesh)—Radio Frequency Connectors D.C. & Low Frequency Connectors; Power Connectors; Crimping Tools and other allied products—1.5 million nos. (NA)

M/s Electronics Corpn. of India, Ltd., Indl. Dev. Area, Cherlapalli, Hyderabad-4—(Hyderabad-Andhra Pradesh)—Linear/Digital integrated circuits—8 million nos.—(NA)

M/s Cutler Hammer India Ltd., 20/4, Mathura, Road, Faridabad-11—(Gurgaon-Haryana)—Explosion Proof switches and Controls—600 Nos.—(NA)

M/s Rattanshah Electronics (P) Ltd., International House, LBS Marg, Vikhroli Bombay—(Bombay-Maharashtra)—Oscilloscopes—2,000 Nos.—(NA)

M/s The Aluminium Industries Limited, No 1, Ceramic Factory Road, Kundara-Kerala—(Alleppey-Kerala)—Protection Relays, Directional Relays; Interposing Relays; Synchronising Relays; Auxiliary Relays Automatic Semaphore Indicators and fault Locators required in power systems.—Rs. 10 millions.—(NA)

M/s Khandelwal Herrmann Electronics Ltd., Bhandup, Bombay-78—(Bombay-Maharashtra)—Selenium rectifiers plates—5,00,000 nos. Miniature Selenium Rectifiers—10,00,000 Nos.—(SE)

Transportation

M/s Usha Telehoist Ltd., C-2, Friends Colony New Delhi-14—(Gurgaon-Haryana)—Ignition Coils—2,00,000 members.—(NA)

The Managing Director, M/s U.P. State Indl. Dev. Corpn. Ltd., 117/420, Udyog Bhavan G.T. Road, P.B. No. 413 Kanpur-U.P.)—(Uttar Pradesh)—Bus-Body Building of Integral Body Design—3,000 nos.—(NU)

Industrial Machinery

M/s Krebs & Gie (India) Pvt. Ltd., 3A, Auckland Place, Calcutta-17—(West-Bengal)—Mercury Cells—30 Cells of 100 KVA rating—(NU)

M/s Walchandnagar Industries Ltd., Walchandnagar, Distt. Poona. Mah.—(Poona-Maharashtra)—Nuclear & Chemical Machinery—3000 tonnes.—(SE)

M/s Indequip Engg. Ltd., Reid Road, Ahmedabad-2—

(Ahmedabad-Gujarat)—Worsted Frames—120 Nos. Speed Frames—36 Nos. Combers—24 nos. High Speed Draw Frames—36 nos.—(NA)

M/s Lipi International 16, Patak Baug, New Path, Poona-30—(Poona-Maharashtra)—Package/Modular water Tube Boiler upto 40 tonnes per hour capacity for firing fuel other than oil—35 nos. p.a. Boiler & Auxiliaries—Rs. 100 Lakhs.—(NU)

M/s International Combustion (India) Pvt. Ltd., 101, Park Street, Calcutta—(Hooghly-West Bengal)—Bowl Feeder—250 Nos. Vibrator Sercen—380 Nos. Syntorn (V-75) Vibrator—250 Nos. Syntorn (V-200) Vibrator—200 Nos.—(NA)

Engineering Industries

Sh. G. K. Saraf, 24/157, Shakti Nagar, Delhi-7—(Uttar Pradesh)—Forged Hand Tools—2,230 metric tonnes.—(NU)

Sh. Mahender Sekhri, 429, Arun Chambers, Tardeo, Bombay-34—(Poona/Satara/Maharashtra)—Tungsten & Tungsten products—24 tonnes; Drilling bits—5,000 nos; Drilling Roads—1,00,000 nos.—(NU)

M/s Haryana State Indl. Dev. Corpn. Ltd., S.C.O., 4-5, Sector 17-A, Post Box No. 22 Chandigarh-17—(Haryana)—Porged Hand Tools—3,000 metric tonnes.—(NU)

Chemicals

M/s Voltas Ltd., 19, Graham Road, Ballard Estate, P. B. No. 1198, Bombay-1—(Maharashtra)—Phesalone Technical (and its formulations)—1000 tonnes.—(NU)

Dr U.K. Benegal, Mr. Santanu Roy, 13, Woodburn Road, Calcutta-20—(Bangalore-Karnataka)—Synthetic wood products—500 tonnes.—(NU)

Drugs and Pharmaceuticals

M/s Chemical, Indl. & Pharmaceuticals Labs. Ltd., 289, Bellais Road, Byculla, Bombay-8—(Bombay-Maharashtra)—Rifamycin—550 Kg.—(NA)

M/s Haryana Chemical & Allied Industries 7, Narindra Place, Parliament Street, New Delhi-1—(Gurgaon-Haryana)—Salicylic Acid (Mechanical Grade and Iron free)—700 metric tonnes. P.A.S.—400 metric tonnes.—(NU)

M/s Power Cables Pvt. Ltd., 24, Brelvi Syed Abdulla Road, Bombay-1—(Gujart)—Theophyllin—20 tonnes. Aminophyllin—20 tonnes. Glyceryl Gauiacolate—2 tonnes. Nitrofurantoin—5 tonnes. Furasolidone—5 tonnes.—(NU)

M/s The Chemical Industrial & Pharmaceutical Laboratories Ltd., 289, Beliasis Rd, Byculla-Bombay-8—(Bombay-Maharashtra)—Sodium Cromoglycate P. B. and Formulations based thereon—200 Kg. in terms of bulk drugs.—(NA)

M/s Ciba of India Ltd., 14, J. Tata Road, Bombay-20—(Bombay-Maharashtra)—Sintamil substance and formulations based thereon—310 Kgs. in terms of basic drug.—(NA)

M/s Suhrid Geigy Ltd., P. O. Box No. 43, Wadi, Baroda-7—(uGjarat)—Tanderil Oxphenyl-butazone—12 tonnes.—(SE)

M/s Burroughs Welcome and Co. (I) Pvt. Ltd., 16, Bank Street, Bombay-1—(Bombay-Maharashtra)—Puri-Nethol. Tablets—200,000 Nos.—(SE)

M/s The Chemical Indl. & Pharmaceutical Labs. 289, Bellasis Road, Byculla-Bombay—(Bombay-Maharashtra)—Diloxanide Furoate—2.5 tonnes—(NA); Cyclasyn Tablets—within the approved capacity for formulations SE—(NA/SE)

M/s Ranbaxy Laboratories Limited, Okhla New Delhi-20—Mohali-Punjab)—Naldixic—10 tonnes Doxyoylline—2.5 tonnes Diloxamide—24 tonnes and formulation based thereon—(NA)

Textiles

M/s The Sarangpur Cotton Mfg. Co. Ltd., Amrawaldi

Road, Ahmedabad-Gujarat—(Ahmedabad-Gujarat)—Cotton Fabrics—4 warp knitting machines (to be worked on cotton Yarn only)—(NA)

M/s Kamala Mills Ltd., 45-47, Bombay Samachar Marg, Bombay-1—(Bombay-Maharashtra)—Knitted Fabrics—4 warp knitting machines (to be worked on cotton yarn and man-made fibre)—(NA)

Paper & Pulp

Shri G.P. Todi, 2, Queens Park, Calcutta-19—(Dhenkanal-Orissa)—Paper board/packaging and wrapping paper—7,500 tonnes—(NU)

Shri Pradyuman Keshavlal Shah, Shah N.H. Estate, Vallabh-bhai Patel Rd, Bulsar-Gujarat—(Bulsar-Gujarat)—Fluting Media—5,000 tonnes; Kraft Line, packing & Wrapping Paper—6,000 tonnes—(NU)

M/s Packaging Complex Ltd., AP-III/172 Vapalassery Road, Angamaly, P.O. Kerala—(Alleppy-Kerala)—Paper Boards—15,000 tonnes—(NU)

General Manager, The Mysore Paper Mills Ltd., Dhadra-vati Paper Town P.O., Southern-Railway—(Shimoga-Karna-taka)—Writing & Printing Paper—70,000 tonnes. Pulp—70,000 tonnes—(SE)

Food Processing Industries

M/s Karnataka State Indl. Inv. & Dev. Corpn. Ltd., 36 Canningham Rd, Bangalore—(Dharwar-Karnataka)—Maize Products—200 tonnes per day in terms of Maize—(NU)

Rubber Goods

M/s Kerala State Co-op Rubber Marketing Federation Ltd., 31/1023, Chittoor Road, Cochin-Kerala—(Kerala)—Automobile Tyres—3 lakh nos—Automobile Tubes—3 lakh nos—Auto-mobile flaps—3 lakh nos—(NU)

Leather & Leather Goods

The Industrial Dev. Commissioner, Bihar State Leather Industries Development Corporation (P) Ltd., Patna-Bihar—(Muzaffarpur-Bihar)—Finished Leather—6 lakh nos—(NU)

Ceramics

M/s Petro Carbon & Chemicals Co. Prop. Hindustan Dev. Corporation Ltd., 27, Sir R. N. Mukherjee Road, Calcutta-1—(Midnapur—West Bengal)—Carbon Refractories—4,000 tonnes; Carbon Linings—1,500 tonnes—(NA)

Letters of Intent Revoked, Cancelled or Withdrawn

(During the week ended June 29, 1974)

(Information pertains to particular letters of intent only)

From M/s P.C. Bhandari & Co. (P) Ltd., to M/s Tufted Carpets & Woollen Industries Ltd.; From Birjhora Roller Flour Mills—to Birjhora Roller Flour Mills Pvt. Ltd.; From M/s J.K. Industries Pvt. Ltd.,—to M/s J.K. Industries Ltd., From M/s Bharat Flour Mills Madras—to M/s Tamil Nadu Flour Mills, Madras.

Change in Names of Owners or Undertakings

(During the week ended June 29, 1974)

(Information pertains to particular licences only)

Sh. K.R. Dalal, Vasant Villas, Babulnath Road, Bombay-7—(Maharashtra)—Hydraulic equipment (Lapsed)

Save with grace

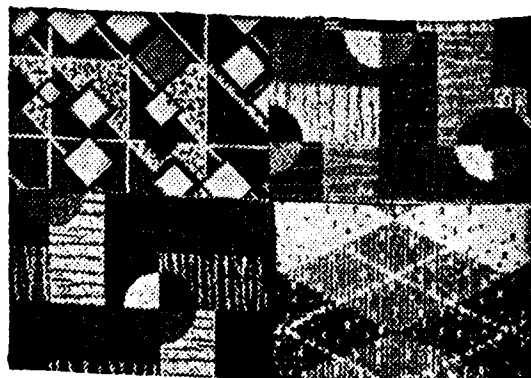
Linoleum floor-coverings are an economic investment. Linoleum endows your home with a graceful decor. By retaining its striking elegance for years, it saves you so much in repair and renovation costs.... you'll need a whole elephant to serve as a piggy-bank!

Stain-proof, easy to clean and polish, Linoleum comes in a wide range of colours and designs. Choose yours.

LINOLEUM

The versatile floor-covering ■ For better living

India Linoleums Ltd.,
P.O. Birlapur, 24 Parganas, West Bengal.



CHAIRMAN'S SPEECH

PREMIER TYRES LIMITED

Speech delivered by the Chairman, SHRI CHANDRAKANT S. DESAI, at the Fourteenth Annual General Meeting of Premier Tyres Limited, held in Bombay on Tuesday, the 19th November, 1974.

Dear Members,

I have great pleasure in welcoming you all to the Fourteenth Annual General Meeting of the Company.

In my statement to you last year I had presented a fleeting coverage of the economic scene and ventured to refer to certain forebodings about the future which I had, and in particular expressed my fears, about the stagnating trends in our industrial production. These have not only persisted in our economy but this year our agricultural output has also



Shri Chandrakant S. Desai

shown a sizeable decline with the result that too much money continued to chase too few things and cost of living indices in the first half of 1974 escalated from week to week. This problem, therefore, served only to intensify the spiralling of prices and temporary impact of inflation. I would even say super-inflation almost caused a disruption of our economy. At that stage, in July this year, Government took some anti-inflationary steps to control the money supply in the hands of the public. It was realised at that stage that all available money in the hands of the common man was being converted into goods as a hedge against daily rising prices. Before July the percentage of balances with the Reserve Bank in terms of bank deposits which Commercial Banks were called upon to maintain had already resulted in Credit Squeeze for the Industry. While it is too early to forecast the full effect of these two measures, I fervently hope that we have turned the corner and can look forward to a more steady trend in prices.

The signs of stagflation at home have created a state of nervousness among some of our producers today and they fear that the world outside too would soon be in the grip of depression. This view needs serious re-evaluation. The current trends in the international market are solely due to the relatively slow appreciation of need for adjustment to the fact that the world has to live with today's

In my view, it is time for the Gov-

ernment now to have a second look at the steep increase in their Customs and Excise Duties, particularly the latter, which is in most cases collected *ad valorem* instead of on fixed tariff value basis. With rising costs the ex-works *ad valorem* prices for excise purposes are going up and so is the quantum of excise duty. My fears are that today with the steep cut-back in the availability of cash due to these anti-inflationary measures of the Government, the current levels of excise duties, adversely affect the purchasing power of the common man and unless the situation is corrected the law of diminishing returns in the collection of excise duties will set in because in the absence of ready market for their products the manufacturers would in turn have to cut-back on production. If a corrective step is, therefore, taken by the Government, I sincerely believe that we can ensure lower prices to the consumer and maintenance of industrial output at capacity levels. There is one silver lining to the otherwise difficult situation and that is that the country's export performance (in terms of rupee value of our exports improved by 22.5% in 1972-73 and further by 25.9% in 1973-74. During the first five months of 1974-75—April to August—exports have risen by nearly 48%. However, the one-month improvement of 2.9% in industrial output during April this year over the corresponding month of the last year, is not an indication we can be happy about as the country is still fighting against considerable under-utilization of capacity in a number of key industries. Indeed, some of our manufacturers, particularly in the textile industry, have been overawed by the current trends and are talking in terms of depression. They have even resorted, in some cases, to partial lay-offs but to me the situation appears to be very temporary and, as a firm believer in the inherent resilience of our economy, I feel that as soon as stock piles with the trade, which were built-up in anticipation of higher realisation, are absorbed, the industry should be able to resume normal manufacturing operations. The Finance Ministry has also recently re-emphasized their confidence that we need not apprehend any sizable decline in the aggregate demand from the consumer.

The signs of stagflation at home have created a state of nervousness among some of our producers today and they fear that the world outside too would soon be in the grip of depression. This view needs serious re-evaluation. The current trends in the international market are solely due to the relatively slow appreciation of need for adjustment to the fact that the world has to live with today's

oil prices which stem from the sudden realization of the "real" value of oil by oil producing nations and its role in the economy of the world. The windfall profits the oil-based industries got used to over a number of years by obtaining crude at a fraction of what they realised from the end-product, have become a thing of the past.

It is true, that new price structure of oil has resulted in accumulation of fabulous funds, especially in the Middle East countries. These nations are, however, in turn seeking an outlet for the utilisation of this money. It is, therefore, the right time for India to turn her policy of non-alignment to advantage and invite these surplus funds for augmenting her production, both agricultural and industrial and in turn offer to these oil-rich countries in Middle East our agricultural products, industrial output, and above all our technical know-how and managerial skills which the Gulf countries can gainfully utilise. I do feel, therefore, that such a move, would be of mutual advantage to both the parties who have been close to each other since times immemorial.

A complimentary step has also to be taken for Capital formation at home which has begun to languish due to poor availability of investible funds brought about by low, rate of saving under inflationary conditions and the relatively low returns on investment in the corporate sector in relation to the attractive rates of interest offered by Banks and the manufacturing and trading companies. The situation needs to be re-appraised immediately and better incentives to the Investor provided so that we can achieve the ambitious programme of Industrial expansion and agricultural production to meet our own requirements and the surplus we need for exports.

I am confident that we are all aware that stringent measures against credit expansion have their limitations and while I do not advocate large scale deficit financing, I do feel that relaxation of credit squeeze and supply of money, wherever availability of adequate finance would mean a rise in gross national product, should be conceded. A beginning has been made by the Government by a selective relaxation in the credit controls. These need to be stretched to genuine requirements of expanding industrial units and new comers at reasonable rates of interest. We can thus stem the tide of increasing unemployment and mobilize our vast man-power resources because the figure of more than 226,000 unemployed scientists—graduates and post-graduates with and without experience—do not augur well for the society, the economy and the political conditions in the country. Under utilisation of the product of our technical educational institutions which we went all out to set-up after independence is a sad situation which cannot but create agitational approach on the part of those affected by the present

state of things. Off and on we complain of brain-drain but no solution to this national loss can be found till employment opportunities widened at home.

The concept of controlled economy has served its limited purpose far by inhibiting unplanned industrial expansion without any co-relation to the potential requirements of the country. In some spheres, however, this has also created shortages which have, as time has gone by, shown up in constant harassment faced by the consumer in obtaining his requirements. The Task Forces set up for drafting the Fifth Five-Year Plan have brought out the areas in which imbalance between supply and demand need to be corrected without undue loss of time. This requires realignment of the industrial licensing procedures to substantially cut down the time lag between the application for an Industrial Licence and implementation of the project. Government have from time to time tried to streamline the procedures but there is still a considerable element of delay which needs to be eliminated. It has been the experience of majority of Letters of Intent holders during the last year that the avoidable delays in covering their requirements of capital equipment, while prices were rapidly rising, have completely upset their calculations and resulted in over-runs in their project costs, quite often, due to long waits for clearance of applications for imported capital goods even when foreign exchange has otherwise been available. Their end-products have, therefore, become more expensive than when they set out to create the manufacturing facilities. I believe, however, that the thinking in the Central Governments is now result-oriented and we can optimistically look forward to the time when the implementation of their line of approach will obviate the repetition of what happened in the recent past. This should also be pointer of a change of conditions to these in private, public or joint sector who pre-empt manufacturing capacities on paper and do nothing or little to implement their Letters of Intent.

Government have recently taken a very welcome step of selected decontrol of prices because the artificial spread between the prices realized by the manufacturers and those paid by the consumer only helped the middleman to create a parallel economy which sought to destroy the very substratum of our society. The proliferation of this step to other industries in which the expansion of capacities has stayed frozen for want of adequate return would help the consumer if price controls were removed and thus the climate created for expansion of existing units and setting up of new manufacturing facilities in respective fields. Distribution controls have only served to distribute shortages and encouraged hoarding and exploitation of the consumer. What is needed to overcome this tendency is a revolution of production to cover the escalation of consumption, which

possible only if adequate incentives are available to achieve this end.

Earlier in my speech, I have made reference to under-utilisation of installed industrial capacities. Quite some of this is due directly to the present power (electricity) famine. A rash programme to overcome this perennial problem, which keeps cropping up in varying degrees in most States, is the only way to eliminate the wastage of the nation's resources and ensuring steady employment to the workers in existing units and offering avenues for employment in new units which could then come up without fear of having to remain idle if uninterrupted supply of power is not forthcoming.

I also strongly believe that the need of the hour is full utilisation of our installed capacities for manufacture of fertilisers and creation of new facilities. Without adequate availability of this essential input, self-sufficiency in food, which has been stressed from all platforms, cannot be achieved. If we could optimise the output from the land under cultivation with fertilisers and high yielding varieties of foodgrain seeds we could, to a great extent, off-set the vagaries of monsoon which was unkind to the country once again in 1974.

I have for some time been repeatedly advocating self-discipline in trade union activities and intensive propagation of the evils of strike for wage hikes which serve only to curtail production and thus push up prices. At one time the concept of "need based" wages was advocated without considering the pre-condition that free availability of goods, to cover the higher wages for those who thought they could stand to gain by this, would only be achieved with the maximum utilisation of the installed production capacities.

Coming to the performance of your Company, we have achieved satisfactory results during the period ended June 30, 1974. The Directors' Report and Accounts for this period has been in your hands for some time and you must have observed the change in the Company's financial year from March 31st to June 30th and the preparation of accounts for a period of 15 months. Your Directors would have maintained the dividend as indicated in the Resolution for issue of Bonus Shares which was adopted at the Last Annual General Meeting, but having regard to the provisions of Companies (Temporary Restriction on Dividends) Act, of 1974, your Directors could recommend only 11 per cent.

Value of production during the quarter July-September 1974 was Rs

9.83 crores as compared to Rs 4.29 crores during the same period last year which I hope the shareholders will agree reflects intensive utilisation of our manufacturing facilities which received a sizeable fillip from introduction of working on Sundays which is unique for tyre industry in India or for that matter anywhere in the world.

Though none too soon, Government removed controls on prices of automotive tyres and tubes in April 1974 and we are grateful to them for this realistic and pragmatic approach to healthy expansion of our industry which was groaning under the burden of over 60% increase in the cost of essential raw materials only between November 1968 and April 1974, when an opportunity was afforded to the industry to revise their prices.

Meanwhile Tyre Industry had once again shown a sense of national belonging and responsible approach to the problems of the consumer of its products by announcing last week a cut in the prices of truck tyres to help the Transport Industry which is one of the heaviest taxed in the country for the cost of vehicles and its maintenance.

As stated in the Directors' Report,

your Company would shortly embark on its Rs 55-lakh project to manufacture 2,500 tonnes of Camel Back and Repair Materials per annum while continuing the programme of substantial expansion of its capacity for manufacture of automotive tyres and tubes. The rupee resources for both these projects will be met largely from our own cash generation and retained earnings and the balance, including Foreign Exchange requirements, as term loans from financial institutions.

Before I conclude, I take pleasure in offering, on behalf of my colleagues on the Board and myself, our thanks to Kerala State Government for their assistance whenever we sought it, the Central Government for their appreciation of our desire to grow, Financial Institutions and Bankers, our Technical Collaborators, Uniroyal, for their continued interest in our progress, our workers, our Officers both Technical and Administrative and Sales Staff all over the country and our Shareholders whose confidence and goodwill we have continued to enjoy and specially those of you who have taken the trouble to attend this meeting.

N.B.: This does not purport to be the record of the proceedings of the Fourteenth Annual General Meeting of the Company.

RECORDS AND STATISTICS

Strengthening public distribution system

THE FOLLOWING is the text of the background paper on public distribution system which was discussed at the All India Congress Committee Camp held at Narora, Uttar Pradesh, from November 22 to 24, 1974.

The way our economy is structured today it is indicated that responsibility for steady flow of mass consumption goods must rest with the government. In order that a public distribution system consistent with our resources in terms of men and materials could be evolved, the following plan may be considered:

(i) The goods identified for this purpose would be foodgrains, edible oils including vanaspati, domestic coal (soft coke), standard cloth, washing soap, cement for low income housing, writing paper for educational purposes, sugar, kerosene and essential drugs.

(ii) The responsibility in respect of supplies of these articles may be limited to urban centres with population of less than 100,000 and/or to labour concentration areas.

(iii) The existing distribution agencies including co-operatives may be retained. In addition, students and labour co-operatives may be encouraged for distribution of the identified essential com-

modities in labour concentration and student concentration areas. In the labour concentration areas, it should also be possible to involve the employers in distribution of essentials to the workers and in student concentration areas, it should be possible to have student co-operatives representing all educational institutions.

As a first step, the responsibility of statutory rationing in large urban concentrations will have to be reappraised. Considering the pressure on materials as well as of movement, it will be necessary that there should be a complete check of all ration cards and income-tax payers should be excluded from the system of preferential distribution at lower prices.

If this is done, it will be possible to provide for essentials in a larger number of urban areas instead of concentrated supplies of materials to a few cities under statutory rationing to feed and clothe people who can afford to dispense with this facility.

As far as foodgrains are concerned the stocks maintained by the FCI may in aggregate be sufficient but it is of utmost importance that stocks are built up at points of distribution sufficient to meet three months' requirement. The same should apply to other essential articles also named earlier. For this, all embargo on movement on government account and if sponsored by government by rail or by trucks must be dispensed with.

Retail distribution should be done through the established retail outlets in respect of

foodgrains, edible oil, soap, coal, essential drugs and kerosene. These retail outlets, as existing today in the name of fair-price shops, will be very rigorously scrutinised as a very large number of them happen to be spurious.

These retail outlets in the shape of the fair price shops may be retained by the consumer co-operatives, super bazars, labour co-operatives and student co-operatives and also by people of experience and proven integrity.

As for kerosene, additional outlets will have to be divided through the petrol pumps which are fairly numerous and could provide a very large number of additional outlets. This supply should be available, in the alternative, to the card holders.

As for standard cloth, instead of having the present system of having a cluster of outlets run by the mills in the same area, the correct approach should be to decide the number of outlets in particular areas and assign one area to a mill which should stock standard cloth of all the mills including those which are run by the NTC. NTC itself can provide a much larger number of outlets and should be the lead organisation for this distribution scheme.

It will not be correct to bureaucratise the procedure by subjecting the retail outlets to inspectors from different organisations except for periodical check. The civil supplies organisations should basically be concerned with movement, stocking and distribution in order that the retail outlets are kept fed with stocks adequate for a month.

Two months' additional stock at each distribution centre must be held as a permanent inventory. Financing facilities in order that these stocks could be held at different centres should be provided to the civil supplies organisations in the different states and for that the banks will have to be involved in the system as otherwise essen-

tial stock-piling will not be possible. The central civil supplies organisation and the state civil supplies organisation must be involved in this common task in a more rational manner.

It would be desirable that the movement could be one-stage instead of splitting the movement in two parts in order that overheads could be saved; but the responsibility for micro-distribution inside the state should rest with the state civil supplies organisation. It will also be desirable if supervision over stocking and retail distribution is entrusted to central civil supplies organisation in respect of cities over five lakhs of population and those having population between one and five lakhs should rest with the state agencies.

As for ensuring the quality of supplies, it will be necessary to sponsor consumer resistance societies in all such centres as a part of the system in order that they can perform the watch-dog function.

Supplies of all such retail distribution centres must be at the ex-mill price and should be drawn from the mills directly. There should be no scope whatever of intermediaries, meaning, between the production centres and the distribution centres. As for writing paper, the distribution of writing paper should squarely rest on the student co-operatives who should be actively involved in this exercise in order to build in them a sense of participation in the public distribution system.

Before the scheme is brought in operation, it will be necessary to work out the details of total requirements and the movement and stocking plan. A plan to procure from different sources the materials and to stock them will have to be drawn in fairly in advance. It is of utmost importance that the part of production which will go to the public distribution system must be drawn up centre-wise and also in aggregates and given to the different mills so that they can conform to the

Microfilm Edition of Eastern Economist

EASTERN ECONOMIST, for the benefit of its readers, both at home and abroad, has made arrangements with University Microfilms of Ann Arbor, Michigan, USA, for the latter undertaking the reproduction of *Eastern Economist* on microfilm and through xerographic copies.

This arrangement covers for the present back issues of *Eastern Economist* starting from January 1971. The question of including issues from earlier years in this arrangement is under consideration.

University Microfilms will be sending the relevant literature to prospective microfilm subscribers. It is believed that this service will be of particular interest and value to libraries, business houses, firms, government offices and other institutions which may find it useful to maintain files of *Eastern Economist* for record and reference.

Prospective microfilm subscribers may address their enquiries to: Serial Publications University Microfilms, 300 North Zeeb Road, Ann Arbor, Michigan 48106, USA.

production targets as also
side by the movement plan
even to them.

A necessary part of the
exercise of public distribution
system is to ensure that pro-
duction of these articles is
maintained at the optimum
level. As an essential con-
dition of this, it will be
necessary to reappraise
the price control systems
which now operate on items
involved in public distribution
like vanaspati and cement.

It will also be necessary to
encourage production of es-
sential articles like soaps if they
do not impose any draft on
any other essential article like
edible oils. As such, the
public distribution system be-
comes involved with our pro-
duction and control strategies
and, unless these two are ap-
proached in an integral man-
ner, production of mass con-
sumption articles will not
increase so as to sustain the
public distribution system.

For this relaxation of res-
trictions relating to foreign
major companies in utilizing
full capacity for manufacture
of essential drugs will have
to be considered.

As for cement for low
income housing groups, it
should be possible to canalise
the supplies of such cement
through the low income hous-
ing cooperatives. For this
purpose, the different housing
schemes—whether of low in-
come urban housing or co-
operative workers' housing
schemes or schemes of dif-
ferent housing boards or LIC—
sponsored schemes for low
income groups will have to
be particularly scrutinised and
cement will have to assigned
for distribution to the spon-
soring agencies in terms for
their phased requirements on
high priority basis.

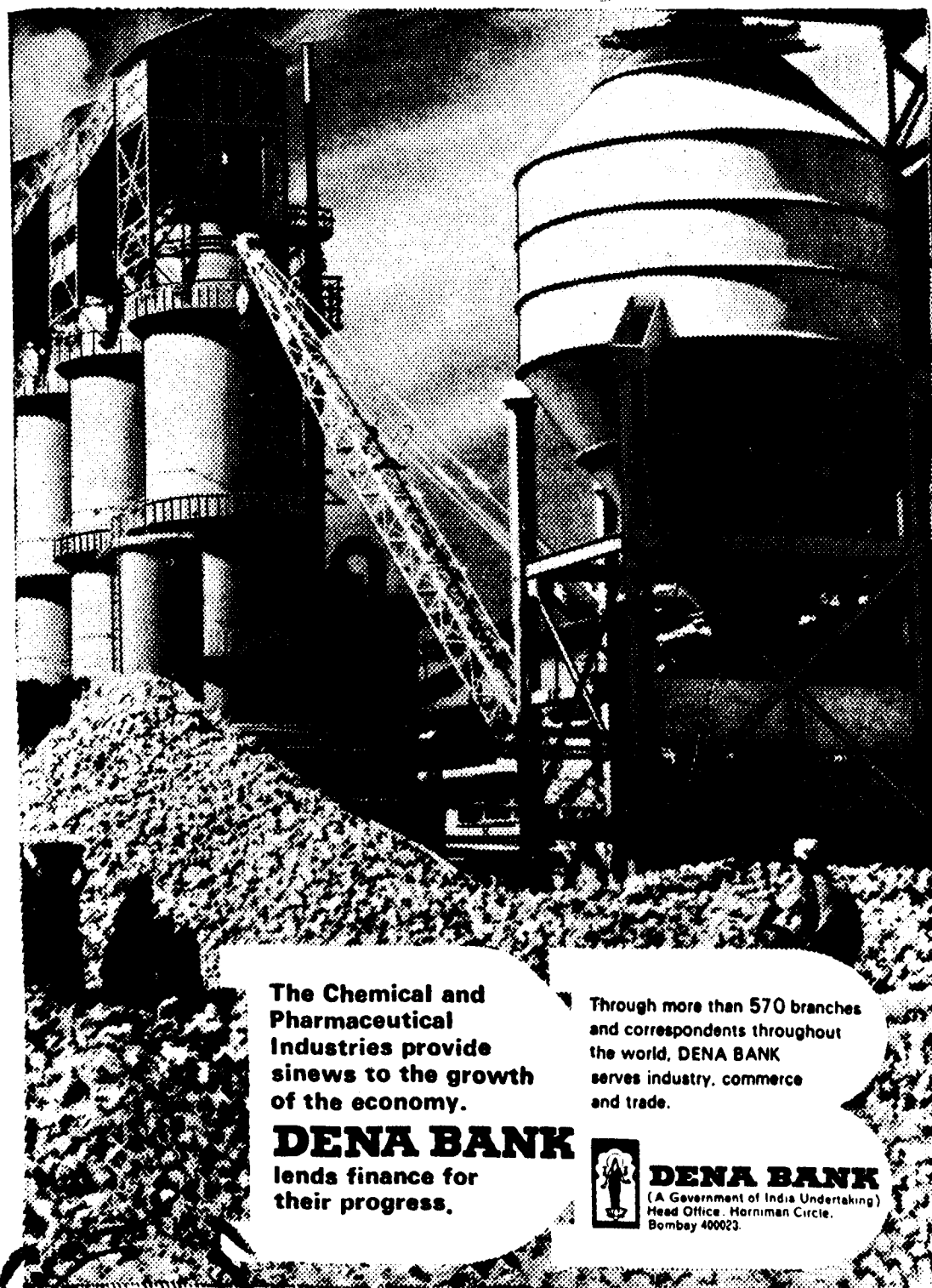
The slum clearance pro-
grammes of different municipal
organisations will also have
to be given top-most priority
and for that cement will have
to be made available for alter-
native housing to the state
government agencies operating
the slum clearance scheme.

The minister in charge of
Civil Supplies in the states as
well as the minister in charge
of Civil Supplies at the centre
should have small monitoring
agencies representing the dif-
ferent organisation including
consumer resistance societies
involved in the public distri-
bution system as well as civil
supplies organisations so as to

monitor the functioning of the
public distribution system from
month to month. A central
monitoring agency both at the
centre as well as at the state
level will have to be installed.

It may possibly be neces-
sary at a later date to have a
central consumer goods corpo-
ration in order that they can
centrally buy all the essentials

from the different organisa-
tions and maintain a buffer
stock of all the essentials at
nodal distribution points to
feed the distribution centres
at short notice particularly if
there is a transport bottleneck
or if there is a sudden disap-
pearance of essential goods
due to unforeseen shortage of
materials or finance.



The Chemical and
Pharmaceutical
Industries provide
sinews to the growth
of the economy.

DENA BANK
lends finance for
their progress.

Through more than 570 branches
and correspondents throughout
the world, DENA BANK
serves industry, commerce
and trade.



DENA BANK
(A Government of India Undertaking)
Head Office: Horniman Circle,
Bombay 400023.

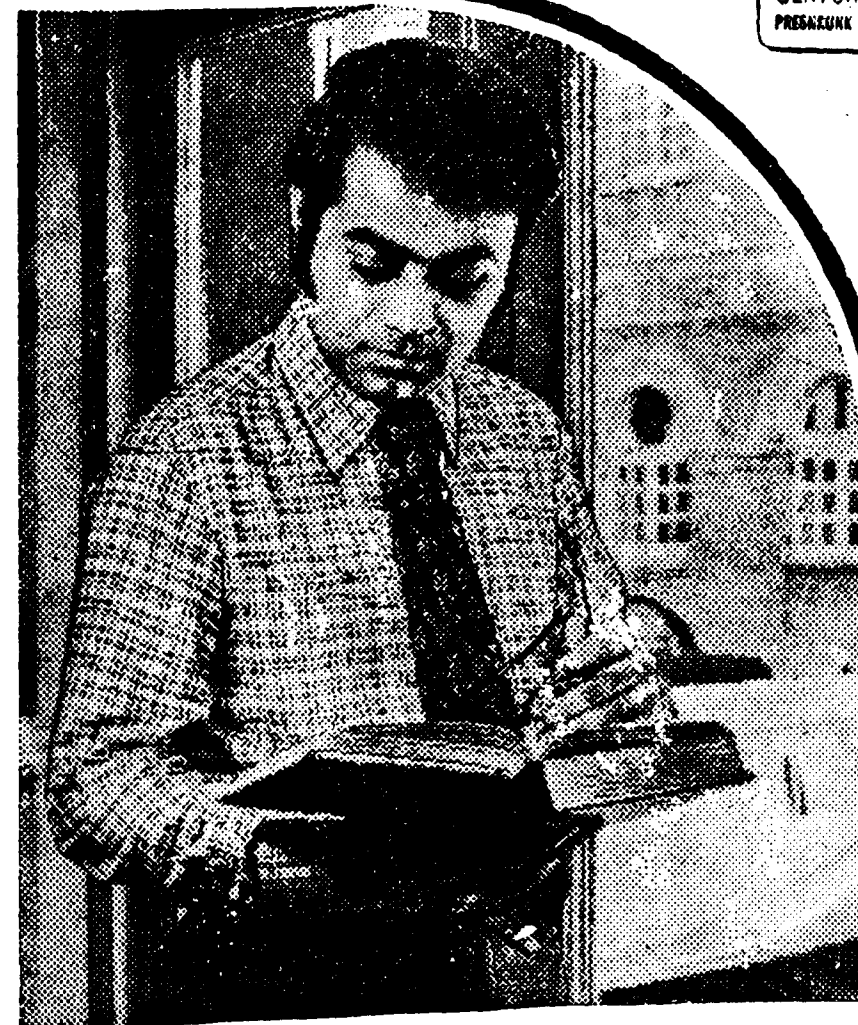
COTTON COMFORT OF THE CENTURY

The cool comfort of a great
cotton fabric made by
Century ... Cosy-Cot. When
it comes to comfort, nothing
beats cotton ... cotton
that's cool, absorbent,
care-free. You feel the

difference when you wear a
shirt made out of Cosy-Cot.
COSY-COT WITH NEVER-
BEFORE DESIGNS, CLEVER-
WOVEN INTO A RICH RICH
TEXTURE, PRE-SHRUNK FOR FINE
LONG WEAR AND LASTING SHAPE.

Cosy-Cot
SHIRTINGS

CENTURIZED
PRE-SHRUNK FABRIC



Manufactured by:
**THE CENTURY
SPG. & MFG. CO. LTD.**
BOMBAY 25 00

NPS/CM-18

Printed and published by R. P. Agarwala on behalf of the Eastern Economist Ltd., United Commercial Bank Building,
Parliament Street, New Delhi, at the New India Press, Connaught Circus, New Delhi-1.
Editor : V. Balasubramanian

Registered at the GPO, London, as a newspaper

EASTERN ECONOMIST

DECEMBER 6, 1974

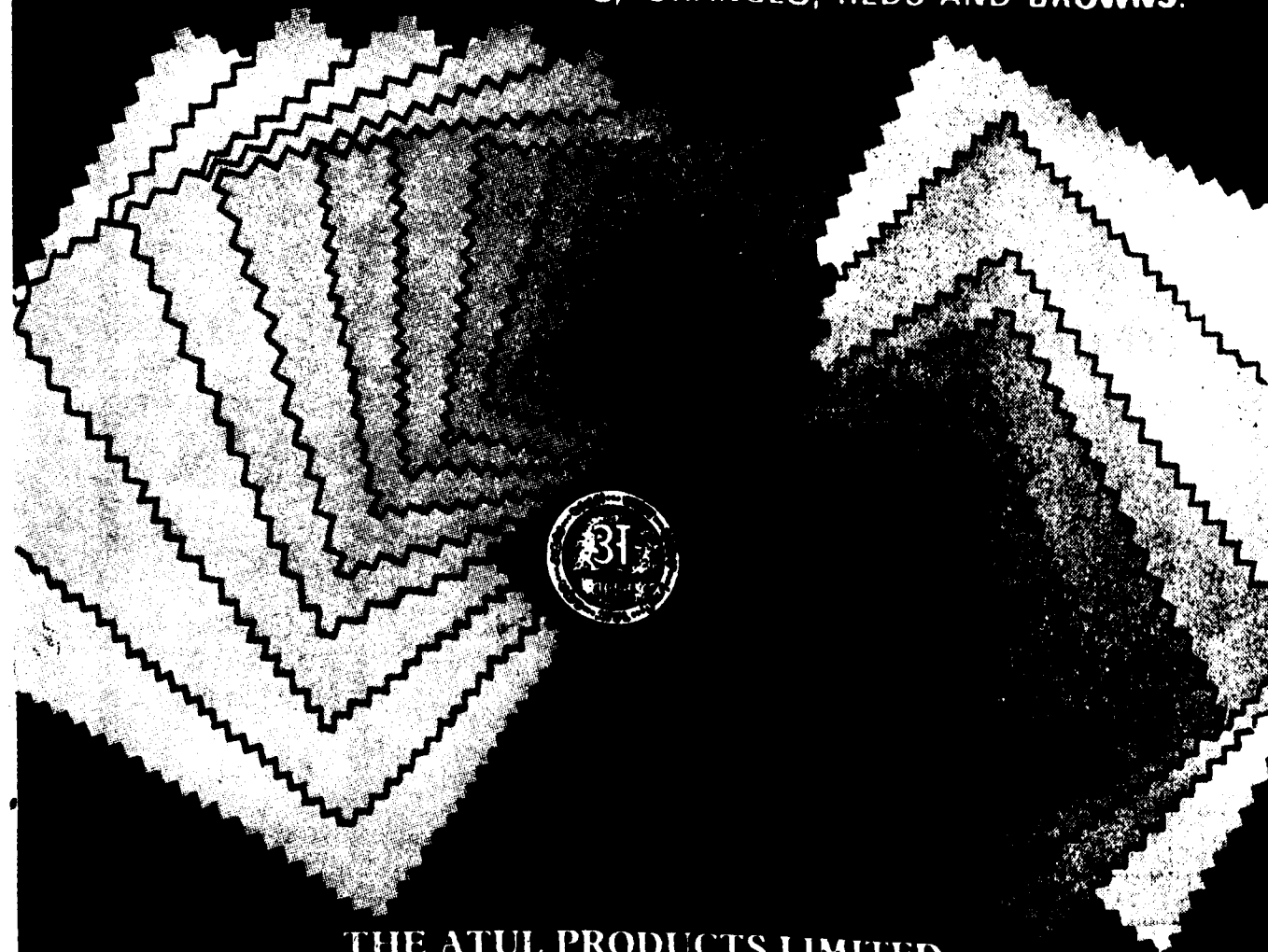
ATUL

INTRODUCES

DISPERSE DYES (GRANULES)

- TULASTERON for Polyester
 - TULANYRON for Polyamide
 - TULACERON for Acetate
- Excellent dispersion properties

- OF
- Full colour value
 - In popular shades
 - At competitive prices
 - Hues available: **YELLOWS, ORANGES, REDS AND BROWNS.**



THE ATUL PRODUCTS LIMITED
P.O. ATUL VIA, VALSAD (GUJARAT STATE)
PHONE - ATUL 61, 62, 63, 64 GRAMS - TULAT, ATUL