

ENGINEERING EXPORT PROMOTION COUNCIL

*Report of the Committee for the year ending
31st March, 1957.*

The Committee have the pleasure to submit their report on the work done during the year ending 31st March, 1957.

INTRODUCTION

In the last year's report reference was made about the formation of the Council, its registration and the initial steps for organizing an office. The Council had completed only five months when the year under review started and as such the things had not yet settled down; they were taking shape; staff was gradually increased to look after the work; new members were coming in. The first six months may be said to be still the formative period. In the second half of the year particularly the last quarter, it was possible to do something substantial. A programme was drawn up for the next year. A number of foreign market surveys were completed; surveys of 21 industries were also finished; regular compilation of export statistics was undertaken; a delegation was sent to British East Africa, Ethiopia, Sudan, Egypt and Aden; steps were taken to carry on publicity both internal and external; interviews and meetings were held with Union Ministers, Secretaries and other Government Officials and problems facing the industries were placed before them.

The working of the Council for about 17 months showed that the problem of export resolved itself into two divisions—one relating to internal arrangements and the other relating to activity outside the country. At present engineering industries, big and small, are engaged in a variety of work connected with Government orders directly or indirectly. The programme of industrial development in the Second Plan Period is so huge that engineering industries of every description have some work or the other for supply against Government orders. As a result of this, there is general reticence on the part of engineering industries to take risks in foreign markets. When the orders are available on the spot, there is a general disinclination

to go over untrodden paths. Moreover since many of the engineering industries are entering export market for the first time, they hesitate in respect of several matters. This reticence on the part of engineering manufacturers greatly increases the task of the Council, because the problem is not of only assisting the manufacturers to export their goods, but the more formidable problem is of making them export minded. Even where some surpluses are available here and there, manufacturers do not want to invest in export contracts which necessarily involve so much effort and doubtful profits. Small manufacturers have a number of exportable products, but they have to be organized. Large manufacturers have also to be made export-minded. Even if they are export-minded, mere exhortation to patriotic sentiments is not enough. They must be in a position to offer competitive prices and quicker deliveries. Their prices are, for a number of products, unfortunately higher than their competitors. The prices of steel and pig iron, the principal raw materials have considerably risen since 1955. Their supplies are also far from adequate. The lack of shipping presents a very difficult problem to exporters. The freights are also comparatively higher than the freights from Japan or continental countries for the same distance or for a much lower distance. The Indian manufacturers have, therefore, to face genuine difficulties. Their products are not known in foreign countries and, therefore, a concerted publicity programme is necessary.

The activities of the Council outside the country related to survey of foreign markets and meeting the demand of the foreign buyers. The survey is more or less regular and must be constantly pursued.

In the circumstances mentioned above, the Council had to plan its activities in such a way that while the interest was created in the minds of the foreign buyers about the potentialities of Indian engineering industries, the efforts were made to make the manufacturers export-minded. In addition to the Press publicity, the Council started publishing fortnightly Home Bulletin and the monthly Overseas Journal. A Delegation was sent to East African Countries. A representative was sent to Thailand to participate in the Bangkok Fair and also to

conduct a market survey. Whatever enquiries were received from abroad were brought to the notice of the manufacturers by means of letters, circulars, and the Bulletin. Personal discussions were also held and the manufacturers came to realise for the first time that there were opportunities for their goods in the neighbouring markets.

By the close of the year under review a definite change was noticed in the outlook of the manufacturers. Government emphasis on export and their decision to render all possible help to export was helpful in creating a proper and favourable atmosphere for export. We feel that this change in the outlook of the manufacturers that they can and must export and in the minds of the overseas buyers that India can compete on the basis of quality, price and delivery is an important achievement of the Council in its first year of existence.

PROGRAMME OF WORK

As the first few months of the Council were formative periods and office was being organised, no programme could be prepared. On the 6th August, 1956, the Deputy Secretary to the Government of India, in the Ministry of Commerce, sent a draft programme of work and desired that the programme should be implemented, after it was approved by the Committee. The programme was discussed and finalised by the Committee at its meeting held on the 16th and 17th August, 1957. Shri C. M. Ghorpade, the Deputy Chief, Export Promotion, Government of India, was also present. The programme set out the following work for the period ending 31st March, 1957.

1. Survey of Industries.— It was decided that the detailed surveys should be completed in respect of 21 industries covering Electric Motors, Fans, Lamps, Wire & Cables, Batteries, Conduit Pipes, Transformers, Bolts, Nuts, Rivets and Screws, Lanterns, Buckets, Builders Hardware, Agricultural Implements, Rainwater Pipes, Sewing Machines, Abrasives, Aluminium Utensils and Enamelware, Bicycles, Oil Ghanies and Expellers, Razor Blades and Pumps. The surveys were to cover, *inter alia*, the following broad heads :—

- (a) Names of manufacturers.
- (b) Types of goods produced including specifications.

- (c) Installed capacity for each type.
- (d) Actual production during 1954, 1955 and January-June, 1956.
- (e) Wholesale prices in India of each type of goods manufactured.
- (f) Whether exportable surplus available, if so to what extent thereof.
- (g) Supply position of different types of raw materials required by the industry.
- (h) Difficulties, if any, experienced in promoting exports.

2. Statistics.— Statistics of exports from major ports of Calcutta, Bombay, Madras, Cochin and Vizagapattam should be collected. Besides, statistics should also be collected in respect of imports of the above 21 mentioned commodities in foreign countries, such as China, Thailand, Burma, Malaya, Indonesia, Indo-China, Ceylon, British East Africa, Egypt, Iraq, British West Africa, Syria and Lebanon, Ethiopia, Sudan, Iran, Mauritius, Australia and New Zealand. The Trade Representatives in the above countries were to be requested to furnish the necessary import statistics in their respective countries.

3. Survey of Foreign Countries.— It was decided to carry on surveys in Iran, Syria, Lebanon, Ethiopia, Indo-China (Cambodia, Vietnam & Laos), Indonesia, Thailand, Ceylon and Malaya.

4. Propaganda.—

- (a) *Exhibitions* : It was decided to participate in the Exhibitions proposed to be held in (a) Rangoon (November, 1956), (b) Bangkok (December, 1956), (c) China (January, 1957).

It was also decided that if the Cotton Textile Promotion Council was going to participate in the Bagdad exhibition along with other Export Promotion Councils we should also participate and the expenses should be borne by the individual manufacturers.

(b) *Show Rooms* : The Committee decided to participate in the Government Show Rooms at Colombo (Ceylon), Teheran (Iran), Bangkok (Thailand), Singapore (Malaya) and Mombasa (East Africa). The goods were to be despatched in consultation with the Exhibition Directorate.

(c) *Illustrated Brochures and Overseas Magazines*: It was decided that, to begin with, the Council should dovetail the item relating to the production of the Brochures with the Overseas Bulletin of the Council. It was further decided that attractive advertisements should be obtained and inserted in the monthly Overseas Bulletin.

(d) *Press Propaganda* : It was decided that advertisements should be inserted in (1) British East Africa, (2) Egypt, (3) Burma, (4) Malaya, (5) Iran, (6) Iraq, (7) Thailand and (8) Indonesia. The list of the papers was also finalised. A sub-Committee was also constituted under the Chairmanship of Shri B. S. Agarwal.

(e) *Radio Talk* : It was decided that, from time to time, suitable materials should be prepared for having it broadcast over the External Services of the All India Radio. The material was to be sent to the Export Promotion Branch for being broadcast to specific countries and in specific languages.

5. Delegation.— It was decided to send a Delegation to Egypt and other Middle East Countries. A Sub-Committee was constituted consisting of Shri K. L. Chowdhry, Shri A. P. Mathur and Shri B. S. Agarwal to work out various details in connection with the visit of the Delegation.

6. Standardisation and Quality Control.— It was decided that the Indian Standards Institution should be requested to inform the Council about the engineering items in respect of which the standards had already been laid down. A list of items should be forwarded to I.S.I. where specification is desired to be laid down. It was also desired that the Council should institute a

Scheme under which it should arrange for inspection of the quality of the goods to be exported and issue a certificate of export worthiness. The draft scheme was to be forwarded to the Export Promotion Branch and finalised in consultation with the industries.

7. Model Contract Form.— It was decided to draw up a Model Contract Form for use of exporters. The contract should include provisions relating to:—

- (a) Quality of the goods and their specifications.
- (b) Tolerances.
- (c) Packing.
- (d) Mode of Delivery.
- (e) Prices.
- (f) Time of Delivery.
- (g) Preshipment inspection under Council's scheme.
- (h) Survey of goods and arbitration in case of dispute.

8. Complaints and Arbitration.— It was decided to set up a Sub-Committee for the purpose of amicable settlement of trade disputes arising in course of trade between exporters and importers. A machinery should be set up for arbitration of dispute.

9. Administrative Aspects.—

- (a) The Committee decided that the rules for admission of members to the Council should be drawn up.
- (b) Service Rules for the staff and Bye-laws for the appointment of the staff should also be framed.

IMPLEMENTATION OF THE PROGRAMME

Although 5 months had already elapsed when the programme for the year was finalised, attempt was made to implement it. The position as it stood at the end of the year was as follows :—

(1) Survey of Industries. Before launching the export drive, it was felt necessary to have an up-to-date information about

various industries and their export potential so that concentrated efforts could be made to develop their exports. It was generally agreed that in view of the heterogeneous nature of the industry it would be difficult to have a comprehensive survey conducted in respect of all the articles. The Committee, therefore, decided to take up the following items for detailed market surveys in the first instance :—

Electric Motors, Electric Fans, Lamps, Wires and Cables, Batteries, Conduit Pipes, Transformers, Bolts and Nuts, Rivets and Screws, Lanterns, Buckets, Builders' Hardware, Agricultural implements, Rain Water Pipes, Pans, Sewing Machines, Abrasives, Aluminium Utensils, Aluminium Wares, Bicycles, Oil Grinders and Expellers, Razor Blades.

The Surveys of the above industries were completed by the end of the year under review. They have brought to light mass of useful data concerning the types of goods and the possibilities of export to foreign countries. A number of difficulties facing these industries in the way of export promotion have been carefully studied and we have suitably tried to deal with them.

(2) **Statistics.**— A dissemination of information concerning exports from India has been one of the important work of the Council. Detailed statistics regarding industries' export to various countries commoditywise had to be undertaken by the Council as detailed information is not compiled by any of the Government Departments. For the first time as a result of the Council's efforts it has been possible to bring to the notice of the public the vast scope for export of our engineering goods. The statistics compiled by the Council have shown that we are exporting as many as 120 engineering items to as many as 43 countries. Some of the items like electric fans are being exported to as many as 33 countries, builders hardware to as many as 43 countries. The export figures are compiled both on the basis of commodity and on the basis of countries and they are being published every month in the Home Bulletin.

From time to time the Council brought to the notice of the member firms the import of engineering goods in different countries like Thailand, Burma, Malaya, Indonesia, Indo-China, Ceylon, British East Africa, Ethiopia, Iraq, Syria, Lebanon, Jordan, Sudan, Iran, Afghanistan etc. These statistical data collected from different sources have helped the engineering firms in knowing the prospects of their products and their competitive position in foreign markets.

(3) Survey of Foreign Markets.— When we began our programme in right-earnest we had set to ourselves the task of completing market surveys of Egypt, Sudan, British East Africa, Iran, Syria, Lebanon and Ethiopia. Later on we had Indo-China, Indonesia, Thailand, Ceylon and Malaya. Of these countries, we were able to complete market surveys in respect of British East Africa, Ethiopia, Sudan, Egypt, Aden, Burma and Thailand. On account of the Suez crisis, the Council was not able to send a Trade Delegation to West Asian countries. The following reports of the Trade Delegation and Market Surveys were published during the year :—

1. Report of the Trade Delegation to Burma.
2. Market Survey Report for British East Africa.
3. Market Survey Report for Egypt.
4. Report of the Trade Delegation to British East Africa, Ethiopia, Sudan, Egypt and Aden.
5. Market Survey Report for Thailand.

(4) Propaganda.—

- (a) *Exhibition* :—The Council had decided to participate in 3 exhibitions to be held in Burma, Thailand and China. The Burma and China exhibitions could not be held by the Government during the period under review. The Council, however, participated in the Thailand Exhibition at Bangkok in December, 1956 to January, 1957. About 20 engineering firms had

directly participated in the exhibition. The Council had deputed a special representative to attend to the goods of the participating firms and to survey the markets for engineering goods, in that country. As a result of the participation of the Council in Thailand exhibition, a number of enquiries were received for various products and they were brought to the notice of the firms concerned. The opportunity was taken of the presence of the Council's representative at the exhibition to have the market surveyed for Thailand.

(b) *Show Rooms* :—The Council felt that participation of the engineering concerns in the show-rooms set up by the Government of India at Colombo, Tehran, Bangkok, Singapore and Djakarta would be of great help. Consequently in collaboration with the Directorate of Exhibition, Ministry of Commerce and Industry, the Council sent exhibits from the following firms for the different show-rooms :—

1. Messrs. Bengal Iron Works Private Ltd., Howrah.
2. Messrs. Hindustan General Electrical Corporation Ltd., Calcutta.
3. Messrs. Motor & Machinery Manufacturers Ltd., Calcutta.
4. Messrs. India Cycle Mfg. Co., Ltd., Calcutta.
5. Messrs. M. C. Mowjee & Co., Calcutta.
6. Messrs. M. L. Shroff, Calcutta.
7. Messrs. Harbanslal Malhotra & Sons Private Ltd., Calcutta.
8. Messrs. India Weighing Scales & Engineering Co., Private Ltd., Calcutta.

9. Messrs. Kulko Engineering Works Ltd.,
Ichalkaranji.
10. Messrs. Howrah Trading Co. Private Ltd.,
Calcutta.

We are glad to report that the Government decision to purchase exhibits for show-rooms was helpful in collecting a variety of exhibits for the show-rooms. If some more time was available, it would have been possible to procure some more exhibits. As it is, engineering exhibits are costly items and it becomes very difficult for engineering firms to make available exhibits free of charge.

(c) *Illustrated Brochures and Overseas Journal*:—The Council published a brochure on Engineering Industries of India, which was found very useful for our Delegation to British East Africa. The brochure was widely circulated to India's Trade Commissioners in foreign countries, Chambers of Commerce and Importers and dealers. It was so much appreciated by the Exhibition Directorate that they placed a special order for 5000 copies and the brochure had to be reprinted. Shri Axel Khan, the Commercial Secretary, Indian Embassy, Teheran was very much impressed and sent a letter in appreciation suggesting that the brochure should be published in Arabic also which was the language in the whole of West Asia. Unfortunately for want of funds, this work could not be undertaken. The Exhibition Directorate was requested to do the printing and the blocks to be supplied by the Council, but they could not undertake the job. Our thanks are due to Shri D. K. Sinha, the Publicity Officer, Engineering Association of India, who was mainly responsible for bringing out the beautiful brochure.

The Council started publishing an Overseas monthly Journal from the month of January, 1957. This is being circulated amongst Chambers of

Commerce, Government Departments and Importers and Dealers in foreign countries. This Journal has proved to be a useful link between manufacturers, exporters and importers.

(d) *Press Propaganda* :—The Council has been carrying on continuous publicity both in and outside the country. At the time of the Thailand Exhibition, advertisements were inserted in the Thai papers concerning the achievements of India's engineering industries. Similarly in order to make our industries export minded we started a publicity campaign inside the country as well.

(e) *Home Bulletin* :—With a view to disseminating the useful information about the possibilities of exports to different countries and also with a view to keeping the engineering industries informed about the exports already taken place, the Council has been publishing a Home Bulletin which has been found to be very useful.

(5) *Trade Delegation*.— During the period under review the Council sent a Trade Delegation to British East Africa, Ethiopia and Sudan which also visited Egypt and Aden. The Delegation was led by Shri A. P. Mathur, Joint Chief Controller of Imports and Exports, Calcutta and consisted of the following other members :—

Shri K. L. Chowdhury,
Messrs. Shree Krishna Private Ltd., Calcutta.

Shri B. S. Bugga,
Messrs. B. S. Bugga & Co., Calcutta.

Shri C. R. Bondre,
Messrs. Kirloskar Oil Engines Ltd., Poona.

Shri R. K. Singh,
Engineering Export Promotion Council, Calcutta.

Previously, the Council had sent a Trade Delegation to Burma under the Leadership of Shri K. L. Chowdhury, the then

Vice-Chairman of the Council. The reports of the Delegations were published and widely circulated to the members, Chambers of Commerce, Trade Associations, Government Departments, and firms interested in export. It is hoped that these reports would provide the necessary background to our industries for the development of export markets in these countries.

(6) Standardization and Quality Control.— In the programme for the year under review the Council was required to ascertain the commodities for which the standards had been fixed by the I.S.I. and acquaint the industry about them. It was also required to draw up the list of articles which required standardization. The programme also laid down institution of a scheme under which the Council would inspect the quality of the goods exported and issue a certificate about it wherever the exporters asked for it. The matter was discussed at the meeting of the Committee on 21st February, 1957 and it was decided to request the I.S.I. to inform the Council whether the I.S.I. Certification Marks Scheme covered specifications other than I.S.I. It was decided that the Certification Marks Scheme should cover all standards. The matter was taken up with the I.S.I. and the Council was informed that as the matter stood the Certification Marks Scheme was applicable only to I.S.I. standards. It was further pointed out that the question was taken up with the Commonwealth Standards Conference and it had been recommended by the conference that the use of certification marks should indicate compliance of the national standard that had been published in the country or a standard that had been endorsed or recognized by the National Standards Organization. The I.S.I. requested the Council to indicate the names and articles in which we were interested so that it could take up the matter and necessary arrangements were made for extension of the Certification Marks Scheme to articles which were produced according to standards other than I.S.I. The matter was personally discussed with the representatives who called in this office and he was requested to submit a detailed list of articles for which the I.S.I. had already prepared specifications. As regards pre-shipment inspection it was felt that in case of engineering goods inspection, if any, should be at the point of production and not at the port. The

task of having an elaborate inspection scheme for inspecting the engineering goods at the point of production was of such a gigantic nature that it was beyond the resources of the Council. It was, therefore, felt that as far as possible, the I.S.I. Certification Marks Scheme should be adopted in the initial stages.

(7) Model Contract Forms.— The question of drawing up a Contract Form was considered by the Committee and it was felt that instead of having a uniform contract Form, which was not possible as every contract differed from the other, and it also differed from country to country, the Council should have Model Contract Form. The members were consulted and were requested to send their Contract Forms. It, however, appeared that most of them did not have any Contract Form. They used to mention the details regarding quality, packing, mode of delivery, payment, arbitration, in the letter accepting the order. There was, they felt, no need for any contract form to be prescribed by the Council. The matter was engaging the attention of the Council till the end of the year under review.

(8) Complaints and Arbitration.— The Council has adopted the Arbitration Scheme of the Federation of Indian Chambers of Commerce and Industry, New Delhi. In the event of dispute the parties have to select an arbitrator from the panel maintained by the Federation of Indian Chambers of Commerce and Industry. During the year under review there was no occasion for reference of dispute to an arbitrator. The Council has set up two Complaints Sub-Committee, one at Bombay and the other at Calcutta in order to investigate into the complaints brought to its notice by foreign buyers. The following were the members of the Sub-Committee :—

Complaints Sub-Committee at Calcutta :—

Shri C. R. Natesan,
Iron & Steel Controller, Calcutta.

Shri A. P. Mathur,
Joint Chief Controller of Imports & Exports,
Calcutta.

Shri B. S. Agarwal,
Messrs. Jay Engineering Works Ltd., Calcutta.

Shri M. L. Shroff,
Messrs. M. L. Shroff, Calcutta.

Complaints Sub-Committee at Bombay :

Shri Pranlal Patel, (Convenor)
Messrs. Malleable Iron & Steel Castings Co., Bombay.

Shri M. G. Vohra,
Messrs. Hind Cycles Ltd., Bombay.

The Deputy Iron & Steel Controller, Bombay.

Complaints were received from the following firms :—

1. Messrs. Industrial Supply Co., Bombay (Complaint from Messrs. Prabhudas & Co., Kampala).
2. Messrs. Ganesh Expeller Works, Bombay (Complaint from Messrs. Indonesia Bharat Trading Co., Sourabaya).
3. Messrs. Bharat Engineering Metal Works, Bombay (Complaint from Messrs. Buying & Ginning Co., Ltd., Jinja).
4. Messrs. Impex International, Bombay (Complaint from Messrs. Osman Hassan, Amman).

All the complaints were referred to the Complaints Sub-Committee at Bombay and from the reports received it appears that all the parties referred to above are small firms. Generally they do not have the workshops of their own. They get parts manufactured from local firms with the result that they are not in a position to maintain the quality and specification. Some of the firms contacted by our Bombay Complaints Sub-Committee even avoided meeting them and giving any kind of co-operation.

(9) Administrative Aspects.—

- (a) *Membership Rules* : The Membership rules were finalised at the 15th meeting of the Committee held on the 26th November, 1956.

- (b) *Service Rules* : Service Rules concerning conditions of service, dismissal, promotion and increment, leave, allowances, conveyance allowance, travelling allowance, etc., were also finalised at the meeting of the Committee held on the 26th November, 1956.

OTHER ACTIVITIES

Interviews and Meetings.— During the period under review the Council took the opportunity of meeting many important Central Ministers, Secretaries and other high officials of the Government. The problems relating to export were discussed.

Meeting with Shri Manubhai Shah, Minister for Heavy Industries.— The members of the Council met Shri Manubhai Shah, Minister for Heavy Industries on the 9th December, 1956 in Calcutta. The problems relating to replenishment of steel quota, difficulties in the supply of pig iron, drawback of duty were discussed with him. Shri Shah welcomed the suggestion made by the Council for replenishment of pig iron and steel on the basis of 100% of the exports. As regards the difficulties in the supply of pig iron it was suggested that instruction should be issued to the effect that replenishment quotas would be encashed in the maximum period of one month from the date of their placement on the main producers or the controlled stockists, as the cases might be. Shri Shah suggested that replenishment of pig iron and steel of each industries should be worked out by the Council and on that basis representation made to the Government for allocation of more steel for the purposes of export only. Referring to the prices of steel, the acting Chairman Shri K. L. Chowdhury pointed out that the present price structure of pig iron and steel included two elements, one of freight equalization and the other of price equalization. It was suggested that pig iron and steel should be made available to exporting industries at the price prevailing in 1955.

Regarding drawback of duty, the Council suggested for simplification of the scheme so that the duty was refunded on the basis of certificates issued by the Council. It was decided that the Council should first of all work out the amount of duty refundable by the Government to each industry.

Shri Shah further suggested that the Council, while making the programme of work for the next year, should submit to the Government a break-up of export trade of engineering goods indicating the quantity of goods to be exported, names of importing countries and the requirements of additional steel for export purposes by the industry.

Shri Shah also assured that the difficulties in obtaining visas from foreign Embassies would be looked into by the Government. The attention of Shri Shah was drawn to the shipping difficulties. Shri Shah explained that the Government were making all out efforts in removing these difficulties.

Meeting with Shri D. P. Karmarkar, Minister for Trade.—The Working Committee met Shri D. P. Karmarkar, Minister for Trade, Government of India on the 15th December, 1956, and discussed with him the question of increasing India's export trade and problems concerning export of engineering goods.

Meeting with Shri S. Ranganathan, I.C.S., Secretary, Ministry of Commerce and Consumer Goods, Government of India.—The Working Committee also met Shri S. Ranganathan, Secretary, Ministry of Commerce and Consumer Goods, Government of India, on the 26th December, 1956.

Meeting with Shri K. B. Lall, I.C.S., Joint Secretary to the Government of India.— A meeting was held with Shri K. B. Lall, I.C.S., Joint Secretary, Government of India on the 4th December 1956. The difficulties experienced by the engineering industries were placed before him. The discussions with Union Ministers and High Government officials were very helpful and the Committee are glad to report that the Council received all possible assistance and co-operation from the Government Officials whenever approached.

Meeting of Secretaries of Export Promotion Councils.— During the year under review two meetings of the Secretaries of Export Promotion Councils were held. The first meeting was held on the 10th and 11th August 1956 and the second meeting was held on the 6th February 1957. The main purpose of convening the meeting was to review the progress that had been made by each Council and to draw a detailed programme of work of each

Council which would be undertaken in the course of the year. As regards the first meeting held on the 10th and 11th August 1956, the following decisions were taken:—

Programme of Work.— The Secretaries were requested to prepare a programme of work for their Councils and to submit them for the approval of the Government by the end of September latest after the administrative committees had finalized the programme. The programme would endeavour, as far as possible, to fix a time-schedule for completion of each item of work. It was also agreed that each Council should send to the other Councils a copy of the programme after it had been approved by the Government. This would enable pooling of experience and should prove usefully beneficial. It was also agreed that wherever possible, the Council should endeavour to co-ordinate other activities in order to make the working more effective and less expensive.

Reports of the Council.— It was agreed that the monthly reports should be submitted to the Government before the 10th of the month following the month to which the report relates. As regards the half-yearly report, it was agreed that they should be submitted by the 15th of October and 15th of April for periods April/September and October/March respectively. It was also agreed that the report for each calendar year should be submitted by 31st January and should contain the following information:—

- (a) Latest position regarding membership of the Council ;
- (b) List of members of the Committee of Administration ;
- (c) Chart showing administrative set up of the Council ;
- (d) The budget proposal in the next financial year ;
- (e) The programme of work for the next financial year and time schedule for implementation.

As regards the report covering a full year of the Council's activities, it was decided that it should contain in addition to the

statement of work done by the Council, the following features:—

- (a) Efforts made by the Council during the year under review to increase industry's contribution ;
- (b) Expected contribution from the industry during the subsequent year ;
- (c) The statement of income and expenditure of the Council for the year under review divided into non-recurring expenditure, administration within India and direct export promotion activities ;
- (d) Programme of the Council drawn up for the financial year in question and the time limits laid down for its implementation ;
- (e) The extent to which the programme has been implemented.

These reports should be furnished within a month of the expiry of the period of one year of the working of the Council.

It was decided that the reports should be submitted in triplicate to the Export Promotion Branch of the Ministry of Commerce and Industry and a copy to be endorsed to Joint Chief Controller of Imports & Exports at Bombay, Cochin, Madras and Calcutta.

Relationship between the Secretary and the Council.— It was decided that generally the Committee of Administration of the Council should be the body laying down the policy while the Secretary should be its Executive instrument. Once the policy had been laid down it shall be the duty of the Secretary to implement it. In doing so, he should as far as possible, keep himself in close touch with the Chairman or Vice-Chairman of the Council particularly in matters involving question of policy. Otherwise he should be free to carry on day to day administration without the interference.

As regards the relationship between the Secretary and the principal representatives of the Government accredited to the

Council, it was decided that the Secretary's duty would be to maintain close liaison with the Joint Chief Controller of Imports & Exports in regard to the implementation of programme and to bring to his notice in matters which are likely to interfere with the implementation without the prescribed target date.

Financial Position of the Council.— It was pointed out that the Government's intention was that the Council should ultimately become self-supporting and that every effort should be made, therefore, to increase the contribution of the industry. In the initial stages the Government had agreed to finance the Council only for a period of year and in the case of certain Councils this had been extended to 2 years. It was, therefore, emphasized that while on the one hand the Council should undertake export promotion activities more actively, they should also endeavour to find ways for raising their own fund.

Other matters effecting the working of the Councils were also discussed at the meeting.

The Second meeting was inaugurated by Shri K. B. Lall, I.C.S., Joint Secretary, Government of India, Ministry of Commerce and Industry. Shri Lall referred to the very important role the Councils had to play having regard to the country's increased requirements of foreign exchange to meet the demand of industrial development during the Second Five Year Plan. The Councils had to discover having regard to the requirements of each industry, methods best suited to develop the export trade of the particular commodity. Referring to Government assistance to the Council, Shri Lall said that the Government had assisted these Councils financially to the extent possible so long, but it was now for the industry or trade concerned to consider how these institutions could be sustained and self-supporting. He referred to the Export Risks Insurance Corporation which was proposed to be set up and stated that the question of its relationship with the Councils would also have to be determined. He stressed the need for the survey of internal market and overseas market and of creating conditions in which trade between the two countries would flourish. He also asked the Councils to consider how an integrated system of ex-

ternal and internal publicity could be achieved and made effective. Some of the important discussions centered around the following points:—

✓ **Relationship between the Councils and the Government Departments**—The Councils were requested to supply a list of departments to whom they had constantly to look for help. The State Government would be asked to inform these departments to render all possible assistance to the Council.

✓ **Relationship between Export Promotion Councils and Commercial Secretaries Overseas.**— It was pointed out that the E.P.Cs., were expected to maintain their own representatives as far as possible in the important trading centres. The intention was that the E.P.Cs., should supplement the efforts of the Commercial Secretaries in the matter of export promotion rather than only depend upon the Commercial Secretaries to function for them. There were, however, certain fields in which E.P.Cs., could reasonably expect limited assistance from the Commercial Secretaries.

✓ **Surveys of Industries in India and abroad.**— It was agreed that each Export Promotion Council would publish a handbook-cum-directory with illustrations if possible for use of importers abroad. This should contain names of principal exporters in India, broad specification of commodities, the names of bankers etc. It was also agreed that in addition to the Directory a Brochure-cum-Directory should also be produced for the use of exporters. This would contain information about the importers in overseas countries, the line or lines in which they were engaged. It was also agreed that the copies of the publications should be supplied to the Trade Commissioners, where there were no trade representatives attached to them. In addition to this the Council also should arrange for more detailed surveys to be undertaken by the industry in the country and in the overseas markets. In order to give the fullest possible publicity to the surveys it was decided that the Editor of the Commercial Publications would bring out a special brochure each month containing these surveys.

The meeting discussed a number of other useful points like show-rooms, exhibitions, press propaganda and publicity, establishment of standards and valuation, model contract form, service rules etc. At this meeting again the Government reminded the Councils that the Government contribution would be reduced from year to year after the first two years. It was, therefore, expected that the trade and industry would be able to finance the Councils from their own resources.

(**Trade Enquiries.** As a result of the contacts established by the Council through the Delegation and through the Overseas Journal, the Council received a number of enquiries from West Asian countries, East African countries, Ceylon, Burma and other South East Asian countries, both from private firms and from Government Departments. These enquiries were brought to the notice of the members through the circulars and to other manufacturers through Home Bulletin. With a view to keeping a proper record of the enquiries received and following up these cases, the Council has started maintaining a register of enquiries received.)

(**Export Credit Guarantee Committee.**— On the 7th January 1956, the Government of India appointed a Committee called Export Credit Guarantee Committee under the Chairmanship of Shri T. C. Kapur, retired General Manager of Messrs. Bombay Mutual Assurance Society Ltd. The Council submitted a memorandum to the Committee and also took an opportunity of meeting the members on the 21st February 1956. The Committee after a painstaking labour submitted a report and recommended for the formation of an Export Risks Insurance Corporation. The report was submitted in the month of June, 1956. Among the risks proposed to be covered by the Committee are the following:—

(A) **Pre-shipment risk :**

1. Ban or restriction on the import of raw materials or semi-manufactured goods which may be necessary to manufacture the goods to be exported.

2. Non-issue, non-renewal or cancellation of his export licence or the imposition of fresh restrictions on the export of goods.
3. Insolvency of the buyer.
4. The importer may have placed orders for goods but he may not hold a valid import licence when the goods arrive. He may not have been able to obtain the necessary licence or his licence may have been cancelled or may have expired and cannot be renewed. Even if there were no import restrictions when the order was placed, new import restrictions may have been imposed (Import Control Risks).
5. The operation of Law or an Order, Decree or Regulation having the force of Law, which in circumstances outside the control of the exporter and of the buyer, may prevent, restrict or control the transfer of payments from the buyer's country to the exporters' country (Transfer Risk).
6. War between the buyer's country and the exporter's country may occur (War Risk).
7. There may occur war, hostilities, civil war, rebellion, revolution, insurrection or other disturbance in the buyer's country (War & Civil War Risk).
8. Any other cause not being within the control of the exporter or of the buyer which arises from events occurring outside the exporter's country. This includes risks like changes in standards risks, confiscation risk, transit risk, natural calamities like earthquake, floods etc. (Omnibus Risk).
9. The exporter may have sold his goods on a "cost, insurance and freight" basis, and between the conclusion of the contract and date of shipment the insurance and freight rates may go up. To the extent to which these rates may increase, the exporter suffers loss (C.I.F. Risk).

(B) After goods have been shipped but before goods are delivered to the buyers :

1. Due to interruption or diversion of voyage outside the exporting country, the exporter may have to incur in respect of goods shipped from his country, additional handling, transport or insurance charges which it is impracticable to recover from the buyer (Diversion Risk).
2. Import Control Risk.
3. Insolvency of the buyer.
4. Transfer Risk.
5. War risk.
6. War and Civil War risk.
7. Omnibus risk.

(C) After goods have been delivered and before payment is made by the buyer :

1. Insolvency risk.
2. Refusal or temporary inability of the buyer to pay for the goods (Default risk).
3. Transfer risk.
4. War risk.
5. War and Civil War risk.
6. Omnibus risk.

(D) After payment has been made by the buyer and before money is received in India :

1. Transfer risk.
2. War risk.
3. War & Civil War risk.
4. Omnibus risk.

The question of setting up of an Export Risks Insurance Corporation was being examined by the Government during the year under review. >

Export Promotion Committee.— On the 18th February, 1957, the Government of India in the Ministry of Commerce and Consumer Industries appointed the Export Promotion Committee to recommend measures which will help in stepping up export of goods and services from India to countries abroad, to make a comprehensive study of all aspects of trade promotion and to make recommendations to Government with particular reference to the following :—

1. The nature of fiscal or other concessions that could reasonably be granted for stimulating exports and the procedure for giving this assistance ;
2. The nature and extent of credit facilities required for export trade and the manner in which these facilities should be provided ;
3. The lines on which special agencies such as Export Promotion Councils, Commodity Boards etc., should be developed to become effective instruments for export promotion ;
4. The assistance required for expeditious movement for export both by rail and sea ;
5. Simplification of commercial transactions by provision of facilities for :—
 - (i) the settlement of trade disputes ;
 - (ii) conduct of pre-shipment survey ;
 - (iii) quality control for the maintenance of quality standards in export goods.
6. Nature of propaganda to be conducted in foreign markets and the need for development of marketing agencies abroad ;
7. The adequacy of the service rendered at present by agencies like the Director General of Commercial

Intelligencies and Statistics, the Trade Commissioners' Organizations etc., for promoting trade ;

8. Any other matters relevant to the main object of export promotion.

The Committee consisted of the following persons :—

1. Shri V. L. D'Souza—*Chairman*.

Members:

2. Shri T. C. Kapur.
3. Shri Karam Chand Thapar.
4. Shri G. B. Kotak.
5. Shri R. M. Gandhi.
6. Shri Nazir Hussain.
7. Shri P. Chentsal Rao.
8. Shri R. Venkateswaran, I.F.S., *Member—Secretary*.

A detailed questionnaire was issued in the month of March, 1957.

In the memorandum submitted by the Council the difficulties experienced by the engineering industries were brought to the notice of the Committee and steps were suggested to get over those difficulties. A copy of the Council's memorandum submitted to the Export Promotion Committee on 39th March, 1957 is appended to this report.

Shipping & Railway Freight. One of the most serious difficulties experienced by the manufacturers exporters has been the lack of adequate shipping space and the high freight charged on certain commodities. The Council had to take up this matter with the Shipping Authorities from time to time but the assistance received was much less than necessary. The most serious difficulty was experienced between Calcutta—Colombo, Calcutta—East African ports, Calcutta—Persian Gulf, and Bombay-Burma-Thailand. It was reported by the Council that shipping companies often chose between the cargos with the result that some of the engineering goods did not find place for several months. This had seriously affected export particularly from Calcutta to Persian Gulf areas and

East Africa. Besides, the freights were higher than the freights charged by Japanese shipping companies for the same distance or even for higher distances. For some articles like buckets, the freight was charged by certain shipping companies on measurement basis which made their prices high and they were not in a position to compete in some of the markets. On aluminium holloware the freight was charged on measurement basis with the result that the freight was $1\frac{1}{2}$ times more than the cost of the holloware itself.

All these difficulties were brought to the notice of the Government of India from time to time and also the Director General of Shipping. The matter was taken up with the Scindia Steam Navigation Co., Ltd., and other shipping companies also. Shri A. P. Mathur, the Joint Chief Controller of Imports and Exports also took up the matter personally with the Ministry and brought to their notice the shipping difficulties experienced by exporters of engineering goods. In his letter dated the 22nd August, 1956, to Shri V. M. Srikumaran Nayar, Deputy Chief (Export Promotion), he pointed out that the efforts made by the Directorate General of Shipping in individual cases had not been successful. The Council was informed by Shri Nayar on the 12th September, 1956, that the Indian shipping companies stated that during the past few months there had not been sufficient inducement of cargo from Calcutta to Colombo to enable them to berth vessels and that they would avail of the earliest opportunity if sufficient cargo was available. Shri Nayar stated that the Government was exploring the possibilities of inducing shipping companies to run a ship from Persian Gulf to Burma touching the Persian Gulf ports, Bombay, Cochin, Colombo, Madras, Calcutta, Rangoon and back. The scheme proposed above could not materialise till the end of the year under review.

On 2nd January, 1957, the Council took up the matter with the Federation of Indian Chambers of Commerce and Industry and the difficulties experienced by the engineering industry engaged in the manufacture of G. I. Buckets, C. I. Pans, Bolts, Nuts and Rivets, Fans were brought to their notice. It was pointed out that the Conference Lines with whom the

Council had the occasion to take up the matter had informed that the cargo offering at Calcutta for Colombo at one time was not sufficient to justify the berthing of a vessel apart from the constant congestion at Colombo proving a deterrent. Non Conference Line or ocean liners on the other hand declined to accept cargo on such grounds as "non availability of space", "ship would not call at Colombo," etc. It was apprehended that if suitable and timely steps were not taken by the Government in this behalf, the export trade of the country in aforesaid commodities established after long endeavour and at considerable cost would be lost to the competing countries. In spite of various representations there was no improvement in the situation and the export to areas like Persian Gulf, Colombo and Burma was seriously affected on account of shipping difficulties.

Membership.— There were 32 members on 1st April, 1956. During the period under review 21 firms joined the Council. A list of members firms, including the *ex-officio* members is appended to this Report.

Working Committee.— The Working Committee which was formed at the time of formation of the Council continued to look after the work. The founder members who formed the working Committee were the following :—

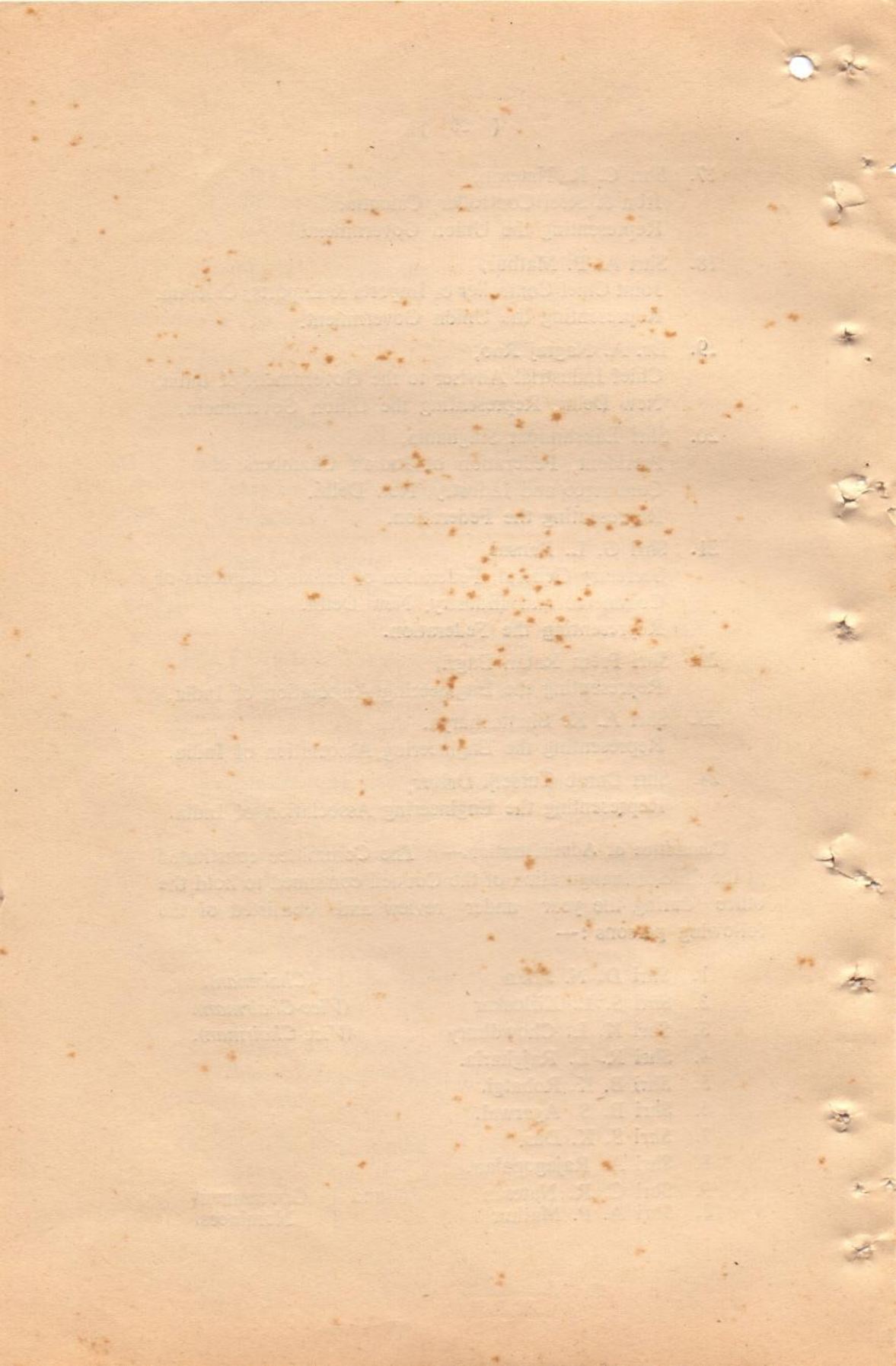
1. Shri D. N. Jalan,
Messrs. Howrah Trading Co., Ltd.,
Calcutta.
2. Shri K. L. Chowdhury,
Messrs. Shree Krishna Private Ltd.,
Calcutta.
3. Shri S. L. Kirloskar,
Messrs. Kirloskar Oil Engines Ltd.,
Poona.
4. Shri B. K. Rohatgi,
Messrs. India Electric Works Ltd.,
Calcutta.
5. Shri B. S. Agarwal,
Messrs. Jay Engineering Works Ltd.,
Calcutta.

6. Shri I. C. Gupta,
Messrs. India Cycle Manufacturing Co., Ltd.,
Calcutta.
7. Shri G. D. Binani,
Messrs. Binani Metal Works Ltd.,
Calcutta.
8. Shri S. K. Das,
Messrs. India Machinery Co., Ltd.,
Calcutta.
9. Shri S. K. Mukerjee,
Messrs. Behar Firebricks & Potteries Ltd.,
Calcutta.
10. Sir L. P. Misra,
Messrs. Hindustan Motors Ltd.,
Calcutta.
11. Shri M. L. Shroff,
Messrs. India Industrial Works Ltd.,
Calcutta.
12. Shri S. N. Rungta,
Messrs. Calcutta Expanded Metal Mfg. Co., Ltd.,
Calcutta.
13. Shri R. N. Sharma,
Messrs. Shree Bajrang Electric Steel Co., Ltd.,
Calcutta.
14. Shri R. L. Rajgharia,
Messrs. Textile Machinery Corporation Ltd.,
Calcutta.
15. Shri K. L. Thirani,
Messrs. Krishnlal Thirani & Co., Ltd.,
Calcutta.
16. Shri A. Rajagopalan,
Messrs. Tata Iron & Steel Co., Ltd.,
Calcutta.

17. Shri C. R. Natesan,
Iron & Steel Controller, Calcutta.
Representing the Union Government.
18. Shri A. P. Mathur,
Joint Chief Controller of Imports & Exports, Calcutta.
Representing the Union Government.
19. Dr. A. Nagraj Rao,
Chief Industrial Adviser to the Government of India,
New Delhi, Representing the Union Government.
20. Shri Lakshmipat Singhania,
President, Federation of Indian Chambers of
Commerce and Industry, New Delhi.
Representing the Federation.
21. Shri G. L. Bansal,
Secretary General, Federation of Indian Chambers of
Commerce and Industry, New Delhi.
Representing the Federation.
22. Shri Prem Ratan Bagri,
Representing the Engineering Association of India.
23. Shri A. K. Bhattacharya,
Representing the Engineering Association of India.
24. Shri Darab Cursetji Driver,
Representing the Engineering Association of India.

Committee of Administration.— The Committee constituted at the time of inauguration of the Council continued to hold the office during the year under review and consisted of the following persons :—

- | | |
|--------------------------|------------------|
| 1. Shri D. N. Jalan | (Chairman). |
| 2. Shri S. L. Kirloskar | (Vice-Chairman). |
| 3. Shri K. L. Chowdhury | (Vice-Chairman). |
| 4. Shri R. L. Rajgharia. | |
| 5. Shri B. K. Rohatgi. | |
| 6. Shri B. S. Agarwal. | |
| 7. Shri S. K. Das. | |
| 8. Shri A. Rajagopalan. | |
| 9. Shri C. R. Natesan | and } Government |
| 10. Shri A. P. Mathur | |
- Nominees.



STATEMENT OF ACCOUNTS

ENGINEERING EXPORT(Limited by
BALANCE SHEETFigures as
at 31st,
March, 1956.
Rs. As. P.

Rs.		As.		P.		LIABILITIES.						Rs.		As.		P.	
RESERVE & SURPLUS :—																	
Income & Expenditure Account																	
As per last Balance Sheet ...																	
1,00,875 12 0																	
Less : Excess of Expenditure over																	
income for the year ...																	
15,530 1 6																	
85,345 10 6																	
CURRENT LIABILITIES & PROVI-																	
SIONS :—																	
1,558 4 0																	
Sundry Creditors for expenses ...																	
14,925 5 6																	
6,750 0 0																	
Subscription received in Advance																	
536 4 0																	
15,461 9 6																	

1,09,184 0 0

Carried over ...

1,00,807 4 0

PROMOTION COUNCIL

Guarantee)

as at 31st March, 1957.

Figures as
at 31st
March, 1956.
Rs. As. P.

ASSETS.

Rs. As. P.

Rs. As. P.

FIXED ASSETS :—

Furniture & Fixtures & Office
equipments At Cost
As per last Balance
Sheet 3,966 14 6
Additions during the
year 28,535 10 6
32,502 9 0

Less Depreciation
during the
year 3,966 14 6 3,038 11 3 29,463 13 9

Library—At Cost 344 8 3

Less Depreciation
during the
year 21 8 3 323 0 0

Linoleums—At Cost 1,428 8 0

Venetian Blinds—
At Cost 628 8 3

Structural Alterations—
At Cost 4,722 0 0

6,779 0 3

Less Written off
during the year 6,779 0 3 Nil 29,786 13 9

CURRENT ASSETS:—

Sundry Debtors (Unsecured)
Considered Good ... 36,382 7 0

LOANS & ADVANCES :—

Advances (Recoverable in cash or
in kind). ... 2,599 15 6
Prepaid Expenses ... 825 7 6
3,425 7 0

CASH & BANK BALANCES :—

In Current Account with State
Bank of India ... 26,301 13 3
Travellers Cheques ... 4,379 0 0
Cash in hand ... 30,680 13 3
1,04,532 3 9
87 14 3
1,08,671 8 0 Carreid over ... 1,00,275 9 0

ENGINEERING EXPORT(Limited by
BALANCE SHEET

Figures as at 31st March 1956.		LIABILITIES—Contd.		Rs. As. P.		Rs. As. P.	
Rs.	As. P.						
1,09,184	0 0	Brought forward	...	...		1,00,807	4 0

1,09,184 0 0

TOTAL RS. ...

1,00,807 4 0**AUDITORS' REPORT TO THE SHAREHOLDERS.**

We have audited the Balance Sheet of **ENGINEERING EXPORT PROMOTION COUNCIL** (Limited by Guarantee) as at 31st March, 1957 and the Income & Expenditure Account of the said Council for the year ended on that date, both annexed hereto, and beg to report that :—

1. In our opinion and to the best of our information and according to the explanations given to us, the annexed Accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view—
 - (a) In case of the Balance Sheet, of the state of affairs of the Council as at 31st March, 1957, and
 - (b) In case of Income & Expenditure Account, of the excess of expenditure over income of the Council for the year ended on that date ;
2. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit ;
3. In our opinion, proper books of account as required by the Companies Act, 1956 have been kept by the Company so far appears from our examination of those books ; and
4. The Balance Sheet and Income & Expenditure Account are in agreement with the Books of Account.

1/B, Old Post Office Street,
Calcutta, the 3rd day of December, 1957.

SINGHI & CO.,
Chartered Accountants.

PROMOTION COUNCIL.

Guarantee)

as at 31st March, 1957.

Figures as at 31st March, 1956.			ASSETS—Contd.			Rs. As. P.			Rs. As. P.		
Rs.	As.	P.									
1,08,671	8	0	Brought forward	...	...				1,00,275	9	0
MISCELLANEOUS EXPENDITURE & LOSSES :—											
512	8	0	Preliminary Expenses	...	...				531	11	0
			TOTAL Rs.			...	...				
1,09,184	0	0							1,00,807	4	0

As per our report on previous page.

1/B Old Post Office Street,
Calcutta, the 3rd day of December 1957.SINGHI & CO.,
Chartered Accountants.

ENGINEERING EXPORT

(Limited by

INCOME & EXPENDITURE ACCOUNT

Figures for the
previous period
from 21-9-55 to
31st March, 1956.

Rs. As. P.

EXPENDITURE.

Rs. As. P.

Rs. As. P.

2,474 4 9	To SALARIES & WAGES	...	...	28,693 5 3
7,032 0 0	„ RENT & TAXES	...	...	14,064 0 0
	„ PRINTING & STATIONERY	...	...	
	POSTAGE & TELEGRAMS &	...	...	
2,103 13 0	TELEPHONE CHARGES —	...	...	7,602 7 3
20 2 3	„ ELECTRIC CHARGES	...	...	326 14 3
1,406 3 9	„ TRAVELLING & CONVEYANCE	...	...	1,968 5 0
1,221 5 0	„ ADVERTISEMENT	...	...	12,943 3 0
	„ EXPENSES FOR PRESS CON-	...	...	
1,240 0 0	FERENCE	...	...	4,826 0 0
...	„ EXHIBITION OUTSIDE INDIA	...	...	
	„ COLLECTION CHARGES OF	...	...	
	STATISTICS FROM OUTSIDE	...	...	1,000 0 0
	INDIA	...	...	
	„ COST OF PUBLICATION			
	Market Survey	2,527 0 6		
	Bulletins & Circu-	3,027 1 3		
	lars :—	16,292 1 6		21,846 3 3
	Overseas Journal			
	„ TRADE DELEGATION EXPEN-	...	...	33,409 2 6
	SES	...	...	
	„ ENTERTAINMENT EXPENSES	...	...	2,350 0 0
	OUTSIDE INDIA	...	...	
	„ OTHER ESTABLISHMENT			
	EXPENSES			
	(including Subscription to			
	Journal, Newspapers, Bank			
	Charges, Refreshment and Re-			
	pairing Charges amounting to			
	Rs. 258-3-6).			2,454 3 3
376 7 3	To DEPRECIATION & WRITE OFFS	...	...	9,839 3 9
...	„ BALANCE—being excess of in-			
	come over expendi-			
	ture carried to Balance			
	Sheet			
1,00,875 12 0				
1,16,750 0 0	TOTAL RS.	...	...	1,41,322 15 6

As per our report annexed.

1/B, Old Post Office Street,

Calcutta, the 3rd day of December, 1957.

SINGHI & CO.,
Chartered Accountants.

PROMOTION COUNCIL.**Guarantee)***for the year ended 31st March, 1957.*

Figures for the
previous period
from 21-9-55 to
31st March, 1956.

Rs.	As.	P.	INCOME	Rs.	As.	P.	Rs.	As.	P.
10,250	0	0	By SUBSCRIPTIONS ...	...	...	25,500	0	0	
34,500	0	0	„ CONTRIBUTION FROM INDUSTRIES ...	...	...	13,000	0	0	
72,000	0	0	„ GOVERNMENT GRANTS-IN-AID (Accountant General, W. Bengal) ...	...	...	76,250	0	0	
...			„ SALE OF PUBLICATIONS ...	...	...	9,709	15	0	
			„ ADVERTISEMENT CHARGES...	...	...	1,332	15	0	
			„ BALANCE—being excess of expenditure over income carried to Balance Sheet ...	...	...	15,530	1	6	
1,16,750	0	0	TOTAL Rs. ...	...	...	1,41,322	15	6	

R. D. VIDYARTHI,
Secretary.

K. L. CHOWDHARY,
Chairman.

*Memorandum submitted to the Export Promotion Committee
set up by the Government of India in the Ministry of
Commerce and Consumer Industries.*

INTRODUCTION

The working of the Engineering Export Promotion Council for a year and half has shown that the problems facing the export of engineering goods fall into two divisions, one relating to internal arrangements and the other relating to activity outside the country. At present, engineering industries, big and small are engaged in a variety of work connected with Government or private orders. The programme of industrial development in the near future is so huge that for some time to come many of the industries will remain heavily booked. As a result of this, many of the manufacturers do not feel interested in export. When sufficient orders are available at home, firms do not want to take risks in a foreign market. There are, of course, exceptions where manufacturers feel that from the long range point of view, gradual building up of export market is a vital necessity. They are taking all possible steps to develop their export trade but their number is limited. A widespread and constant propaganda is necessary so that the manufacturers take genuine interest in the export of engineering goods.

The export of engineering goods is comparatively, new, and as such, the problems facing the Engineering Export Promotion Council and the manufacturers are special to the industry. In the first place, the industry has to face stiff competition from long established firms of the industrially advanced countries of the West and in the second place, many of the manufacturers are not aware of the technicalities of the export trade. The problem before the Council is not only to assist them in removing their difficulties, but also making them export minded. Even where some surpluses are available, manufacturers do not want to invest in export contracts which necessarily involve so much effort and doubtful profit. Moreover, a number of these manufacturers are small scale firms who do not have the personnel and financial resources to make preparations for export markets.

The problems facing the Engineering Industry outside the country are that markets have to be surveyed, contacts have to be established, and a planned publicity has to be done. A special feature of the engineering goods, other than the consumer goods, is that sale of goods is not sufficient. A more important work is to do after sale service. In the case of textile or jute, after the goods have changed hands, the exporter or the producer has nothing to do. In case of machinery items, however, proper and satisfactory servicing is very necessary. The more satisfactory the service, the greater is the chance for getting repeat orders. Above all, the Indian manufacturers have to keep themselves abreast of the latest technological developments and designs so that their products are not considered obsolete or out of date.

Without prejudice to what has been stated above, we are giving below the replies to the questionnaire:—

1. GENERAL

(a) The Council considers that it would be necessary to deal with the problem of export promotion both from the long and short term point of view. From the long term point of view, export of engineering goods is a vital necessity in view of our expanding economy. The Second Five Year Plan envisages a huge development programme and although our internal demand is very big, there will be surplus left for export. We have to find markets for our non-traditional goods like engineering to earn the much needed foreign exchange resources. The substantial stepping up of investment that the Plan envisages, and the emphasis that it has placed on industrialisation, call for a concerted effort to augment our foreign exchange resources. As conditions in India are favourable for securing the production of iron and steel at prices lower than the world prices, the engineering industry will be able to develop the market for its products, at a fairly fast rate.

From the short term point of view, we find that there is a good scope for our engineering products in the neighbouring markets, and our manufacturers are getting numerous orders and enquiries, but owing to acute shortage of steel and pig iron,

they are not able to meet those orders. Steps have, therefore, to be taken to overcome the immediate difficulty of procuring adequate supplies of steel and pig iron. There is no doubt that when the steel plants, programmed in the Second Plan go into production, there would be enough supplies of steel for our expanding engineering industries, but till this hope is fulfilled, the Government have to consider very seriously as to what should be done to satisfy the overseas buyers who are too willing to start business with us. Unless some immediate steps are taken to augment the steel and pig iron supplies, all our efforts of export promotion will be aimless. To have aroused an interest in our engineering products and then not to have exported on the plea of steel shortage, may do positive harm to our efforts.

The Council, therefore, feels strongly that the problems of export should be dealt with both from the long and short term points of views.

(b) Difficulties in the Foreign Markets:

Besides the handicap of inadequate supplies of steel and pig iron, the manufacturers are at present experiencing a number of other difficulties. Some of these are mentioned below:—

(i) Inadequate Shipping Space.—There is an acute shortage of shipping space, particularly in Calcutta, with the result that many of our products are not being exported to the neighbouring markets. For instance, there is only one sailing a month between Calcutta and East Africa, and the space available for engineering goods is hopelessly inadequate. Similarly, there is acute difficulty between Calcutta and Colombo. In spite of the best possible efforts by the Council, and the action taken by the Director General of Shipping, Government of India, there has been no improvement in the situation. It appears that unless there is substantial increase in the availability of space, the export trade will continue to suffer.

It has been brought to the notice of the Council that for sometime past, the engineering industry engaged in the manufacture of G.I. Buckets, C.I. Pans, Bolts, Nuts and Rivets, Fans etc., has been experiencing considerable difficulties in

obtaining necessary shipping space for its consignments intended for export to Colombo with the result that the export trade in respect of these commodities has been progressively dwindling. Conference lines with whom the matter has been taken up have given us to understand that the cargo offering at Calcutta for Colombo at one time, is not sufficient to justify berthing a vessel apart from the constant congestion at Colombo proving a deterrent. Non-Conference lines or Ocean Liners, on the other hand decline to accept cargo on such grounds as "non-availability of space" "ship would not call at Colombo" etc. It is apprehended that if timely and suitable action is not taken by Government in this behalf, the export trade in the aforesaid commodities established after long endeavour and at considerable cost, would be lost to the competing countries.

(ii) *High Freight.*—The engineering goods exported from India suffer from a great disadvantage as compared to European and Japanese goods over exorbitant freight they have to bear. It is surprising to note that for similar or longer distance, Japanese firms pay much less freight than do the Indian manufacturers. The freight rates on some of our items for ports like Aden, Bangkok, Port Sudan etc., are very high with the result that freight on some of our products like steel cupboards and cabinets amounts to 70% and even above the value of the articles. As things stand to-day, German hospital beds or card index cabinets or tables and chairs of American and Dutch make, compete with Indian products in Thailand, and despite the disadvantages of distance, British and other European manufacturers have been able to sell steel equipment in Persian Gulf countries and East Africa.

We are enclosing a statement showing the comparative freight rates from Calcutta to different ports and from Japanese ports to similar destinations. It will be noticed that for similar or longer distance the Japanese freights are much lower than India. The Council understands that Japanese Government gives subsidy with the result that shipping rates are exceptionally low. The Japanese sewing machines and fans etc., have therefore, exceptional advantages over Indian machines and fans on account of the favourable shipping freights.

(iii) *Freight on measurement basis.*—The situation is further aggravated by the discriminatory freight rates on certain commodities. It has been reported to us that some of the Steam Ship Companies charged freight on G.I. Buckets and Agricultural Implements intended for shipment to East African Ports on measurement basis which works out to be Rs. 10/- to Rs. 12/- per dozen as against Rs. 3/- to Rs. 3/10/- per dozen on weight basis. This discrimination is unfair as freight on the same commodities to Burma, Ceylon and other ports is charged on weight basis. As a result of protracted negotiations between the trade on the one hand and shipping interests on the other, the Calcutta Africa Conference have reduced the rate on measurement from Rs. 87/- to Rs. 84/8/- per ton of 50 cwt. or 20 cwt. But this nominal reduction is far from satisfactory and unless Shipping Companies agree to revert to the basis of freight by weight, the export trade will continue to suffer.

(iv) *Customs duty on articles reimported for repairs.*—We are exporting some of the products which are received back sometimes for certain repairs, which can be done only at the factory. Mention may be made of such items as lockers, cabinet doors, locks etc., which are returned by overseas customers for repairs. These goods are at present subjected to import duties. The Council feels that if a custom duty is levied on articles manufactured in India which have been sent back for repairs, there will be no incentive to overseas customers to buy such articles from India. Unless the existing import regulations are suitably modified, the export of many of our engineering products will suffer.

(v) *After Sale Service.*—The engineering goods, particularly the machinery items, differ from consumer type goods like textiles or jute goods or builder's hardware items, inasmuch as they require an effective after sale service. It is not sufficient, for instance, to sell 100 diesel engines in a particular market. These engines must be properly serviced at regular intervals and there must be competent men to attend to minor repairs. The Indian exporters in engineering goods generally suffer in comparison with European firms as they have an efficient service after sale arrangement

either through their own representatives or through their Agents. The Indian firms will have to in the initial stages, spend considerable amount of money, in sending their representatives and arranging the display of their products. Important firms or a group of them will have to organise showrooms cum servicing centres. Alternatively they will have to appoint reputable firms who are able to undertake after sale service.

2. EXPORT POLICY AND PROCEDURE

There are some engineering goods like cast iron pipes and fittings, galvanized iron pipes, conduit pipes steel fabricated items, wire nettings etc., where either the export is totally prohibited or a percentage of previous export or production has been fixed. This has been done on the ground of acute shortage of pig iron and steel in the country. Considerable amount of pig iron and steel has to be imported in the present circumstances and it is argued that export of the goods mentioned above will create further shortage in the country and will necessitate import of costlier iron and steel. The Council feels that since export market can not be developed wherever desired and it requires considerable nurturing before a country is really in a position to compete in foreign markets, it is necessary that token exports of even those goods which are in short supply in the country should be allowed. This is necessary for initial footing in the markets. The advantages gained by allowing token exports of finished engineering goods are much bigger than the loss suffered on account of importing raw materials like pig iron and steel.

3. ASSISTANCE TO EXPORTERS

(a) *Refund of Excise Duty, Drawback of*

&

(b) *Import Duty :*

The export of engineering goods is comparatively new and the manufacturers have to face a number of difficulties. There is stiff competition with established firms of highly interested country of the world. The Indian goods have to bear comparatively much higher freight and this makes the prices higher. As

the Indian goods are comparatively little known or not known at all, their prices have to be kept lower. If these goods are, therefore, to compete, the excise duties, wherever levied on exportable engineering goods should be refunded. Similarly drawback of import duty on raw materials used in the items for export should be given to the manufacturers. Unfortunately, the existing rules are so complicated and rigid that even after framing the rules for the last 2 years, some of the industries have not been able to secure any benefit. For instance the Customs Drawback Rules for Electric Fans were finalised in April 1955 but even now fan manufacturers who have been exporting have not been able to get themselves registered, and enjoy the benefit. The Council feels that in all cases where the Government have agreed to grant relief in respect of import duties, the rates should be fixed on specific basis on the quantity of goods exported. These rates should be subject to revision at the interval of every 6 months or so depending upon the quantity of raw materials imported and duties imposed. For instance in the case of electric fans it has been calculated, on the basis of present consumption of imported raw materials and duties levied, that the relief can be given at the following rates.

Sl. No.	Type of Fans	Custom Duty per Fan		
		Rs.	as.	p.
1.	60" Condensor Type ...	6	4	6
2.	60" Non Condensor Type ...	9	7	0
3.	56" Condensor Type ...	5	14	0
4.	56" Non Condensor Type ...	5	6	0
5.	56" D.C. Type ...	9	1	0
6.	48" Condensor Type ...	5	9	3
7.	48" Non Condensor Type ...	6	9	4
8.	48" D.C. Type ...	9	1	0
9.	36" Deluxe Type ...	3	8	3
10.	36" D.C. Type ...	4	14	3
11.	16" A.C. Deluxe Type ...	3	3	1
12.	16" A.C. Fixed Type ...	2	6	9
13.	16" D.C. Type ...	2	3	9

The above rates can be revised at every six months. What is necessary is prompt relief instead of subjecting the applications to endless scrutiny with no result.

(c) *Special Facilities for Expeditious Movement of goods and freight rates :*

For engineering firms situated inside the country expeditious movement of goods to port towns is important and it is strongly suggested that in all cases where goods have to be despatched from inland industrial centres to ports, transport should be available whenever required. The priority consignment notes as issued during the war may be introduced for goods meant for export. This is important in the new industrial expansion scheme of the Government when the industries are being dispersed. In the very near future the exporting industries will not only be localised in ports or nearby but far away from ports. For instance there are a large number of engineering industries in Ludhiana or Amritsar and are in a position to export. In course of time they will be in a position to make available surplus for export. These industries will have to be given special facilities for moving their goods to ports.

As regards freight rates, the Council feels that the commodities meant for export from the interior should get concessional rates. This will help them in competing with foreign firms.

(d) *Shipping :*

Lack of space, discrimination in cargo even if there is space, high freights are at present some of the problems seriously affecting export of many of our engineering products. Either a steamer is not available in time or the required shipping space cannot be obtained on account of the accumulated volume of the articles to be lifted by that particular Steamer. The most serious difficulty is experienced between Calcutta and Colombo, Calcutta and East Africa ports and between Calcutta and Bombay, and Burma and Thailand. It is reported to us that Shipping Companies often choose between the cargoes with the result that some of the engineering goods do not find place for several months. Already freights are high and if the engineering goods further suffer in the choice, export will be greatly affected. The remedy lies in providing more steamers on the run between the main Indian ports and India's foreign markets so that exporters remain in no uncertainty of availability of steamers in time. There have been several cases where the

exporters have been unable to get steamers within the Import Licence and L/C periods and orders have had to be cancelled. The Council is of the considered view that export trade of a country cannot be developed when the shipping is in the hands of foreign companies. It is, therefore, in the interest of the country as a whole if more and more Indian ships are run between Indian Ports and the neighbouring countries which are our normal markets for engineering goods.

4. STAMPED SHIPPING ORDERS :

Not infrequently the goods are sent to the docks for loading into the ships but are shut out on some pretexts. After waiting for several weeks when the exporter gets the space, this kind of shutting out causes great inconvenience and loss. Before the War under the "stamped Shipping Orders" scheme, there was an obligation on the shipping companies to carry the cargo after they had contracted. Under this contract the shipping company had the obligation by issuing the stamped shipping order to provide space for the cargo in this named steamer and charge the claimed freight whether the shipper utilised the space or not. There was thus a corresponding obligation on the part of the shipper to provide the cargo mentioned in the order. In the context of great importance attached of earning foreign exchange, the Council would suggest that a system of the nature of "Stamped Shipping Orders" should be reintroduced, even though it would mean certain amount of inconvenience to the shipper to supply the cargo on a fixed date. In the circumstances prevailing to-day, such an inconvenience is worth undergoing.

(e) *Supply of Raw Materials :*

Among the special facilities for export industries, the Council would again recommend supply of adequate pig iron and steel. All our efforts of export promotion are to go waste if the export industries do not get the essential raw materials they require for production.

5. METHODS OF EXPORT FINANCING :

Credit facilities are required for day to day production and for financing export. There is a big time lag between the time

when the essential raw materials have to be purchased and the time when things are sold. If the goods are sold to Government departments the actual payment takes some more time as a number of formalities have to be gone through. Unless there is an overdraft arrangement, short term credit is usually not available from the banks with the result that the normal production is hampered. The manufacturers are also unable to negotiate with overseas customers as they are not able to carry on their production. The Council feels that the existing regulations should be relaxed to enable banks and Industrial Finance Corporation advance short terms loans to manufacturers for carrying on their production.

As regards export, the usual methods of obtaining payments are (a) Letters of Credit, (b) Documents on Payment and (c) Documents on Account. In the case of Letters of Credit the importers have to open irrevocable Letters of Credit in favour of exporters and there is no difficulty about getting payments. In the case of Documents on Payment, the Bankers present the Documents to the importers on payment of the value. There is no difficulty in getting payment but the whole formality takes some time and the payment is naturally delayed. As regards Documents on Account, the Documents are delivered to importers by the bankers on the guarantee that the payments will be made after a certain period—say 30, 45 or 90 days. The Indian Manufacturers are at present facing competition in foreign markets not only in respect of quality finish, packing and price but also in respect of affording credit facilities to the buyers. While we are insisting upon irrevocable letters of credit continental or English firms are quoting 90 to 180 days credit. The buyers naturally prefer English or Continental firms because they are able to do thrice as much business as they would be able to do if they had to buy from a source where they have to pay the entire value at the time of taking delivery of documents. If the Indian manufacturers have to compete they will have to give credit facilities to importers as other countries are doing. They can grant this facility only when they are financially sound but things as they stand to-day, none of the exporters of engineering goods is in a position to grant credit facilities unless they themselves get necessary facilities from the banks.

The Council strongly feels that the only way to help the Indian exporters is for the Government to allow banks to discount bills whenever they are presented. The risk involved may be covered under Export Credit Guarantee Scheme.

The Council has noted that very little is known about many of the engineering goods in overseas markets and they have yet to create a sense of confidence in the minds of the buyers. They would like the Indian manufacturers to send their goods on consignment basis. In the initial stages the Indian manufacturers have to accept this arrangement for otherwise it would be extremely difficult for them to enter new markets in face of keen competition.

The engineering industry is a heterogeneous group of industries and it is neither feasible nor advisable to concentrate export of these goods in a single institution or agency. While there is need for the export trade to be on an organized scale, it should be left to the individual manufacturers and exporters.

The Council feels that in the promotion of export credit guarantee can play a great part. The Government of India have set up an Export Risks Insurance Corporation to provide protection to exporters against risks arising in the export trade as a measure for stimulating the country's exports. The risks to be covered are: diversion risk; import and export control risks with certain safeguards; insolvency and default risks; war and civil war risks; transfer risks; any other risk which is caused by factors outside the control of the exporter or buyer, which arises from events occurring outside the exporters' country; C.I.F. risks and inability to recoup by sale expenses incurred on market surveys; publicity; stock holding and other promotional measures for the development of a market.

If the exports are to be promoted in accordance with the enlarged requirements of foreign exchange, the coverage of risks envisaged above is necessary. The Council feels that now that the commercial risks like insolvency and default risks are covered, the Banks should discount the bills presented by the exporters in respect of insured contracts. This would give relief to the exporters. If the Risk Insurance Scheme is, how-

ever, to be a success the premium charged should be the minimum possible for otherwise the cost of exports, which must be kept down if foreign competition is to be met, will be increased.

6. ADMINISTRATIVE MEASURES AND SERVICES RENDERED BY EXISTING INSTITUTIONS

(a) The Export Promotion Councils are doing useful work in export promotion and there is no doubt that the manufacturers and exporters will be benefited by such Councils. As regards the engineering industry the need for a central organisation like the Engineering Export Promotion Council is most needed because export of engineering goods is comparatively new, the problems facing the industry are special and they have to be carefully handled. The engineering industries in the country have huge development and programmes in the near future they are going to be one of the best foreign exchange earners. Whatever export of engineering goods which has taken place so far, has been mostly unorganised, depending upon the individual resources and initiative. There is great potentiality for development if there is a central organisation to co-ordinate the activities of individual manufacturers and the exporters. The Engineering Export Promotion Council is, therefore, destined to play a very important role in the development of India's export trade.

(b) The principal sources of official information about foreign trade possibilities such as the Directorate General of Commercial Intelligence and Statistics, Calcutta and Trade Commissioners can be more helpful to Indian export trade if the information is passed more promptly, accurately and realistically. The staff at Indian Embassies and High Commissions needs to be strengthened if enquiries have to be promptly attended to and more efficient service is expected from them. The Government of India should also associate with departments and committees dealing with trade matters, experienced men from business. Government trade officers, before being sent abroad, should be given an opportunity of going round the country and gaining first hand knowledge of industrial progress that the country has made and the potentialities of export.

7. PUBLICITY IN RESPECT OF EXPORTS

(a) *Overseas Exhibitions* :

Among export promotional measures the Government of India have of late been giving increasing attention to exhibitions organised overseas to give first hand acquaintance to overseas buyers with our products. Such exhibitions rouse interest in the prospective buyers. Participation in some of the exhibitions recently held has shown that if the exhibitions are managed properly enquiries are received and business can be done. It is, however, alleged that sometimes the goods sent for display are not properly attended to and they are left lying in a corner where no one cares to go. Sometimes exhibits are sent by the manufacturers to the Government Shipping Agents but they do not reach their destinations and even after months of correspondence, no fruitful result follows. In order to make these Exhibitions more effective it is necessary that a market study should be made of the country in which the exhibition is to take place so that only those goods are sent for display which have prospects of sale. The men in charge of the Stalls should be competent enough to attend to enquiries about the goods exhibited. The Exhibition Branch of the Ministry of Commerce and Consumer Industries, has opened a number of Showrooms in important places, like Cairo, Tehran, Colombo, Bangkok, Djakarta etc., and are collecting goods for display. It is a move in the right direction. We would only suggest that these Showrooms should be in charge of competent men who have thorough knowledge of the goods displayed. The manufacturers should also co-operate with the Government by sending their exhibits with complete catalogues, pricelists, pamphlets etc.

The Indian engineering goods require considerable publicity in the foreign markets as very little is known about the range of goods we are manufacturing and their quality. The Council feels that general publicity by the Council and publicity by individual manufacturers through the medium of press is necessary to enable the importers and consumers know the range of engineering products which can be imported from India. Publicity to be effective should be in a planned manner.

Advertisements in newspapers published in local language is necessary so that the largest possible number of people may get the opportunity of knowing about Indian goods. Manufacturers should publish illustrated catalogues and attractive leaflets giving full information about their products and they should be available with their agents and at showrooms for sales promotion.

(b) *Research Organisation :*

The Council feels that there is no need for a separate organisation on the lines of British Export Trade Research Organisation (BETRO) or Japan Export Trade Recovery Organisation (JETRO) as all the work connected with export promotion is being done by Export Promotion Councils. The Export Promotion Councils in India have enough scope for undertaking research work with a view to promoting export.

(c) *Brochures :*

The Council feels that publication of special brochures depicting the progress industries have made, their export potential etc., is very necessary. In fact the Export Promotion Councils are already doing it. These brochures can be made more useful by giving names of reputable manufacturers and exporters.

8. SIMPLIFICATION OF COMMERCIAL TRANSACTIONS AND FACILITIES BEFORE SHIPMENT OF GOODS

(a) *Bank reference :*

References regarding the status and credit worthiness of Indian exporters should best be left to Banks as at present. A specialised organisation created by Government for this purpose is likely to create difficulties. As it is, Government official sources of information for overseas enquiries always take care to state clearly that they are in no-way responsible for the status or credit-worthiness of the parties concerned.

(b) *Disputes :*

Many of the disputes would not arise if goods are sent strictly in accordance with the specifications required, are

packed properly and whenever complaints are made by the importers, they are promptly attended to. But in the usual course of business disputes and differences are bound to be there and it is necessary that before entering into firm contracts, parties should agree to abide by the Arbitration Clauses of National Chambers of Commerce or the Export Promotion Councils.

(c) The pre-shipment inspection will no doubt reduce disputes but the practical working is so difficult and complicated and open to serious abuses that it would not be possible to have any arrangement. In course of time, however, the Export Promotion Council will have to develop some sort of organisation to ensure that goods exported conform to the standards or specification required. To begin with the Indian Standards Institution should proceed with their Certification Marks Scheme. These marks should be given both in respects of I.S.I. Standards and B.S.S.

(d, e & f) Standards :

The Indian Standards Institution has undertaken the task of preparing specifications for the Indian goods and their standards are comparable with British or American standards. Apart from the test certificates issued by the Government Test House, the manufacturers should make the fullest use of the Certification Marks Scheme of the I.S.I. This will ensure supply of standard goods.

9. STATE TRADING

The Council is of the considered opinion that State Trading would not be suitable for engineering goods nor is it necessary for the State to enter the trade.

10. TRADE AGREEMENTS

Trade Agreements which have been entered into with foreign countries have no doubt been useful. It is however, necessary that whenever such agreements are entered into with neighbouring countries which are our natural markets, care should be taken to include engineering goods.

APPENDIX 1

**Comparative Freights from India and Japanese
Ports to different destinations
and
LIST OF MEMBERS**

APPENDIX - I.

Comparative Freight from India and Japanese Ports to different Destinations.

Country	Ports.	Distance from Calcutta in Sea miles.	Freight from Calcutta for Sewing Machines.	Tonnage	Distance from Japan, (YOKOHAMA)	Rs. (Before the Suez Crisis).	Rs. After the Suez Crisis.	Rate from YOKOHAMA & Other main JAPANESE PORTS per ton of 40 Cft.
U. S. A. (Atlantic) :-	1. Boston 2. New York 3. Philadelphia 4. New Orleans 5. Loss Angels	9597 9797 9947 11272 11510	Rs. (After the Suez Crisis) 292.08 * -do- * -do- * -do- *	Rs. (Before the Suez Crisis) 266.40 -do- -do- -do- -do-	40 Cft. -do- -do- -do- 40 Cft/ 16 Cwts.	10315 10010 10000 9410	48.00 309.60	
U. S. A. (Pacific Ports) :-	1. San Francisco 2. Vancouver	11210 20810	-do- * -do- *	-do- -do-	40 Cft. -do-	4880 4350	38.04 232.08	
CENTRAL AMERICA :	1. San Jose De Gautemela	13810	444.00 **	-do-	-do-		144.00 38.04	232.08
CANADA :	1. Halifax 2. Montreal (Direct)	10472 9812	272.00 * -do-	242.00 -do-	-do- -do-			
FIJI :	1. Suva or Lautoka	7510	282.00	232.00	50 Cft.		150.00	192.00
NEW CALEDONIA .	1. Noumea	6968	310.00	250.00	-do-			
ANGLO EGYPTIAN SUDAN :	1. Port Sudan	3855	115.00	115.00	-do-		106.00	100.00
FAR EAST : BURMA :	1. Rangoon	740	75.50	75.50	-do-	4090	74.00	64.00

MALAYA :	1. Penang	1315	96.00	86.00	50 Cft.	3334	48.00	48.00
	2. Port Swettenham :	1465	96.00	86.00	-do-	2950	46.00	46.00
	3. Singapore	1670	96.00	86.00	-do-	...	48.00	...
	4. Port Swettenham) (Via : Penang) :	1465	154.00	154.00	-do-	1750	115.02	18.00
PHILIPPINE :	1. Manila	3260	216.00	216.00	-do-	2900	3220	
MEDAN (JAVA) :	1. Belwan Deli	1385	120.00	111.00	-do-			
CELEBES (JAVA) :	1. Macassar	2995	136.50	133.50	-do-			
JAVA :	1. Samarang	2670	110.00	101.00	-do-			
COASTAL PORT :								
PAKISTAN :	1. Karachi	2565	67.00	67.00	-do-	4490	28.00	31.00
	2. Chittagong	354	50.00	50.00	-do-			66.00
CEYLON :	1. Colombo	1255	72.50	65.00	-do-	4505	52.00	56.00
INDIA :	1. Cochin	1505	71.00	67.50	-do-	4515	23.00	24.00
	2. Madras	785	45.50	43.50	-do-	4605		
	3. Bombay	2155	45.50	43.50	-do-			
PERSIAN GULF :								
IRAN :	1. Bunder Abbas	4685	156.00	104.00	-do-	9515	Persian Gulf	33.00
	2. Khoranshahr	2993	168.00	112.00	-do-	7823	Rs. 34.00	
	1. Basra	3305	179.00	119.00	-do-	8135		
	2. Kuwait	2981	156.00	104.00	-do-	7811		

NOTE : (i) The original rates in U. S. Dollars and Sterling Shillings have been converted into Rupees at the exchange rates prevailing on the date of the Memorandum. The comparative rates from Japanese ports after the Suez Crisis were not available at the time of writing.

(ii) * Plus 15 per cent surcharge.
** Plus 7½ per cent surcharge.

LIST OF MEMBERS

1. M/s. Aminchand Payarelal,
135, Canning Street,
Calcutta-1.
2. The Anglo-Swiss Watch Company,
6 & 7, Dalhousie Square East,
Calcutta-1.
3. M/s. Atta's Iron Foundry,
171, Grand Trunk Road (North)
Salkia, Howrah.
4. M/s. B. R. Herman & Mohatta (India) Ltd.,
19, British Indian Street, Calcutta.
5. M/s. B. S. Bugga & Co.,
22, Canning Street,
Calcutta-1.
6. M/s. Bagri Iron & Steel Co.,
138, Canning Street,
First Floor, Room No. 20,
Calcutta-1.
7. M/s. Batliboi & Co.,
Forbes Street, Fort,
Bombay.
8. M/s. Behar Firebricks & Potteries Ltd.,
22, Strand Road,
Calcutta.
9. M/s. Bengal Rolling Mills Ltd.,
67/B, Netaji Subhas Road, Calcutta.
10. M/s. Bharat Barrel & Drum Mfg. Co., Ltd.,
95, Ferguson Road,
Lower Parel,
Bombay-13.
11. M/s. Bharat Industries and Commercial Corporation,
Tower House,
Chowringhee Square,
Calcutta-1.
12. M/s. Bhartia Electric & Steel Co., Ltd.,
8, Swinhoe Street,
Calcutta-19.
13. M/s. Binani Metal Works Ltd.,
38, Strand Road,
Calcutta.
14. M/s. Burn & Co., Limited.,
Managing Agents :
Martin Burn Ltd.,
12, Mission Row,
Calcutta
15. M/s. Calcutta Expanded Metal Mfg. Co., Ltd.,
P-16, Kalakar Street,
Calcutta-7.
16. M/s. Cooper Engineering Ltd.,
Satara Road, (S. Rly),
South Satara District,
Bombay State.
17. M/s. Chunnilal Prabhudas & Co., Ltd.,
55/58, Canning Street,
Calcutta.

18. M/s. Cromelite (India) Private Ltd.,
149, Harrison Road,
Calcutta-17.
19. M/s. Carborandum Universal Ltd.,
Swastik House,
106, Armenian Street,
Madras.
20. M/s. Dandayuthapani Foundry Private Ltd.,
Post Box No. 278,
Pappanaickenpalayam,
Coimbatore,
21. M/s. Engg. Works of India Private Limited,
20, Ultadanga Road,
Calcutta-4.
22. M/s. Eyre Smelting Private Ltd.,
5, Hide Road,
Kidderpore,
Calcutta-23.
23. M/s. East End (India) Co., Ltd.,
35, Chittaranjan Avenue,
Calcutta-12.
24. M/s. G. G. Dandekar Machine Works Ltd.,
Dhandekarwadi,
Bhiwandi,
Thana District.
25. M/s. Guest, Keen, Williams Ltd.,
41, Chowringhee Road,
Calcutta.
26. M/s. Godrej & Boyce Manufacturing Co. Private Ltd.,
Lalbaug, Parel,
Bombay.
27. M/s. Good Earth & Co.,
16, Ajmere Gate
Extension, New Delhi.
28. M/s. Gramophone Co., Ltd.,
Post Box No. 48,
Calcutta.
29. M/s. Gobindo Sheet Metal Works and Foundry,
210, Harrison Road,
Calcutta.
30. M/s. Grindwell Abrasives Ltd.,
Post Box 78,
Bombay-1.
31. M/s. Harbanslal Malhotra & Sons Private Ltd.,
18, Netaji Subhas Road,
Calcutta.
32. M/s. Heatly and Gresham Ltd.,
Post Box No. 225,
9, Forbes Street,
Bombay-1.
33. M/s. Hindustan General Electrical Corporation,
12, India Exchange Place, Calcutta.
34. M/s. Hindustan Motors Ltd.,
8, India Exchange Place,
Calcutta-1.
35. M/s. Howrah Trading Co., Ltd.,
8, Dalhousie Square
East, Calcutta-1.
36. M/s. India Electric Works Ltd.,
Diamond Harbour Rd.,
Behala, Calcutta-34.

37. M/s. India Industrial Works Ltd.,
55/1, Dharamtolla Rd.,
Salkia, Howrah.
38. M/s. Indian Iron & Steel Co., Ltd.,
12, Mission Row,
Calcutta.
39. M/s. Indian Steel & Wire Products Ltd.,
Indranagar, P.O., S.E.
Rly., Jamshedpur.
40. M/s. J. J. H. Industries (Private) Ltd.,
174, Mahatma Gandhi, Road, Calcutta-7.
41. M/s. J. K. Steel Industries Ltd.,
7, Council House Street, Calcutta-1.
42. M/s. Jay Engg. Works Ltd.,
183/A, Prince Anwar Shah Road,
Calcutta-31.
43. M/s. Jeewanlal (1929) Ltd.,
31, Netaji Subhas Rd., Calcutta-1.
44. M/s. Jyoti Ltd.,
Post Chemical Industries,
Baroda-3.
45. M/s. Kalinga Tubes Ltd.,
33, Chittaranjan Avenue, Calcutta.
46. M/s. Karnani Metal Fabricators & Electro Depositors,
3/1, Mohan Bagan Lane, Calcutta-4.
47. M/s. Kirloskar Oil Engines Ltd.,
Elphinstone Road, Kirkee, Poona-3.
48. M/s. Krishnalal Thirani & Co., Ltd.,
8, India Exchange Place, Calcutta.
49. M/s. Kumardhubi Fireclay and Silica Works Ltd.,
Chartered Bank Buildings, India Exchange Place, Calcutta.
50. M/s. Kirloskar Bros. Ltd.,
Kirloskarwadi, South Satara District.
51. M/s. Khemchand Rajkumar,
33, Netaji Subhas Rd., Calcutta.
52. M/s. Kulkho Engineering Works Ltd.,
Ichalkaranji, Kolhapur District, Bombay State.
53. M/s. Kumardhubi Engg. Works Ltd.,
Chartered Bank Buildings, India Exchange Place, Calcutta.

54. M/s. Krudd Industries Ltd.,
20/21, Stephen House,
4, Dalhousie Square
East, Calcutta.
55. M/s. Larsen & Tubro Ltd.,
I.C. House, Dougall
Road,
Ballard Estate, Bombay.
56. M/s. Matchwell
Electricals Private Ltd.,
4/11, Asaf Ali Road,
Post Box No. 156,
New Delhi.
57. M/s. Mahindra &
Mahindra Ltd.,
Hall & Anderson
Buildings,
31, Showringhee Road,
Calcutta.
58. M/s. Malleable Iron &
Steel Castings Co.,
Mathurdas Mills
Compound,
Lower Parel,
Bombay-13.
59. M/s. Mansfield Oil Gas
Co., Ltd.,
16, Radhanath
Chowdhury Road,
Calcutta-15.
60. M/s. Maya Engg.
Works Private Ltd.,
200-A, Shyamaprasad
Mookerjee Road,
Calcutta.
61. M/s. Metal Box Co.
of India Ltd.,
"BARLOW HOUSE"
59-C, Chowringhee
Road, Calcutta-20.
62. M/s. Motor Machinery
Manufactures Ltd.,
31, Chittaranjan
Avenue, Calcutta.
63. M/s. M. L. Shroff,
12, Chowringhee Rd.,
Calcutta.
64. M/s. Mazagon Dock
Limited,
Dockyard Road,
Mazagon, Bombay.
65. M/s. M. C. Mowjee
& Co.,
46, Ezra Street,
Calcutta-1.
66. M/s. Macneill & Barry
Limited,
2, Fairlie Place,
Calcutta-1.
67. M/s. Metal Goods
Manufacturing Co.
Private Limited,
Vidyapith Road,
Benares-2.
68. M/s. Mysore Kirloskar
Limited,
Yanthrapur, P.O.,
Harihar (Mysore State).
69. M/s. National
Machinery
Manufacturers Ltd.,
Post Box No. 3,
Thana, Bombay,
Calcutta.
70. M/s. Nathmull
Girdharilal,
22, Burtolla Street,
Calcutta-7.
71. M/s. National Carbon
Co. (India) Ltd.,
18A, Brabourne Road,
"POLLOCK HOUSE",
Calcutta-1.

72. M/s. National Bearing Co., Ltd.,
Managing Agents:
Birla (Gwalior) Private Limited,
India Exchange
5th floor, Calcutta-1.
73. M/s. National Iron & Steel Co., Ltd.,
51, Stephen House
4, Dalhousie Square,
Calcutta-1.
74. M/s. Oriental Metal Industries, Ltd.,
77, Bow Bazar Street,
Calcutta-12.
75. M/s. Orient General Industries,
6, Ghore Bibi Lane,
Narkeldanga,
Calcutta-11.
76. M/s. Praga Tools Corporation Ltd.,
17, Saifabad,
Hyderabad.
77. M/s. Premier Automobiles Ltd.,
Agra Road, Kurla,
Bombay-37.
78. M/s. Punjab Engg. Works,
77, Netaji Subhas Rd.,
Calcutta-1.
79. M/s. Ramchander Heeralal,
138, Canning Street,
Calcutta.
80. M/s. Radio Lamp Works Ltd.,
45-47, Veer Nariman Road, Bombay-1.
81. M/s. Rajendra Metal Industries,
173, Ramesh Dutt St.,
Calcutta-6.
82. M/s. Roger Engineering Works,
137, Canning Street,
Calcutta-1.
83. M/s. Shree Viswakarma Industries,
192, Cross, Street,
Calcutta-1.
84. M/s. Shree Ram Mills Ltd.,
Ferguson Road,
Parel, Bombay-13.
85. M/s. Shree Krishna Private Limited,
20, Mangoe Lane,
Calcutta-1.
86. M/s. Shree Bajrang Electric Steel Co., Ltd.,
83, Old China Bazar Street, Calcutta-1.
87. M/s. Shree Laxmi Iron & Steel Co., Limited,
P16, Kalakar Street.,
Calcutta-7.
88. M/s. Sen Pandit Ltd.,
Mercantile Buildings,
Lallbazar Street,
89. M/s. Shalimar Tar Products (1935) Ltd.,
6, Lyons Range,
Calcutta.
90. M/s. Shanker Industries,
192, Cross Street,
Calcutta.

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| 91. M/s. Shree Luchminarain
Jute Mfg. Co., Ltd.,
59, Netaji Subhas Rd.,
Calcutta. | 98. M/s. Tayabi Bucket
Factory,
174-178, Janjiker Street,
Bombay-3. |
| 92. M/s. Swastik
Manufacturers Ltd.,
89, Sarojini Devi Road,
Secunderabad. | 99. M/s. Thakurdas
Surekha Iron Foundry
Limited,
10, Goho Road,
Ghusury, HOWRAH. |
| 93. M/s. Standard Batteries
Ltd.,
Vakola, Santa Cruz,
Bombay-25. | 100. M/s. Textile Machinery
Corporation Limited,
Belghuria,
24-Parganas. |
| 94. M/s. Steel & Allied
Products Ltd.,
6, Old Post Office
Street, Calcutta-1. | 101. M/s. Textool Co., Ltd.,
Post Box No. 221,
Coimbatore. |
| 95. M/s. Structural Engg.
Works Ltd.,
Maneckji Wadia Bldgs.
127, Mahatma Gandhi
Road, Fort,
Bombay-1. | 102. M/s. United Engg.
(Eastern) Corpn.,
22, Canning Street,
Calcutta-1. |
| 96. M/s. Tata Iron & Steel
Co., Ltd.,
23-B, Netaji Subhas
Road, Calcutta-1. | 103. M/s. Voltas Ltd.,
16, Graham Road,
Ballard Estate,
Bombay-1. |
| 97. M/s. Tatanagar
Foundry Co., Ltd.,
51, Stephen House,
4, Dalhousie Square,
Calcutta-1. | 104. M/s. Indian Conduit
Industries,
G. T. Road,
Panipat. |

LIST OF MEMBERS (B)

(*Ex Officio*)

1. Shri D. C. Driver,
M/s. Shree Laxmi Iron & Steel Works Ltd.,
India Exchange (7th Floor), Calcutta-1.
2. Shri I. C. Gupta,
M/s. India Cycle Mfg. Co., Ltd.,
4, Clive Ghat Street, Calcutta-1.
3. Shri Ghanashyamdas Binani,
M/s. Binani Metal Works Limited,
38, Strand Road, Calcutta-1.
4. Shri Babubhai M. Chinai—*President*,
Federation of Indian Chambers of Commerce &
Industry,
C/o. National Rayon Corporation Limited,
Ewart House, Bruce Street,
Fort, Bombay.
5. Shri G. L. Bansal—*Secretary-General*,
Federation of Indian Chambers of Commerce &
Industry,
28, Ferrozshah Road, New Delhi.
6. Shri A. P. Mathur,
Joint Chief Controller of Imports & Exports,
4, Esplanade East, Calcutta-1.
7. Shri A. S. Bam, I.C.S.,
Iron and Steel Controller,
33, Netaji Subhas Road, Calcutta-1.
8. Dr. A. Nagrai Rao—*Chief Industrial Adviser*,
Government of India,
Ministry of Commerce and Industry,
Development Wing, New Delhi.